

Fast Facts from EBRI

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Minority Workers' Expectations About Retirement Income

WASHINGTON—What are the expectations of African-American and Hispanic workers that a defined benefit pension plan or Social Security will provide a major source of their income in retirement? How do the expectations of minority workers differ from those of all workers?

The 2007 Minority Retirement Confidence Survey—the first since 2003—provides these answers:

- Although racial and ethnic groups differ in their expectations about the sources of their retirement income, many of these differences are due to the income disparities among the groups.
- Regardless of income, African-Americans (39 percent) are more likely than workers overall (30 percent) and Hispanics (22 percent) to say a defined benefit pension plan will be a *major* source of their retirement funding. However, the survey finds minority confidence in receiving a pension is declining and that many African-Americans and Hispanics may be counting on money from a defined benefit pension plan that they may not receive.
- Likewise, African-Americans (41 percent) and Hispanics (38 percent) are more likely than workers overall (25 percent) to think that Social Security will provide them with a *major* source of income.

Expectations That a Defined Benefit Pension Plan or Social Security Will Provide a Major Source of Retirement Income, by Race/Ethnicity and Household Income

	All Workers	African-Americans	Hispanics
Defined Benefit Pension Plan			
All income levels	30%	39%	22%
Less than \$25,000	9	32	20
\$25,000–\$49,999	27	45	19
\$50,000–\$74,999	43	49	33
\$75,000 or more	38	47	33
Social Security			
All income levels	25	41	38
Less than \$25,000	53	50	51
\$25,000–\$49,999	28	45	34
\$50,000–\$74,999	16	29	29
\$75,000 or more	15	23	30

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

The nonpartisan Employee Benefit Research Institute (EBRI) and Mathew Greenwald & Associates sponsored the 2007 Minority Retirement Confidence Survey, with a grant from the Rockefeller Foundation. Full results appear in the June 2007 *EBRI Issue Brief*, available at www.ebri.org

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