

Gas Junction House,  
Finglas Village,  
Dublin 11.

To- The Secretary,

The Labour Court,  
Landsdowne House,  
Landsdowne Rd.

Dublin 4.

RE: Mechanical Engineering and Building Services Contracting Industry.

Proposed Examination of Terms and Conditions.

Dear Secretary,

We along with our colleagues in the Heating and Plumbing Association of Ireland represent the majority of the smaller contractor's country wide in the above sector.

We feel that the sectoral employment orders as currently constituted for the industry have a lot of shortcomings.

While Ireland is a small country it is effectively a two-tier economy. While there appears to be a vibrant and booming economy in the Greater Dublin area and to a lesser extent one or two other major Urban Centre's, this does not mean that all sectors of the Industry are booming in these areas. In addition, the economy in large sections of the country is still very depressed.

This industry can be divided roughly into three parts- Heavy Industrial, Commercial and domestic.

By and large wages and conditions are negotiated and agreed at a high level between the major players in the Industry without any input from or discussion with the smaller contractors who in fact employ far more Craftsperson's than the smaller group of larger contractors.

While it is right and proper that all workers are well paid, the ability to pay must also be taken into account.

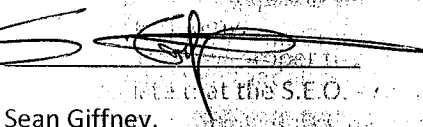
This in turn is controlled by what the market will bear. Rural based contractors in particular, are not able to achieve the rates required to satisfy the conditions of the Current S.E.O., never mind a further increase.

A worker living and working in say a western county has cheaper living costs than in Dublin but this is also reflected in the rates available to the employer. Even in the major Urban areas a domestic/light commercial contractor cannot hope to charge rates anything near those enjoyed by those working on major projects. The effect of all this (if not rectified) is that the small/medium contractors will be forced out of business to be replaced to a degree by a large number of one-man operators, but mainly the work will be lost to the black/grey economy.

We appreciate that the S.E.O. system is relatively new, but at this stage it requires a root and branch review

Taking all factors into account. We would welcome the opportunity to engage with you further on behalf of the small/medium sized contractors on these important issues.

Yours Sincerely



Sean Giffney,

Chairman

On behalf of the Board of Directors.

23<sup>rd</sup> September 2019