

AECI NEWS

The Voice of the Electrical Contracting industry



November-December 2010

AECI ELECTRICAL TRADE SHOW GALWAY

11TH SEPTEMBER 2010



Our President Mr. Brian Flanagan with Mr. Paul Ellis (Arachas) at recent Electrical Trade Show & Conference in Galway. See more details inside.

AECI SUBSCRIPTIONS 2011

Many thanks to those who have paid their Subscriptions for 2011 and just a reminder that we will be having a Raffle again for Subscription 2011 paid before 31st December 2010.

We would be happy to talk to you with regard to phased payment of 2011 Subscriptions if so required.

AECI office closed for Christmas holidays from 23rd December 2010 to 4th January 2011.

BUDGET 2011

AECI are making enquires into what appears to be a "Withholding Tax" at the rate of 20%. (See more details inside).

Association of Electrical Contractors (Ireland), Woodview Centre, Main Street, Celbridge, Co. Kildare
Phone: 01-610 2715, Fax: 01-610 2692,
Email: aeci@indigo.ie

CHRISTMAS WISHES



Wishing all our Members and Friends a Peaceful, Happy Christmas and a Healthy and Prosperous New Year.



Inside this issue

- AECI Annual Golf - Galway Bay Golf Resort
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- Ionisation chamber smoke detector disposal
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Visit us at www.aeci.ie

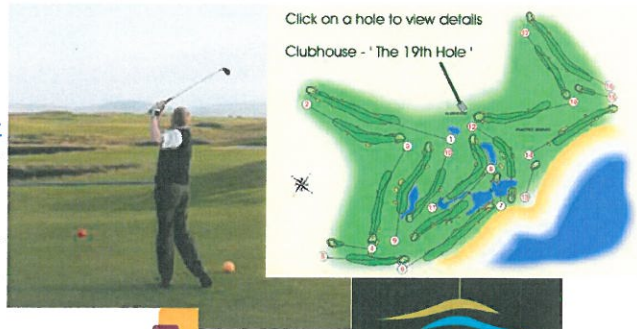
November-December 2010

AECI ELECTRICAL TRADE SHOW 2010 ANNUAL GOLF - GALWAY BAY GOLF RESORT

Friday 10th September 2010

Annual Golf Day at Galway Bay Golf Resort, Renville, Oranmore, Co. Galway (www.galwaybaygolfresort.com). Prize Giving with music on Friday evening at Clayton Hotel starts at 7:30pm.

The Golf Day was sponsored by Arachas Insurance, to whom we express our sincere gratitude for their continued support.



ARACHAS
The Irish for Insurance



RESULTS

MEMBERS

- 1st Eamon Clarke (E. Clarke Electrical, Co. Westmeath)
- 2nd Pat King (King & Moffatt Electrical Ltd., Co. Roscommon)
- 3rd John Ryan (Temple Sales & Distribution, Co. Dublin)

GUESTS

- 1st Declan Lowry (CEF)
- 2nd Ger Quigley (Brother Ireland Ltd.)
- 3rd Padraig Conroy (Peter Curran Electrical)

LADIES

- 1st Eileen Reddy (Temple Sales & Distribution)
- 2nd Ann Tyrrell

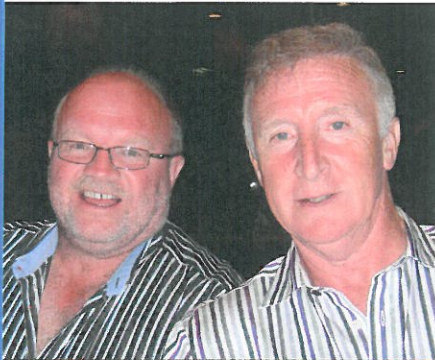
LONGEST DRIVE

Declan Lowry (CEF)

