

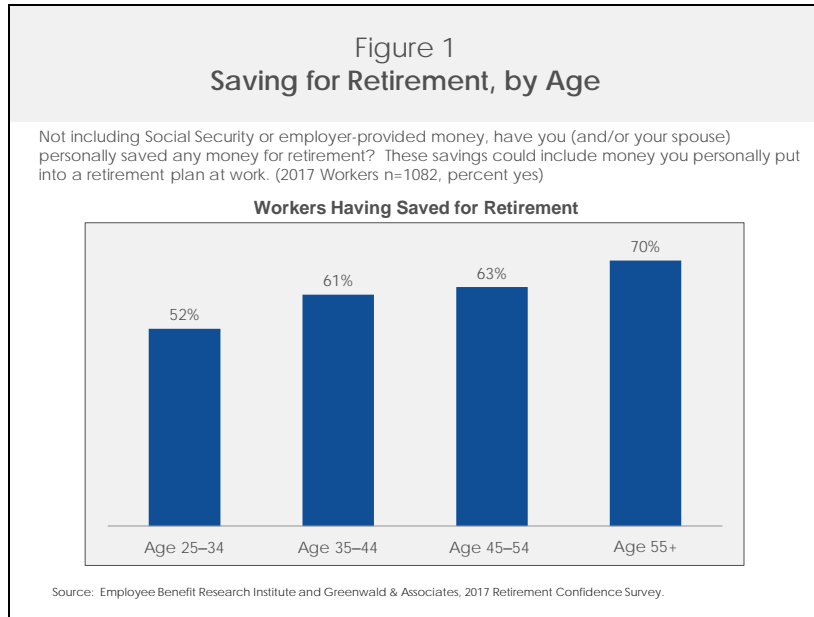
2017 RCS FACT SHEET #4

AGE COMPARISONS AMONG WORKERS

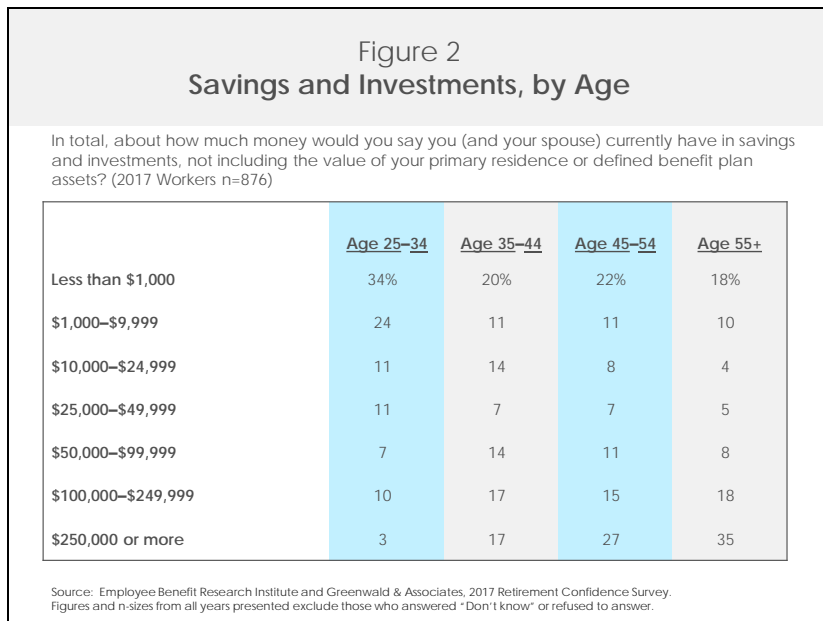
The 27th annual Retirement Confidence Survey (RCS) provides evidence to support the intuitive argument that the closer people are to retirement, the more likely they are to take steps to ensure they have a secure retirement.

Saving for Retirement

Overall, about 3 in 5 workers (61 percent) report they or their spouse have saved money for retirement. Older workers are more likely to have saved for retirement than those ages 25 to 34 (Figure 1).

