

For Immediate Release

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Retirement Confidence Survey Shows That Unmarried Women Are Less Confident About Their Retirement Prospects — and Have Reason to Be

Divorced and Never-Married Women Are More Likely to Have Less Resources and Have Differing Needs for Retirement Planning

Washington, D.C. – June 8, 2020 — A new study conducted by the Employee Benefit Research Institute (EBRI) finds that unmarried women had lower levels of retirement confidence than their married counterparts and were more likely to have fewer resources and be less prepared for retirement. The research also finds over half of unmarried women retired earlier than they expected.

The study finds 76 percent of married women express being very or somewhat confident they will have enough money to live comfortably throughout their retirement years, with only 43 percent of divorced women workers and 51 percent of never-married women workers sharing this confidence.

In 2020 the Retirement Confidence Survey (RCS), now in its 30th year, was conducted by EBRI and Greenwald & Associates to measure attitudes toward, preparations for, and understanding of the various issues and products for retirement by American workers and retirees. The report released today, **“Retirement Confidence Survey: Attitudes Toward Retirement by Women of Different Marital Statuses”** examines the RCS results for women, since they face particular challenges in preparing for retirement — from lower average earnings to higher likelihoods of taking time out of the labor force for raising children. Furthermore, women have longer life expectancies and are often younger than their spouses, potentially leaving them with more years in retirement. This study explores RCS findings across the array of possible marital statuses of workers and retirees, and their perceived and actual retirement prospects.

Divorced and never-married women workers also have lower confidence in other aspects related to retirement. In particular, 43 percent of never-married women workers were very or somewhat confident in knowing how much money they need to save by retirement to live comfortably in retirement compared with 47 percent of divorced women workers and 69 percent of married women workers. When it comes to feeling confident in choosing the right retirement products and investments for their situation, just 44 percent of divorced women workers were confident vs. 48 percent for never-married women workers and 69 percent of married women workers.

Given the disparities in retirement confidence among women of differing marital statuses, it isn't surprising that the level of assets held by them is substantially different. The divorced women workers were markedly more likely to have smaller levels of assets, as 72 percent had less than \$25,000 in assets vs. 54 percent for never-married women workers and 31 percent for married women workers. Furthermore, debt was more likely to be a problem for divorced and never-married women workers, where 74 percent and 67 percent, respectively, considered debt a problem compared with 56 percent of married women.

The survey also focuses on retirees and paints a particularly grim picture of divorced and widowed women retirees compared with married women retirees. While one in ten married women retirees has less than \$1,000 in savings and investments, more than half of divorced women retirees and nearly a third of widowed women retirees have such de minimis assets.

To lower the chances of this type of outcome, Craig Copeland, Senior Research Associate at EBRI, and author of the report, notes: "The survey results show that women in differing situations could benefit from receiving more specialized information and assistance with retirement preparations and everyday financial issues. The approaches currently being used do not appear to be as effective for unmarried women workers, likely due to the resulting financial and life-circumstance upheaval of a divorce or death of a spouse. Employers may want to develop new targeted messages, methods, or materials to better reach these groups, in order to increase the chances of unmarried women having a financially successful retirement. Help from the financial sector in general could also be beneficial, as many of the unmarried women need help outside of employment."

A copy of the Issue Brief, "***Retirement Confidence Survey: Attitudes Toward Retirement by Women of Different Marital Statuses***" can be found at www.ebri.org.

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