2005 Retirement Confidence Survey
Chart Book

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RCS Overview:
Potential Solutions to a Stubborn Problem
2 in 3 Nonparticipants Indicate They Would Be Likely to Stay in Their Employer’s Plan If Automatically Enrolled

If your employer were to automatically enroll you in a plan now, how likely would you be to stay in the plan? (Workers not participating in their employer-sponsored retirement plan, n=88)

- Very likely: 40%
- Somewhat likely: 26%
- Not too likely: 11%
- Not at all likely: 22%

7 in 10 Workers Not Contributing to Their Employer’s Plan Say a 5% Match Would Encourage Their Participation

How much more likely to you think you would be to participate in your employer’s retirement savings plan, if your employer offered you each of the following as part of the plan? (Workers not participating in their employer-sponsored retirement plan, n=88)

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<table>
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<tr>
<th>Feature Description</th>
<th>Use Likelihood</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>A fund option that is designed for people of your age and income level and</td>
<td></td>
<td></td>
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<tr>
<td>automatically becomes more conservative as your retirement date nears (n=373)</td>
<td>23%</td>
<td></td>
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<td>A fund option that maintains a pre-set level of risk and generally has a mix of</td>
<td></td>
<td></td>
</tr>
<tr>
<td>conservative, moderate and aggressive investments (n=279)</td>
<td>21%</td>
<td></td>
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</tr>
<tr>
<td>you based on your responses to a questionnaire (n=382)</td>
<td>15%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc.,
2005 Retirement Confidence Survey
Workers Are Much More Likely to Save Through a Retirement Plan at Work Than an IRA

Do you contribute money to the [employer-sponsored retirement savings] plan? (Employed workers offered an employer-sponsored retirement savings plan, n=549)
Do you (and/or your spouse) currently have an IRA that you (opened with money rolled over from an employer’s retirement plan/opened with money saved outside of an employer’s retirement plan)? (Workers n=1,001)

- **Participate in Employer-Sponsored Retirement Plan**
  - Yes, 82%
  - No, 18%

- **Have IRA**
  - Yes, opened with money saved outside work plan, 19%
  - Yes, both, 12%
  - Yes, opened with money rolled over from work plan, 7%
  - No IRA, 62%

More Than Half of Workers Feel They Are Behind Schedule in Planning and Saving for Retirement

When it comes to planning and saving for retirement, would you say you are on track, ahead of schedule, or behind schedule? (Workers n=1,001)

Working Through a Savings Calculation Can Affect Savings Behavior

Did you (and/or your spouse) make any changes in your retirement planning as a result of trying to figure out the amount you will need to have saved by the time you retire? If yes, what changes did you (and/or your spouse) make? (Workers trying to do a retirement needs calculation, n=469)

- Yes 44%
- No 55%
- Don’t know 1%

(multiple responses accepted)
- Started saving more 52%
- Changed allocation of money 13%
- Started saving less 11%
- Researched other savings methods 10%
- Reduced debt 5%
- Enrolled in 401(k)/opened another account 5%
- Other 19%

If an employer offered you access to this type of professional investment advice, how likely do you think you would be to take advantage of it if the advice was available . . . ? (Workers without employer-provided investment advice, n=753)

- **In person**
  - Very likely: 25%
  - Somewhat likely: 39%

- **On-line**
  - Very likely: 16%
  - Somewhat likely: 29%

- **By telephone**
  - Very likely: 8%
  - Somewhat likely: 20%

The RCS Suggests Potential Responses to the Retirement Savings Problem
Only 2 in 5 Workers Have Attempted to do a Retirement Savings Needs Calculation…

Have you (and/or your spouse) tried to figure out how much money you will need to have saved by the time you retire so that you can live comfortably in retirement? (2005 Workers n=1,001)

…But Working Through a Savings Calculation Can Be Effective in Changing Savings Behavior

Did you (and/or your spouse) make any changes in your retirement planning as a result of trying to figure out the amount you will need to have saved by the time you retire? If yes, what changes did you (and/or your spouse) make? (Workers trying to do a retirement needs calculation, n=469)

(n=218)

- Started saving more: 52%
- Changed allocation of money: 13%
- Started saving less: 11%
- Researched other savings methods: 10%
- Reduced debt: 5%
- Enrolled in 401(k)/opened another account: 5%
- Other: 19%

How much did you (or your spouse) calculate you would need to accumulate in total by the time you retire?/How much do you think you (and your spouse) will need to accumulate by the time you retire so that you can live comfortably in retirement? (Workers n=1,001)

Almost Half of Workers Guess the Amount They Need to Save for Retirement

How did you (or your spouse) determine this amount? (Workers attempting calculation and/or reporting amount needed for retirement, n=929) (multiple responses accepted)

- Guess: 46% (Did calculation: 10%, Did not do calculation: 36%)
- Do your own estimate: 37% (Did calculation: 21%, Did not do calculation: 16%)
- Ask a financial advisor: 35% (Did calculation: 18%, Did not do calculation: 17%)
- Read or hear that is how much is needed: 7% (Did calculation: 7%, Did not do calculation: 6%)
- Fill out a worksheet or form: 10% (Did calculation: 5%, Did not do calculation: 5%)
- Use an on-line calculator: 11% (Did calculation: 5%, Did not do calculation: 6%)
- Cost of living/lifestyle/current spending: 4% (Did calculation: 2%, Did not do calculation: 2%)
- Spouse calculated: 1% (Did calculation: 1%, Did not do calculation: 1%)
- Other: 3% (Did calculation: 3%, Did not do calculation: 3%)

How confident are you that you (and your spouse) will be able to accumulate this amount by the time you retire? (Workers reporting amount needed for retirement, n=871)

Some Workers May Overestimate How Much Income Their Nest Egg Will Generate

How much income do you think you will be able to get from this nest egg each year in retirement without running out of money? (Workers reporting amount needed for retirement, n=871)

8 in 10 of Those Offered a Retirement Savings Plan at Work Say They Participate

Does your current employer offer you a retirement savings plan that allows you to make contributions from your salary to an individual account set up in your name, such as a 401(k), 403(b), or 457 plan? If yes, do you contribute to the plan? (Workers employed full or part time, n=683)

Offered

- Yes 78%
- No 21%
- Don’t know 1%

Contribute

- Yes 82%
- No 18%
(n=549)

The Large Majority of Participants Volunteered to Sign Up for Their Employer’s Retirement Plan

