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Editor
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To the Editor:

Richard Hiller in a July 5th opinion piece is correct that focusing the retirement outcomes is imperative. In fact, the retirement outlook today for Californians is dim – only two out of five workers in the state participate in retirement plans. Even among Californians who have 401(k) savings, the average account balance is insufficient with less than one-third of annual income saved.

Senate President Pro tem de Leon's Secure Choice legislation put California in the lead for addressing this retirement gap by creating automatic workplace retirement savings for all workers. This Secure Choice plan is a modest step. In California and nationally, an overwhelming majority of Americans fear that they cannot achieve adequate retirement outcomes on their own.

Take for example women, the largest demographic group facing a retirement crisis. Research finds that women are 80 percent more likely than men to be impoverished after age 64. For older women who worked in the private sector, Social Security provides half to two-thirds of their retirement income at the median level. Only three percent of their income comes from 401(k) plans.

A bright spot among women includes those who were teachers. Educators have far better retirement outcomes compared to other industries because 84 percent of female teachers participate in and contribute to pensions. At their median household level, Social Security provides 38 percent of their retirement income, and 37 percent is from defined benefit (DB) pension plans.

California teachers know the value of workplace retirement plans. More than three-fourths of these teachers continually save for retirement throughout their 20 plus years in the classroom. Teachers supported the California Secure Choice program because they know it is a first step to help all private sector workers start saving for retirement from every paycheck. Once operating, Secure Choice will make real progress toward an important goal of ensuring Americans have more to rely on in retirement than just Social Security.

Public sector retirement pension plans for teachers, police and firefighters are a proven and cost-efficient way to provide a living income in retirement. Wouldn't it be great if all Americans had this level of retirement security?

Diane Oakley
Executive Director, National Institute on Retirement Security