

## **SPEEA demands Boeing disclose funding of executive pensions**



**SEATTLE** – To ensure the pension program relied on by 21,400 technical employees at The Boeing Company is not being secretly used to fund executive retirement benefits, the union representing the employees is demanding the company immediately disclose the extent and funding source of its executive pension plans.

The Society of Professional Engineering Employees in Aerospace (SPEEA), IFPTE Local 2001, formally requested the information from Boeing after a recent investigative news report by The Wall Street Journal uncovered U.S. corporations funding executive pensions by funneling funds through regular employee plans. This practice weakens employees' pensions while allowing corporations to take advantage of huge tax benefits not normally available for executive pension plans.

In the Aug. 4, page-one, report, The Wall Street Journal called the pension maneuvers by corporations a "dubious use of tax law" that "risks harming regular workers."

Earlier this year, Boeing announced the elimination of pensions for new, non-union employees. The company is seeking to eliminate pensions for union represented employees when new contracts are negotiated.

"Benefits consultants advise companies to keep quiet about these schemes to avoid employee backlash," said Ray Goforth, SPEEA executive director. "Boeing's move to eliminate pensions for regular workers is consistent with the pattern uncovered by the Wall Street Journal. SPEEA demands to know if Boeing is sacrificing the pensions of regular workers to benefit executives."

The Boeing Company Employee Retirement Plan (BCERP) covers employees represented by SPEEA. Management told union leaders it wants to eliminate the long-term liability of the pension plan. The plan, a traditional pension, provides retired employees monthly payments until death. Instead, Boeing proposes making contributions to each employee's 401k. The contribution is half the value of the present pension contribution. In addition to reducing corporate expense, the plan shifts all risk and maintenance of retirement onto the employee.

In October, SPEEA begins negotiations with Boeing for 21,400 engineers and technical employees in Washington, Kansas, Oregon, Utah and California. The existing contracts expire Dec. 1, and in Kansas, Dec. 5.

SPEEA represents 24,500 aerospace professionals at Boeing, Spirit AeroSystems in Wichita, Kansas, Triumph Composite Systems, Inc., in Spokane, Wash., and at BAE Systems, Inc. in Irving, Texas. SPEEA is an affiliated local of the International Federation of Professional and Technical Engineers (IFPTE).

###

Contacts: Ray Goforth, Executive Director, 206-433-0991  
Bill Dugovich, Communications Director, 206-433-0991 or 206-683-9857 (cell)