

Fast Facts from EBRI

Contact: John MacDonald, EBRI, (202) 775-6349, macdonald@ebri.org
FFE #82, May 15, 2008

Where Do American Workers Expect to Get Retirement Income?

WASHINGTON—What do American workers think will be the major sources of their income when they retire? How many expect they will receive money from a traditional defined benefit pension plan?

The 2008 Retirement Confidence Survey[®] answers these and other questions. Here are some of the results:

- An *employer-sponsored retirement saving plan* is cited by 44 percent of workers as an expected major source of income in retirement. Slightly less than one-third of workers expect *Social Security* (31 percent), other *personal savings or investments* (30 percent), and a *traditional pension* (29 percent) each to be major sources of retirement income (see below).

Expected Major Sources of Retirement Income

	All Workers	Have Saved for Retirement	
		Yes	No
An employer-sponsored retirement savings plan, such as a 401(k)	44%	52%	24%
Social Security	31	24	48
Other personal savings or investments, not in a work-related retirement plan	30	33	21
An employer-provided traditional pension or cash balance plan	29	32	19
An individual retirement account (IRA)	26	31	16

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2008 Retirement Confidence Survey.[®]

- Workers who have saved for retirement are more likely than nonsavers to expect major retirement income from work-place or personal savings, pensions, and individual retirement accounts (IRAs). Conversely, nonsavers are more likely to say Social Security will be a major source of retirement income.
- Well over half (59 percent) of workers say money from a defined benefit pension plan will provide them with income in retirement. This may well be wishful thinking for many workers, since substantial portions of those *currently without* a pension expect to receive these benefits.

The 2008 Retirement Confidence Survey[®] was sponsored by the nonpartisan Employee Benefit Research Institute and Mathew Greenwald & Associates. Full results for the survey, now in its 18th year, are available at www.ebri.org

Fast Facts from EBRI is issued occasionally by the nonpartisan Employee Benefit Research Institute to highlight benefits information that may be of current interest. Established in 1978, EBRI is an independent nonprofit organization committed exclusively to data dissemination, policy research, and education on economic security and employee benefits. EBRI does not take policy positions and does not lobby.