
Retirement Planning a Challenge for Hispanic Americans

By Editor Test *Tue, Oct 13, 2009*

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Hispanic Americans have less access to employer-sponsored retirement plans, lower levels of personal savings and inadequate financial literacy than the U.S. average, according to a paper, ["Hispanics and Retirement: Challenges and Opportunities"](#) prepared by the Hispanic Institute think-tank and the Americans for Secure Retirement (ASR) coalition.

Because of that, Hispanic Americans need to consider multiple retirement vehicles, such as life annuities, to supplement Social Security and to bridge the gap in access to employer plans, the paper said. The study found that:

- Only 41% of Hispanic workers say they have saved for retirement.
- Only 25.6% of Hispanics are covered by employer-sponsored retirement plans, compared to 42.5% of whites and 40% of African-Americans.
- Of Hispanics receiving Social Security benefits, almost 80% rely on these benefits for at least 50% of their retirement earnings.
- Among people 65 and older receiving Social Security, Hispanics receive about \$2,124 less in earnings than non-Hispanics, on average.
- Between 1979 and 1999, the number of middle-class Hispanic households increased nearly 80%. About one-third of Hispanic households nationwide earn \$40,000 to \$140,000 a year.
- The U.S. Hispanic population is about 48 million. It is expected to increase to 132 million by 2050, accounting for nearly 30% percent of the U.S. population.