Retirement Security 2015: Roadmap for Policy Makers
Americans’ Views of the Retirement Crisis

Sixth Annual Retirement Policy Conference

Shaking Up Retirement | Rethinking Financial Security for Americans

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7 Key Findings

1. Overwhelming majority of Americans, **86 percent**, believe there is a retirement crisis.

2. Americans remain highly anxious about retirement outlook (**75 percent**), but concern has dissipated slightly as economy recovers.

3. Some **82 percent** say a pension worth having because provides steady income that won’t run out; **67 percent** willing to take less in pay increases in exchange for guaranteed retirement income.
7 Key Findings (continued)

4. Americans feel leaders in Washington do not understand retirement struggle (87 percent), support state efforts to set up retirement plans for uncovered workers (71 percent).

5. Americans say retirement benefits almost as important as salary. Salary viewed as important by 75 percent of Americans, retirement benefits by 72 percent.

6. Americans support pensions for public employees. Few Americans (25 percent) understand that public employers pay for 25 percent or less of public pension costs.

7. Protecting Social Security benefits important: 73 percent say it’s a mistake to cut for current retirees; 69 percent oppose cuts for future retirees.
American Understand There Is A Retirement Crisis

Figure 1: **86 Percent Believe The Nation Faces a Retirement Crisis**

Would you say you agree or disagree that America is facing a retirement crisis?

- **86%** Agree
- **57%** Strongly Agree
- **30%** Somewhat Agree
- **8%** Somewhat Disagree
- **3%** Strongly Disagree
- **2%** Don't Know
Americans Remain Anxious About Retirement

Figure 7: 74 Percent Are Concerned About Their Ability to Achieve Secure Retirement

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

- Very Concerned: 41%
- Somewhat Concerned: 33%
- Not Too Concerned: 16%
- Not At All Concerned: 10%
- Don't Know: 1%
Americans Will Cut Retirement Spending, Stay In Current Job To Cope

Figure 3: Americans Plan to Stay In Their Jobs, Cut Current Spending to Ensure Secure Retirement

Which of the following, if any, do you plan to do to help ensure a financially secure retirement? Will you...

- **Yes**
- **No**
- **Don’t Know**

- Cut Spending in Retirement: 77% Yes, 17% No, 6% Don’t Know
- Stay in Current Job As Long As Possible: 72% Yes, 24% No, 3% Don’t Know
- Cut Back Current Spending: 64% Yes, 31% No, 5% Don’t Know
- Save 1-4% More: 63% Yes, 28% No, 9% Don’t Know
- Seek Full or Part-time Employment in Retirement: 56% Yes, 35% No, 10% Don’t Know
- Save 5% More: 53% Yes, 42% No, 6% Don’t Know
Retirement Benefits Almost As Important As Salary

Figure 23: Three-fourths of Americans Say Retirement Benefits are an Important Job Feature

When making job decisions, how important are the following job features to you?
- Extremely Important
- Very Important
- Somewhat Important
- Not Too Important
- Not at All Important
- Don’t Know

- Retirement Benefits
  - Extremely Important: 31%
  - Very Important: 36%
  - Somewhat Important: 22%
  - Not Too Important: 1%
  - Not at All Important: 3%
  - Don’t Know: 4%

- Work-Life Balance
  - Extremely Important: 37%
  - Very Important: 35%
  - Somewhat Important: 21%
  - Not Too Important: 1%
  - Not at All Important: 3%
  - Don’t Know: 4%

- Salary
  - Extremely Important: 34%
  - Very Important: 36%
  - Somewhat Important: 22%
  - Not Too Important: 1%
  - Not at All Important: 3%
  - Don’t Know: 4%

- Job Security
  - Extremely Important: 44%
  - Very Important: 32%
  - Somewhat Important: 18%
  - Not Too Important: 2%
  - Not at All Important: 0%
  - Don’t Know: 0%

- Personal Satisfaction
  - Extremely Important: 41%
  - Very Important: 37%
  - Somewhat Important: 20%
  - Not Too Important: 0%
  - Not at All Important: 0%
  - Don’t Know: 0%

- Health Insurance
  - Extremely Important: 40%
  - Very Important: 40%
  - Somewhat Important: 11%
  - Not Too Important: 2%
  - Not at All Important: 0%
  - Don’t Know: 0%
Strong, Growing Support For Pensions, Guaranteed Income

