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Compulsory Retirement Problems in Industry

Norbert William Heuel

Loyola University Chicago

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COMPU: SORY RETIREMENT PROBLEM
IN INDUSTRY

by
Norbert William Heuel

A Thesis Submitted to the Faculty of the Institute of Social
and Industrial Relations of Loyola University in Partial
Fulfillment of the Requirements for the Degree of
Master of Social and Industrial Relations

February
1953
LIFE

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CHAPTER I

INTRODUCTION

The problem of compulsory retirement in industry is necessarily a facet of the problem of old age. Many studies show that the life span has increased while the work span has decreased. The gap between this end of work and the end of life has increased. It is the filling of this gap which has intensified the problem of retirement. Either we must make this gap productive where we can, or we must provide ways and means to make this period a dignified one.

It is not the purpose of this writer to digress from the subject of compulsory retirement more than is necessary. There have been works concerning old age, the status of the older worker and pensions. However, it will be necessary to touch on these topics, as well as others, to come up with a full picture of the compulsory retirement problem and even attempt a solution.

The chapters of this thesis will attempt to outline the problem. How, for example, sixty-five has generally become the "chosen age" for retirement, as well as legal decisions concerning the problem and how they developed. Certainly a clear definition of many interested groups and persons must be included.
Considerable space will be devoted to retirement practices in industry as they now exist, including not only printed survey results, but also the findings of an original research project conducted by the author among thirty-five firms in the Chicago metropolitan area. To make the problem more complete some of the advantages and disadvantages of the positive and negative side of the issue of compulsory retirement will be discussed. In addition, the approaches to the problem of the unions and community cannot be overlooked, and certainly the attitude of the employees cannot be ignored.

In order to locate these facts, articles and books relating to pensions and retirement had to be perused. Those supplying the most appropriate material will be used and sometimes quoted. All this material is intended to point to the final chapter. The purpose of that chapter is to tie together all of the many parts of the study and make specific conclusions. Because many former studies are necessary to reach an answer, repeating portions of them will help rather than digress from the topic.

The problem is not an easy one. Management itself disagrees upon whether compulsory retirement at a fixed age, say sixty-five, is the best answer. The labor unions are generally opposed to the proposition, but not always. The individual employees have mixed feelings. Each interested participant in this discussion presents sound reasoning for his beliefs. It is
felt that by bringing these beliefs together a small contribution to a perplexing social problem can be made.
CHAPTER II

THE COMPULSORY RETIREMENT PROBLEM
AND ITS BACKGROUND

The broad issue of compulsory retirement brings the problem of productively filling in the wide gap between the end of work life and the end of physical life. Certainly society has a duty to try and find ways and means of creating a dignified existence during these years. Society can benefit from the results of these efforts, for as Epstein pointed out, "The progress of a nation may be marked by the care which it provides for its aged."

The Old Age Problem

The following data prove that our problem of old age is acute. In 1900 about three million persons, or one in twenty-five, were aged sixty-five and over. In 1950 those aged sixty-five and over totaled almost twelve and a half million, or one out of twelve. In 1900 there were ten and a half million, or 14 per cent of the population, between forty-five and sixty-four. In 1950 this group had increased to thirty and a half million.

1 Abraham Epstein, Facing Old Age, New York, Alfred A. Knoff, 1922, 1.
or about 20 per cent of the total population. Between 1900 and 1950 the proportion of persons in the total population of forty-five years of age and over had increased from 18 per cent to 28 per cent. 2

In 1960 one out of seven in the male population will presumably be sixty or over. 3 Table I will show clearly the average number of productive and retirement years remaining at age sixty during the past fifty years.


TABLE I

TOTAL LIFE EXPECTANCY AND WORK LIFE EXPECTANCY
OF MALE WORKERS AT AGE SIXTY

<table>
<thead>
<tr>
<th>YEAR</th>
<th>AVERAGE NUMBER OF YEARS OF LIFE REMAINING</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>TOTAL</td>
<td>IN LABOR FORCE</td>
<td>IN RETIREMENT</td>
</tr>
<tr>
<td>1900a</td>
<td>14.3</td>
<td>11.5</td>
<td>2.8</td>
</tr>
<tr>
<td>1940</td>
<td>15.1</td>
<td>9.2</td>
<td>5.9</td>
</tr>
<tr>
<td>1947</td>
<td>15.3</td>
<td>9.7</td>
<td>5.6</td>
</tr>
</tbody>
</table>


a Data available for white males only in death registration states of 1900.

Whether or not it is wise to force people to retire at a specified age is important, but regardless of the solution on this point, the smaller problems which arise in connection with retirement must be considered. Retiring or not retiring a person at a definite age does not dispose of the need to provide just planning for the later years. Industry, the community, the labor union, and the individual retiring comprise society and all have an interest in the problem. Since the aforementioned are so important to the outcome, full chapters will be devoted to them. Some smaller individual issues and background will be treated here.
Sixty-five Age

Why has sixty-five been chosen as the age when a person is ready for retirement? Mr. Cohen of the Social Security Administration, said that sixty-five was set up because in 1934 and 1935 nearly everyone concerned with setting up the Social Security system seemed to feel that sixty-five was the appropriate age taking into account the provisions of the then existing plans, costs and prevailing attitudes. Thinking at that time was based on a depression psychology, which today, in a sense, has been repudiated, and justifiably so. However, sixty-five has not worked out badly. Actuarial estimates were based roughly on sixty-seven and one half years as the average age of retirement over the long range. If all eligible retired at sixty-five, the additional cost would be 1 per cent of payrolls. Experience shows the current actual retirement age is about sixty-eight and one-half.

The 1932 International Labour Conference recommended, on the basis of opinions submitted by various governments, that the pensionable age be sixty-five years. Opinions tend to change with the economic cycle. During periods of prolonged unemploy-

---


5 Ibid.
ment the more on pension the less looking for employment. Denmark lowered the age to sixty in 1937 because of the difficulty of finding work for older employees.6

Normal Retirement Age

Since there may be a question as to what age to retire a worker the next problem is to see if some criterion can be set up to determine when an employee is no longer capable of handling his job. Strong7 thinks four factors must be seriously considered in order to select a normal retirement age.

1. The age the majority of employees become superannuated, (that is, the age at which their efficiency is impaired to the extent that their contribution to the productive process is no longer commensurate with their pay.)
2. The financial status of the company.
3. The correlation of the normal retirement age under a private plan with the analogous provision of the Social Security Act.
4. The limit permitted by the federal tax laws in the selection of different retirement ages for different groups of employees.

Strong feels that the age of sixty-five usually meets all the above requirements. The age is young enough so the employee can enjoy himself for a number of years, and the higher cost of pensions is cut down from a lower retirement age.

Another standard is based on the individual. The age to retire depends on the present physical state and the longevity

of ancestors. At seventy there is one chance in four a person will not live as long as four years, and one in two he will die before eight years of life. At sixty a person has one chance in two he will have fourteen or more years. At fifty he has one chance in two of surviving twenty-two additional years. If a person has any desire to fulfill other interests sixty is not too early to retire. 8

Statements to the effect that physical ability to do the job should, as well as environment, be a big factor in determining a retirement age. Biological, psychological, and sociological aging come under this standard. Tibbits and Sheldon 9 point out these differences. Biological aging is described by Doctor Carlson and Doctor Stieglitz, and by Doctor Shock and others, largely in terms of tissue desiccation and lowered rate of oxidation, cellular atrophy, and decrease in elasticity and strength of tissue and muscle. This is a gradual process differing widely among individuals. Psychological aging is being studied with reference to sensory and perceptual processes, motor ability, general intelligence, learning and memory, vocabulary, personality, and adjustment. Sociological aging is partly

---


a function of one's situation and partly of the attitudes and folkways of the society in which one lives.

The determination of the biologic and psychologic age is rather difficult. Doctor Himler\(^1\) of Ann Arbor, Michigan, has attempted to point out some of the signs indicating mental and physical illness, and some help in understanding the aged.

Doctor Himler, paraphrasing Evan Clague, has suggested a three fold classification for evaluating working efficiency of older employees.

1. The old who retain their full faculties and vigor and can successfully hold a job far beyond normal retirement.

2. Some older persons who because of accident or mental or physical decline have lessened capacity for previous jobs, but are not immediately unemployable. Suitable concessions to advancing age can usually be made by the employer. Often there are worker fights to retain status. This increases the emotional strain, and a vicious cycle is set up.

3. A minority of the older group develops a serious mental disability because of some nervous system disease. The individual is usually rendered per-

---

manently unfit for permanent employment.

Doctor Himler goes on to state that it is important to
distinguish personality reactions in older employees which are
unchangeable from those which are reversible when proper psychia-
tric treatment is provided. Between forty and sixty two emotion-
al hurdles must be made:

1. Associated with the climacteric
2. Vocational retirement

Psychological changes as well as physiological climac-
teric take place. Excitability and nervousness appear. When
this gets beyond control hysterical spells might be precipitated,
and they might occur on the job over some slight disagreement or
friction.11

Involuntary melancholia takes place between the late
forties and the early sixties. The over conscientious usually
are affected. Breakdown occurs when people lose possession of
the prized feeling of security or are threatened by the loss of
human relationships on which they are extremely dependent. They
suffer depression, agitation, insomnia and retardation of thought
and action, accompanied by ideas of having committed sin or being
poverty stricken. In severe cases this may lead to suicide.12

It is difficult to distinguish between the normal chan-

11 Ibid, 94.
12 Ibid, 96.
ges of age and the prodromal manifestations of senile psychosis. Older people tend to lose active interest in the people working with them and their job. Thought is sluggish and there is slowing of mental pick-up. Conservatism of outlook and action is more or less expected from older employees. It is harder for the older person to shift to a new type of work or a new mode of living. Some oldsters accept their altered capabilities calmly, but others react emotionally.13

O'Neil14 in his Modern Pension Plans agrees somewhat with Strong. He feels a normal retirement age should be established which:

1. bears some relation to the age when superannuation occurs among employees in their respective enterprises;

2. reasonably relates retirement to cost.

Elaborating on this second point he says, lower retirement age increases cost because of the shorter funding period prior to retirement and the longer life expectancy after retirement. To help counteract this he adds that if those fifty or over were excluded from the plan and paid on an informal or year to year basis an earlier normal retirement age would be more

13 Ibid., 97.

feasible.

It should be noted here that a large number of employees would not be covered if those fifty and over were excluded from a pension plan. Many of those over fifty are stable employees and it does not seem just to penalize them. Without this added attraction many older workers would stay out of the market and industry would lose their production. In a tight labor market it is advantageous to have a pension inducement to attract the worker over fifty.

Pensions and Retirement

This question of cost is certainly a practical part of choosing a suitable normal retirement age. Although the ideal calls for the best social and moral age, the question of how to provide suitable funds will always loom large. Modern business has set up pension programs as the instrument which attempts to solve the cost issue and at the same time provide as near to adequate living expenses for the retired worker as possible. As has already been pointed out, the purpose of this thesis is not to get into ideas which have already been studied. However, a brief look at pension plans with emphasis on what relation cost has to deciding on a retirement age is necessary.

Business Week Magazine recently reported that the
Bureau of the Census made a study on how much further employer financed pensions in industry can go. There is more employee turnover in American industry than is commonly supposed. Necessary turnover and desirable mobility prevent workers from building up required service credits without which employer financed pensions are impossibly costly. The survey showed that older workers stay longer on the same job. Men usually hold jobs longer than women. Whites stay longer than non-whites, employees stay longer in the more stable industries of government and utilities, and employees stay longer where the benefits are related to length of service.

The following Chart I shows the result of the said survey in graphical form.
OLDER WORKERS STAY LONGER ON SAME JOB

Number of years in current job (median figure)

<table>
<thead>
<tr>
<th>Years</th>
<th>0</th>
<th>2</th>
<th>4</th>
<th>6</th>
<th>8</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ages</td>
<td>All</td>
<td>14-19</td>
<td>20-24</td>
<td>25-34</td>
<td>35-44</td>
<td>45-49</td>
</tr>
</tbody>
</table>


This same survey also showed that employees in manufacturing, on the average, stay on the same job a little over three years (median). 16

Authorities generally agree that an adequate pension should be 50 per cent of the last five or ten years income, including the primary Social Security benefit after thirty years of service at a normal retirement age.

