

Toyota warns could leave UK under no-deal Brexit: report

7 March 2019



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Toyota Europe's CEO has warned the firm could end production in Britain by 2023 if the country exits the European Union without a deal, the Nikkei business daily said Thursday.

Speaking at the Geneva Motor Show, Johan van Zyl told reporters that "if the business environment becomes very, very difficult to operate," a withdrawal "should be on the agenda as well," the Nikkei said.

He also raised other less drastic possibilities, including scaling back production or investment, the daily said.

A Toyota spokesman confirmed van Zyl's comments.

"In the exchange of questions and answers with Japanese reporters there, he replied to a question on whether future withdrawal from the business in the UK is possible, saying it is 'an option', in general terms," the spokesman told AFP.

"Of course we have to compete and the [business](#) environment is important," the spokesman added.

But he stressed that Toyota's position on Brexit was unchanged, namely "that a hard landing is not desirable."

"But we don't know what will happen and nothing's been decided yet," he said.

The reported 2023 date is related to the firm's production cycle.

Britain is due to leave the European Union on March 29, but months of negotiations on a deal to govern post-Brexit ties have so far failed.

The British parliament is due to vote next week on a final version of a proposed exit deal. But if MPs again reject it, they will then vote on whether to leave with no deal or delay Brexit.

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Last month, Honda announced it would shut a major plant in Britain, putting 3,500 jobs at risk and becoming the latest Japanese firm to downsize operations as Brexit looms.

The firm's president insisted the move was not related to Brexit, but analysts said while the downsizing had been long in the works, the timing of the decision was almost certainly linked to concerns about Britain crashing out of the EU.

Japanese firms Sony, Panasonic and Hitachi are also scaling back operations in Britain ahead of the country's departure from the European Union.

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APA citation: Toyota warns could leave UK under no-deal Brexit: report (2019, March 7) retrieved 12 April 2021 from <https://phys.org/news/2019-03-toyota-uk-no-deal-brexit.html>

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