

# **AARP Bulletin Survey on Social Security**

**July 2010**

A light gray, curved decorative element is located at the bottom of the page, mirroring the shape of the red element at the top. It is a simple, solid-colored curve that spans across the width of the page.



## **AARP Bulletin Survey on Social Security**

**Copyright © 2010  
AARP  
Research & Strategic Analysis  
601 E Street, NW  
Washington, DC 20049**

***Reprinting with Permission***

AARP is a nonprofit, nonpartisan membership organization that helps people 50+ have independence, choice and control in ways that are beneficial and affordable to them and society as a whole. AARP does not endorse candidates for public office or make contributions to either political campaigns or candidates. We produce **AARP The Magazine**, the definitive voice for 50+ Americans and the world's largest-circulation magazine with over 35.7 million readers; **AARP Bulletin**, the go-to news source for AARP's millions of members and Americans 50+; **AARP VIVA**, the only bilingual U.S. publication dedicated exclusively to the 50+ Hispanic community; and our website, AARP.org. AARP Foundation is an affiliated charity that provides security, protection, and empowerment to older persons in need with support from thousands of volunteers, donors, and sponsors. We have staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

AARP collected the data for this project through a telephone survey administered by Social Science Research Solutions (SSRS). This report was written by Colette Thayer, Senior Research Advisor, AARP Strategic Issues Research. All media inquiries about this report should be directed to (202) 434-2560. For all other questions, contact the author at [cthayer@aarp.org](mailto:cthayer@aarp.org).

The AARP Bulletin recently commissioned a nationwide survey on Social Security. The survey of people at least 18 years old asked respondents about their planned or actual sources of income in retirement. It also asked people at least 50 years old whether they think Social Security will be (or is) more, less, or equally important to their retirement income than they thought it would be in their 20's or 30's. In addition, the survey addressed whether people favor or oppose cutting Social Security as a way to help reduce the deficit and it also asked respondents whether they personally know someone who receives Social Security payments.

The survey was conducted via telephone by SSRS, an independent research company, from May 12-16, 2010 among a nationally representative sample of 1,004 respondents aged 18 and older. The margin of error for total respondents is +/- 3.09% at the 95% confidence level.

Key findings are presented below, followed by more detailed findings and the annotated questionnaire.

### **Key findings**

- Almost a third (31%) of people aged 18+ rely or plan to rely on Social Security “in a substantial way” for their retirement income, and over half (55%) of people aged 65+ say they do or plan to. However, nearly four in ten adults under age 35 (39%) say they “do not plan to rely on Social Security at all” for their retirement income.
- A quarter (25%) of adults say they rely or plan to rely most on payments from Social Security for their retirement income. This is the most commonly cited largest source of retirement income. People aged 50+ are more likely to say they rely or plan to rely most on payments from Social Security for their retirement income than people under 50 (41% vs. 13%).
- When people aged 50+ are asked whether they think Social Security is or will be more, less, or equally important to their retirement income than they thought it would be when they were in their 20's or 30's, 65% say at least equally important, with fully half (50%) saying more important. In fact, a third (34%) think it is or will be “much” more important than they did when they were younger.
- One in five adults (21%) say they rely or plan to rely most on money accumulated through savings and/or investments for their retirement income while fewer (14%) say they rely or plan to rely most on money from a 401(k) for their retirement income.
- Only 13% of adults say they rely or plan to rely most on pension payments from a company pension plan for their retirement income. People aged 50+ are more likely to say they rely or plan to rely most on pension payments from a company pension plan for their retirement income than people under 50 (16% vs. 10%), however this is still fewer than one in five people aged 50+.
- Over eight in ten people (81%) oppose cutting Social Security as a way to help reduce the deficit. In fact, over seven in ten (71%) “strongly” oppose it. Moreover, opposition to cutting Social Security as a way to help reduce the deficit is high across age groups.

## Detailed Findings

### Personally know someone on Social Security

- Most people (71%) personally know someone on Social Security. People aged 50+ are more likely to personally know someone on Social Security than people under 50 years old (87% vs. 58%). However, roughly half (51%) of people under 35 years old do know someone on Social Security.

### Reliance on Social Security for retirement income

- Almost a third of people (31%) rely or plan to rely on Social Security “in a substantial way” for their retirement income.
- Over half (55%) of people aged 65+ say they rely or plan to rely on Social Security “in a substantial way for their retirement income.”
- People at least 45 years old are more likely than younger people to say they rely or plan to rely on Social Security “in a substantial way” for their retirement income.

Age 18-34	Age 35-44	Age 45-54	Age 55-64	Age 65+
17%	24%	32%	41%	55%

- Nearly four in ten adults under age 35 (39%) say they “do not plan to rely on Social Security at all” for their retirement income.

