A Retirement Plan That Provides Security, Stability, Lifetime Benefit? TNG-CWA APP

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hy isn’t there a retirement plan my local can negotiate that doesn’t require me to sock away too much of my pay, leave me subject to wild swings in the markets, and that guarantees me a monthly income for life? And why can’t the plan be just as attractive to my company with fixed costs like my 401(k) plan?

Now there is. It’s The NewsGuild-CWA Adjustable Pension Plan, or APP, for short. The plan was developed for The Newspaper Guild International Pension Plan by the financial consultants at Cheiron. The NewsGuild of NY has already negotiated just such plans for Guild members at the New York Times and Consumers Reports.

An adjustable pension plan is an attractive alternative to a struggling defined benefit plan.

Defined benefit plans have the potential for larger payments to retirees when the economy is humming along, but when the economy tanks, these plans often suffer large losses. This can result in much lower-than-promised monthly benefits for retirees or necessitate large payments by employers to prop up funding.

Neither are welcome prospects.

Employers generally prefer 401(k) plans, which have lower costs and few surprises. In fact, with 401(k) plans, all the risk is on the employee — to make the right investment choices and to defer enough income for retirement.

Yet studies show that most workers are not saving nearly enough for retirement through their 401(k) plans, even where employers are making generous matching contributions. And, after accounting for fees, the returns are not enough.

Compared to 401(k) plans, bargaining an adjustable pension plan like The NewsGuild APP should result in a bigger payout per dollar saved.

Participation in the APP means each year you earn a guaranteed amount for retirement. The money to cover what you earn is based on the contributions the Guild negotiates with your employer combined with earnings from investments. There are no shortfalls for employers to fear. And the plan will remain fully funded.

Plan assets are invested by professionals. No need for you to guess on timing the market; choose the right blend of stocks and bonds; wonder how to balance investments in foreign or domestic products, or choose fixed rates or adjustable funds.

What could be smarter and give you more peace of mind when it comes to planning for retirement?

Retirement planning is hard. But, it can be much easier with The NewsGuild-CWA Adjustable Pension Plan. Your local can negotiate with your employer to get into the plan. Call (888) 893-3650 or email pension@newsguild.org for more information.