

Welcome to 'a.i. dialogue': Associated Industries' conversation with you

ASSOCIATED INDUSTRIES ANNOUNCES BIG CHANGES

Welcome to our second edition of 'a.i. dialogue' -- a newsletter designed to increase our interaction with you, provide useful information and offer a forum for your feedback, comments and concerns. As mentioned in our first edition, 'a.i. dialogue' is just the first in a series of important changes taking place at Associated Industries.

In September, we will introduce a new look and new interactive Associated Industries website will follow with even more opportunities for true conversation, interesting information and dynamic new features. In other words, for dialogue.

ASSOCIATED INDUSTRIES HAS MOVED INTO NEW DIGS!

Associated Industries has moved from our former location (920 N. Washington) to 1206 N. Lincoln, Suite 200 (formerly leased by the firm of Moloney O'Neill Corkery Jones.)

All our offices and employees have transferred to the new, spacious facility, but additional remodeling is being completed.

Soon you'll see our Associated Industries sign being hauled into place on the building

"This new building will not only give us room to expand our staff and service areas," says CEO/President Jim DeWalt, "it will also enhance our ability to help our members and retain the high level of service they've come to expect."

Once the "polishing" is complete, a Grand Opening is planned for late September!

a.i.(biz) briefs

STATE WAGE GROWTH EDGED OUT INFLATION Washington workers earned 5 percent more in 2007 than they did in 2006, while inflation grew by only 3.9 percent, according to a new report released by the state Employment Security Department.

Source: Business Examiner, Posted 08/06/08

ACCORDING TO THE NATIONAL ASSOCIATION OF MANUFACTURERS, the so-called "Employee Free Choice Act" (EFCA) -- which would take away a worker's right to a secret ballot when deciding if he or she should join a union -- is being promoted heavily by "Big Labor." However, recent polls conducted by the coalition for a Democratic Workplace (CDW) have shown that nearly two-thirds of voters in Colorado, Maine and Minnesota oppose the EFCA.

Source: National Association of Manufacturers

IRS RECENTLY ANNOUNCED NEW MAXIMUM CONTRIBUTION LEVELS for Health Savings Accounts (HSAs) as well as 2009 out-of-pocket spending limits for high deductible health plans (HDHPs) used in conjunction with the HSAs. In calendar year 2009, the annual limitation on deductions for an individual with self-only coverage under a high deductible health plan is \$3,000, while for an individual with family coverage under a HDHP is \$5,950. The minimum deductible for HDHPs also increases -- to \$1,150 for self-only coverage and \$2,300 for family coverage. For more information, contact your health plan representative or check online at <http://www.treas.gov/offices/public-affairs/hsa/>

Source: U.S. Department of Treasury, <http://www.treas.gov/press/releases/hp975.htm>

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FACT of the MATTER:

Important information from Associated Industries CEO/President Jim DeWalt

In the U.S. right now there are few issues in need of solutions as much as healthcare.

For nearly 100 years, our staff at Associated Industries has listened and responded to business owners as they've brought to us their most challenging issues, and we've worked together to arrive at solutions that will ensure their success.

For the last two decades, one issue has stood out above the rest: escalating medical costs making traditional forms of health insurance coverage too expensive to be practical for many small business owners. In fact, studies have shown that insurance premiums have risen 87 percent between 2000 and 2006, more than four times the growth in wages (*Source: Healthcare Costs: A Primer, Health Care Marketplace Project, 08/2008.*)

We understand where business owners are coming from. While everyone deserves access to a basic level of healthcare coverage, it's clear things can't continue on their present course. As an employers' association, we have been working hard to help answer our members' needs.

We've developed innovative, flexible plans – such as Health Savings Plans (HSAs) and Health Reimbursement Arrangements (HRAs) – that allow employers to establish higher deductibles to reduce premium costs while “cushioning” the effect of those higher deductibles to their employees. While certainly part of the answer, these plans, good as they are, cannot possibly provide a full solution.

While we may not all agree on every aspect of the problem, nor every means to a solution, together we can be a mighty force for change. The fact is, of the 47 million Americans who are uninsured today, **28 million** represent small business owners, their employees and dependents -- that's a sizable voting block!

It's up to each of us to find new ways to ensure that healthcare is accessible and affordable. We are calling on you to become part of the solution. In future 'a.i. dialogue' issues, we'll discuss some answers we believe would promote a more level healthcare playing field for the backbone of our economy – small businesses like yours.

In the meantime, let your legislators know how decisions they make regarding your employees' healthcare affect your bottom line, and that you are looking very hard on where your legislators stand on this issue.

Jim DeWalt, CEO/President

Interactive Leadership Series for Managers and Supervisors.



DATES:

Sept. 26 - Dec. 5, 2008

COST:

Members Only: \$950

Two or more from your organization: \$850/ea.

The supervisors and managers in your organization have a powerful impact on productivity, quality, teamwork, morale, safety, costs and customer service. The course includes ten half-day sessions that give new and experienced leaders greater confidence in applying leadership and communication skills.

