

CANADIAN COMPANIES

DOMTAR, MONTREAL: Compulsory retirement at 65. This company has a pension plan which, after 40 years' service, would give a pensioner 67.5% of his highest five years' salary - assuming he started at 25 years of age. If he started at 20 years (45 years' service), he would receive 73.5%. The pension is integrated with the C.P.P. and involves a total contribution of 5% of salary by the employee. This plan was started in 1971 - prior to that the highest maximum pension was about 50%. Starting in January, 1973, an employee may retire at 62 with 20 years' service with no actuarial reduction. Prior to that, any retirement before 65 involved an actuarial reduction of 5% per year. There is now a sliding and sharper scale of reduction down to 50% at 55 years. Below that, no pension entitlement. If a person with long-term service is asked to retire before 65, he may be offered a year's salary either in a lump sum or converted to an annuity added to his pension.

The company has no group counselling course, but it does provide a "do it yourself" kit which is supplied to all employees four years before retiring, but the aim is to go back as far as 10 years. This kit includes a record of important papers and where they are kept, a "planning for retirement" statement, and a monthly budget statement - now and after retirement - together with the Ontario Department of Education booklet "Retiring Soon". There is very little "feedback" from this kit.

In addition, the company has a counselling service available on demand and in the Montreal area, the supervisors are informed of their employees' approaching retirement and they are required to give them an afternoon off and to call them in with their wife for an interview.

Each employee is given a pension statement each year.

There is no formal post-retirement organization.

They have considered the Paramount Retirement Counselling Service but find it too expensive.

Their Personnel Section had devised a 10 session counselling course, but it was rejected partly because it was impossible to give the same service to all employees.