The most frequently used formulae provide pension benefits:

16 Ibid.
1. either as a percentage credit of the average annual earnings, or of the final earnings of the last five or ten years of service for each year of service rendered, or,

2. a flat percentage of the annual earnings of a particular year.\(^{17}\)

Allowing an employee to work beyond a normal retirement age may be the same as paying him a pension out of current income if he is not able to produce at optimum efficiency. In order to provide adequate pension benefits within the given limits of the financial resources several channels are open. A plan can eliminate those under a certain age or over a certain age. A sliding retirement scale can be set up, a reduced benefit to older workers can be arranged, or a contributory plan can be worked out. Boyce\(^ {18}\) shows that those over sixty-five can be eliminated at the time the plan is set up, but keeping them on the payroll would constitute a hidden pension. He adds, that a sliding scale of retirement ages for workers over fifty, fifty-five or sixty can be set up at the time the plan goes into effect. Commonly, all seventy or over are immediately retired, and those between sixty and seventy in two year groups at the end of each year. At the

\(^{17}\) O'Neil, Modern Pension Plans, 201.

The end of five year retirements would be on a current schedule.

The following Table II illustrates such an arrangement.

**TABLE II**

THREE TYPICAL SCHEDULES FOR DELAYED RETIREMENT

<table>
<thead>
<tr>
<th>CURRENT AFTER 5 YEARS</th>
<th>CURRENT AFTER 10 YEARS</th>
<th>CURRENT AFTER 10 YEARS</th>
</tr>
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<tbody>
<tr>
<td><strong>ACTUAL AGE</strong></td>
<td><strong>RETIREMENT AGE</strong></td>
<td><strong>ACTUAL AGE</strong></td>
</tr>
<tr>
<td>Over 69</td>
<td>Immediate</td>
<td>Over 69</td>
</tr>
<tr>
<td>68-69</td>
<td>70</td>
<td>66-69</td>
</tr>
<tr>
<td>66-67</td>
<td>69</td>
<td>62-65</td>
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<tr>
<td>64-65</td>
<td>68</td>
<td>58-61</td>
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<tr>
<td>62-63</td>
<td>67</td>
<td>54-57</td>
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<tr>
<td>60-61</td>
<td>66</td>
<td>50-53</td>
</tr>
<tr>
<td>Under 60</td>
<td>65</td>
<td>Under 50</td>
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</table>

**SOURCE:** Boyce, *How to Plan Pensions*, 43.
Boyce outlines what is known as the "eighty rule". A normal retirement age is established as that age at which years of service plus actual age in calendar years is equal to eighty. There is usually a very short service requirement in this connection.  

Establishing a minimum age or a minimum number of work years to qualify for a pension can cut cost by eliminating some of those in the younger age bracket who constitute much of the labor turnover. Early retirement upon a full pension maybe advantageous, but the cost is high or even prohibitive. A way to handle this is to give the early retiree an actuarial equivalent of the benefits available at normal retirement age, that is, 85 per cent at sixty, 75 per cent at fifty-five etc.  

A contributory pension plan can provide more benefits at retirement. O'Neil lists the advantages and disadvantages of the contributory system.

1. Advantages:
   a. encourages thrift
   b. gives an employee a voice in the management
   c. provides an early severance pay
2. Disadvantages:

   a. employer has cost of plan deducted from taxes and employee must pay taxes on his contributions.

   b. those who will not contribute might be later superannuated and without a pension.

   c. wages might have to be increased.

   d. differences in age levels of compensation create a problem in collecting the right amount.

   e. administrative costs in keeping extra records rise.

C'Neil thinks there are other ways to teach thrift, and he wonders if a voice in the management of the plan is prudent.

A pension program wisely set up can have these objectives:

Employers and Unions

   1. Provision of orderly retirement of superannuated employees.

   2. Creation of advancement and promotional opportunities for younger workers by removal of older ones from the labor force.

   3. Encouragement of harmonious labor management relations.

   4. Reduction of labor turnover.

Additional employer objectives

   1. Fulfillment of social responsibilities to his employees.

   2. Substitution of the definite obligations and known costs of a retirement plan for the unknown costs of informal pensioning.

Additional union goals

   1. Provision of coverage in the plan for all employees.
in the bargaining unit.
2. Assessment of costs exclusively on the employer.

Humanitarian Reasons for Pensions:
1. aiding superannuated
2. reward for past service

Economic Motives:
1. retirement has been a cost of business
2. increasing efficiency by retiring older workers in favor of more active ones
3. expecting improved industrial morale through the use and the promise of retirement systems.

The various ways of arriving at a retirement age have now been covered. A recent MacGregor Fund of Detroit study with the National Committee on Aging of the National Social Welfare Assembly, National Conference on Employment and Retirement of Older Workers in New York agreed that there is some age limit beyond which so few workers are able to continue that it can be used, even arbitrarily, with rough justice and good sense. Seventy was the age cagily mentioned. It was also agreed that there should be a floor for disability or personal desire for earlier

22 William Goldner, Pensions Under Collective Bargaining, University of California, Berkeley, Institute of Industrial Relations, 5-6.

retirement. There should be a range of retirement or a period of
years, say from sixty-five to seventy, when a person may retire
but there should not be compulsion.

There should be a range of retirement or a period of years, say from sixty-five to seventy, when a person may retire but there should not be compulsion.

The time in life when old age does appear is, in fact, a very controversial subject. General statements on the question are quickly challenged, and exceptions to any rule are easily found.

As the matter stands, there is no good index—chronological or otherwise—that determines just when old age begins, but a wide transitional period with tests that shift with different peoples and in accordance with different stations in life.

Compulsory retirement is the next logical study, but since it is the topic of this thesis and there is such a good deal to report, a separate chapter is devoted to its advantages and disadvantages.

Understanding the Older Worker

An understanding of the old person, his needs, his personality, and his record as a worker, plus other things, is important in this study. It is hard to prescribe a remedy without knowing the patient.

What do older people want? Irrespective of time and place when minor differences are allowed for, studies show that

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24 Parran, "Must You Retire at Sixty-five?", Colliers, May 24, 1952, 75.


26 Ibid., 238.
most old people want to live as long as possible, or until the advantages of death seem to outweigh the burdens of life. They want to get more rest and find easier ways to safeguard and preserve their waning energies. Yet they want to remain active participants in personal and group affairs. Moreover, they generally seek to safeguard and strengthen any prerogatives which they have acquired in a long life. And finally, most of them would prefer to withdraw from life as honorably as possible and without too much suffering.27

Special Survey of Cleveland in a study found that there is no foolproof way to ease an aging employee into happy retirement because of individual personalities and circumstances.28

The survey of 483 retired workers in six companies in Cleveland showed that the aging employee who adjusts best is married, lives with his wife, has no children, owns his own home, has some savings, and was not too enthused about his last job. He retired for normal reasons. One least able to adjust is the father of one child, lives alone in rent, has never accumulated savings, liked his last job and retired because of illness. Those who planned for retirement and did not follow the plans are worse off than non-planners. Those who followed retirement plans are not

27 Ibid., 238-239.
much better adjusted than non-planners. Forty-seven per cent of the men favored retirement, 37 per cent would rather work, 14 per cent gave qualified answers but leaned toward work, and 2 per cent had no opinion. Few endorsed automatic retirement at sixty-five. The idea that retirement leads to an early grave was not borne out by the survey. Thirty-five per cent blamed income and cost of living as not too good about retirement. Nineteen per cent complained about monotony and inactivity, 7 per cent lack of companionship. Twenty-three per cent said there was nothing wrong with it. All complained about Social Security restrictions on working. There were complaints that hospital insurance was available only through individual policies rather than through group policies with their lower premiums. Gardening was the most popular pastime. A hobby is not an important factor. If a man has not developed one by age fifty he never will. Three-fifths of the men wanted to keep in touch with co-workers and looked forward to company picnics and holiday parties. Nine out of ten would go to work for the same company again. Fifty-two per cent were opposed to company help in post retirement planning. Only 45 per cent had any ideas on what a counseling program should consist of. 29

A clue to possible solution of the retirement problem might be found by examining some of the needs of older people.

29 Ibid.
Havighurst lists some of these needs as follows:

1. Emotional security and affection met by receiving love and by living in a world where things are predictable and usually come out favorably or tolerably.
2. Social recognition and status met by receiving respect from people who count in one's world.
3. A sense of worth and self-respect met by living up to one's ideals.
4. Adequate food, clothing, shelter, and health.

In the development of any retirement program it will be seen that various means of fulfilling these needs can lead to the solution. Havighurst continues that the human body and society insult the person as he grows older by the loss of physical attractiveness, the loss of supporting persons, the loss of status, the loss of useful and respected roles and the lessening of physical health and vigor. Older people must adjust to the loss of a spouse and to the loss of employment and reduced income. Older people must affiliate with an elder age group and must adjust to a decrease in physical vigor. They must also make for themselves satisfactory physical living standards. Older people must gain satisfactory social roles which help self-respect. They must be offered economy security or a way to earn a living. They need social and recreational facilities and proper health services. Rather than have old people resort to memories, regression to infancy, loss of senses or hallucinations, the better idea is to

promote their participation in civic and community affairs. Give them a chance to gain new friends and be a part of society in general.\textsuperscript{31}

In another article Havighurst\textsuperscript{32} says there are two general modes of approach to the problems of aging.

1. Stay young and keep active.
2. Grow old gracefully, the rocking chair approach.

America favors the stay young role, but now there are too few satisfying active roles of importance for older persons for this to be a workable pattern for everybody.

A picture of how the older worker produces in industry, as well as this same worker's feelings on retirement, add valuable background material to an understanding of the problem.

Boyce\textsuperscript{33} reports that in 1949 \textit{Factory Management and Maintenance Magazine} asked two questions to a group of workers and received some interesting replies. "Some companies require workers to retire or quit work when they reach a certain age. In general, do you agree with such a policy?"

The following Table III reveals the result of a survey conducted among workers of specified age groups regarding their

\begin{table}[h]
\centering
\begin{tabular}{|c|c|}
\hline
Age Group & Percentage Agree
\hline
25-34 & 75%
35-44 & 60%
45-54 & 40%
55-64 & 25%
65+ & 10%
\hline
\end{tabular}
\end{table}

\textsuperscript{31} Ibid., 12.
\textsuperscript{33} Boyce, \textit{How to Plan Pensions}, 52.
attitude toward compulsory retirement age.

TABLE III

RETIREMENT SHOULD BE COMPULSORY

(in percentages)

<table>
<thead>
<tr>
<th>ANSWERa</th>
<th>ALL WORKERS</th>
<th>20-34 YEARS</th>
<th>35-44 YEARS</th>
<th>55 AND OVER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>34</td>
<td>39</td>
<td>32</td>
<td>27</td>
</tr>
<tr>
<td>Agree-if there is a pension</td>
<td>28</td>
<td>29</td>
<td>28</td>
<td>27</td>
</tr>
<tr>
<td>Agree-with other qualification</td>
<td>5</td>
<td>4</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Disagree</td>
<td>31</td>
<td>26</td>
<td>32</td>
<td>41</td>
</tr>
<tr>
<td>Don't know</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>1</td>
</tr>
</tbody>
</table>

SOURCE: Boyce, How to Plan Pensions, 52.

a Answers by age of respondent.

The majority agree that compulsory retirement is satisfactory, but it is significant to note that general agreement appears to get less as chronological age grows higher.

Assuming that a compulsory retirement age is desirable, the next question to be considered is at what age workers should be required to retire. The following Table IV deals with this problem.
TABLE IV
AT WHAT AGE SHOULD WORKERS BE REQUIRED TO RETIRE
(in percentage)

<table>
<thead>
<tr>
<th>ANSWER</th>
<th>ALL WORKERS</th>
<th>20-34 YEARS</th>
<th>35-54 YEARS</th>
<th>55 AND OVER</th>
</tr>
</thead>
<tbody>
<tr>
<td>40 to 50 years</td>
<td>5</td>
<td>6</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>55 years</td>
<td>12</td>
<td>13</td>
<td>13</td>
<td>3</td>
</tr>
<tr>
<td>60 years</td>
<td>41</td>
<td>41</td>
<td>40</td>
<td>43</td>
</tr>
<tr>
<td>65 years</td>
<td>39</td>
<td>38</td>
<td>40</td>
<td>38</td>
</tr>
<tr>
<td>70 to 85 years</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>5</td>
</tr>
</tbody>
</table>


a Answers tabulated by age of respondent.

