



The EU Referendum and ‘Brexit’

While the trade bodies in our sector did not take a stance going into the EU referendum, the industry will need to express views on what should happen next, pre-and post-Brexit.

With this in mind, the ECA, BESA and SELECT recently issued a sector-wide survey of *initial views* across the building services sector, on the possible implications of Brexit. The survey results are summarised here. There were some 700 responses to the survey during August and September.

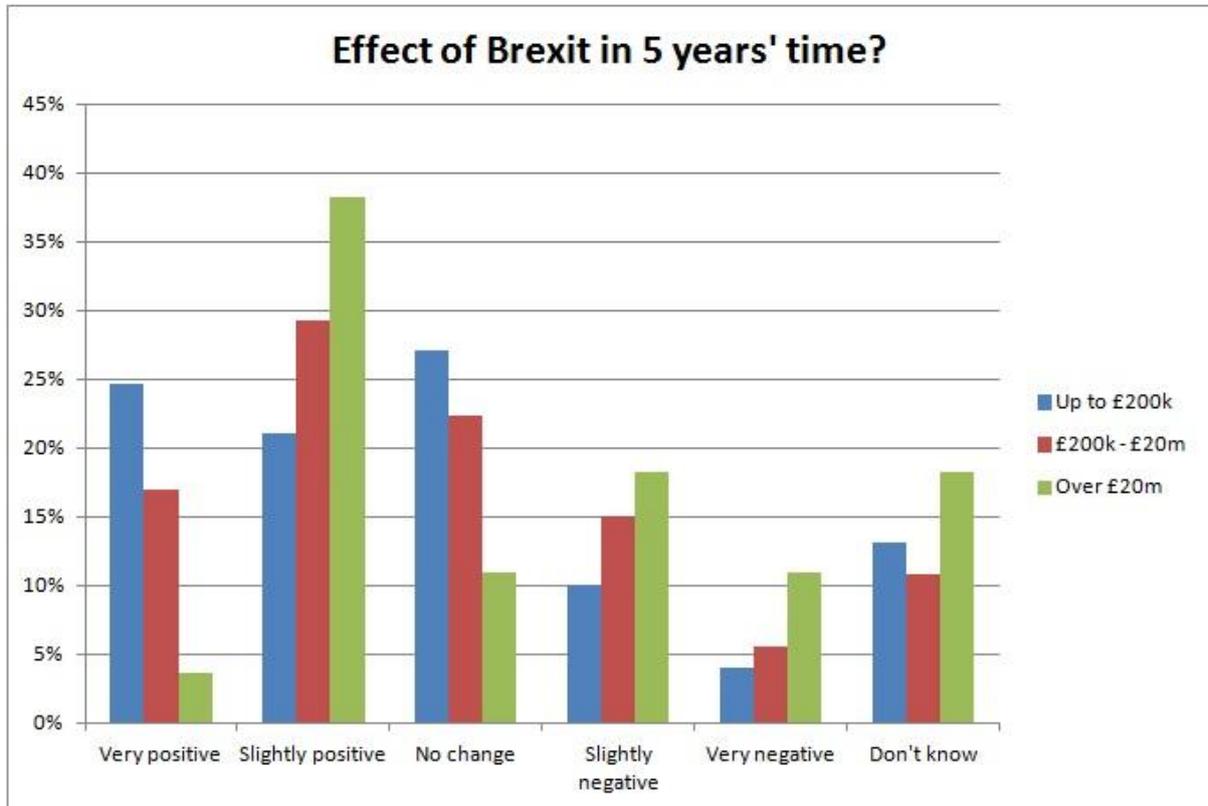
Brexit survey – main findings

Almost half of survey respondents (46 per cent) believe Brexit will have a positive impact on their company in just five years’ time, with less than one in five (19 per cent) saying it will have a negative impact. (23 per cent said it would have no discernible impact). However, the largest contractors in the survey (with over £20 million turnover) are slightly less optimistic about the short term business prospects than smaller contractors.

