

2007 RCS FACT SHEET

GENDER COMPARISONS AMONG WORKERS

*Are men and women equally likely to plan and save for retirement?
Do they have similar expectations about their needs in retirement?
The 17th annual Retirement Confidence Survey (RCS) provides some answers.*

Saving for Retirement

- Men and women are equally likely statistically to say they (and/or their spouse) have saved for retirement and to say they are currently saving for retirement (Figure 1).
- They are also equally likely to say they (and/or their spouse) have an individual retirement account (IRA) opened with money saved outside of an employer's retirement plan (not money rolled over from an employer's plan).
- Although women are less likely than men to contribute to a work-place retirement savings plan, this is largely due to decreased access. When offered a plan, women are as likely as men to contribute (81 percent of men and 79 percent of women).

Figure 1
Selected Retirement Savings Indicators

	All Workers	Men	Women
Saved for retirement	66%	67%	65%
Currently saving for retirement	60	60	60
Have an IRA with money saved outside of an employer's retirement plan	44	45	43
Contribute to a work-place retirement savings plan	42	46	38

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

Calculating Retirement Accumulation Needs

- Women (40 percent) are statistically just as likely as men (45 percent) to indicate they have tried to calculate how much they will need to have saved by the time they retire so that they can live comfortably in retirement.
- Men (24 percent) are more likely than women (13 percent) to think that they need to accumulate \$1 million or more for retirement (Figure 2).

Figure 2^a
Amount of Savings Needed for Retirement

	All Workers	Men	Women
Less than \$250,000	26%	22%	30%
\$250,000–\$499,999	18	20	15
\$500,000–\$999,999	20	22	18
\$1 million–\$1.9 million	11	15	7
\$2 million or more	8	9	6
Don't know/Don't remember	18	12	23

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

^a These data are broken out by age in the 2007 RCS Fact Sheet "Age Comparisons Among Workers," Figure 5.

- Men and women provide similar estimates for the amount of savings they need to accumulate to cover health care expenses in retirement (Figure 3).

Figure 3
Amount of Savings Needed to Cover Health Care Expenses in Retirement

	All Workers	Men	Women
Under \$100,000	32%	32%	32%
\$100,000–\$249,999	20	22	18
\$250,000–\$499,999	11	13	10
\$500,000–\$999,999	8	8	7
\$1 million or more	5	7	4
Don't know/No idea	24	18	29

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

Sources of Retirement Advice

- Men and women are equally likely to use various sources of information when making retirement savings and investment decisions, with one exception. Men are more likely to report using information available on the Internet (61 percent) than are women (43 percent).
- However, when examining how comfortable men and women workers are with doing various online tasks to prepare for retirement, virtually no differences emerge (Figure 4). Men are more likely to report being very comfortable with shifting money between accounts online than are women.

Figure 4
Percentage of Workers Very Comfortable With Performing Online Tasks

	All Workers	Men	Women
Shifting money from one account or investment to another online	23%	26%	20%
Using calculators online to assist you with financial decisions	22	25	20
Obtaining information about financial products online	20	22	19
Purchasing financial products online	10	12	8
Obtaining advice from financial professionals online	9	10	8

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

Retirement Expectations

- Men (43 percent) are more likely than women (32 percent) to plan to retire before age 65, while women are more likely than men to expect to retire at age 65 (Figure 5).

Figure 5
Expected Age at Retirement

	All Workers	Men	Women
Before age 55	7%	7%	6%
Ages 55–59	10	13	8
Ages 60–64	21	23	18
Age 65	27	22	32
Ages 66–69	8	8	9
Age 70 or older	16	15	17
Never retire	6	7	4
Don't know	6	5	7

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

- Men and women provide similar estimates of the length of time they will spend in retirement. The median (midpoint) number of years for both groups is 20 years.

- Women (36 percent) are more likely than men (28 percent) to feel it is very likely that they will live to be at least age 85. Moreover, men are twice as likely to agree *strongly* that they (and their spouse) will not live long enough to use up all of their savings (23 percent of men versus 11 percent of women).
- Men are more likely than women to expect to work for pay in retirement (71 percent of men versus 62 percent of women).
- Statistically, men and women are equally likely to expect that they (and their spouse) will receive money in retirement from a work-place retirement savings plan and from a defined benefit plan. They are also equally likely to indicate they will receive retiree health insurance through an employer (Figure 6).

Figure 6^a
Workers Expecting to Receive Employer-Provided Retirement Benefits

	All Workers	Men	Women
Money from a retirement savings plan	74%	73%	74%
Money from a traditional pension or cash balance plan	62	59	65
Retiree health insurance	41	38	44

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

^a These data are broken out by age in the 2007 RCS Fact Sheet "Age Comparisons Among Workers," Figure 7.

Retirement Confidence

- Men are more likely than women to say they are very confident about having enough money to live comfortably throughout retirement, about having enough money to pay for long-term care, and that the Medicare system will continue to provide benefits equal those received by retirees today (Figure 7).

Figure 7^a
Percentage of Workers Very Confident About Financial Aspects of Retirement

	All Workers	Men	Women
You will have enough money to live comfortably throughout your retirement years	27%	31%	24%
You will have enough money to take care of basic expenses during retirement	40	43	38
You are doing a good job of preparing financially for retirement	26	26	26
You will have enough money to take care of medical expenses during retirement	20	21	19
You will have enough money to pay for long-term care during retirement	17	22	13
The Social Security system will continue to provide benefits of at least equal value to the benefits received by retirees today	7	8	5
The Medicare system will continue to provide benefits of at least equal value to the benefits received by retirees today	6	9	4

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

^a These data are broken out by age in the 2007 RCS Fact Sheet "Age Comparisons Among Workers," Figure 9.

- Men (9 percent) are also more likely than women (4 percent) to describe their likely standard of living in the first five years of retirement as well off.
- Men are more likely to feel that spending during the first five years of retirement will be higher than spending during the five years prior to retirement (12 percent) than are women (8 percent).