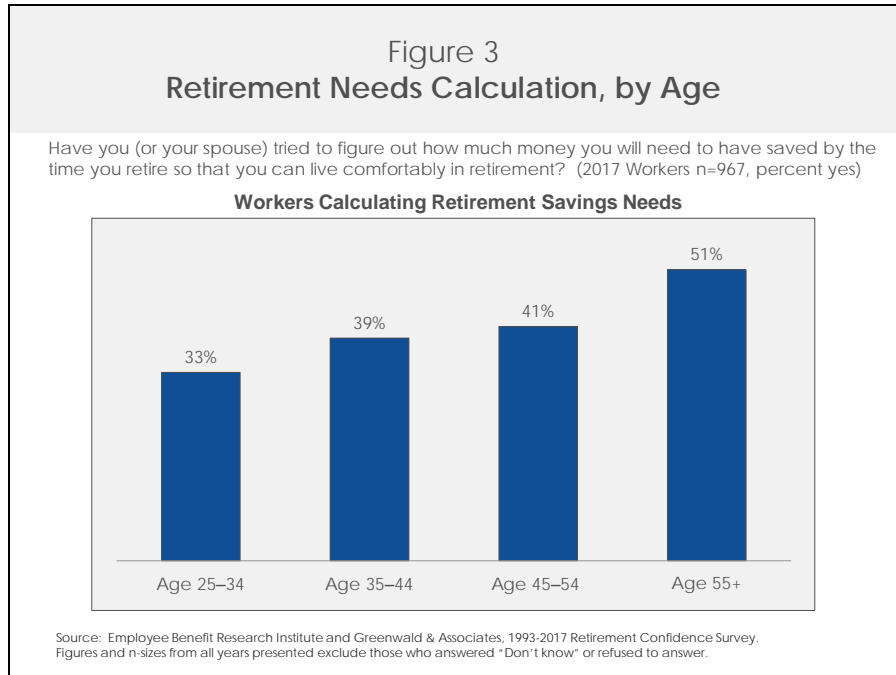


Older workers are more likely than their younger counterparts to report higher amounts of assets (Fig. 2).

