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Helpline calls treble as firms seek advice on staff cuts

Sharp rise in contractors turning to NFB for guidance on redundancies and late payments

By Sophie Griffin

The number of small and medium-sized contractors seeking advice on employment issues such as redundancies almost tripled in 2008.

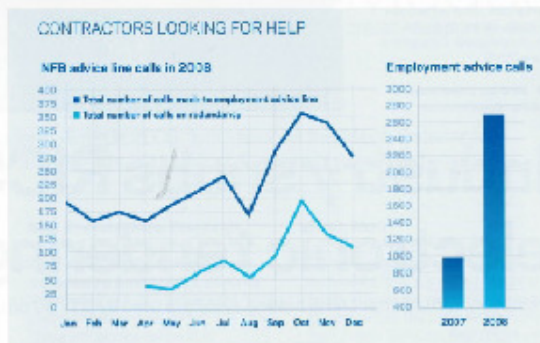
The National Federation of Builders (NFB) received 2,745 calls to its employment advice line last year from employers seeking help on matters including redundancies and lay offs. This compares with 869 in 2007.

The increase in December 2008 on the same month in 2007 was even more pronounced with 275 calls being made, compared with 65 the previous year. Of these, 108 calls concerned redundancies.

The news follows a survey of members of the Federation of Master Builders last week that predicted that 90,000 construction workers would lose their jobs in 2009, and revealed that more than half of SMEs were planning to make cuts.

Meanwhile, the volume of calls to NFB helpline offering advice to companies wanting for late payments rose 89% in 2008. More than 30% of all calls made to the legal

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PALL STRANK, PALL STRANK AND BOB HOOPING



advice line were on payment issues.

The NFB said late payment periods of up to 120 days were on the rise, and added that a number of members now employed staff specifically to chase late payments.

NFB members also reported concerns over tactics such as firms cutting or refusing to negotiate with little notice.

Julia Evans, the chief executive of the NFB, said: "SME contractors need legislative help to prevent illegal late payment practices."

Dan Stewk, a member of the NFB and owner of Dan Stewk & Sons Roofing, which employs 22 workers, said he believed the helpline statistics would continue to "get worse and worse as the year progresses".

"I've experienced the same. I've had to make two redundancies already, and I'm only hoping there are no more. I know of people who have relied these lines seeking for help, and we're all expecting it to get worse."

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