

AMERICAN BENEFITS COUNCIL

50<sup>TH</sup> ANNIVERSARY SYMPOSIUM: THE FUTURE OF EMPLOYEE BENEFITS



# **Poll Positions: Americans' Views on Employee Benefits**

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**Results from the Council's National Poll,  
November 5-9, 2017**

# Methodology

- Public Opinion Strategies conducted a survey of N=800 registered voters for the American Benefits Council. Of the respondents, 320 interviews were conducted on cell phones.
- The survey was conducted from November 5 to 9, 2017.
- Where noted, questions were asked of N=479 respondents who reported being employed part-time or full-time.
- The margin of error for a survey of N=800 is  $\pm 3.46\%$ , for N=479 Working Americans it is  $\pm 4.48\%$ .
- Council followed up with a separate, unscientific survey of members



# America's Favorite Tax Incentives

*Of the following tax benefits in the current tax code, which ONE is most important to you personally to maintain over the next ten years?*



**Over the next 10 years, voters rate the tax incentives for employer-sponsored retirement savings and health insurance coverage as most important, compared to other popular deductions and incentives.**

***Most Important Tax Benefit over the Next Ten Years***

<i>Ranked by First Choice</i>	<b>First Choice</b>	<b>1st/2nd/3rd Choice</b>
<b>Tax deferral on contributions to employer-sponsored retirement savings like a 401k to encourage retirement savings</b>	<b>27%</b>	<b>61%</b>
<b>Tax-free employer-sponsored health insurance coverage to encourage companies to provide insurance to employees</b>	<b>26%</b>	<b>58%</b>
The mortgage interest deduction to encourage homeownership	<b>20%</b>	<b>47%</b>
A lower tax rate on investment capital gains to encourage individual investment	<b>13%</b>	<b>28%</b>
The deduction for charitable contributions to encourage charitable giving	<b>9%</b>	<b>26%</b>

**Over the next 10 years, voters rate the tax incentives for employer-sponsored retirement savings and health insurance coverage as most important, compared to other popular deductions and incentives.**

***Most Important Tax Benefit over the Next Ten Years:  
General Public vs. Council Members***

*Ranked by First Choice*

	<b>First Choice</b>	<b>Council Members</b>
<b>Tax deferral on contributions to employer-sponsored retirement savings like a 401k to encourage retirement savings</b>	<b>27%</b>	<b>39%</b>
<b>Tax-free employer-sponsored health insurance coverage to encourage companies to provide insurance to employees</b>	<b>26%</b>	<b>32%</b>
The mortgage interest deduction to encourage homeownership	<b>20%</b>	<b>19%</b>
A lower tax rate on investment capital gains to encourage individual investment	<b>13%</b>	<b>4%</b>
The deduction for charitable contributions to encourage charitable giving	<b>9%</b>	<b>6%</b>

# Who Do You Trust?

*Which ONE of the following sources do you trust the most for high-quality health care coverage?*

Employers  
The federal government  
Your state government  
The individual health insurance market