When you were enrolled in your employer’s retirement plan, did your employer automatically sign you up, allowing you to discontinue participation, or did you volunteer to sign up? (Workers participating in a workplace savings plan, n=461)

- Your employer automatically signed you up: 14%
- You volunteered to sign up: 85%
- Don’t know: 1%

2 in 3 Non-participating Workers Would be Likely to Stay in a Plan If Automatically Enrolled

If your employer were to automatically enroll you in a plan now, how likely would you be to stay in the plan? (Workers not participating in their employer-sponsored retirement plan, n=88)

- Very likely: 40%
- Somewhat likely: 26%
- Not too likely: 11%
- Not at all likely: 22%

Half of Non-participants Feel Positively About Automatic Enrollment

How do you feel about the idea of automatic enrollment, with the opportunity for employees to decline participation at any time? (Workers not participating in their employer-sponsored retirement plan, n=88)

A Large Minority of Participants Have Lifestyle Funds Available as Part of Their Plans—and Use Them

If this were part of your workplace savings plan, would you be very likely, somewhat, not too, or not at all likely to use it, or does your plan already have this feature? Do you participate in it? (Workers participating in a workplace savings plan, n=461)

<table>
<thead>
<tr>
<th>Fund Option</th>
<th>Offered, use</th>
<th>Offered, don't use</th>
<th>Not offered</th>
</tr>
</thead>
<tbody>
<tr>
<td>A fund option that maintains a pre-set level of risk and generally has a mix of conservative, moderate and aggressive investments</td>
<td>38%</td>
<td>4%</td>
<td>56%</td>
</tr>
<tr>
<td>A fund option that is designed for people of your age and income level and automatically becomes more conservative as your retirement date nears</td>
<td>19%</td>
<td></td>
<td>76%</td>
</tr>
<tr>
<td>An option that automatically raises your contribution by a certain percentage or amount whenever you receive a pay raise</td>
<td>19%</td>
<td></td>
<td>77%</td>
</tr>
<tr>
<td>An option where a professional financial manager makes investment decisions for you based on your responses to a questionnaire</td>
<td>16%</td>
<td>4%</td>
<td>78%</td>
</tr>
</tbody>
</table>

Lifecycle and Lifestyle Funds May be More Popular Than Managed Funds

If this were part of your workplace savings plan, would you be very likely, somewhat, not too, or not at all likely to use it, or does your plan already have this feature? (Workers not offered each feature)

An option that automatically raises your contribution by a certain percentage or amount whenever you receive a pay raise (n=363)

- Very likely: 27%
- Somewhat likely: 33%
- Not too likely: 17%
- Not at all likely: 19%

A fund option that is designed for people of your age and income level and automatically becomes more conservative as your retirement date nears (n=372)

- Very likely: 23%
- Somewhat likely: 45%
- Not too likely: 14%
- Not at all likely: 11%

A fund option that maintains a pre-set level of risk and generally has a mix of conservative, moderate and aggressive investments (n=279)

- Very likely: 21%
- Somewhat likely: 46%
- Not too likely: 11%
- Not at all likely: 14%

An option where a professional financial manager makes investment decisions for you based on your responses to a questionnaire (n=382)

- Very likely: 15%
- Somewhat likely: 36%
- Not too likely: 21%
- Not at all likely: 22%

7 in 10 Non-participating Workers Say They Would be More Likely to Contribute If There Were a 5% Match

How much more likely to you think you would be to participate in your employer’s retirement savings plan, if you employer offered you each of the following as part of the plan? (Workers not participating in their employer-sponsored retirement plan, n=88)

<table>
<thead>
<tr>
<th>Option</th>
<th>Much more likely</th>
<th>Somewhat more likely</th>
<th>No more likely</th>
<th>Already offered</th>
</tr>
</thead>
<tbody>
<tr>
<td>A matching contribution of up to 5% of your salary</td>
<td>31%</td>
<td>41%</td>
<td>14%</td>
<td>13%</td>
</tr>
<tr>
<td>A fund option designed for people of your age and income and automatically becomes more conservative as your retirement date nears</td>
<td>21%</td>
<td>44%</td>
<td>29%</td>
<td>5%</td>
</tr>
<tr>
<td>An option that automatically raises your contribution by a certain percentage or amount whenever you receive a pay raise</td>
<td>19%</td>
<td>37%</td>
<td>37%</td>
<td>7%</td>
</tr>
<tr>
<td>A matching contribution of up to 3% of your salary</td>
<td>16%</td>
<td>35%</td>
<td>35%</td>
<td>14%</td>
</tr>
<tr>
<td>An option where a professional financial manager makes investment decisions for you based on your response to a questionnaire</td>
<td>15%</td>
<td>20%</td>
<td>49%</td>
<td>14%</td>
</tr>
<tr>
<td>A fund option that maintains a pre-set level of risk and generally has a mix of conservative, moderate, and aggressive investments</td>
<td>13%</td>
<td>36%</td>
<td>32%</td>
<td>19%</td>
</tr>
</tbody>
</table>

More Than 3 in 4 Employers Currently Match Part or All of Worker Contributions to Retirement Savings Plans

Does your employer match part or all of worker contributions to the retirement savings plan? (Workers offered a retirement savings plan, n=549)

Most Participants Say They Contribute More Than Their Employer Will Match

Which one of the following comes closest to describing how much you contribute to the plan? (Workers whose employer matches contributions, n=366) Do you contribute less than the maximum your plan allows or the plan maximum? (Workers whose employer does not match contributions, n=95)

**Employer matches contribution**
- Less than your employer will match: 14%
- The maximum your employer will match, but no more than that: 28%
- More than the employer match, but less than the plan maximum: 32%
- The maximum the plan allows: 24%
- Don’t know/Refused: 2%

**Employer does not match**
- N/A
- N/A
- 64%
- 29%
- 7%

Less Than 4 in 10 Workers Have an IRA; Just 3 in 10 Have One Opened With Money Saved Outside a Work Plan

Do you (and/or your spouse) currently have an IRA that you (opened with money rolled over from an employer’s retirement plan/opened with money saved outside of an employer’s retirement plan)? (Workers n=1.001)

No IRA 62%
Yes, opened with money saved outside work plan 19%
Yes, both 12%
Yes, opened with money rolled over from work plan 7%

Very Few Workers Participate in Automatic Savings Arrangements Outside of Work, but Most Know of Them

Are you currently saving for retirement outside of work using an automatic arrangement like this? (Workers n=1,001) Before today, were you aware that you could save automatically for retirement in this way? (Workers not using an automatic savings plan, n=822)

