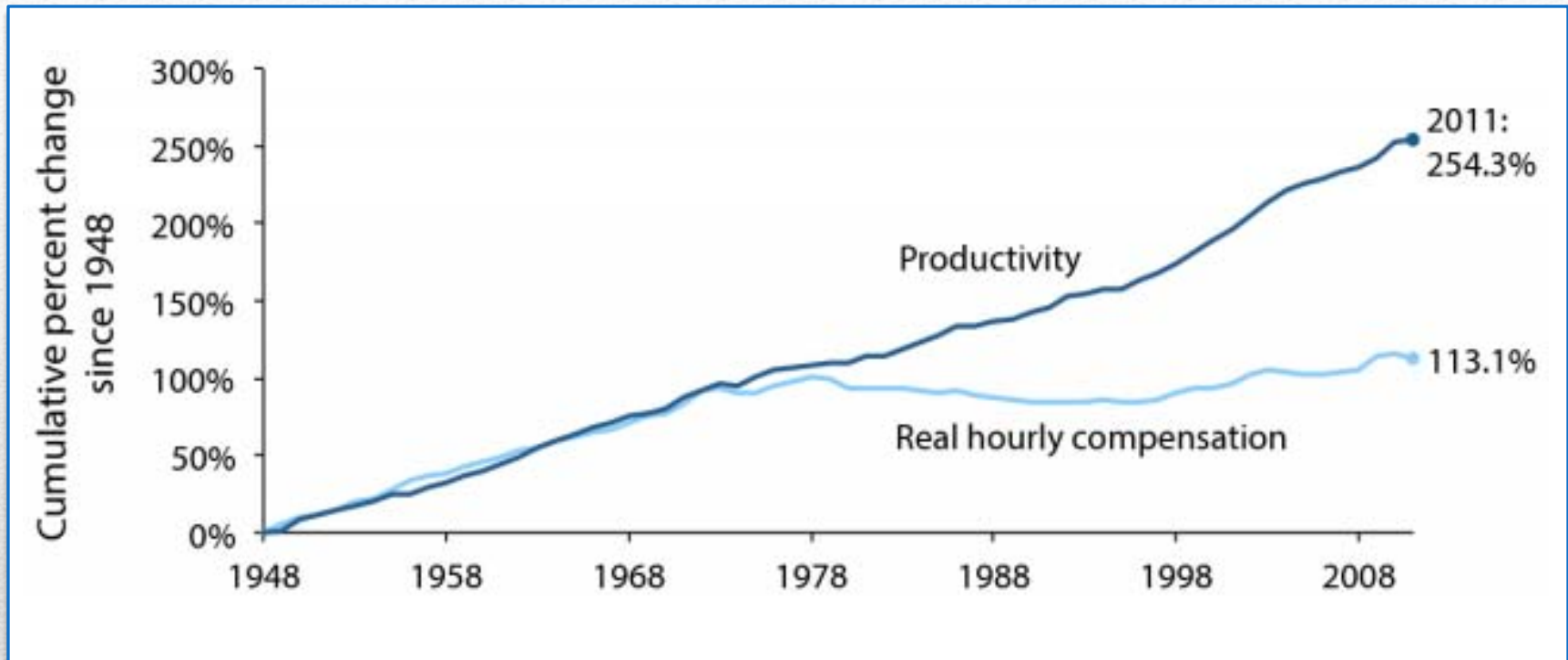




Living Longer, Working Longer – and Social Security
National Academy of Social Insurance
February 1, 2013
Presentation of Damon A. Silvers
Policy Director & Special Counsel

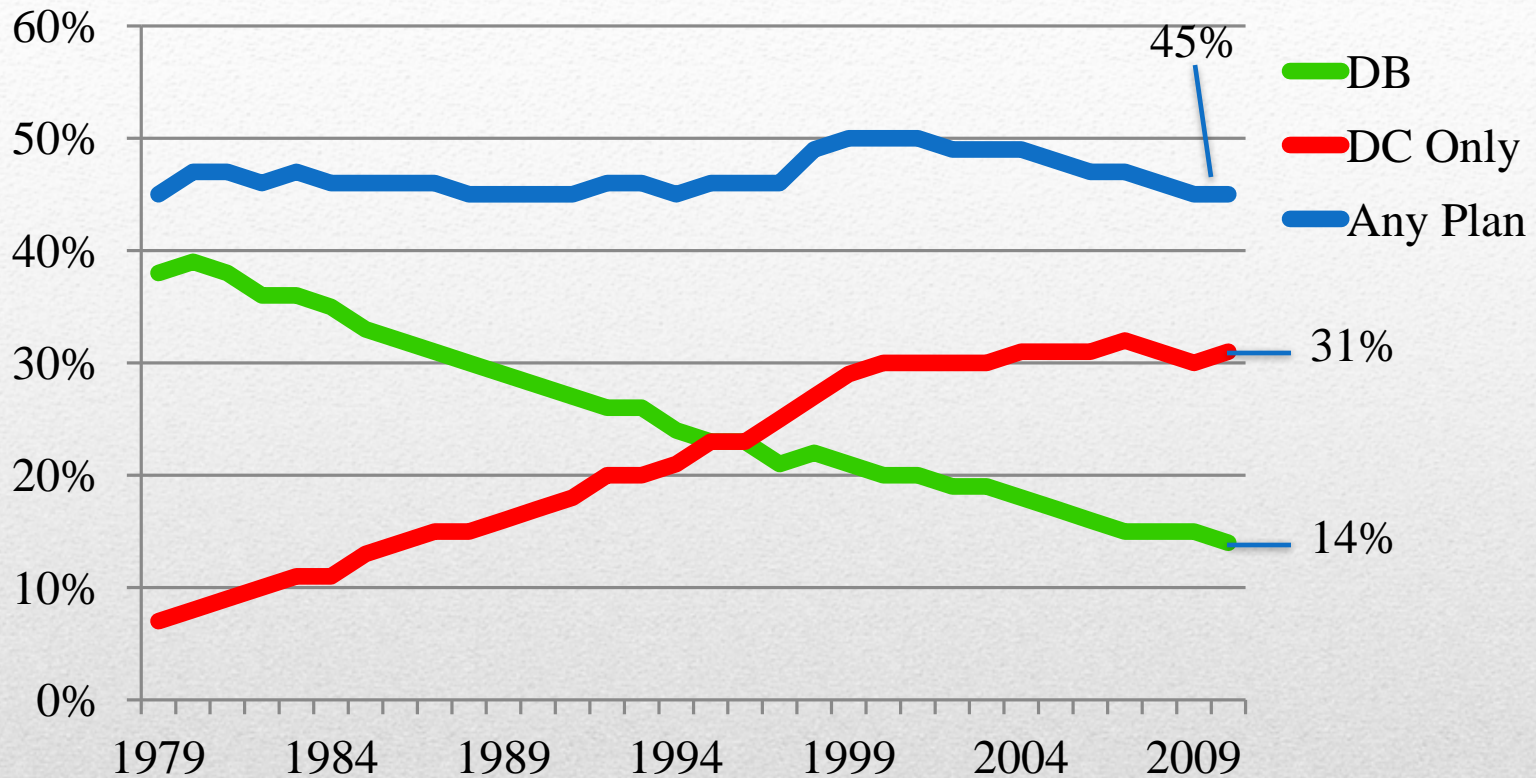
Cumulative change in total economy productivity and real hourly compensation of production/nonsupervisory workers, 1948–2011



