



The AECl held their Annual Trade show and Conference in Whites of Wexford on the 24th of May 2008.



Pictured above is Mattie Ryan Vice President of the AECl, Jack Hegarty President of the AECl and Cllr George Lawlor Wexfords Mayor.



PRESIDENTS MESSAGE

SINCE BEEN ELECTED PRESIDENT OF ASSOCIATION OF ELECTRICAL CONTRACTORS OF IRELAND AT THE MAY A.G.M. IN LIMERICK, A LOT OF WORK HAS BEEN UNDERTAKEN IN A.E.C.I. HEAD OFFICE.

I HAD HOPED TO ISSUE A NEWSLETTER EARLIER BUT THIS WAS DELAYED DUE TO THE AMOUNT OF WORK WE HAD TO PUT INTO THE CONFERENCE/TRADESHOW/GOLF WEEKEND. WE ARE ALSO QUITE BUSY LOCATING A NEW PREMISES FOR OUR HEAD OFFICE AT THE MOMENT.

ONE OF THE MOST IMPORTANT ISSUES THAT A.E.C.I. AND OUR LEGAL TEAM ARE MONITORING IS THE WAGE INCREASE AND THE VERY OUTDATED STRUCTURE. BECAUSE OF LEGAL REASONS, THE A.E.C.I. ARE RESTRICTED FROM MAKING OFF THE CUFF REMARKS BUT AS SOON AS ANY CLEAR INFORMATION COMES FROM THE COURTS, WE WILL IMMEDIATELY INFORM OUR MEMBERS.

FINALLY, A LARGE NUMBER OF OUR MEMBERS HAVE CONTACTED ME ON WHAT I CONSIDER COULD BE A VERY SERIOUS ISSUE REGARDING AUTHORISATION FORMS THAT THEY HAVE RECEIVED.

MY ADVISE - GET GOOD ADVISE.

This years Annual Tradeshow and Conference was a big success! Over the weekend Exhibitors, AECl Members and Tradeshow Attendees alike enjoyed, golfing in the glorious (Unexpected) Sunshine, A BBQ & prize giving Ceremony under the stars of Wexford! Exhibitions from 10am - 4 pm (officially opened by the Lord Mayor of Wexford George Lawlor), 3 Educational Seminars, a complimentary Lunch, the Presidents Gala dinner and dancing into the early hours of Sunday Morning!

Our President Mr. Jack Hegarty was delighted with the support from our Exhibitors and our Attendees. Jack is hoping to take Next years show to his home land Co. Cork.

If anyone is interested in finding out any more information on this years Tradeshow or indeed if you are interested in attending or exhibiting in next years Tradeshow please do not hesitate to contact us on our office number 01 288 6499 Vickii will be on hand to help you.

A Big Congratulations Garry Ray SWA, for winning the Product of the show award for their innovative new LLFA tape System.



Above Michael Mangan AECl, Garry Ray SWA, Larry O' Rourke Medlock, Ian Carter SWA.

Dermot McClannon takes over the Presidency of the EIFI on behalf of the AECI

Having recently handed over the Presidency of the AECI to Jack Hegarty, I would like to take this opportunity to thank the officers, the executive council, and all the AECI members for the support given to me over the last three years. I also wish Jack every success in his role as President. I have taken over the role of President of the EIFI in May 2008, having been Vice President for the previous two years. As President of the EIFI I am also automatically President of the Electrical Industry Golfing Society of Ireland (EIGSI) - Tiger Woods could not handle this pressure and has gone out injured! On a more serious note the EIFI have successfully nominated Larry Butler (FF) as a senator in which capacity he will represent the Electrical Industry on behalf of the EIFI. Senator Butler will be supported by his political advisor, Tom Clune who we will be working closely with.

Another area of major focus for EIFI is the WEEE Directive and its implications for the Electrical Industry. An EIFI committee lead by Jim Rice, in his role as EIFI President, has been actively working through this complicated area over the past two years. I am now, in my capacity as EIFI President, engaged with this committee to further develop and communicate the appropriate understanding and implementation of this Directive within our Industry.

