

Fast Facts from EBRI

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Workers Estimate the Amount They Will Need in Retirement

WASHINGTON—How much money do American workers think they will need to accumulate for a comfortable retirement?

Overall, the amount appears to be rather low, according to the 2007 Retirement Confidence Survey (RCS). 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 about 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.

The 2007 Retirement Confidence Survey was sponsored by the nonpartisan Employee Benefit Research Institute (EBRI) and Mathew Greenwald & Associates, a survey research firm. Full survey results are available at: <http://www.ebri.org/surveys/rcs/2007/>. The following chart shows the amount of savings American workers think they will need for retirement by household income.

Savings American Workers Think They Need for Retirement, by Household Income

	Total	Household Income		
		<\$35,000	\$35,000–\$74,000	\$75,000+
Under \$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	16	13	13

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2007 Retirement Confidence Survey. Eleven percent of respondents did not report their income. They are included in the 18 percent total “don't know” column above but not in the income groups.

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