

News From The Employee Benefit Research Institute

35th Annual Retirement Confidence Survey Reports Worker Confidence Unchanged, While Retirees Feeling Better

- Survey also indicates concerns about changes to the public retirement programs and the impact of inflation on spending and saving -

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For more information: Ron Dresner

dresner@ebri.org

(Washington, D.C.) – A new report published today from the 35th annual Retirement Confidence Survey finds Americans reporting a positive outlook for retirement, with 67% of workers and 78% of retirees confident they will have enough money to live comfortably throughout retirement. Confidence among retirees increased from 74% last year. The survey report also found concern about changes to the U. S. retirement system, specifically a reduction of Social Security and Medicare benefits. Also, inflation remains a concern for workers on how it will impact their ability to save.

The Retirement Confidence Survey (RCS) is the longest-running survey of its kind measuring worker and retiree confidence and is conducted by the Employee Benefit Research Institute (EBRI) and Greenwald Research.

“Workers and retirees generally appear to be remaining confident about their retirement prospects. However, they are concerned that federal government programs for retirees such as Social Security and Medicare will be cut.” said Craig Copeland, director, Wealth Benefits Research, EBRI. “The concern about Social Security is especially prominent, as almost all retirees say that Social Security is a source of retirement income, and nearly as many workers expect Social Security to be an income source when they retire. In addition, workers are concerned about inflation negatively impacting their ability to spend as well as the volatility of the stock market. Not only are workers concerned about having to cut their spending, but they are also concerned that the higher costs will reduce their ability to save as much as they want.”

The 2025 RCS surveyed a total of 2,767 Americans ages 25 or older and was conducted from Jan. 2 – Feb. 3, 2025. The survey included a general population sample of 2,047 Americans, which consisted of 1,042 workers and 1,005 retirees, plus an oversample of 720 non-Hispanic Black or African American respondents (resulting in a total of 520 Black workers and 481 Black retirees).

“While 7 in 10 retirees suggest they’re having the retirement lifestyle they envisioned, they seem a little conflicted about their spending. Nearly 4 in 5 say they are able to spend money how they want within reason, however, while not strongly, almost half agree at least somewhat that they spend less than they could because they are worried about running out of money. In addition, more than half of retirees describe their overall spending as ‘as expected’ or less,” said Lisa Greenwald, CEO, Greenwald Research.

Key findings in the 2025 RCS report include:

- Workers’ confidence remained unchanged between January 2024 and January 2025, retiree confidence saw an uptick. Majorities of Americans report a positive outlook for retirement, with 67% of workers and 78% of retirees confident they will have enough money to live comfortably throughout retirement. Confidence among retirees has even increased from 74% last year. However, workers remain concerned that increasing costs of living will make it harder for them to save as much as they want. About 7 in 10 workers are worried about making substantial cuts to spending because of inflation, the stock market being volatile and housing costs rising.
- Americans are concerned about changes to the retirement system, specifically a reduction of Social Security and Medicare benefits. Despite high confidence, Americans are concerned about the U.S. government making significant changes to the American retirement system, with 79% of workers and 71% of retirees being at least somewhat concerned. Sixty percent of the workers and 80% of the retirees who are concerned worry that changes could reduce their Social Security benefit. Almost 8 out of 10 concerned retirees report worry about a reduction to their Medicare benefits.
- Social Security remains the top source of actual and expected income for Americans in retirement. Most workers (87%) expect Social Security to be a source of income in retirement. Retirees confirm this sentiment, as nearly all (94%)

report Social Security as a source of income. However, nearly twice as many retirees (66%) report Social Security is a major source of income compared with workers (36%) who expect it to be. More retirees also report Social Security as a major source of income than last year.

- More workers expect to retire later and many plan to work in retirement. While the median expected retirement age for workers has held steady at 65 years old, a growing share reports their plan to retire at 70 years old or beyond. Two in 10 workers also adjusted their target retirement age in 2024, with most of them now planning to retire later. Retirees, on the other hand, report retiring at a younger age than workers anticipate. Most retirees, 3 in 5, report retiring earlier than age 65, with a median retirement age of 62.

- Health care expenses remain a concern for retirees. Workers also find the cost of health care hinders their ability to save. More than half of workers agree that the cost of health care is negatively impacting their ability to save for retirement, while about 2 in 5 retirees note that health care expenses have been higher than expected in retirement.

- Workers would like help saving for emergencies through their retirement plan. About two-thirds of workers and three-quarters of retirees believe they have enough savings to handle an emergency expense. Additionally, almost half of workers have planned how they will cover an emergency expense in retirement. Seven in 10 workers feel they would likely use an emergency savings account that they could contribute to using payroll deduction, if it were available through their employer.

- Guaranteed income options are appealing to workers, especially as part of their workplace retirement plan. Among workers who are offered a workplace retirement savings plan, around 3 in 10 believe having investment options that provide guaranteed lifetime income to be the most valuable improvement to their plan. Around 7 in 10 Americans found a workplace plan default investment option that includes an allocation to guaranteed lifetime income appealing. About three-quarters of workers, significantly more than retirees, were interested in this option.

- While expenses in retirement are higher for many, most retirees report life in retirement is about what they expected. The share of retirees reporting their lifestyle in retirement is better than expected dropped (though not significantly), with about a quarter agreeing with this statement. Things aren't necessarily worse, however, as most say their lifestyle is about the same as expected. A bigger share of retirees also find overall expenses as expected compared with last year, when they found expenses to be higher than expected.

- Americans desire help from financial advisors for retirement planning, but less than half work with a financial advisor. While 4 in 5 retirees and three-quarters of workers believe they have the right educational and support resources to help with major financial events in their lives, 2 in 5 workers and 1 in 5 retirees say they do not know where to go for financial or retirement planning advice. At least 7 in 10 Americans agree that financial services companies understand how to help them with retirement and financial planning, showing confidence in these institutions. Over 3 out of 5 retirees and workers report being taught to save and invest for the future as a child.

The 35th annual RCS report can be viewed by visiting www.ebri.org/retirement/retirement-confidence-survey.

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**(MEDIA NOTE: Email Ron Dresner at dresner@ebri.org to receive the survey summary report.
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