The WEEE Directive requires that all 'Producers' as defined below are required to be registered with the WEEE Register. Failure to comply with this law carries a penalty of up to 7 years in prison and/or a fine of up to 15 million euro.

If you handle WEEE product under any one of the following headings you are a 'Producer' and must be registered.

1. Manufacture or sell under your own brand
2. Resell product under your own brand manufactured elsewhere.
3. Import product on a professional basis into the state.
4. Distribute product from another producer who is not registered in Ireland.

Jim Rice handing over the Presidency of the EIFI to Dermot McClannon.



Superb Additional Benefits for AECI Members.

The executive council are committed to continuously enhancing the benefits which the association provides for its members. We recently secured deals, with 2 organisations, which will greatly enhance the existing benefits enjoyed by members.

We have negotiated arrangements with Quigg Golden & Small Firms Association which will provide, paid up, members with access to expert advice, & back up support, in a broad range of business matters.

Quigg Golden The Construction Contract Law Specialists:

Quigg Golden is one of the country's leading Construction Contract Law Specialists. They are widely recognised in the construction industry. (See attached leaflet detailing the services which they provide).

Over recent months, the executive council of AECI, have become aware of a significant, & growing, increase in the number of members who encounter difficulty getting paid for their work. Our records indicate that there is a noticeable increase in the number of members encountering payment difficulties with builders, developers & main contractors.

The incidents of payment difficulties are not confined to the aforementioned sector.

The reasons for non payment vary from case to case. With all kinds of excuses being used including We don't owe the amount sought, We are waiting on sales of property, We are waiting for the bank to sanction, or release, money. & the list goes on & on. None of the aforementioned excuses are legitimate reasons for non payment.

Our experience in dealing with such issues, on behalf of our members, identifies the need for the involvement of professionals in construction contract law who can adjudicate on such matters.

The executive council are confident that Quigg Golden are the right people to help AECI members who encounter payment difficulties, considering their vast experience & recognition in the building / construction industry.

The services provided for AECI members by Quigg Golden is not confined to non payment issues alone, claims for:

- Extension of time entitlements.
- Delays & disruption entitlements
- Variation & additions entitlements.
- Increased costs (where appropriate).

Unfair tendering practice & procedures is another strong aspect of subcontracting on which Quigg Golden can offer

assistance & advice.

The foregoing are among the wide range of services covered. (see attached leaflet for details of the other areas covered.)

Members are encouraged to seek advice, before taking on projects, to ensure that the terms & conditions of contract which they are committing to are favourable, & where they prove unfavourable to be advised on the necessary amendments Getting it right at the beginning can be vital for success.

Through AECI, paid up, members can avail of a free consultation, & advise, from Quigg Golden (the experts) on a project difficulty, Members can also engage the services of Quigg Golden on a commercial basis to progress a project dispute after the initial free consultation.

Small Firms Association. (SFA).

The small firms association (SFA) is a well established national organisation exclusively serving the business needs of 8,000 small businesses in Ireland. SFA's members support team, & staff, include experts in a broad range of business matters. AECI executive council has recently agreed arrangements with SFA which will facilitate AECI paid up members obtaining the wide range of business advice & support.

AECI executive council has recently agreed arrangements with SFA which will facilitate AECI paid up members obtaining the wide range of business advice & support.

This professional business support will greatly enhance the competency of AECI members in the business challenges ahead. AECI members can avail of the expert professional business support & advice by contacting AECI office outlining your query, or business difficulty, on which you seek advice. All members' queries are treated with confidentiality. SFA offer a wide range of business management training modules which will now be available to AECI members. See attached schedule of SFA business support items available through AECI.

Training: New Government Contracts.

The government's new conditions of contracts for all public funded works are now in operation. This includes projects in schools, colleges, hospitals, health centres, Government offices, surgeries, OPW projects, larrannrod Eireann, Bus Eireann, & the list goes on. AECI office has received numerous queries from members about a variety of aspects which are causing serious problems. There are serious changes affecting the tendering & procurement process, along with contract execution issues, which have far reaching consequences for sub contractors.

