group than other age groups, but with those who happen to get caught in the "economic vise" I described earlier. We have to be careful in our generalization about the older worker; the problem is largely an individual one and has to be handled as such.

Second, we need to keep as many as possible out of the job destroying "economic vise" not only by keeping our purchasing power high to provide enough jobs to go around, but also by structuring some of our demand for goods and services -- perhaps especially the services -- to create jobs that meet social needs that at the same time utilize the skills that have been acquired or developed by displaced older workers.

Third, programs to remove structural barriers for those who get caught in the "economic vise" may require, not only better training programs, better counseling, and better "early warning" systems on job displacement, but also a number of reforms in socio-economic programs.

III. We might look at some of these reforms:

It is frequently argued that fringe benefit costs are higher for older workers than younger workers and that these costs pose employment barriers to otherwise qualified persons who might be able to acquire employable skills after being displaced. Unions tend to catch the blame because they are primarily responsible for the advancements in fringe benefits.

This is somewhat akin to going after the goose that laid the golden egg.

> In the first place, the collective bargaining contract has been the greatest source of economic security for the older worker through operation of the seniority principle, health care plans, pensions, severance pay provisions, automation funds, etc. The problem lies with the older worker for whom these protections turn out to be "not enough" that is, the older worker who loses his job and benefits for reasons beyond the reach of the collective bargaining contract or collective bargaining system.
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> For the older worker who is eventually displaced, it may be that he will be considered an "adverse risk", medically, in the health care plan of a potential employer. It may be the case also that the older worker will cost a new employer more than a younger worker under the pension plan negotiated with the union.

Pooling arrangements have been suggested in health and welfare programs to provide for broader sharing of risks. Vesting rights in pensions are advanced as partial answers to the pension cost problem.