

## The Brexit Vote

The UK Parliament on March 12<sup>th</sup> inflicted a defeat on PM May, rejecting her Brexit deal by 242 to 391 – a majority of 149. While this is a smaller margin of defeat than it was in January 2019, (majority against her was 230); the big question now is what, if anything, the PM can salvage from here.

PM May's immediate response was the deal on offer is the only deal available; and stressing that no deal is not in the UK's interest. She confirmed that the next step is for UK Government to table a motion, to be voted on today (March 13<sup>th</sup>), to take the House's view on whether it supports 'no deal' and that this will be a free vote. She also said that, should the House reject this there will be a vote on Thursday (March 14<sup>th</sup>) on extending Article 50. Crux of her argument remains the same: these votes, whichever way they go, do not solve the issue, because no deal is the default unless the House votes for a deal.

### Future of Brexit: An Ambiguous road ahead

- With the deal having been rejected twice, by a massive margin on both occasions, and with the Government's room for manoeuvre reducing by the day, it is not obvious where they go next.
- In normal political times, questions would be posed about the immediate future of the PM who cannot deliver her flagship policy. This may yet come – and each blow to her authority surely reduces her longevity further – but the PM's immediate response appears to be typical: ploughing on and hoping for a change.
- The immediate speculation is that the PM may look to return to Parliament for another, third, meaningful vote, potentially to be tabled around the EU summit next week. The thinking here is that Brexiteers, with minds focussed by Parliament's ruling out of no deal and with an extension of A50 in the offing, would finally swing into line behind the only Brexit deal available to them.
- Such a process may however rely on the PM being able to extract further concession from the EU and there is little appetite for this on the European side (ahead of the vote, Michel Barnier [tweeted](#) to stress that only the UK can solve this impasse and that the EU will be stepping up 'no deal' preparations - a vivid demonstrating of their hardening public stance on negotiations).
- In Parliament, UK MPs will have the opportunity in the next two days (13<sup>th</sup> – 14<sup>th</sup> March) to rule out no deal and stress their support for extending Article 50. They are likely to do both, but the question is whether they will take further control. With the Government promising that motions on Wednesday and Thursday will be amendable by MPs, Thursday's vote may well see the tabling of a revived Cooper/Boles/Letwin amendment calling for a series of indicative votes on different options.
- Whichever way PM May responds in the days to come, **she is right about the fact that without agreement on an alternative, no deal is the default**. That outcome might be closer because the UK Government and MPs seem unable to find a way through the impasse. **A**

**delay to Brexit now seems inevitable.** Whether it is a delay on the way to a managed exit, a no deal or a General Election to break the deadlock remains to be seen.

Impact on NASSCOM members in the UK: No direct impact at this stage; apart from the continued uncertainty regarding the Brexit process, and nuances of the separation.