Due to the seriousness of the issues AECI have arranged a 1 day training seminar for subcontractors on the new contracts & tendering process. AECI executive council strongly recommends that contractors who presently, & those who intend to in the future, carry out work on government funded projects to avail of this training. (see attached leaflet & booking form) Main Contractors, Engineers, Architects, Quantity Surveyors, & Project Managers, have all taken training on the new contracts. Electrical Contractors & Sub Contractors need to be careful that a lack of knowledge does not over expose them. AECI members can avail of this training at approximately 300 euro per person per day. The price charged by others is in the order of 500 euro per person per day.

What James Golden (Director of Quigg Golden) says?

The New Contracts are with us. They are the most dramatic change in Ireland in over one hundred years in the way in which the Government intends to procure its business. The change has already provoked consternation, even panic, in main contractors and Consultants alike. The Sub Contract Provisions are now Issued and represent a dramatic change in how the business of sub contracting is going to be organized. A failure to understand new contracts may well lead to

miss-tendering, dramatic loss of money and even bankruptcy. The change can not be over emphasized. You must understand the new world of contracting if you are to survive in it. With that in mind the AECI, in partnership with Quigg Golden the leading specialist in construction contract law and dispute resolution in Ireland, have designed a 1 day seminar/workshop specifically designed for electrical sub contractors to give you a chance to survive in the new world.

The One Day Seminar is scheduled for Athlone in September 2008

The objectives include:

- Understanding the procurement & tendering process under the new contracts
 - Understanding the implications of the New Contracts;
 - Seeing the real pitfalls and the risks associated with them; and
 - Key administration to protect your cash flow and income.
- Failing to understand the new contracts will put you and your business at risk.
- Help to protect your business by making time to attend and learn about the dangers from the experts.

Technical Issues.

Gas Boiler Isolation

Members have been asking for clarification on the proper system of isolation for Domestic Gas Boilers. Some areas looked for switched spur outlets, while other areas asked for Fused only spur outlets. Following representation by AECl to RECl and ETCI, the recommendation is for a Fuse Spur outlet. This is to avoid the danger of accidental switching off the Gas Boiler in full operation, with the resultant overheating of the system, due to the lack of circulation.

Faulty MCB Boards

The AECl have recently heard report of where a fault occurred in a distribution board which caused the casing to ignite and cause extensive damage. The occupants of the house were alerted by the smoke detector which avoided serious damage or loss of life. There are also insurance implications, for the Certifying Electrical Contractor, in respect of sub-standard electrical equipment.

Electrical Contractors should be aware that the standard of their electrical installation work must conform to the current National Rules for Electrical Installations. Clause 33 of the Wiring Rules states that every item of electrical equipment used in an electrical installation will comply with:

- European standards or the equivalent Irish standard;
- Irish standards;
- In the absence of the above, IEC or ISO standards or the national standard of a CENELEC member country.

This means that the electrical contractor has a responsibility to check as far as is reasonably possible that the equipment he purchases is of good quality and complies with the relevant standards. Otherwise he is not complying with the Wiring Rules.

The Association for Electrical Wholesalers (AEW) and the Electrical Manufacturers & Distributors Association (EMDA) have Quality Charters. The Charter states the member companies of the association will only supply equipment which complies fully with the Low Voltage Directive, the Electromagnetic Compatibility Directive and with all other relevant standards. If electrical contractors purchase their electrical equipment from members of AEW or EMDA they are going a long way towards fulfilling their obligations of complying with the Wiring Rules in respect of the electrical equipment they use.

Sub-Standard Cables.

The problem of sub-standard Cables still exists and Electrical Contractors need to be vigilant when purchasing cable.

The golden rule is look for an approvals mark. This marking ensures the cables are subjected to third party testing. VDE is the German National Accredited Body that runs the HAR scheme within Germany. Most countries have their own unique accredited bodies and are registered within the Cenelec system under the HAR Agreement.

The HAR Agreement entails the random selection and testing (to the the HAR Agreement. required cable standard) of finished cable from the manufacturing plant, where up to 150 samples are selected and tested per annum, ensuring that high quality is maintained.

