

Secure Old Age

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the war Ezra N. Hudgins of Norco, La., former carpenter for Shell, retired on an \$86 monthly pension, plus \$17,700 from Shell's Provident Fund.

In addition to retirement benefits, Shell workers are thoroughly protected in sickness. Shell's total benefit plans cost close to \$10,000,000 annually—and company executives say they're worth every penny of it.

The Bell System telephone companies, including Western Electric and Bell Telephone Laboratories, provide liberal and comprehensive benefits without cost to the worker. In cases of illness, for instance, the Bell companies grant one month's full pay and nine week's half pay to employes who have been on the payroll two years; the payments are stepped up according to length of employment, and if a 25-year employe is sick for a year he draws a full year's salary. The companies provide not only pensions but death benefits as well, ranging from four months' pay after two years' employment to a year's salary after ten years of service. Du Pont has a similar pension plan, as well as free health insurance.

One of the most unusual social security programs, both in scope and liberality, was instituted not long ago by Schenley Distillers. Schenley's pension plan, provided without cost to the employe, aims at assuring even \$1500-a-year workers a minimum retirement income of \$1200 after 30 years, with proportionate payments to workers with shorter periods of service. A 65-year-old married employe, for example, who has averaged \$1500 a year for 30 years gets \$56.50 monthly from Social Security and \$47 from the company—a total of \$1242 annually. With the same

years of service a \$2200-a-year worker will get roughly about \$1600.

The company also provides health and hospitalization insurance for the employe and his dependents. The life-insurance program—with the company contributing the bulk of each premium—provides more insurance for younger employes, where family needs are greatest, and less for older workers. A \$2000-a-year worker entering the plan at 35 would have a death benefit of \$5000, while a new 50-year-old worker, also averaging \$2000 a year, would get only a \$2500 policy.

Equally important—and contrary to most group life-insurance plans—the employe who leaves the company can exchange his insurance certificate for any cash which has been accumulated, obtain paid-up insurance or an ordinary life policy, or convert his policy into an annuity.

"What we've done is to concentrate on the actual needs of the lower-salaried worker," Lewis S. Rosenstiel, board chairman of Schenley, says. "We set aside funds for the depreciation of machinery—why shouldn't we take care of the depreciation of men?"

Pensions make it possible for workers to experience the full enjoyment of their later years. Pensioners are pursuing hobbies or operating small businesses which interest them. "A pension isn't a death knell, but a new lease on life," one pensioner told me. "Financial security and a good rest have actually made me feel ten years younger."

The swelling tide of workers' social security is a most significant development, a long step in the right direction. Workers' benefits sponsored by employers demonstrate that American business is rapidly awakening to its responsibility—and its opportunity.

—*Nation's Business*, Nov. 1944