

NEWSLETTER AUGUST 2008

ESCALATION - MATERIALS

- The ECA is making good progress toward finding a solution to the under recovery on increases in material prices on large projects in the Electrical Industry.
- Over the past 12-18 months, a number of major ECA member companies have reported large discrepancies between the actual increases in prices of steel, copper and other capital items, against what they were able to recover by using the JBCC escalation formulae (Workgroups 160 & 162)
- As a result the ECA has now prepared new "baskets" of materials which are typically used in domestic, commercial, industrial and reticulation projects. The weightings to be attached to the different items of material in each basket will be finalized at a meeting on Tuesday 26 August 2008 in Meadowdale.
- SEIFSA has given their full support to assist ECA in this matter and we wish to thank Michael McDonald and Charl Celliers for their kind assistance in this regard to date.
- The next step in the process would be to obtain formal approval from JBCC to go ahead with the publication of the new tables in the monthly SEIFSA price and index pages.
- The next JBCC Technical Committee meeting is scheduled for Wednesday 3 September 2008 in Midrand and the ECA representative at that forum will submit the revised baskets of materials and the new weightings to JBCC for consideration.

PROPOSED NEW ELECTRICAL INSTALLATION REGULATIONS

- Whilst we are eagerly awaiting the publication of the new Regulations, early indications are that despite all the work that had gone into process of consultation and the many hours spent at stakeholder meetings, the document is controversial and may be creating more problems than it attempts to solve.

Consider the following:-

- What arrangements have DOL in place to ensure that AIA's under the new system are paid for their services, unlike the pilot scheme where many AIA's withdrew due to lack of payment?
- There is reference to a test report to accompany the COC. Has this document been finalised?
- Where 6 or more users share the supply at the same point of supply, would the competent person or engineer, who is required to ensure compliance from commencement to commissioning of such installation, be required to issue a Certificate of Compliance to the user?
- Would the accredited person, who performs the installation work as the electrical contractor, be required to issue a COC in the abovenamed situation or would such accredited person be able to "hide behind" the competent person or engineer who would certify the installation as compliant?

ECA SCHEDULE OF RATES

- The 2008 edition of the ECA schedule of rates is now available to members. The document serves as a general guide to assist members in compiling variation rates and should not be used for tendering purposes.
- Due to the volatility in the prices of steel and copper and the effect of fluctuations in the oil price as well as foreign exchange rates, members are urged to exercise extreme caution when submitting fixed price tenders particularly on contracts where the contract period exceeds 3 months.

Please contact your regional director to obtain a copy of the schedule or go to the ECA website @ www.ecasa.co.za

PRACTICAL TRAINING - APPRENTICES

- The ECA(SA) training provider in the Eastern Cape has released the following training dates:-
 - East London
M4-M6 8 September 2008 to 3 October 2008.
M0-M3 6 October 2008 to 31 October 2008.

- **Learnership Level 2 - 3 November 2008 to 31 October 2008.**

M0-M3 12 January 2009 to 6 February 2009.

M4-M6 9 February 2009 to 6 March 2009.

- **Port Elizabeth**

M0-M3 22 September 2008 to 17 October 2008.

M0-M3 17 November 2008 to 12 December 2008.