
Life Insurers Provide Solutions to Demographic Challenges

We are in the midst of the most transformative demographic wave in human history. Thanks to breakthroughs in medicine and advances in nutrition and education, people are living longer than ever before. But the advances also create challenges that life insurers are solving.

Providing Families Financial Security for Life

- Life insurers help 75 million American families protect their financial and retirement security.¹
- Life insurers provide \$21 trillion in life insurance coverage.²
- Every day, life insurers pay \$1.7 billion to families and businesses.³
- Savings in permanent life insurance and annuities alone represent more than 16 percent of Americans' long-term savings in this country.⁴

Aging in America

- 10,000 Americans will turn 65 every day for the next 13 years.⁵
- Between 2030 and 2050, about 5,000 Americans will turn 85 every day. Essentially, that means the population equal to a state like West Virginia will be turning 85 every year.⁶
- Did you know that if you're younger than 35, you could easily spend more years in retirement than your current age?⁷
- Thanks to advances in medicine and technology, if you're currently in your 30s, you have a 50 percent chance of living to 100. If you're 65 years old, you have a 50 percent chance of living to 85. And you have a 70 percent chance of needing long-term care.⁸

Challenges Around the World

- Many countries are growing very slowly and don't have enough young workers to support their aging populations. In 1950, five of the 12 largest countries by population were in Europe. By 2050, none of the top 12 will be in Europe.⁹
- In Japan, for every baby born in 2050, somebody there will turn 100 years old. At the same time, Japan will have only one worker for every retiree.¹⁰
- In 2050, there will be 1.4 billion people around the world over age 65 ... more than double today's over-65 population and a ten-fold increase since 1950.¹¹

Social Security and Individual Savings

- Social Security itself says that absent changes by Congress, Social Security will pay only 79% of promised benefits starting in 2034.¹²
- In 1935, there were 12 American workers for every retiree. Today, there are three workers for every retiree, and that ratio will soon decline to two-to-one.¹³
- Half of the pre-retiree population – people between the ages of 50 and 64 – have only enough in savings to last 16 months.¹⁴
- Among elderly Social Security beneficiaries, 21 percent of married couples and about 43 percent of unmarried persons rely on Social Security for 90 percent or more of their income.¹⁵

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- ¹ ACLI calculations based on U.S. Census data
 - ² ACLI calculations based on National Association of Insurance Commissioners data
 - ³ ACLI calculations based on National Association of Insurance Commissioners data
 - ⁴ ACLI calculations based on Federal Reserve and ACLI survey data
 - ⁵ Pew Research Center
 - ⁶ ACLI calculations based on United Nations and U.S. Census data
 - ⁷ ACLI calculations based on Social Security Administration and U.S. Census data
 - ⁸ ACLI calculations based on U.S. Census and Health and Human Services data
 - ⁹ United Nations
 - ¹⁰ ACLI calculations based on United Nations data
 - ¹¹ United Nations
 - ¹² Social Security Trustees report
 - ¹³ ACLI calculations based on United Nations data
 - ¹⁴ ACLI calculations based on Federal Reserve data
 - ¹⁵ Social Security Administration