



general motors retirees association

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Remarks Prepared for Delivery – John Christie

President, General Motors Retirees Association

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Good afternoon. My name is John Christie, and I am President of the General Motors Retirees Association.

GMRA is a national advocacy organization devoted to the preservation of pension, health care, and other benefits earned by GM retirees through their years of labor and loyalty to General Motors. Because GM's union retirees already are represented by the United Auto Workers, GMRA is focused at this extraordinary time on the 122,000 GM salaried retirees and surviving spouses who are not part of the union's agreement with GM and the Treasury Department.

I very much wish I didn't have to be here today. After 36 years of service at General Motors, I had hoped the company we worked so hard to build would fulfill the promise made to me and all GM retirees.

These healthcare and other retiree benefits weren't given to us as some sort of gift. We retirees earned them through hard work and sacrifice.

We earned these benefits in the decades we worked to equip cars with the latest safety technology; with energy-absorbing bumpers and air bags; with catalytic converters to protect the environment; and, most recently, with fuel-cell technologies.

We thought the company to which we gave so much would meet its responsibilities to us in sickness and old age.

Today, though, General Motors is the focus of the largest bankruptcy case in our nation's history. The benefits we retirees have earned are now at risk. The company to which we were loyal has proposed that many of the benefits once promised to salaried retirees would be reduced by two-thirds—and more than two-thirds, in some cases.

Dental, vision, and long-term disability coverage would be eliminated, according to GM's proposal. Salaried retirees would see significant increases in premiums, co-payments and deductibles for health care. GM hasn't even told us how large those increases would be.

The tens of thousands of these non-UAW salaried retirees also would face an immediate reduction of life insurance benefits following the emergence of the new GM from bankruptcy. In some cases retirees would lose \$70,000 or more in life insurance benefits.

We say again: All GM retirees are not UAW retirees. 122,000 are salaried retirees, who worked at GM for decades as clerks, engineers, foremen, and middle management. In many cases the salaried retirees earned less than UAW employees.

The UAW has effectively represented the union retirees. We at GMRA wish to do the same for the other GM retirees.

GMRA members know that bringing the new GM back from bankruptcy will be difficult, and the retirees know that doing so will require that we sacrifice. We have done and will do our part.

But how many sacrifices will salaried retirees have to make? By our count, retiree benefits for the salaried retirees have been reduced 28 times since 1993. Some of our older retirees have suffered through every one of these changes, all while living on a fixed income.

Today, GMRA members live in fear that these new benefit reductions will threaten their health or push them into poverty.

Listen, for example, to the words of one GM retiree, Fred Michael, from an e-mail he wrote us a week ago: "My wife's health isn't very good and neither is mine. Together we take about 20 prescription drugs and have to see our [doctor] regularly. ... My co-pays are keeping us from ever getting ahead, even a little bit. With the increases in co-pays and loss of benefits (that I put in 38 years to get) something will have to go. Problem is, I can't figure out what to get rid of, food, medicine, electricity, car insurance, car, or home."

We're here today because Fred Michael and thousands of other retirees like him deserve better than the choice he describes. These retirees, many of whom could have left GM and worked elsewhere, stayed with GM because of the promise of retirement security. Their retirement security is now on the line.

What does GMRA want for Fred Michael and thousands like him?

- We don't think retirees should lose two-thirds of their healthcare and other benefits.
- We don't think retirees should have to die in the next 30 days to receive a life insurance benefit large enough to pay their burial expenses and leave a few dollars to support their families.

- We don't think retirees should be left without long-term care insurance, years or decades too late to buy affordable coverage from private insurers.
- We don't think retirees should have to wait for several months to learn what their new premiums, co-pays and deductibles will be once they are covered by the new GM.

In closing, make no mistake: A nation will be judged by how it treats the elderly, the sick, and the innocent. As a matter of fairness, we now ask that our federal government make certain that no salaried retiree has his or her health placed at risk or spends hard-earned retirement years in poverty.

As a nation, we can do better. We must do better. We will do better.

I now am pleased to introduce Neil Goteiner of Farella, Braun, and Martel, the law firm representing GMRA in federal bankruptcy court.