

Pensions & Retirement Security 2013

A Roadmap for Policy Makers



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NATIONAL INSTITUTE ON
Retirement Security

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Why this study?

- Nationwide public opinion research project by Mathew Greenwald & Associates to assess:
 - How average American feels about retirement.
 - Views on policies to improve retirement prospects.
- Tool for policymakers, thought leaders, service providers as they work to improve retirement infrastructure.



Observations:

Consumer & Market Climate

1. Retirement confidence, savings, expectations low
2. Lowered investing expectations and realities
3. “Rebound” and “debt” kids
4. Challenges to annuitization/mortality leveraging
5. Less “guaranteed” world
6. Distrust of advisors and institutions
7. Federal government seen as factor

What are the key findings?

1. Americans remain **highly anxious** about retirement despite stabilization of financial market, declining unemployment, increased consumer confidence.
2. Americans **highly support pensions**, view as way to improve retirement readiness.



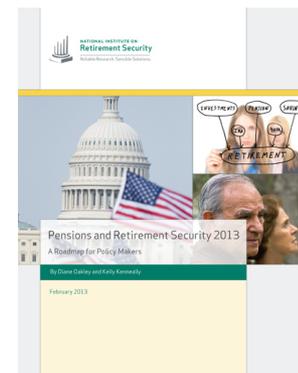
What are the key findings? (cont.)

- Americans believe **Washington does not understand** struggles to save for retirement; would overwhelmingly support **Congressional action to provide new privately run pension plan** for all Americans.
- Millennials highly dissatisfied** with the state of retirement and policymaker efforts.



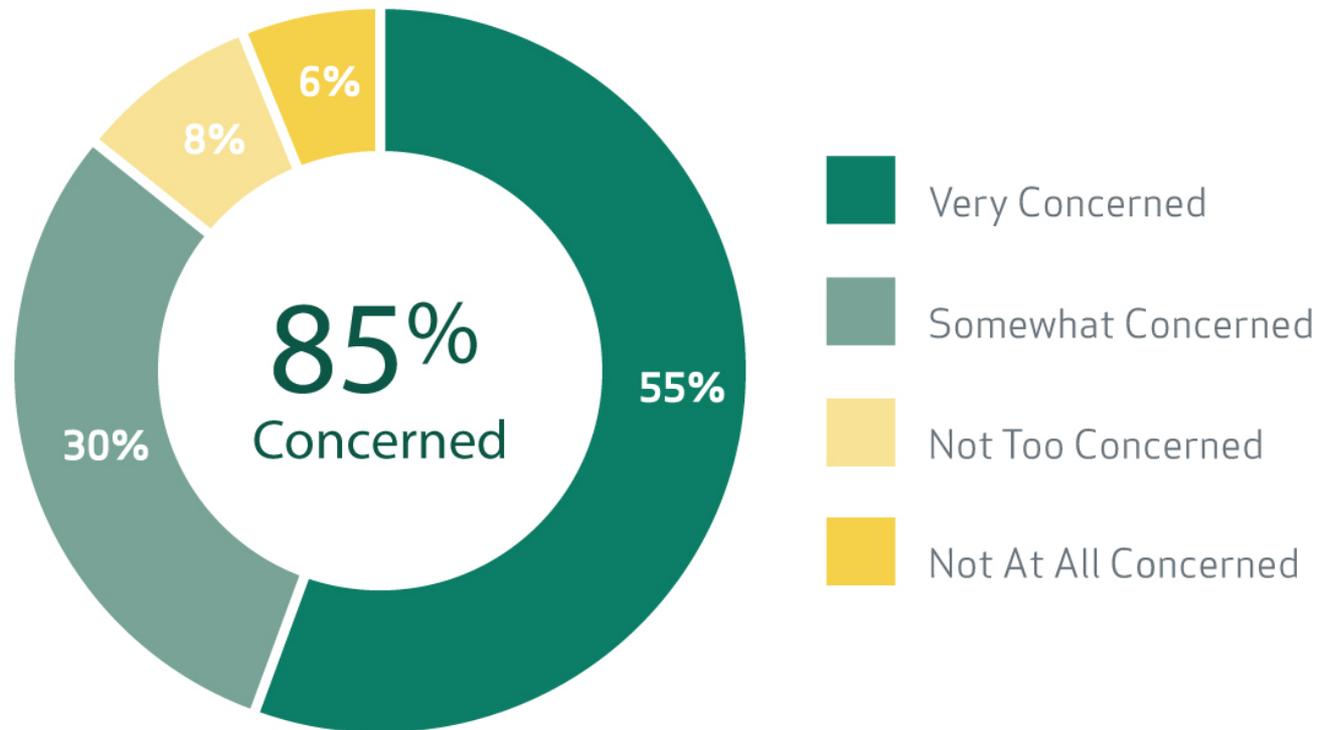
What are the key findings? (cont.)

5. **Protecting Social Security** benefits remains important.
6. Americans **support public employee pensions**.
7. Americans **understand economic imperative** to ensure employees have pensions, sufficient income to retire.



