

tmta talk

A publication of the
Tooling, Manufacturing &
Technologies Association

**FROM ROB'S
ROOST**
By ROB DUMONT
PRESIDENT & CEO

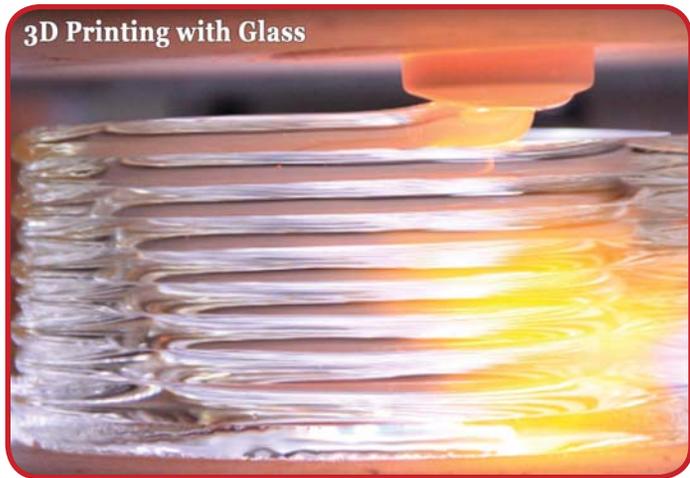
Soldiering On

In mid-August China devalued its currency, the yuan (or renminbi, as it is also known). What this reveals is that China has chosen to export its unemployment problem instead of taking the hard steps needed to restructure its domestic economy.

So what impact does that have on the United States and why is it important? Over the last ten years, trade deficits caused by currency manipulation by about 20 primarily Asian countries but predominately by China, have eliminated between 2.3 and 5.8 million U.S. jobs.

There immediately followed a further devaluation of the yuan by 4.4 percent in the first three days, and, a cumulative drop of 10 to 15 percent is possible in the very near future.

Experts suggest that a devaluation of the yuan of between 4.4 to 15 percent, were it to persist, would very likely increase U.S. trade deficits sufficiently to eliminate between 190,000 and 640,000 more U.S. jobs.



3D Printing with Glass

Support is growing in both parties for new policies to end currency manipulation and to reverse the damage it continues to visit on the U.S. economy. The TMTA and other similarly interested groups are actively engaged in ongoing efforts urging Congress to take

immediate steps to pass tough laws aimed at putting an end to currency manipulation and to ensure that American workers and companies get timely relief from unfairly traded imports.

China's conduct in the devaluation of its currency is not without repercussions on economic policies and financial markets around the world often

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tmta Calendar of Events

September 2015

11	Patriot Day - Remembrance of September 11, 2001
23	Autumnal Equinox - First Day of Fall

Visit www.thetmta.com for detailed, up-to-date information on all events.

(Rob's Roost continued from Page 1)

putting pressure on its trading partners to follow suit by devaluing their own currencies in order to attempt to preserve competitiveness. Within days, South Korea's currency (the won) fell by 1.4 percent against the U.S. dollar. Evidence indicates that widespread devaluations throughout Asia, prompted by China's new efforts to manipulate the yuan, would bring about bigger trade deficits, further declines in U.S. gross domestic product (GDP), and more job losses.

What options are available to Congress in the face of this conduct by trading partners?

Initially, Congress should insist that the proposed Trans-Pacific Partnership (TPP) must include strong, enforceable restrictions on currency manipulation. China is not part of the TPP but its conduct can, and has, prompted members of the proposed deal such as Japan, Singapore and Malaysia to manipulate the value of their respective currencies which negates any potential advantages which might flow to the U.S. should that trade and investment deal come to pass.

As well, Congress needs to pass legislation that provides a clear definition of "fundamentally undervalued" currency and which establishes that countervailing duties may be imposed on imports from any country maintaining such currency values.

In the House of Representatives H.R. 820, The Currency Reform Fair Trade Act is proposed; similarly in the Senate, S. 433, The Currency Undervaluation Investigation Act is under consideration. There is substantial bipartisan support on the issue as was indicated by Senator Charles Grassley (R-IA) Chairman of the Budget; Finance; Judiciary Committee who stated "both Democrats and Republicans have exercised too much caution in dealing with China on the issue of currency manipulation".

