

Figure 8
**Workers Having Tried to Calculate How Much Money
 They Need to Save for a Comfortable Retirement^a**

2007	43%
2006	42
2005	42
2004	42
2003	43
2002	38
2001	44
2000	53
1999	48
1998	42
1997	33
1996	29
1995	32
1994	31

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1994–2007 Retirement Confidence Surveys.

^aThe addition of the phrase “and/or your spouse” to the question wording for married respondents starting in 1999 is responsible for approximately 4 to 5 percentage points of the increase between 1998 and 1999.

Overall, the amount that workers think they need to accumulate for a comfortable retirement appears to be rather low (Figure 9). One-quarter of workers say they need to save less than \$250,000, and another 2 in 10 mention a goal of \$250,000–\$499,999 (18 percent). Two in 10 think they need to save \$500,000–\$999,999 (20 percent), while 1 in 10 each believe they need to save \$1 million–\$1.9 million (11 percent) or \$2 million or more (8 percent). The amount tends to increase as household income increases.

Figure 9
**Amount of Savings American Workers Think
 They Need for Retirement, by Household Income**

	Total	Household Income		
		<\$35,000	\$35,000–\$74,000	\$75,000+
Less than \$250,000	26%	43%	28%	13%
\$250,000–\$499,999	18	14	24	14
\$500,000–\$999,999	20	13	23	26
\$1 million–\$1.49 million	7	5	8	10
\$1.5 million–\$1.9 million	3	2	2	7
\$2 million or more	8	6	3	16
Don't know/Don't remember	18 ^a	16	13	13

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

^a 11% of respondents did not report their income. They are included in the total column but not in the income groups.

The amount of savings needed for retirement can be expressed as a multiple of current earnings (Figure 10).⁴ Among workers of all ages, 3 in 10 have a savings goal that is less than five times their current household income (30 percent), 27 percent name a goal that is 5.0–9.9 times their income, and 15 percent have a goal 10.0–14.9 times their income. Another 15 percent cite a goal 15.0–24.9 times their income, while 13 percent name a goal of at least 25 times their current household income. Ballpark E\$imate Monte Carlo simulations suggest that target multiples (to obtain a 90 percent chance of having adequate retirement income to cover basic expenses plus non-covered health care costs throughout retirement) for someone retiring at age 65 would be 11.9 for high-income males, 13.9 for high-income females, 42.0 for low-income males, and 54.2 for low-income females.⁵