NEAREST PIN

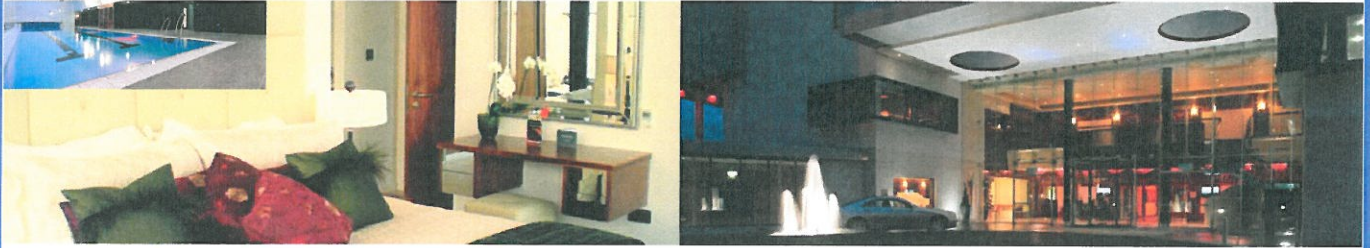
John Quinn (Aurora Lighting)

Congratulations.



AECI ELECTRICAL TRADE SHOW 2010 & TECHNICAL SEMINAR

CLAYTON
HOTEL GALWAY



Saturday 11th September 2010

The Electrical Trade Show was opened by the AECI President Mr. Brian Flanagan.

A full compliment of exhibitors displayed their new and existing products which was of tremendous interest to all attendees and helped to make this year's Trade Show a great success.

We are very grateful for continued support of all the exhibitors and also those who placed advertisements in our Annual Directory 2010-2011.

At approx. 4pm the Technical Seminar/Presentation began. This year's topic was on "Construction Contracts Bill" and "Getting Paid". The presenter for this topic was Ruth Scott of Alway Associates.



Visit us at www.aeci.ie

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AECI 50TH ANNIVERSARY (1960 - 2010)



Saturday 11th September 2010

After a highly successful Electrical Trade Show during the day, AECI then celebrate its 50th Anniversary with a Gala Evening Ball. This started with a reception drink at 7:30pm, hosted by the AECI President Mr. Brian Flanagan, followed by dinner & entertainment. Special guest Mr. Éamon Ó Cuív T.D., Minister for Social Protection.

Many thanks to all Former AECI Presidents who attended and also to all our colleagues who were on Executive Councils or Committees in the past & present for their committment & support.



Visit us at www.aeci.ie

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AECI TECHNICAL INFORMATION EVENING DUBLIN - TUESDAY 30TH NOVEMBER 2010 SPRINGFIELD HOTEL, LEIXLIP 6PM-9PM



- 6:00pm Powerpoint Engineering Ltd.
* Pat Testing and other Electrical Safety Products
- 7:00pm Hager Ltd.
* Residential Consumer Units (4th Edition)
* The use of occupancy sensors
* The Commercial Consumer Unit concept
- 8:00pm Aurora Lighting Ltd.
* LED Lamp Technologies incl. dimmable LED
* The insulation covered 4in1 downlight range



GALWAY - WEDNESDAY 8TH DECEMBER 2010 MENLO PARK HOTEL, GALWAY, 6PM-9PM

- 6:00pm Powerpoint Engineering Ltd. (see above)
- 7:00pm Hager Ltd. (see above)
- 8:00pm Came Automation Supplies Ireland Ltd. * Recent developments in gate automation equipment
* GSM phone control technology
* Health & Safety regulations applying to gate automation

NEXT TECHNICAL INFORMATION EVENINGS

CORK - THURSDAY 20TH JANUARY 2011 SILVER SPRINGS MORAN HOTEL, CORK 6PM-9PM

- 6:00pm Legrand Ireland Ltd. * Home Automation – Adding Value to Installations
* Rapid Fix Trunking – Save 50% in labour time at no additional cost
- 7:00pm Hager Ltd. (see above)
- 8:00pm Aurora Lighting (see above)

LIMERICK - THURSDAY 24TH FEBRUARY 2011 KILMURY LODGE, LIMERICK 6PM - 9PM (CONTENT TO BE CONFIRMED)

Entry Cost: Free of charge to AECI Members, €25.00 to Non AECI Members

If you wish to reserve a place on the above Technical Information Evening please either: **E-mail** to aeci@indigo.ie with all information requested, **Post:** Complete and detach this booking form and return to AECI, Woodview Centre, Main Street, Celbridge, Co. Kildare or **Fax** a copy of this completed booking form to Lenka on 01 610 2692. Information requested: FULL NAME, COMPANY NAME, MOBILE, E-MAIL, DATE OF BOOKING.