It is certainly the right time for Congress and the administration to embark on a fundamental review and reform of U.S. trade laws and existing trade agreements which have not undergone a major review or update for more than 25 years, since the passage of the Omnibus Trade and Competitiveness Act of 1988. It is noteworthy that since that time, U.S. imports from China have increased more than fiftyfold, rising from \$8.5 billion to \$466.8 billion in 2014. China has fundamentally changed the structure of the global economy in that time frame, yet U.S. fair trade laws have not been adjusted to reflect this new reality.

For reason that evade recognition, the U.S. has not

made and continues to resist, comprehensive review and examination of existing trade agreements to determine what does and does not work well for America. That is akin to running your business with a dedication to not ever considering prior results; making adjustments or changes where indicated, and blindly forging on in the face of existing failures. Somehow that conduct does not resonate as being a practical or sensible approach.

DOL Definition of An Independent Contractors

The Department of Labor's Wage and Hour Division (DOL) issued guidance (*Administrator's Interpretation No. 2015-1 — The Application of the Fair Labor Standards Act's 'Suffer or Permit' Standard in the Identification of Employees Who Are Misclassified as Independent Contractors*) on classifying workers as employees or independent contractors under the Fair Labor Standards Act (FLSA). David Weil, Administrator of the DOL Wage and Hour Division, issued an Administrator's Interpretation stating that the misclassification of employees as independent contractors is becoming more prevalent in the U.S. He regards the alleged misclassification as broadly including most workers as employees.

When employers improperly classify employees as independent contractors, the employees may not receive important workplace protections such as minimum wage, overtime compensation, unemployment insurance, health insurance, and workers' compensation. Misclassification also results in lower tax revenues for government and an uneven playing field for employers who properly classify their workers. Some employees may be intentionally misclassified as a means to cut costs and avoid compliance with labor laws such as state and federal civil rights law prohibiting workplace discrimination, harassment, and retaliation.

The DOL relies on the FLSA's broad definition of the term "employ" as being "to suffer or permit to work" and fully embraces the "economic realities test" which has regularly been adopted by courts as the most applicable in determining whether an individual is an independent contractor. Also, throughout the guidance, the Administrator de-emphasizes the element of control over how tasks are to be performed. Historically, the issue of control has been regarded as one of the most important factors in determining whether a worker is an employee or independent contractor.

The guidance discusses how businesses should evaluate employee or independent contractor status using a multi-factor economic realities test. The economic rela-

relationship between the business and the worker determines the worker's status. The DOL says employers must carefully consider these six tests:

1 – Is the Work an Integral Part of the Employer's Business?

If the work performed by a worker is integral to the employer's business, it is more likely that the worker is economically dependent on the employer. A true independent contractor's work is unlikely to be integral to the employer's business. Work can be integral to the business even if it is just one component of the business and/or is the same as, or interchangeable with, many others' work. Recognizing that many workers may have flexible work schedules or work from home, the guidance makes it clear that work may be integral even if it is performed at the worker's home or on the premises of the employer's customers.

2 – Does the Worker's Managerial Skill Affect the Worker's Opportunity for Profit or Loss?

In considering whether a worker has an opportunity for profit or loss, the focus is whether the worker's managerial skill can affect his/her profit and loss. A worker in business for himself/herself faces the possibility to not only make a profit, but also to experience a loss. On the other hand, the worker's ability to work more hours and the amount of work available from the employer have nothing to do with the worker's managerial skill and do little to separate employees from independent contractors — both of whom are likely to earn more if they work more and if there is more work available. Also, the effect on one's earnings of doing one's job well or working more hours is no different for an independent contractor than it is for an employee and is not a consideration.

3 – How Does the Worker's Relative Investment Compare to the Employer's Investment?

Courts consider the nature and extent of the relative investments of the employer and the worker. The worker should make some investment (and, therefore, undertake at least some risk for a loss) in order for there to be an indication that he/she is an independent contractor. The independent contractor typically makes investments that support a business as a business beyond any particular job. A worker's investment should not be considered in isolation; it is the relative investments that matter — not just the nature, but comparing the worker's investment to the employer's investment. The contractor's investment should not be relatively minor compared with that of the employer as that would suggest that the worker and the employer are not on similar footings and that the worker may be economically dependent on the employer.

4 – Does the Work Performed Require Special Skill and Initiative?

A worker's business skills, judgement, and initiative,

will aid in determining whether the worker is economically independent. The fact that a worker is skilled is not itself indicative of independent contractor status.

5 – Is the Relationship Between the Worker and the Employer Permanent or Indefinite?