Currently Saving Outside of Work Using Automatic Savings Plan
- Yes: 15%
- No: 85%

Aware Could Save Automatically Outside of Work
- Yes: 68%
- No: 31%
- Don’t know: 1%

Most Not Using This Type of Plan Would be Unlikely to Have Money Automatically Withdrawn From Their Bank Account

Given your current financial situation, how likely do you think you would be to save for retirement outside of work by participating in an automatic plan such as I just described? (Workers not using an automatic savings plan, n=822)

- Very likely: 9%
- Somewhat likely: 28%
- Not too likely: 27%
- Not at all likely: 35%

Many Cite Financial Problems or Wanting Control for Not Participating

Why do you say that? (Workers not likely to participate in an automatic savings plan, n=526) (Top mentions, multiple responses accepted)

- Don’t have the money/financial problems: 18%
- Have a different retirement plan/plan through work: 17%
- Living day to day/paycheck to paycheck/don’t make enough: 15%
- Want control/don’t want people to access account/don’t like automatic withdrawal: 12%
- Need money for other things: 9%

6 in 10 Workers Say They Are Aware of the Special Tax Credit for Money Put Into an IRA or 401(k)

Today, most people are able to get a tax deduction for money they put into an IRA, 401(k), or similar plan. Some moderate and lower income individuals are also able to get a special tax credit for such contributions. This means that the amount they pay in income tax is reduced based on the amount of money they contribute each year to these plans. Before today, were you aware of this special tax credit? (Workers n=1,001)

Some Often-used Sources of Financial Advice May Provide Little Real Help

When you (or your spouse) (are/were) making your retirement savings and investment decisions, (do/did) you use…? (Workers saved for retirement, n=365; Retirees saved for retirement, n=184)

- Input from your spouse: 87% (Workers) 74% (Retirees)
- Advice of a financial professional: 63% (Workers) 54% (Retirees)
- Advice of family, friends, or co-workers: 57% (Workers) 54% (Retirees)
- Written material received at work: 55% (Workers) 55% (Retirees)
- Newspapers, magazines, or other written material: 41% (Workers) 39% (Retirees)
- Information available over the Internet: 36% (Workers) 36% (Retirees)
- Information from television or radio: 27% (Workers) 13% (Retirees)
- Information from seminars: 19% (Workers) 28% (Retirees)
- Computer software: 18% (Workers) 8% (Retirees)
- Online professional investment advice services: 11% (Workers) 11% (Retirees)

Savers Most Often Find the Advice of a Financial Professional Helpful

Which (is/was) most helpful to you? (Workers saved for retirement, n=356; Retirees saved for retirement, n=172)

- The advice of a financial professional: 38% (Workers), 37% (Retirees)
- The advice of family, friends, or co-workers: 17% (Workers), 11% (Retirees)
- Newspapers, magazines, or other written material: 11% (Workers), 11% (Retirees)
- Input from your spouse: 11% (Workers), 13% (Retirees)
- Written material received at work: 9% (Workers), 12% (Retirees)
- Information available over the Internet: 7% (Workers), 1% (Retirees)
- Information from television or radio: 2% (Workers), 2% (Retirees)
- Information from seminars: 1% (Workers), 10% (Retirees)
- Online professional investment advice services: <.5% (Workers), 1% (Retirees)
- None: 1% (Workers), 3% (Retirees)
- Don’t know: 2% (Workers), 1% (Retirees)

1 in 4 Workers Say a Financial Advisor Would be the Most Useful in Helping Them Save for Retirement

All things considered, which one of the following do you think would be the most useful in helping you save for retirement? (Workers n=1,001) (Top mentions)

- A professional financial advisor: 27%
- A budget to help you manage your current spending: 15%
- A book about planning and saving for retirement: 11%
- A professional calculation of how much money you will need to save for retirement: 10%
- An internet site on planning and saving for retirement: 8%
- A class on planning and saving for retirement: 8%

4 in 10 Workers Report Receiving Retirement Educational Materials Through an Employer in the Past 12 Months

In the past 12 months, has an employer or work-related retirement plan provider given you educational material, information, or seminars about retirement planning and savings? (2005 Workers n=1,001)

Did you (and your spouse) make any changes in your retirement planning as a result of the material you received from your employer? If yes, what changes did you make? (Workers receiving educational material, information, or seminars, n=446)

- 42% started saving more
- 31% changed allocation of money
- 7% enrolled in a 401(k) or opened another account
- 4% researched other savings methods
- 1% started saving for the first time
- 10% other

(n=93)
1 in 4 Workers Report Having Employer-provided Access to Investment Advice for Retirement Purposes

In the past 12 months, has an employer provided you with access to professional investment advice for retirement purposes, that is, access to specific recommendations about which stocks, bonds, and mutual funds you should invest your money in for retirement? If yes, was this investment advice offered on-line, in person, or over the telephone? (Workers n=1,001)

When Offered, Almost Half Request Investment Advice; 3 in 4 Implement at Least Some Recommendations

Did you request and receive specific recommendations on how you should invest your money? If yes, did you implement all, some, or none of the recommendations you received? (Workers provided with investment advice by employer, n=248)

- **Requested and Received**
  - No: 52%
  - Yes: 46%
  - Don't know: 1%

- **Implementation**
  - Don’t know: 1%
  - None of the recommendations: 24%
  - Some of the recommendations: 59%
  - All of the recommendations: 16%

Workers Say They are Most Likely to Use Investment Advice If Provided in Person

If an employer offered you access to this type of professional investment advice, how likely do you think you would be to take advantage of it if the advice was available . . . ? (Workers without employer-provided investment advice, n=753)

The Proportion of Americans Who Have Saved for Retirement Has Not Changed Since 2001
7 in 10 Workers Say They Have Saved for Retirement

Not including Social Security taxes or employer-provided money, have you (and/or your spouse) personally saved any money for retirement? These savings could include money you personally put into a retirement plan at work. (2005 Workers n=1,001)

Only 6 in 10 Workers Are Currently Saving for Retirement

Are you (and/or your spouse) currently saving for retirement? (2005 Workers n=1,001)

Not including Social Security taxes or employer-provided money, did you (and your spouse) personally save any money for retirement before you retired? These savings could include money you personally put into a retirement plan at work. (2005 Retirees n=252)

Americans are More Likely to Save for Retirement Than for Any Other Goal

Other than retirement, for what are you (and your spouse) saving? (Workers n=501; Retirees n=252) (Top mentions, multiple responses accepted)