There is almost complete absence of a desire for retirement by age sixty-five. A limited sample of workers by the United Steelworkers showed the average and median preferred retirement age was sixty-five years. 34

A survey in St. Cloud and Winter Garden, Florida showed that 75 per cent of those unemployed and sixty years of age and over thought it best for older people to continue working at least part time after the usual retirement age. Sixty-five per cent of these unemployed people said "no" when asked if they

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34 Ibid., 53.
would like to find some suitable kind of work. It would seem the subjects believed work was good for the next fellow's soul. One-fourth said sixty was a suitable retirement age, and another one-fourth said sixty-five was suitable. Forty-five per cent of the St. Cloud group, and 35 per cent of the Winter Garden group said people should never retire if they can work. Sixty per cent thought retirement should be gradual, and 30 per cent thought retirement should be at once when retirement age arrives.35

There is always much controversy over the productive output of the older worker as contrasted with the younger. There are very few known productive comparison records, but what little data there are will be set down here.

An analysis of jobs in which workers were employed in terms of job characteristics was made in 1931 of 364,073 wage earners in New York state manufacturing industries. These were the findings.

1. Older workers could handle machine jobs as well as younger ones if the types of work demanding speed in reactions, constancy of movements, concentrated attention, instantaneous co-ordination of faculties and repetitive movements were minimized. The goal is machine tending, not machine operation.

2. Many older persons did laboring jobs, such as janitorial and maintenance services and unskilled tasks.

3. Jobs requiring no training provided an increasingly more important proportion of opportunities for older age groups. Less than eighteen months training jobs offered the least amount of security to these groups. On the more skilled jobs the older worker has the advantage, but the rate of technologic improvement is scrapping past skills. The tendency is to increase the amount of rapid training skills. This suggests that job transfer practices must be better adapted to the peculiarities of the older person.

4. Those over seventy years of age do not fare better in the jobs requiring over eighteen months of training. Jobs requiring no training and medium physical exertion ranked fifth as a supplier of jobs in the fifty to fifty-four age group, but this type of job jumped to first in the seventy and over group. Lighter, less strenuous work is the key to employing older persons.

5. Four types of jobs furnished approximately 60 percent of all the jobs for women forty years of age and over. Machine work requiring less than four
months of training was in the first and second place in all age groups. Hand work jobs with similar training requirements were in third and fourth place. 36

Shock 37 mentions four arguments generally advanced against the employment of older workers.

1. reduced productivity
2. increased labor turnover
3. increased accident rate
4. increased sickness or absenteeism

However, Shock 38 goes on to point out that there are not too many production records to prove the reduced productivity issue. On the issue of increased labor turnover, he says that Kitson 39 has demonstrated a steady and rapid increase in length of employment of workers between twenty-one and thirty-one. This is followed by a plateau and a further lengthening of service of workers beyond the age of fifty. Concerning an increased accid-


38 Ibid., 98.

ent rate among older workers, Shook, paraphrasing Kossoris\textsuperscript{40}, shows that 26,000 employees in four plants had a lower accident frequency rate among older workers. Men between forty and fifty-four had rates only about two-thirds as high as those in their twenties. Rates of workers aged sixty and over were lower than for those under twenty-one, and about the same as for those between twenty-one and twenty-nine years of age. One exception is reported by Vernon and Bedford\textsuperscript{41} which indicates that environmental temperature did raise older workers accidents in coal mines. Shook\textsuperscript{42} makes clear that severity of accidents and illness may be higher among the older worker, but frequency is less.

It can be generally assumed from the information just set down, that the older worker has some productive years after he normally is retired, and for the most part, he wants to work during these years. Studies indicate that the usual arguments for compulsory retirement at an arbitrary age have no basis in fact. Until more productive information comparing the output of the older worker with the younger can be obtained to prove that

\textsuperscript{40} Ibid., quoting M.D. Kossoris, "Relations of Age to Industrial Injuries", Monthly Labor Review, 51:789, 1940, 96.

\textsuperscript{41} Ibid., quoting H.M. Vernon and T. Bedford, "The Absenteeism of Miners in Relation to Short Time and Other Conditions", Medical Research Council, Industrial Health Research Board, Reprint No. 62, 1931, 99.

the older worker is a detriment to industry, placing these people in jobs will be a part of the problem of compulsory retirement. Legal Background of Compulsory Retirement Problem

An understanding of the legal background of compulsory retirement can prevent one from coming to conclusions on this problem which may have been tried but discarded as lawfully unjust.

Some unions have protested retirement at a given age because it violated the spirit of the seniority or discharge provisions. Management feels it can operate such a policy under the management prerogative features of its contract. 43

The arbitrator ruled, in the case involving the General American Transportation Corporation and the United Steelworkers of America, that compulsory retirement was allowable if it applied to union and non-union employees. There is no violation of seniority rights. In this case the employee signed up for a contributory pension plan which would provide him with an income for life. The arbitrator said that this was not reason enough for the employer to retire him at age sixty-five. The pension was

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44 7 LA 773, General American Transportation Corp., and United Steelworkers of America, Original Award April 29, 1947, Corrected Award, May, 1947.
only an inducement to retire and did not, in itself, make retirement mandatory.

A United States Court of Appeals ruled, in the case involving the Bakery Union and the National Biscuit Company, that a compulsory retirement under a pension unilaterally instituted by the employer is not a layoff provided the rules of seniority prevail with respect to layoff and the rehiring of employees. The Union had no remedy under section 301 of the Labor Management Relations Act. 45

An Arbitrator ruled, in the dispute between the Ohio Steel Foundry Company and the United Automobile Aircraft and Agricultural Implement Workers of America, that an employer could retire a man after age sixty-five because the evidence in this case showed:

1. this had been the policy of the employer,
2. the contract was silent on retirement,
3. there was no discrimination shown.

Retirement did not violate seniority rights. 46

In a dispute between Swift and Company and the United Packinghouse Workers of America, the arbitrator said that it


46 14 LA 490, Ohio Steel Foundry Company and the United Automobile Aircraft and Agricultural Implement Workers of America, April 17, 1950.
would be straining the construction of the word to include under discharge the termination of an employee because of his age. However, even if it were conceded that such term included termination of employment for age, discharge for age would be for good cause if it took place in conformance with established policies and was not arbitrary, discriminatory or capricious, and there was no contractual restrictions.47

Again an arbitrator ruled, in a dispute between the Afro-American Company of Baltimore and the United Paperworkers of America, that the compulsory retirement of a man at age sixty-five was proper since the evidence showed that this was company policy. The contention that this was discharge without cause was rejected. In this case the policy of compulsory retirement was not always enforced but there was no evidence of the company being arbitrary, discriminatory or capricious.48

In a dispute between the American Salt Corporation and the International Chemical Worker's Union the arbitrator ruled that the establishment of retirement plans is the prerogative of management in the absence of specific contractual provisions restricting this right. In this case the retirement plan was not carried out during the war because of the labor shortage. After

47 9 LA 560, Swift and Company, and United Packinghouse Workers of America, July 6, 1946.

the war it was again used and the union contended that retirement violated the seniority provisions of the contract. 49

In the case of the Protective Workers versus the Ford Motor Company the Circuit Court of Appeals ordered the District Court to reverse its ruling and dismiss the defendant's motion to dismiss the complaint and allow the defendant to answer the complaint. Here the worker was retired at age sixty-five under the rules of an unpublished compulsory retirement plan. The District Court felt that a plan did exist and the man could be retired under it. The Circuit Court said that the contract was breached and the man was discharged without cause. 50

An arbitrator ruled, in another case involving Swift and Company and the United Packinghouse Workers, that an employer can retire a worker even if he is sick and is up for retirement. The worker is not entitled to sickness benefits until they are used up. The employer's obligation ceases when he takes the employee off the payroll. 51

When pensions became prominent the question arose as to whether the retirement question would come under collective bar-

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49 9 LA 124, American Salt Corporation and International Chemical Workers' Union, November 15, 1947.


gaining. The issue came to a head in the Inland Steel case.

In April 1948 the National Labor Relations Board ruled in a dispute between Inland Steel Company and the United Steelworkers of America, CIO, that compulsory retirement constituted a "condition of employment" subject to collective bargaining. Refusal to bargain was charged as an unfair labor practice in that company's unilateral action on amendments to the plan changed the employees "wages and conditions of employment". Wages, the Board held, include "emoluments of value like pensions and insurance which may accrue to employees out of their employment relationship". The company's contribution constitutes an economic enhancement of the employee's wages.52

The case was taken to the Circuit Court of Appeals who upheld the NLRB. The court held that wages and other conditions of employment as used in collective bargaining clearly include retirement and pension plans. Legislative history does not support a contrary intention by Congress. The company felt that pensions should not be covered by collective bargaining because of the comprehensive character of the plans and because of the multiplicity of bargaining units. The court held, that, if this be the case, and the ruling was in favor of the company it would constitute an incentive for the company to devise more comprehensive plans to remove them from the ambit of the statute. The

52 Boyce, How to Plan Pensions, 5.
court added that numerous matters are included in the bargaining
requirements of the National Labor Relations Act which are not
specifically mentioned, such as sick leave, military pay and many
others. There is no distinction between those and those inuring
to employees by reason of retirement and pension plans. Age is
a condition of employment and people have a right to be represen-
ted in a termination of employment by discharge. There is no
distinction in the Act between "tenure" of employment and condi-
tions of employment. The collective bargaining provisions of the
National Labor Relations Act is broader than the Railway Labor
Act. The term "wages" is greater than "rates of pay", and the
term "other conditions of employment" is broader than "working
conditions".53

The Supreme Court of the United States upheld the Cir-
cuit Court by denying the company's petition for a writ of cer-
tiorari.54

Following this an arbitrator ruled, in the dispute be-
tween the Pan American Airways Incorporated and the Brotherhood
of Railway and Steamship Clerk, Freight Handlers, Express and
Station Employees, that an employer can set up a retirement plan


until the plan becomes a matter for collective bargaining. An employee was retired under a retirement plan and the union objected. The arbitrator said that the man was retired properly since the plan had never been brought up for collective bargaining. The union had accepted the plan along with its mandatory features up until this case. It had never objected to the inherent conflict between the mandatory retirement feature and the employee's seniority rights guaranteed by contract.55

Again, in a dispute between the Grocery Warehousemen and Kroger Company, a Pennsylvania Court ruled on whether the compulsory retirement of a union employee under a retirement plan constituted unjust discharge. The court said this was not an arbitrable issue under the arbitration provisions of the union contract subsequently executed.56

Another arbitrator, in the case involving John Morrell and Company and the United Packinghouse Worker's of America, ruled that the employer's right to retire employees against their wishes when they reached retirement age in a unilateral plan is arbitrable, where the contract provides that the grievance procedure should be used to settle differences between the parties and

55 13 LA 326, Pan American Airways Inc. and Brotherhood of Steamship Clerks, Freight Handlers, Express and Station Employees, July 26-27, 1949.

arbitration is the terminal step in the grievance procedure. In this same case, the arbitrator said that compulsory retirement is allowable when the employee reaches the compulsory retirement age because the plan had been in effect for a long period and the union had not objected to the compulsory retirement features up to this case. The failure to demand a change during contract negotiations means acceptance of the retirement plan as established plant custom and practice.\(^{57}\)

From these rulings the following conclusions can be drawn:

1. Compulsory retirement does not violate seniority rights of the contract provided the company does not use discrimination, and there is nothing specifically forbidding this in the contract.

2. A company can set up and enforce a unilateral pension plan provided the plan does not discriminate and there is nothing specifically forbidding it in the contract.

3. The question of retirement and pensions is a matter for collective bargaining.

Historical Facts About the Aged

In many of the social problems facing us there is usually a history to study to help with a solution. However, there

\(^{57}\) 17 LA 81, John Morrell and Company and United Packinghouse Workers of America, June 19, 1951.
there is not too much to aid the student of the retirement and old age problem which might suggest an answer.