Source: State of Working America, 2012

30+ Years of Wage Stagnation

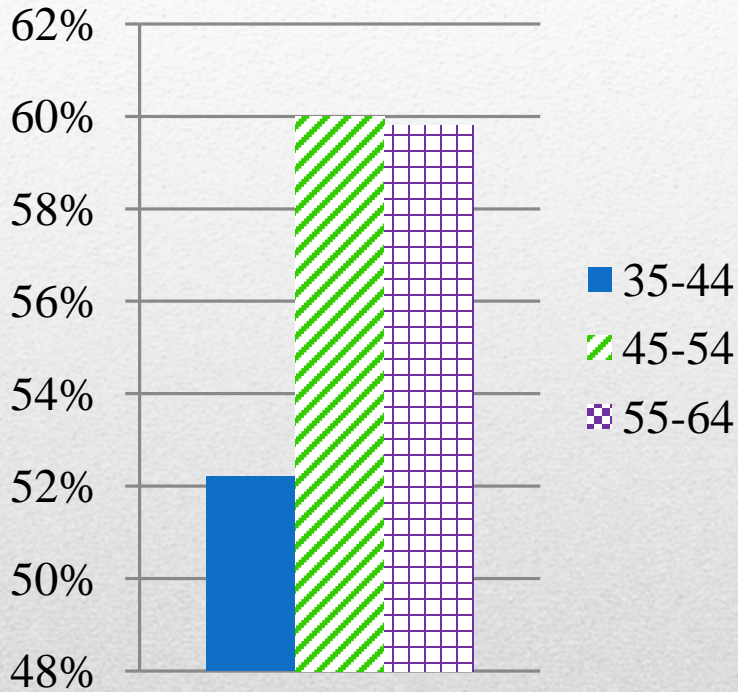
Private Retirement Plan Coverage, 1979-2010



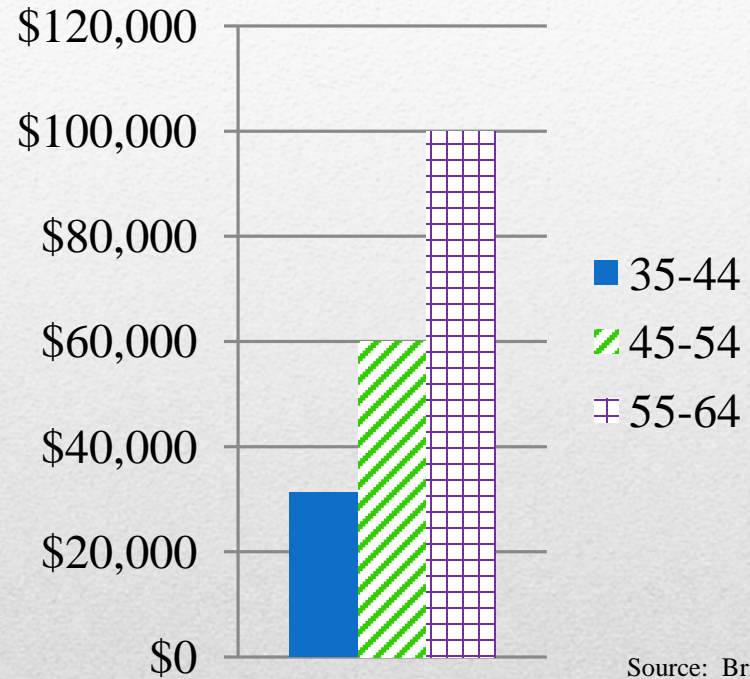
Source: EBRI

Declining Security from the 2nd Leg

Families Holding Retirement Accounts, Age of Family Head



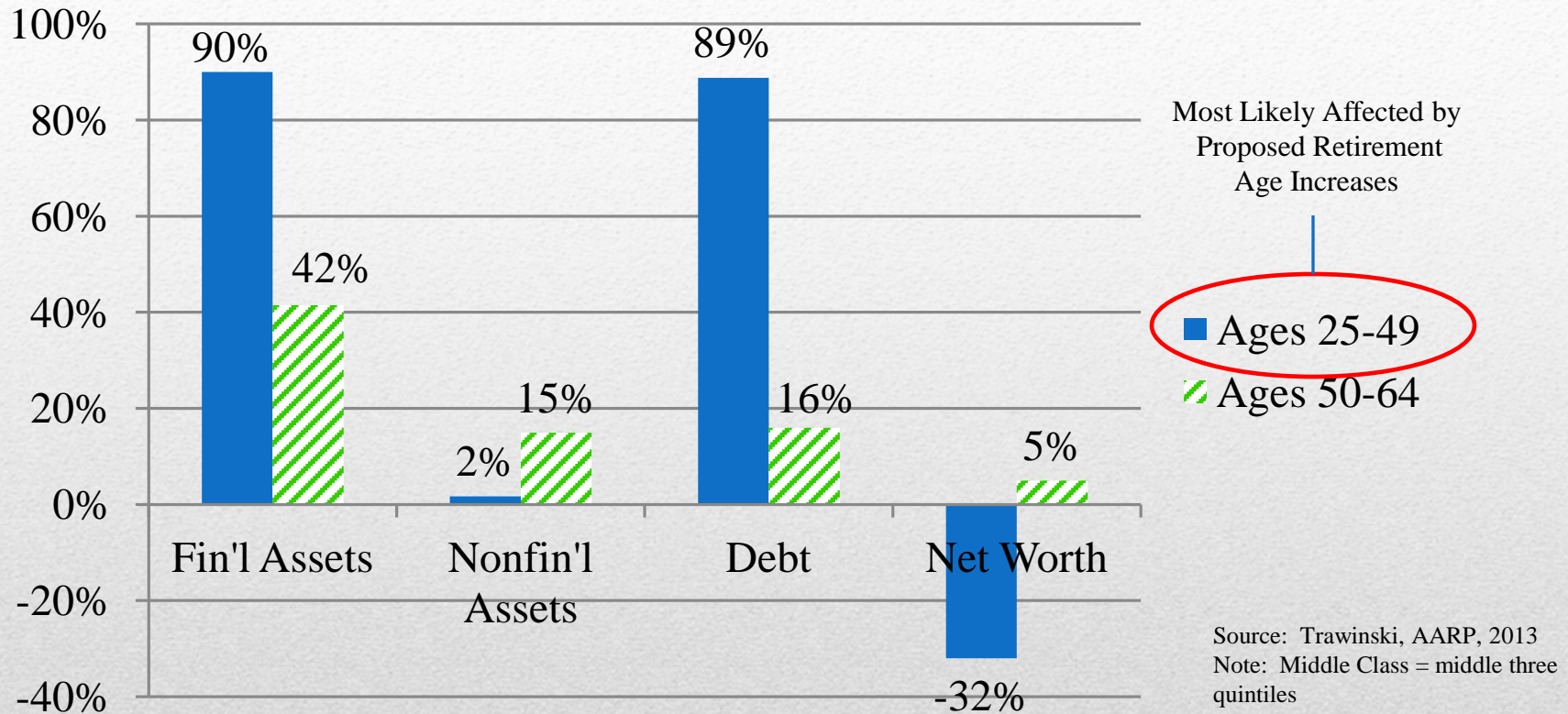
Median Family Retirement Accounts Value for those Holding, Age of Family Head