- Retirement: 69% (Workers), 66% (Retirees)
- Children's/grandchildren's education: 20% (Workers), 7% (Retirees)
- Home purchase or renovation: 11% (Workers), 3% (Retirees)
- Money for an emergency: 9% (Workers), 4% (Retirees)
- General well being: 8% (Workers), 11% (Retirees)
- A vacation: 8% (Workers), 7% (Retirees)
- Nothing: 16% (Workers), 27% (Retirees)

Yet Most Have Little in Savings

In total, about how much money would you say you currently have in savings and investments, not including the value of your primary residence? Please include savings, certificates of deposit, stocks, bonds, mutual funds, workplace retirement plans, and other investments (Workers responding n=818; Retirees responding n=190)

More Than Half of Workers Feel They Are Behind Schedule

When it comes to planning and saving for retirement, would you say you are on track, ahead of schedule, or behind schedule? (Workers n=1,001)

Most Feel They Are in the Same Place as Last Year

When it comes to planning and saving for retirement, would you say you are on track, ahead of schedule, or behind schedule? If I had asked you the same question last year at this time, would you have said you were on track, ahead of schedule, or behind schedule? (Workers n=1,001)

**Current**

- A lot ahead of schedule: 3%
- A little ahead of schedule: 4%
- On track: 37%
- A little behind schedule: 23%
- A lot behind schedule: 32%

**Last Year**

- A lot ahead of schedule: 3%
- A little ahead of schedule: 3%
- On track: 36%
- A little behind schedule: 23%
- A lot behind schedule: 34%

Many Recognize Role of Expenses, Fewer Acknowledge Other Factors Keeping Them Behind Schedule

How big a role has each of the following played in keeping you behind schedule in planning and saving for retirement? (Workers behind schedule, n=521)

<table>
<thead>
<tr>
<th>Factor</th>
<th>Major role</th>
<th>Minor role</th>
<th>No role</th>
</tr>
</thead>
<tbody>
<tr>
<td>High expenses</td>
<td>51%</td>
<td>31%</td>
<td>17%</td>
</tr>
<tr>
<td>Career choice</td>
<td>33%</td>
<td>30%</td>
<td>37%</td>
</tr>
<tr>
<td>Job loss or frequent job changes</td>
<td>31%</td>
<td>18%</td>
<td>50%</td>
</tr>
<tr>
<td>Wanting a comfortable lifestyle</td>
<td>29%</td>
<td>43%</td>
<td>27%</td>
</tr>
<tr>
<td>Lack of financial discipline</td>
<td>28%</td>
<td>44%</td>
<td>28%</td>
</tr>
<tr>
<td>Poor investing</td>
<td>17%</td>
<td>23%</td>
<td>60%</td>
</tr>
</tbody>
</table>

The Expenses Most Likely To Be a Problem Are Everyday Expenses

How big a factor has each of the following types of expenses been in keeping you behind schedule in saving for retirement (Workers behind schedule, n=521)

<table>
<thead>
<tr>
<th>Expense Type</th>
<th>Major factor</th>
<th>Minor factor</th>
<th>Not a factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Every day expenses</td>
<td>49%</td>
<td>38%</td>
<td>13%</td>
</tr>
<tr>
<td>Child rearing expenses</td>
<td>39%</td>
<td>17%</td>
<td>44%</td>
</tr>
<tr>
<td>Medical expenses</td>
<td>35%</td>
<td>30%</td>
<td>35%</td>
</tr>
<tr>
<td>Car expenses</td>
<td>30%</td>
<td>39%</td>
<td>31%</td>
</tr>
<tr>
<td>Expenses of buying or remodeling a home</td>
<td>27%</td>
<td>22%</td>
<td>51%</td>
</tr>
<tr>
<td>Education expenses</td>
<td>22%</td>
<td>25%</td>
<td>53%</td>
</tr>
<tr>
<td>Expenses of information technology</td>
<td>8%</td>
<td>34%</td>
<td>59%</td>
</tr>
<tr>
<td>Expenses of caring for older relatives</td>
<td>7%</td>
<td>15%</td>
<td>77%</td>
</tr>
<tr>
<td>Entertainment expenses</td>
<td>6%</td>
<td>36%</td>
<td>57%</td>
</tr>
</tbody>
</table>

Many Workers Could Trim at Least Some Expenses

On average how often would you say you spend money on each of the following? (Workers n=501)

<table>
<thead>
<tr>
<th>Category</th>
<th>Every day</th>
<th>3 times a week</th>
<th>Once a week</th>
<th>Once a month</th>
<th>Less often</th>
</tr>
</thead>
<tbody>
<tr>
<td>A meal in a restaurant or takeout</td>
<td>6%</td>
<td>20%</td>
<td>41%</td>
<td>22%</td>
<td>12%</td>
</tr>
<tr>
<td>A soft drink or snack from a vending machine or convenience store</td>
<td>21%</td>
<td>13%</td>
<td>24%</td>
<td>14%</td>
<td>27%</td>
</tr>
<tr>
<td>A movie, video or DVD</td>
<td>19%</td>
<td>35%</td>
<td>41%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A lottery ticket</td>
<td>9%</td>
<td>15%</td>
<td>73%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coffee from specialty coffee shops, sometimes referred to as designer coffee</td>
<td>6%</td>
<td>10%</td>
<td>78%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Retirees Are Less Likely Than Workers to Spend Money on Some of These Items

On average how often would you say you spend money on each of the following? (Retirees n=252)

6 in 10 Workers Consider Their Level of Debt To Be a Problem

Thinking about your current financial situation, how would you describe your level of debt? (Workers n=1,001; Retirees n=252)

Mortgages, Credit Card Debt, and Car Loans Are Most Frequently Mentioned by Workers and Retirees

Do you (and your spouse) currently have any of the following types of debt? (Workers n=501; Retirees n=252)

6 in 10 Workers Say They Are More Likely to Worry About Tomorrow Than Live for Today…

When it comes to your finances, would you say you are someone who is…? (Workers n=1,001; Retirees n=252)

- 59% of Workers say they are more likely to worry about tomorrow.
- 45% of Retirees say they are more likely to worry about tomorrow.
- 30% of Workers say they are equally likely to do both.
- 37% of Retirees say they are equally likely to do both.
- 10% of Workers say they are more likely to live for today.
- 15% of Retirees say they are more likely to live for today.
- 2% of Workers and Retirees say they don’t know/refused.
...At The Same Time, Half Are More Willing to Live For Today Than They Were 5 Years Ago

And compared with five years ago, when it comes to your finances would you say you are now...?
(Workers, n=1,001; Retirees n=252).
Most Americans Express Some Confidence About Their Financial Security In Retirement—But Is It *Over*confidence?
2/3rds of Workers Are At Least Somewhat Confident of Having Enough Money for a Comfortable Retirement

Overall, how confident are you that you (and your spouse) will have enough money to live comfortably throughout your retirement years? (2005 Workers n=1,001)

And 4 in 5 Retirees Are At Least Somewhat Confident of Having Enough for a Comfortable Retirement

Overall, how confident are you that you (and your spouse) will have enough money to live comfortably throughout your retirement years? (2005 Retirees n=252)

37% of Non-saving Workers (59% of Non-saving Retirees) Are Confident They Will Have Enough for Retirement. Why?