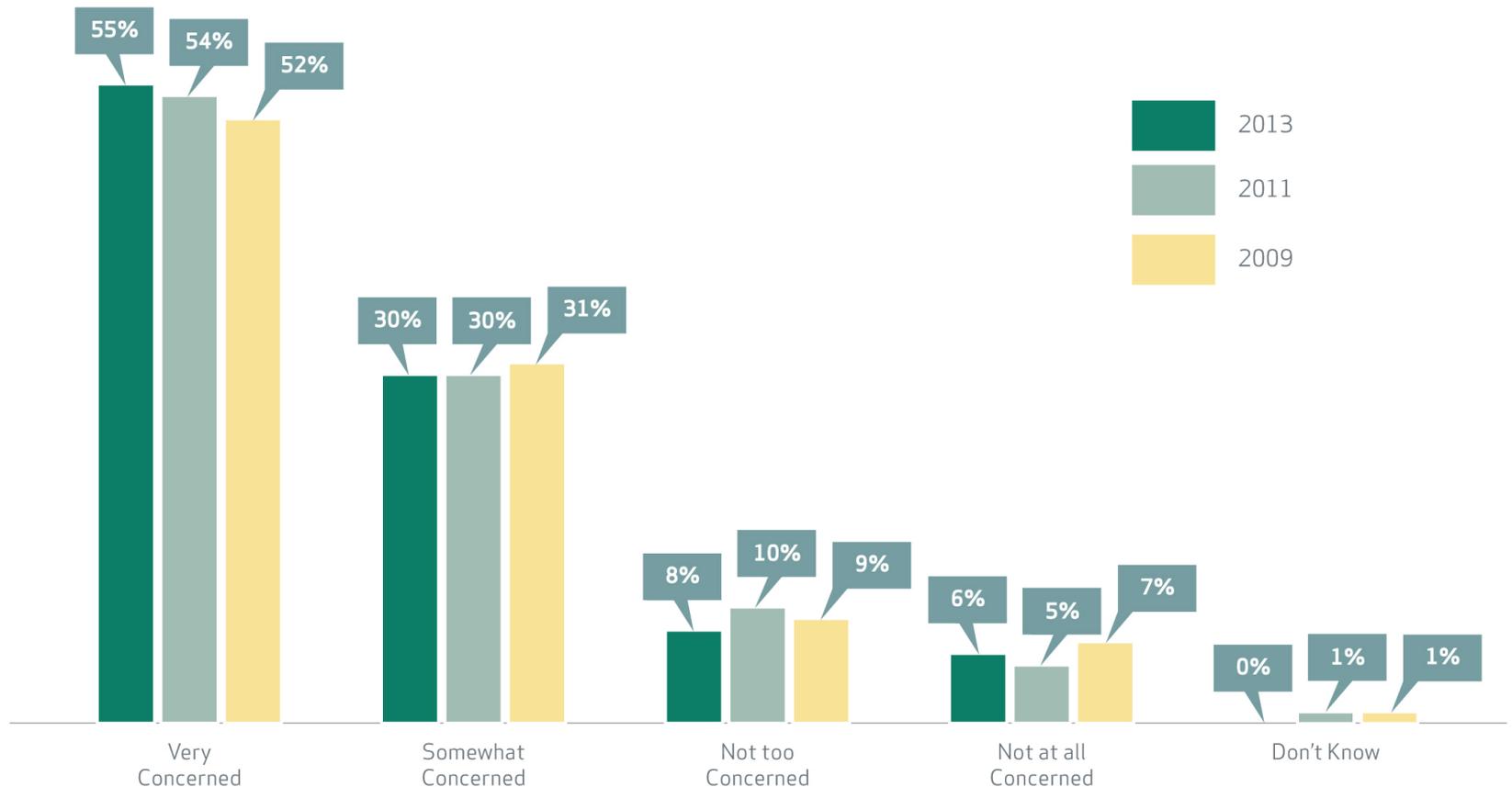
High Retirement Anxiety

How concerned are you about current economic conditions affecting your ability to achieve a secure retirement?



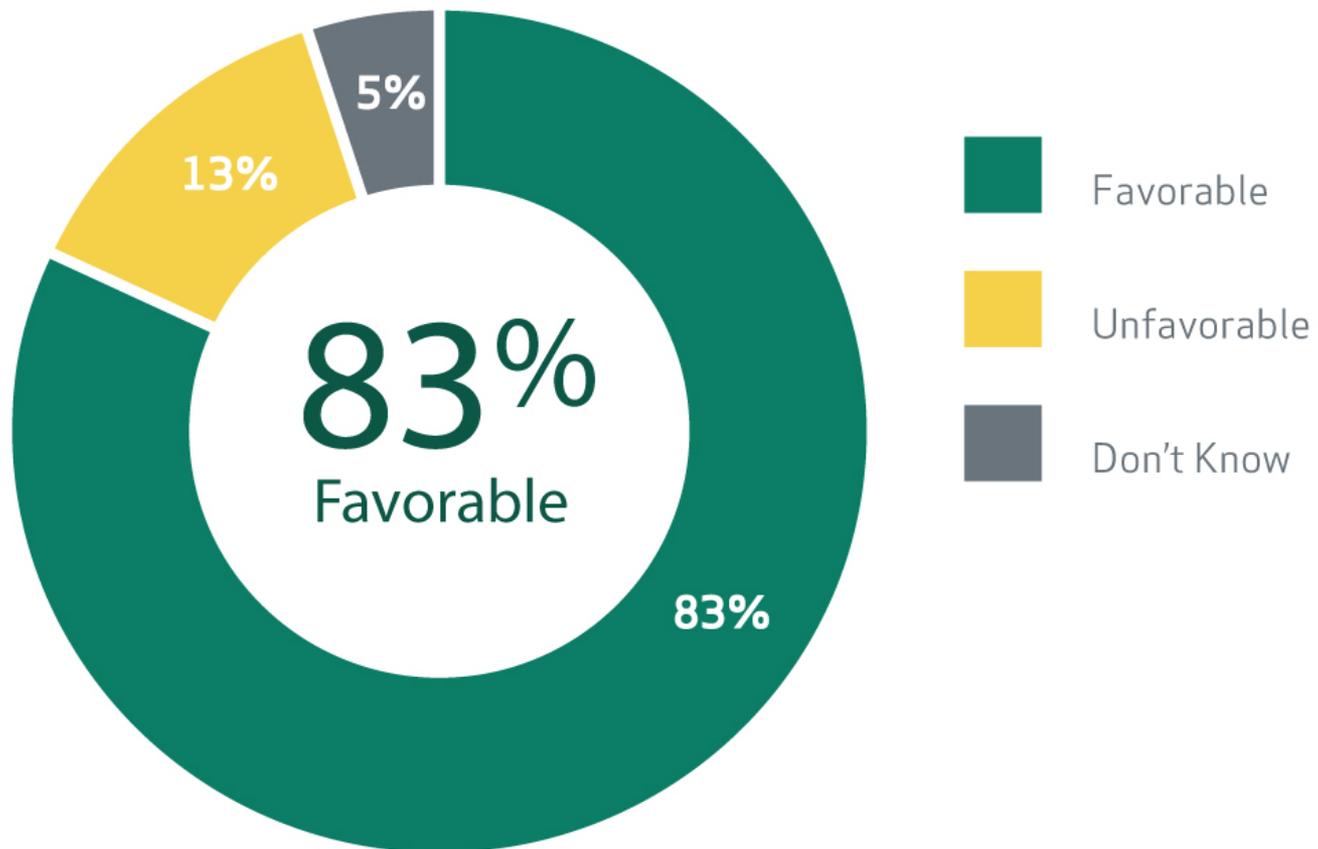
Anxiety Not Dissipating

How concerned are you about current economic conditions affecting your ability to achieve a secure retirement?



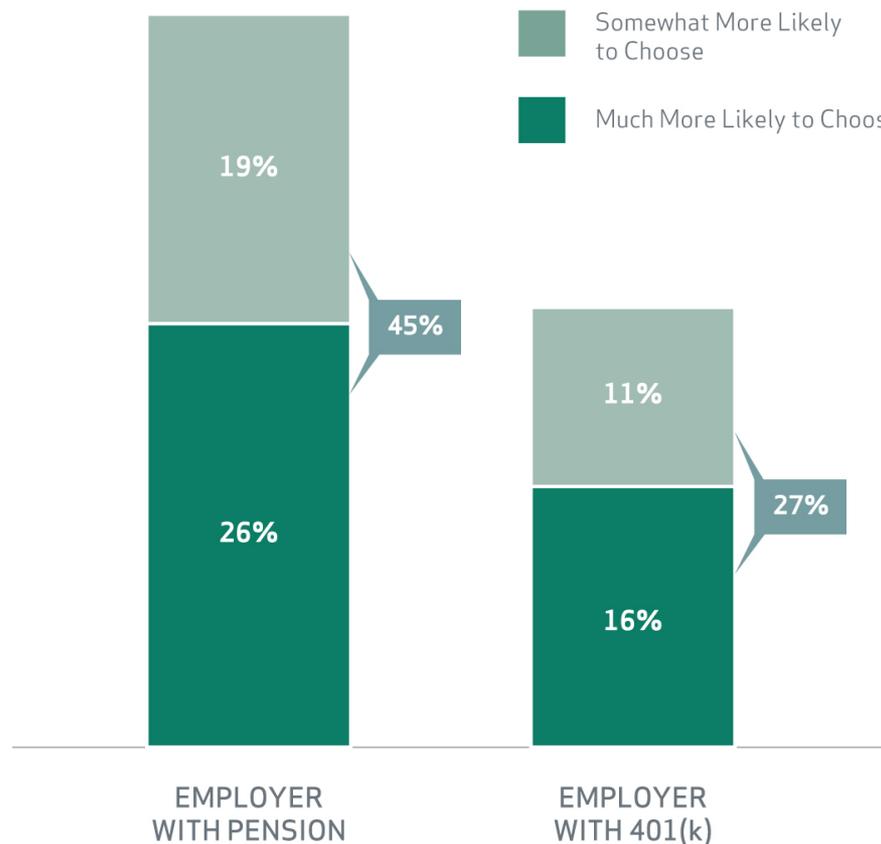
High Support for Pensions

How would you describe your overall view of a pension?