The graphical symbols of the common HAR mark from each country are as follows:

- Austria OVE HAR
- Belgium CEBEC HAR
- Czech Republic EZU HAR
- Denmark DEMKO HAR
- Finland FIMKO HAR
- France USE HAR
- Germany VDE HAR
- Great Britain BASEC HAR
- Greece ELOT HAR
- Hungary MEEI HAR
- Ireland NSAI HAR
- Italy IEMMEQU HAR
- The Netherlands KEMA-KEUR HAR
- Norway NEMKO HAR
- Portugal CERTIF HAR
- Spain AENOR HAR
- Sweden SEMKO HAR
- Switzerland SEV HAR
- Turkey TSE HAR

A similar scheme is in place for "House Wiring Twin and Earth Cables". The only difference is the HAR mark does not appear; only the manufacturers name and the approvals body eg BASEC. In relation to non-approved cable, this is where the manufacturers are using the CE marking directive. They are marking the cable with their name plus the letters CE; this is giving the impression that the cables have third party approval.

The main problems with unapproved cable are as follows:

- Low grade copper giving a high conductor resistance;
- Poor quality PVC i.e. polymer that has excessive amounts of filler and low grade plasticizer resulting in poor insulating properties;
- Thin insulation and sheath.

With the combination of the above, the life span of the cable operating at the designed temperature is reduced significantly. The normal life span of a high-quality cable is in the region of 25 years; however, with the unapproved cable this can be as little as five to seven years. In conclusion, contractors should be extremely careful in the selection of cables they are purchasing ensuring the appropriate approval marks are visible on the cables.

Polarity of ESB Mains

Electrical Contractors should include in their post connection test the verification of polarity of the incoming supply. While ESB Networks are always very careful, human error should be at the back of ones mind, there is always the danger that phase and neutral can be reversed.

It is vital that a contractor, before making connections, ensures that the incoming phase and neutral are at the correct terminals in the meter or isolator.

This can be quite easily done by checking for voltage between the incoming live and the customer's main earth. The voltage should be equal to the voltage between the incoming phase and neutral. If there is a substantial difference between the phase/neutral voltage and the phase/earth voltage, no connection should be made and ESB should be contacted.

Quite apart from verifying polarity of the incoming supply, this test also verifies the efficiency of the customer's main earth electrode. It takes less than a minute to carry out the test and doing so can prevent serious damage to the installation or injury to occupants to the premises.

National Code of Practice

The new National Code of Practice for ESB Customer Interface 4th Edition for 2008 has been published and contractors need to familiarise themselves with this.

There is also a requirement for domestic consumer units to be mounted no more than 2.2 Mts from floor level. This is to allow the householder to easily read the RCD Test Label. Consideration should be given to the protection of the cables between the ceiling and the distribution board and the additional cost of this protection.

Recessed Lighting

We would like to highlight deficiencies that arise in the installation of recessed light fittings, both 230v and 12v fittings in ceilings where

thermal insulation is present. This problem still exists.

A two storey detached house was recently quite badly damaged due to fire and fortuitously escaped further extensive damage.

The Fire Authority believes that the fire was caused by the recent retrofitting of thermal insulation which surrounded and covered several recessed light fittings.

They have communicated their concern to the thermal insulation company involved and also to other thermal insulation installers.

While it would appear that the recessed light fittings were installed correctly, the owner of the property in question was not made aware of the importance of keeping thermal insulation away from the recessed light fittings.

Electrical Contractors should explain to the home owner/ occupier (where this is possible) or the builder the importance of keeping all thermal insulation clear of all recessed light fittings.

Extra low voltage lighting provides attractive, effective, economic and reliable lighting solutions where correctly installed.

Ensuring that best practice is observed in installation work will guarantee safety and satisfaction for the user and safeguard the reputation of the installer.

Revenue Tax Changes

There are 2 changes to the tax systems.

1. Is a change to the VAT system.
2. Relates to the RCT system regarding the engagement of sub-contractors by Principal or Main Contractors

The Vat Changes

The change is referred to as the VAT - Reverse Charge on Construction Services - New rules for Principal Contractors and Sub-contractors. The operation of the new VAT system starts for all invoices issued on or after the 1st September 2008.

Who is affected?