Source: Bricker, et. al.
Federal Reserve Board of
Governors, 2010 SCF

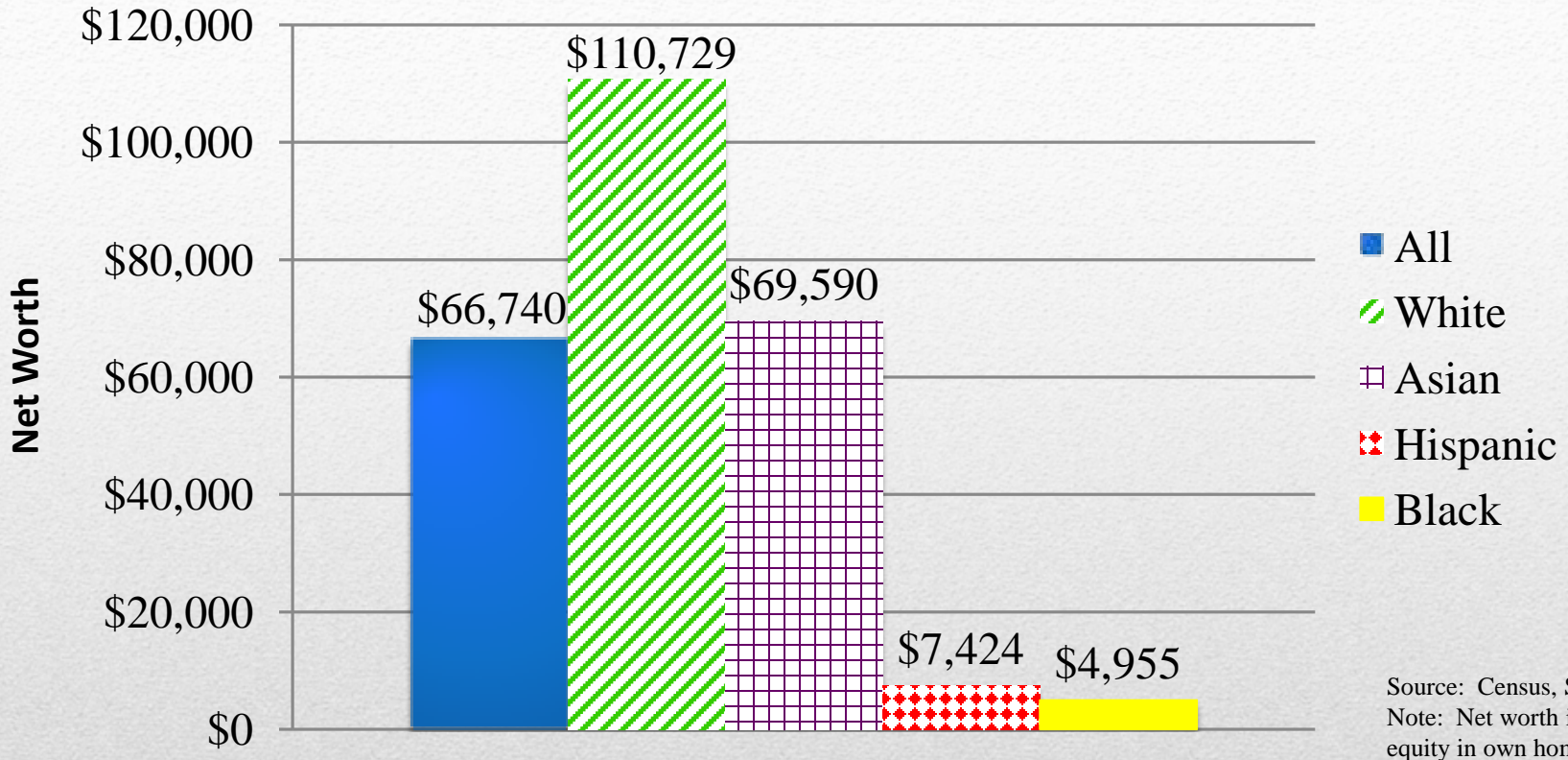
Retirement Savings Not Broad or Deep Enough

Long-term Changes in Middle Class Family Balance Sheets, Age of Family Head, 1989-2010 (change in average value)



Declining Fortunes for Future Retirees

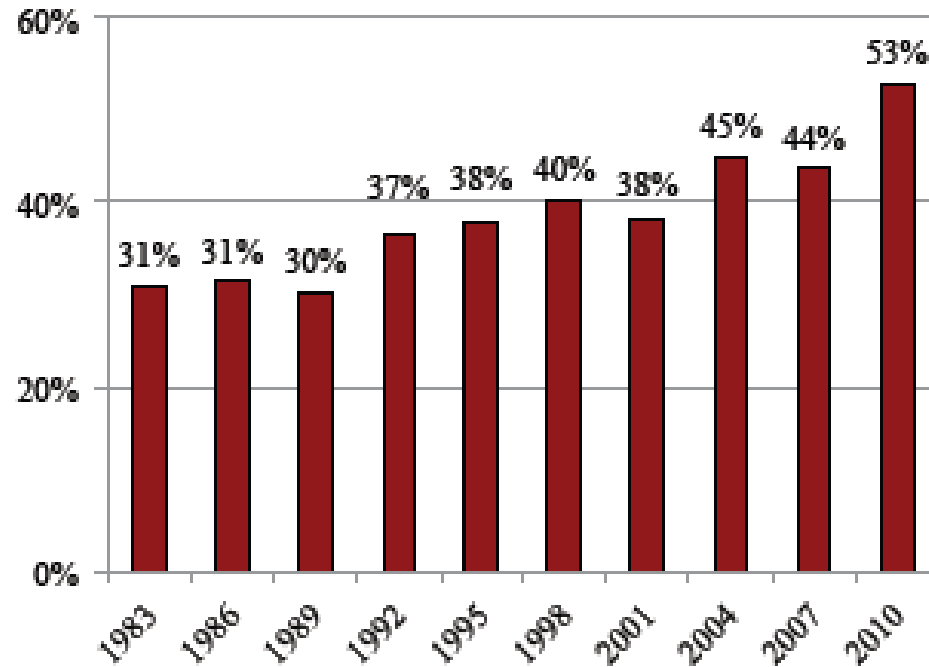
Median Household Net Worth, by Race/Ethnicity, 2010



Wide Wealth Gap by Race

Households at Risk of Not Being Able to Maintain their Standard of Living in Retirement

