

**SUMMARY OF FINDINGS**  
**SURVEY OF NON-RETIRED UNION MEMBERS**  
**REGARDING SOCIAL SECURITY REFORM**  
**MARCH 6-10, 2005**

**Key Finding: Members of labor unions think offering personal retirement accounts to workers under age 55 is a good idea by more than a two-to-one margin, so long as nothing changes for workers age 55 and older, and six out of ten union members say they are at least somewhat likely to create an account if given the opportunity.**

This national survey of 600 union members who are still in the workforce, conducted by Ayres, McHenry & Associates with a margin of error of  $\pm 4.0$  percent, demonstrates that union members have significantly different views on Social Security reform and on personal retirement accounts than do the leaders of their unions. The complete survey is available on-line at [www.ayresmchenry.com](http://www.ayresmchenry.com). Among the highlights are:

- 1. Eight out of ten union members have a retirement plan other than Social Security that is invested in bonds or stocks.** Seventy-nine percent of union members have a retirement plan other than Social Security that is invested in bonds or stocks, 6 percent have another plan that is not invested in bonds or stocks, 6 percent have another plan but they do not know if it is invested. Only 8 percent of union members have no retirement plan other than Social Security.
- 2. By almost a two-to-one margin, these respondents think most union members are capable of making their own investment decisions wisely.** Fifty-eight percent of union members think their fellow union members are capable of making wise investment decisions, while 30 percent do not.
- 3. More than seven out of ten union members trust themselves rather than their union or the federal government to manage their retirement savings.** Seventy-two percent of union members trust themselves more to manage their retirement savings accounts, 13 percent trust their union more, and 8 percent trust the federal government more, with the remainder unsure.
- 4. Consequently, six out of ten union members are at least somewhat likely to create a personal retirement account in Social Security if given the chance to do so.** Thirty-five percent of union members say they are very likely to open a personal retirement account in Social Security if given the opportunity, and another 24 percent are somewhat likely. Thirty-six percent say they are not too likely to open such an account.

**5. Three-fourths of union members think the Social Security system is not financially sound and needs significant changes.** Seventy-four percent think the system is not financially sound and needs significant changes, while just 20 percent say it is financially sound and does not need significant changes.

**6. More than three-fourths of union members know that money currently paid into the Social Security system is not being saved to pay future benefits.** Only 12 percent think Social Security money is being saved to pay future benefits, while 77 percent think the money is being spent on other programs with the promise to repay the money later.

**7. Consequently, half of union members are not confident they will actually receive all the Social Security benefits they have been promised.** Twenty-three percent are "not confident at all," and 27 percent are "not very confident" they will actually get all their promised Social Security benefits, for a total of 50 percent not confident. Twenty percent are "very confident" and 29 percent are "somewhat confident" they will actually get their benefits.

**8. More than two-thirds of union members are not confident that today's children and grandchildren will get the Social Security benefits they have been promised if no significant changes are made.** If no significant changes are made in Social Security, 36 percent are "not confident at all," and 32 percent are "not very confident" that today's children and grandchildren will get their promised Social Security benefits. Only 10 percent are "very confident" and 20 percent are "somewhat confident" that children and grandchildren will get their benefits absent significant change.

**9. By more than a two-to-one margin, union members think offering personal retirement accounts to workers under age 55 is a good idea so long as nothing changes for workers 55 and older.** Based on the following description, union members think offering personal retirement accounts is a good idea rather than a bad idea by 62 to 30 percent.

People 55 and older will get the same benefits they have been promised, at the same time they have been promised. Workers under 55 would have the choice of staying in the current system, or taking a portion of their Social Security payments and creating a personal retirement account that they would control. They would only be allowed to invest the money in their personal retirement account in a conservative mix of bond and stock funds, and they could not take the money out until retirement. They could pass those savings on to their spouse, children, or a charity if they died before retirement. Do you think offering this type of personal retirement account to workers under the age of 55 would be a good idea or a bad idea?

**10. By more than a three-to-one margin, union members think it would cost more to make changes to Social Security later than to make changes now.** By a margin of 63 to 19 percent, union members think it would cost more to make changes later than to make them now.

**11. By nearly a four-to-one margin, union members think it would be irresponsible if Congress does not make significant changes to Social Security.** If Congress does not make any significant changes to Social Security, 70 percent think that would be irresponsible and 19 percent think it would be responsible.

## **Methodology**

The sample for this survey consists of 600 respondents drawn randomly from throughout the 50 states plus the District of Columbia. Respondents were selected by random digit dialing to insure that households with both listed and unlisted numbers are included. All respondents indicated they are currently a member of a labor union and that they are not retired. The margin of error is  $\pm 4.0$  percent. Census Bureau estimates of union membership were used to stratify the sample by gender (59 percent male, 41 percent female), by race (73 percent white, 27 percent non-white), and by state.