Age 18-34	Age 35-44	Age 45-54	Age 55-64	Age 65+
39%	24%	24%	12%	6%

- Women are more likely than men to say they rely or plan to rely on Social Security “in a substantial way” for their retirement income (36% vs. 26%)
- People whose annual household income is under \$25,000 are more likely to say they rely or plan to rely on Social Security “in a substantial way” for their retirement income.

Household income Under \$25k	Household income \$25k-\$49.9k	Household income \$50k- \$74.9k	Household income \$75k or more
44%	37%	29%	19%

- Women (29%) are more likely than men (22%) to say they rely or plan to rely most on Social Security for their retirement income.

- As people age, they are more likely to say they rely or plan to rely most on Social Security for their retirement income.

Age Under 50	Age 50+
13%	41%

Age 18-34	Age 35-44	Age 45-54	Age 55-64	Age 65+
8%	18%	27%	37%	51%

- As annual household income decreases, people are more likely to say they rely or plan to rely most on Social Security for their retirement income

Household income Under \$25k	Household income \$25k-\$49.9k	Household income \$50k- \$74.9k	Household income \$75k or more
45%	34%	17%	6%

- As education decreases, people are more likely to say they rely or plan to rely most on Social Security for their retirement income

High school degree or less	Some college	College degree or more
35%	21%	13%

#### Reliance on savings and/or investments for retirement income

- Men (25%) are more likely than women (18%) to say they rely or plan to rely most on savings and/or investments for their retirement income.
- As people age, they are less likely to say they rely or plan to rely most on savings and/or investments for their retirement income.

Age Under 50	Age 50+
29%	12%

- In fact, adults under age 35 are more likely to say they rely or plan to rely most on savings and/or investments for their retirement income.

Age 18-34	Age 35-44	Age 45-54	Age 55-64	Age 65+
40%	13%	17%	12%	11%

### Reliance on money from a 401(k) for retirement income

- Only one in five (21%) adults under age 50 say they rely or plan to rely most on money from a 401(k) for their retirement income. However, they are more likely than those aged 50+ to say it.

Age Under 50	Age 50+
21%	6%

Age 18-34	Age 35-44	Age 45-54	Age 55-64	Age 65+
20%	23%	15%	6%	*

- Adults with at least a college degree are more likely than those with less education say they rely or plan to rely most on money from a 401(k) for their retirement income.

High school degree or less	Some college	College degree or more
9%	14%	23%

### Reliance on pension payments from a company pension plan for retirement income

- People aged 50+ are more likely than younger adults to say they rely or plan to rely most on pension payments from a company pension plan for their retirement income. In fact, people aged 55-64 are more likely than those under 54 years old to say this.

Age Under 50	Age 50+
10%	16%

Age 18-34	Age 35-44	Age 45-54	Age 55-64	Age 65+
9%	11%	13%	20%	15%

- People with at least some college education are more likely than those with less education to say they rely or plan to rely most on pension payments from a company pension plan for their retirement income.

High school degree or less	Some college	College degree or more
8%	18%	17%

### Sources of retirement income for people aged 50+

- People aged 50+ are more likely to rely on (or plan to rely on) the following sources of retirement income “in a substantial way” than people under 50 years old: payments from Social Security (44% vs. 22%), pension payments from a company pension plan (31% vs. 23%), and pension payments from a union pension plan (19% vs. 15%).

- People aged 50+ are less likely to rely on (or plan to rely on) the following sources of retirement income “in a substantial way” than people under 50 years old: money accumulated through savings and/or investments (28% vs. 41%), money from a 401(k) (16% vs. 31%), money from an IRA or Keogh plan (15% vs. 22%).

Perceived importance of Social Security compared to younger days

- When people aged 50+ are asked whether they think Social Security is or will be more, less, or equally important to their retirement income than they thought it would be when they were in your 20’s or 30’s, 65% say at least equally important, with fully half (50%) saying more important. In fact, a third (34%) think it is or will be “much” more important than they did when they were younger.

More important

- People aged 65+ are more likely to say “more important” than people aged 50-64. (This includes people who say “somewhat more important” as well as those who say “much more important.”)

Age	Age	Age
50-54	55-64	65+
44%	45%	57%

- In fact, people aged 65+ are more likely to say “much more important” than people aged 50-64.

Age	Age	Age
50-54	55-64	65+
29%	29%	40%

- People whose annual household income is under \$75,000 are more likely to say “more important” than people who earn more. (This includes people who say “somewhat more important” as well as those who say “much more important.”)

Household income	Household income	Household income	Household income
Under \$25k	\$25k-\$49.9k	\$50k- \$74.9k	\$75k or more
55%	66%	47%	28%

- In fact, people whose annual household income is under \$75,000 are more likely to say “much more important” than people who earn more.

Household income	Household income	Household income	Household income
Under \$25k	\$25k-\$49.9k	\$50k- \$74.9k	\$75k or more
46%	39%	32%	10%



Equally important

- People aged 55-64 are more likely to say “equally important” than those younger and older.

