

Letter to Governor Granholm

Jennifer Granholm

Governor, State of Michigan

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Governor Granholm:

By way of self-introduction, I am a Chrysler retiree (after 40 years of company employ) and the president of NCRO, the Chrysler National Retirement Organization, an organization representing over 14,000 Chrysler retirees.

I write to urge you to champion not only the domestic auto companies and their active employees in their struggle for survival, but also to provide relief and assurance to the hundreds of thousands of automotive retirees.

To restore prosperity to our economic system requires an acknowledgement that this system is consumer driven. Without continued consumer spending, the economic engine stops and major economic problems start to surface. Certainly inflated expectations of endless double-digit growth, corporate cost cutting (job elimination, outsourcing, reduced service, etc.), questionable repackaging of mortgage debt and unchecked hedge-fund leveraging have contributed to the recent demise.

That said, this is part of the message NCRO is trying to put forward - rescue plans have to include retirees and their needs. Rescue plans for the auto industry and for all those entities receiving Federal assistance through these troubled times, must not abandon the retiree community. We have foregone higher salaries while working, for promises that health care, insurance and pension benefits would be there when we retired. We were asked to stay with our companies and not accept competing offers from other firms, again for the promises of care upon retirement. And we responded with loyalty and commitment to those folks who are now abandoning us in order to stay afloat.

I ask that you surface the following for discussion for any entity receiving Federal assistance:

- that hire-in bonuses, performance bonuses, separation package payments and the emergent "coffin bonuses" not be allowed until or unless pension plans are fully (100%) funded and pension plan funding/investment is reported on a current-year quarterly basis (including those in privately held companies such as Cerberus)
- that retiree health care benefits be restored if/when these companies return to prosperity (even if reorganized/emerging from bankruptcy) ... before any dividend is paid on preferred or common stock

- that further erosion of the remaining few retirement benefits be halted

If the government does not require these "concessions" and unfunded automotive pensions are turned over to the PBGC, it too will go bankrupt. And consumerism from the retiree block will totally collapse. Likewise, if health care is reduced or costs are not funded, consumerism will suffer, and society will face an unheard of choice ... abandonment of the senior generation. A same dire fate will befall retirees if Social Security is cut or abandon.

I end by asking you not to forget the 200,000 automotive salaried retirees and the 2,000,000 hourly retirees.

We are needed as contributors to whatever recovery actions are crafted. Please include our needs at inception and throughout the planning and implementation stages of our recovery.

Sincerely,
Name Address

Phone Number
Email address

Suggestions and comments about this website should be addressed to webmaster@ncro.org