

EXECUTIVE SUMMARY

Section I - Introduction

The Terms of Reference required an examination of governmental and private industry action being taken to help employees into retirement after a lifetime in government or private service, with the purpose of recommending what steps the Department should take to improve existing procedures.

Such factors as the aging of the Canadian population, the post industrial society and the rapid expansion of the Department following WW II are outlined with the implication that retirement policies have not kept pace. Despite considerable attention and research having been devoted by society to retirement problems, implementation has been surprisingly slow in government and in industry. There is a discernable need for departmental policies to encompass the requirements of rotational and non-rotational officers and staff, specialists and non-specialists, Canada-based and locally engaged. Policies need to be adapted to the special nature of the Foreign Service.

The assumption is made that the maximum retirement age will remain 65 although trends towards earlier retirement as well as towards working beyond 65 are noted.

A further assumption is that Civil Service pensions together with severance pay provide a better financial package than the industrial average. Also, pay levels are deemed to be comparable with private industry and job security is an added factor making it difficult to substantiate a case for additional funds. Attention is, however, drawn to the forced retirements brought about by the retrenchment programs of 1969-70 with the point being made that morale and retirement planning policy are subverted when the rules are arbitrarily changed. "Any policy designed to encourage early planning for retirement rather than planning for early retirement must carry with it clearly defined conditions of tenure."

The report then reviews some of the literature on the subject of aging and on preparation for retirement with the suggestion that it is no longer a question of further studies and investigation but rather one of establishing appropriate principles and procedures.