

## 2010 RCS FACT SHEET #1

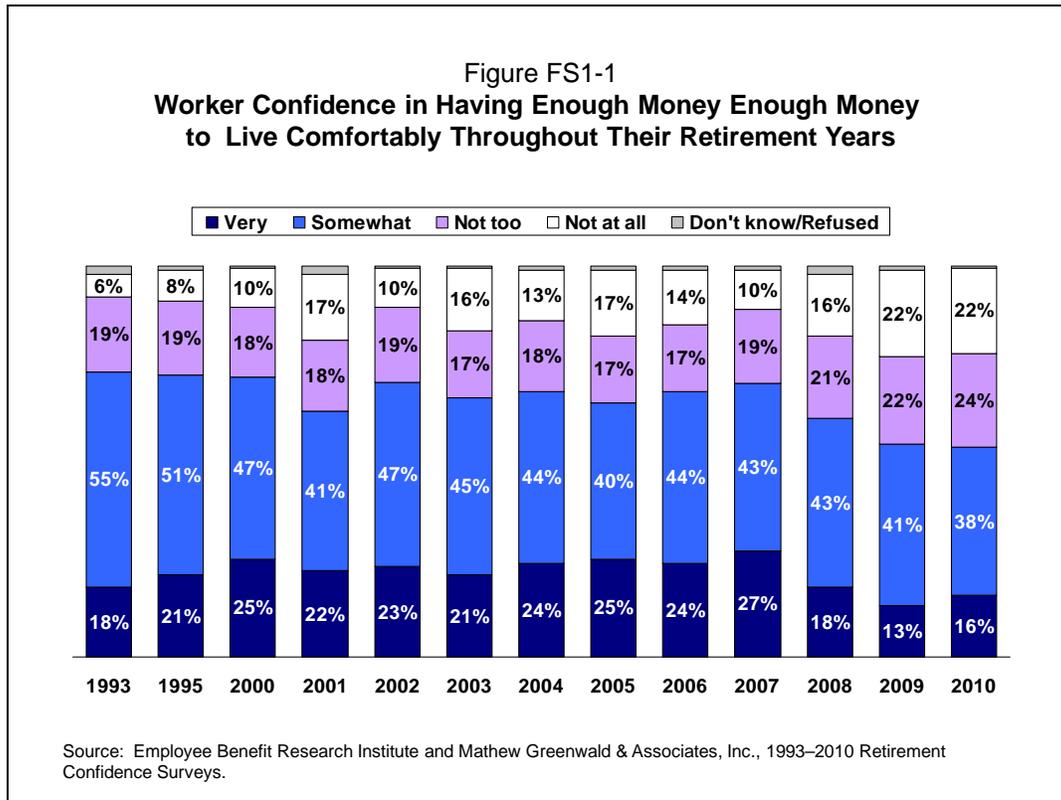
### RETIREMENT CONFIDENCE

*The past few years saw a sharp decline in Americans' confidence about their ability to secure a financially comfortable retirement. What has happened to confidence now that some economic indicators are improving?*