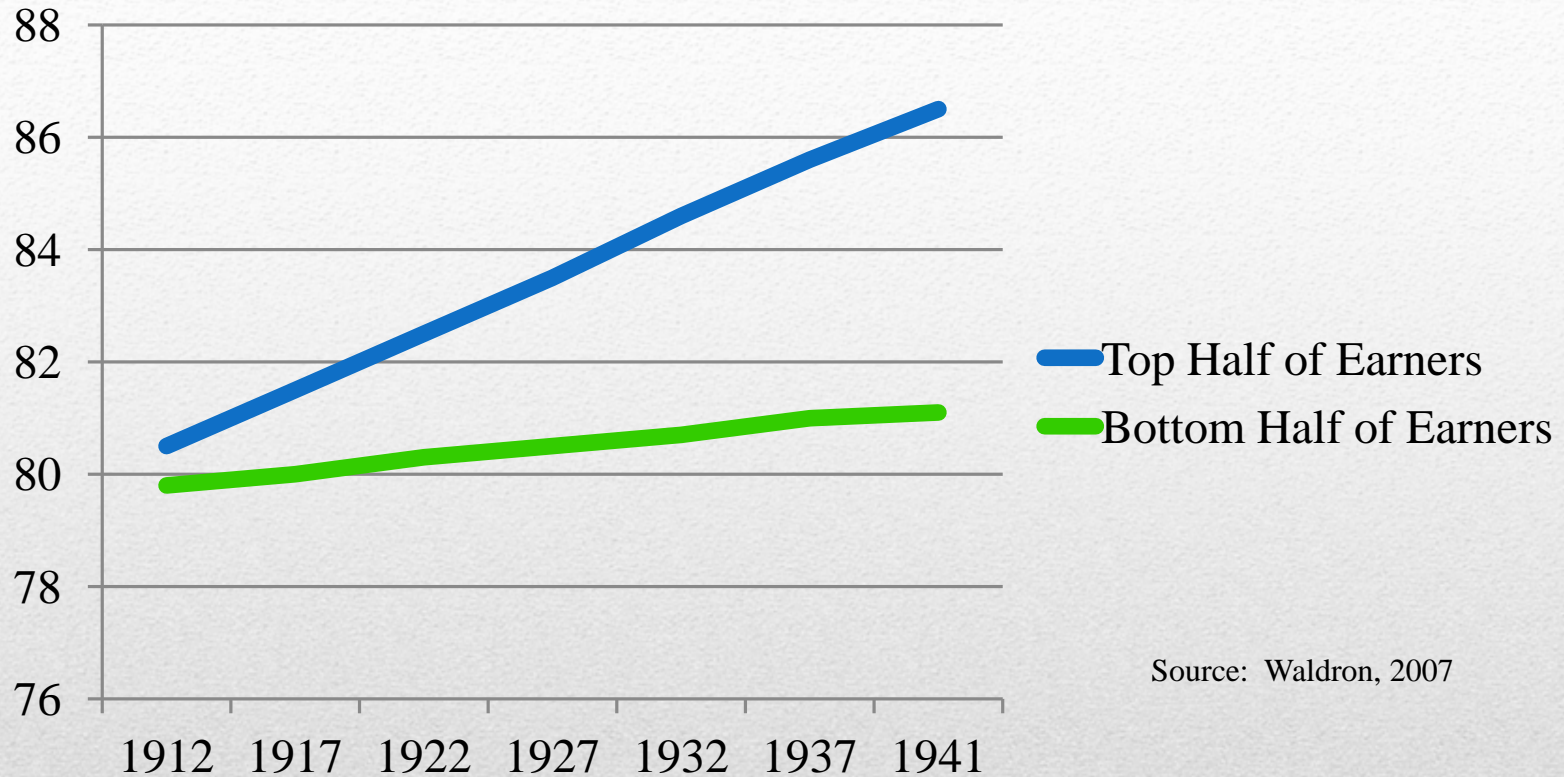
FIGURE 2. THE NATIONAL RETIREMENT RISK INDEX, 1983-2010



Source: Center for Retirement Research

Increasing Retirement Insecurity

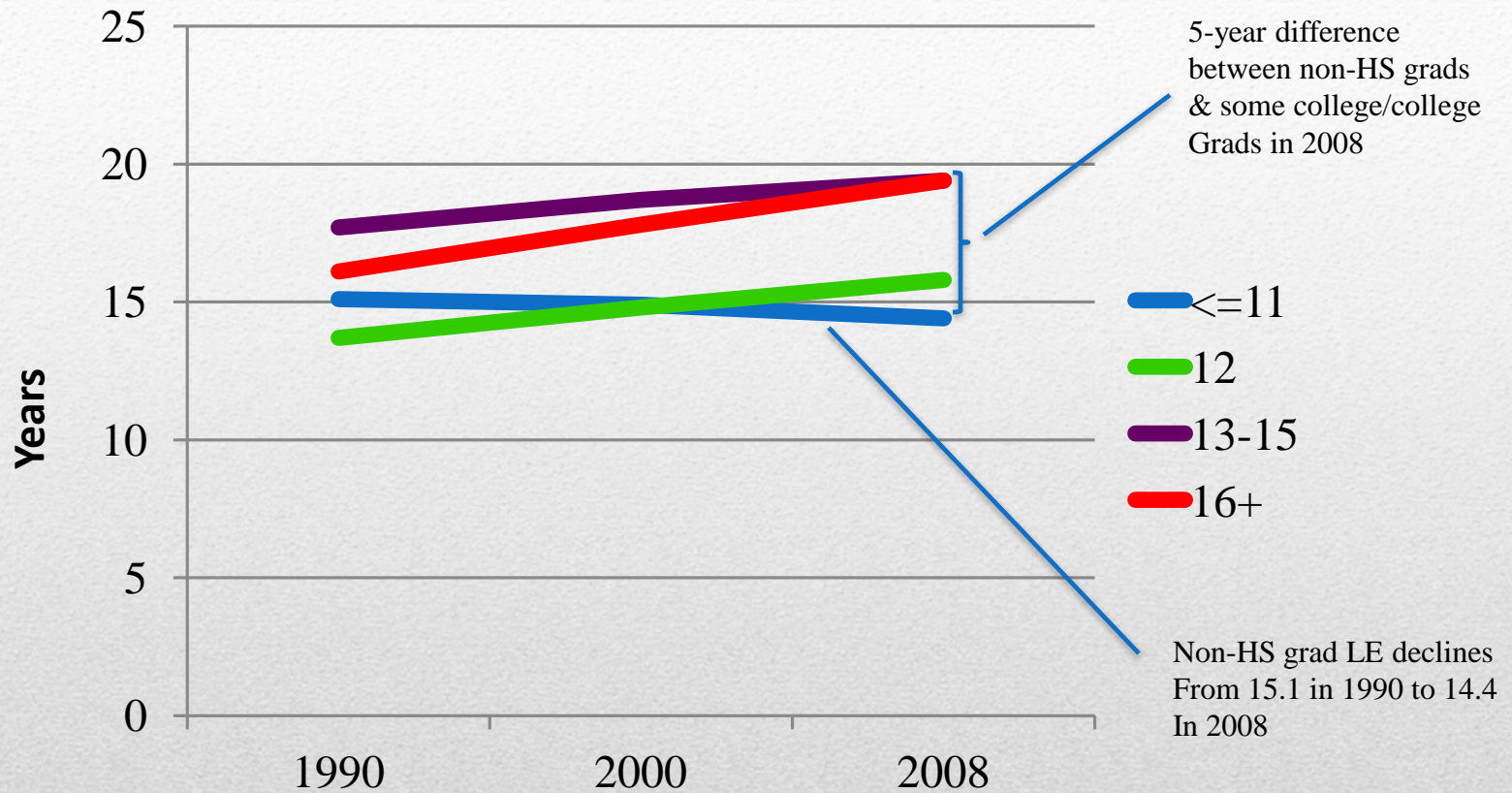
Age-65 Life Expectancy (Age), by Birth Cohort



