

From: UAW-CIO Public Relations Department
411 W. Milwaukee, Detroit 2, Mich.
TRinity 1-6600
Frank Winn, Director

FOR IMMEDIATE RELEASE
May 23, 1950

HIGHLIGHTS OF GENERAL MOTORS WORKERS' PENSION PLAN

Age Retirement Benefits

1. At present Federal Social Security levels:
 - (a) \$100 per month including primary Federal Social Security benefits at or after age 65 with 25 years of service;
 - (b) \$4 per month in benefits guaranteed with primary Federal Social Security benefit for each year of service after 10 years but not more than 25 years; or,
 - (c) Minimum of \$1.50 per month in benefits guaranteed exclusive of primary Federal Social Security benefit.

2. When Federal Social Security benefits are increased:

\$1.50 per month in benefits for each year of past service beginning with 10 years and up to and including 30 years plus primary Federal Social Security benefit.

 - (a) With maximum primary Federal Social Security benefit of \$72.50 per month under Senate bill, total pension may be graduated from \$7.50 per month with 10 years of service to \$117.50 per month with 30 years of service;
 - (b) \$100 minimum with primary Federal Social Security benefit is guaranteed with 25 years of service at or after age 65.

Note: Workers with less than 10 years of service and more than 5 years on May 31, 1950, and who reach age 68 after the plan is in effect, will be considered to have a minimum of 10 years of service in determining benefits.

Early retirement with 10 or more years of service at or after age 60 and before age 65:

gm ii

- (a) Retirement at company option or under mutually satisfactory circumstances \$3 per month in benefits for each year of service up to 30 years or \$30 to \$90 per month;
- (b) Retirement at worker's option actuarial equivalent of benefit payable at age 65.

Incapacity Retirement

1. \$3 for each year of service on or after age 50 and with minimum of 15 years of service: Monthly disability pension graduated from a minimum of \$50 to a maximum of \$90 for workers with 30 years of service.
2. Workers who are totally and permanently disabled and with 15 years of service are covered, in addition, by a disability rider on the group life insurance policy amounting to a maximum of \$100 per month for a total of 50 months.

Note: The disability pension and the disability benefit under the group life insurance rider may be paid concurrently. This means a maximum benefit is possible for such period at \$190 per month.

Past Service Credits

1. Past service credits are based upon seniority, in addition;
2. All service with General Motors Corporation or its predecessor companies (in which General Motors had a stock interest) in excess of seniority is counted as past service credit if a two-year break did not occur during such period of service. If a two-year break did occur during that period, all service after the break is counted as past service credit.

Future Service Credits

1. One year of future service credits for 1700 hours compensated in a calendar year;

. . . more

gm iii

2. Graduation of future service credit to be computed on the basis of one-tenth of a year of credit for each 170 hours compensated or major fraction of 170 hours compensated. Under this arrangement, a full year's credit can be earned if a worker is compensated for 1616 hours in a calendar year. This is possible because the worker received credit for the major fraction of the last one-tenth of the year period.
3. Service credits are fully protected during periods of lay-off equivalent to the number of years of seniority a worker has at the time of lay-off;
4. Future service to accumulate beyond age 65 to 68;
5. Holiday pay, vacation pay and time off on Workmen's Compensation count toward future service credit.

Financing and funding

1. Pension payments are guaranteed by the establishment of a pension trust fund into which the Company is obligated to make payments equivalent to 7 cents per hour to assure sound actuarial funding of both past and future service credits for all General Motors workers;
2. Past service credits already earned by General Motors workers must be paid off in a maximum period of 3 years;
3. Pension plan is financed entirely by the Company;
4. Payments by the Company into the pension trust fund must be sufficient at all times to maintain an actuarially sound plan;
5. Pension payments are guaranteed for life;
6. Future service credits are fully funded for every General Motors worker as earned.

..... more

Administration of Pension Plan

1. Democratic administration of the pension plan is assured by a joint Board of Administration on which the Union and the Corporation have equal representation.
2. An impartial chairman appointed by the Union and the Corporation will cast the deciding vote in case of deadlock.

Effective Date of Pension

1. The pension program shall become effective not later than October 1, 1950.
2. Pension benefits become payable on October 1, 1950.