Principal Contractors and Sub-Contractors (who are registered for VAT) involved in construction operations (except haulage for hire).

Does the new system apply to all services supplied by a sub-contractor?

No. Services that are not subject to RCT will continue to be taxed as normal. EG: An electrician who installs a new alarm system in a shop should charge and account for VAT as he currently does.

System after 1st September 2008 - Reverse Charge system

- The VAT registered sub-contractor issues an invoice to the principal, net of VAT.
- The invoice should also contain the statement
"VAT ON THIS SUPPLY TO BE ACCOUNTED FOR BY THE PRINCIPAL CONTRACTOR"
- The amount paid to the sub-contractor is dependant on whether the principle contractor holds a payments card for the sub-contractor
- It is the obligation of the principle contractor to calculate the relevant VAT rate
- The principal contractor should include the VAT on the services received from the sub-contractor in his VAT return for the period in which the supply is made as VAT on Sales
- Where entitled to do so, the principal can claim a simultaneous input credit in his VAT return for the period.

How does it work?

If you are a subcontractor:

- You will no longer charge VAT to the principle contractor
- You should issue an invoice to the principal, which includes your VAT registered number but does not include the VAT rate or amount
- The invoice will also contain the statement
"VAT ON THIS SUPPLY TO BE ACCOUNTED FOR BY THE PRINCIPLE CONTRACTOR"
- You can still claim a refund of VAT in connection with goods and services that you have purchased.

If you are a principle:

- Instead of paying VAT to the subcontractor, you will now account for the VAT on the subcontractor's supplies directly to Revenue.
- You will receive an invoice from the subcontractor that will not include VAT
- You should calculate the VAT on the supply and account for the VAT due by including it in your VAT return with your VAT on sales
- You can claim a simultaneous deduction for this VAT in your return under VAT on purchases if you are entitled to.

For details Visit the Revenue Website and click on:

'Construction Services - New VAT rules for Principal Contractors and Sub-contractors - from 1 September 2008' for:

- Full details of new rules
- Summary leaflet for Principals and Sub-Contractors
- Frequently Asked Questions

RCT System changes.

This relates to the status of the engagement of a worker by a principal contractor, to determine whether the status should be (1) A sub contract agreement, or (2) the worker is an employee.

Members are advised to be sure you apply the appropriate status when engaging workers who are not clearly direct employees. Before engaging workers as sub-contractors you are advised to ensure that they meet the criteria as set out in the new "Code of Practice for determining Employment or Self-Employed Status of Individuals". Most employers will have received a copy from Revenue. You can get a copy from your local revenue office, or on line at www.revenue.ie/leaflets/code-of-practice-on-employment-status, or from NERA web site.

Form RCT 1 Changes - In force since 1st April 2008

Before entering into a relevant contract, a principle contractor and a sub-contractor must jointly complete a Form RCT 1 declaring that they have satisfied themselves that, in their opinion, the contract is not a contract of employment. This form has replaced the previous RCT 1 and both contractors and sub-contractors are obliged to use the new RCT1 form from 1 April 2008.

Main Changes to Form

The new Form is significantly different from the previous version. The main points are as follows:

- Principals and subcontractors are instructed to read the "Code of Practice for Determining Employment or Self-Employment Status of Individuals" before completing the Form. In conjunction with this, the 'Contract Details' page of the Form contains specific questions relating to the work of the subcontractor on the contract. This should help both parties gain a clear indication of the nature of the contract.
- Both the principal and the subcontractor must sign the Form on the three pages. In signing the declaration on page 1, both parties are confirming that:
 1. The information they have provided is correct.
 2. They have read and understand the "Code of Practice for Determining Employment or Self-Employment Status of Individuals".
 3. They have satisfied themselves that in their opinion, the contract they propose to enter into is not a contract of employment.
- The subcontractor is obliged to provide specific information in relation to his/her registration for various taxes.

There are penalties for not completing the Form, not retaining the Form or not sending it to Revenue when required. A fine of €1,265 may be imposed for each failure to meet these obligations.