Source: Waldron, 2007

Growing Life Expectancy
Differences by Earnings

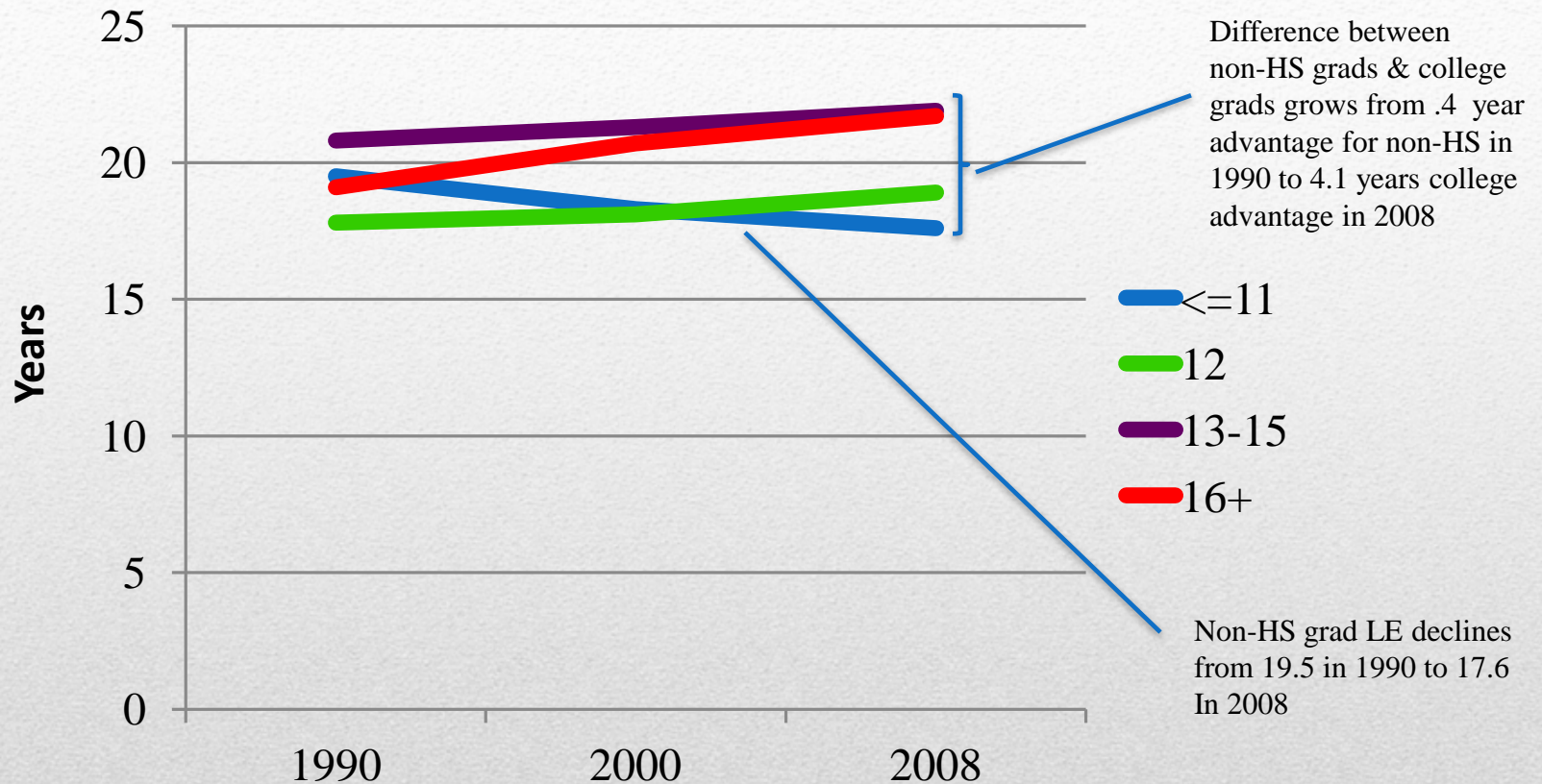
White Male Life Expectancy at 65, by Years of Education (years)



Growing Life Expectancy Differences by Education

Source: Olshansky, et. al, *Health Affairs*, 2012

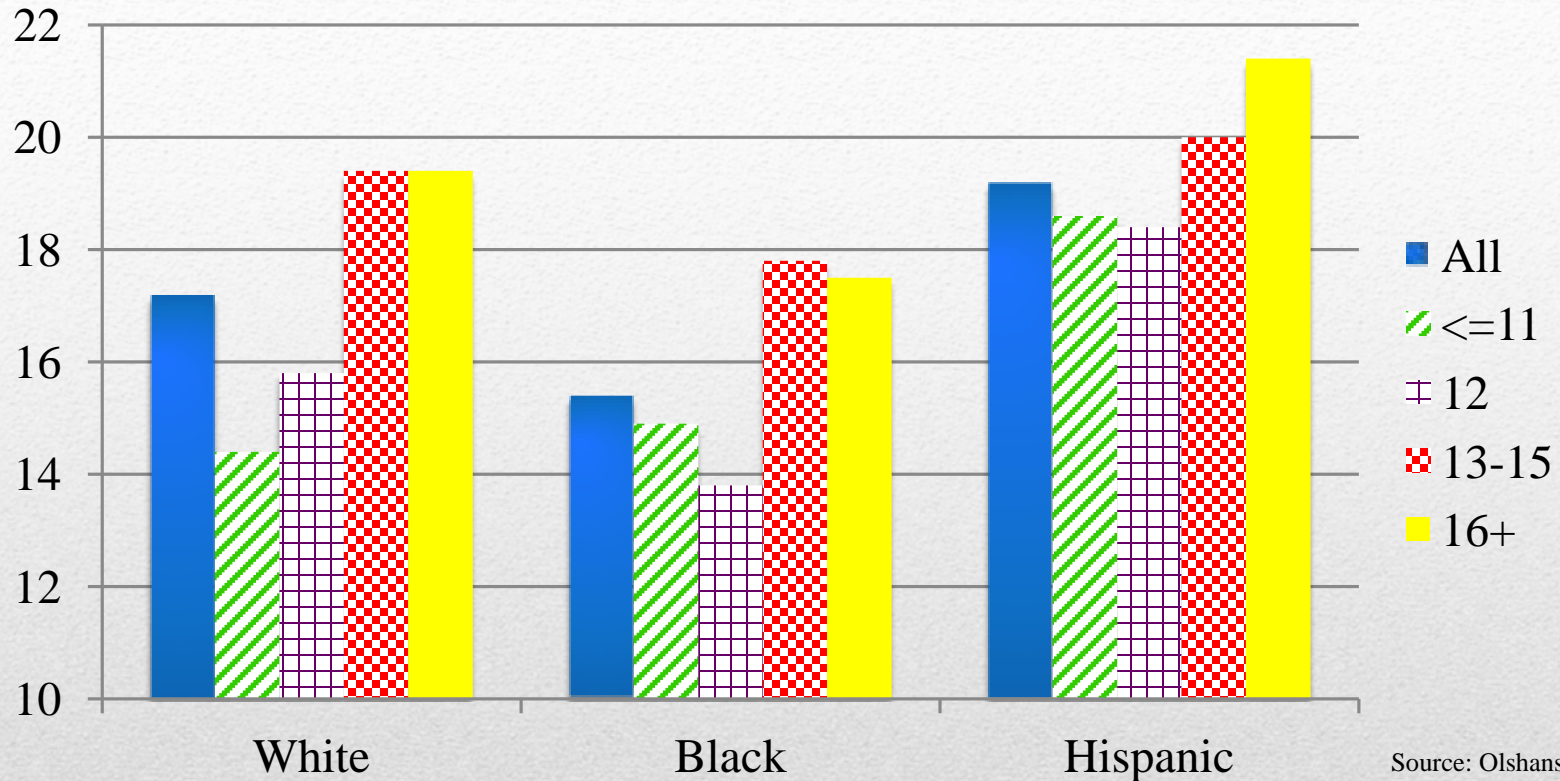
White Female Life Expectancy at 65, by Years of Education (years)



