

# Local building firms complain about foreign competition

SOME local construction firms say their future is threatened by a continued willingness to grant employment licences to overseas companies to work in the Island.

Industry sources have questioned the wisdom of granting licences to Irish and UK firms to work in Jersey when local firms are struggling and unemployment rates are high.

And they argued that local firms faced unfair competition in bidding for jobs as Irish companies in particular had been able to access materials very cheaply because of the weak euro.

Irish company R & R Mechanical has been given a contract to work on the incinerator while fellow Irish business Geoghans is working on the Island Site run by Island Developments Ltd, which is owned by Irish development company Harcourt.

## Bellozanne

Meanwhile English firm DPS has been given a contract to work on a major contract at Bellozanne.

Transport Minister Mike Jackson said that the Irish firm on the incinerator job were experts contracted by General Electric installing the turbine at the La Collette site.

He said the English firm involved in the electrical contract at Bellozanne was doing work of 'an industrial nature'.

'I'm advised that the JEC no longer undertake this type of work and other local contractors haven't the industrial expertise required,' he said.

The chairman of the Jersey Construction Council, Martin Holmes, said that the council regularly discussed the issuing of licenses to non-local firms.

However, he said no member had made any specific complaint and that the council would investigate if complaints were made.

He also said that the council met regularly with Economic Development to discuss such issues and had open dialogue with the department on its policies.

Mr Holmes said: 'We need to have a sustainable, innovative and competitive industry.'

In the case of the incinerator contract, Mr Holmes said that he personally had overseen the application for R & R Mechanical as the contract demanded high levels of specialised expertise.

Economic Development Minister Alan Maclean

**By Harry McRandle**

[hmcraandle@jerseyeveningpost.com](mailto:hmcraandle@jerseyeveningpost.com)

said that employment licences were granted to overseas firms when their contract bids were lower than their local competitors.

'We do not force local residents, developers, and construction companies to accept that higher quote. Ultimately, Islanders pay higher prices if we are protectionist in this way, which is not conducive to achieving economic growth and low inflation,' he said.

Senator Maclean said that the approach adopted by his department sought to support the construction industry through the difficult times using £33 million of the fiscal stimulus package allocated to construction, maintenance and civil infrastructure.

He said this was directed solely toward local companies and supported local employment.

He said the Regulation of Undertakings policies ensured that local companies always had the opportunity to tender for contracts unless they were specialist.

The Senator accepted that obligations placed on local companies requiring them to engage mainly local labour and support training were only placed on non-local firms if they were likely to remain in the Island for a significant period of time.