

# Press Release

Immed. 17 January 2018

## Action To Support Carillion Workers And Suppliers

Representatives of the UK's construction industry have called for a combined response from the sector and Government to protect Carillion's staff and suppliers.

Carillion went into liquidation on Monday morning, putting at risk the jobs of 19,500 workers in the UK. It is also estimated that more than 25,000-30,000 businesses are owed money for work carried out prior to the liquidation.

Industry bodies Build UK and the Civil Engineering Contractors Association (CECA) represent companies who deliver the overwhelming majority of building and infrastructure construction activity in the UK, with members that include clients of construction, contractors and thousands of supply chain companies.

The organisations propose a four-point plan to mitigate the consequences of Carillion's collapse:

**1. Industry to offer a free jobs exchange to advertise employees that are made redundant from Carillion**

Carillion employed thousands of capable staff that may face redundancy in the coming weeks. Given the acute skills challenges faced by the sector it is vital that these workers are offered employment opportunities that may be available elsewhere in the sector. Our organisations will promptly set-up a service to match employees with opportunities.

**2. Work to identify key at-risk suppliers where their work impacts across wider sector, and look at options to support either through short-term funding/loan or other actions to ensure vital capacity is not lost**

There is a real risk that the collapse of Carillion might lead to failures in its supply chain. Where suppliers provide essential and often niche services, their collapse could have impacts for the wider sector. We want to work with the Government to identify these suppliers and put in place appropriate support to ensure that they can continue to trade.

**3. Publish, where possible, a list of potential contracts for transfer**

Our members have confirmed they have capacity to support the completion of contracts where the liquidation of Carillion might otherwise cause work to halt. To ensure a smooth transfer, we would welcome visibility of where such support is required.

**4. Share details of known creditors with trade bodies, so industry can provide direct support to those most likely to be impacted.**

The liquidation of Carillion will affect thousands of other companies in the construction supply chain. To ensure that each business can be offered appropriate support, it is recommended that details of creditors are shared on a confidential basis with appropriate trade and business organisations.

CECA Chief Executive Alasdair Reisner said: *“Urgent steps must be taken to support Carillion’s workers and suppliers. We believe that Government and industry must work together to mitigate effects of the company’s liquidation, and ensure the thousands of capable staff are able to remain in our industry. Government and industry must closely co-operate to protect the wider UK construction industry and its supply chain, which is a key driver of economic growth.”*

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Build UK Chief Executive Suzannah Nichol MBE said: *“The impact of Carillion’s liquidation will be felt across the construction supply chain. To deliver much needed change to the industry’s business model, it is critical that industry and Government work together to support those companies which are most affected and the staff whose skills and talents are needed in the industry.”*

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#### Notes to Editors

1. The Civil Engineering Contractors Association (CECA) represents over 300 contractors of all sizes, covering approximately 80% of the civil engineering market in Great Britain. Our members build infrastructure that provides the basis for economic sustainability and quality of life in communities across the country.
2. Build UK is the leading representative organisation for the UK construction industry. By bringing together Clients, Main Contractors, Trade Associations representing over 11,500 Specialist Contractors and other organisations committed to industry collaboration, Build UK represents in excess of 40% of UK construction.