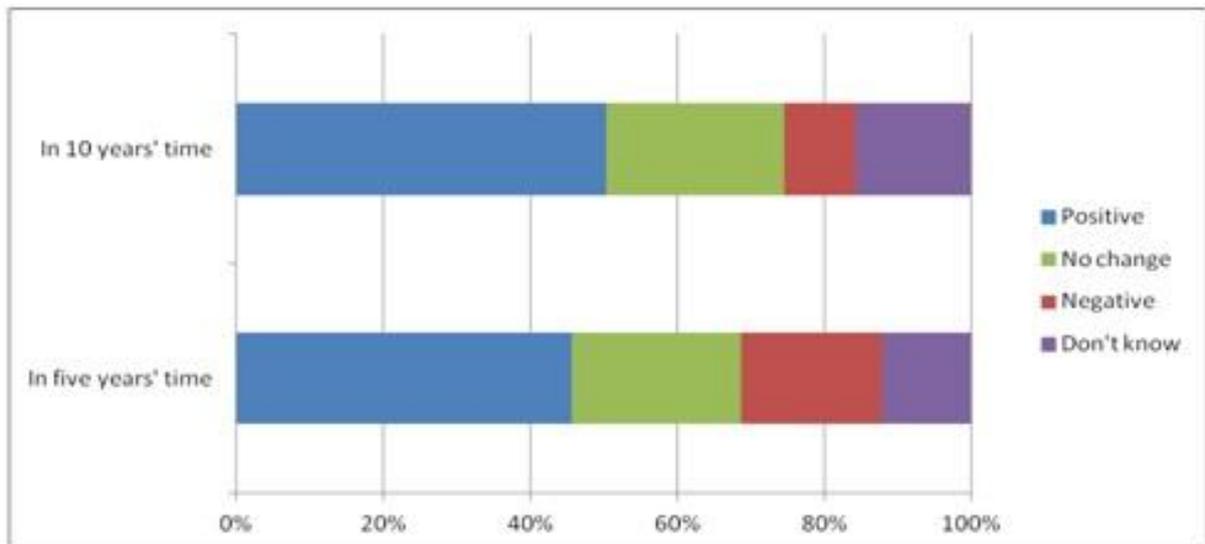
The sector puts maintaining access to the EU ‘Single Market’ at the top of its list of Brexit aspirations, closely followed by more control of employment law and the need to negotiate non-EU trade deals. Despite the general positivity about Brexit, 47 per cent of respondents say they believe the cost of materials will rise as a result, while only 22 per cent do not think Brexit will cause this to happen.

Reflecting a general tendency to use skilled UK rather than EU workers, the vast majority (92 per cent) of respondents say they ‘do not rely on EU migrant workers’, and only 25 per cent agree that Brexit would ‘worsen the shortage of qualified workers’. In addition, just 1 in 6 respondents (17 per cent) said that maintaining freedom of movement was their top priority. Some 71 per cent of the largest contractors (over £20 million turnover) report they did not rely on EU workers, indicating more reliance than the average for the sector.

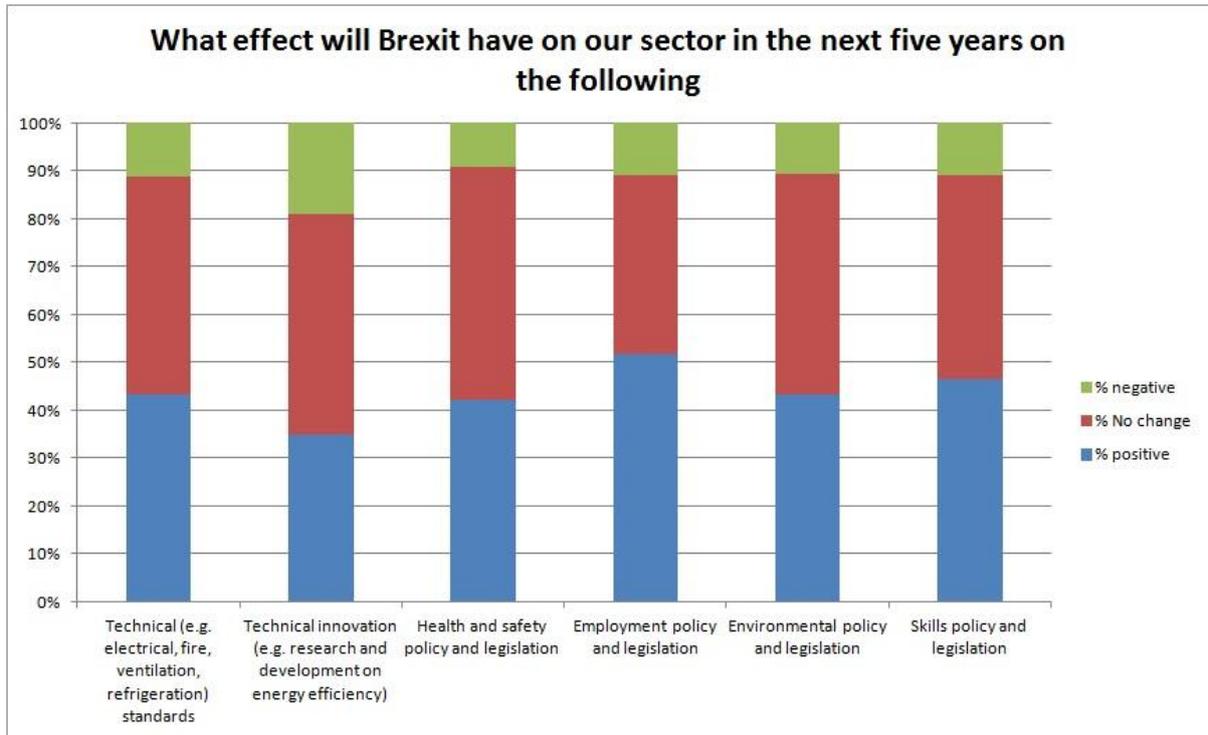
Overall results – Effect of Brexit in five years' time – by annual turnover



Overall results – Effect of Brexit in five and 10 years' time



Overall results – Effect of Brexit by policy area in the next five years



Overall results – Impact of Brexit on skills shortages in the sector

