

**Craig Copeland's Comments**  
2019 Retirement Confidence Survey  
April 23, 2019

Good morning. I'm Craig Copeland, senior research associate at the Employee Benefit Research Institute. I *will make* some brief remarks about the survey results and then turn it over to Lisa Greenwald, the Executive Vice President of Greenwald & Associates. I will then provide some concluding remarks.

The Retirement Confidence Survey (RCS), the longest-running survey of its kind in the nation and now in its 29<sup>th</sup> year, finds that 71 percent of Americans feel confident that they will have enough money to live comfortably throughout their retirement years, though only 27 percent feel very confident, up from 67 percent and 21 percent in 2018, respectively. The share of workers reporting that they feel either very or somewhat confident in 2019 was 67 percent, up from 60 percent in 2017 and 64 percent in 2018. Twenty-three percent of workers in 2019 were very confident, which is up from 18 percent in 2017 and 17 percent in 2018.

In addition, retiree confidence in living comfortably throughout retirement was also up from 2018, when 75 percent of retirees were confident compared with 82 percent in 2019. However, the 2019 number was not statistically significantly above the 2017 level of 79 percent.

With these confidence levels reached in 2019, Americans' confidence in living comfortably throughout retirement for both workers and retirees has now reached highs comparable to before the 2008 financial crisis.

I will turn it over to Lisa Greenwald for further explanation.

(BREAK FOR LISA'S REMARKS)

Thank you Lisa!

DC plan ownership is an important factor associated with worker confidence in being able to live comfortably throughout retirement, as 75 percent of workers with a DC plan are at least somewhat confident in their ability to live comfortably in retirement versus 57 percent of those without a DC plan. Furthermore, a large share of workers expect DC plans to be a source of income in retirement, as 8 in 10 workers say they expect a DC plan to be a major or minor source of income. However, only just over half of current retirees say that DC plans are a source of income.

While more workers expect DC plans to be a source of income in retirement than current retirees, workers are much less likely to expect Social Security to be a major source of income in retirement. In fact, 30 percent of workers expect Social Security to

be a major source of income compared with 59 percent of retirees that report that Social Security is a major source of income.

With so many workers expecting DC plans to be a source of income in retirement, it is good to see that workers express satisfaction with their DC plans. 8 in 10 DC participants are satisfied overall with their DC plans. Also, 8 in 10 are satisfied with the investment options available in the plan and 7 in 10 with the investment fees they pay.

However, there does appear to be some uncertainty on what DC participants will do with their money when they retire, as 27 percent say they don't know whether they will roll the money into an IRA, keep it in the plan, or cash it out.

Furthermore, workers were asked about their financial priorities in retirement, choosing between income stability or maintaining wealth. 3 in 4 workers say that income stability would be their priority. How they would achieve that priority through either managing their own assets or buying a product that guarantees lifetime income is mixed. For those choosing an option, 41 percent say they would manage their own assets in retirement, 24 percent would purchase a lifetime income product, and the remaining 35 percent would do some combination of both.

Beyond DC plan ownership and how individuals manage their assets, other factors can play an important role in a successful retirement. First, workers expect to retire later than retirees actually do, which may not be a choice for some workers due to deteriorating health or losing a job in older ages. Second, 3 in 4 workers expect work for pay to be a major or minor source of income. However, only 1 in 4 retirees say working is a source of income for them.

Thank you! Lisa and I will now answer any questions.