Angel says that from the third millennium B.C. to classical times (650-150 B.C.) longevity in Ancient Greece increased slightly but significantly, as shown by a study of skeletal remains. However, data are too scanty to determine the exact change in life expectancy, since skeletal remains of really old people and of children are extremely inadequate in number. A change in age composition of the population was not great enough (nor life expectancy of the historic period near enough to that of today) for social problems of old age to arise in modern form. The aged continued to participate in the life of the community through the respect attached to their judgement and opinions. It is assumed by the author that other societies of history will not offer much more.

Industrial pensions in the United States have an origin dating back to the last quarter of the nineteenth century, but they began to appear in numbers by 1910.  

The problem of the older worker is ours. The very nature of our highly industrialized society has put the emphasis on


youth, vigor and speed. We feel that we may be losing something in not using some of the productivity and skill of the older worker, and yet we do not know where to draw the line as to where age will be an asset and where it only adds a burden to industry. The next chapter will give the advantages and disadvantages of drawing that line.
CHAPTER III

ADVANTAGES AND DISADVANTAGES OF
COMPULSORY RETIREMENT

When he thinks of the reasons why industry prefers compulsory retirement the average person feels the system is set-up to provide an easy way to eliminate the unproductive older worker. When he sees a flexible retirement plan in operation the average man feels it is done because of the realization of the need for an older worker or because the company has not taken the trouble to set up a formal retirement program. Actually, industry may have some very good reasons as to why a move, one way or another, is made. In this chapter we will look at some of the opinions of industry and others interested in the problem.

Disadvantages of Compulsory Retirement

Leonard Rimler has listed eight personality assets of the older employee which could also be listed as reasons why there should not be a system of compulsory retirement. They are:

1. Increased skill
2. Fewer mistakes
3. Greater steadiness, persistence and dependability in work habits than are generally found in younger employees

4. Great emotional stability
5. Take fewer risks
6. More comfortably accept their capacities and limitations than do the younger
7. Generally less frequent absenteeism during the war
8. During the war, for both sexes, the injury frequency rate decreased with increasing age and the number of medical department visits per person likewise decreased.

Moreover, Himler\(^61\) points out that "physicians are all too familiar with the rapid decline in physical and mental effectiveness which follows unwanted compulsory retirement."

Mr. Craig Cochrane\(^62\) believes that retirement policies must be flexible enough to provide an acceptable degree of fairness to each of the individuals or groups concerned. Compulsory retirement at a specified age would generally not permit this. He concludes that certainly a normal retirement age is necessary which will provide an incentive and a basis for retirement planning and preparation.

Solomon Barkin\(^63\) is against compulsory retirement. He says:

1. The worker is not anxious to retire. He prefers

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\(^61\) Ibid., 97.


not to be dependent. To participate productively in the community, society and unions, a man must retain his job. The counseling and preparation will not aid in adjustment of most who now attain old age.

2. Most workers cannot afford to retire. In October 1950 the U.S. Bureau of Labor Statistics reported net cost of services to maintain an aged couple at a modest living level was $1700 to $1800 a year. Pensions do not cover the needs.

3. There are numerous jobs in industry for older people and others can be made available. Physical care, psychological treatment, vocational counseling and retraining can increase workers capacity for longer and more effective employment.

4. The social and economic costs of retirement are so great we must consider means of extending employment opportunities.

Writing in Harper's, Henry Curtis gives stimulating reasons why industry should not follow a compulsory retirement policy. He says (paraphrased) that compulsory retirement shelves many of the best men and takes away the incentive of employees to

do good work during later years. The right to work is fundamental. Automatic discharge is a basic human wrong. No law of psychology or physiology says a man's working capacity ends at sixty-five. The worker suffers from reduced activity and dwells on aches and pains. If people do not use their abilities and brains they head toward senility. Retirement must be determined by the workers record and his condition of health. Curtis goes on to say that at retirement a worker's income is cut. The community loses in sales and employment. Another five years of work would increase pension funds and social security reserves. This might allow free health service to pensioners as in England. Men in the fifties and sixties could find work easier. Hospital and research staffs for the aging could be maintained. If workers were allowed to continue to seventy-five then five to ten million would join the labor force. The additional production would largely overcome the shortage of goods and prices might come down.

In his book on employee benefit plans, Strong65 talks of the idea of employing certain people beyond the normal retirement age. He says that one group of executives feel that there are certain valuable people, especially in management, whom an employer may wish to retain after normal retirement age. These individuals thought that in short labor supply many members of

rank and file, as well as management, should be retained. Mr. strong 66 goes on to state that some executives favor optional retirement between sixty-five and seventy with compulsory retirement at the latter age. His health, the need for him the economic level of activity in the firm and the desire to continue working would determine retirement between sixty-five and seventy. Late retirement should be administered with as few exceptions to normal retirement as possible. Certain skilled craftsmen might be kept in a short labor market. Executives should be held only when development programs to provide competent replacements are in existence. Retention should be on a year to year basis.

Advantages of Compulsory Retirement

Management is recognizing that as far as executives go compulsory retirement is necessary. At top level a mistake can be very costly. Death in the saddle might kill the horse. To encourage this firms are providing different ways of supplementing executive pension incomes. 67

Johnson 68 points out that Albert Chandler gave a questionnaire to a selected group of superior persons in 1947-1948 to ascertain their attitude toward retirement and old age. One hun-

66 Ibid., 33-34.
hundred and four were in favor of compulsory retirement systems, very often with reservations, and nineteen were against them. This survey starts off our study of the advantages of compulsory retirement.

Johnson goes on to say that a joint committee of the American Association of University Professors and the Association of American Colleges found that in a non-compulsory system:

1. Past service is considered more than present effectiveness.
2. Faculty sensibilities are injured.
3. The administration may make prejudiced decisions.
4. Financial planning is always near the end of the optional period. Earlier needed retirement might cause financial and psychological maladjustment.
5. Custom will make the beginning or the end of the optional period the retirement age.

Johnson believes that if one had to write a pension plan he would consider a compulsory system or one of six other plans. These plans and Johnson's objections to them are listed one by one:

1. Biologic Age;

Cessation of work at a definite age might have an adverse effect on a worker's mental and physical

69 Ibid.
well being. There is no recognized standard test for determining a precise biologic age at any one time. It is difficult to determine in advance how much a person's biologic age will change over a fixed chronological period. A person plans for his retirement better when he knows it is coming.

2. A Tapering Off Process
Cutting wages and work as a man grows older doesn't allow for the fact that salary and work cannot be reduced proportionately. It might be done for those whose salary relates to work units, but not for supervisors, administrative personnel and professional people. Discrimination is possible. People like to keep up with their neighbors economically but they cannot if their neighbors have a steady income and they do not. A reduction in pay would remind the worker that he is not as good as he was. The worker and the employer may not agree on what part of the work was to be dropped.

3. Work Qualification Test
The use of retirement tests is not sound because there are seldom accurate and unbiased tests available to measure ability to perform. As proof of this, pilots retire, even though the test may not be accurate, because it is for the welfare of the
public that there be no possible taint of defect in flyers.

4. The Worker's Decision

The decision to retire on the part of the worker is not sound policy because the employee may not realize he is not meeting the standard for the job. This may cause embarrassment to the employer. A man will not always retire because of poor health. Many will continue working to pay a debt or help another. The interests of others suffer because promotions are slow. Young people are less interested in joining the firm.

5. The Employer's Decision

The decision as to a retirement date on the part of the employer is not good practice because no man likes his employer to determine his future welfare. Job security is jeopardized and discrimination may occur.

6. A Committee's Decision

The use of a retirement committee is not practical because it is difficult to get an unbiased group. Even the use of the Board of Directors is not good because members know only a few employees and have difficulty retiring top executives.
Hope\textsuperscript{70} writes that some managements think there should be a fixed retirement age. He says that thirty years age Esso standard Oil adopted a formal annuity plan with two important principles:

1. All employees, from top to bottom could acquire annuities under the same terms.
2. All employees should be retired at a fixed age.
   (Men sixty-five years and women earlier.)

Hope\textsuperscript{71} lists the advantages to having this fixed age:

1. All employees are treated alike.
2. Effective plans for retirement can be made by employees and management.
3. The plan provides incentives for capable younger employees.
4. The plan is desirable from a personal standpoint of employee. There are no apologies, no implication of mental or physical deterioration or incapacity.
5. The plan provides the most practical solution. No one is qualified to render a decision in individual cases based on the human element.


\textsuperscript{71} Ibid.
The plan is desirable from the general economic and social standpoint. Although actual age may change the principal of mandatory retirement does not. There are positions in business, politics and the community which require mature experienced people who have not exhausted their physical and mental capacities in career employment. Physically and mentally qualified retired persons can make a contribution by filling these positions. Although discretionary plans may allow some efficient people to remain on the payroll more persons are inefficient and help develop a costly "pension roll".

This thesis does not have to do with disability clauses in pension plans but it seems appropriate to mention that there seems to be very little disagreement over the fact that there should be some provision for a man to receive some income from his pension plan in the event that ill health should force him from the labor market prior to the attainment of normal retirement age. Along these lines a provision for early retirement at a reduced income may perhaps be helpful. As long as an employee works a specified number of years and reaches a specified age and is willing to retire at less than his normal pension no one stands to lose. Retirement, in this case, would indicate sound personnel practice.
Randall says that:

Among junior executives at about the age of forty years there is never any doubt but that there should be compulsory and complete retirement for older men at not later than the age of sixty-five. The doubts come to those who have passed sixty, and the subtle self hypnosis of indispensability seems to be associated with thinning hair, bifocals, dentures, and longer belts. It is the occupational disease of seniors.

Nevertheless, I am convinced that for purposes of sound administration there must be a fixed age limit with compulsory retirement from active day-to-day responsibility as distinguished from wisdom duties such as membership on board of directors.

Randall feels that preferential retirement, whereby one executive is retained upon reaching a certain age, while another is retired, is poor personnel practice. It can only give rise to suspicions of favoritism, and result in lowered company morale. Medical science may some day outdate the sixty-five year limit, but this time has not yet arrived.

Now that we have studied the advantages and disadvantages of compulsory retirement we are ready for the next step, which is an examination of present company retirement practices, emphasis on the mandatory retirement issue.

---


73 Ibid.
CHAPTER IV

RETIREMENT PRACTICES IN INDUSTRY TODAY

In the early days, industry was in no way responsible for the incapacitating eventuality of elapsed time. However, no longer is the exhaustion of the employee's capacity an incident of his continuity of service. Competition and the pressure of the pace of production have infused the whole structure of commerce. 74

It has been said that,

The care for the aged industrial worker is a legitimate charge against industry and should be included in production costs in the same sense that depreciation of machinery and equipment is handled. 75

If we are to accept the truth of these words, as well we must, it behooves the student of this problem to examine exactly what industry is doing today to meet its share of society's responsibility for the aged. Although we are primarily concerned with compulsory retirement, as was pointed out before, it is im-


important to study many phases of the retirement problem to arrive at the best practical solutions.

General Retirement Practices Surveys

Tuckman and Lorge⁷⁶ write that a questionnaire was sent to the 113 largest corporations in the United States. It sought to cover three broad areas:

1. pension plans
2. the psychologic reactions of older employees
3. the type of assistance given by corporations to help prepare employees for the variety of problems they may have to face on retirement.

Seventy replies were received, (industries, banks, insurance companies, utilities and railroads). Forty-six per cent had non-contributory pensions, 53 per cent had contributory plans and 1 per cent had both types. Seventy per cent linked benefits with Social Security, and 27 per cent did not. Three per cent did not answer.

The majority of those answering geared their program of pre-retirement to the age sixty to sixty-five groups. The majority also used individual counseling as the most popular media in reaching employees. Fifty-seven per cent of the entire

group did not think that retirement should be based only on the physical and mental ability to do the job. The majority of the firms had a compulsory retirement age. The highest percentage used sixty-five as the retirement age for men and women. The firms using optional early retirement upon actuarially reduced pensions found sixty as the most used retirement date for men and fifty-five as the most used age for women. Seventeen per cent believed that the use of a definite age would facilitate the necessary retirement planning and would help not to have to explain the reasons for terminating employment. Twelve per cent thought a fixed retirement age was a way of eliminating the problem of the inefficient older worker. Ten per cent state a fixed retirement age would maintain vitality and a lower average age in the organization. One respondent thought a fixed age would stifle initiative. The findings of the survey indicate that there is a growing interest on the part of business and industry in retirement problems and adjustment.