#### Confidence in Having a Comfortable Retirement

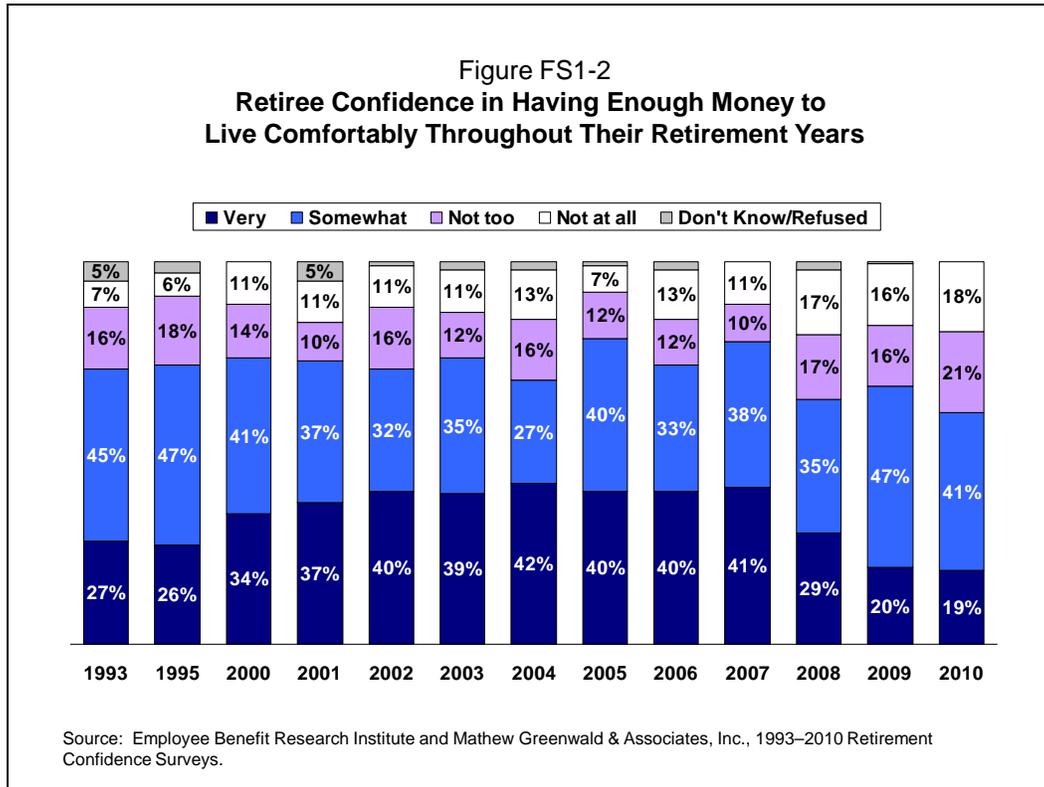
The 2010 Retirement Confidence Survey (RCS) finds that the sharp decline in the percentage of workers who are *very* confident about having enough money to live comfortably throughout their retirement years has leveled off. Sixteen percent of workers now say they are *very* confident about having a comfortable retirement, statistically equivalent to the 13 percent observed in 2009 but well below the high of 27 percent observed in 2007.

Nevertheless, almost half of workers report they are *not too* (24 percent) or *not at all* (22 percent) confident that they will have enough money to enable them to have a comfortable retirement (Figure FS1-1).



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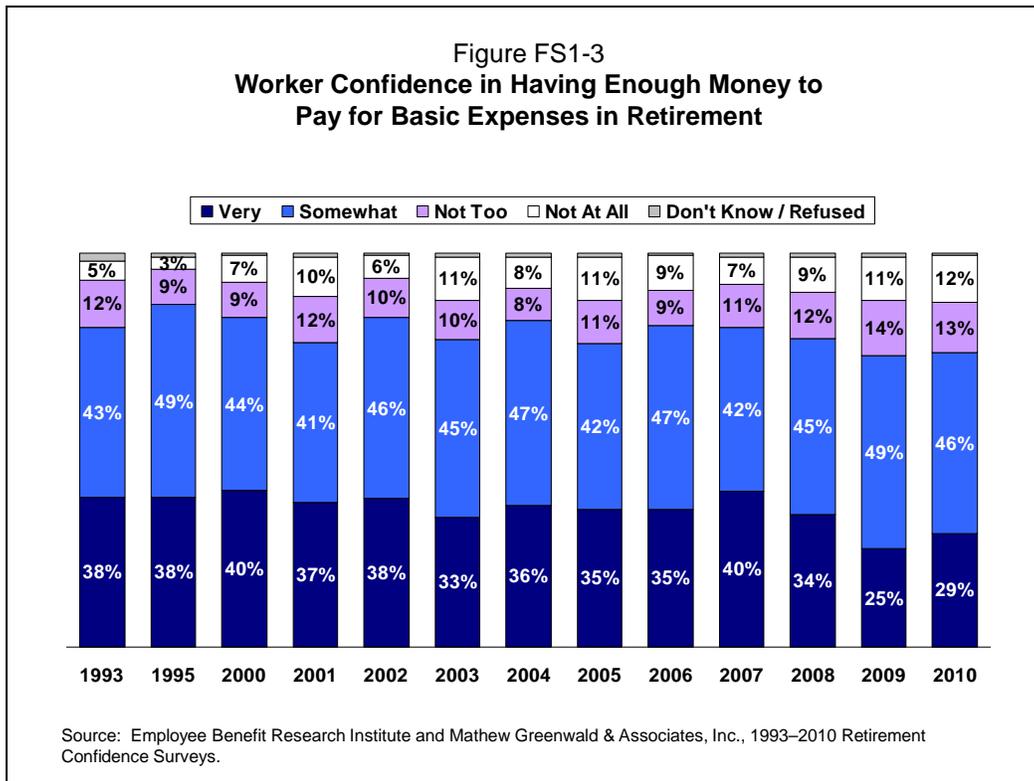
Confidence in having enough money for a comfortable retirement also appears to have leveled off among retirees. Nineteen percent say they are *very* confident, statistically equivalent to the low of 20 percent measured in 2009. Yet 39 percent indicate they are not confident about having a comfortable retirement (Figure FS1-2).