Source: Olshansky, et. al, *Health Affairs*, 2012

Growing Life Expectancy Differences by Education

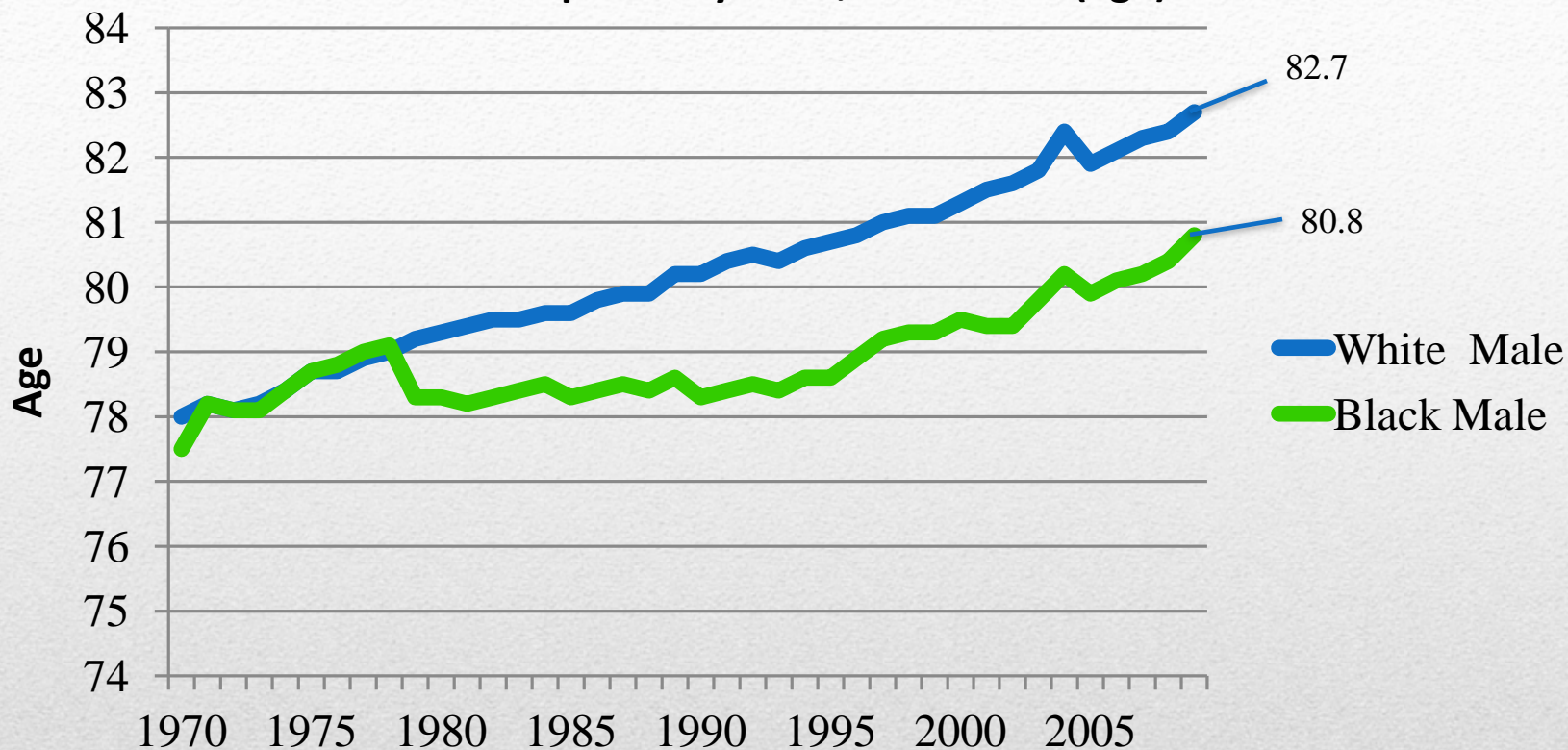
Male Life Expectancy at 65, by Years of Education, 2008 (years)



Source: Olshansky, et. al, *Health Affairs*, 2012

Education-related Life Expectancy Differences Consistent Across Racial/Ethnic Groups

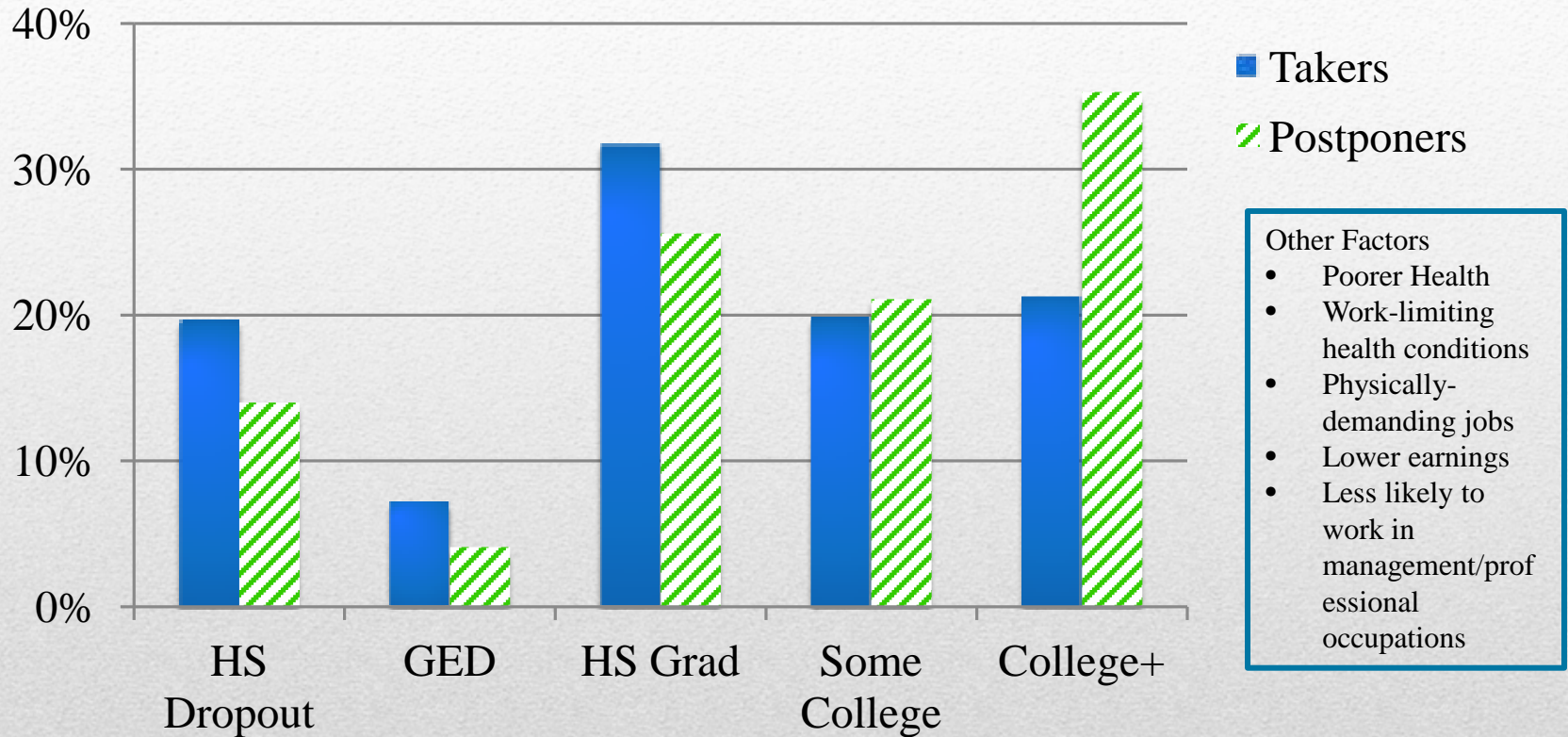
Male Life Expectancy at 65, 1970-2009 (age)