The following Tables V and VI show in statistical form the attitudes toward age, retirement and pre-retirement programs as disclosed in this survey.
# TABLE V

ATTITUDES TOWARD AGE, RETIREMENT AND PRE-RETIREMENT PROGRAMS

(In Percentages)

<table>
<thead>
<tr>
<th>GROUP</th>
<th>FEAR OF AGING</th>
<th>HELP IN OVERCOMING FEAR</th>
<th>SPECIAL JOB PROVISIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>YES</td>
<td>NO</td>
<td>NO ANS.</td>
</tr>
<tr>
<td>INDUSTRIALS</td>
<td>8</td>
<td>73</td>
<td>19</td>
</tr>
<tr>
<td>BANKS</td>
<td>0</td>
<td>91</td>
<td>9</td>
</tr>
<tr>
<td>INSURANCE COMPANIES</td>
<td>6</td>
<td>81</td>
<td>13</td>
</tr>
<tr>
<td>UTILITIES</td>
<td>0</td>
<td>91</td>
<td>9</td>
</tr>
<tr>
<td>RAILROADS</td>
<td>0</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Total Percentage</td>
<td>4</td>
<td>77</td>
<td>19</td>
</tr>
</tbody>
</table>

### TABLE VI

ATTITUDES TOWARD AGE, RETIREMENT AND PRE-RETIREMENT PROGRAMS

(In Percentages)

<table>
<thead>
<tr>
<th>GROUP</th>
<th>Anxiety About Retirement</th>
<th>Pre-Retirement Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td>INDUSTRIALS</td>
<td>23</td>
<td>54</td>
</tr>
<tr>
<td>BANKS</td>
<td>18</td>
<td>45</td>
</tr>
<tr>
<td>INSURANCE COMPANIES</td>
<td>6</td>
<td>56</td>
</tr>
<tr>
<td>UTILITIES</td>
<td>44</td>
<td>33</td>
</tr>
<tr>
<td>RAILROADS</td>
<td>13</td>
<td>13</td>
</tr>
</tbody>
</table>

**Total Percentage**

<table>
<thead>
<tr>
<th></th>
<th>YES</th>
<th>NO</th>
<th>NO ANS.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>20</td>
<td>46</td>
<td>34</td>
</tr>
</tbody>
</table>

Helen Baker found, in a study of fourteen companies, that almost all considered selective retirement impractical. She sees the following trends:

1. Modification in compulsory retirement if the labor market gets tighter or if inflation further decreases adequacy of individual annuity.

2. A raising of the normal retirement age more than the selective retention or re-employment.

3. Pre-retirement disability benefits will be increased or supplemented except where those partially disabled may easily be assigned to lighter work.

4. Increased attention to keep employees informed on pension plans, retirement procedures and pre-retirement counseling.

Fox, Rindbom and Stone made a study in Minneapolis to find the following:

1. To what extent employees who have the requisite skills to handle their usual jobs continue in employment with Minneapolis firms after reaching sixty-five.


2. To what extent employees are kept on who, when they reach sixty-five, no longer have the skills necessary to handle their usual jobs.

3. What methods have been developed to use those older employees who can no longer handle their usual jobs.

One hundred and sixty-eight firms were contacted in Minneapolis in March and April of 1950. They employed 56,749 people. Only firms with fifty or more employees were considered in the study. Those with less than fifty had limited experience with those over age sixty-five. Included were 25 to 90 per cent of the firms in Minneapolis with over one hundred employees, but only 50 per cent of the firms with less than one hundred but more than fifty were included. Only 10 per cent of the firms were in the group size over five hundred, but these firms employed 57 per cent of the employees in the sample. Thirty-five per cent of the firms were in the group with fifty to ninety-nine people, but these companies provided only 7 per cent of the sample. Nearly half of the firms (43 per cent) and nearly half of the employees (42 per cent) are in manufacturing. About twice as many hourly employees, (37,862) as salaried employees, (18,887) are covered by the sample. The sample is composed mainly of hourly employees in manufacturing firms with payrolls of over five hundred persons and the sample is composed mainly of manufacturers with less than five hundred employees each. Forty per cent of the sampled firms have pension plans, and 54 per cent of the employees are covered.
by pensions. Forty-sevent per cent of the hourly employees are covered and 69 per cent of the salaried are covered. Of the seventy firms which have a "normal retirement age" all but six have pension plans.

In answer to question one, as to what extent employees with the requisite skills continue in employment beyond age sixty-five:

116 firms with hourly employees said,
All: 57 per cent
Most: 16 per cent
Few: 9 per cent
None: 18 per cent

Ninety-two firms with salaried employees said,
All: 46 per cent
Most: 7 per cent
Few: 14 per cent
None: 33 per cent

The main reasons all those sixty-five do not stay on are because of compulsory retirement and the employees prefer to retire. In answer to question two, as to what extent employees without the necessary skills are kept on after reaching sixty-five:

Seventy-three firms with hourly employees said:
All: 22 per cent
Most: 10 per cent
Few: 31 per cent  
None: 37 per cent  
Sixty-seven firms with salaried employees answered,  
All: 16 per cent  
Most: 0 per cent  
Few: 23 per cent  
None: 61 per cent  
The reasons all were not kept on who lacked the necessary skills were:  
1. A compulsory retirement policy  
2. There were not enough lower level jobs  
3. Utilizing these would be too costly  
4. Some preferred to retire  
5. Keeping these people would not enable younger people to enter the firm at a normal rate.  
In answer to question three, as to what methods have been developed to use the older employees who can no longer hold their usual jobs, 60 per cent of the firms have the employee transferred to a job he can handle. The rest stay on their job but are relieved of some duties.  
"No consistent policy for review of older employee's competence was found in any firm."79  

79 Ibid., 186.
Outstanding Features of the Auto and Steel Company Pensions

There were large increases in formal pension plans in 1942, Littler points out, because,

1. of an amendment to the Internal Revenue Act. A plan must be formal to be deductible business expense.

2. Wage Stabilization exempted formal plans.

3. There was a manpower shortage and employers were willing to pay more. Also, the heavy profits could be partially spread over later years when profits might be lower. By so, doing the amount of taxes could be cut down.

The automobile and steel industries are among the largest in the world, and so are their unions. Because of the size of these organizations and because they have developed pension plans which have a definite bearing on the decisions of the balance of industry, it will be well to look at some of the highlights of their plans as outlined by the Continental Illinois National Bank of Chicago.

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80 Robert Littler, Background and Principles of Standard Pension Practices, an address given before the California Personnel Management Association and the Personnel Section of Western Management Association, 1950.

81 Highlights From Representative Pension Plans Negotiated in Automobile and Steel Industries, Continental Illinois National Bank and Trust Company, of Chicago, October, 1950.
In the automobile industry plans, all:

1. have a disability clause with at least fifteen years of service,
2. have sixty-eight as the compulsory retirement age, except Chrysler, which allows an employee to continue only with the consent of the company,
3. have non-contributory plans.

In the steel companies' plans, all:

1. have no provision for compulsory retirement,
2. have non-contributory plans,
3. have no provision for early retirement.

The following Tables VII and VIII graphically demonstrate the outstanding features of both these plans.
### TABLE VII

SOME FEATURES OF PENSION PLANS NEGOTIATED WITH U.A.W. AND THE UNITED STEELWORKERS

<table>
<thead>
<tr>
<th>Normal Retirement Age</th>
<th>Early Retirement Provision</th>
<th>Disability Provision</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FORD</strong> 65 (30 yrs. service) 60</td>
<td>50 (15 yrs. service)</td>
<td></td>
</tr>
<tr>
<td><strong>CHRYSLER</strong> 65 (25 yrs. service) 60</td>
<td>55 (25 yrs. service)</td>
<td></td>
</tr>
<tr>
<td><strong>NASH</strong> 65 (25 yrs. service) 60</td>
<td>55 (15 yrs. service)</td>
<td></td>
</tr>
<tr>
<td><strong>MASSEY HARRIS</strong> 65 (25 yrs. service) 60</td>
<td>50 (15 yrs. service)</td>
<td></td>
</tr>
<tr>
<td><strong>GENERAL MOTORS</strong> 65 (10 yrs. service) 60</td>
<td>50 (15 yrs. service)</td>
<td></td>
</tr>
<tr>
<td><strong>STEEL COMPANIES</strong> (15 yrs. service) 65 (No provision)</td>
<td>(Any age with at least 15 yrs. of service)</td>
<td></td>
</tr>
</tbody>
</table>

**SOURCE:** Highlights From Representative Pension Plans Negotiated In Automobile and Steel Industries. Trust Department of Continental Illinois National Bank of Chicago, October, 1950.
### TABLE VIII

**SOME FEATURES OF PENSION PANS NEGOTIATED WITH U.A.W. AND THE UNITED STEELWORKERS**

<table>
<thead>
<tr>
<th>VESTING CLAUSE</th>
<th>SCALED DOWN EARLY RETIREMENT AND DISABILITY PAYMENTS</th>
<th>COMPULSORY RETIREMENT</th>
<th>NON-CONTRIBUTORY PLAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>FORD</td>
<td>No</td>
<td>Yes</td>
<td>68</td>
</tr>
<tr>
<td>CHRYSLER</td>
<td>No</td>
<td>Yes</td>
<td>None; but employer must consent after sixty-five.</td>
</tr>
<tr>
<td>NASH</td>
<td>No</td>
<td>Yes</td>
<td>68</td>
</tr>
<tr>
<td>MASSEY HARRIS</td>
<td>No</td>
<td>Yes</td>
<td>68</td>
</tr>
<tr>
<td>GENERAL MOTORS</td>
<td>No</td>
<td>Yes</td>
<td>68</td>
</tr>
<tr>
<td>STEEL COMPANIES</td>
<td>No</td>
<td>No provision</td>
<td>No provision</td>
</tr>
</tbody>
</table>

**SOURCE:** Highlights From Representative Pension Plans Negotiated in Automobile and Steel Industries. Trust Department of Continental Illinois National Bank of Chicago, October, 1950.
Additional Results of General Retirement Practices

Hewitt and Associates surveyed 657 companies on various retirement practices. A majority of the firms had over two hundred fifty employees. Fifty-six per cent of the companies reassign their older workers as an established, somewhat frequent practice. Twenty-nine and two-tenths per cent use a physical examination as the basis for reassignment. Twenty-three and six-tenths per cent attempt to develop job analysis procedures to determine which jobs can be best performed by older workers. Eighteen and nine-tenths per cent of the companies have a diminishing work load with more time off as retirement approaches. Thirteen and two-tenths per cent have vocational training for older workers. Two and seven-tenths per cent use educational or lecture programs to stimulate planning for retirement, while 16.4 per cent put articles in the house organ, have hobby shows, service clubs and awards or dinners at retirement time. In a subsample of companies where there was no compulsory or automatic retirement, 68 per cent of those eligible to retire at maximum benefits were still on the job one year after. In many companies 50 per cent were at work five years after retirement eligibility.

Charts 2 and 3 amplify this information.

