

of the other changes proposed as necessary for improvement of the private system. The nature of a change, such as adoption of a universal tax incentive with the tax privilege related directly to the individual taxpayer rather than limited to application through the employer-employee relationship, would appear to lead to the natural achievement of the goals of portability, vesting, and adequate funding without the need for specific mandatory regulation of private plans to achieve this result.

While this is not intended to presume a final answer, it is hoped that it will illustrate sufficiently the possibility of extending the private retirement system to produce the characteristic of universality to warrant further exploration and consideration by those concerned with the determination of public policy for the entire area of retirement income.

The objectives of such effort should be to develop a better way (1) to encourage individuals to accumulate funds for their own retirement, to encourage employers to assist their employees to provide for their own retirement income and to encourage employers to provide funds for their employees' retirement income; (2) to provide equity among all groups of taxpayers by extending to all the same opportunity to accumulate tax-deferred retirement funds; (3) to preserve freedom of choice and action for individuals and employees in meeting their own needs and preferences in the provision of retirement income.