Permanency or indefiniteness in the worker's relationship with the employer suggests that the worker is an employee. After all, a worker who is truly in business for himself/herself will shun a permanent or indefinite relationship with an employer and the dependence that comes with such permanency or indefiniteness. Most employees are engaged on a permanent or indefinite basis. Even if the working relationship lasts weeks or months instead of years, there is likely some permanence or indefiniteness to it as compared to an independent contractor, who typically works one project for an employer and does not necessarily work continuously or repeatedly for an employer. The key is whether the lack of permanence or indefiniteness is due to "operational characteristics intrinsic to the industry" or the worker's "own business initiative."

6 – What is the Nature and Degree of the Employer's Control?

The employer's control should be analyzed in the ultimate determination of whether the worker is economically dependent on the employer or truly an independent businessperson. The contractor must control meaningful aspects of the work performed, such that it is possible to view the worker as a person conducting his/her own business. And the contractor's control over meaningful aspects of the work must be more than theoretical — the contractor must actually exercise it. The "control" factor should not play an oversized role in the analysis. All possible relevant factors should be considered.

Remember that the factors should not be analyzed mechanically or in a vacuum, and no single factor, including control, should be over-emphasized. Also, remember that the DOL shares information with the IRS and with state enforcement agencies in a number of states. Given the DOL's increased emphasis in the area of correctly classifying workers, employers should be prepared for a greater possibility of audits by the DOL, IRS, or state agencies.

Correct classification of workers has critical implications for the legal protections that workers receive and critical implications for the employer if it is determined that they have misclassified their workers. All employers should re-examine their employees to make sure they are in compliance with the law. To read the entire guidance (examples are given for each factor), visit the DOL website at www.dol.gov/whd/workers/Misclassification/AI-2015_1.pdf.



National Manufacturing Day

Manufacturing Day is a worldwide celebration of modern manufacturing meant to inspire the next generation of manufacturers. Manufacturing Day officially occurs on the first Friday in October; this year it falls on October 2, 2015. Manufacturers everywhere are given an opportunity to open their doors and demonstrate, in a coordinated effort, what manufacturing is and what it is not.

Manufacturing plants are commonly thought of as dark, dirty, dangerous factories designed for low-skilled, low-paid workers. Manufacturing Day gives manufacturers a chance to change this misconception by opening their doors and showing manufacturing as the cutting edge, highly-skilled, growing industry it really is to an audience of students, parents, educators, media, civic leaders and local communities.

According to Forbes, industrial employment has surged over the past five years with the sector adding some 855,000 new jobs. By working together, manufacturers will begin to address the skilled labor shortage they face, connect with future generations, take charge of the public image of manufacturing, and ensure the ongoing prosperity of the whole industry.

For more information on National Manufacturing Day, to watch a webinar aimed at helping event planners get started, or to find manufacturing events in your area (or to add your own), visit www.mfgday.com.

OSHA Updates NEP on Amputations

The Occupational Safety and Health Administration (OSHA) issued an updated National Emphasis Program (NEP) on amputations. The NEP has been in existence since 2006 and is targeted to industries with high numbers and rates of amputations. In this updated NEP, OSHA is using current enforcement data and Bureau of Labor Statistics (BLS) injury data to assist with site selection targeting the same methodology used in the prior NEP.

According to the most recent BLS data, manufacturing employers report that 2,000 workers suffered amputations in 2013. The rate of amputations in the manufactur-

ing sector was more than twice as much as that of all private industry. These serious injuries are preventable by following basic safety precautions.

This Directive updates the 2006 NEP on amputations and applies to general industry workplaces in which any machinery or equipment likely to cause amputations are present. Inspections will include an evaluation of employee exposures during operations such as: clearing jams; cleaning, oiling, or greasing machines or machine pans; and locking out machinery to prevent accidental start-up.

OSHA has also posted a fully updated version of its guide *Training Requirements in OSHA Standards* to all agency training requirements to help employers, safety and health professionals, training directors, and others comply with the law and keep workers safe.

For more information, visit the OSHA website at www.OSHA.gov or contact your workers' compensation carrier.

New OSHA Directive on its Hazard Communication Standard

The Occupational Safety and Health Administration (OSHA) recently released its long awaited Directive on its revised Hazard Communication Standard (HCS).

In 2012, the HCS was revised to align with the United Nations Globally Harmonized System of Classification and Labelling of Chemicals (GHS). These revisions made significant changes to the classification of "chemicals", to the labeling of chemical containers, and to the format and required content of Safety Data Sheets (SDS) formerly known as Material Safety Data Sheets (MSDS).