Age 50-54	Age 55-64	Age 65+
11%	22%	12%

Less important

- Men (36%) are more likely than women (25%) to say “less important.”
- People whose annual household income is at least \$75,000 are more likely to say “less important” than people who earn less

Household income Under \$25k	Household income \$25k-\$49.9k	Household income \$50k- \$74.9k	Household income \$75k or more
19%	22%	36%	49%

- People with at least some college education are more likely to say “less important” than those with less education.

High school degree or less	Some college	College degree or more
23%	34%	40%

Opinion on cutting Social Security as a way to help reduce the deficit

- Over eight in ten people (81%) oppose cutting Social Security as a way to help reduce the deficit. In fact, over seven in ten (71%) “strongly” oppose it.

	<b>TOTAL</b>
NET favor	14%
Strongly favor	6%
Somewhat favor	8%
NET oppose	81%
Somewhat oppose	11%
Strongly oppose	71%
Don't know	4%
Refused	*

- Opposition to cutting Social Security as a way to help reduce the deficit is high across age groups.

Age Under 50	Age 50+
78%	86%

Age 18-34	Age 35-44	Age 45-54	Age 55-64	Age 65+
74%	84%	79%	86%	92%

## Annotated Questionnaire

*This study was conducted via telephone by SSRS, an independent research company. Interviews were conducted from May 12 – May 16, 2010 among a nationally representative sample of 1,004 respondents age 18 and older. The margin of error for total respondents is +/- 3.09% at the 95% confidence level. More information about SSRS can be obtained by visiting [www.ssrs.com](http://www.ssrs.com).*

SS-1 Do you personally know anyone who is on Social Security?

	Yes	No	Don't know	Refused
	71	29	*	--

SS-2 People rely on different sources of income for their retirement years. I'm going to read you a list of sources. For each source, please tell me whether this is something you rely on or plan to rely on in a substantial way for retirement income, rely on somewhat, or not rely on at all. How about (INSERT)?

a. Payments from Social Security

	RELY ON			Not rely on at all	Don't know	Refused
	NET	In a substantial way for retirement income	Somewhat			
	73	31	42	24	2	1

b. Pension payments from a company pension plan of your own or your spouse

	RELY ON			Not rely on at all	Don't know	Refused
	NET	In a substantial way for retirement income	Somewhat			
	57	27	30	42	1	*

c. Pension payments from a union pension plan of your own or your spouse

	RELY ON			Not rely on at all	Don't know	Refused
	NET	In a substantial way for retirement income	Somewhat			
	36	17	20	61	1	1

d. Money accumulated through savings and/or investments

	RELY ON			Not rely on at all	Don't know	Refused
	NET	In a substantial way for retirement income	Somewhat			
	74	35	39	24	2	*

e. Money from an IRA or Keogh plan

	RELY ON			Not rely on at all	Don't know	Refused
	NET	In a substantial way for retirement income	Somewhat			
	49	19	30	48	2	1

f. Money from an annuity policy with an insurance company

RELY ON				Not rely on at all	Don't know	Refused
NET	In a substantial way for retirement income	Somewhat				
29	7	22		69	2	*

g. Money you can get from selling your house

RELY ON				Not rely on at all	Don't know	Refused
NET	In a substantial way for retirement income	Somewhat				
35	10	26		62	2	1

h. Money from a 401(k)

RELY ON				Not rely on at all	Don't know	Refused
NET	In a substantial way for retirement income	Somewhat				
55	24	31		41	3	1

SS-3 Which of these sources of income do you rely on or plan to rely on **most** for your retirement income?

	5/16/10
Payments from Social Security	25
Pension payments from a company pension plan of your own or your spouse	13
Pension payments from a union pension plan of your own or your spouse	6
Money accumulated through savings and/or investments	21
Money from an IRA or Keogh plan	5
Money from an annuity policy with an insurance company	1
Money you can get from selling your house	2
Money from a 401(k)	14
Something else	2
Don't rely on any/don't know/refused	10

(Asked of respondents age 50+; n = 575)

SS-4 Do you think Social Security is or will be more, less, or equally important to your retirement income than you thought it would be when you were in your 20's or 30's? (IF MORE/LESS, THEN ASK) Is that much or somewhat more/less important?

	MORE IMPORTANT			Equally important	LESS IMPORTANT			Don't know	Refused
	NET	Much	Somewhat		NET	Somewhat	Much		
	50	34	16	15	30	15	15	4	1

SS-5 Some people want Congress to cut spending on entitlement programs to help reduce the federal deficit. Social Security is an entitlement program. Would you favor or oppose cutting Social Security as a way to help reduce the deficit? (GET ANSWER, THEN ASK: Is that Strongly or Somewhat favor/oppose?)

	FAVOR			OPPOSE			Don't know	Refused
	NET	Strongly	Somewhat	NET	Somewhat	Strongly		
	14	6	8	81	11	71	4	*