### Table 2: Determination of Retirement Age *

<table>
<thead>
<tr>
<th>Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Plans with compulsory retirement at the normal retirement age.</td>
<td>18.1%</td>
</tr>
<tr>
<td>2. Plans with compulsory retirement at an age later than the normal retirement age.</td>
<td>5.0%</td>
</tr>
<tr>
<td>3. Plans with automatic retirement at the normal retirement age and later compulsory retirement.</td>
<td>1.8%</td>
</tr>
<tr>
<td>4. Plans with normal retirement age later automatic retirement and yet later compulsory retirement.</td>
<td>0.2%</td>
</tr>
<tr>
<td>5. Plans with automatic retirement at the normal retirement age.</td>
<td>22.2%</td>
</tr>
<tr>
<td>6. Plans with automatic retirement at an age later than the normal retirement age.</td>
<td>4.4%</td>
</tr>
<tr>
<td>7. Plans with normal retirement age but no provision for compulsory or automatic retirement.</td>
<td>40.5%</td>
</tr>
<tr>
<td>8. Plans which are informally applied (non-funded plans, in which no age need by specified)</td>
<td>3.0%</td>
</tr>
<tr>
<td>9. Undetermined.</td>
<td>4.6%</td>
</tr>
</tbody>
</table>

**provisions for compulsory retirement**

**provisions for automatic retirement**

*percentages shown are based on the 496 plans studied

### Chart 3

**Retention of Older Workers**

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Assign older workers to lighter, less demanding work as established company procedure.</td>
<td>56.0%</td>
</tr>
<tr>
<td>2</td>
<td>Union contract prohibits assignment of workers to lighter or less demanding work.</td>
<td>2.0%</td>
</tr>
<tr>
<td>3</td>
<td>Transfer determined on the basis of a medical examination.</td>
<td>29.2%</td>
</tr>
<tr>
<td>4</td>
<td>Transfer determined on the basis of a psychological examination.</td>
<td>3.2%</td>
</tr>
<tr>
<td>5</td>
<td>Undertaken job analysis to determine which jobs can best be performed by older workers.</td>
<td>23.6%</td>
</tr>
<tr>
<td>6</td>
<td>Attempted to establish objective criteria to be used as a basis for determining retention, reassignment or retirement.</td>
<td>8.5%</td>
</tr>
<tr>
<td>7</td>
<td>Change in the amount of compensation upon reassignment.**</td>
<td>53.2%</td>
</tr>
<tr>
<td>8</td>
<td>Adjust compensation to reflect reduced productivity due to age.</td>
<td>7.2%</td>
</tr>
</tbody>
</table>

**Notes:**
- Shows the portion of those companies which use reassignment as an established practice which also change the compensation of the worker upon reassignment.
- Percentages shown are based on the 657 companies.
- Includes companies which reassign older workers only occasionally.

Studies indicate that not too many firms have developed more than superficial preparation for retirement, other than pension plans. Edith Stern\textsuperscript{83} outlines one such plan, however. Esso Standard Oil has the Assistant Manager, of Employee Relations at Esso's Bayone refinery, Mr. Pierson, in charge of the program. The program is designed to teach people to retire. It started with those who were sixty-five; now it is put on monthly for those age fifty-nine to give people more time to think retirement over. Men are invited by the general superintendent and attendance is voluntary and on company time. Participants get placards with their names on them on wooden stands. Each receives a notebook cover to be filled before the series ends with reprints of magazine articles, a geriatric diet for "beyond middle age" and reproductions of charts and pictures shown in the course of meetings. The men sit informally around a table. A series of topics is announced in advance. They are:

1. What is retirement?
2. What does it mean?
3. What do we expect to get out of it?
4. Your health in aging.
5. Financial planning.

6. The best use of time.

7. What other Esso employees have done in retirement.

8. What do we plan to do ourselves.

The first meeting is used to get acquainted. Retirement is discussed as the time to do as you please, with an independent income. The gains in skills from maturity and wisdom, economic security, and a place in the community are discussed, and it is pointed out that these assets must be used to meet the basic needs of feeling active and useful. By checking individual plans with these needs a man can see how well he is preparing himself for the job of leaving his job.

The doctor presides at the second meeting. He explains ways to take care of oneself in later years. Topics include, maintaining correct vision, the dangers of getting fat, explanations of heart and blood pressure and recovering from a heart attack. An actuary presides over the third meeting, and he explains the firm's pension plan. Charts are given to each man so that he might calculate his own retirement income.

At the fourth and final session each man has a chance to tell what he intends to do and whether the discussions have given him any ideas. Comic visual aids, and repetition are only two of the means which help put the program beyond no one's comprehension. In this plant the men never have to be sold on retirement. None feel shelved. The pension plan is liberal, (50 to 66 per cent of wages at sixty-five, and about 40 per cent less at
early voluntary retirement, which more than half select.

Author's Survey of Retirement Practices in Chicago Metropolitan Area

The author conducted a survey in order to determine some of the retirement practices in the Chicago Metropolitan area. He sent a letter and questionnaire to thirty-five industrial firms in the Chicago area. The questions concerned retirement practices as they related to the entire compulsory retirement problem. It had been thought originally that only those concerns with five hundred or more employees should be considered in this study. After the results came in it was found that there were nine reporting firms with less than five hundred, but two firms with about one hundred and fifty employees had formal pension plans so they might contribute to the study; therefore, firms with one hundred and fifty or more employees were considered. Since pension problems cover every worker, whether under a pension plan or not, it is difficult to find the thin line of distinction when deciding what size firm actually adds something to the report. Fourteen reporting firms had five hundred or more employees, seven had over one thousand, the largest had ten thousand, including plants out of Chicago. Twenty-five of the firms contacted, or about 70 percent, replied. Two had substantially less than one hundred and fifty employees, and were, therefore, excluded from the analysis.

Appendices 1 and 2.
Thus the survey is confined to a sample of twenty-three companies.

In response to the first question, concerning the nature of the work performed by the companies included in the survey, a variety of types of business were reported, but the majority had to do with metal manufacturing and fabricating. There was one medium sized textile firm in the group. The findings seem varied enough to indicate that there was no definite plan in the metal fabricating industry but rather that firms cut across a wide selection of pension plans.

TABLE IX

SURVEY OF TWENTY-THREE CHICAGO FIRMS SHOWING NUMBER OF FORMAL PENSION PLANS

<table>
<thead>
<tr>
<th>DO YOU HAVE A FORMAL PENSION PLAN?</th>
<th>YES</th>
<th>NO</th>
<th>NO ANSWER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>16*</td>
<td>7</td>
<td>0</td>
</tr>
</tbody>
</table>

* Two firms had plans for office and salaried employees only.

SOURCE: Author's Survey of Chicago Metropolitan Area.

Fourteen of the twenty-three firms with over one hundred and fifty employees had formal pension plans in conjunction with question two. Seven had no formal program, one had a formal plan for salaried employees, and one had a plan for office employees only. One had reached the stage of thinking of a plan.
TABLE X

SURVEY OF TWENTY-THREE CHICAGO FIRMS SHOWING BREAKDOWN OF THOSE WITH AND WITHOUT CONTRIBUTORY SYSTEMS

<table>
<thead>
<tr>
<th>IS YOUR PENSION PLAN CONTRIBUTORY?</th>
<th>YES</th>
<th>NO</th>
<th>DOES NOT APPLY</th>
<th>NO ANSWER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7</td>
<td>9</td>
<td>7</td>
<td>0</td>
</tr>
</tbody>
</table>

**SOURCE:** Author's Survey of Chicago Metropolitan Area.

Seven of the sixteen companies with formal plans had a contributory system where both the company and the employees paid in, including the salaried and office plans indicated. Nine had non-contributory systems.

Retirement allowances, in answer to question three(a) were quite varied. There were profit-sharing programs and regular pension plans. All of the firms did not give amounts of money paid, or whether or not the maximum amounts listed include or exclude Social Security benefits. The answer to this question did not provide much information bearing on the question of compulsory retirement.
TABLE XI
SURVEY OF TWENTY-THREE CHICAGO FIRMS SHOWING ATTITUDE TOWARD USING SIXTY-FIVE AS NORMAL RETIREMENT AGE

<table>
<thead>
<tr>
<th>DOES YOUR FIRM USE SIXTY-FIVE AS THE NORMAL RETIREMENT AGE?</th>
<th>YES</th>
<th>NO</th>
<th>DOES NOT APPLY</th>
<th>NO ANSWER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>14a</td>
<td>2b</td>
<td>7</td>
<td>0</td>
</tr>
</tbody>
</table>

a This applies also to the two firms having formal plans for clerical and salaried help only.

b Normal retirement age was sixty in one firm. One had not set up a rule as yet.

SOURCE: Author's Survey of Chicago Metropolitan Area.

Eight firms listed no normal retirement age, although one had a normal retirement age for clerical workers and executives. Fifteen firms had a normal retirement age. Fourteen listed sixty-five as the normal age, and one listed sixty. Two of the group using sixty-five had a normal retirement age of sixty for women. The firm using sixty as the normal retirement age for men used the same for women.
### TABLE XII

**SURVEY OF TWENTY-THREE CHICAGO FIRMS SHOWING ATTITUDE TOWARD AUTOMATIC RETIREMENT AGE**

<table>
<thead>
<tr>
<th></th>
<th>YES</th>
<th>NO</th>
<th>DOES NOT APPLY</th>
<th>NO ANSWER</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DOES YOUR FIRM HAVE AN AUTOMATIC RETIREMENT AGE?</strong></td>
<td>10</td>
<td>4</td>
<td>7</td>
<td>0</td>
</tr>
</tbody>
</table>

**SOURCE:** Author's Survey of Chicago Metropolitan Area.

### TABLE XIII

**SURVEY OF TWENTY-THREE CHICAGO FIRMS SHOWING ATTITUDE TOWARD USING COMPULSORY RETIREMENT AGE**

<table>
<thead>
<tr>
<th></th>
<th>YES</th>
<th>NO</th>
<th>DOES NOT APPLY</th>
<th>NO ANSWER</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DOES YOUR FIRM HAVE A COMPULSORY RETIREMENT AGE?</strong></td>
<td>2</td>
<td>13</td>
<td>7</td>
<td>0</td>
</tr>
</tbody>
</table>

* These firms also listed an automatic retirement age. Compulsory retirement age was sixty-five.

**SOURCE:** Author's Survey of Chicago Metropolitan Area.

Only two firms listed a compulsory retirement age, and then confused the issue by announcing an automatic retirement policy. One of the two plans used a profit-sharing system, and the other a regular pension plan. If the compulsory retirement rule was correct neither indicated the problems faced with this system.
or how they overcame their problems surrounding compulsory retirement. Ten of the firms have an automatic retirement age (where the company can keep a man on after normal retirement age at the company's request, or with the company's specific approval). Four firms had no such rule and two did not answer this question.

Only three firms had no compulsory retirement clause in their pension plans. One firm did not answer this question, and two, as previously pointed out, listed a compulsory and an automatic retirement age.

TABLE XIV

SURVEY OF TWENTY-THREE CHICAGO FIRMS SHOWING ATTITUDE TOWARD INFORMAL RETIREMENT PROGRAM (NO FORMAL PLAN)

<table>
<thead>
<tr>
<th>IF YOU HAVE NO FORMAL RETIREMENT PLAN DO YOU HAVE AN INFORMAL RETIREMENT PROGRAM?</th>
<th>YES</th>
<th>NO</th>
<th>DOES NOT APPLY</th>
<th>NO ANSWER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>a</td>
<td>1</td>
<td>7</td>
<td>15</td>
</tr>
</tbody>
</table>

1 This firm has a formal plan for office employees only.

SOURCE: Author's Survey of Chicago Metropolitan Area.

Only one firm listed any informal retirement allowance program. That firm was one which had a formal plan for office and executive help only.
TABLE XV

SURVEY OF TWENTY-THREE CHICAGO FIRMS SHOWING ATTITUDE TOWARD PRE-RETIREMENT PROGRAMS

<table>
<thead>
<tr>
<th>DO YOU HAVE A PRE-RETIREMENT PROGRAM?</th>
<th>YES</th>
<th>NO</th>
<th>DOES NOT APPLY</th>
<th>NO ANSWER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>23</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

a One firm said training depended on each case.

SOURCE: Author's Survey of Chicago Metropolitan Area.

The question pertaining to a pre-retirement program was intended to bring out any plans to train or help people to retire. Two firms were obviously confused, thinking the question concerned early retirement, and listed they have provision for retiring early. One firm said pre-retirement training depended on each case. One company said they were in the process of preparing material for such a plan. No one else had a program.
TABLE XVI

SURVEY OF TWENTY-THREE CHICAGO FIRMS SHOWING ATTITUDE TOWARD POST-RETIREMENT ACTIVITIES

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
<th>DOES NOT APPLY</th>
<th>NO ANSWER</th>
</tr>
</thead>
<tbody>
<tr>
<td>3a</td>
<td>20</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

These firms invited retired employees to dinners and social activities.

SOURCE: Author's Survey of Chicago Metropolitan Area.

Two firms invite retired employees to attend company activities. One firm invites retired personnel to the annual old-timer's dinner. One other firm listed "disability" as an activity which is not a clear answer.