The above is a summary of the most recent changes relating to the above issues, and is only meant as an information document. Please note that it is meant as a general overview. It is advised, that if you are affected by the above, that you discuss these changes with your own Tax Advisor to ensure that you are fully compliant.

The Electrical Contracting Industry. Not Just a Single Problem.

The electrical contracting industry has served to provide many electrical contractors with a good standard of living. It and has even proven to provide some with a very prosperous business experience.

Like all sectors of industry there are many who have not experienced the same desired satisfaction. The electrical contracting industry like most other industries in Ireland, and other parts of the world, are currently experiencing very trying times and lots of uncertainty. There is no doubt but we are experiencing the effects of a recession.

You will read elsewhere in this newsletter of one problem the electrical contracting industry is encountering. That is the challenge to the REA. While that matter is one of need for concern, there are many other industry problems which need serious addressing to prepare and equip for the challenges ahead. AECl is aware and is committed to addressing many of the issues.

To enable us progress those issues we call upon the support of our members and that of the industry at large to join us in the challenges ahead. We ask you to become involved and help share the burden.

We request you to look at the enclosed survey form and please respond by filling out details of your experiences relating to any of the issues assigned in the form and fax it today to AECl at 01 2885870.

Your response will make our work possible by presenting real facts when negotiating with relevant bodies.

Contractors identity will be retained in confidence, we will use the facts put forward by you. The following is a synopsis of some of the industry problems which AECl is committed to addressing.

The tendering process:

As operated in the industry today is at best described as a lottery.

The practice in the industry does not fulfil the ambitions of the industry agreed tendering process.

- Like with like is not possible.
- Fixed information for fixed prices is not possible.
- Design documents free from ambiguity rarely exists.
- Time allowed for tendering rarely meets agreed periods
- The numbers tendering not as agreed.
- Terms and conditions of contract applicable not revealed in tender documents.
- Post tender pre award process abused.
- Dutch auctioning post tender is the norm.

Members will find attached, with this newsletter, a document titled

"The Liaison Committee Code of practice for tendering and Contractual Matters 2006".

You are advised to read and familiarise yourself with the contents and should you encounter requests to tender or enter into contracts which vary from that set out in the attached Code of Practice for privately funded projects please contact AECl with such details.

Pre Qualification for tendering:

We are experiencing an increase in the number of complaints from members in this regard recently. business advice and support.

We are anxious to receive more details on this matter. Complaints received include:

- The prequalification. Details to be returned with the tender. This is contrary to the whole purpose of prequalification as intended.
- Too much sensitive information of a confidential nature is sought.
- Turnover limits sought are too high. This is clearly uncompetitive, We intend bringing this to the attention of the competition authority.
- Pigeon holes contractors. Again anticompetitive practice.

Security of payments:

Electrical contractors being asked to take on works, or projects, with no terms of contract & particularly no payment terms set out.

This leads to the growing number of members, & contractors at large, who encounter payment difficulties. AECI is currently preparing a set of Terms & Conditions of Contract for use by Electrical Contractors working direct for clients.

This will help the non payment issue because our experience is that many matters of non payment relate to unclear terms at the onset.

The need for a system of Client bonding to secure income of electrical contractors.

The ongoing problem caused by over supply of apprentices.

Living Standards of Small electrical contractors:

AECI through its interface with contractors throughout the country, while delivering training last winter & spring of this year, learned of the poor earnings & general living standards of small & medium electrical contractors.

The executive council is committed to endeavouring to pursue this matter with appropriate authorities to bring about change that will improve the living standards of small & medium contractors.

Some of the frightening facts we learned include:

- Having to work on average 60 to 70 hours per week.

This destroys the prospect of good family & social aspect to life.

- Prevents time for community involvement.
- Can only afford to pay themselves in the order of 30 to 35 thousand euro per annum.

We are aware of a few exceptional cases where they scarcely managed to secure earnings of as low as 25, 000 euro PA.

- No pension provisions.
- No dole available during scarcity of work periods.
- No sick pay provisions.
- No assistance while unable to work due to injury.

Trades people becoming contractors

i.e. business owners / proprietors with no business training or other necessary qualifications.

This lack of business knowledge is bringing the industry to an unsustainable low level. Don't forget fill out the attached survey form and start today making your contribution to helping your industry become a better business environment.

