

**2005 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 15<sup>th</sup> annual Retirement Confidence Survey (RCS) provides some answers.*

**Saving for Retirement**

- Men are more likely than women to say they (and/or their spouse) have saved for retirement and to say they are currently saving for retirement. However, this difference appears to be largely driven by differences in household income between men and women. When income is held constant, men and women appear equally likely to say they are saving for retirement.
- Men are more likely than women to report they are contributing to a workplace retirement savings plan, perhaps because nonretired men (57 percent) are more apt than nonretired women (45 percent) to be offered this type of plan by an employer.
- Men and women are statistically 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).

Figure 1  
**Selected Retirement Savings Indicators**

	All Workers	Men	Women
Saved for retirement	69%	72%	66%
Currently saving for retirement	62	65	59
Contribute to a workplace retirement savings plan	42	48	36
Have an IRA opened with money saved outside of an employer’s retirement plan	31	33	29

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2005 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 (21 percent) are more likely than women (10 percent) to believe that they need to accumulate \$1 million or more. The difference in the amounts men and women say they need to save persists even when household income or marital status is held constant. However, some financial professionals think that women need to save more than men because women have longer life expectancies.

Figure 2  
**Amount of Savings Needed for Retirement**

	All Workers	Men	Women
Under \$250,000	32%	27%	37%
\$250,000–\$499,999	21	22	21
\$500,000–\$999,999	18	20	17
\$1 million–\$1.49 million	8	10	6
\$1.5 million or more	7	10	4
Don’t know/Don’t remember	10	8	12
Refused	2	2	1

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2005 Retirement Confidence Survey.

**Retirement Expectations**

- Men and women expect to retire at about the same ages. However, women age 45 and older (25 percent) are more than twice as likely as men in this age group (12 percent) to say that, in the past year, they planned to postpone their retirement date.

Figure 3  
**Expected Age at Retirement**

	All Workers	Men	Women
Less than 55	6%	8%	4%
Ages 55–59	10	12	8
Ages 60–64	19	19	18
Age 65	26	24	29
Age 66 or older	24	23	25
Never retire	6	6	7
Don't know/Refused	9	8	10

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2005 Retirement Confidence Survey.

- Men and women also provide similar estimates of the length of time they will spend in retirement. Together, the expected age at retirement and length of time in retirement generate similar estimated life expectancies. Half of both men and women providing this information expect to live until at least age 85, and one-quarter expect to live until at least age 89 (men) or 90 (women).
- Statistically, women (64 percent) are as likely as men (67 percent) to expect to work for pay in retirement.
- While women are more apt than men to be looking forward to a financial lifestyle in retirement that is adequate (72 percent versus 60 percent), men are more apt than women to anticipate a well-off retirement (17 percent versus 10 percent).
- Men are more likely than women to believe that personal savings accumulated outside of work (not in a work-related retirement plan) will be a major source of income in retirement (32 percent versus 22 percent). In contrast, women are more likely to think that Social Security will be a major source of retirement income (32 percent versus 22 percent).
- Men (36 percent) are more likely than women (31 percent) to expect that they and/or their spouse will receive money in retirement from a defined benefit plan. However, men and women appear equally likely to think they and/or their spouse will receive money from a workplace retirement savings plan and retiree health insurance.

Figure 4  
**Workers Expecting to Receive Employer-Provided Retirement Benefits**

	All Workers	Men	Women
Money from a workplace retirement savings plan	69%	70%	67%
Retiree health insurance	40	38	41
Money from a defined benefit plan	33	36	31

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2005 Retirement Confidence Survey.

**Retirement Confidence**

- While women and men appear equally likely to be *very* confident about having enough money for many financial aspects of retirement, women are less likely than men to say they are *very* confident that their retirement savings will last throughout their retirement.

Figure 5  
**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	25%	26%	23%
You will have enough money to take care of basic expenses during retirement	35	35	35
You are doing a good job of preparing financially for retirement	26	26	25
Your retirement savings will last throughout retirement	23	26	20
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	17	17
The Social Security system will continue to provide benefits of at least equal value to the benefits received by retirees today	8	10	7
The Medicare system will continue to provide benefits of at least equal value to the benefits received by retirees today	7	9	5

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2005 Retirement Confidence Survey.

Source: 2005 Retirement Confidence Survey—Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc. On the Internet at [www.ebri.org/rcs](http://www.ebri.org/rcs), and [www.greenwaldresearch.com](http://www.greenwaldresearch.com)