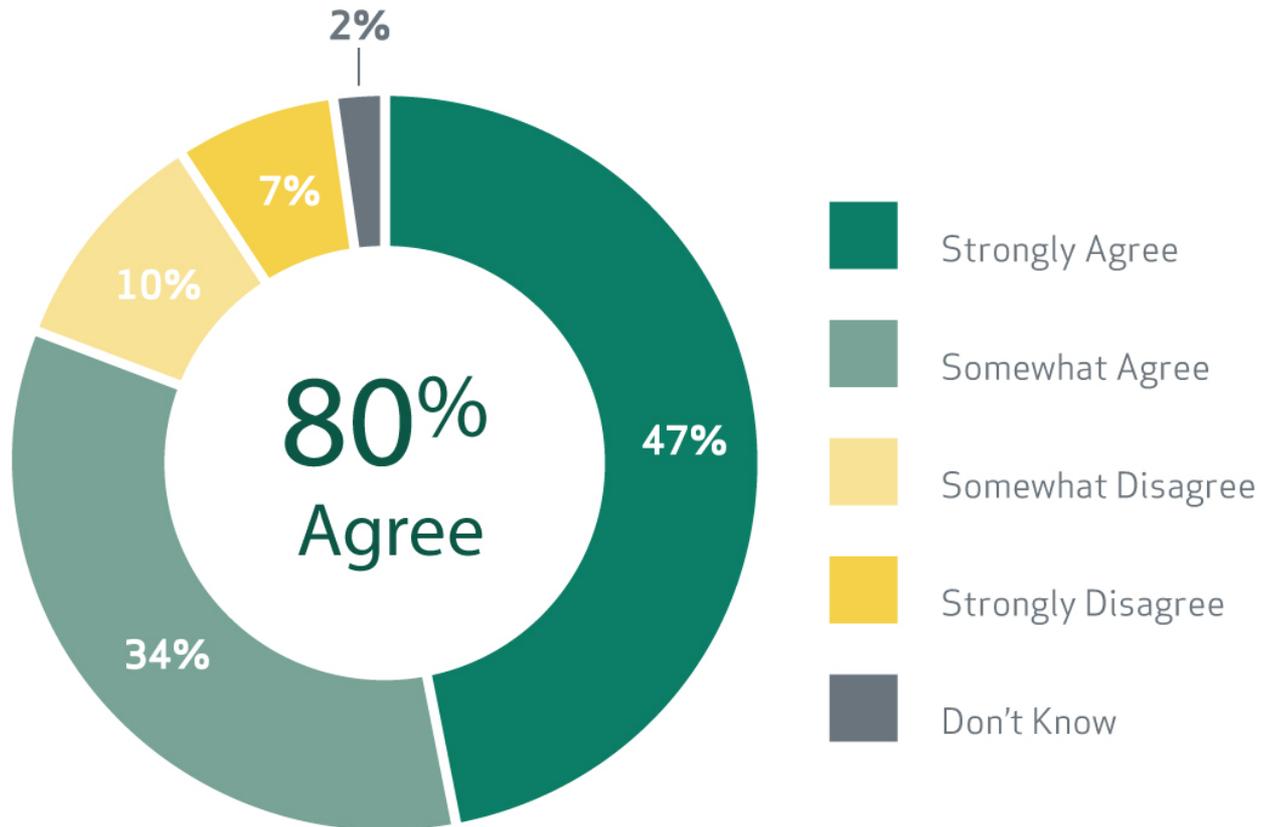
Pension Bigger Employer Draw Than 401(k) Accounts

Let's say you're taking a new job and considering two employers – one offered a pension and the other a 401(k). How likely would you be to choose the employer with the pension or 401(k)?



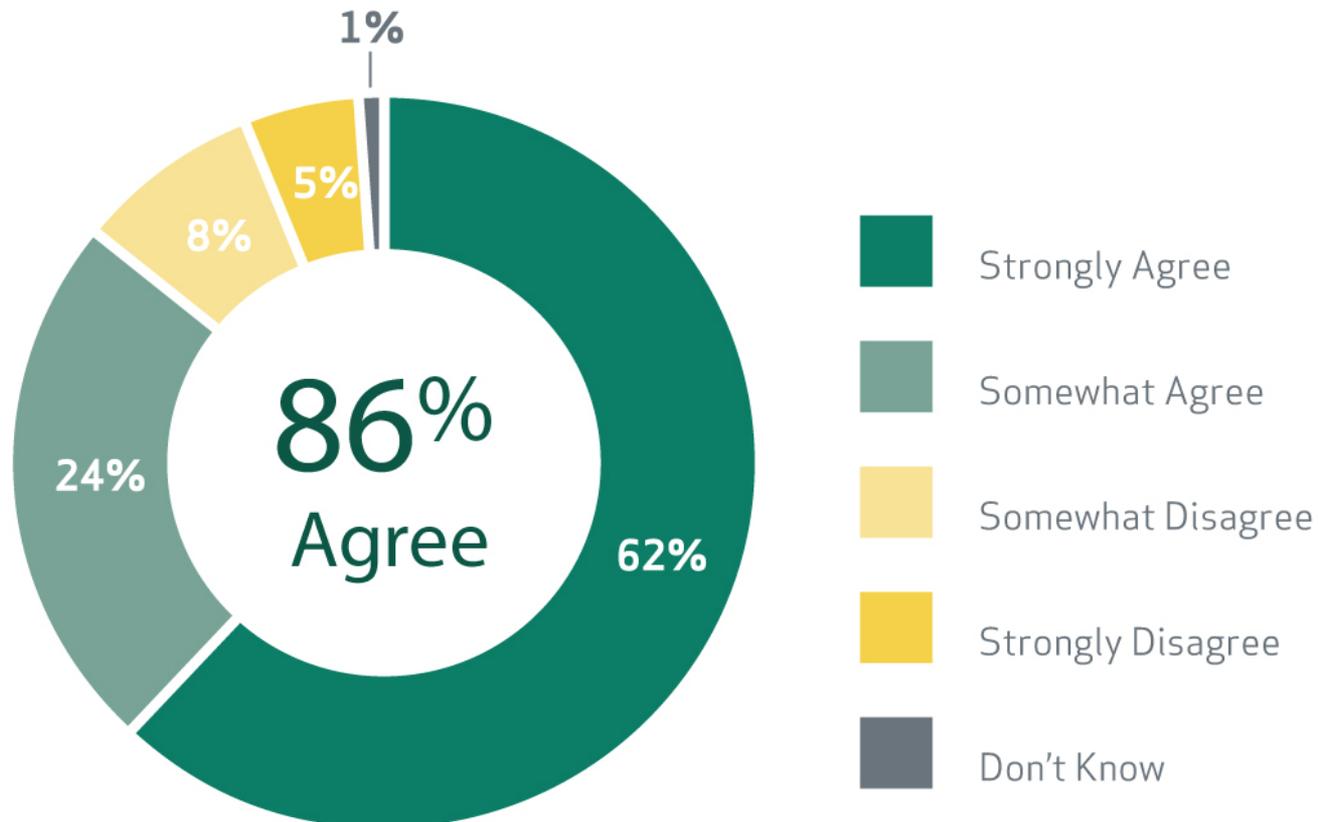
Disappearance of Pensions an Impediment to “American Dream”