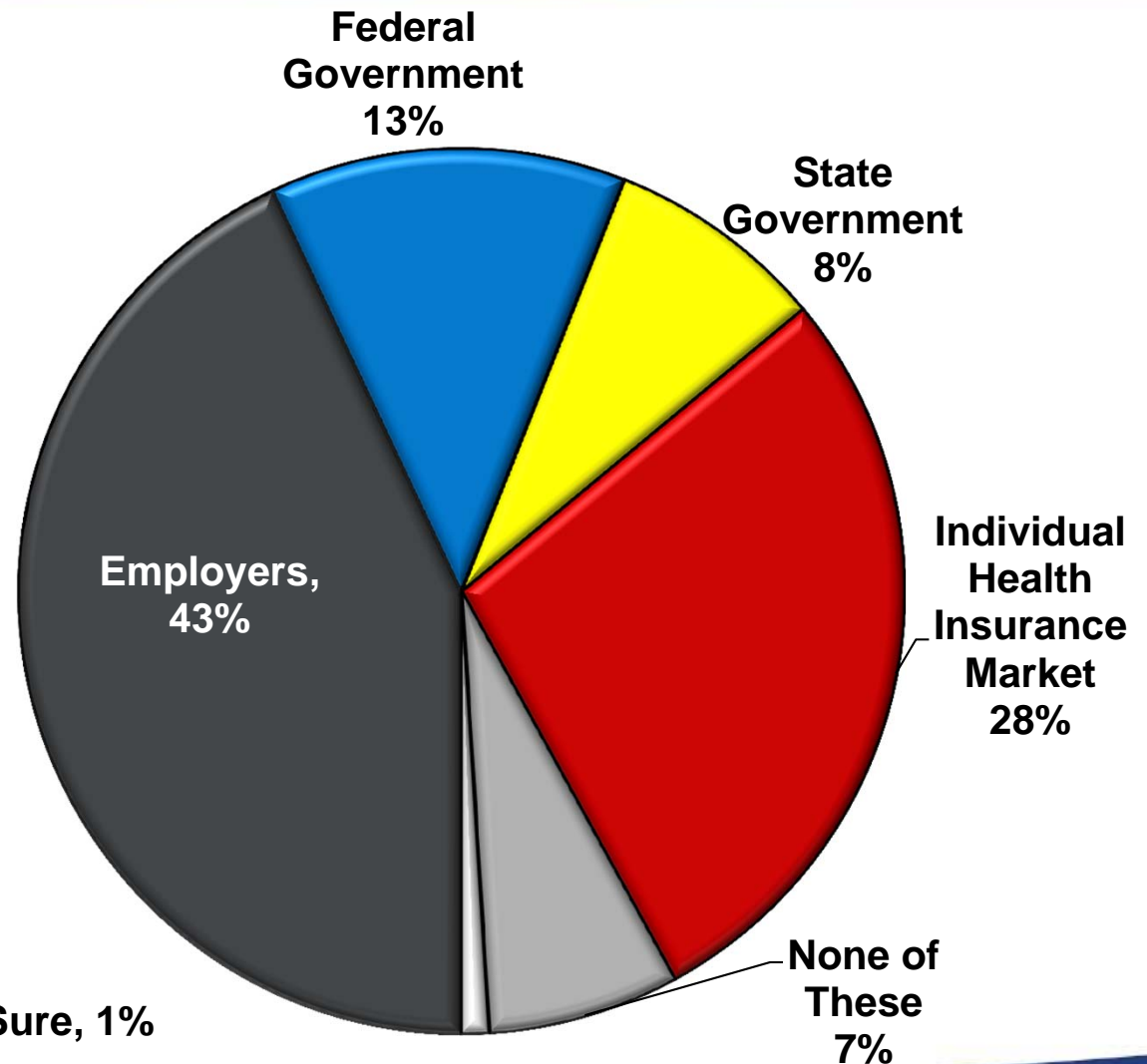
*Which ONE of the following sources do you trust the most for opportunities to save for retirement?*

Employers  
The federal government  
Your state government  
The individual financial services market

**A plurality of working Americans trust employers most for high-quality health care coverage.**

*Most Trusted for High Quality Health Care Coverage  
(Among Those Employed)*

**Not Sure, 1%**



# Who Do You Trust?

*Which ONE of the following sources do you trust the most for opportunities to save for retirement?*

