

Parnes concludes (p. 58) that there is “* * * no evidence that provisions for retirement occupy a prominent position in the respondents’ minds when they evaluate their jobs, even though substantial numbers believe that their retirement programs leave something to be desired.”

Only one-fifth of company N workers and one-seventh of company P workers have looked for other work except during layoffs since being hired. An additional fourth of each company had thought of looking for another job.

Respondents were also asked the hypothetical question: “Suppose you were laid off at the (company) and found exactly the same kind of work at the same pay with another company in Columbus. If you were called back to the (company) after 6 months, do you think you would go back?” Responses were similar among the three groups of workers, but workers in company C in which the pension effect should have been greatest showed the greatest reluctance to return. Again job security is the most important reason for returning. Fringe benefits were mentioned by relatively few respondents as reasons for returning, and vacations were mentioned more often than pensions.

Parnes concluded (p. 68) “* * * however immobile workers may be, the explanation is not related in any substantial degree to the existence or characteristics of a pension plan.” He also found that relatively few workers in any of the three companies had a very clear idea of benefits of either social security or company retirement plans.

BES SEVEN-CITY STUDY

The most comprehensive data dealing in the turnover rates for firms with and without pensions comes from the seven-city study conducted in 1965 by the Bureau of Employment Security.²⁹ Annual turnover data for 1955 were collected for establishments of 50 or more employees classified by pension plan coverage.

Quit rates are usually higher in pension firms than in nonpension firms classified by industry division (table 1). The quit rates are actually higher in pension firms for workers 25 to 44 years old in construction and for workers under 25 years old in service industries and in transportation. On the whole, however, pension firms have lower quit rates than nonpension firms.

Quit rates by age for pension firms classified by size of firm also are lower than the quit rates of similarly classified nonpension firms (table 2). The quit rates are inversely related to size of firm.

These data do not prove that pensions reduce mobility, but they clearly demonstrate that firms with pensions have lower quit rates, independently of industry or of size of firm, although the lower mobility of workers in pension firms cannot be laid to pensions alone. There are three major reasons that pensions may not be the principal immobilizing influence in firms with pensions.

²⁹ Bureau of Employment Security, *Older Worker Adjustment to Labor Market Practices*, BES Bulletin R151, 1956. Previously unpublished data from the same study are included in H. Folk, *Private Pensions and Manpower Policy*, BLS Bulletin 1359, 1963.