

**Opening Statement
(Submitted for the Record)**

Congressman Paul E. Gillmor (R-OH)

Committee on Financial Services

April 20, 2005

Hearing entitled: "Reforming Generations Working Together: Financial Literacy and Social Security Reform."

I would like to thank Chairman Oxley for calling this important hearing. While this is the first chance the Financial Services Committee has had to discuss social security, certainly this has been an ongoing debate and one that has large ramifications for our children and grandchildren.

Last Congress this Committee passed the FACT Act and I am proud of our efforts to promote financial literacy by giving consumers access to their credit reports. Financial literacy is the lynchpin to sound investing and safe participation in our credit markets. I think that the debate on the future of social security is largely centered on education and financial literacy.

There is no doubt that the majority of Americans are becoming increasingly involved in our capital markets and the rise in homeownership rates show that our country desires an ownership society. This year, homeownership rates reached almost 70%. In the past 20 years, the number of individual investors has risen from 30 million to 84 million in 2003. Individual stock ownership is six times greater than in France, and four times greater than in Germany and Japan. This active involvement in the capital markets shows that Americans are increasingly asking to take control of their financial future and use all the tools available to make for a safe and sound retirement.

The President's proposal to reform this problematic program is certainly one worth debating today. As our nation faces the crisis of a bankrupt social security program in the next 30 years, it will be our efforts to promote financial literacy and create a stronger social security that will allow us to continue on our path to achieve an ownership society where all Americans have a stake in their future.