

Our negotiating committee has decided that since they did not achieve a 30 and 55 retirement package, it would be more beneficial to give an additional 3% payment to anyone with 20 years of service rather than to have given everyone an additional 1.5% in their vanguard accounts. Lets do some math and see whats going on:

Senior man on job 403 \$1834.04 wk x52	Junior man on job 804 \$1146.80 wk x52	70% on job 903 \$1146.80 wk x52
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\$95,370.08	\$59,633.60	\$59,633.60 x70%

		\$41,743.52
Monies to vanguard \$95,370.08 x4%	\$59,633.60 x4%	\$41,743.52 x4%
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\$3,814.80	\$2,385.34	\$1,669.74
Differences between salary	\$95,370.08 - 59,633.60	\$95,370.08 - 41,743.52
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	\$35,736.48	\$53,626.56
Differences between vanguard	\$3,814.80 - 2,385.34	\$3,814.80 - 1,669.74
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	\$1,429.46	\$2,145.06
Now they want to give an additional 3% \$95,370.08 x3%		

\$2,861.10	\$0.00	\$0.00
Lets add up the differences and see what we have: Senior man has over junior and 70% persons		
	Extra Salary \$35,736.48	\$53,626.56
	Extra Vanguard 1,429.46	2,145.06

Extra 3%	2,861.10	2,861.10
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	\$40,027.04	\$58,632.72

As we can plainly see by these numbers the extra 3% really just widens the gap between the engineers. If we expand these numbers over the next ten to twenty years it gets worse.

In ten years time:

Senior	Junior salary	70% salary
\$953,700.80	\$596,336.00	\$536,702.40
Vanguard		
\$38,148.03	\$23,853.44	\$21,468.10
Extra 3%	Extra 0%	Extra 0%
\$28,611.02		
Total differences		
Extra salary	\$357,364.80	\$416,998.40
Extra Vanguard	14,294.59	16,679.93
3% Extra	28,611.02	28,611.02
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	\$400,270.41	\$462,289.35

After 20 years

Extra salary	\$714,729.60	\$774,363.20
Extra Vanguard	28,589.18	30,974.52
3% Extra	57,222.05	57,222.05
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	\$800,540.83	\$862,559.77

So it may seem that the senior people need more in their vanguard but in reality they are doing quiet well.

If our negotiating committee would have increased the vanguard equally at 1.5% for everyone at the end of 20 years with the above salaries we would have had:

\$1,907,401.60 in salary	\$1,192,672.00	\$1,133,038.40
x1.5%	x1.5%	x1.5%
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\$28,611.02	\$17,890.08	\$16,995.58

As you can plainly see the large differences in our jobs and what they pay dictate what goes into our pockets at the end of the week and also into our vanguard accounts. By saying that the senior men only have a short time to retirement and thus need an additional 3% added into their vanguard accounts to help them retire is unjustified and just goes further in dividing our union.