

Brexit in spotlight at G7 meeting in Japan

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Japan: Britain's possible exit from the European Union took centre stage at a G7 meeting in Japan today, as UK finance minister George Osborne warned a "Brexit" could doom trade deals with EU countries.

The comments came during two days of talks largely focused on how the club of rich nations can stoke the lumbering world economy, with terrorism financing and a sharp divide over currency policy also on the table.

As the vote on Britain's future in the EU draws closer, Osborne said his meetings with G7 counterparts underscored the gravity of the in-out decision next month.

"If Britain left the EU, and wanted access to the single market... then we would need to pay into the EU budget and we'd have to accept free movement of people but we'd have no say over those policies at all," Osborne told the BBC.

Britain will decide in a referendum on June 23 whether to stay in the EU or leave the 28-country bloc.

Chancellor of the Exchequer Osborne, like Prime Minister David Cameron, is campaigning for Britain to stay in.

"If we left the EU we would have a two year period to negotiate our exit with 27 other countries, we'd then have to negotiate new arrangements... and at the same time conclude over 50 trade deals with countries that aren't even in Europe," he said.

"That would be extremely difficult to do."

During that period, businesses would have "no certainty" about the future and so would not take on new workers or invest, he said.

"It hits people's incomes, it hits the value of houses, it hits businesses and jobs. People are beginning to understand that," said Osborne.

European Economic Affairs Commissioner Pierre Moscovici, attending the meetings at a famous hot spring resort in northern Japan, said the G7 "which also includes the US, Japan, Germany, France, Italy and Canada" backed Britain remaining in the EU.

"It is obvious that all the partners around the table want Great Britain to stay inside the EU and we are all aware that the situation would be bad, it would be a loss" if it left, Moscovici said.

We have no "plan B"

"When you start having a "plan B" it means that you don't believe in your plan A. There is just one plan: the United Kingdom inside a united Europe."

With just over a month to the vote, the "Remain" camp is on 55 per cent and the "Leave" campaign on 45 per cent, according to the What UK Thinks website's average of the last six opinion polls.

- PTI