

BusinessNews



Taoiseach Bertie Ahern at the opening of the Construction Industry Monitoring Agency (CIMA) headquarters in Santry, Dublin, with CIMA chairman Brian Aylward, right, and Paul O'Brien, chief executive. Photograph: Matt Kavanagh

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Builders facing fines on pension defaults

BARRY O'HALLORAN

More than 140 builders are facing prosecution for failing to contribute a total of €1.5 million to the industry's statutory pension scheme.

A registered employment agreement legally obliges building companies to contribute to a pension, sick-pay and death-in-service scheme. Companies that fail to do so face prosecution.

The Department of Enterprise, Trade and Employment is prosecuting 145 firms for failing to register staff for the schemes and for not making contributions on their behalf.

The number of workers who have lost out as a result is not known, but Paul O'Brien, chief executive of the Construction Industry Monitoring Agency (CIMA), told *The Irish Times* yesterday that the companies owed a total of €1.5 million to the scheme.

At the opening of the agency's new offices in Dublin yesterday, chairman Brian Aylward said there was a "worrying" number of employers who were taking pension contributions from workers but not paying them into the scheme.

Under the agreement's terms, workers and employers contribute to the pension plan.

According to Mr O'Brien, the prosecutions resulted from inquiries undertaken by the Labour Court.

He said most companies complied with Labour Court orders to pay workers' contributions, but a number did not and they were now facing prosecution.

If they are convicted, the companies will be fined €3,000, plus €1,000 a day for each day that they failed to comply with the Labour Court order, and they will be ordered to pay all contributions in full on behalf of their staff.

The Construction Workers' Pension Scheme (CWPS), as it is called, has been a source of controversy within the industry as the building boom took off in the past decade. Trade unions claim levels of compliance are low.