



What Retirees Need to know About the *Employee Free Choice Act*

If it were not for unions, many retirees today would not have health benefits. Since World War II, most employees and retirees receive health benefits through union-negotiated contracts or as an employer-provided fringe benefit. This is critical as retirees are likely to require more medical care as they grow older. Companies with a union are nearly twice as likely to provide retirees with medical benefits as firms without a union.

Collective bargaining gives workers the opportunity to prioritize their pensions and other retirement benefits. Without bargaining, these issues fall to the wayside and retirees pay the price.

Unions continue to defend their retired workers. Whenever corporations try to cut the pensions and health care benefits of retirees, active workers can strike to protect those who earlier fought on their behalf. Labor laws currently in place, however, are not effectively protecting workers who want to form a union. Employers engage in unfair labor practices with impunity because the penalties under the 1935 National Labor Relations Act are weak and infrequently enforced.

The Alliance for Retired Americans Position:

American workers must have the freedom to form unions and bargain for a better life. The Alliance for Retired Americans supports H.R. 1409 and S. 560, the Employee Free Choice Act of 2009. EFCA is a critical step forward to rebuilding the middle class in this country.

The legislation will:

- Require employers to recognize a union once a majority of workers sign cards authorizing union representation;
- Give both employees and employers access to mediation and binding arbitration to reach an initial collective bargaining contract; and
- Establish stronger penalties for employer conduct that violates workers rights.

Remember: *Tomorrow's retirees won't have benefits if today's workers can't bargain.*