



SUMMER

OUR 48TH YEAR

CONTRA COSTA CHAPTER

JULY 2011

New Class of Apprentices ... Available!!!

One of the things that has been particularly difficult for the Joint Apprenticeship and Training Committee to figure out is why we have experienced disproportionate unemployment in our apprenticeship program. During previous recessions, we had very little difficulty keeping our apprentices working, seemingly because the employers used them to reduce their composite crew costs to become more competitive. Even when we had several hundred journeyman out of work, it was not usual to have nearly full employment of apprentices.

What Has Changed?

For one thing, new residential construction has typically accounted for 15-20% of our overall man-hours, but 20-40% of our apprentice man-hours. We have usually started our entire first year class in residential work. Depending on the times, it has been common for an apprentice to spend 18-24 months with residential shops. Some have even returned during their fifth year. That is clearly not happening now, and we do not see it happening in the foreseeable future.

A second factor may be the depth and breadth of the recession in terms of the number of jobs our employers have and the size of those jobs. When an employer is down to three small jobs and three journeyman/foreman that they feel they absolutely can not part with, its not hard to see why an apprentice may be expendable.

Finally, as the cost of health care has become significantly more than the small percentage of total cost it was in the past, the cost of an apprentice their first day on the job has risen to nearly 50% of the cost of a journeyman. (You pay the same hourly health contribution on an apprentice that you do on a journeyman/foreman).

On June 2, we graduated a class of 49 apprentices, only because the state of California allows us to reduce their required on-the-job training hours from 8,000 to 7,000. For the class that is now starting their 5th year, the situation is even worse — some of those individuals may need an extra (sixth) year to meet even the 7,000 hour requirement.

The Joint Apprenticeship and Training Committee decided on a class of 20 first year apprentices this year. The individuals have been notified and we expect they will be available over the next several weeks. Please do your part to make certain you are making full use of apprentices whenever possible.



We would like to say a special thank you to Tom Tatro of Contra Costa Electric and Mark Thomas of Crockett Electric, and the companies they represent, for giving more than a week of their time this spring to interview the candidates. We were so impressed with the people we interviewed that the Committee plans to use the same list for next years class.

In Case You Missed It

~ LEGAL ~

We have attached copies of the presentations from Joe Sweeney and Roger Mason, our Chapter Attorneys, that were made at the June Membership meeting. In July of 2012, the Mechanics Lien law will change dramatically, and Joe will be presenting a seminar on those changes shortly after the first of the year. Also included is the meal and rest period language that Roger spoke of that you should include on your time cards.

~ ELECTRICAL CODE ~

We have also attached the information that was distributed at the recent seminar on the changes to the electrical code based on the adoption of the 2008 NEC. Steve Pouliot made a point of making sure that all contractors know the importance of the changes to 310.15 (B)(2) regarding conduit exposed to sunlight on rooftops. We will attempt to get a uniform interpretation of the ambient temperature throughout Contra Costa County, but it may be that we will need two -- one on either side of the hill.



IRS.gov

**IRS Increases Mileage Rates
to 55.5 Cents per Mile**

On June 23, 2011, The Internal Revenue Service announced an increase in the optional standard mileage rates for the final six months of 2011. Taxpayers may use the optional standard rates to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes. The rate will increase to 55.5 cents a mile for all business miles driven from July 1, 2011 through December 31, 2011. This is an increase of 4.5 cents from the 51.0 cent rate in effect for the first six months of 2011. In recognition of recent gasoline price increases, the IRS made this special adjustment for the final months of 2011. The IRS normally updates the mileage rates once a year in the fall for the next calendar year.

“This year’s increased gas prices are having a major impact on individual Americans. The IRS is adjusting the standard mileage rates to better reflect the recent increase in gas prices,” said IRS Commissioner Doug Shulman. “We are taking this step so the reimbursement rate will be fair to taxpayers.”

The optional business standard mileage rate is used to compute the deductible costs of operating an automobile for business use in lieu of tracking actual costs. This rate is also used as benchmark by the federal government and many businesses to reimburse their employees for mileage. The new six-month rate for computing deductible medical or moving expenses will also increase by 4.5 cents to 23.5 cents a mile, up from 19 cents for the first six months of 2011. The rate for providing services to charitable organizations is set by statute, not the IRS, and remains at 14 cents a mile.

Taxpayers always have the option of calculating the actual costs of using their vehicle rather than using the standard mileage rates.

[Link to Complete Article : Click Here to view at IRS.gov](#)

MILEAGE RATE CHANGES

Purpose	Rates ¹	Rates ²
Business	51	55.5
Medical/Moving	19	23.5
Charitable	14	14

1 Rates in effect January 1 to June 30, 2011
2 Rates in effect July 1 to December 31, 2011

IMPORTANT

Make sure to record the odometer reading on all your business vehicles and to make note of your post June 30, 2011 medical and moving miles.

ENCLOSURES

Presentation Handouts from June’s Membership Meeting

2008 NEC Changes

Calendar

Personal Best Bulletin

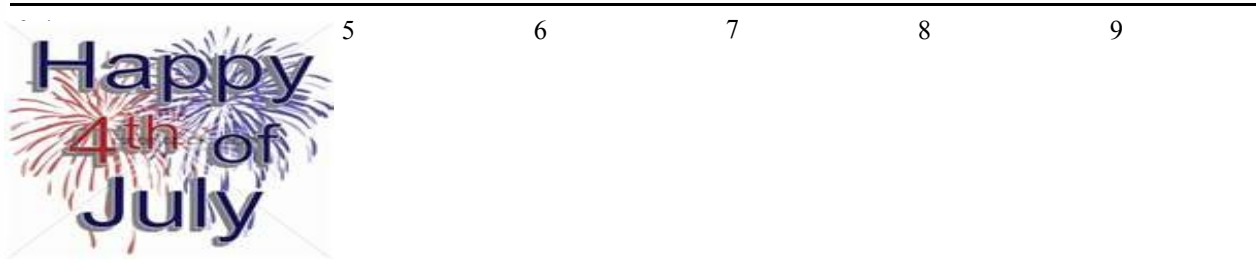


July 2011

Sun Mon Tue Wed Thur Fri Sat

1 2

**Carpenter
Off Day**



5 6 7 8 9

10 11 12 13 14 15 16

District IX

**11:00 a.m.
Council
Summer Meeting
San Jose, CA**

**Industry
Trust**

**11:45 p.m.
Primas
Walnut Creek**

17 18 19 20 21 22 23

Retirement

**10:00 a.m.
Training Center
Martinez**

24-25 26 27 28 29 30

**Electrical Contractors
Association of California**

**Golf Tournament
Reno, NV**

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