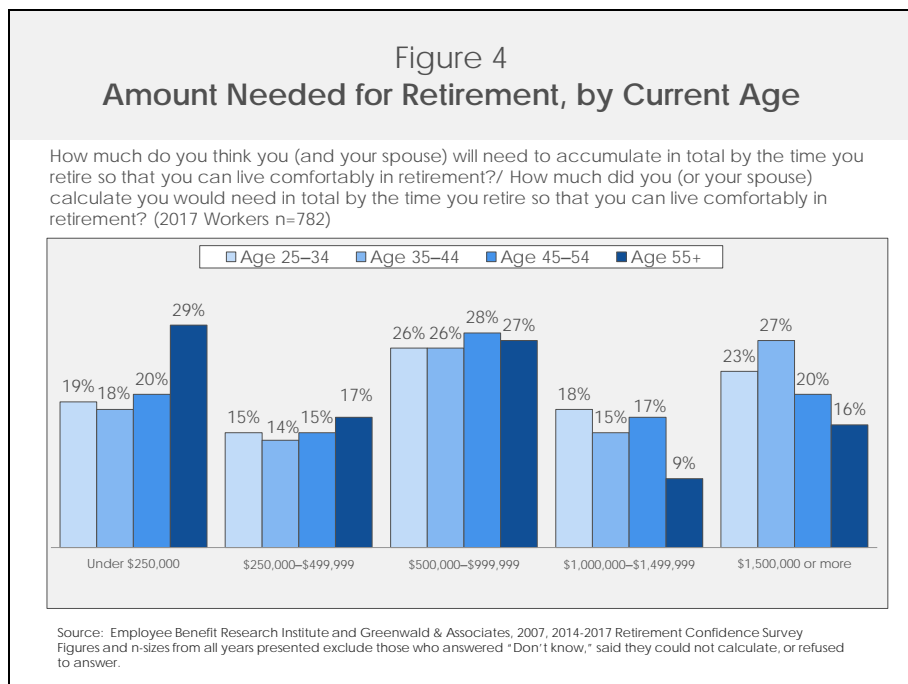


Planning for Retirement

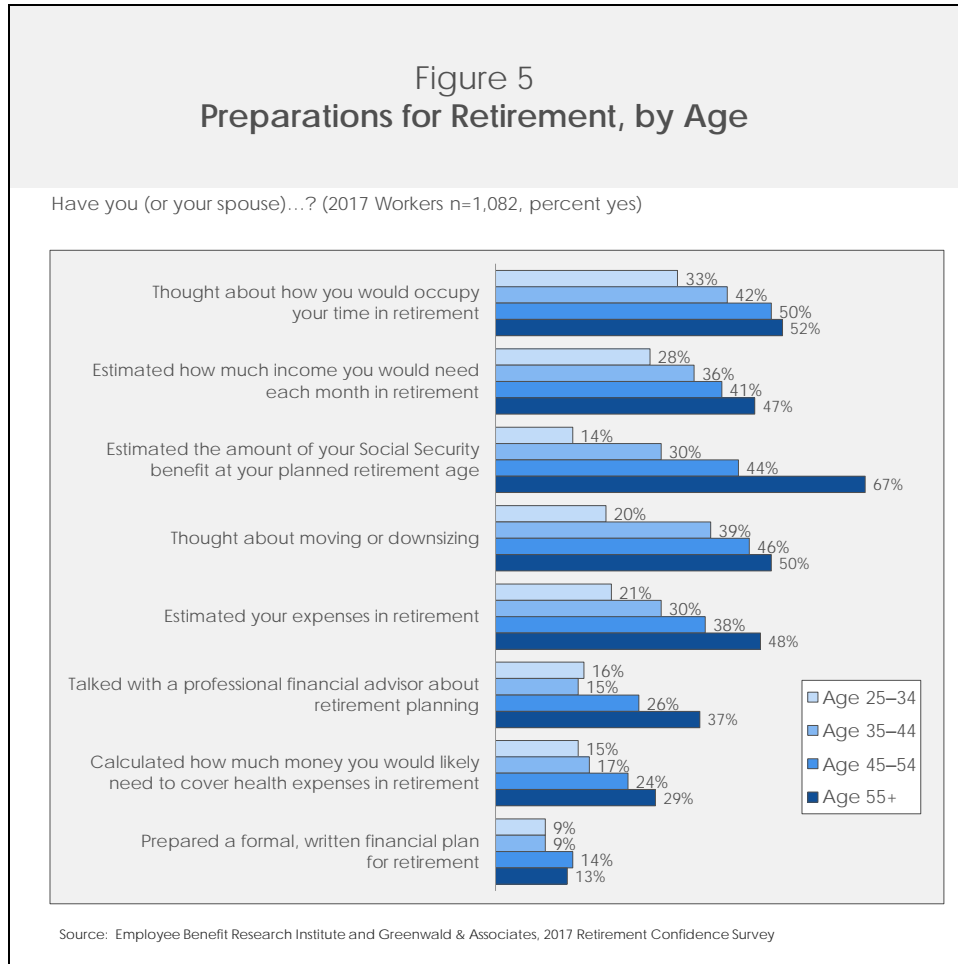
Despite approaching retirement age, just half of workers age 55 and older have tried to calculate how much money they will need to have saved so that they can live comfortably in retirement. Fifty-one percent of these workers have, which is significantly higher than those ages 45–54, ages 35–44, or ages 25–34 (Figure 3).



While workers ages 55 and older are more likely than younger workers to think they will need to accumulate less than \$250,000 by the time they retire so that they can live comfortably in retirement, over a third (37 percent) across all ages believe at least \$1 million is needed (Figure 4).



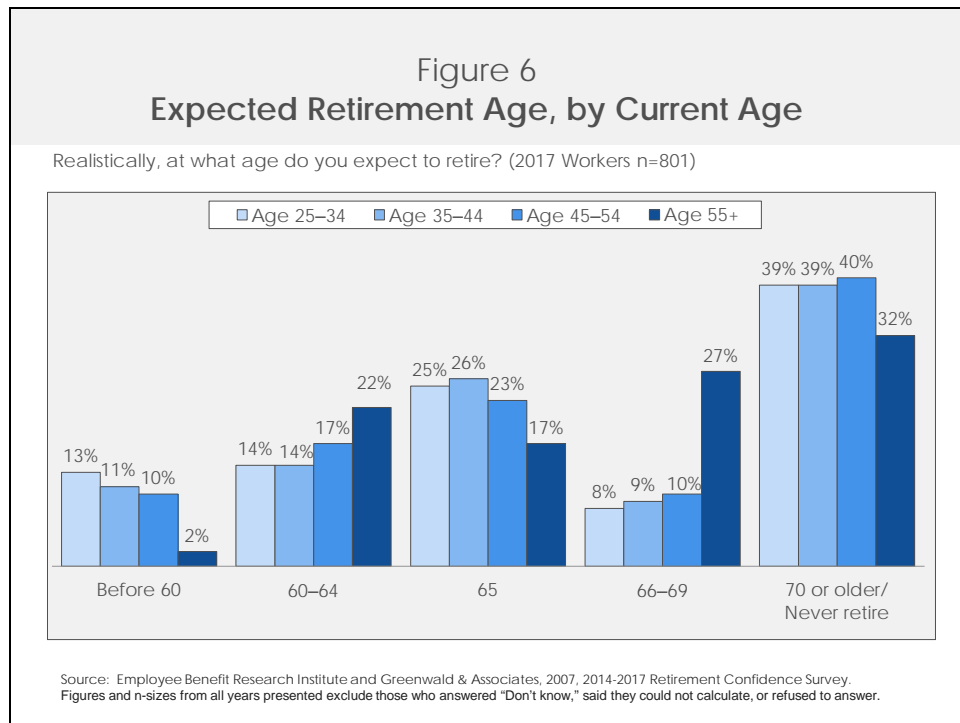
There are other steps that individuals can take to prepare for retirement, including such things as thinking about how to occupy time in retirement (44 percent of all workers have taken this step), thinking about moving or downsizing (38 percent), estimating the Social Security benefit at the planned retirement age (38 percent), estimating how much monthly income is needed (38 percent), estimating expenses in retirement (34 percent), talking with a professional financial advisor about retirement planning (23 percent), calculating how much will likely be needed to cover health expenses in retirement (21 percent), and preparing a formal, written financial plan for retirement (11 percent). Except for preparing a formal, written financial plan for retirement, the likelihood of having undertaken each of these steps increases with age (Figure 5).