Figure 12: 82 Percent Agree A Pension is Worth Having For Steady Income That Lasts

To what extent do you agree or disagree that a pension is worth having because it provides steady income that won’t run out—even if you didn’t spend your full career at the company offering the pension plan.
88 Percent Of Americans Support Public Pensions For Police, Fire

Figure 25: 88 Percent Say That Police Officers and Firefighters Deserve a Secure Retirement With a Pension Because of Their Risky Jobs

Please tell me whether you agree or disagree that police and firefighters have agreed to take jobs that involve risks and therefore deserve pensions that will afford them a secure retirement.
75 Percent Of Americans Support Public Pensions For Teachers

Figure 26: Three Quarters (75%) Say Public School Teachers Deserve Pensions Because of Their Low Pay

Please tell me whether you agree or disagree that public school teachers deserve pensions to compensate for lower pay.
Americans Misunderstand Who Pays For Public Pensions

Figure 30: Only 25 Percent of Americans Understand that Taxpayers Pay for About One-Fourth of the Cost of Pensions

What percentage of public pensions do you think is paid for by taxpayers?

- 25% Understand
- 19%
- 18%
- 15%
- 25%
- 25% or less
- 25 - 49%
- 50-74%
- 75% or higher
- Don’t Know
87 Percent Say Pensions Tool To Recruit Public Workforce

Figure 33: 87% of Americans Say Pensions Are Good Tool to Recruit Teachers, Police, Firefighters

Are pensions a good way to recruit and retain qualified teachers, police officers and firefighters?
Figure 24: **Retirement Benefits are Significantly More Important to Public Workers as Compared to Private Sector Workers**

When making job decisions, how important are the following job features to you?

- Salary Extremely or Very Important
- Retirement Benefits Extremely or Very Important

**PUBLIC SECTOR EMPLOYEES**
- Salary: 57
- Retirement Benefits: 88

**PRIVATE SECTOR EMPLOYEES**
- Salary: 82
- Retirement Benefits: 65
Americans Agree That Everyone Should Have A Pension

Figure 28: 81 Percent of Americans Say All Workers Should Have a Pension

I would like to ask how you feel about the pensions that are sometimes given to state and local government employees. For each of the following statements, please tell me whether you agree or disagree that all workers, not just those employed by state and local governments, should have access to this kind of pension.
Many Americans Concerned They May Have To Sell Home In Retirement

Figure 5: 42 Percent of Americans Are Worried They Will Have to Sell Their Homes to Be Financially Secure In Retirement

How concerned are you that someday you may have to sell your home in order to ensure a secure retirement?

- Very Concerned: 21%
- Somewhat Concerned: 24%
- Not Too Concerned: 28%
- Not At All Concerned: 5%
- Don’t Own Home: 21%

42%
71 Percent Support State Efforts To Expand Retirement Savings for All Americans

Figure 20: 71% Think That State Sponsored Retirement Plans Are a Good Idea.

- Very Good Idea: 20%
- Pretty Good Idea: 51%
- Pretty Bad Idea: 12%
- Very Bad Idea: 13%
- Don't Know: 3%
Portability, Monthly Check Most Attractive Features of State Plans

Figure 22: Portability and Receipt of a Monthly Check are the Most Attractive Features of the State Plan
How appealing are each of the following aspects of this new type of retirement plan?

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

[Bar chart showing the appeal levels for various features of state plans]
Americans Continue to Oppose Social Security Cuts (73 Percent)

Figure 35:
Americans Overwhelmingly Oppose Cuts to Social Security for Current Retirees

To what extent do you agree or disagree that government should cut spending in all areas, even if it means reducing Social Security benefits for CURRENT retirees.

- Strongly Agree
  - 2015: 10%
  - 2013: 12%
  - 2011: 11%

- Somewhat Agree
  - 2015: 14%
  - 2013: 20%
  - 2011: 19%

- Somewhat Disagree
  - 2015: 20%
  - 2013: 22%
  - 2011: 17%

- Strongly Disagree
  - 2015: 53%
  - 2013: 45%
  - 2011: 51%

- Don’t Know
  - 2015: 3%
  - 2013: 1%
  - 2011: 2%
Questions?