GE SHAREHOLDERS SPEECH

Good Morning

My name is Helen Quirini. I chair Local 301 IUE-CWA retiree council in Schenectady, and also co-chair the GE Justice Fund. My proposal No.4, Independent Board Chairman, requires that the chairman of our board serve in that capacity only, and have no management duties, titles, or responsibilities. The primary purpose of the board of directors is to protect shareholders’ interests by providing independent oversight of management, including and especially the CEO. This proposal has more importance today since the revelations about companies like Enron, WorldCom, Tyco, and others coming to light every day. Many companies now have Independent Chairs.

As a GE retiree since 1980 after 39 years of service, and a member of the largest block of shareholders, I worry about the lame excuse by the company to vote against one director from the Ranks of Retirees to be on the board of directors. This shows an attempt to control who can sit on the board of directors so that GE management can manage the company without interference. It is a shame that our company is sitting on a multi-billion dollar pension trust which has a 9 billion dollar surplus But the company continues to discriminate against older retirees in the twilight of their lives, who now find that because of inflation, their pensions have lost 50% of their purchasing power.

It too is a shame that greed has resulted in the pay of American top executives increasing by leaps and bounds. The Justice Fund has published a leaflet: THE HALL OF SHAME: GE’S PENSION PLAN.

The leaflet has pictures of 6 GE retirees with monthly pensions of $573, $736, $782, $728, $1007, and $581 a month, which averages $734 a month for 36.9 years of service. These are gross amounts before deductions for medical benefits and taxes.

IT IS WRONG that GE has contributed NOTHING into the pension plan since 1987, while GE employees are required to pay into our pension plan. Many times during negotiations, workers agreed to put money into the fund in lieu of wage increases. Pensioners feel betrayed by the way the trustees have managed the fund. IT IS WRONG that GE’S PENSIONS are a pittance to thousands of retirees. Our plan is now $9 BILLION DOLLARS OVER FUNDED. GE PENSION TRUST STATES THE ASSETS ARE FOR THE EXCLUSIVE BENEFIT OF RETIREES, NOT GE- GE MUST DO THE RIGHT THING: SHARE THE HUGE SURPLUS WITH THE RETIREES.
THE LEAFLET ALSO HIGHLIGHTS:

JACK WELCH’S ANNUAL PENSION:
$10.8 MILLION
$5,000 AN HOUR

IN 2 HOURS HE MAKES MORE THAN THE ANNUAL PENSION OF THOSE LISTED ABOVE.

ANNUAL COST-OF-LIVING RAISES MUST BE GIVEN SO THAT PENSIONERS CAN STAY EVEN WITH INFLATION.
It is not a raise!! The huge SURPLUS could also readily afford other benefits, such as improved health benefits, and paying the monthly medicare premium.

If the Independent Board Chairman proposal is approved, then hopefully the board of directors will realize what an injustice it is to the men and women who built GE, and share our huge surpluses with retirees who are struggling to exist today.