

## Boeing rejects SPEEA offer, escalating conflict



Statement from SPEEA, IFPTE Local 2001, regarding contract talks with The Boeing Company.

**SEATTLE** – In a move that escalates its mounting problems, The Boeing Company today (Jan. 17) rejected union offers to extend existing contracts and instead gave its “last best and final” offers to the Society of Professional Engineering Employees in Aerospace (SPEEA), IFPTE Local 2001.

Boeing’s actions reiterate the company’s growing disrespect for the engineers and technical workers who are essential to working issues and restoring confidence in the 787. While the company agreed to extend parts of the existing contracts, the offers put retirement benefits for all 23,000 engineers and technical workers, including retiree medical, at risk. In addition, Boeing’s corporate negotiator said the company will end the pension for future employees.

Although the offers contain improvements, both the Professional and Technical Negotiation Teams unanimously recommend rejection.

“We are profoundly disappointed the company is taking advantage of our good-will offers to push through unwarranted cuts, put existing retiree benefits at risk and eliminate the pension for future employees,” said Ryan Rule, Professional Negotiation Team member.

SPEEA members will vote on the company’s offers in the coming weeks. Ballots are likely to include a request to grant the Professional and Technical Negotiation Teams authority to call a strike.

Boeing rejected SPEEA’s offer after stating publicly that the company does not need SPEEA members for the FAA investigation or working the 787 issues. Last week, Mike Delaney, vice president of engineering for Boeing Commercial Airplanes, said managers and engineers from other areas of the company could do the work. Aerospace industry analysts scoffed at this assertion because the 787 engineering work is performed by SPEEA engineers and technical workers.

The company’s offers continue annual salary raise pools of 5 percent and maintain existing medical benefits. Boeing did agree to extend same-sex survivor pension benefits.

SPEEA members rejected Boeing’s initial offer by 96 percent on Oct. 1, 2012. Today’s actions come after nearly a year of negotiations. In recent weeks, SPEEA members have been preparing in earnest for a major strike that could idle Boeing factories and send engineering and technical experts to the picket line.

SPEEA represented engineers and technical workers are essential to solving the mounting issues with the 787, including assisting the Federal Aviation Administration’s (FAA) investigation and restoring confidence in the 787.

“Boeing corporate created the 787 problems by ignoring the warnings of the Boeing technical community,” said Joel Funfar, Technical Negotiation Team member. “Now, they propose to double down on their failed outsourcing strategy by outsourcing the engineering work required to solve the problems caused by previous rounds of outsourcing.”

Negotiations, taking place at the SeaTac Hilton Hotel with the assistance of the Federal Mediation and Conciliation Service (FMCS), are ended.

This negotiation process was tainted by numerous actions that are in violation of the National Labor Relations Act. Boeing has regularly tried to prevent members from discussing their working conditions with others and with SPEEA. The company engaged in unlawful surveillance of protected activity, confiscated pictures of members engaged in protected activity and has refused to provide information relevant to the negotiations.

SPEEA and Boeing started meeting in April to negotiate new contracts for 15,550 engineers and 7,400 technical workers. In October, engineers rejected Boeing's initial offer by 95.5 percent. Technical workers rejected the company's offer by 97 percent. Existing contracts expired Nov. 25. Since negotiations resumed Jan. 9 after a month-long FMCS-imposed recess, union members have increased preparations for a possible strike. A 40-day strike in 2000 by SPEEA stopped deliveries and caused major factory and service bottlenecks at Boeing plants around the country.

A local of the International Federation of Professional and Technical Engineers (IFPTE), SPEEA represents 26,300 aerospace professionals at Boeing, Spirit AeroSystems in Wichita, Kansas, and Triumph Composite Systems, Inc. in Spokane, Wash.

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