

General Pension Background

What is the value of a pension?

You have the benefit of guaranteed retirement income that lasts your lifetime. Like Social Security, it's a monthly check to supplement 401(k) savings. Employees like that the pension provides a fundamental, stable amount of retirement income that is not subject to stock-market fluctuations.

Who gets a pension? Right now all current members and future hires earn benefits from the BCERP pension plan. Going forward, current members accumulate additional benefits thru 2016. Then it is frozen and if you are not collecting your pension by then, it is at risk. Once frozen, Boeing can terminate the plan and sell the assets as an annuity – removing them of all obligations. Also once frozen, they can merge it with other Boeing plans. Currently, our pension is well funded; however, the executive supplemental plan is underfunded. If we freeze our pension, Boeing can use the assets to fund the executive supplemental plan going forward. JUST SAY NO!

How much is the current pension worth?

The value of a pension builds over time. The longer you work, the more monthly check will add up. The benefit is an incentive to build your career at Boeing, rather than go to work at another company.

Why does Boeing want to take it away?

Boeing take the excess funding from our plan to give it the executive supplemental plan (which is underfunded). The company eliminated the pension for new hires in non-union jobs and strong armed other unions in negotiations to eliminate pension for new hires. This proposal goes way beyond that and eliminates it for all future hires and freezes it for us. If we vote this in, it will open the floodgates for Boeing to do this to all other payrolls at Boeing. Do we want to be the ones that lead the way to the destruction of pensions for all Boeing employees? If Boeing does this while making record profits, other companies will follow and it will be end of pensions for all workers nationwide. Let's not be the leaders of this attack on workers. VOTE NO!

What about the new Boeing savings retirement plan?

The new proposed retirement savings has no details...What access will you have to it? What are the investment options and fees charged? No one knows...VOTE NO!

Defined Contribution (Boeing's proposed savings plan)

The amount contributed to your retirement is defined by a formula and deposited into an account. Accounts are immediately 100% vested. Individuals (each of us) bear the investment risk. While protected by the SIPC against fraud, accounts are not protected from investment losses.

Defined Pension Benefit (what we have today)

The actual benefit you receive in retirement is defined by a formula. The company bears the investment risks and retirement benefits are guaranteed by the PBGC. The benefit lasts for your lifetime (can any of us predict how long we will live?)