Closing Remarks

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- It is a daunting challenge to close the conference given the breadth and richness of the discussion
- A number of themes have emerged

Demographic trends are similar:
- Ultimately, a "good" problem
    - Seniors are healthier, living longer, better educated

- Need to address demographic reality, and consider the impact of an aging population on work and retirement funding
    - What can we do to encourage people to work longer (or at least remove disincentives to continued work)
        - many incentives today are to retire earlier

In addition to demographic trends, we have system challenges
- About ½ of workers have private pensions:
    - With pressures on public systems, how do we encourage greater coverage and adequacy in employer provided systems
- Also, savings rate, especially in US, are historically low:
    - With the need to encourage more adequate savings, how can we best provide incentives to save more (Ex: have tour bases stop at bank, not shopping center)
- New approaches – such as automatic enrollment

Aside from common themes, there are lessons to learned
- While US has had a 30 year old pension insurance system, the UK learned from our shortcomings—as we move forward with reform here, perhaps, as was said yesterday, the teacher can learn from the pupil.
- We also must recognize the shift from Defined Benefit (DB) to Defined Contribution (DC) plans, and the greater burden and responsibilities placed on individuals

401 (K) – Not only must we encourage people to contribute, but we must work to keep that money for retirement:
- US has greater access to funds before retirement – can we learn from the UK, which has greater restrictions on early access to retirement funds

With more responsibility also comes more need for Financial Literacy

- Both countries focused more on the need for, and the delivery of, financial education
- Both countries – financial education provided by government (UK relies on more) and private programs (US relies on more)
- Both countries are getting some results for efforts made, but financial education is going through growing pains
- Question: What works best to meet needs over the long-term
- Question: What are the best strategies to make consumers more capable and responsible for own actions. Also what can we do to change behavior over the long-term

As an alternative to 401(k)-type plans, there is the emerging trend of hybrid plans

- Are there better/best ways to set up these plans
- How do we best address the transition to these types of plans

Finally, this is about income security in retirement, including sub-populations such as women and minorities

- We have common problems [and as David Walker noted, how do these problems fit into the bigger picture]
- What can we learn from one another
- Where else can we collaborate and work together

[One UK participant told me today – "We have more in common with the US than the rest of the European Union"]

On behalf of all of the sponsors, let me thank you all for coming, for your contributions, and we look forward to future efforts together.