Source: CDC National Vital Statistics System

Continuing Racial Disparities in Life Expectancy

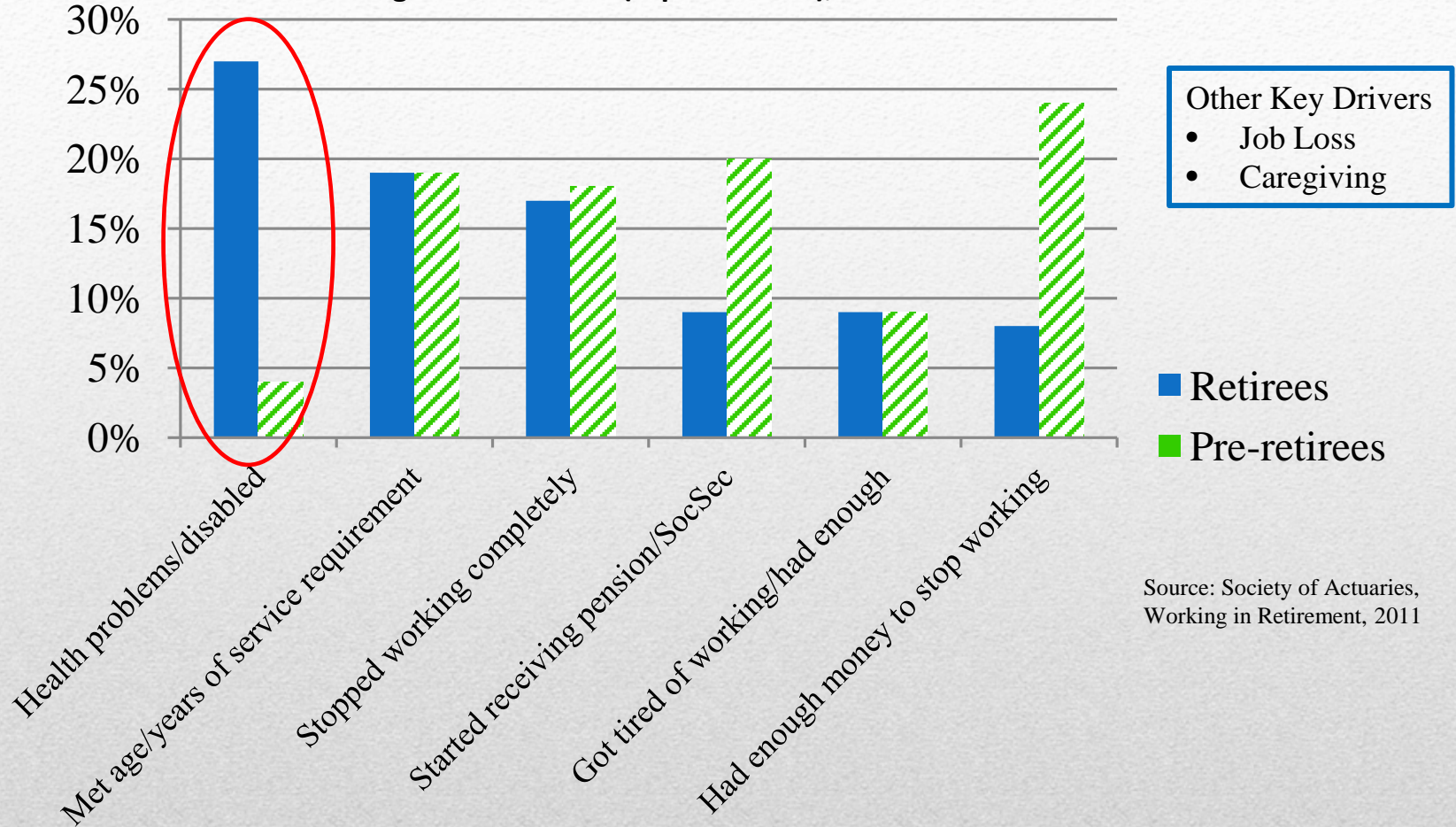
OASI Older Worker Claimants & Postponers Pre-63, 1931-44 Cohorts (by Education)



Source: Li, Hurd & Loughran, Rand

Who Claims at 62?

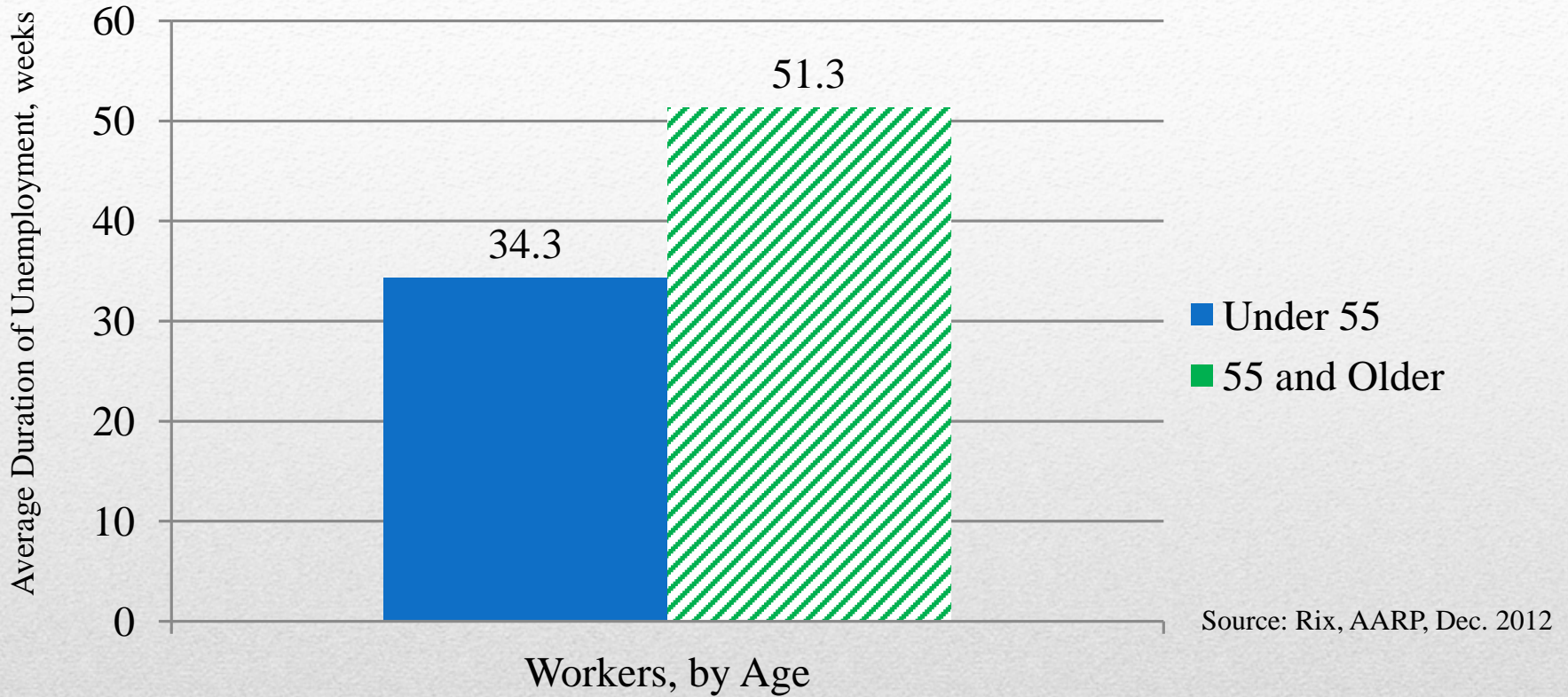
What event or situation occurred/will occur at that age that leads you to say you retired/will retire at that age? What else? (top mentions), 2011