The newly released Directive, *Inspection Procedures for the Hazard Communication Standard (HCS 2012)*, is designed to provide certified safety and health officials with detailed policies and procedures to check for compliance with HCS 2012 while conducting inspections of manufacturers, distributors, and employers. It outlines revisions to the HCS, including the revision of hazard classifications of chemicals, standardized label elements for containers of hazardous chemicals, and specification of the format and required content for SDS. According to OSHA, it explains "how the revised standard is to be enforced during its transition period and after the standard is fully implemented on June 1, 2016."

Employers were required to train workers on the new label elements and SDS by December 1, 2013; chemical

manufacturers, importers, and distributors had to comply with the new SDS requirements by June 1, 2015; manufacturers and importers had to comply by June 1, 2015; distributors must comply by December 1, 2015, unless they are relabeling materials or creating SDS forms in which case they must have complied by June 1, 2015; and employers have until June 2016 to update additional employee training needed for newly identified hazards. The Directive also explains how the HCS interacts with other OSHA requirements and with the U.S. Department of Transportation requirements for the labeling and handling of hazardous substances, and replaces earlier interim enforcement guidance.

The Directive covers HCS requirements and provides OSHA inspectors with instructions on violations of the OSHA Act and issuing citations where employers are found to be in violation of the requirements. Employers are encouraged to make sure they are in compliance with the new Directive.

The Directive (number: CPL 02-02-079) can be found in its entirety at <https://www.osha.gov/OshDoc/Directive pdf/CPL 02-02-079.pdf> or contact your workers' compensation carrier for more information.



Win By Losing

Participate in the Win by Losing competition presented by the Blues. Registration opens September 14th and the competition kicks off on September 21st. The event runs through November 20th.

This past spring, the teams' significant weight loss raised the total pounds lost to 91,688 since the event began in 2009. BCBSM is expecting to push the scale to hit the 100,000 mark this round and they need your company's help!

To learn more about the contest, register online, and download tons of helpful information, visit the BCBSM website at www.bcbsm.com/your health.

Here's hoping for a record loss at your company this round!

National Prescription Drug Take-Back Day

The DEA announced that the 10th National Prescription Drug Take-Back Day will take place on September 26th from 10 am to 2 pm local time. Sites will be set up throughout communities nationwide so local residents can return their unwanted, unneeded, or expired prescription drugs for safe disposal.

Many Americans are not aware that medicines that languish in home cabinets are highly susceptible to diversion, misuse, and abuse. Rates of prescription drug abuse in the U.S. are at alarming numbers, as are the number of accidental poisonings and overdoses due to these drugs. Studies have shown that 12 to 17 year-olds have made prescription drugs the number one substance of abuse for their age group and most of these drugs are unwittingly coming from the medicine cabinets of their parents, grandparents, and friends. In addition, many Americans do not know how to properly dispose of their unused medicine, often flushing them down the toilet or throwing away the whole bottle — both potential safety and health hazards.

Previous Drug Take-Back events nationwide from 2010-2014 have collected 4,823,251 pounds or 2,411 tons of unwanted medications. Collection sites in every local community can be found by going to www.dea.gov. Also, keep in mind that many police stations have prescription drop boxes available year round for drug disposal outside of the National Drug Take-Back Day.

(Health News continues on Page 5)



In Memoriam



It is with deep sadness and regret that we note the passing of **Sharon Medwid** on July 18, 2015 at the age of 63. Mrs. Medwid was owner of **Three M Tool and Machine, Inc.** and **Ultra Grip International** both of Commerce Township. Sharon has also served on the TMTA Board of Directors. She is survived by her loving husband of 30 years, Michael; and her son, Sam.

Sharon was a very nurturing, compassionate, and generous person with a tremendous zest for life. She cared deeply for her family, friends (both human and animal) and her company. She treated her employees like family and she had a special passion for nature and the environment.

Sharon Medwid will be greatly missed by her family, friends, and employees who will miss her laughter, kindness, generosity, strength, and love for all living beings. Memorial donations may be made in her name to the animal charity of your choice.

Our heartfelt condolences go out to her family and friends.

Find health-care reform information along with tax and pension limits, insurance forms, required and optional state and federal posters, workers' compensation forms, FMLA and COBRA information and forms, direct links to the OSHA chemical information database and the NIOSHA pocket guide to chemical hazards, and more at www.thetmta.com by mousing over "Information/Networking" on the top navigation bar and choosing "Company Forms & Information."