To what extent do you agree/disagree that the disappearance of pensions has made it harder for workers to achieve the “American Dream?”



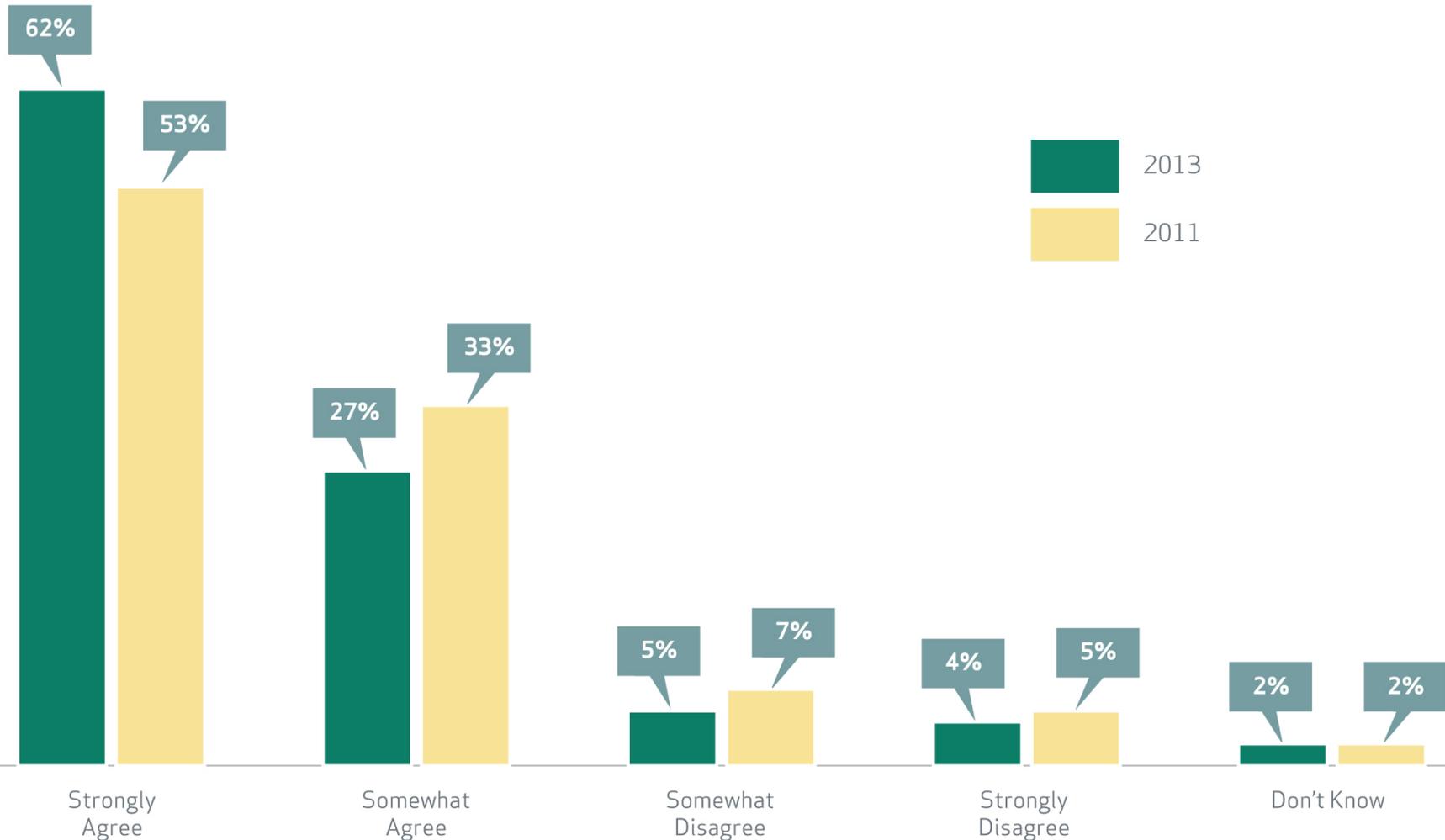
Washington Must Give Retirement Higher Priority

To what extent do you agree/disagree that leaders in Washington need to give a higher priority to ensuring more Americans can have a secure retirement?



Retirement Needs Reform (89%)

To what extent do you agree/disagree that the retirement system in this country is under stress and needs reform?



What do Americans think about at “new” pension system for all?