Earlier in the survey you said that you are confident of having enough money for a comfortable retirement. What makes you confident? (Those not saving for retirement and confident of having enough money, Workers n=99; Retirees n=42) (Top mentions, multiple responses accepted)

- Will have money from employer: 19% (Workers), 9% (Retirees)
- Job/business/work long/hard work/will always work: 19% (Workers), 5% (Retirees)
- Have other money/property: 12% (Workers), 9% (Retirees)
- Have faith: 9% (Workers), 8% (Retirees)
- Investments/stocks/savings: 8% (Workers), 3% (Retirees)
- Have been planning/money management: 8% (Workers), 0% (Retirees)
- Expenses will be low: 21% (Workers), 6% (Retirees)
- Social Security will be enough: 31% (Workers), 5% (Retirees)

Workers Are *Most* Confident of Meeting Basic Expenses, *Least* Confident of Long-Term Care Expenses…

Next, I would like to know how confident you (and your spouse) are about certain aspects related to retirement. (Workers n=1,001)

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Very</th>
<th>Somewhat</th>
<th>Not too</th>
<th>Not at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>You will have enough money to take care of your basic expenses during your retirement.</td>
<td>35%</td>
<td>42%</td>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td>You are doing a good job of preparing financially for your retirement.</td>
<td>26%</td>
<td>46%</td>
<td>12%</td>
<td>16%</td>
</tr>
<tr>
<td>Your retirement savings will last throughout your retirement.</td>
<td>23%</td>
<td>38%</td>
<td>17%</td>
<td>22%</td>
</tr>
<tr>
<td>You will have enough money to take care of your medical expenses during your retirement.</td>
<td>20%</td>
<td>38%</td>
<td>21%</td>
<td>20%</td>
</tr>
<tr>
<td>You will have enough money to pay for long-term care, should you need it during retirement.</td>
<td>17%</td>
<td>30%</td>
<td>25%</td>
<td>26%</td>
</tr>
</tbody>
</table>

...And Retirees Are Also *Most* Confident of Meeting Basic Expenses, *Least* Confident of Long-Term Care Expenses

Next, I would like to know how confident you (and your spouse) are about certain aspects related to retirement. (Retirees n=252)

You will have enough money to take care of your basic expenses during your retirement.
- Very: 41%
- Somewhat: 42%
- Not too: 11%
- Not at all: 5%

Your retirement savings will last throughout your retirement.
- Very: 39%
- Somewhat: 33%
- Not too: 8%
- Not at all: 16%

You did a good job of preparing financially for your retirement.
- Very: 35%
- Somewhat: 38%
- Not too: 13%
- Not at all: 13%

You will have enough money to take care of your medical expenses during your retirement.
- Very: 34%
- Somewhat: 39%
- Not too: 17%
- Not at all: 9%

You will have enough money to pay for long-term care should you need it during retirement.
- Very: 23%
- Somewhat: 30%
- Not too: 19%
- Not at all: 24%

Worker Confidence in Having Enough for Basic Expenses Has Decreased Marginally—to 2003 Levels...

How confident are you that you (and your spouse) will have enough money to take care of your basic expenses during your retirement? (2005 Workers n=1,001)

How confident are you that you (and your spouse) are doing a good job of preparing financially for your retirement? (2005 Workers n=1,001)

But Confidence in Ability to Pay for Retirement Medical Expenses Remains at 2004 Levels

How confident are you that you (and your spouse) will have enough money to take care of your medical expenses during your retirement? (2005 Workers n=1,001)

<table>
<thead>
<tr>
<th>Year</th>
<th>Very</th>
<th>Somewhat</th>
<th>Not too</th>
<th>Not at all</th>
<th>Don't know/Refused</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>20%</td>
<td>33%</td>
<td>21%</td>
<td>23%</td>
<td>5%</td>
</tr>
<tr>
<td>1994</td>
<td>21%</td>
<td>36%</td>
<td>22%</td>
<td>26%</td>
<td>5%</td>
</tr>
<tr>
<td>1995</td>
<td>15%</td>
<td>37%</td>
<td>17%</td>
<td>24%</td>
<td>5%</td>
</tr>
<tr>
<td>1996</td>
<td>17%</td>
<td>38%</td>
<td>15%</td>
<td>23%</td>
<td>5%</td>
</tr>
<tr>
<td>1997</td>
<td>15%</td>
<td>44%</td>
<td>15%</td>
<td>21%</td>
<td>5%</td>
</tr>
<tr>
<td>1998</td>
<td>15%</td>
<td>41%</td>
<td>15%</td>
<td>27%</td>
<td>5%</td>
</tr>
<tr>
<td>1999</td>
<td>13%</td>
<td>42%</td>
<td>19%</td>
<td>22%</td>
<td>5%</td>
</tr>
<tr>
<td>2000</td>
<td>19%</td>
<td>38%</td>
<td>21%</td>
<td>22%</td>
<td>5%</td>
</tr>
<tr>
<td>2001</td>
<td>14%</td>
<td>45%</td>
<td>21%</td>
<td>22%</td>
<td>5%</td>
</tr>
<tr>
<td>2002</td>
<td>19%</td>
<td>40%</td>
<td>22%</td>
<td>21%</td>
<td>5%</td>
</tr>
<tr>
<td>2003</td>
<td>17%</td>
<td>40%</td>
<td>20%</td>
<td>20%</td>
<td>5%</td>
</tr>
<tr>
<td>2004</td>
<td>17%</td>
<td>38%</td>
<td>20%</td>
<td>21%</td>
<td>5%</td>
</tr>
<tr>
<td>2005</td>
<td>20%</td>
<td>38%</td>
<td>20%</td>
<td>20%</td>
<td>5%</td>
</tr>
</tbody>
</table>