Employers

The federal government

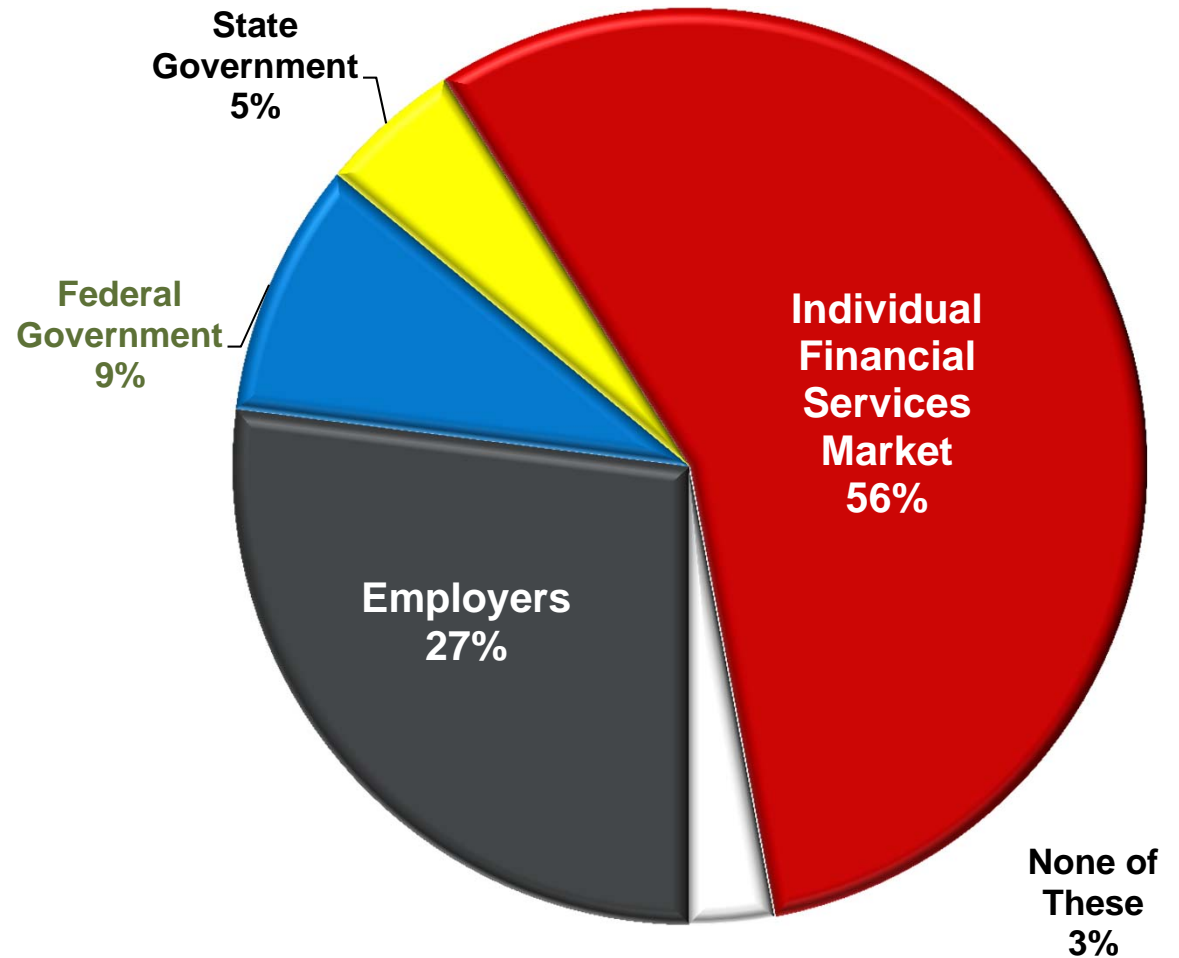
Your state government

The individual financial services market



**A majority of  
working Americans  
trust the individual  
market most for  
opportunities to  
save for retirement.**

*Most Trusted for Opportunities  
to Save for Retirement  
(Among Those Employed)*



# The Changing Role of Stakeholders

*Currently, several entities have some role to play in individuals' financial security when it comes to paying for health insurance coverage and securing retirement savings.*

