



general motors retirees association

1077 W. Borton Road | Essexville, MI 48732

[contact@gmret.org](mailto:contact@gmret.org)

[www.gmret.org](http://www.gmret.org)

## NEWS RELEASE

### **For Immediate Release**

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### **GM Retirees Demonstrate at Obama Speech in Michigan**

Warren, Mich. (July 14, 2009) – In response to deep cuts to the healthcare and other benefits of salaried and other retirees not represented by the United Auto Workers, local members of the General Motors Retirees Association demonstrated today outside Macomb Community College in Warren, Mich., where President Barack Obama spoke this afternoon.

Over 80 people participated in the demonstration, despite GMRA's desire to keep the demonstration relatively small because of parking and safety concerns. One demonstrator made a four-hour drive to Detroit in order to do his part and support the fair treatment of all GM retirees.

While Mr. Obama's speech focused on high school graduates and mid-career workers who benefit from greater access to community colleges, the GMRA demonstration emphasized the urgent problems faced by seniors and retirees.

"Our demonstration calls attention to the unfair treatment of non-UAW retirees following the emergence of the New GM from bankruptcy," said Rick Knoth, GMRA Regional Vice President for Michigan. "GM's non-UAW retirees are ordinary people. We aren't rich. The huge reductions in our benefits are a financial crisis for many of us."

"We need President Obama's help to meet the needs of current retirees, whose problems won't be solved by reforming the nation's community colleges," said Knoth. "Training for a new career doesn't work if you're 74 years old."

Because the federal government now owns over 60 percent of the new General Motors Company, the GMRA demonstrators called for intervention by the Obama administration and Congress to ensure fair treatment for all GM retirees.

"The GM retirees know we have to sacrifice. We want the New GM to succeed," said Knoth. "We appreciate the work that went into creating the New GM."

“However, the healthcare and benefit reductions proposed for non-UAW retirees of General Motors would put a disproportionate and unfair burden on one group of people. Surely President Obama doesn’t want some of our retirees to choose between buying groceries and getting their prescriptions filled,” said Knoth.

While most GM retirees were represented by the United Auto Workers as General Motors went through bankruptcy, over 122,000 salaried and other non-UAW retirees had no influence on the bankruptcy proceedings and are scheduled to have their retirement benefits cut by two-thirds or more.

The non-union, salaried GM retirees were engineers, project managers, clerks, and other employees. Many earned annual salaries equal to or less than the wages earned by union employees. Many were pressured by GM to retire early, but the great majority of non-UAW retirees are over age 65.

For the non-UAW retirees, who live throughout the United States, the New GM has proposed that certain benefits be reduced by two-thirds or more, including the outright elimination of dental, vision, and long-term disability coverage. The retirees would see significant increases in premiums, co-payments and deductibles for health care.

The non-UAW retirees also have been told their life insurance benefits will be dramatically reduced now that the New GM has emerged from bankruptcy. In some cases retirees would lose \$70,000 or more in life insurance benefits.

GMRA’s analysis shows that non-UAW retirees of General Motors already have had their benefits cut 28 times since 1993.

“These GM retirees worked hard and played by the rules. They didn’t do anything wrong, but now many are threatened with poverty,” said John Christie, GMRA President.

“As the majority owners of GM, we respectfully request that President Obama and the Treasury Department direct the company to restore the most essential benefits to the people who earned them through their decades of labor and loyalty to General Motors,” said Christie.

GMRA has developed a plan for the fair treatment of all GM retirees, including the non-UAW retirees. The GMRA plan would create substantial savings for the New GM while preserving the most essential of benefits for retirees. More details on the GMRA plan are available at [www.gmret.org](http://www.gmret.org), the GMRA Web site.

The General Motors Retirees Association is the nation’s largest 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 GM. GMRA stands for the fair treatment of all GM retirees, including the salaried retirees not already represented by the United Auto Workers. GMRA collaborates with the National Retirees Legislative Network (NRLN).

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