There Was a Marginal Increase in Workers Not At All Confident In Ability to Pay for Long-term Care

How confident are you that you (and your spouse) will have enough money to pay for long-term care, such as nursing home or home health care, should you need it during your retirement? (2005 Workers n=1,001)

The Percentage of Retirees Very Confident About Their Ability to Pay for Long-term Care Declined

Next, I would like to know how confident you (and your spouse) are about certain aspects related to retirement. (2005 Retirees n=252)

### Percentage very confident

- **You will have enough money to take care of your basic expenses during your retirement.**
  - 1993: 41%
  - 1994: 35%
  - 1995: 34%
  - 1996: 34%
  - 1997: 34%
  - 1998: 34%
  - 1999: 34%
  - 2000: 34%
  - 2001: 34%
  - 2002: 34%
  - 2003: 34%
  - 2004: 34%
  - 2005: 34%

- **You did a good job of preparing financially for your retirement.**
  - 1993: 34%
  - 1994: 34%
  - 1995: 34%
  - 1996: 34%
  - 1997: 34%
  - 1998: 34%
  - 1999: 34%
  - 2000: 34%
  - 2001: 34%
  - 2002: 34%
  - 2003: 34%
  - 2004: 34%
  - 2005: 34%

- **You will have enough money to take care of your medical expenses during your retirement.**
  - 1993: 23%
  - 1994: 23%
  - 1995: 23%
  - 1996: 23%
  - 1997: 23%
  - 1998: 23%
  - 1999: 23%
  - 2000: 23%
  - 2001: 23%
  - 2002: 23%
  - 2003: 23%
  - 2004: 23%
  - 2005: 23%

- **You will have enough money to pay for long-term care, should you need it during retirement.**
  - 1993: 23%
  - 1994: 23%
  - 1995: 23%
  - 1996: 23%
  - 1997: 23%
  - 1998: 23%
  - 1999: 23%
  - 2000: 23%
  - 2001: 23%
  - 2002: 23%
  - 2003: 23%
  - 2004: 23%
  - 2005: 23%

The Percentages of Retirees *Not At All Confident* of Specific Retirement Attributes Are Unchanged

Next, I would like to know how confident you (and your spouse) are about certain aspects related to retirement. (2005 Retirees n=252)

Percentage not at all confident

You will have enough money to take care of your basic expenses during your retirement.

You did a good job of preparing financially for your retirement.

You will have enough money to take care of your medical expenses during your retirement.

You will have enough money to pay for long-term care, should you need it during retirement.

Some Workers Who Are Very Confident About Their Retirement Security May Be Overconfident

- On average, it appears that confidence about retirement security is related to financial preparation.

- However, even among very confident workers, some may be overconfident:
  - 20% of very confident workers are not currently saving for retirement.
  - 38% have less than $50,000 in savings.
  - 52% do not have an IRA opened with money saved outside of an employer’s retirement plan.
  - 37% have not done a retirement needs calculation.
  - 35% say their current level of debt is a problem.

Workers Are Less Likely Than in 2004 (But More Likely Than In 1995) to be Somewhat Confident About Social Security

How confident are you that the Social Security system will continue to provide benefits of at least equal value to the benefits received by retirees today? (2005 Workers n=1,001)

Retiree Confidence in Social Security is Unchanged

How confident are you that the Social Security system will continue to provide benefits of at least equal value to the benefits received by retirees today? (2005 Retirees n=252)

Worker Confidence in the Future Value of Medicare Benefits is Unchanged From Last Year…

How confident are you that the Medicare system will continue to provide benefits of at least equal value to the benefits received by retirees today? (2005 Workers n=1,001)

...But Retiree Confidence in the Value of Medicare Benefits is Higher

How confident are you that the Medicare system will continue to provide benefits of at least equal value to the benefits received by retirees today? (2005 Retirees n=252)

Expectations About Retirement and Retirement Income May Contribute to Poor Retirement Planning
Workers Plan to Work Much Longer Than Current Retirees Actually Worked

Realistically, at what age do you expect to retire? (Workers n=1,001)
How old were you when you retired? (Retirees n=252)

Expected Age at Retirement Remains Unchanged (After Increasing Slightly in 2003)

Realistically, at what age do you expect to retire? (2005 Workers n=1,001)

Some Workers May Meet Their Goals, But Others May End Up Retiring Early, as Did 4 in 10 Retirees

Did you retire earlier than you planned to, retire later than you planned to, or retire about when you planned to? (2005 Retirees n=252)

Early Retirement is Often for Negative Reasons

Did you retire earlier than you planned because . . . ? (Retirees retiring earlier than planned, 2005 n=101)

- You had a health problem or a disability: 49%, 47%, 41%, 35%, 32%, 26%, 28%
- You could afford to retire earlier than you planned: 48%, 39%, 41%, 37%, 29%, 28%, 26%
- There were changes at your company, such as downsizing or closure: 34%, 28%, 25%, 28%, 29%, 29%, 28%
- You wanted to do something else: 32%, 26%, 23%, 19%, 20%, 21%, 23%
- You had another work-related reason: 24%, 24%, 21%, 20%, 18%, 20%, 21%
- You had family reasons: 21%, 23%, 20%, 17%, 15%, 17%, 15%

Almost 1 in 5 Workers Ages 45 and Older Now Expect to Retire Later Than They Planned One Year Ago

In the past 12 months, has the age at which you expect to retire changed? If yes, will you retire at an older or younger age than you previously expected? (Employed workers ages 45 and older, 2005 n=392)

No Single Reason Predominates for Delaying Retirement Age

Why has your age of retirement changed? (Workers delaying retirement, n=69) (Top mentions, multiple responses accepted)

- Will have to work for longer to make up for losses in the stock market: 16%
- Social Security may not be there for me: 16%
- Poor economy: 16%
- Want to make sure have enough money: 15%
- Cost of living higher than expected: 8%

2 in 3 Workers Expect to Work for Pay in Retirement; Only 1 in 4 Retirees Actually Worked

Do you think you will do any work for pay after you retire? (Workers planning to retire, 2005 n=939) Have you worked for pay since you retired? (2005 Retirees n=252)

2 in 3 Retirees Enjoyed Working, But Many Also Give Financial Reasons for Working in Retirement

Is . . . a major reason, a minor reason, or not a reason why you worked after you retired? (Retirees working for pay in retirement, n=76)

