

we have found from actual experience, knowledge, and facts that the age limit is dropping at which employers will employ new employees.

The gentleman from Illinois gave you his own personal experience back as far as 17 years. Eighteen years ago when I chaired a committee in the State senate studying this problem, we found at that time some of our largest employers in our State had already written a blanket objection to employing any worker over age 40.

Now as the pressure comes from this great group of younger people pushing at the door that may drop to age 38, 37, and on down. If we put this kind of covenant in this legislation, aren't we building up a new pension system and denying persons with as many as 25, 30, 35 years before reaching the so-called Government-mandated retirement age under social security?

Many private pension funds lower the retirement age to 55 and 60. How do we sell a person at age 45 seeking employment? How do we give an employer an out which says he may give this person employment if the person is willing to work without health and welfare benefits and without pension retirement system benefits?

Mr. PESTILLO. I don't think in practice it would present much of a burden in that way because pensions are a lure of employment to get good people. As we get back to the lower ages we don't have this problem. The question is economics; it is not discriminatory or malice, it is simply that it costs more money to employ these people. I think in all likelihood reduced pensions would be offered.

Mr. DENT. Instead of going to that which I consider at this moment an extreme, would you favor a proposal that would encompass portability of pension rights and pension savings from one employer to another employer in both the public and private sector of the economy, portability of an employee's vested rights in a pension plan from one employer to another with adjustments to be made by each employer?

Mr. PESTILLO. Portability would do much to achieve the ultimate end of pension benefits. The portability, the ability to integrate so many types of pension plans, whether that is possible, I don't know.

Mr. DENT. We ran through some sample programming of the portability of pension plans, sound pension plans, and it might be interesting to note our investigation shows there are 1,225,000 separate and distinct pension plans in the United States.

We found that the ones that we looked into are based upon what is presumed to be actuarial soundness, so they have age limits, the retirement benefits and the payments and contributions by either the contributory system of the employer and employee, in some cases all by the employees.

Moving from one to another is merely a matter of selection on the part of the employee as to whether he wants to pay the difference into a higher annuity plan or take out the difference between his payments and a lower annuity plan.

It is not as complicated as it may seem from arguments I have heard against it. We found it could be done rather simply. It would create, of course, some amount of bookwork, some amount of detail, but unless we do that I see very little hope, very seriously, of breaking down the barriers to employment opportunity for persons who have worked for 20 or 25 years for one employer doing a particular type of work, skilled in that particular type of work, and having to