



26th June 2009

The TEEU has served strike notice on the Association of Electrical Contractors Ireland (AECI) to commence on Monday, 6th July 2009, in pursuit of a claim for an increase in pay. The union has advised that this strike notice follows a ballot vote of its members employed in the electrical contracting industry.

In January 2009 the TEEU applied to register an increase in rates of pay with the Labour Court. At that hearing the Labour Court was advised by the AECI it could not afford to pay an increase at this time.

The Labour Court rejected the TEEU's application.

The points put forward by the AECI included the following:

- The construction industry, including the electrical contracting sector, was the first sector in the economy to suffer from the downturn in the economy. It commenced in the industry in early 2007 well ahead of the rest of the economy.
- The economy has deteriorated further since then with the result that the amount of work available has also decreased significantly.
- Unemployment began around 2007 and has been rising steadily ever since. It is expected that unemployment will reach 500,000 by 2010.
- The current forecast is that the Irish economy is to contract by 6%. By 2010 output in the industry will be 50% less than in 2007.
- The current annual rate of inflation is -0.7% and it is expected that inflation will remain negative for the next 12 months.
- Rates for both public and private work have reached rock bottom with tendering up to 20% below cost in some cases, in order to secure work just to stay in business.

This company has at all times been compliant with all aspects of the REA (Register Employment Agreement) for the electrical contracting sector, including rates of pay and conditions of employment. The REA has been under pressure from contractors outside the AECI who recently applied to the Labour Court to have it cancelled. Engaging in industrial action at this time will only serve to put further pressure on the REA. With the reduction in activity in the industry, electrical contractors are under intense competition to secure contracts. Industrial action at a time when competition for contracts is so fierce will only further serve to threaten the REA.

A strike by electricians in the current economic climate will only serve to threaten current and future projects. This in turn will put jobs at risk. If this strike goes ahead, the company may have no option but to place all workers on protective notice.

The AECI has sought a review of the REA. It is aware that amendments to the REA can only be made with the consent of all parties to the REA, including the TEEU. It is our belief that all claims should be dealt with under the auspices of the NJIC (National Joint Industrial Council) for the Electrical Contracting Sector, of which the AECI, ECA and TEEU are members.

Therefore, in order to protect current and future projects, and therefore jobs, we are asking that the strike notice issued to commence on the 6th July 2009 be withdrawn.

Employer Signature