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>You enjoyed working and wanted to stay involved</td>
<td>66%</td>
</tr>
<tr>
<td>Wanting money to make ends meet</td>
<td>34%</td>
</tr>
<tr>
<td>Wanting money to buy extras</td>
<td>29%</td>
</tr>
<tr>
<td>Keeping health insurance or other benefits</td>
<td>28%</td>
</tr>
<tr>
<td>Trying a different career</td>
<td>14%</td>
</tr>
<tr>
<td>Decrease in value of savings or investments</td>
<td>12%</td>
</tr>
<tr>
<td>Returning to work/unexpected job opportunity</td>
<td>11%</td>
</tr>
</tbody>
</table>

More Than Half of Retirees Who Have Worked for Pay Since Retiring are Still Working

Are you currently working for pay? (Retirees working for pay since retiring, n=76)

But of Those No Longer Working for Pay, More Than Half are Unable to Work

Could you please tell me the reason why you are no longer working? (Retirees no longer working for pay in retirement, n=29) (multiple responses accepted)

- Not healthy enough: 25%
- No longer want to work: 24%
- Old/too old: 23%
- Still help when needed: 12%
- Lost job: 4%
- Don’t need to work: 4%
- Can’t find work you like: 4%
- Other: 11%

Very Few Non-working Retirees Say They are Likely to Return to Work for Pay

Realistically, how likely do you think you are to work for pay some time in the future? (Retirees not working for pay since retirement, n=176)

3 in 5 Workers Expect to Live Comfortably on 70% or Less of Their Pre-retirement Income; Most Retirees Have More

About what percentage of your pre-retirement household income do you think you (and your spouse) will need to live comfortably in retirement? By pre-retirement income, I mean your household income right before you retire. (Workers n=500)

About what percentage of your pre-retirement income is your current household income? (Retirees n=252)

Thinking realistically, what kind of financial lifestyle do you think you (and your spouse) will have in retirement? (Workers n=500)
How would you describe your current financial lifestyle? (Retirees n=252)

Half of Workers Expect to be Retired for 20 years or More

For how many years do you expect to be retired (Workers planning to retire, n=939)?
At the time that you retired, how many years did you expect your retirement to last? (Retirees n=252)

Just 1 in 5 Workers Know When They Can Receive Unreduced Social Security Retirement Benefits

At what age will you be eligible to receive Social Security retirement benefits without a reduction for early retirement? If respondent says already eligible, ask: At what age were you eligible to receive Social Security retirement benefits without a reduction for early retirement? (Workers n=1,001)

Workers Most Often Expect a Workplace Retirement Savings Plan to be a Major Source of Retirement Income

Do you expect it will be a major source of income, a minor source of income, or not a source of income in your (and your spouse’s) retirement? (Workers n=500)

Retirees are Most Likely to Say Social Security is Their Major Source of Income

Is it a major source of income, a minor source of income, or not a source of income in your (and your spouse’s) retirement? (Retirees n=252)

Workers and Retirees Also Differ on Their Most Important Source of Retirement Income

Which source (do you think will provide/provides) you (and your spouse) with the largest share of income in retirement? (Workers n=500)

4 in 10 Workers Expect to Receive Retiree Health Insurance Through an Employer

Do you (and/or your spouse) (expect to receive/receive) retiree health insurance from an employer? (Workers n=1,001; Retirees n=252)

1 in 5 Workers Report Purchasing or Looking Into Purchasing Long-term Care Insurance

When thinking about your financial needs in retirement, have you (and/or your spouse) purchased, looked in purchasing, or taken no action on long-term care insurance to help pay for care in a nursing home or assisted living facility, or home health care costs not covered by Medicare? (Workers n=1,001)

Minorities of Retirees Have Taken Action to Minimize Various Retirement Risks

When thinking about your financial needs in retirement, have you (and/or your spouse) purchased, looked in purchasing, or taken no action on…? (Retirees n=252)

- **A Medicare supplement plan**, to help pay for health expenses not fully covered by Medicare, such as deductibles and prescription drugs (without employer health coverage n=128)
  - Purchased: 44%
  - Looked into purchasing: 5%
  - No action: 50%
  - Don't know: 0%

- **Long-term care insurance** to help pay for care in a nursing home or assisted living facility, or home health care costs not covered by Medicare
  - Purchased: 18%
  - Looked into purchasing: 8%
  - No action: 73%
  - Don't know: 0%

- **A Medicare discount drug card**
  - Purchased: 17%
  - Looked into purchasing: 7%
  - No action: 75%
  - Don't know: 0%

- **A financial product** that pays you a guaranteed income for life in retirement, no matter how long you live
  - Purchased: 7%
  - Looked into purchasing: 0%
  - No action: 87%
  - Don't know: 0%

Retirees Often Believe They Don’t Need Long-term Care Insurance or That It Will Be Too Expensive

Why have you not purchased or looked into purchasing long term care insurance? (Retirees not taking any action toward long-term care insurance, n=103) (multiple responses accepted)

- Don’t need it: 40%
- Can’t afford it/too expensive: 30%
- Don’t believe in product/suspicious of product: 6%
- Didn’t plan on living that long/will die early: 4%
- Just haven’t done it/didn’t think of it: 4%
- Aren’t aware of product: 1%
- Other: 5%
- Don’t know/Refused: 13%

Similarly, Many Retirees Feel They Don’t Need or Can’t Afford an Annuity

Why have you not purchased or looked into purchasing a financial product that pays a guaranteed income for life? (Retirees not taking any action toward a financial product that pays a guaranteed income for life, n=127) (multiple responses accepted)

- Don’t need it: 32%
- Can’t afford it/Too expensive: 22%
- Just haven’t done it/Didn’t think of it: 8%
- Aren’t aware of product: 4%
- Don’t know where to go for information: 3%
- Already have pension/annuity: 3%
- Not interested in product/Have other products: 3%
- Don’t believe in product/Suspicious of product: 1%
- Other: 5%
- Don’t know/Refused: 19%

Almost Half of Retirees are More Concerned About Their Finances Than When They Retired (But Almost Half are Less)

Compared with right after you retired, would you say you are now more or less concerned about your financial future? (Retirees n=252)

- Much more concerned: 19%
- Somewhat more concerned: 26%
- About the same: 8%
- Somewhat less concerned: 28%
- Much less concerned: 16%