- Interaction Skills
- Personal Effectiveness
- Stress and Time Management
- Government Regulations
- Interviewing and Selection
- Motivations and Delegation
- Coaching For Success
- Improving Employee Work Habits
- Planning and Performance Expectations
- Performance Review Skills

A letter from George McGovern

"My Party Should Respect Secret Union Ballots"

By *GEORGE MCGOVERN*

August 8, 2008

As a congressman, senator and one-time Democratic nominee for the presidency, I've participated in my share of vigorous public debates over issues of great consequence. And the public has been free to accept or reject the decisions I made when they walked into a ballot booth, drew the curtain and cast their vote. I didn't always win, but I always respected the process.

Voting is an immense privilege.

That is why I am concerned about a new development that could deny this freedom to many Americans. As a longtime friend of labor unions, I must raise my voice against pending legislation I see as a disturbing and undemocratic overreach not in the interest of either management or labor.

The legislation is called the Employee Free Choice Act, and I am sad to say it runs counter to ideals that were once at the core of the labor movement. Instead of providing a voice for the unheard, EFCA risks silencing those who would speak.

The key provision of EFCA is a change in the mechanism by which unions are formed and recognized. Instead of a private election with a se-

cret ballot overseen by an impartial federal board, union organizers would simply need to gather signatures from more than 50% of the employees in a workplace or bargaining unit, a system known as "card-check." There are many documented cases where workers have been pressured, harassed, tricked and intimidated into signing cards that have led to mandatory

payment of dues.

Under EFCA, workers could lose the freedom to express their will in private, the right to make a decision without anyone peering over their shoulder, free from fear of reprisal.

There's no question that unions have done much good for this country. Their tenacious efforts have benefited millions of workers and helped build a strong middle class. They gave workers a new

voice and pushed for laws that protect individuals from unfair treatment. They have been a friend to the Democratic Party, and so I oppose this legislation respectfully and with care.

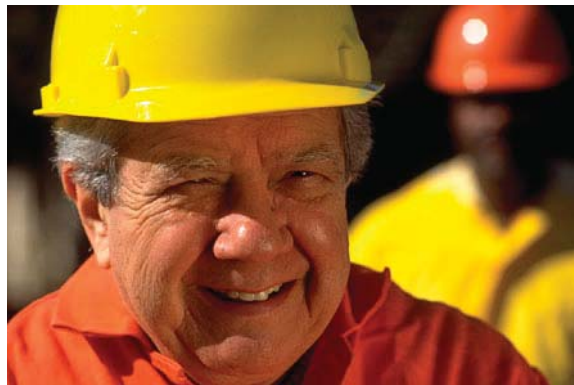
To my friends supporting EFCA I say this: We cannot be a party that strips working Americans of the right to a secret-ballot election. We are the party that has always defended

as Mexico insist on the secret ballot when voting as to whether or not their workplaces should have a union. We should have no less for employees in our country.

I worry that there has been too little discussion about EFCA's true ramifications, and I think much of the congressional support is based on a desire to give our friends among union leaders what they want. But part of being a good steward of democracy means telling our friends "no" when they press for a course that in the long run may weaken labor and disrupt a tried and trusted method for conducting honest elections.

While it is never pleasant to stand against one's party or one's friends, there are times when such actions are necessary -- as with my early and lonely opposition to the Vietnam War. I hope some of my friends in Congress will re-evaluate their support for this legislation. Because as Americans, we should strive to ensure that all of us enjoy the freedom of expression and freedom from fear that is our ideal and our right.

McGovern is a former senator from South Dakota and the 1972 Democratic presidential candidate.



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a new publication of Associated Industries

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A.I. RETRO CELEBRATES 20 YEARS

On July 1, Associated Industries began our 20th year sponsoring and managing our Metal Trades Retro Group. Thank you to all of our employers for their participation and contribution to the success of our group. We would especially like to recognize the companies that have been members of our group since its inception in 1989:

All Western Machine Works
Briggs Machine
Coeur d'Alenes Company
Rowand Machinery
Watson Paint and Body
Wilson Tool

We also want to welcome **CRUX Subsurface**, our newest Retro Member.

DEPARTMENT OF L&I SCHEDULES PUBLIC COMMENT PERIODS

The Department of Labor and Industries filed a "Proposed Rule Making" to amend rules for Washington businesses that employ Washington employees out of state.

During the 2008 legislative session,

RCW 51.12.120 was revised to define what a "temporary and incidental" period is, and to permit Washington businesses to purchase coverage in another state for their Washington workers when working out of state. This revision removes the requirement to pay double coverage when working out of state.

Spokane hearings on these rules will take place September 11, 2008, 10 a.m. at the Spokane Airport Ramada.

SPOKANE INDUSTRIAL SAFETY CONFERENCE COMING IN SEPTEMBER

The 57th Annual Governor's Industrial Safety and Health Conference will take place September 24th and 25th at the Spokane Convention Center. Registration forms are available at <http://www.wagovconf.org/registration.htm>.

Wednesday afternoon Jim Gurnea, Associated Industries Vice-President of Safety Services, is scheduled to co-present with Tiffany Steeley from Humanix, regarding new temporary-hire employees.