TABLE XVII

SURVEY OF TWENTY-THREE CHICAGO FIRMS SHOWING ATTITUDE TOWARD PROVIDING LIGHT WORK FOR OLDER EMPLOYEES (NO NORMAL RETIREMENT AGE)

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
<th>DOES NOT APPLY</th>
<th>NO ANSWER</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>1</td>
<td>16</td>
<td>1</td>
</tr>
</tbody>
</table>

SOURCE: Author's Survey of Chicago Metropolitan Area.
TABLE XVIII

SURVEY OF TWENTY-THREE CHICAGO FIRMS SHOWING ATTITUDE TOWARD PROVIDING LIGHT WORK FOR OLDER EMPLOYEES (WITH A NORMAL RETIREMENT AGE)

<table>
<thead>
<tr>
<th>IF YOU HAVE A NORMAL RETIREMENT AGE DO YOU PROVIDE LIGHT WORK FOR OLDER EMPLOYEES?</th>
<th>YES</th>
<th>NO</th>
<th>DOES NOT APPLY</th>
<th>NO ANSWER</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>3</td>
<td>7</td>
<td>5</td>
<td></td>
</tr>
</tbody>
</table>

SOURCE: Author's Survey of Chicago Metropolitan Area.

Of the seven firms with no formal program, five provided light work for older employees. One did not, and one did not answer. Of the sixteen formal plans, one had no provision for a normal retirement age because rules had not been set-up. This firm indicated that it provided some light work. Eleven of the firms with normal retirement ages misunderstood and answered this question. Apparently they provide light work regardless of normal retirement age. Eight provided such work while three did not.
TABLE XIX
SURVEY OF TWENTY-THREE CHICAGO FIRMS SHOWING ATTITUDE TOWARD HELPING OLDER WORKERS FIND EMPLOYMENT

<table>
<thead>
<tr>
<th></th>
<th>YES</th>
<th>NO</th>
<th>DOES NOT APPLY</th>
<th>NO ANSWER</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DO YOU HELP FIND EMPLOYMENT FOR RETIRED WORKERS?</strong></td>
<td>a</td>
<td>b</td>
<td>0</td>
<td>5</td>
</tr>
</tbody>
</table>

a One depends on the individual. One only if employee requests help.

b Four firms indicated they provide light work in their own plant.

**SOURCE:** Author's Survey of Chicago Metropolitan Area.

In answer to the question concerning finding work for retired workers, two of the firms without a formal plan, transferred older help to lighter jobs. These two were part of the five who indicated they transferred help to lighter jobs when they get older in the previous question. One firm said yes to this question. One firm did not attempt to find work for retired persons. The firms with fifteen hundred and twelve hundred employees made the biggest point of noting they transferred older help to lighter jobs. Nine firms with formal plans do not assist their physically able retired people to find employment. One firm does assist. One firm answered that it depended on the individual. One firm did not answer. Three plants place them on jobs they can do in their own factory. One company will assist in finding work at
the request of the worker.

TABLE XX

SURVEY OF TWENTY-THREE CHICAGO FIRMS INDICATING UNION PARTICIPATION IN RETIREMENT PROGRAMS

<table>
<thead>
<tr>
<th>DOES THE UNION TAKE PART IN THE RETIREMENT PROGRAM IF YOU HAVE A FORMAL PLAN?</th>
<th>YES</th>
<th>NO</th>
<th>NO ANSWER</th>
<th>DOES NOT APPLY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>9</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

SOURCE: Author's Survey of Chicago Metropolitan Area.

In response to whether or not the union took part in the retirement program, nine companies said no. Three firms said they had no union. Three more did not answer and one said the question did not apply because their plan was for clerical and executive help and no union existed.

Of the sixteen formal plans covered, four had been in operation two years, one two and one-half years, one three years, one six years, two eight years, three nine years, one ten years, and three twelve years.

One company, with no compulsory retirement age, stated that under certain union contracts employees could be retired at age sixty-five for male and age sixty for female.

Only one company recommended any changes: The statement was made that the present pension system is being studied to try
to find ways to increase benefits.

Some of the conclusions drawn from this survey are as follows:

1. There are steps being taken to meet the problem by setting up pension plans.
2. There is little or nothing being done to offer pre-retirement training or post retirement activity.
3. Labor unions have no voice in these pension programs.
4. There is little or no compulsory retirement.
5. Sixty-five is still the normal retirement age in most cases.
6. The majority of the plans went into effect over eight years ago, but not over twelve years, indicating that firms took advantage of the tax deduction allowed for pensions during 1943.
7. Firm size did not have an appreciable difference on pension policy.
CHAPTER V

THE ROLE OF THE LABOR UNION AND THE COMMUNITY

In order to get a true picture of the problem of compulsory retirement it is necessary to examine the part the labor union and community play. It is possible that expansion of the roles of these powerful forces can be a help in minimizing the problem.

Barkin 34 points out that generally, trade unions have resisted a compulsory fixed retirement age. Unions believe,

A pension program should not be designed to force retirement, but to facilitate the retirement of those desirous of it, who have found employment burdensome. 35

The question of when retirement will come and what it will bring by way of security or insecurity is a matter of some concern and often acute anxiety to nearly all individual workers. 36

Labor unions believe that industrial pension plans rep-


35 Ibid.

resent a partial answer to the problem. They are driving on the legislative and collective bargaining front for more action. Industrial pensions through collective bargaining are designed to supplement Federal Social Insurance. Retirement security is recognized as a form of deferred compensation. Collective bargaining plans are focusing attention on the utilization of the older and handicapped workers, timing of retirements, pre and post retirement planning and eligibility conditions. Management and labor agree that superannuation of workers occurs at varying degrees. 87

The United Auto Worker's Union has established the principle of joint union management administration. Retirement has been established at or after sixty-five, with minimum service. The early retirement of a worker is provided for the same as normal retirement, between sixty and sixty-five at the option of the worker without the requirement of employer consent. The employee can voluntarily return to work with the same employer, if conditions permit, stopping the pension but allowing credits to be earned. 88

The U.A.W. is opposed to chronological age retirement. Management agrees but wants automatic retirement. The U.A.W. historically distrusts individual determination. Therefore a joint

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87 Ibid., 699-702.
88 Ibid.
pension board of management and labor may get the authority for automatic retirement. The U.A.W. is also for a retirement benefit for permanent and total disability prior to retirement age.

Something unique in the field of retirement has developed which could have a definite bearing on the entire retirement problem. The "Retired Auto Workers" have been formed in Detroit. Four hundred and twelve, or 10 per cent of those eligible, came to the first meeting and nine hundred came to the first social, even though a blizzard raged. A program was set up which would:

1. Increase company pensions and social security, preferably with escalator provisions to keep retirement payments in pace with living costs.

2. Continue life, hospital and health insurance and other welfare provisions to keep the retired employee covered.

3. Make retirement voluntary.

4. Have pension credits transferred from one plant to another.

The vision of the "Retired Auto Workers" is:

1. To expand to other centers.

2. To form a pension union, including all unions.

3. To tap a recruiting pool of ten million by 1960.

89 Ibid.

90 Business Week, February 9, 1952, 30.
4. To activate caucuses of pensioners operating within unions.

5. To engage in energetic political activity concerning welfare legislation inevitably developing broader goals.

6. To put pressure on union officials to bargain expanded pension and welfare benefits from employers.91

The implications of such a movement are almost astounding. Since our older population is steadily growing, the pressure from this and similar groups could radically change the pension and retirement picture. The unions are bound to eagerly accept these organizations when their full implication is made clear.

Although the unions have looked into more action on the question of pensions there does not seem to be too much evidence that they have initiated other steps to help overcome the general overall problem of retirement. Help in setting up some ways and means of assisting the older employee to meet retirement, in addition to increasing the dollar amount of pensions and attempting to partially protect the employment rights of the older worker, might be a big step in overcoming the issue.

Examining the question of the role of the community in our problem we find Moore stating that:

The majority of retirants will continue their later years in

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91 Ibid.
the typical American community. Little has been done to meet the pressing older needs. 92

Hertha Kraus 93 says that improvements in community planning should seek these aims:

1. Employment security. Removal of automatic age limits. Development of a senior employment service for full or part time work. Development of secondary skills suitable for senior employment is also necessary.

2. Income security. Make old age allowance more adequate. Devise ways of supplementing income, help increase the value of the senior dollar, perhaps by making surplus products available to them. Develop facilities for seniors to help themselves, such as laundries and workshops.

3. Home security. Provide more adequate homes. Provide a complete range of home substitutes. Develop the essential supplementation of homes used by senior residents.

4. Health security. Provide facilities for medical nursing and custodial care as needed. Make provi-


sion for hospitals, and nursing homes, as well as low cost medical care and home nursing programs. Homemaking facilities should be provided for those chronically ill.

5. Greater security in education and the use of leisure time. Facilities should be provided for the education of older people, such as cooking and hobby classes. More radio time should be given to senior programs. A senior journal with health and inspirational talks would be welcome. More leisure time activities can be worked out by libraries. Outdoor living rooms could be set up. Recreation centers could provide programs so the older person could spend the entire day. Finally, out of town holiday centers would provide a change of scenery.

This program of Miss Kraus may sound quite ambitious; however, every point mentioned has a way to meet the issue and cannot be overlooked. Again Moore\(^4\) says:

Older people experience a gradual reduction in social groups. Declining energy or death or other removal of former associates gives the feeling of not being wanted. Church and fraternal connections make the acquaintances of new associates possible.

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There are communities which have gone beyond the planning stage in providing facilities for the retired older people. Moore\(^95\) points out that Oskar Shultz in Cleveland arranged auditoriums and halls in different sections of the city. The oldsters activities include singing, discussion, occasional entertainment, social affairs and picnics. The old people helped other old bedridden persons by reading to them or running errands for them. The total cost was under six thousand dollars. Moore\(^96\) goes on to say that the "Three Quarter Century Club" in St. Petersburg under the direction of Mrs. Evelyn Ritterhouse, sponsored dramatic and choral groups as well as picnics and other activities. Moore\(^97\) adds that because there are more women in the older age group the majority of any clubs founded would be women. He concludes that sheltered workshops such as Good Will Industries for the Handicapped, or a public industry to employ the older workers could be set up.

Bowen\(^98\) reports that in 1943 the Division for the Aged, Council of Social Agencies in Philadelphia appointed a committee on the needs for older people. There were 135,894 persons over

\(^{95}\) Moore, "Community Organization for Older Persons", Geriatrics, III, No. 5, September, October, 1948, 310.

\(^{96}\) Ibid.

\(^{97}\) Ibid.

sixty-five years at that time, and 28 per cent were receiving Old Age Assistance or Old Age and Survivors Insurance Benefits. Help was asked from all the organizations and agencies possible. Three points were emphasized in the organization of recreation clubs, which was the recommendation of the committee:

1. Strong and dependable sponsorship which would not falter.

2. The encouragement and safeguarding of democratic procedure at all times. All the older people were to make their own decisions and follow through on a program of their own choosing.

3. Encourage the maximum cooperation of members.

There are no two clubs in Philadelphia alike. Activities are wide and varied since the people have wide and varied wishes and participate in many ways. There are white and negro clubs and mixed race clubs. For the most part the clubs cut across cultural and economic lines. Bowen makes clear that some elements are universally found in club groups:

1. Contentment

2. Pride in the club

3. Concern and affection for one another

4. Friendliness to visitors

99 Ibid., 216-217.
5. A lack of prejudice toward other members
6. Gratitude
7. A rich sense humor

Administrative work requires collecting materials for use by leaders, such as games, songs, dances and plays, as well as arranging conferences, and setting up a club directory. All the citizens of Philadelphia, lay and professional, are being called on.

Bowen reports these results:

The death rate among club members in their seventies and eighties seems unexpectedly low. They do seem to live longer with something pleasant to look forward to, with new friends and a new social life.

Fuchs and Levine outline a similar project to the one in Philadelphia. It is the Hodson Community Center in New York City, which was the only type of its kind in 1943 in a city where there were over five hundred thousand above the age of sixty-five. It was organized by the New York City Welfare Department in an unused building in the East Bronx. One hundred and fifty people attend regularly. It started as a social club, where people could come to talk and play cards as well as listen to the radio and read the newspapers. When an interest was expressed in art, a

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100 Ibid.

teacher was supplied. Now authentic chamber music is played by a four piece ensemble. Members write and mimeograph a magazine once a month. They conduct poetry sessions and citizenship courses as well as refurbish toys for hospitals. They discuss current problems and the psychological and physical difficulties of older people. The Welfare staff found that most older people do not have close relatives with whom they could live. Where there were children there were differences or no room. Mostly the older people lived alone in a furnished room and were widowed or unmarried. Interest and friendship substitute for crotchety complaints. Individual counseling is offered by trained leaders, since the aged are still prone to seek sympathy. The idea here is to psychologically orient the older person to go out and meet the community on its own terms. Activity helps eliminate fears and obsessions about aches and pains.

