

Mr. President, Delphi workers deserve fair and equal treatment

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Guest Post by Rep. Christopher Lee (NY-26)

Today, President Obama will visit Michigan to take a “victory lap” and “[tout the revival](#) of General Motors and Chrysler since the auto companies received billions in federal aid and government-assisted bankruptcies,” POLITICO reported. There is no question that a strong and growing auto industry is good news, for both our country and for auto workers.

But before popping the champagne, the President may want to visit communities in New York, Ohio, Indiana, Michigan and elsewhere that are home to the more than 20,000 Delphi workers and retirees who, because of his Administration’s decisions, have seen dramatic reductions to their pensions that they worked for and earned.

As a result of bankruptcy negotiations that occurred in 2009 between Delphi Corporation, General Motors, and the Treasury Department’s Automotive Task Force, Delphi’s salaried and hourly pension plans were turned over to the Pension Benefit Guaranty Corporation (PBGC).

Fortunately many hourly workers were made whole through a previous “top-up” agreement, but the more than 20,000 salaried retirees – who worked side by side with their hourly colleagues for many years – were singled out and are experiencing devastating cuts to their pensions and bridge payments promised through early buyout packages, on top of previous cuts to their life and health insurance. Some have seen their pensions decline up to 70 percent.

I deeply share the frustration of so many Delphi workers and retirees over the loss of their pensions and the fact that all they are left with is more questions than answers.

Along with bipartisan groups of colleagues, I have sent [seven letters to officials](#) involved in this unprecedented decision to pick winners and losers – everyone from Treasury Secretary Tim Geithner to “Car Czar” Ron Bloom to former GM CEO Fritz Henderson – asking for an explanation as to why these 20,000 hardworking Americans were forgotten. To date, I have received nothing substantive from the Obama Administration and no explanation as to how and why these decisions were made. At congressional hearings both in Washington and in Ohio, no administration official has appeared to explain the Auto Task Force’s actions and answer these and other substantive questions:

Why were winners and losers picked, with one group of workers made whole but another allowed to suffer, in order to expedite Delphi’s bankruptcy proceedings?

Why did the PBGC release its liens on Delphi assets, worth reportedly several billion dollars, that could have helped bolster Delphi’s salaried pension plan?

Did Treasury Secretary Geithner, who also sits on the board of the PBGC, have a conflict of interest in this case?

Why did the PBGC call the salaried plan “severely underfunded” when a report prepared by Delphi showed it to be better funded than the average of the 100 largest pensions in the United States?

I made a commitment to these men and women that I would stand by the salaried retirees in their calls for fair and equitable treatment. They worked hard for their pensions, just as their coworkers did. They went to work every day, they did what was asked of them, and they did so under the promise that their pensions would be there for them when they retired. Delphi workers and retirees understand that there must be a shared sacrifice during difficult economic times, however they are only looking for fair and equitable treatment.

No one should be misled to think that this is a union vs. non-union issue. United Auto Workers President Ron Gettelfinger strongly supports the salaried retirees, and he has written, “No one should sit silently by and say nothing about the unfair and inequitable treatment these people are receiving.” This isn’t a Republican issue and it’s not a Democrat issue. It’s a matter of right and wrong. Due to the bailout of GM, American taxpayers now own 60 percent of the company and they deserve answers.

So today, as President Obama takes his “victory lap,” I hope he heeds Mr. Gettelfinger’s advice and takes a moment to speak up for Delphi’s retirees and help those who have been left aside during the restructuring of the American auto industry.

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