NATIONAL RECOVERY PLAN 2011-2014

by Cormac Mohan, Partner

Key measures affecting business

Ireland's 12.5% Corporation Tax Rate is here to Stay

The Irish Government's National Recovery Plan was published on 24th November 2010, leading up to a Budget 2011 on 7th December. The taxation measures announced account for €5bn of the planned €15bn adjustment over four years. The key focus is in broadening the tax base and ensuring a balanced contribution by all tax payers. The Government has once again reiterated its commitment to maintaining the rate of Ireland's 12.5% Corporation Tax. However it remains to be seen the degree of influence our EU partners may exercise on this over the long term. The rate is described as being a cornerstone of Ireland's pro-enterprise and is complimented by the R&D tax credit regime. The Plan includes action points to restore cost competitiveness and the removal of obstacles to the creation of employment and disincentives to work. The document contains a summary of the key tax measures announced. If you have any questions regarding any aspects of the plan, do not hesitate to contact myself, our Tax specialist Ms. Valerie Cronin or George Frisby, Partner.



Key measures affecting individuals

The Plan states that it will deliver a fundamental reform of the income tax system and more closely integrate tax and welfare.

The Plan indicates that the tax burden currently falls on too few taxpayers. For 2010, it is expected only 13% of taxpayers will contribute at the higher 41% rate but within that just 8% of taxpayers will be liable for 60% of total income taxes collected this year. The Plan proposes to redress this imbalance through a combination of lower entry points to the tax net and a reduction in the threshold beyond which the higher tax rate applies. Over the four years to 2014, tax bands and tax credits will be reduced by a combined 16.5%.



Standard rate bands and tax credits

Both the standard rate tax bands and tax credits are to be reduced by an aggregate of 16.5% by 2014. Almost two-thirds of this reduction will be applied in 2011. The precise figures should be clarified in Budget 2011. The net effect of the reduction is that the income level at which a single individual will become subject to tax will be reduced from €18,300 to €15,300 by 2014. The Plan indicates that by 2014, once all reductions have taken effect, a single person earning €55,000 will have their tax bill increased by €1,860 (4.8%) from 2010 levels. A married one income family on €55,000 will see a corresponding tax increase of €2,310 (5.4%).

Tax Rates

The Plan suggests marginal tax and social security rates will not change during the next four years, although it acknowledges that by broadening the base the nominal rates of tax can be kept lower, while the effective rate is raised.

The Current Rates are:

- 52% for PAYE taxpayers (41% income tax, 5% health levy and 6% income levy ignoring PRSI which is subject to a threshold); and
- 55% for self employed individuals (as above plus 3% uncapped PRSI).

The Plan does comment that the tax increases required could be delivered through other mechanisms (including tax rate increases) and that all options will be considered when budgets are being prepared over the next four years.

Universal Social Charge

The merging of PRSI, health levy and income levy into a universal social charge was first signalled in the Budget last year, and is again referred to in the Plan, albeit without further detail. Termination payments / Pension lump sums Tax free ex gratia termination payments and pension lump sums in excess of €200,000 are to be taxed. This measure has its origin in the Commission on Taxation report and is expected to take effect from 1st January 2011.

NATIONAL RECOVERY PLAN 2011-2014

VAT & Indirect Tax

The Plan indicated an increase in the standard rate of VAT (currently 21%) as follows:

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
21%	21%	22%	23%

The Reduced Rate of VAT on 'labour intensive services' (currently 13.5%) will remain unchanged for the duration of the Plan. Increases in excise duties and licence fees will yield an additional €110m in 2011. The details of which particular excisable products / excise licences will be affected will be provided in the December Budget.



Vehicle Registration Tax (VRT) & Motor Tax

The VRT and motor tax systems based on CO2 emission levels, introduced in 2008, succeeded in encouraging consumers to purchase more environmentally-friendly cars. However, these systems as well as a fall in consumer demand reduced the taxtake from VRT and motor tax.

The Plan proposes a review of the current CO2 bands and rates in light of the overall reduction in CO2 emissions by vehicle manufacturers. The aim is to align these bands and rates with advances in technology from 1st January 2013.