A few basic recommended good practices.

When pricing or quoting always.

1. State the price. Clearly. Break it down as much as possible
2. Identify the scope of works which the price covers.
3. Identify exclusions.
4. State your payment terms particularly the timeframe.
5. Have a signed set of conditions in place.
6. Confirm any additions variations as they arise.
7. Issue written notice, as it occurs, of delays & disruptions which are not your making.
8. Keep good records, update them daily.

Wage Rate & Registered Employment Agreement.

Electrical Wage Rate:

At the time of going to print the High Court has imposed a stay on any application to vary and/or cancel the electrical contracting industry Registered Employment Agreement, (REA). High Court Judicial Review proceedings are presently before the High Court which are challenging the REA. While the order of stay is in place the wage rates for 2007/08 remain the Status Quo. We may know in September as to whether or not this Stay will remain past that time. At present the executive council can not, & do not, wish to pre-empt the outcome of the High Court proceedings. Members will be informed as soon as there is any decision on the matter. In the meantime members need to be prudent when tendering, or quoting for work, particularly in the case of fixed price tenders, or entering into fixed price contracts. Bearing in mind that inflation is on the increase, building in an allowance for any increases that may be decided would be prudent.

REA Legal Challenge:

The Registered Employment Agreement for Electrical Contracting Industry is an employment agreement registered pursuant to the provisions of the Industrial Relations Act 1946 to 2004. The Agreement was made between the Electrical Contractors Association (ECA), the Association of Electrical Contractors Ireland (AECI) and the Technical Engineering

and the Technical Engineering and Electrical Union (TEEU). It was first registered in the Register of Employment Agreements on the 24th September 1990. The Agreement was subsequently varied on a number of occasions in accordance with Section 28 of the Industrial Relations Act 1946. The fourteenth such variation was made with effect from the 11th May 2007 by Order of the Labour Court under Section 28 of the Industrial Relations Act 1946. Over the years AECI has fought hard at the NJIC negotiating table, on behalf of its members, & has constantly disputed the levels of pay increases sought by the TEEU. On a number of occasions AECI have brought the issue before the Labour court for adjudication without success. Unfortunately AECI did not have the full support of another employer body, or that of industry employers at large, in its endeavours, in this specific regard, in the past. This year, as in previous years, the parties engaged in the process of determining the wage variation as determined in the REA & Industrial Relations Acts. That process after tough negotiations resulted in calculating an increase of 1.05euro per hour. This was considered by the executive council at its May meeting. The council being aware of the difficulties experienced by its members in the market place, attended an ENJIC meeting on at the time, decided to plead inability to pay such an increase. The executive council delegates to

the ENJIC the same afternoon, & informed the ENJIC of the AECI position, i.e. inability to pay. The members were informed of our position at that time. Despite our stated position the matter was scheduled for the Labour Court on May 22nd to register the variation of the rate. On the way into the Labour Court the president of AECI requested the AECI delegates to uphold industry agreements at that hearing.

The delegate stated the AECI's position, as decided by the executive council, but the Chairman of the Labour Court reminded the delegate that the purpose of the hearing was to register the variation & that the parties should support or object the motion to register the variation.

The chairman did advise that the option of a remaining neutral was available; the delegate opted for the neutral position but was advised by the chairman that such option would not be upholding the industry agreements. At this juncture the delegate found that his hands were tied & had no option but to support the registration of the variation.

The ECA & the TEEU voted in favour of registering the variation. On that day 2 new groups attended the Labour Court for the first time in the history of the REA & made oral presentations seeking to reject the variation & also to determine that the REA was invalid.

