

EU steel tariff hike could result in price drop but would drive uncertainty for UK construction industry – BCIS chief economist

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In response to recent news about the potential EU steel tariff increase, Dr David Crosthwaite, chief economist at [Building Cost Information Service](#) (BCIS) has shared his comments.

He points out that while the implications are dire for the domestic steel industry, if approved it may result in a price drop on steel products for the UK construction industry, but cautions trade wars generally continue to drive uncertainty.

Dr Crosthwaite said: “A potential increase in the EU import tariff would be a dire outcome for our domestic steel industry and another door closed. It’s clearly a protectionist move to safeguard EU producers and will require UK steel businesses to find alternative markets.

“Assuming the higher tariff is approved by the European Parliament, it’s unlikely to be enforced until 2026.

“The implications for the UK construction sector shouldn’t be too drastic and may even result in a price drop on steel products if there’s a surplus.

“That said, trade wars generally continue to drive uncertainty and this has been a contributing factor in the deferred investment decisions seen this year.

“After a relatively uninspiring few months of construction output growth, greater geopolitical stability

would be welcome to support future output levels.”