Pensions

The Government is committed to achieving savings of €700m from the pensions sector over the 4 years of the Plan. While the Plan contains recommendations that had already been contained in the Commission on Taxation Report and the National Pensions Framework Report, the scale of the proposals are significant, and careful consideration will be required by the pensions industry and taxpayers. The Plan proposes a number of restrictions on tax and other reliefs on individual pension contributions:



PRSI, Health Levy and Tax Relief

PRSI and Health Levy relief is to be abolished for employee pension contributions from 2011. Previously pension contributions (up to the tax deductible limits) would have attracted relief of up to 9% against the combined PRSI/Health Levy liability. The Plan is silent in relation to the treatment of employers' PRSI on pension contributions collected from employees through the payroll system. Any change here could increase employer payroll costs. In addition to the abolition of PRSI and Health Levy relief, tax relief on individual pension contributions will also be reduced over a three year period from 2012 at the following rates:

<u>2012</u>	<u>2013</u>	<u>2014</u>
34%	27%	20%

The annual earnings limit that can be taken into account for individual pension contributions is to be reduced from €150,000 to €115,000, which we understand is intended to be effective from the date of the plan announcement. To this reduced earnings figure the age related contribution limit will apply so that the maximum pension contribution that would qualify for tax relief would be as follows:

<u>Up to age 29</u>	€115,000 @ 15% = €17,250.00	<u>Age 50-54</u>	€115,000 @ 30% = €34,500.00
<u>Age 30-39</u>	€115,000 @ 20% = €23,000.00	<u>Age 55-59</u>	€115,000 @ 35% = €40,250.00
<u>Age 40-49</u>	€115,000 @ 25% = €28,750.00	<u>Age 60+</u>	€115,000 @ 40% = €46,000.00

The Standard Fund Threshold for tax relieved pension funds is to be reduced in 2011 from the current level of €5.4m. The Plan is silent on the revised level. In the past the Standard Fund Threshold amount represented a multiple of around 20 x the annual earnings limit for personal pension contributions. Following an equivalent ratio the reduced threshold for tax relieved pension could be in the region of €2.3m (20 x €115,000).

New Public Sector Pension Arrangements

To manage the future costs of public service pension arrangements, new pension arrangements will be introduced in respect of all new entrants to the Public Sector from 2011. Features of this new arrangement will be to increase the age at which pension benefits are drawn to 66 years initially, and to 67 for retirees in 2021 and 68 in 2028.

Current Public Service Pensions in Payment

Existing public service pensioners will see an average reduction in their gross pension income of 4% with tapering to effect the greatest reductions on those with the highest level of income. Depending on the level of pension, the rates reduction will be from 0% to 12% scaled from €12,000 - €60,000.

IONISATION CHAMBER SMOKE DETECTOR DISPOSAL

Ionisation chamber smoke detectors (ICSDs) are considered electrical and electronic equipment. Therefore, they fall under the scope of the regulations controlling waste electrical and electronic equipment (WEEE). Very often, ICSDs contain batteries and so they also fall under the scope of the regulations controlling waste batteries. Any company importing, distributing or installing ICSDs in buildings must ensure that they comply with the requirements of the WEEE and Batteries Regulations.



The proper management of waste ICSDs is particularly important as they contain low-level radioactive sources; they use an ionisation chamber and a source of ionising radiation to detect smoke particles and contain a low activity americium - 241 source (typically less than 37 kBq). Any companies importing these products, or where they hold more than 500 units in stock or waste units, must be licensed by the Radiological Protection Institute of Ireland (www.rpii.ie). This is a separate requirement to producer registration under the WEEE and Batteries Regulations.

WEEE and waste batteries

WEEE and waste batteries must be separately collected for recycling and recovery of resources and the producer is responsible for arranging and financing this. They must not be disposed of in general refuse or mixed waste streams, and free take-back must be provided to all end-users. This applies to both household and non-household end-users. A system for the free take-back of WEEE and waste batteries from the household waste stream is well established through retail outlets and civic amenity sites. Non-household end-users must be provided with free take back also through the distributor and/or producer of the electrical and electronic equipment/batteries.