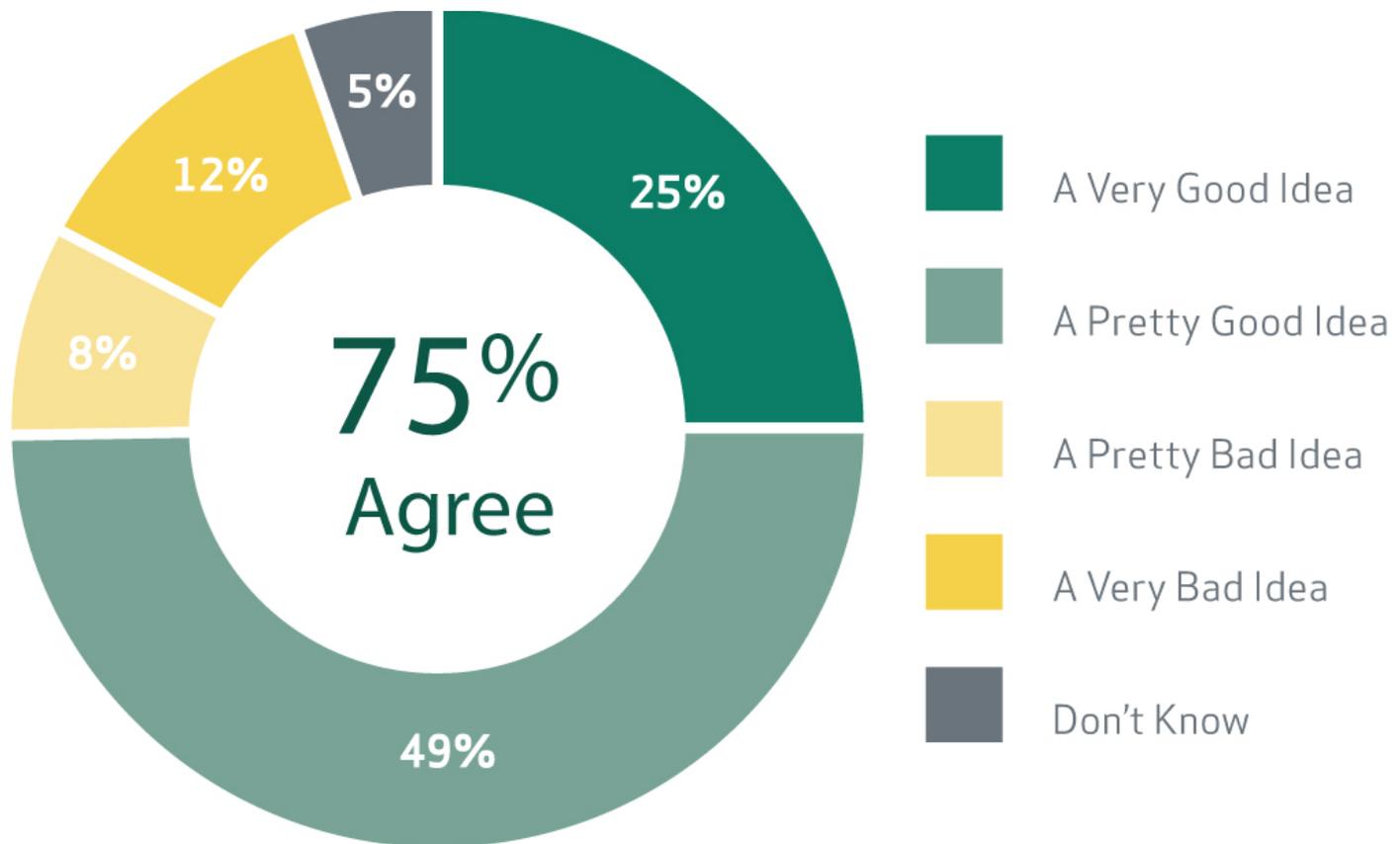
Suppose Congress were considering a bill that would provide all workers access to a new type of privately-run pension plan.

All Americans could participate and make contributions along with their employer. Like a traditional pension, the money would be professionally managed. At retirement, those who participate would get a check every month for as long as they live. But unlike a traditional pension, the benefits would be portable so that people can take their money with them as they change jobs.

This retirement plan would also be easy for employers, because they wouldn't be responsible for administering the funds or managing the money. Those tasks would all be handled by an independent board of trustees. Employers would just have to enroll their employees and make sure that their contributions go into the plan.

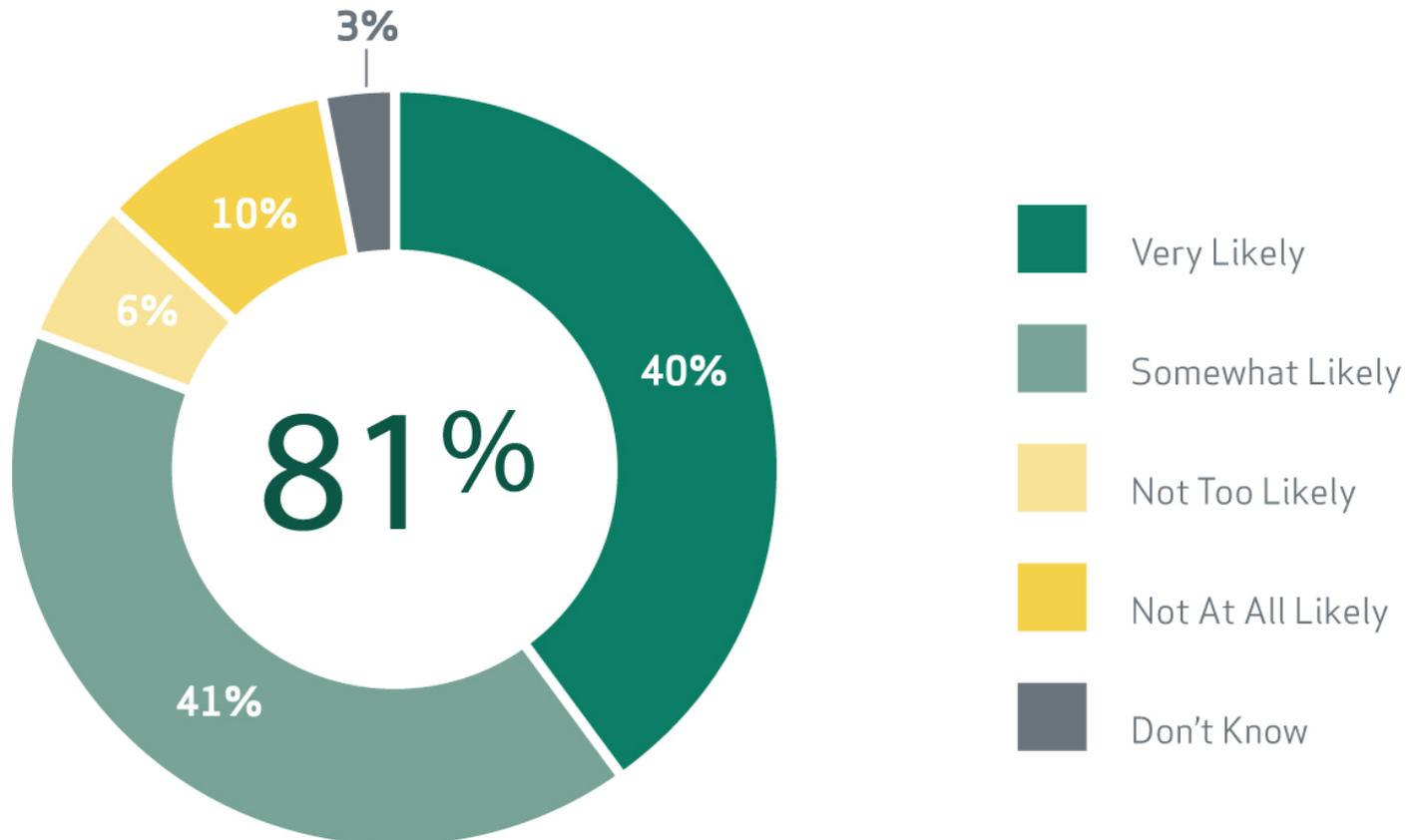
Is this a good idea?