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## Worker Confidence in Other Financial Aspects of Retirement

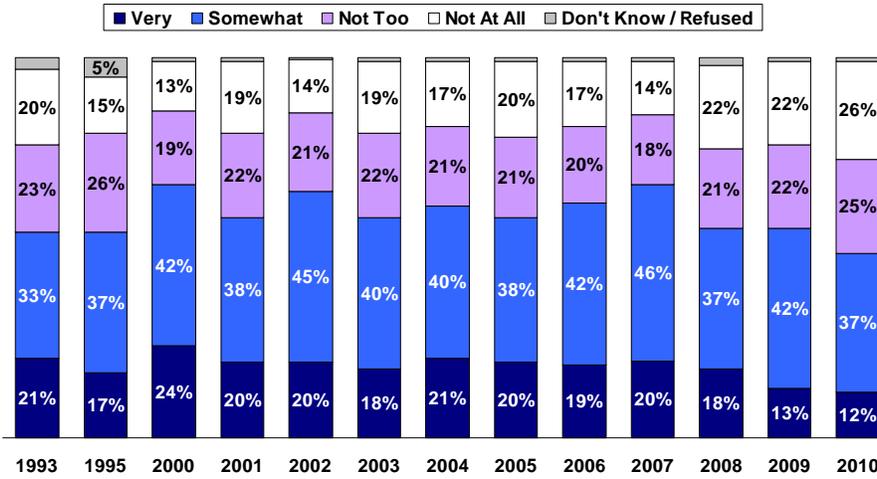
The percentage of workers who say they are *very* confident about having enough money to pay for their basic expenses in retirement has rebounded slightly, from 25 percent in 2009 to 29 percent. At the same time, the percentage not confident has held steady at 25 percent (Figure FS1-3).



While the share of workers *very* confident of having enough money to pay for medical expenses (12 percent, statistically equivalent to the 13 percent observed in 2009) and long-term care expenses (10 percent in 2009 and 2010) in retirement remains stable, the share of workers *not too* or *not at all* confident about being able to cover these expenses has continued to rise. Fifty-one percent now say they are not confident about having enough money to pay for medical expenses (compared with 43 percent in 2008 and 44 percent in 2009) and 61 percent are not confident about paying for long-term care expenses (compared with 54 percent in 2008 and 56 percent in 2009) (Figures FS1-4 and FS1-5).