ICSDs at end-of-life

Due to the radioactive source contained in ICSDs, waste ICSDs should be managed differently to other WEEE. At present there is no national central storage facility for radioactive waste. However, in non-household situations, contractors are advised of their responsibilities as follows:

- * When replacing ICSDs, the waste ICSDs should be returned to the original supplier, according to the branding indicated on the units;
- * In the case of a refit, the producer of the new replacement units is responsible for financing the environmentally sound management of the waste ICSDs, if originally installed before 13 August 2005;
- * The contractor will usually be the producer in accordance with the WEEE Regulations, and as such must fulfil the take-back obligations, irrespective of brands, if the ICSDs that have become waste were originally installed before 13 August 2005;
- * Where old ICSDs are branded with a supplier that is no longer in operation or present in the country (orphan WEEE), the contractor carrying out the refit is advised to take custody of the units, and arrange for a transfer to a suitable facility. Such transfer should be documented and relevant records retained;
- * In the case of removal of waste ICSDs where there is no replacement, the non-household end-user remains responsible for financing their environmentally sound management at end-of-life.

In household situations, the take-back facilities available to householders for all other WEEE applies to ICSDs also, such as drop off to a retail outlet on a one-for-one, like-for-like basis or drop off to a local civic amenity site, free of charge.

Guidance note

A Guidance Note has been prepared jointly by the Environmental Protection Agency and the Radiological Protection Institute of Ireland to provide additional clarity to manufacturers, importers, distributors and end-users of ICSDs on the requirements for their proper management an end-of-life. A copy of the Guidance Note is available to download from the EPA website at www.weeeenforcement.ie and the RPII website at www.rpii.ie/publications.

Contact: Environmental Protection Agency. Tel: LoCall: 1890 33 55 99. Email: weee@epa.ie.





BUDGET 2011

AECI are making enquires into what appears to be a "Withholding Tax" at the rate of 20%.

This could have a major effect on our Electrical Contractors who are already having difficulties getting paid.

Our financial consultant (FM Auditors) are looking into this matter and when we get clarification we will inform you immediately.

2011 AECI SUBSCRIPTIONS

Please note the different categories of Membership to allow you to calculate what your 2011 Subscription would be.

SOLE TRADER	€250.00
2-5 EMPLOYEES	€400.00
6-14 EMPLOYEES	€600.00
15+ EMPLOYEES	€830.00

As all companies are experiencing difficult trading times economically the AECI Head Office is very grateful for Members who have paid the 2011 Subscriptions already.

We would encourage all others to submit their payment as early as you can to assist our cash flow in these particularly difficult times dealing with Government Bodies, TEEU etc. to achieve the aims of our Members.

A raffle will be held in early January 2011 for Subscriptions paid by the 31st Dec 2010.

FURTHER EDUCATION & QUALIFICATION FOR ELECTRICIANS



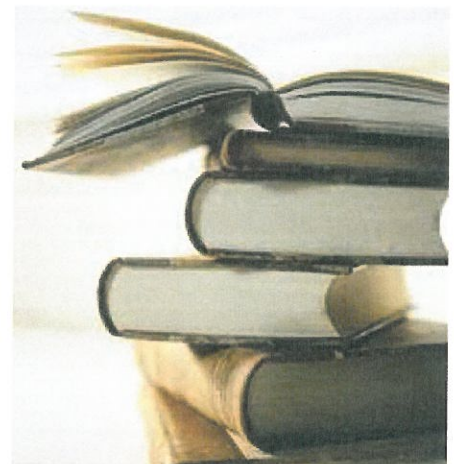
AECI have been in contact with DIT (Dublin Institute of Technology) with regard to further in the career of electricians the DIT have come back to us with 4 courses that maybe of interest, names as follows:

1. PROGRAMMABLE LOGIC CONTROLLERS (PLCs) - Programme Code: DT075

2. CERTIFICATE OF COMPLETION - INTRODUCTION TO COMPUTER AIDED DRAUGHTING (AUTO CAD) - Programme Code: DT076

3. HIGHER CERTIFICATE IN ELECTRICAL SERVICES ENGINEERING TECHNICIAN - Programme Code: DT078

4. BACHELOR OF ENGINEERING TECHNOLOGY IN ELECTRICAL SERVICES ENGINEERING - Programme Code: DT083



For further information please contact our office as these courses are ranging from a 10 week duration to a 5 year duration.