INFLATION TALK

CPI-W Urban Wage Earners and Clerical Workers

Month	82-84	1967	57-59
July	233.806	696.436	809.95*
June	233.804	696.431	809.94*
May	232.908	693.763	806.84*
Apr	231.520	689.626	802.03*
Mar	231.055	688.243	800.42*
Feb	229.421	683.374	794.76*
Jan 2015	228.294	680.018	790.85*
Dec 2014	229.909	684.828	796.45*

CPI-U All Urban Consumers

Month	82-84	1967	57-59
July	238.654	714.902	831.42*
June	238.638	714.855	831.36*
May	237.805	712.357	828.46*
Apr	236.599	708.746	824.26*
Mar	236.119	707.306	822.59*
Feb	234.722	703.122	817.72*
Jan 2015	233.707	700.083	814.18*
Dec 2014	234.812	703.393	818.03*

Note: July 2015 CPI-W represents a -0.3% increase from one year ago; CPI-U a 0.2% increase.

* Base Year 1957-59 is no longer released. BLS has issued the following conversion factors from the 82-84 year:

CPI-W—.2886674 CPI-U—.2870447

(Health News continued from Page 3)



New TMTA Endorsed Service
Provider: Call-A-Doctor

Your employees can make UNLIMITED calls 24/7 and speak to a Board Certified Physician, Dermatologist, Pediatrician, or Master-Level Behavioral Health Clinician; have a consultation; and be prescribed medication if necessary and have it sent electronically to the pharmacy of the employee's choice in minutes. (No controlled, psychiatric, or lifestyle medications.) The service can handle up to 70% of non-emergency care needs with no waiting for hours for service at the doctor's office or health care facility all for a low monthly fee. Employees and their family members can call or video consult from ANYWHERE at ANYTIME!

The employees love it because they don't have to pay a Co-pay or Deductible associated with visiting the Doctor or Health Care Facility. They also appreciate the convenience of not having to make an appointment, travel to their or their kid's doctor, sit in a waiting room with other sick people, then go to the pharmacy and wait for a prescription. They can have premium health care on *their* terms without taking time off work. The average Doctor call-back time is 14 minutes.

Your company will find great value in this Telehealth Service due to the decreased cost of office, urgent care, and emergency room visits you may currently be paying for if you have a self-funded insurance plan. If your plan is insured and you are experience rated, your premiums may be less. There are administrative savings as well.

Equally important are the savings associated with employees not having to miss work to go to the doctor and the resultant elimination of lost productivity. Call-A-Doctor can show you how your company can have a *notable* positive ROI with this service. It will pay for itself multiple times yearly.

TMTA has negotiated very attractive special pricing for members. For more information and to sign up for this new service, contact Ed Stines at Concepts in Wellness Solutions at 248-524-3221, ext. 21 or e-mail to ed@getcadrplus.com.

TMTA ENDORSED SERVICE PROVIDERS

Blue Cross Blue Shield/BCN

(Health insurance program)

TMTA contacts:

Bill Percha 586-904-9700 (cell)

Elaine Burger-Laskosky 248-488-0300, ext. 1309

Call-A-Doctor - (Telehealth Program)

Provider contact:

Ed Stines 248-524-3221, ext. 21

CAPTRUST (formerly Freedom One Financial)

(401(k) Retirement program)

Provider contact:

John Young 248-620-8100

Euler-Hermes - (Credit insurance program)

Provider contact:

Jay Poplawski 248-355-1414, ext. 158

John M. Packer & Associates

(Unemployment cost control program)

Provider contact:

Nathan Wiest 800-482-2971

Practical Power LLC - (Electrical savings program)

Provider contact:

Mark Bunting 248-726-7598

Ralph C. Wilson Agency, Inc.

(Insurance management)

Provider contact for Benefits coverages:

Robert Farris 248-355-1414, ext. 109

Provider contact for P&C and WC coverages:

Jay Poplawski 248-355-1414, ext. 158

Reliance Standard/Ameritas

(Life/Dental insurance programs)

TMTA contacts:

Bill Percha 586-904-9700

Stella Krupansky 248-488-0300, ext. 1310

Results Systems Corporation

(Business management consulting)

Provider contact:

Paul Hindelang 248-244-8550

SVS Vision - (Safety & Vision programs)

Provider contact:

Monica Dya 800-611-3683 or www.svsvision.com

Schena Roofing & Sheet Metal Co., Inc. - (roofing)

Provider contact:

586-949-4777

Staffworks Group - (Staffing needs)

Provider contact:

Bill Brann 877-304-9690

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