The 2 new groups both had legal representation present while the norm was for the parties to represent the members. The 2 new groups are known as (1) the Non Aligned Electrical Contractors, & (2) the NECI. The hearing was adjourned to allow the new groups & the parties prepare affidavits and attend a later hearing. The Non Aligned group of Electrical Contractors have since been granted leave to seek a judicial review to determine if the REA was valid when registered in 1990 & if it is now valid considering the changes in the industry since its registration. The AECl has lodged an submission rejecting the variation of the proposed increase. Despite the impression portrayed in the industry it's the Non Aligned Electrical contractors who have taken the case to the High Court. The TEEU, the AECl & the ECA are notice parties to the proceedings from the outset, the NECI have since been joined as notice parties to the proceedings. At this juncture it is important that AECl's historic work on behalf of, not just its members but the industry at large is outlined so as those who may not be aware are properly informed. AECl over its 47 year existence has made meaningful contributions to the business of the Electrical Contracting Industry.

AECl throughout its existence has represented the small & medium contractor's interests at the following industry forums:

- Electrical Industries Federation of Ireland, (EIFI),
- Association of Consulting

Engineers of Ireland (ACEI),
•ECA, CIF, RECI, ECSSA, CER, TEEU, ENJIC, EPACE,
•Labour Court, & various Government bodies. This representation has been undertaken by the voluntary efforts of member contractors who gave un-selfishly of their time to serve on the executive council of AECl.

The voluntary effort is supported by a small fulltime office staff. AECl's main source of funding is derived from the subscriptions of 300 to 400 members. This level of funding has proven insufficient to allow the association employ the necessary expertise to adequately advance the contractors interest to a higher level. Over the years AECl has a record of attempting, to increase its membership to realise its goal as stated above.

This endeavour has not been adequately successful.

Thus the problems:

- Lack of strength in numbers.
- Insufficient membership.
- In-sufficient funding.

AECl is concerned about the current developments which may prove not to serve the best interests of the industry in the longer term. It appears the current position has been developed by electrical contractors on a single issue, who in the past, chose not to avail of the opportunity of supporting the many & varied causes necessary for the common good of the industry.

One wonders at this point:
1. Do those groups intend causing a labour relations vacuum in the industry.

2. Do they believe that a free for all regarding pay rates will serve the best interests of the industry?

3. Are they aware that the national pay awards have produced higher wage increases than the electrical industry increases.

4. Do they propose to represent the majority of electrical contractors?

Perhaps its time the industry realised that it has suffered from serious fragmentation, over the years. Even during the Celtic Tiger era has prevented the particular sector of the perceived thriving Construction Industry from realising its desired potential. The industry recognised knowledge of the fragmented nature of the Electrical Contracting sector has impacted negatively. It has allowed & supported many unfair practices which have encouraged clients take advantage of the un-united sector of the industry.

Perhaps it is time to seriously consider that need for a strong

Continued overleaf
united association which be representative of the majority of the industry, & could raise sufficient funds from adequate membership to employ the necessary expertise & staff to support & serve the best interests of a united industry.

The AECl with its long established record in the industry is best positioned to serve as that Association. Contact AECl for membership details on 01 2886499. or log on to www.aeci.ie for on line application.

Health & Safety Up-Date

Dear Member,

This is the first of three part series to try to keep you up to date with Health & Safety Legislation.

Contractor's General Duties

Co-operate with the PSCS to enable him/her to comply with statutory provisions.

Promptly provide the PSCS with information (including a copy of any relevant safety statement) which is likely to affect the health and safety of any person working on the construction site or might justify a review of the safety and health plan.

Provide the PSCS with information on any accident or dangerous occurrence, which we are required under statutory provisions to report/notify and have we given a copy of the report/notification to the PSCS?

Provide the PSCS in writing with relevant information necessary to prepare the safety file.

Comply with directions given by the PSDP or PSCS.

Bring to our employee's attention any rules applicable to them in the safety and health plan.

Comply with any rules in the safety and health plan that are applicable to our employees.

Ensure in so far as reasonably practicable, our employee's compliance with the rules in the safety and health plan.

Ensure that the people working for us are in possession of a valid safety awareness registration card (Safe Pass)

Ensure that the people working for us are in possession of a valid construction skills registration card, if applicable.

Furnish written confirmation to the PSCS that workers are in possession of valid safety awareness or skills certification registration.

Contractors employing more than 20 persons at any one time on a construction site or 30 in construction work must appoint, a competent person as safety officer in writing.

Put in place systems to ensure consultation with employees, safety representatives of different employees and the site safety representative.

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