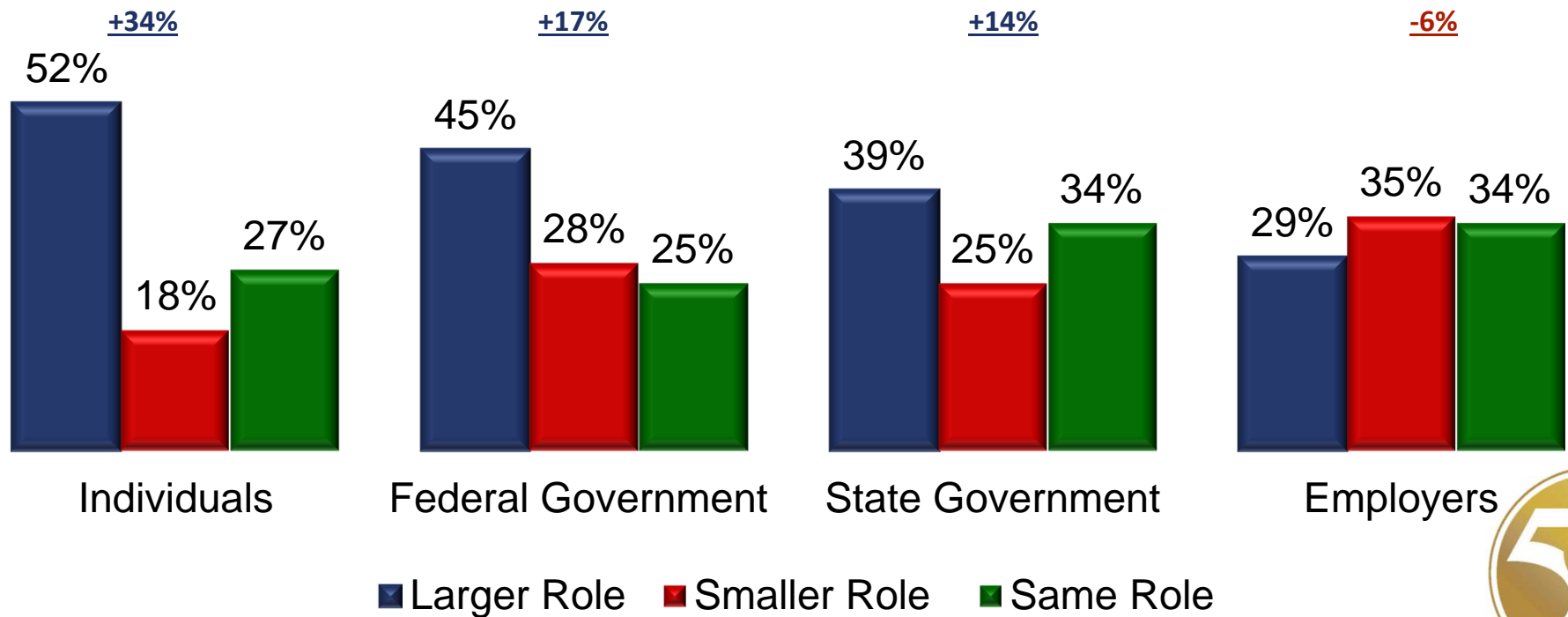
*For each of the following entities, please tell me if, in the next ten years, you expect they will take a larger role or a smaller role in individuals' financial security when it comes to health insurance and retirement – or will their role stay about the same as it is today:*

Individuals themselves  
Employers  
The federal government  
The state government