Strong Support for “New” Pension System for all Americans



“New” Pension System: 81 Percent Would Participate

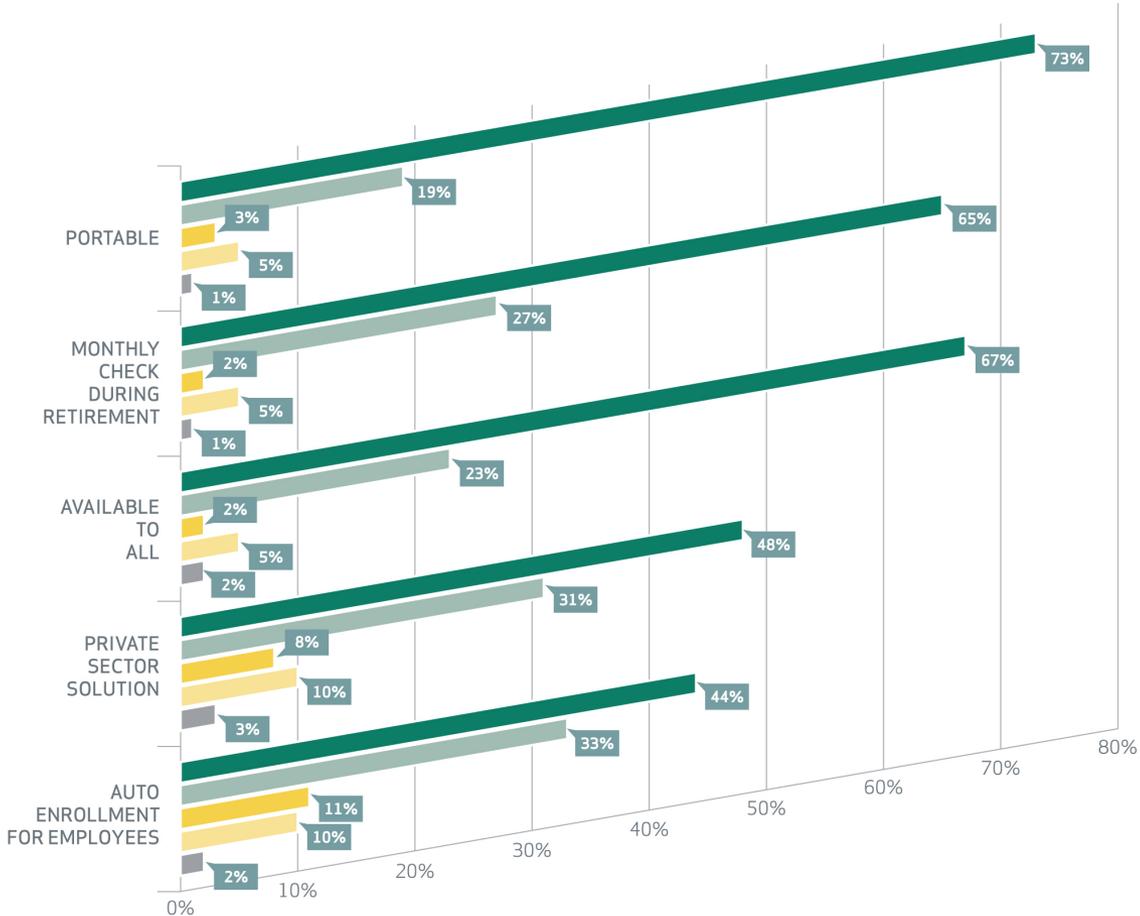
How likely do you think you would be to consider participating in this plan if it were available?



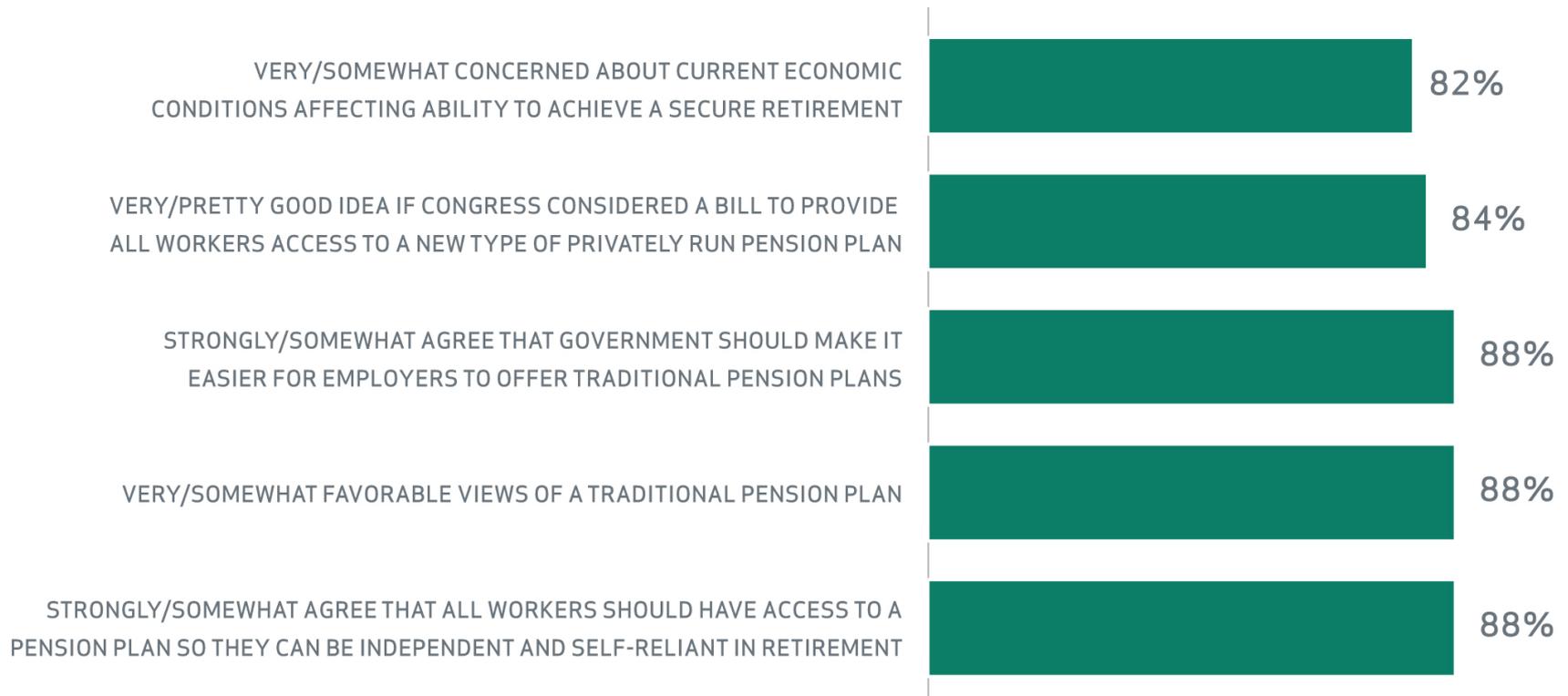
High Appeal: Portable, Monthly Income, Available to All

How appealing are each of the following aspects of this plan?