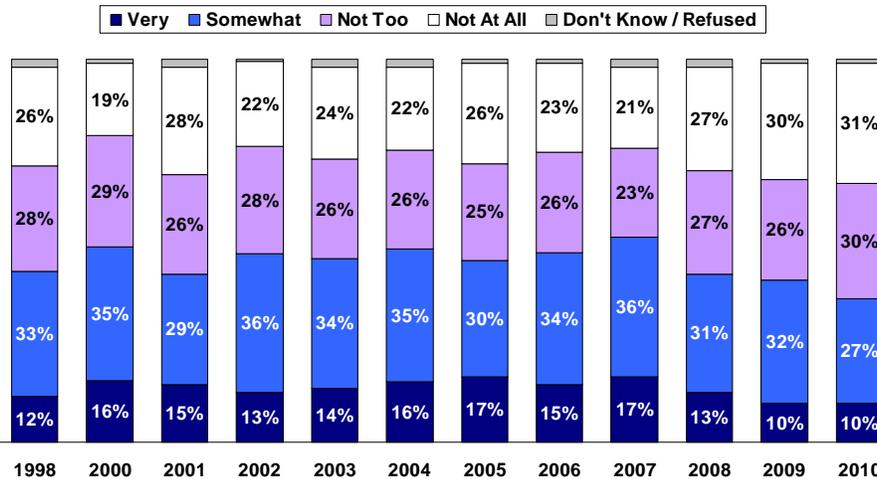
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Figure FS1-4  
**Worker Confidence in Having Enough Money to Pay for Medical Expenses in Retirement**



Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993–2010 Retirement Confidence Surveys.

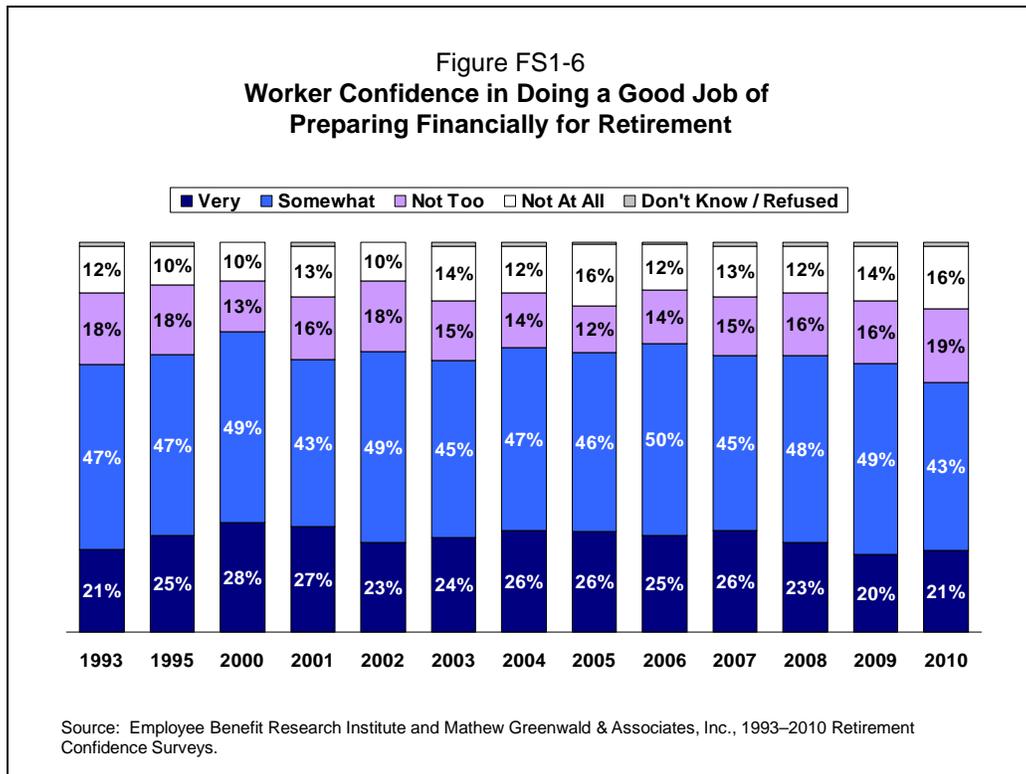
Figure FS1-5  
**Worker Confidence in Having Enough Money to Pay for Long-term Care Expenses in Retirement**



Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1998–2010 Retirement Confidence Surveys.

