
Dinosaur Cloning Will Precede Social Security Fix: Survey

By Editor Test *Thu, Nov 11, 2010*

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More than half of respondents (51%) to a recent survey think it's likelier that scientists will clone dinosaurs in their lifetime than that Congress will save Social Security, and 77% of those with children at home say their child is more likely to catch a foul ball in the seats at a baseball game than cash a Social Security check.

The survey was sponsored by the ING Retirement Research Institute and conducted by Mathew Greenwald & Associates.

A majority of the 1,000 workers surveyed (87%) said they could be saving more in their employer-sponsored retirement plan. Nearly two-thirds (64%) said their employer-sponsored retirement plan accounts for all or most of their retirement portfolio.

Many participants apparently rely on "guesswork" when setting contribution levels, and don't fully understand the importance and long-term impact of small increases in contribution rates. Nearly two-thirds (65%) determined their contribution rate themselves, and 21% said they "go by gut feeling."

Of those participants who are not contributing the maximum to their retirement plan, 87% said they could afford to increase their annual contribution by 1% of their annual salary; 59% said they could up their contribution by 3% of salary; and 32% said they could afford a 5% increase.

Nearly half of the plan participants polled (44%) said that "if they didn't have a retirement plan at work, they probably wouldn't be saving for retirement at all." Most respondents (58%) said their employer-sponsored retirement account was their first investment and 52% said their plan was the main place they learned about investing.

When asked to estimate the lifetime value of a 2% increase in their contribution rate, 40% underestimated by 50% or more and 32% over-estimated by 50% or more.

ING has posted a calculator to its website to demonstrate the potential long-term financial impact of contribution rate changes. The calculator is available to the public at <http://ing.us/>.

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