

One Minute Memo[®]



Breaking News — Supreme Court Confirms that the UK Parliament Must Vote to Trigger Brexit

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The Supreme Court, the UK's highest court, has today handed down its judgment that the outcome of the Brexit referendum does not give the government the unilateral right to trigger the process for the UK to leave the European Union. The Supreme Court also decided that the other nations that make up the UK, including Scotland, are not entitled to a separate vote on whether the UK leaves.

The UK Parliament must now vote in favour of Brexit in order for it to happen.

This is a setback to the UK government, led by Prime Minister Theresa May, who had asserted that the outcome of the referendum vote had already given the government a right to proceed without Parliamentary approval, although, in anticipation of the decision, the Prime Minister had already confirmed that Parliament will have a vote on her government's proposed new deal with Europe, once that is finalised. The government have set a target of triggering Brexit by 31 March 2017. The main opposition party in the UK Parliament, the Labour Party, have already stated that they will support the 'vote to leave' so the target date is still likely to be met.

However, as the matter must be debated in Parliament before it is voted on, this debate will again highlight the divisions across the political, regional, age (and social) spectrum in respect of Brexit, particularly since the Scottish government and the UK's third largest party, the Liberal Democrats, have stated that they will vote against leaving or table amendments to the proposed terms on which the UK government can trigger Brexit.

From a commercial perspective, the Supreme Court's judgment is a positive outcome because it has clarified much of the uncertainty as to how the Brexit process will be managed. Other countries, including the United States, are lining up to do free trade deals with the UK, so confidence amongst the commercial sector remains high.

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