

2007 MINORITY RETIREMENT CONFIDENCE SURVEY

FACT SHEET

RETIREMENT CONFIDENCE

Despite lack of preparation and employer cutbacks in retirement benefits, minority workers, like American workers overall, tend to be fairly confident about their financial security in retirement. Confidence levels are highest about being able to take care of basic expenses and lowest about the ability to pay for expenses relating to long-term care.

Overall Confidence

- American workers appear equally likely to feel confident about their financial prospects in retirement, regardless of race/ethnicity. However, among those with household income under \$25,000, African-Americans (68 percent) and Hispanics (58 percent) are more likely than workers overall (39 percent) to express confidence (Figure 1).

Figure 1
**Confidence in Having Enough Money to Live Comfortably
Throughout Retirement, by Race/Ethnicity**

	All Workers	African- Americans	Hispanics
Very confident	27%	26%	30%
Somewhat confident	43	45	39
Not too confident	19	19	22
Not at all confident	10	9	6

Source: Employee Benefit Research Institute, Mathew Greenwald & Associates, Inc., and The Rockefeller Foundation, 2007 Minority Retirement Confidence Survey.

Confidence in Specific Aspects of Retirement

- Hispanics appear less likely than workers overall and African-Americans to express confidence about specific financial aspects of retirement, except when it comes to long-term care. Moreover, a larger share of African-Americans than workers overall report confidence in their ability to pay for basic expenses.
- These differences seem to be due primarily to differences in income distribution (Figure 2).

Figure 2
Percentage Expressing Confidence About Financial Aspects of Retirement, by Race/Ethnicity

	All Workers	African- Americans	Hispanics
Having enough money to take care of basic expenses during retirement			
Very confident	40%	35%	29%
Somewhat confident	42	39	38
Not too confident	11	14	20
Not at all confident	7	10	11
Doing a good job of preparing financially for retirement			
Very confident	26	26	22
Somewhat confident	45	44	39
Not too confident	15	16	19
Not at all confident	13	12	18
Having enough money to take care of medical expenses during retirement			
Very confident	20	26	19
Somewhat confident	46	41	39
Not too confident	18	18	26
Not at all confident	14	12	13
Having enough money to pay for long-term care, should you need it during retirement			
Very confident	17	20	15
Somewhat confident	36	34	32
Not too confident	23	25	27
Not at all confident	21	17	22

Source: Employee Benefit Research Institute, Mathew Greenwald & Associates, Inc., and The Rockefeller Foundation, 2007 Minority Retirement Confidence Survey.

- Nonetheless, African-American workers with household income under \$25,000 are more likely than others in this income category to feel confident about having enough money to pay for basic expenses in retirement (67 percent vs. 52 percent of workers overall and 51 percent of Hispanics), having enough money to cover medical expenses (66 percent vs. 41 percent of workers overall and 43 percent of Hispanics), and doing a good job of preparing for retirement (59 percent vs. 39 percent of workers overall and 42 percent of Hispanics). They are also more likely than workers overall in this income category to express confidence in their ability to pay for long-term care (48 percent vs. 32 percent).