

### Brief

*Prepared by the General Secretariat of the Council, under the direction of the President of the COR*

#### **Rationale:**

Opinion surveys on retirement in France are many (document no. 2), particularly in the context of a postponed reform (that of 2020 aimed at establishing a universal system) or announced in the context of the presidential debates of 2022. This dossier focuses on the lessons learned from several recent surveys. The first part reviews the opinions on the current pension system and the wishes as regards a reform. The second part of the file presents the opinions of individuals on their own retirement, in particular on their motivations for retirement. Finally, the third part analyzes the opinions of individuals in the European countries monitored by the COR and in the United States.

#### *I. What are the opinions concerning the current system and the wishes for reform?*

- **Are the French worried about the pension system?** Yes, according to the DREES Barometer, where more than 80% of French people say they are concerned about this subject in 2019. This concern is linked to general pessimism regarding France's economic prospects as well as an anticipation of personal difficulties during retirement (document no. 3).
- **Does this call into question their support for pensions?** Rather no. The vast majority of French people are not in favor of a reduction in pension benefits in order to benefit from a reduction in mandatory contributions. This refusal is particularly strong compared to other social risks (particularly housing and unemployment) and it has increased significantly from 2012, to stabilize at a high level since. (document no. 4).
- **To what extent do the French know how the pension system works?** 57% of people questioned in the Pat€ survey carried out by Caisse des dépôts in 2020 have a fairly good knowledge of its operation rules (document no. 6). However, according to the barometer "The French, savings and retirement" carried out by the Cercle des Épargnants in 2021, only 38% of respondents say that the legal retirement age for private sector employees born in 1955 is 62 years old. A little more than a third declare that they do not know it (42% for public sector employees) (document no. 9).
- **Are the differences between pension schemes justified?** in 2018, when debating on the establishment of a universal pension system, nearly 80% of respondents in the survey carried out by Fondapol, declared that the differences between the pension systems were not justified. This feeling was largely shared regardless of socio-professional category or political affiliation (document no. 7).
- **Which reforms with an unchanged system?** The surveys agree on the choice of levers to favor in order to preserve the current pension system: postponing the retirement age (through an increase in the period of insurance or an increase in age) is preferred to an increase in contributions. Cuts in pensions obtain only a very weak support (document no. 5). However, concrete measures to raise the legal age still seem quite unpopular. Thus, if the people questioned in the 2021 barometer "The French, savings and retirement" are a little more likely to prefer a postponement of the age to an extension of the contribution period (29% and 20%), half of them answer "in no case one or the other" (document no. 9).

## *II. What are people's views on their retirement?*

- **What are the motivations for retirement?** Enjoying retirement as long as possible, reaching the legal age of entitlement and benefiting from the full rate are the most often cited motivations. However, financial concerns are not absent from the motivations: 61% of new retirees say that reaching a sufficient level of pension played at least a little in their decision to retire. Reasons linked to health status, working conditions or family considerations are less often cited (document no. 8).
- **Does retirement improve life satisfaction?** According to the same survey, the well-being declared by new retirees is generally stable with the transition to retirement (it goes from 7.3 to 7.4 out of 10 on average). It increases after retirement for people without activity limitations. However, it decreases for people declaring to be limited in their activities. This result, which may appear paradoxical, remains difficult to interpret. For these people, it could be the consequence of a more rapid deterioration of health conditions at retirement age - or just after - and not an effect of the transition to retirement itself (document no. 11).
- **Do people know their rights correctly and does this reduce their anxiety?** In 2020, 53% of people questioned in the Pat@ survey have a rather good knowledge of their personal rights, i.e. 16 points more than in 2012. This improvement is mainly due to the systematization of the right to information. At the same time, the worry score about their rights fell by 8 points. People who say they are well informed about their personal rights are also significantly more confident than the others (document no. 10).
- **And are they familiar with retirement schemes?** While 76% of new retirees questioned in the “Motivations for Retirement” survey say they are well informed, the systems for discounts and premiums, pensions for unfitness for work or incapacity, as well as minimum pensions remain little known (document no. 8).

## *III. What are the opinions on pensions in the countries monitored by the COR?*

- **What are the opinions on the standard of living of pensioners in Europe?** Paradoxically, these opinions are all the less positive as the actual standard of living of retirees is comfortable. Thus, the countries in which the relative standards of living of seniors are the highest show relatively poor opinions on the standard of living of retirees (Italy, France and Spain). Conversely, in countries where the relative standards of living of older people are lower, opinions are more favorable (Belgium, Netherlands) (document no. 12).
- **And in the United States?** According to the latest wave of the survey conducted by the Employee Benefit Research Institute and Greenwald Research in 2021, 53% of working people and 72% of retirees were confident in the ability of the US social security system to maintain a level of benefits at least equal to what is currently received by current retirees. This degree of confidence is historically high (28% of working people and 45% of retirees in 2018) (document no. 13).
- **What should be the responsibility of the State concerning the elderly?** In all countries, the majority of citizens believe that the State should have a responsibility towards the elderly and that this responsibility should be greater than that towards the unemployed. These opinions seem to be correlated with the level of public pension expenditure, with the exception of France (document no. 12).
- **What is the desired retirement age?** To the question “Until what age do you want to work? “, the average answer of the French is 60.8 years, while at the other end of the panel, the Germans answer 64.5 years. This answer can be attributed to the effective retirement age, which is lower in France than in other European countries, even if the ideal age evolved more rapidly than the effective retirement age between 2004 and 2019 (document no. 5). It can also be related to the high degree of job dissatisfaction declared by the French compared to other Europeans (document no. 12).