### 2005 RCS Respondent Profile

<table>
<thead>
<tr>
<th></th>
<th>Workers (n=1,001)</th>
<th>Retirees (n=252)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>49</td>
<td>44</td>
</tr>
<tr>
<td>Female</td>
<td>51</td>
<td>56</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>25 to 34</td>
<td>27</td>
<td>--</td>
</tr>
<tr>
<td>35 to 44</td>
<td>30</td>
<td>--</td>
</tr>
<tr>
<td>45 to 54</td>
<td>27</td>
<td>2</td>
</tr>
<tr>
<td>55 to 64</td>
<td>15</td>
<td>17</td>
</tr>
<tr>
<td>65 to 74</td>
<td>1</td>
<td>41</td>
</tr>
<tr>
<td>75 and older</td>
<td>&lt;0.5</td>
<td>41</td>
</tr>
<tr>
<td>Median</td>
<td>43 years</td>
<td>71 years</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Some high school or less</td>
<td>13</td>
<td>22</td>
</tr>
<tr>
<td>High school graduate</td>
<td>31</td>
<td>39</td>
</tr>
<tr>
<td>Some college/trade or business school</td>
<td>26</td>
<td>20</td>
</tr>
<tr>
<td>College graduate</td>
<td>15</td>
<td>7</td>
</tr>
<tr>
<td>Post-graduate work or graduate degree</td>
<td>14</td>
<td>13</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Workers (n=1,001)</th>
<th>Retirees (n=252)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married</td>
<td>58</td>
<td>53</td>
</tr>
<tr>
<td>Divorced/Separated</td>
<td>16</td>
<td>8</td>
</tr>
<tr>
<td>Single, never married</td>
<td>16</td>
<td>3</td>
</tr>
<tr>
<td>Not married, living with a partner</td>
<td>7</td>
<td>2</td>
</tr>
<tr>
<td>Widowed</td>
<td>3</td>
<td>34</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial Decision Maker</th>
<th>Workers (n=1,001)</th>
<th>Retirees (n=252)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primarily respondent</td>
<td>54</td>
<td>57</td>
</tr>
<tr>
<td>Both respondent and someone else</td>
<td>38</td>
<td>37</td>
</tr>
<tr>
<td>Primarily someone else</td>
<td>7</td>
<td>7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Workers (n=1,001)</th>
<th>Retirees (n=252)</th>
</tr>
</thead>
<tbody>
<tr>
<td>African American/Black</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td>Asian/Pacific Islander</td>
<td>1</td>
<td>--</td>
</tr>
<tr>
<td>Hispanic/Latino</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>White/Caucasian</td>
<td>82</td>
<td>90</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
<td>2</td>
</tr>
</tbody>
</table>

### 2005 RCS Respondent Profile, *continued*

<table>
<thead>
<tr>
<th>Household Income</th>
<th>Workers</th>
<th>Retirees</th>
</tr>
</thead>
<tbody>
<tr>
<td>(n=1,001)</td>
<td>(n=252)</td>
<td></td>
</tr>
<tr>
<td>Less than $25,000</td>
<td>21</td>
<td>37</td>
</tr>
<tr>
<td>$25,000 to $49,999</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>$50,000 to $74,999</td>
<td>21</td>
<td>7</td>
</tr>
<tr>
<td>$75,000 or more</td>
<td>23</td>
<td>9</td>
</tr>
<tr>
<td>Don’t know/Refused</td>
<td>8</td>
<td>20</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employment Status of Respondent</th>
<th>Workers</th>
<th>Retirees</th>
</tr>
</thead>
<tbody>
<tr>
<td>(n=1,001)</td>
<td>(n=252)</td>
<td></td>
</tr>
<tr>
<td>Employed full-time</td>
<td>60</td>
<td>1</td>
</tr>
<tr>
<td>Employed part-time</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Self-employed</td>
<td>11</td>
<td>1</td>
</tr>
<tr>
<td>Retired</td>
<td>--</td>
<td>84</td>
</tr>
<tr>
<td>Other</td>
<td>23</td>
<td>9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employment Status of Spouse</th>
<th>Workers</th>
<th>Retirees</th>
</tr>
</thead>
<tbody>
<tr>
<td>(n=597)</td>
<td>(n=147)</td>
<td></td>
</tr>
<tr>
<td>Employed</td>
<td>77</td>
<td>14</td>
</tr>
<tr>
<td>Retired</td>
<td>3</td>
<td>72</td>
</tr>
<tr>
<td>Something else</td>
<td>20</td>
<td>14</td>
</tr>
</tbody>
</table>

Methodology

- 2005 RCS is 15th annual measure of worker and retiree confidence about retirement
- 1,253 20-minute phone interviews conducted in January 2005 through random-digit dialing
- Interviewed Americans ages 25 and over
- Two questionnaire versions
  - 1,001 interviews with workers (not retired)
  - 252 interviews with retirees
Methodology, continued

• 2005 data weighted by age, sex, education, and retiree status (previous years weighted by age, sex, and education)

• Margins of error
  - ± 2.8 percentage points for all respondents
  - ± 3.1 percentage points for all workers
  - ± 6.2 percentage points for all retirees

• Sample sizes noted on charts are unweighted to provide information for margin of error estimates

• Data in this presentation may not total to 100 due to rounding and/or missing categories
### 2005 RCS Underwriters

<table>
<thead>
<tr>
<th>AARP</th>
<th>MetLife</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Express</td>
<td>Milliman, Inc.</td>
</tr>
<tr>
<td>Aon Consulting</td>
<td>Nationwide Financial</td>
</tr>
<tr>
<td>Barclays Global Investors</td>
<td>Northwestern Mutual</td>
</tr>
<tr>
<td>The Brookings Institution</td>
<td>Pacific Life</td>
</tr>
<tr>
<td>CitiStreet</td>
<td>Principal Financial Group</td>
</tr>
<tr>
<td>Fayez Sarofirm &amp; Co.</td>
<td>Procter &amp; Gamble</td>
</tr>
<tr>
<td>Fidelity Investments</td>
<td>Prudential Financial</td>
</tr>
<tr>
<td>Financial Engines</td>
<td>Schering-Plough Corp.</td>
</tr>
<tr>
<td>Genworth Financial</td>
<td>Shell Oil Co.</td>
</tr>
<tr>
<td>Hewitt Financial Services</td>
<td>Society for Human Resource Management</td>
</tr>
<tr>
<td>J.P. Morgan Chase</td>
<td>State Farm Insurance Cos.</td>
</tr>
<tr>
<td>MassMutual Financial Group</td>
<td>The TIAA-CREF Institute</td>
</tr>
<tr>
<td>Mellon Human Resources &amp; Investor Solutions</td>
<td>The Vanguard Group</td>
</tr>
</tbody>
</table>