
Retirees confident about retirement; workers not so much: EBRI

By Editorial Staff Wed, Mar 22, 2017

“Debt, lack of a retirement plan at work, and low savings,” are the three main contributors to low retirement confidence, said Craig Copeland, EBRI senior research associate and co-author of the report.

Many American workers today feel stressed about retirement but aren’t doing much about it, according to the 2017 Retirement Confidence [Survey](#) (RCS) by the Employee Benefit Research Institute (EBRI) and Greenwald & Associates.

Only 18% of workers feel very confident about retirement, while 32% of retirees feel very confident, the survey showed. Almost 80% of retirees report feeling either very or somewhat confident about affording a comfortable retirement.

Three in 10 workers report that they feel mentally or emotionally stressed about preparing for retirement, according to the research. Another 30% say they worry about their personal finances while at work. Half of the workers surveyed believe they would be more productive at work if they didn’t worry as much. Among all workers, about half say that retirement planning (52%), financial planning (49%), or healthcare planning (47%) programs would enhance their productivity.

The survey was conducted from Jan. 6, 2017, to Jan. 13, 2017, through online interviews with 1,671 individuals (1,082 workers and 589 retirees) ages 25 and older in the United States.

Many workers are not taking critical retirement-planning steps, the survey showed. For instance:

- 39% say they have not saved for retirement.
- 59% have not tried to figure out how much money they will need in retirement.
- Fewer than 40% have estimated how much income they would need each month in retirement, estimated the amount of their Social Security benefit, or estimated their expenses in retirement.
- The share of workers reporting that they feel either very or somewhat confident is lower than last year (60% from 64% in 2016).
- Worker confidence is very close to the levels measured in 2015 (when 59% were either very or somewhat confident).

“Debt, lack of a retirement plan at work, and low savings,” are the three main contributors

to low retirement confidence, said Craig Copeland, EBRI senior research associate and co-author of the report. A third of workers who feel their debt is a major problem are very or somewhat confident about retirement, compared with 78% of those who say debt is not a problem. Confidence differences are similar between those who don't or do have a retirement plan, respectively.

Other major findings in this year's survey include:

- 73% who are not currently saving for retirement say they would be at least somewhat likely to save for retirement if their employers matched their contributions.
- Two-thirds of non-saving workers say they would be likely to save for retirement if their employer offered automatic paycheck deductions at either 3% or 6% of salary, with the option of changing or stopping them.
- Only 54% of workers say they're very or somewhat confident about being able to afford medical expenses in retirement (vs. 77% of retirees).
- Workers are less likely than retirees to be confident that Medicare will continue providing current level of benefits (38% of workers are confident about benefits vs. 52% of retirees).

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