

MEMO# 10305

September 21, 1998

FINAL REPORT OF THE NATIONAL SUMMIT ON RETIREMENT SAVINGS

[10305] September 21, 1998 TO: BOARD OF GOVERNORS No. 57-98 FEDERAL LEGISLATION MEMBERS No. 21-98 PENSION COMMITTEE No. 62-98 PRIMARY CONTACTS - MEMBER COMPLEX No. 77-98 PUBLIC INFORMATION COMMITTEE No. 39-98 RE: FINAL REPORT OF THE NATIONAL SUMMIT ON RETIREMENT SAVINGS

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Secretary Alexis Herman recently submitted to the White House and the Congress the final report on the 1998 National Summit on Retirement Savings, which was held this June. The report compiles the retirement savings ideas generated by over two hundred delegates representing the business community, the executive and legislative branches of government, labor organizations and the general public. The investment company industry was well represented at the Summit. The report, which is attached, sets forth the current state of retirement savings and education in the U.S. and highlights several successful retirement savings education programs as models for enhancing employee and general public awareness regarding the importance of retirement savings and the availability of savings opportunities. The report concludes with a discussion of retirement savings barriers and opportunities. Summit delegates were charged with developing ideas for raising Americans' awareness of retirement savings matters, and were not expected to reach a consensus on the ideas generated. Consequently, the report does not attempt to identify any consensus on approaches to enhance retirement savings activity, and the appendix lists virtually all the ideas from the Summit. Nonetheless, certain prominent themes emerged from the Summit, including the need for: ! increasing retirement savings education efforts through individual and cooperative efforts between federal, state and local governments and the private sector; ! instilling in individuals a commitment to personal savings; and ! combining simplicity and coherence in government pension policy with appropriate incentives to encourage plan sponsorship. The 1998 Summit was the first of three mandated by statute. Future Summits in 2001 and 2005 will measure progress in increasing retirement savings and serve to generate additional ideas. Matthew P. Fink
President Attachment