Expected Retirement Age

Workers ages 25–54 appear to have similar expectations for the age at which they will retire. Among those willing to estimate their retirement age, roughly 1 in 4 say they will retire before age 65, 1 in 4 say they will retire at 65, and 4 in 10 say they will retire at age 70 or older or never retire (Figure 6).

However, workers' expectations appear to change once they get closer to retirement age. In particular, 1 in 4 workers age 55+ say they expect to retire between the ages of 66–69, while somewhat fewer say they will retire at age 65 or at age 70+.



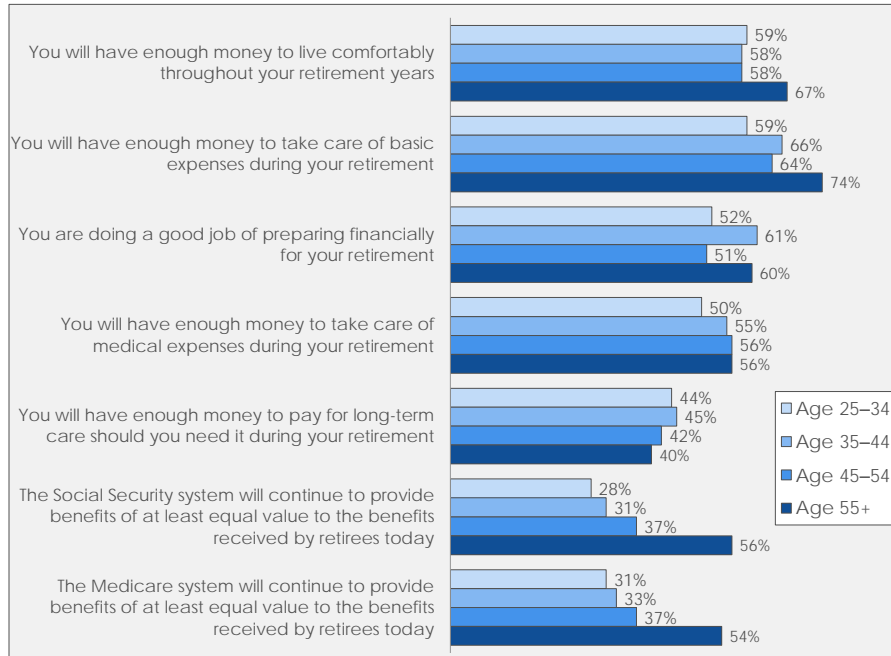
Retirement Confidence

Overall, 3 in 5 workers (60 percent) are confident about having enough money to live comfortably in retirement. Workers of different age groups are statistically about as likely to describe themselves as confident about many financial aspects of retirement, including having enough money to take care of medical expenses and long-term care and their preparation for retirement. Workers ages 55+ are more likely than those ages 25-34 to be confident they will be able to take care of their basic expenses in retirement (Figure 7).

However, there are significant differences regarding worker confidence in the benefits provided by Social Security and Medicare. Over half of workers age 55 or older are confident that Social Security (56 percent) and Medicare (54 percent) will continue to provide benefits at least relatively equal to those enjoyed by retirees today, significantly higher than all other age groups. Workers in the next-oldest age group, those age 45-54, show a level of confidence more similar to those age 25-34 than those age 55 or older.

Figure 7 Confidence in Retirement Topics, by Age

How confident are you that... (2017 Workers n=1,082, percent very or somewhat confident)



Source: Employee Benefit Research Institute and Greenwald & Associates, 2017 Retirement Confidence Survey

###