Very Appealing Somewhat Appealing Not Too Appealing Not At All Appealing Don't Know

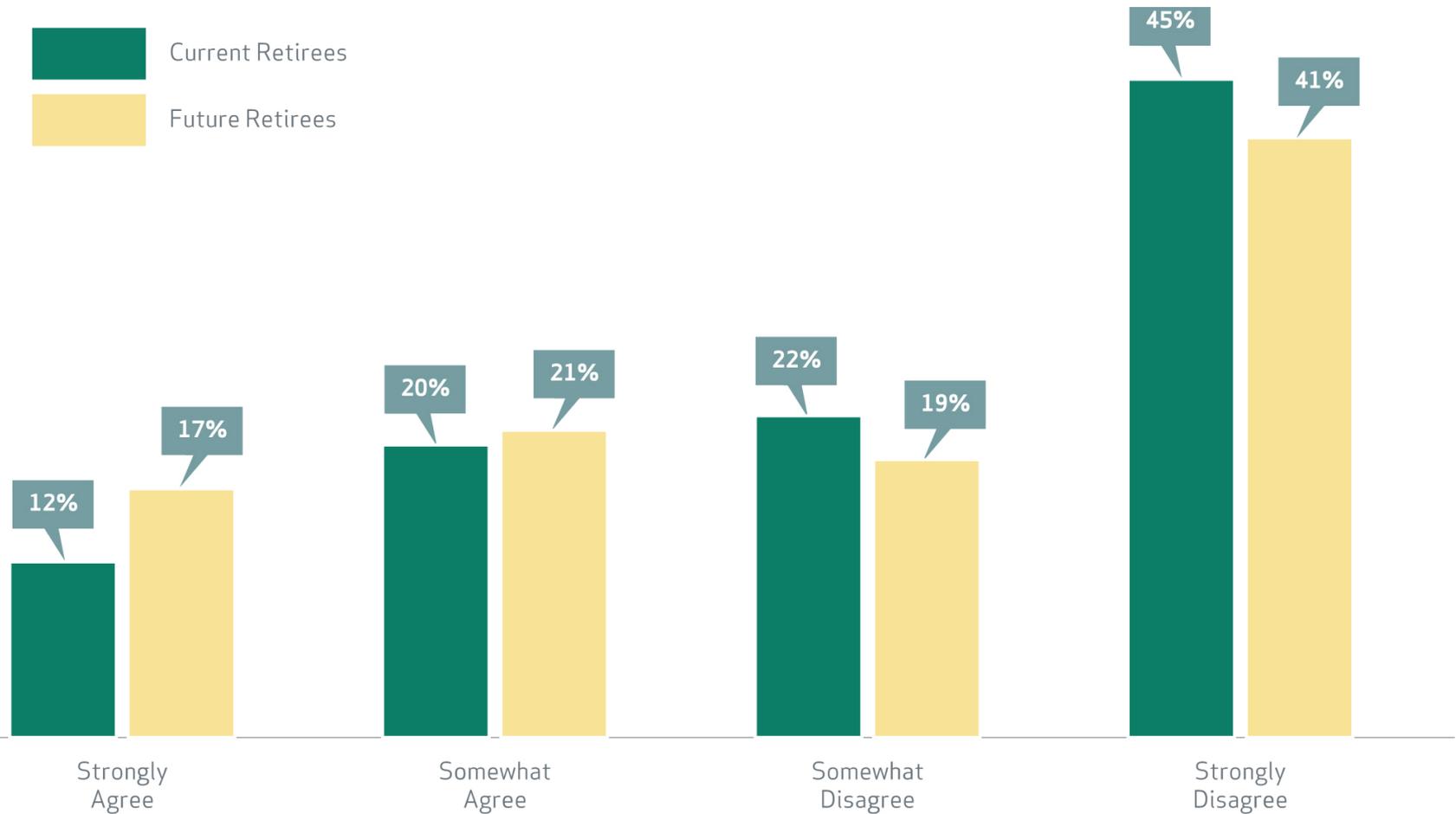


Millennials Highly Concerned (82); Support Pensions (88%)



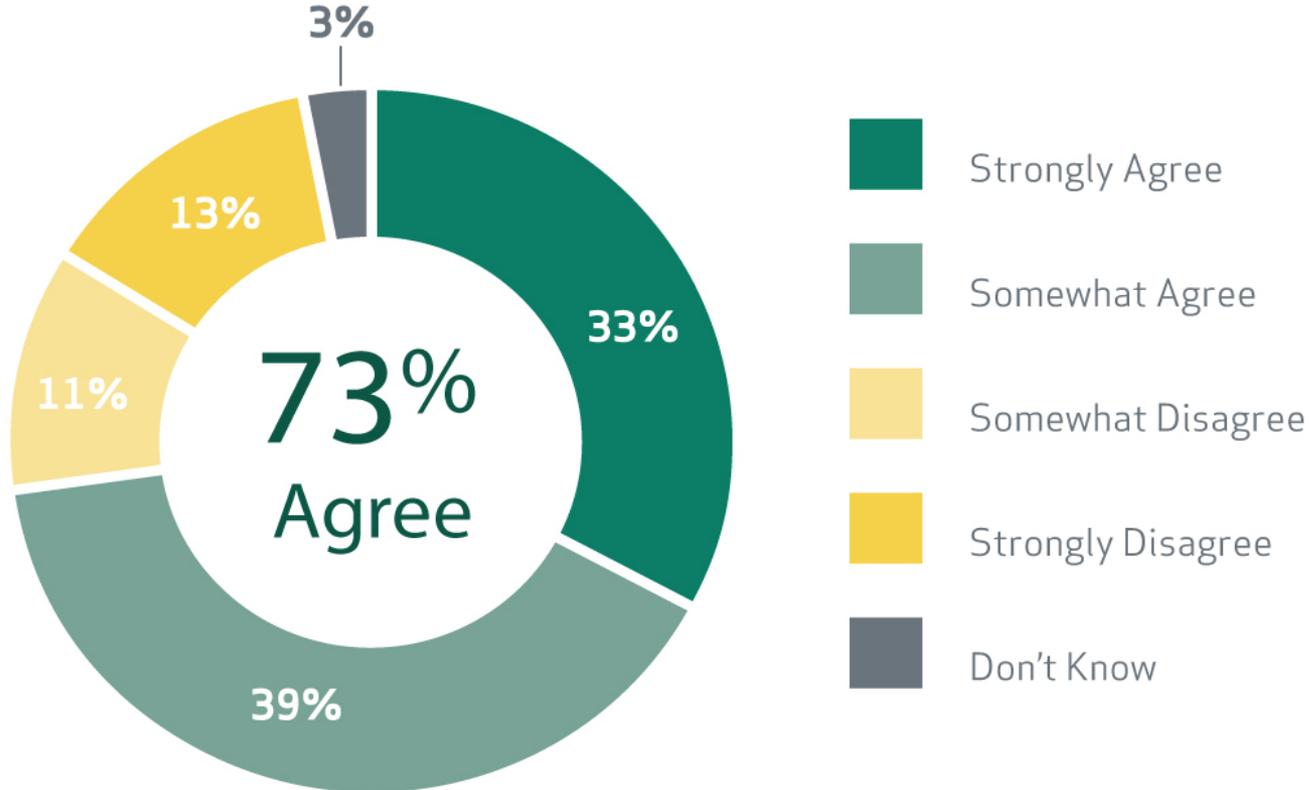
Protecting Social Security Still Important

To what extent do you agree/disagree that govt. should cut spending in all areas, even if it means reducing Social Security benefits?