The community does realize it has a role to play in caring for its aged. Fuchs and Levine\textsuperscript{102} conclude that the important thing is the continued usefulness, happiness and integration of so great a part of our populace. Since a start has been made to provide activity for the older person it can only be hoped that continued efforts along this line can be made.

\textsuperscript{102} Ibid.
CHAPTER VI

CONCLUSIONS AND SPECIFIC RECOMMENDATIONS

The presentation of the facts in this study leads me to certain conclusions. I shall attempt to set down these conclusions, as well as certain definite recommendations which might help solve the problem at hand. In doing this, I will include supporting data from other studies.

Initially, I believe the problem of compulsory retirement is caused by the actions of society. It is the problem of all men. Since this is the case, it cannot be solved by any one segment of our social order. All groups must work as a team to reach a practical goal. The gist of my conclusions is in this statement. Each study seems to attempt to answer the question of what to do about the older worker by recommending that one or two things be done, or one or two organizations change their ways. I do not believe there will be a problem if all units of the team will pull together with their entire power.

This is my program, point by point:

I. Industry's Program:

A. The establishment of an automatic retirement age at sixty-five, and compulsory retirement at age seventy. A
review of the appropriate age for retirement must be made as often as a review is made of wages or other industrial benefits. In line with this there should be a provision for early retirement, say at age fifty-five, at a reduced pension. There should also be a disability clause which will allow a worker a certain percentage of his pension should he no longer be able to work. In my conclusion on this point I agree with Parran's report on the MacGregor Fund Study in Detroit, as outlined in Chapter II. I do not agree with Johnson as reported in Chapter II, who feels that permitting a person to work beyond normal retirement age to a later stated age is the same as compulsory retirement. The knowledge that a man can continue another five years can give industry additional production without saddling it with an unending debt to a superannuated employee.

B. There should be an analysis of the physical characteristics of the employee and his job as well as a similar analysis of the environmental characteristics of a person and his job. Such a study will give industry a basis for

103 Parran, "Must You Retire at Sixty-five?", Colliers, May 24, 1952, 75.

determining who should be kept on beyond the automatic retirement age and who should be dropped. Just such a study has been developed by the Permanente Foundation Hospital along with Bert Hanman, a job analyst and expert on placement, where they list the mechanical factors and the environmental factors of each job which are important, and which allow the physician to compare the physical condition of the worker against them. The list of mechanical factors are:

| 1. Lifting          | 14. Crawling   |
| 2. Carrying         | 15. Twisting   |
| 3. Handling         | 16. Reclining  |
| 4. Pushing          | 17. Sitting    |
| 5. Pulling          | 18. Reaching   |
| 6. Climbing         | 19. Fingering  |
| 8. Running          | 21. Talking    |
| 10. Standing        | 23. Seeing     |
| 11. Stooping        | 24. Color vision |
| 13. Kneeling        |               |

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The list of environmental factors are:

1. Inside
2. Outside
3. High temperature
4. Low temperature
5. Sudden temperature change
6. High humidity
7. Low humidity
8. Toxic conditions
9. Radiant energy
10. Moving objects
11. Mechanical hazards
12. Electrical hazards
13. Exposure to burns
14. Explosives
15. Vibration
16. Noise
17. High places
18. Cramped quarters
19. Wet quarters
20. Working with others
21. Working around others
22. Working alone
23. Day shift
24. Swing shift
25. "Graveyard shift"

Checking off a job against these lists and then allowing the doctor to check the man against the conditions of the job is the nearest I have ever seen toward deciding if a man is able to remain employed. This same study suggests that job engineering is another help toward allowing the older worker to continue working with optimum efficiency. An example of this is, putting the work nearer the level of the shoulders in a senescent, arthritic back case.

C. An annual "Retirement Clinic" should be instituted in each company. Stern's article on such a program at Esso Standard Oil's Bayonne refinery discussed in the Chapter devoted to the practices of industry is exactly what I have in mind. Everyone age sixty and over could be invited. The exact details could be worked out according to the needs and facilities of each company.

D. When an employee reaches the age of sixty-four years and six months, a qualified individual should visit his home and discuss his retirement with the worker and his wife and family. This personal touch will do much to promote greater understanding of all the problems of retirement.

E. Our study has suggested that a message be included with
the annual pension statement for those sixty and over having to do with a reminder that retirement is approaching. Each year the pension statement could include the amount a person would get monthly if he retired at that date and how much he would get when he was sixty-five. I would not include the additional amount to be received beyond sixty-five.

F. An interesting employee handbook outlining the highlights of the pension plan should be made up. The average employee is not concerned with the technical details of a plan but is interested in knowing when he can and must retire and about how much he will receive a month. In this connection, several examples could be shown.

Above all, the pension plan must be sold. This covers much of the material just mentioned. The problem is very much harder if the program is not clear. Fisher suggested much of the material I have included to sell the plan. He feels that the average industrial pension is designed to supplement personal savings and Social Security. This must be explained a little at a time in plain English. He suggests putting a legal appendix in a handbook to be sure there can be no legal entanglements. In talking to employees in groups, or in an individual's home, using the

theme of the free enterprise system is excellent. For example, people have a stake in economy if it can be shown that pension investments are at work more fruitfully in a 4 per cent economy rather than a 2 per cent economy, earning more money for them, as well as management.

Most of the recommendations have been toward establishing a pre-retirement program. Actually, the retired employees should be invited back to company social gatherings. They should be allowed the same counseling service as the active employee. If requested, the company should attempt to find outside employment for the retired worker. Setting up activities for retired employees seems costly and impractical. The older person too often moves from the community to make this plan feasible. Activities should be the program of the community.

II. The program for the community and the government:

A. Each community should set up a recreational project along the lines of those suggested in Chapter V. As was pointed out, just a start can be made and advanced, and a program developed according to the wishes of each group.

B. The schools of the community should be opened to the older person and courses offered which would be of interest.

C. The limit a person can earn after reaching sixty-five and still collect social security benefits should be raised to possibly one hundred and fifty dollars per month.
Also, the age at which unlimited earnings can be acquired should possibly be lowered from seventy-five to seventy.

The Monthly Labor Review\textsuperscript{108} outlined the recommendations of eight hundred experts at the National Conference of Aging sponsored by the Federal Security Agency. Among other things, some of the recommendations were:

1. Setting up a National Council on Aging.
3. Cover all American workers with old age insurance benefits.

I generally concur in these recommendations. The conference also recommended broadening of the education system to take in the "senior citizens", which I have already covered. The only recommendation I do not agree with is that a gradual system of retirement be set up to replace a sharp cut-off date.

III. The Program for the Labor union:

A. Since most unions seem to prefer joint management of pension programs they must be willing to aid in the entire plan and not just be satisfied with seeking more lucrative pension benefits in order to please their active

members.

B. The unions should cooperate fully with management in an effort to carry out the suggested plan of industry I have outlined.

C. Unions should set up their own counseling service to help the person about to retire and then continue to be of service after retirement.

D. In bargaining unions should consider including pre and post retirement programs in the contracts. I do not believe any of the suggestions I have made are impractical. A little effort and very little expense may provide what is needed and aid immeasurably in eliminating the compulsory retirement problem. If people are helped in their later years, and if things are explained to them, they are more than likely to look forward to retirement. In a recent study, Helen Baker \(^{109}\) generally agrees with the conclusions just reached. She gives two suggestions toward solving the problems, attacking it from the employee's point of view, and from the general welfare position:

1. Give the superannuated workers as much prestige, satisfaction and income as possible within the limit of corporate capacity.

2. Analyze the company experience to be intelligently informed on the possible effects of changes in employment and retirement policies, on the efficiency of the organization and on operations.

Shock recommends a program along these lines. He feels that the adequate utilization of the potentialities of older workers for gainful employment will require the following:

1. Careful and complete job analysis.

2. Development of tests to assess the physiological age of various organ systems.

3. Development of individual tests for performance capacity.

4. Education of the community to realize the necessity for utilizing work capacities present in older people.

Society does seem to be recognizing the problem of compulsory retirement, and there are steps being taken to cope with it. As far as what the future holds, Lindberg has arrived at


six conclusions in a study of the implications of increasing life expectancy on work and retirement programs:

1. Living in a world of rapid changes, as future medical advances enable people to live longer and maintain better health, management may expect increasing pressure for another criterion than chronological age at sixty-five.

2. There will be pressure for higher and higher pensions.

3. A better health program will be demanded.

4. There will be demands on management to accommodate working hours to biologic needs. An example is part time work.

5. At present, elderly workers in good health desire to continue in purposeful business activity. The present concept of retirement has set in motion forces of far reaching character. If this will be true in a generation is problematical.

6. If the business climate is good, the older workers will do well. If the management has faith in the older worker's ability to adapt himself and learn new schedules they can provide necessary production power.

A basic program for retirement has been outlined. It is difficult to apply a criterion to every old worker, because
as Himler\textsuperscript{112} says,

One of the important facts which the science of gerontology teaches is that individual differences in the aged are so great that it would be unsound to base broad policies on chronological age and apply them arbitrarily.

This statement is certainly true, but, at least the way the problem looks at this time, the steps outlined appear to be the most that can be done to provide the most practical results. We must not stop studying the problem. Management, labor and the community must never cease in their efforts to make the life of the older worker easier and, at the same time, allow him to make the fullest contribution as a participant in society.

\textsuperscript{112} Himler, "Understanding the Aging", \textit{National Safety News}, 1952, 22.
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APPENDIX I

LETTER SENT TO TWENTY-THREE CHICAGO FIRMS REQUESTING INFORMATION ON THEIR RETIREMENT POLICIES

JOAPNA WESTERN MILLS CO.
22nd & Jefferson Sts.
Chicago 16, Illinois

July 28, 1952

Would you mind filling out the attached questionnaire when you have a few free minutes? If Company policy will not allow you to complete the form please state this and return.

I am compiling this data as part of a thesis on "Compulsory Retirement In Industry". In imposing on fellow members of the Metal Manufacturers Survey, I feel they can contribute a great deal. There will be no public revelation, of firm names, but I will be happy to pass on general results to anyone interested.

Thank you in advance for your time and effort. I certainly appreciate it.

Yours very truly,

N.W. Heuel

NWH/rv

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APPENDIX II

QUESTIONNAIRE SENT TO TWENTY-THREE CHICAGO FIRMS
REQUESTING INFORMATION ON THEIR
RETIREMENT POLICIES

1. What is the nature of your business?
   (a) How many employees do you have?

2. Do you have a formal pension plan? (Qualified for tax deduction under Section 165 (a) of the Internal Revenue Code?)
   Yes____ No____

3. Is your Pension Plan
   (a) Contributory
       (Employees & Co. contribute) Yes____ No____
   (b) Non-contributory
       (Company only contributes) Yes____ No____

3(a) Briefly outline the normal retirement allowances available under the Pension Plan____

4. What is the normal retirement age under the Pension Plan for:
   (a) Manual Workers
   (b) Office Workers
   (c) Executives

5. Does the Pension Plan provide for an automatic retirement age?
   (Where the Company can keep an employee after normal retirement age at the Company's request or with the Company's specific approval?) Yes____ No____

5(a) Does the Pension Plan provide for a compulsory retirement age? Yes____ No____ If yes, what is the compulsory retirement age____
5. (b) If you do not have a formal Pension Plan qualified for tax deduction under Section 165 (a) of the Internal Revenue Code, do you have an informal retirement allowance program? Yes ____ No ____

If Yes, will you briefly outline such informal program

__________________________________________________________

6. Do you have a pre-retirement program? Yes ____ No ____
Will you outline briefly?______________________________________

7. Do you have any post-retirement activities? Would you briefly cover them?

8. Do you provide light work for older employees if you do not have a normal retirement age? Yes ____ No ____

9. Do you attempt to find employment for retired workers who are physically able to work? ____ Would you briefly explain?

10. If unionized, does your union take part in your pre or post retirement programs? ____ Will you briefly explain?

11. How long has your program been in operation? ____________
Any changes you might recommend? __________________________

Other comments: _________________________________________

(If there are any additional comments, use other side of this sheet.)