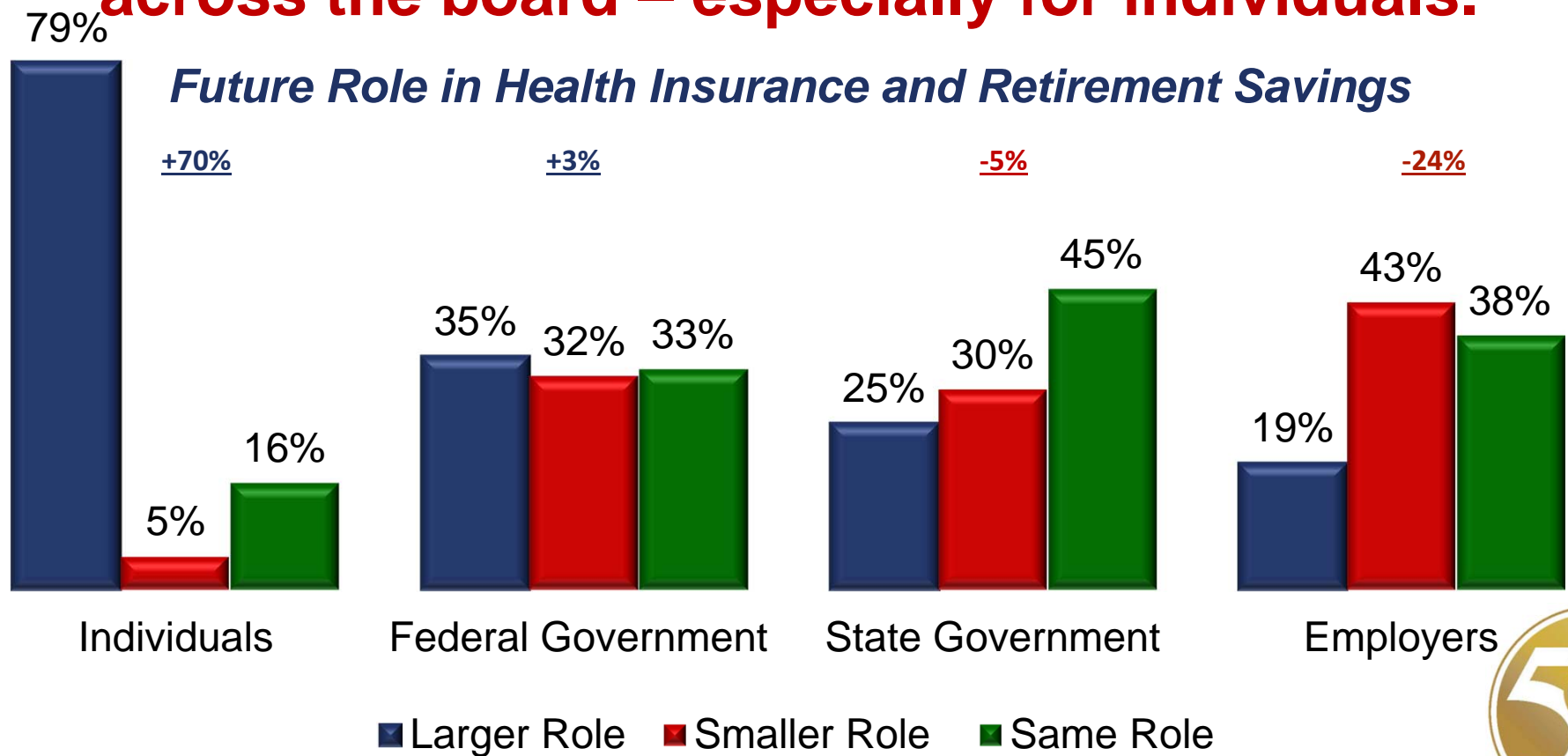


# Americans expect the role for individuals and government entities in individuals' financial security to be larger.

## *Future Role in Health Insurance and Retirement Savings*



# Council members agree, but they expect larger roles across the board – especially for individuals.



# Cash vs. Benefits

*If you had to choose, which of the following would you prefer over the next ten years of your career?  
A compensation package that provides:*

**More take home pay  
in exchange for less  
generous, lower  
quality benefits**

**... Or a  
compensation  
package of  
equal value that  
provides ...**

**More generous,  
higher quality benefits  
in exchange for less  
take home pay**



**By nearly two-to-one, voters prefer compensation packages that emphasize more, quality benefits over take-home pay.**

If you had to choose, which of the following would you prefer over the next ten years of your career? A compensation package that provides...

**More generous, higher quality benefits in exchange for less take home pay**

**60%**

...Or a compensation package of equal value that provides...

**More take home pay in exchange for less generous, lower quality benefits**

**34%**

**Council members are less certain overall, but generally also prefer more benefits over take-home pay.**

If you had to choose, which of the following would you prefer over the next ten years of your career? A compensation package that provides...

**More generous, higher quality benefits in exchange for less take home pay**

**53%**

...Or a compensation package of equal value that provides...