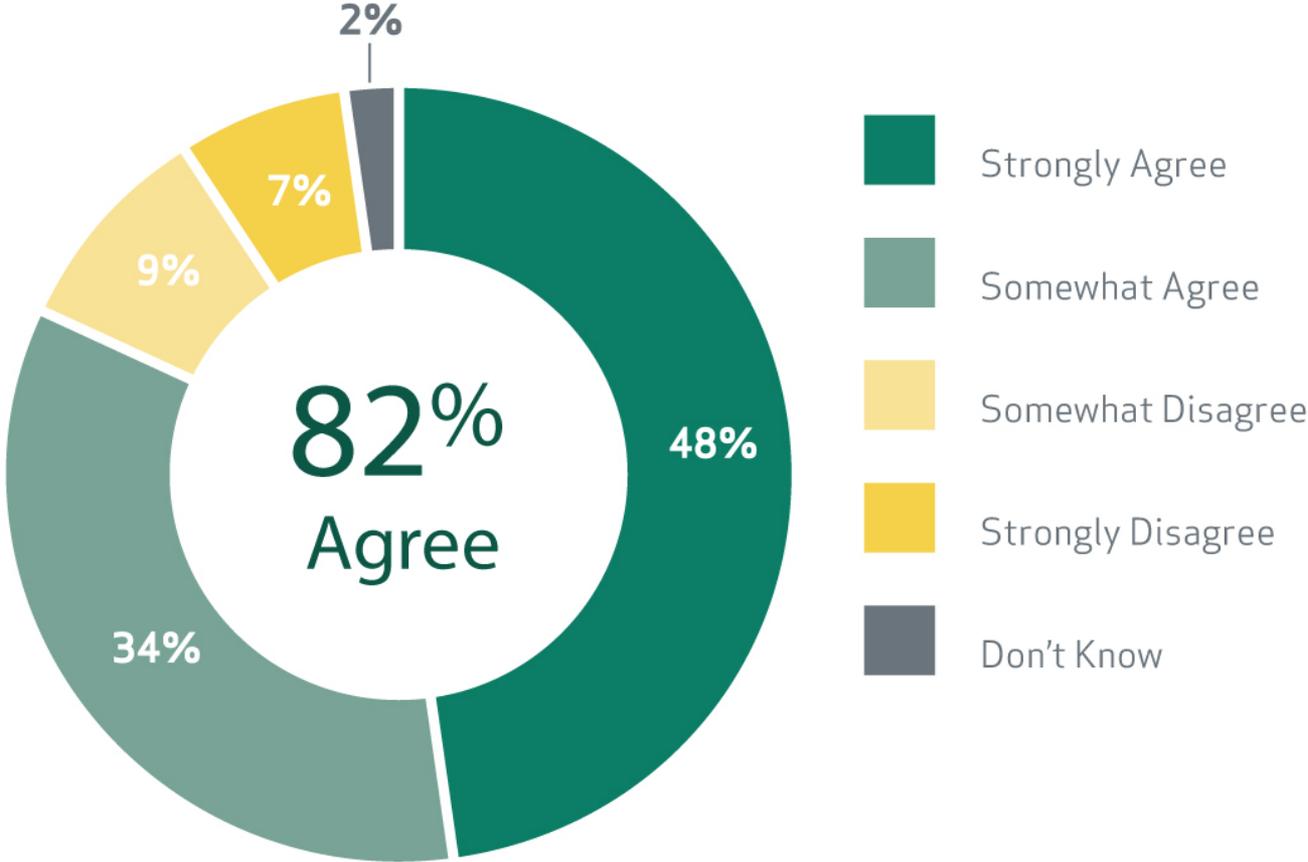
Strong Support for Public Pensions Because Employees Pay

To what extent do you agree/disagree that state/local employees deserve benefits because they finance cost by contributing from every paycheck?



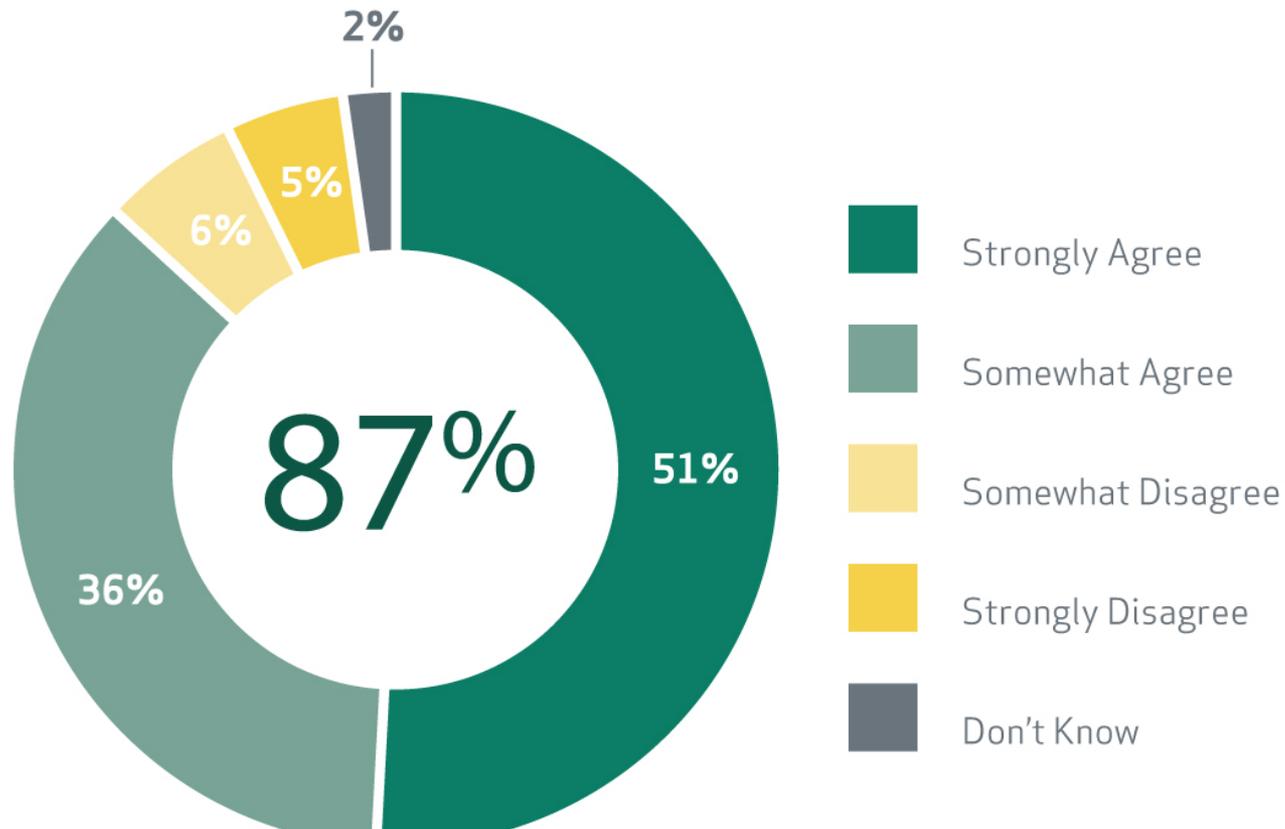
Americans Want Pensions for All

To what extent do you agree/disagree that all workers, not just those employed by state/local governments, should have a pension?



Economic Imperative for Retirement Security

To what degree do you agree/disagree that increasing numbers of Baby Boomers retiring without pensions & inadequate savings is putting stress on families and the economy?



Questions?



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