

The Math Is Clear: We Cannot Afford to Lose Our Defined Benefit Pension

Kaiser is proposing to eliminate our defined benefit pension plan and replace it with a 401(k). Here's an example that illustrates the impact of Kaiser's proposal:

Let's say an employee was hired on January 1, 2010 with a start rate of \$39.47 per hour and received wage increases of 3% in each year of his/her 18 years of employment, with the employee retiring at the end of 2027.

What would the employee's retirement benefit be under (1) our current plan versus (2) the one proposed by Kaiser?

(1) OUR CURRENT "DEFINED BENEFIT" PENSION PLAN: The employee would receive a **monthly** payment of **\$2,784 for the rest of her life.**

VERSUS

(2) KAISER'S PROPOSED "DEFINED CONTRIBUTION" 401(k) PLAN: If Kaiser contributed 5% of the employee's annual income to a 401(k) account and the employee received a very generous return of 6% per year on his/her 401(k) investments, the employee's 401(k) account would have only \$157,602 when s/he retires.

How long would that total last? If the employee withdraws \$2,784 each month (which is the monthly payout guaranteed under our current pension plan), then **his/her 401(k) account would last only 5.6 years. After that, nothing would be left.**

"Under Kaiser's proposal, we could go broke just a few years into retirement. I, for one, don't want to be out looking for another job at the age of 70. Employees who dedicate their lives to working for Kaiser should expect Kaiser to hold up its end of the deal and provide for a secure retirement. There is no question that we simply cannot afford to accept these proposals. Join us in preparing for a one-day strike in protest of Kaiser's unfair labor practices."

**Annette Menchaca, Medical Social Worker,
Kaiser Downey Hospice**



We Will Not Give Up Our Futures



NATIONAL UNION OF HEALTHCARE WORKERS

For more information contact an NUHW Bargaining Team member or visit www.kaiserunited.org.

