wage increases and general improvements in everyday working conditions." [69] In service, and wholesale and retail employment the retarded development of pensions was probably due to a combination of (*a*) a low level of unionization which made union pressures less forceful and (*b*) low wages which tend to channel union effort where it exists, toward direct wage increases.

VII

"In the earlier period of the [pension] plans," a UAW spokesman recalled, "the major concern was to get the best benefits for those who were immediately ready to retire." [70] The later 1950's represent the period in which the unions move to go beyond immediate benefits for the greatest number of older workers about to retire, along five general paths: (1) to increase the amount of retirement benefits from a standard of subsistence toward more nearly a standard of minimum adequacy, (2) to vest or otherwise guarantee a variety of pension plan rights *prior* to or other than normal retirement, (3) to strengthen the *security* of pensions for workers in whose behalf contributions are being made, (4) to increase and broaden auxiliary benefits, (5) to develop specialized personnel and institutions to improve the union's pension performance. The pooled plans, however, tended to lag behind the single employer plans in the pace at which they moved ahead in these directions.

The essential condition which constrains change is cost rather than imperfect knowledge of pension principles. The cost constraint is mainly reflected in the employer's limited ability to pay and for practical purposes in the unlimited number of contending claims for the increment within the union.

"To the union the [pension] benefits are alternate forms of workers' wages or income * * *. Unions and managements in their negotiations keep clearly in mind the money value of the collective-bargaining settlements." [71] Or stated in another way, pensions "represent a deliberate allocation of an earned economic increment which would otherwise have been allocated in the form of cash wages, or for other purpose, through collective bargaining." [72]

The first negotiated pension benefits were admittedly minimal, "at best * * * an emergency provision to take care of the immediately pressing problem." [73] Union spokesmen stressed the point that the amounts were meant only to supplement OASI benefits. A Social Security Administration study estimated in 1948 that it would take $120 a month to support an elderly couple at a very low standard of living.[74] The steel/auto normal retirement plans called for $100 a month including social security at age 65 and 30 years of credited service.

Early goals for making pension benefits more adequate as formulated by the UAW consisted of (1) the maintenance of a "decent and healthful standard of living." This standard requires benefits "substantially higher than relief standards" and in any case is not operative

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[69] Jack Barbost, *Practice of Unionism* (New York: Harper Bros., 1956), p. 133.
[70] Testimony of Willard E. Solenberger in U.S. Congress, Joint Economic Committee, *Private Pension Plans*, pt. I, 89th Cong., 2d sess., 1966, p. 124.
[71] Solomon Barkin, "Labor's View on Actuarial Requirements for Pension Plans," in *What Is Actuarial Soundness in a Pension Plan, IRRA Proceedings*, 1952, p. 28.
[72] Lesser, "Problems in Pension Contributions and Benefits," *op. cit.*, p. 87.
[73] Barkin, "What Shall We Have, etc.," *op. cit.*, p. 144.
[74] "Budget for Elderly Couple," *Social Security Bulletin*, U.S. Social Security Board, February 1958.