Other possible reasons for early retirement include age discrimination and unemployment arising out of cyclical fluctuations or technological change. A recent Labor Department study on age discrimination in employment concluded that older workers who leave or lose their jobs are often unable to find other work because of discriminating hiring practices by employers. The study reported that "approximately half of all job openings which develop in the private economy each year are closed to applicants over 55 years of age, and a quarter of them are closed to applicants over 45." [17]

What happens to the older worker who loses his job because his plant closes or a machine replaces his skill? Faced with the very difficult, if not impossible, task of getting another full-time job, he is often forced, after unemployment benefits expire, to live off of savings, relatives, or relief. As soon as he reaches the age of social security early retirement eligibility (currently age 62 for males), he is likely to "retire."

The Social Security Administration reports that "during the past 4 years close to half the men and two-thirds of the women workers awarded retirement benefits under the social security program have been under the traditional age of 65." [18] Just how many of these early retirees were forced to retire because of poor work prospects is not exactly known.

There is clearly a vital need for additional information and research on the early retirement question; we need to know more about the pre- and post-retirement work history, assets, health, and total retirement income of persons retiring before age 65. Until we know more of this information, formulation of successful public policy in this area will be very difficult.

4. Reduction of the Social Security Eligibility Age

Evidence of older worker employment difficulties caused Senator Robert Byrd, of West Virginia, to propose an amendment to the 1965 social security-medicare bill (now law), to reduce the initial eligibility age for social security retirement benefits from the present age 62 to age 60. The benefits were to be actuarially reduced based on the number of years payment began before age 65. The Senate passed the proposal by voice vote without a dissenting word being spoken, but the amendment was later dropped in conference. Senator Byrd, however, has continued to press in recent years for passage of a similar amendment to the law.

In view of the inadequate information currently available on motivations for early retirement (discussed above), and in view of the possible social consequences (discussed below), it would seem that the Byrd proposal requires more careful study before enactment than it has received thus far by Congress.[19] If the Byrd amendment becomes law, this country may find itself taking a step backward in the war on poverty; the effect of the Byrd amendment might be to push millions of Americans into even deeper retirement poverty.

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[17] U.S. Department of Labor, "The Older American Worker—Age Discrimination in Employment." (Washington, Government Printing Office, June 1965), p. 6.

[18] Lenore A. Epstein, "Early Retirement and Work-Life Experience," Social Security Bulletin, vol. 29 (March 1966), p. 3.

[19] No formal committee hearings have ever been held, although it has been passed by the Senate a total of 3 times.