

## Of course employment is falling

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Everyone seems surprised that net UK employment is falling, by 56,000 in the last quarter. Sure, it breaks a trend:

But let's be clear about why it is happening. It is the Brexit effect. If you tell people not to come to the UK to work, and they don't, and it is those coming to the UK who have fuelled the rise in the above chart, then of course the number in employment will fall. We need to get used to it. Employment and GDP will both be falling because of Brexit.

And so what, you might ask? This does not matter if in practice real wages are rising, and so is GDP per capita. On the former we have data:

Real wages are falling.

And per capita GDP? It's too early to say, but I expect it will too. People came here because they were useful, after all. Logically that will follow.

Get used to it: this is the new British economic paradigm.

I'd be grateful if the Bank of England took note.