Source: Society of Actuaries, Working in Retirement, 2011

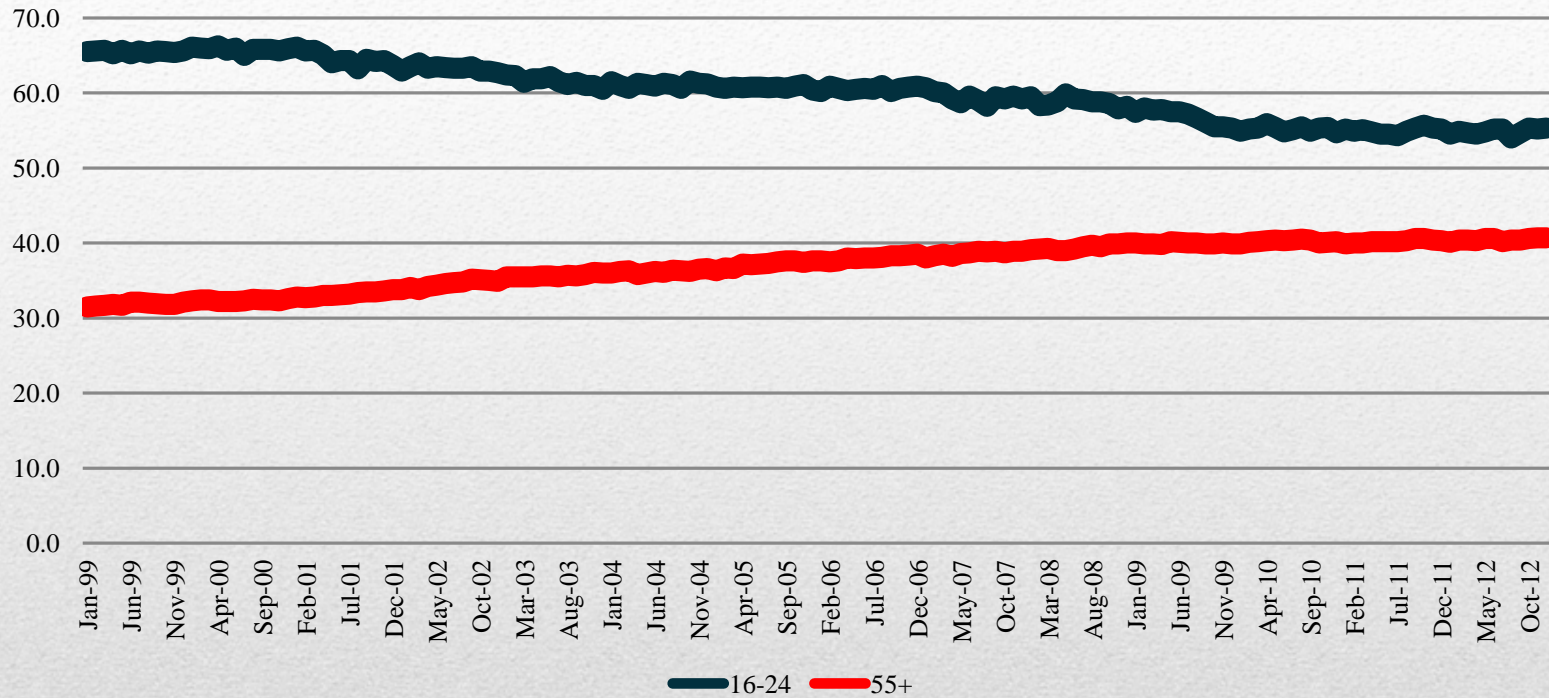
Earlier-than-expected Retirement as a Result of Health and other Drivers

Average Duration of Unemployment (by Age, Dec. 2012)



Older Workers' Difficulty Finding New Jobs

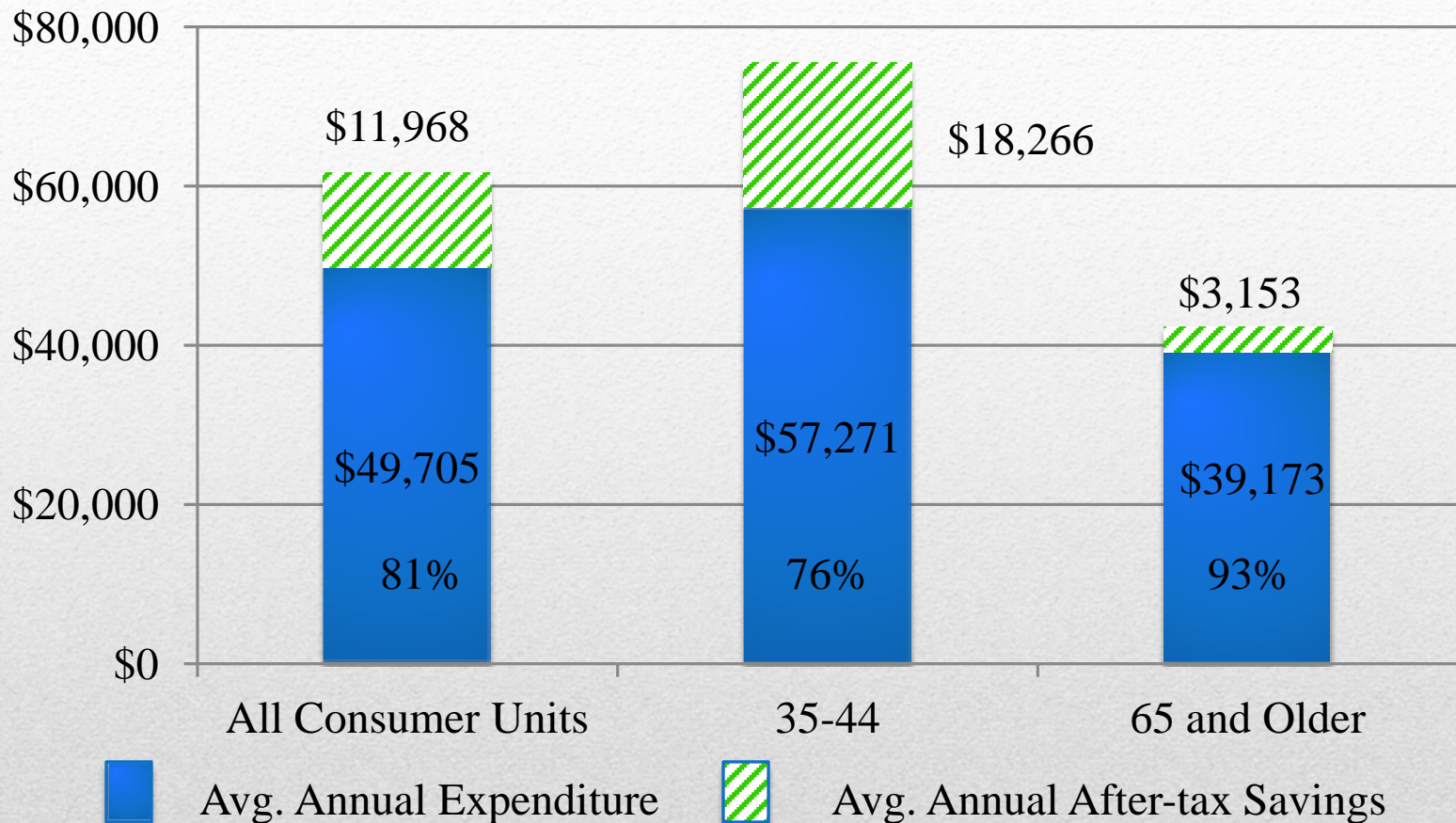
Change in Labor Force Participation, by Age



Source: BLS

More Older Workers, More
Young out of the Labor Force

Average Annual Expenditures and Savings by Consumer Unit, 2011



Source: BLS, CES 2011

What Will Happen to Older Consumption as its Importance Grows?