



LOCAL UNION 338

October 26, 2015

Dear Member:

On October 1, a new, five-year, collective bargaining agreement went into effect between our Local Union and Kaiser Aluminum. This new agreement ensures that each of our members will continue to enjoy livable wages, good benefits, safe working conditions, and job security.

Even though we've settled our contract there are other issues impacting workers which cannot be ignored. As I write this letter there are external forces at work promoting flawed ideals and legislation which will result in significant job losses for Americans. There are two issues in particular of which I want you to be aware. The first is anti-American, anti-worker trade agreements such as the recently passed Trans Pacific Partnership and the second is Carbon Emissions Reduction initiatives taking place right here in Washington State.

As you know over the past 18 months we've fought hard against job destroying trade legislation. We've also lobbied against short-sighted changes to environmental regulation. As part of this effort I've met frequently with state and local officials, U.S. Senators Murray and Cantwell along with U.S. Representative Cathy McMorris-Rodgers offices in efforts to persuade them to reject trade agreements that threaten the economic stability of our middle class. Twenty years of foreign trade agreements have punished American workers while lining the pockets of multi-national corporations. Since NAFTA was enacted in 1995 more than 65 additional trade agreements have been created. These agreements have established new trade partners that have resulted in the transfer of more than eight million manufacturing jobs to other countries. It should be no surprise that these foreign trade partners are now our competitors. As American workers it's not only unconscionable; but impossible for us to compete with nations who do not recognize or value the most basic of human rights. These are nations where slave labor is commonplace, where wages are kept below the poverty line, where worker safety and environmental standards are nonexistent and where democracy is unattainable. If we continue to swim in this cesspool of unfair trade our futures and our children's futures will be threatened with a life of slavery and poverty.

As Steelworkers we work in energy-intense, trade-exposed industries. We are not only vulnerable to unfair trade, but also to untested, unproven environmental regulations currently underway here in our state. The imposition of more stringent carbon limits cannot be avoided and will happen with or without us. Currently the State (DOE) Department of Ecology is focusing on 35 facilities in our state which produce 60 percent of the green house gas. Kaiser Aluminum has been identified as one of the 35, producing at or above 100,000 metric tons of CO₂ annually. Under the DOE's proposed plan manufacturers who exceed the new limits would be required to purchase carbon credits on the open market to off-set their discharge levels. The cost of these carbon offsets and the economic impact of this type of reduction plan is uncertain.

To further complicate the situation several west-side environmental groups partially funded by outside interests are pushing for even tougher standards enforced through penalties and levied taxes. Although their plan may be

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well intended it has the potential to erode the middle class, destroy our manufacturing base, and eliminate thousands of jobs.

Since Kaiser competes domestically as well as globally the proposed changes are expected to impact our industry and our jobs. Kaiser's competitors reside in other zones, states or countries which will not be subject to the same regulations. Competitively, that puts us at a disadvantage when compared to companies located in other zones that will not be required to comply with the same standards. Heavily weighted standards and regulations along with our current trade agreements will incentivize energy-intensive manufacturers to relocate in order to avoid costly regulation and remain profitable.

We all agree we want good jobs, clean air, and clean water. It's important to remember that Washington State is already one of the cleanest states in the nation. Over the past several years Kaiser Aluminum has led the industry by voluntarily investing in new technology and state-of-the-art equipment which has made our plant more energy efficient while protecting the air we breathe and the water we drink.

SAVE THE DATE

On November 7, between 9:00 a.m. and 12:00 noon our local union will be sponsoring a Town Hall meeting to discuss the latest policies and proposals for addressing climate change. We are looking for constructive ways to work with government, environmentalists, businesses and our community to develop a reasonable approach to reducing carbon emissions. I will be there along with District 12 Assistant Director Chris Youngmark and special guests Jeff Johnson from the State AFL-CIO, Jim Young from the Labor Institute, Chris Davis from the governor's office, Sarah Rees from the DOE, and members of the business community as well as environmentalists. This has become one of the biggest fights we've faced as a union and we must all join this fight to protect our jobs and our futures. If you are not working on November 7, please, make it a priority to attend this meeting. I would also encourage you to consider inviting family members, neighbors and friends. The meeting will take place at our union hall which is located at 14015 East Trent Avenue in the Spokane Valley. For more information, please, give me a call at (509) 924-2650.

Sincerely,



Dan Wilson

**PRESIDENT – LOCAL 338
UNITED STEELWORKERS**

DRW – KAISER TRENTWOOD / KAISER ALUTEK