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The Electricians' Strike is now suspended but many Contractors and Sub-Contractors are concerned about the contractual liability for the delays which have been caused. Quigg Golden sets out the contractual position under the RIAI and New Public Works form of building contracts.

Key Points

1. The Strike can be grounds for an extension of time – this means that the Employer or Main Contractor cannot impose liquidated damages for late completion of the contract;
2. The Strike must be properly notified to the Architect, Employer's Representative or Contractor;
3. The Strike does not give rise to a delay cost claim.

Giving Notice

This should be done precisely in accordance with the requirements of the contract. Contractors and Sub-Contractors working under the New Public Works Contracts should be especially careful in this regard.

The Contract Clauses

RIAI Main Contract

Clause 30 of the RIAI Main Contract states:

*“If in the opinion of the Architect the Works be delayed:
(e) by reason of ...strike or lockout affecting any of the trades employed upon the Works then in any such case the Architect shall, as soon as it is possible for him to do so, make a fair and reasonable extension of time for the completion of the Works. Upon the happening of any such event causing delay, the Contractor shall immediately give notice thereof in writing to the Architect but he shall nevertheless use constantly his best endeavours to prevent delay and to proceed with the Works.”*

RIAI/CIF Sub Contract

Clause 7 (b) (ii) of the RIAI/CIF Sub Contract provides that the same delay provisions of the RIAI Main Contract shall apply to the Sub Contract.

New Public Works Contracts

Schedule 1 (k) of the New Public Works Contracts provides that “A strike or lockout affecting the construction industry or a significant part of it...” shall be a Delay Event and give rise to an extension of time if the proper notice provisions are followed. However, it is not a Compensation Event.

New Public Works Sub Contracts

Clauses 9 and 10 provide that the same delay provisions of the Main Contract shall apply to the Sub Contract.

Disclaimer

This email is for guidance only. It should not be relied upon without obtaining specific professional advice. The situation will be different where bespoke or amended contracts are used.

Chris Lundy, Executive Secretary of the AECI