**More take home pay in exchange for less generous, lower quality benefits**

**31%**

**However, Council members assume that their fellow employees would favor more take-home pay.**

Which of the following do you think your fellow employees would prefer over the next ten years? A compensation package that provides...

**More generous, higher quality benefits in exchange for less take home pay**

**35%**

...Or a compensation package of equal value that provides...

**More take home pay in exchange for less generous, lower quality benefits**

**41%**



# The Benefits of the Future (Same as the Benefits of the Present?)

*Which of the following job-based benefits do you expect will be most important to you over the next ten years?*

**By far, working Americans say over the next 10 years health insurance and retirement savings are the most important benefits.**

**Most Important Benefit in the Next Ten Years  
(Among Those Employed)**

	<b>First Choice</b>	<b>1<sup>st</sup>/2<sup>nd</sup>/3<sup>rd</sup> Choice</b>
<b>Employer-provided health insurance coverage</b>	<b>35%</b>	<b>60%</b>
<b>Employer-provided pension or retirement savings like a 401(k)</b>	<b>31%</b>	<b>72%</b>
Paid vacation	5%	24%
Paid medical or family leave	6%	21%
Financial and retirement planning program	7%	20%
Life insurance and disability coverage	4%	18%
Student loan reimbursement and tuition assistance	7%	16%
Health wellness program	4%	11%

<u>Ages 18-34</u>	<u>Ages 35-54</u>	<u>Ages 55+</u>
<b>Employer-provided retirement savings</b> <i>34% Combined Choice</i>	<b>Employer-provided health insurance coverage</b> <i>45% Combined Choice</i>	<b>Employer-provided health insurance coverage</b> <i>31% Combined Choice</i>
<b>Employer-provided health insurance coverage</b> <i>25% Combined Choice</i>	<b>Employer-provided retirement savings</b> <i>29% Combined Choice</i>	<b>Employer-provided retirement savings</b> <i>33% Combined Choice</i>
<b>Student loan reimbursement</b> <i>14% Combined Choice</i>	<b>Financial and retirement planning program</b> <i>9% Combined Choice</i>	<b>Financial and retirement planning program</b> <i>12% Combined Choice</i>
<b>Paid medical or family leave</b> <i>10% Combined Choice</i>	<b>Paid medical or family leave</b> <i>4% Combined Choice</i>	<b>Life insurance and disability coverage</b> <i>7% Combined Choice</i>
<b>Paid vacation</b> <i>7% Combined Choice</i>	<b>Student loan reimbursement</b> <i>4% Combined Choice</i>	<b>Health wellness program</b> <i>6% Combined Choice</i>
<b>Life insurance and disability coverage</b> <i>3% Combined Choice</i>	<b>Paid vacation</b> <i>3% Combined Choice</i>	<b>Paid vacation</b> <i>4% Combined Choice</i>
<b>Health wellness program</b> <i>3% Combined Choice</i>	<b>Health wellness program</b> <i>3% Combined Choice</i>	<b>Paid medical or family leave</b> <i>3% Combined Choice</i>
<b>Financial and retirement planning program</b> <i>2% Combined Choice</i>	<b>Life insurance and disability coverage</b> <i>2% Combined Choice</i>	<b>Student loan reimbursement</b> <i>1% Combined Choice</i>

# Summary of Key Findings

- **Americans place a high degree of importance on employer-sponsored health and retirement benefits over the next 10 years.**
  - ✓ **Tax benefits for employer-sponsored retirement savings and health insurance coverage are highly important.**
  - ✓ **They prefer compensation packages that emphasize more, higher-quality benefits over more take-home pay.**
  - ✓ **Health and retirement benefits rank higher than vacation and leave.**
  - ✓ **Working Americans trust employers most as a source for high-quality health care coverage.**
- **When it comes to paying for and securing individuals' financial security, Americans see the role of individuals and government entities increasing and the role for employers decreasing over the next 10 years.**
- **More Americans trust the individual financial market for opportunities to save for retirement than other entities, including employers.**

# Questions?

