automobile and agricultural implement manufacturers included approximately a 55-percent increase in pensions to those already retired, and improved health insurance coverages which are provided without any current contribution by the retiree (previously the retiree had to pay 50 percent of the monthly premium). We will continue to bargain for improved benefits to retirees so that they will be protected against price increases and share in our improved standard of living.

In other situations, pensions have been geared to the investment performance of assets invested in stocks or other equities. While this may occasionally produce spectacular results, it still leaves the retiree open to great uncertainty with respect to the adequacy of his income. The stock market goes down as well as up. Most retirees do not have the resources which will permit them to "wait-out" a short term drop in stock values. The fact that the long-term trend of stock prices is an increasing one offers little comfort when a retiree's current income remains constant, or even decreases, while the cost-of-living is going up.

Since this problem primarily results from our national inability to maintain a constant price level, finding a solution is an obligation of the general community as well as of the individual private plans. *The Federal Government should issue purchasing power bonds which would be available as pension investments, and which would grow in value along with increases in the price level.* It may even be feasible to reflect in the value of such bonds our advancing economic progress so that retirees can equitably share improvements in the national standard of living. Investment in such bonds should be permitted only if the plan includes a provision that benefits will be correspondingly increased.

(3) RECORDING OF VESTED BENEFITS BY THE SOCIAL SECURITY ADMINISTRATION

In addition to the need for legislative requirements concerning vesting in private plans, there is also an urgent need for a central recording arrangement so that those benefits which are vested for individuals are not forfeited through inaction. It is, after all, unrealistic to assume that every individual will keep adequate records of benefits which he may have accrued many years before he retires. Furthermore, during the years after his employment terminates, the individual and his former employer may each have moved several times thus making it quite difficult for them to locate each other. The situation is similar to those in which banks and insurance companies hold amounts which are never claimed. But, since practically everyone is covered by the social security system and will almost certainly apply for his benefits under that system, it would help if each social security record included information about private plan benefit rights.

Most plans negotiated by the UAW include a requirement that former employees who have a vested benefit, but do not apply for it, shall be notified of their entitlement. However, it is wasteful for individual plans to search for beneficiaries when an efficient recording arrangement could be maintained at practically no cost.

Therefore, *I propose that the Social Security Administration establish a procedure whereby each plan would notify it whenever an in-*