Introduction

1. The NFRC has 103 trade and supplier members based in Scotland, and a number of other members who carry out work in Scotland. Combined with economic uncertainty, there is no doubt that the vote to leave the EU has had and will continue to have an impact on construction.

2. Whilst the Scottish Government has given support to investing in infrastructure projects, until it becomes clear when Article 50 will be triggered, how much of a role Scotland will play in the negotiations and if there will be a further independence referendum, uncertainty will remain.

3. Additionally, restrictions on freedom of movement within the EU will have a profound impact on the construction industry. Should workers from EU countries be restricted from entering the UK, we could face a skills shortage in specialist construction sectors. Training workers in these skills takes time and planning. Over 95% of recently surveyed NFRC members stated this was their biggest concern over leaving the EU.

4. The Brexit negotiations will determine which pieces of legislation that originated in Europe will remain and which will be amended or repealed. Modifications to those directives governing carbon emissions, energy efficiency and support for renewable energy will impact the roofing sector and require familiarisation with new codes of practices etc.

5. A recent survey of members of National Federation of Roofing Contractors identified Access to the Single Market as the most important issue to be resolved in the Brexit negotiations, followed by the future of EU legislation, free movement of workers and the impact on investment in infrastructure projects.

Skills and Training

6. Under the principle of freedom of movement, EU nationals have the right to work in the UK without being subject to immigration controls. Many work within the construction sector – equating to 6.7% of the total construction workforce. The ability to employ EU nationals easily has filled a proportion of the skills gap but there still remains a persistent shortage of roofers qualified in specialist skills.

7. Over 80% of those surveyed by the National Federation of Roofing Contractors identified the need for skilled labour as a key area that will be impacted by Brexit. Investment in skills and training by SMEs is burdensome and time-consuming, but the roofing sector actively participates in apprenticeships and training in order to ensure a skilled workforce.
8. Should free movement be restricted in any way, the roofing sector will be required to plan ahead. Training in specialist skills can take several months, if not longer and in order to fulfil demand, roofing companies and the wider construction industry will need to begin training programmes well before these restrictions come into place.

9. NFRC would like to see those EU Nationals already working in the UK to be able to remain and continue to work in the sector. Additionally, it is essential that whatever system of immigration control that is implemented by the UK Government allows for the roofing and wider construction industry to recruit skilled workers from within the EU. Longer term, 89.6% of NFRC members surveyed stated that they believe there must be a renewed impetus to train and retain UK citizens. However, the immigration system must allow for a skilled workforce of all nationalities.

Access to Single Market

10. At the moment, NFRC members will shy away from bidding to deliver projects across EU borders due to uncertainty. Any impact in the trading relationship with the EU will have an impact on business planning and development and the ability to import raw materials from within the EU.

11. NFRC members greatly benefit from being part of the European Single Market and strongly urges a preferential trading partnership to be a key component of the negotiations. Increased tariffs will be means increased costs for an already constrained sector. Over 93% of members surveyed stated that any new trading agreement must not significantly increase costs due to higher tariffs.

EU Legislation

12. The impact of EU legislation is wide, covering employment, public procurement, health and safety and environmental regulations. Uncertainty over what legislation will remain and what will be repealed (and under what time frame) will have a negative impact on the industry.

13. The roofing sector is governed by standards, directives and targets, some of which originate from the EU and some from National Governments. In order to ensure that their work is compliant, the industry must have sufficient lead in time to ensure that changes can be implemented effectively and with as little disruption as possible. Staff will possibly need to be re-trained in certain areas, such as safety standards and this must be taken into consideration.

Conclusion

14. Ensuing that there is a smooth and informed transition from EU membership to leaving the EU is essential. Businesses need to plan ahead and ensure that there are sufficient numbers of correctly trained craftsmen to service the construction sector in the UK.
15. Additionally, the NFRC feels that, although the Prime Minister has stated that the Government will not give a ‘running commentary’ on negotiations, regular updates would be helpful.

16. Finally for business who are based in Scotland, and who operate in Scotland, the issue of Scottish independence must be resolved so that those who work in Scotland can plan similarly. The impact of another referendum will be as profound as that of the vote to leave the EU.