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Similarly, the percentage of workers saying they are *very* confident that they are doing a good job of preparing for retirement remains level (21 percent, statistically equivalent to the 20 percent measured in 2009 and 23 percent measured in 2008). However, the percentage *not confident* in their financial preparations for retirement has crept upward from 26 percent in 2006 to 30 percent in 2009 to 35 percent in 2010 (Figure FS1-6).



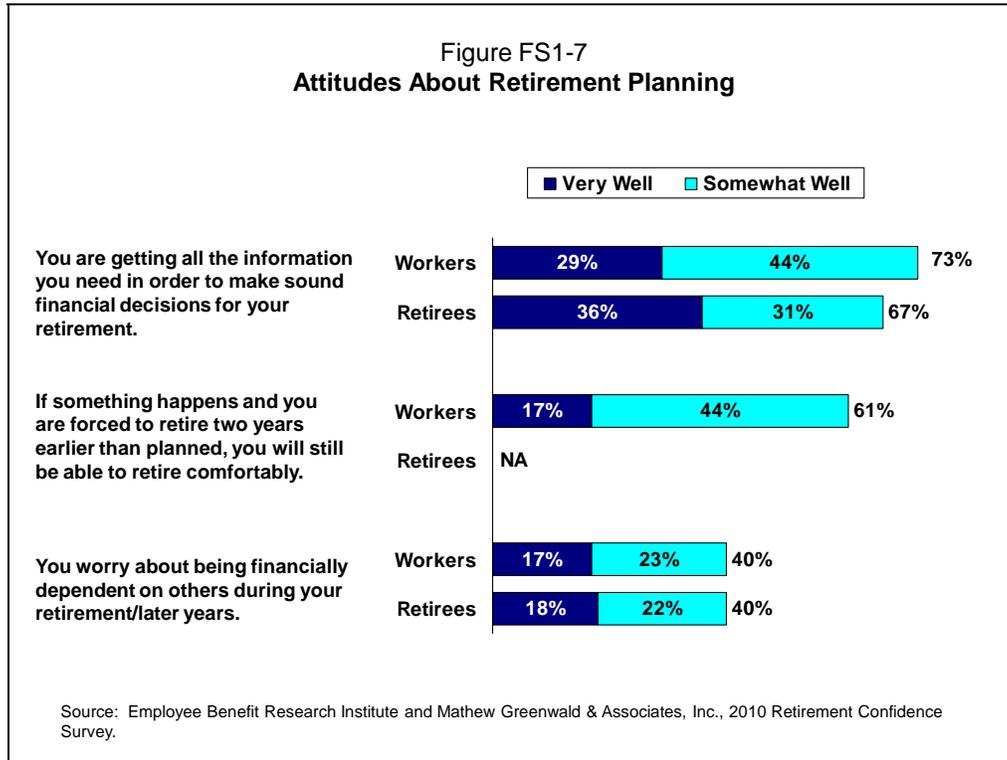
### Retiree Confidence in Other Financial Aspects of Retirement

Retiree confidence about these financial aspects of retirement shows little change from last year. The percentages saying they are *very* confident about having enough money for basic expenses (33 percent in 2010 and 34 percent in 2009), medical expenses (23 percent in 2010 and 25 percent in 2009), and long-term care expenses (13 percent in 2010 and 15 percent in 2009) are statistically unchanged from last year. Further, the percentage *very* confident that they did a good job of preparing financially for retirement has remained stable since 2008 (30 percent in 2010, 28 percent in 2009, 26 percent in 2008).

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## Attitudes About Retirement Planning

Despite the fact that just 21 percent of workers and 30 percent of retirees report they are *very* confident about their financial preparations for retirement, sizable majorities say they are getting all of the information they need to make sound financial decisions for their retirement (73 percent of workers, 67 percent of retirees) (Figure FS1-7).



Seventeen percent of workers say that the statement “if something happens and you are forced to retire two years earlier than planned, you will still be able to retire comfortably” describes them *very* well. Another 44 percent say the statement describes them *somewhat* well.

Forty percent of workers and retirees admit that they worry about being financially dependent on others during their later years.

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