

*A Press Release from*

**Indiana Alliance for Retired Americans**, **Hoosiers First**, and **United Senior Action**

## **RTW Spells Trouble for Union Retirees, Their Dependents, and Hoosiers**

(Indianapolis) On January 10, 2012 the Indiana Alliance for Retired Americans, Hoosiers First, and United Senior Action voiced their joint concerns about the “right to work” legislation pending before the Indiana General Assembly. Having reviewed the possible impacts of right to work, or RTW, on retired union members, their dependents, and the overall Indiana economy, the three organizations concluded that RTW “spells trouble” for the citizens of Indiana and the state’s economy. They concluded the General Assembly needs to drop RTW, which represents the bad economics of the past, while charting a new economic course for the state, based on a dialogue with all Hoosiers that spells HOPE.

The three organizations released a white paper from The Generations Project, an Indiana based research and education organization that promotes private and public solutions for the problems that face senior citizens, persons with disabilities, and their family caregivers. The three organizations had asked The Generations Project to do the study. The Project’s study concluded Right to Work was very likely to harm union retirees, their dependents, current employees in the state, and the state’s overall economy.

Elmer Blankenship, President of the Indiana Alliance for Retired Americans (IARA), spoke first. “For the past two years the 123,000 members of the Indiana Alliance for Retired Americans have asked us time and time again, ‘What will Right to Work mean for us? What does RTW really stand for? Will it help or harm us and other retired Hoosiers? Will it help or harm our families, children and grandchildren?’

“After commissioning our own study and carefully reviewing other studies, we have concluded that Right to Work, or R-T-W, spells trouble for union retirees, their families and other dependents, and for all Hoosiers.

“Right to Work means Real Trouble and Worries for everyone in Indiana because it potentially puts in jeopardy pensions, health care, and other benefits of union retirees and their legal dependents that have been established through collective bargaining. In Indiana we believe that may be as high as 250,000 people. We also believe RTW could jeopardize benefits and wages for the 279,000 union members that are presently in the work force. RTW could also harm their dependents.

“In short, 800,000 to 1,000,000 people could be harmed in the next few years by RTW. That truly spells trouble for all Hoosiers.”

John Cardwell, President of Hoosiers First (HF) and the Director of The Generations Project, commented on the findings of the Project's findings regarding RTW. "What we found when we examined Right to Work was the very real possibility that RTW could create a series of consequences that are harmful to all Hoosiers.

"First, real harm to retired workers and their families. As many as 250,000 people.

"Second, real harm to current union workers and their families. As many as 750,000 people.

"Third, negative impacts over time to the individual and family investment portfolios of retirees that are tightly intertwined with Social Security, Medicare, and personal investments. If that should happen the impact would certainly ripple beyond union retirees and their families to businesses and other Hoosiers.

"Fourth, hundreds of communities in the state enjoy higher tax bases, more robust small business activities, better fire, police, health care, human services, streets, and schools because of the tax revenues and spending generated by union level wages. RTW could harm these communities over time.

"Fifth, the pushing of extreme unproven public policies has caused a growing fear and distrust in our elected leaders. In meetings we have held with thousands of senior citizens since July 1, 2011 they have openly expressed their anxiety and disgust because of the RTW debate in 2011."

Denny Lanane, President of United Senior Action, observed: "In addition to The Generations Project white paper, we have looked at the research of Dr. Gordon Lafer of the University of Oregon, who testified on RTW at last week's joint hearing of the Senate and House labor committees. And we have reviewed the recently published findings of Heidi Shierholz and Elise Gould of the Economic Policy Institute.

"Gordon Lafer convincingly refuted the arguments of the National Right to Work Committee, and other out-of-state interests that are underwriting the pro-RTW campaign in Indiana.

"Shierholz and Gould found that private pension coverage in Indiana is greater than in 21 of the 22 Right to Work states. So we must conclude that RTW would probably lead to lower pension benefits for retired workers. As Elmer said, that spells trouble: trouble for current retirees, future retirees, and everyone in Indiana that depends on reliable pensions and benefits established through collective bargaining."

Elmer Blankenship concluded: "To avoid the real trouble spelled by RTW, we are asking the General Assembly what everyone is asking us: why do we have to act on Right to Work so quickly? What is the rush? Why don't we stop, study the issue over time, talk to citizens throughout the state, and then decide what is best for all Hoosiers?"

Denny Lanane concluded: "In 2006 the Daniels administration rushed welfare privatization through the General Assembly. We are still dealing with the mess it created. Like RTW, welfare privatization

was pushed by out of state interests. Welfare privatization also spelled trouble. If RTW spells trouble then the General Assembly should learn from its own history and be smart and brave enough to avoid it.”

John Cardwell concluded: “It is time the General Assembly spelled out a different future for Hoosiers. Right to Work is an old and bad idea associated with the wasting of human possibilities. That is the economics of the past. In Indiana we should be seeking the economics of the future. We can do that by joining together as independent citizens, Republicans and Democrats to seek a new way.

“Let’s work for HOPE by promoting public policies in which senior citizens, businesses and farmers, unions, minorities, community leaders, and political parties join together, exchange ideas, and build consensus for an Indiana that features good jobs, innovative technologies, a clean and healthy environment, and livable communities for all people of all ages and abilities. Let us spell HOPE by walking together into the future that we all want for Indiana.”