

Savers Versus Non Savers

There are dramatic differences in retirement confidence between workers who have saved and those who have not. Savers are much more confident about both their overall retirement income prospects and specific areas of retirement. Half of non-savers—49 percent—are not confident in their overall prospects for a comfortable retirement compared with only 20 percent of savers.

Overall Retirement Confidence

	Savers	Non-Savers
Percentage very confident	31%	13%
Percentage somewhat confident	49	36
Percentage not too confident	13	28
Percentage not at all confident	7	21

Prospects for Retirement

	Savers	Non-Savers
Percentage Very Confident :		
In their financial preparations	35%	10%
In having enough money for basic living expenses	49	21
In having enough money for medical expenses	27	7
In having enough money for travel, recreation, etc	24	7
In having enough money for long term care	17	6

Even Savers Aren't Very Confident

In no area are savers more than 50 percent “very confident” about their retirement. Why aren't they more confident?

- only 57 percent have tried to determine how much they need to save for retirement.
- only 46 percent are very confident that they are investing their retirement savings wisely.

What Motivated Savers to Start Saving?

Seeing people not prepare and then struggle in retirement	48%
Realizing that time was running out to prepare	37
Availability of a retirement plan or educational material at work	33
A family event (e.g., marriage, birth of child, parents' retirement)	25
A professional advisor	18
Newspaper/magazine articles; television	17
Advice of friends or family	15

What Keeps People From Saving? Money

One-half of working non-savers say the most important reasons they don't save is too many other current financial responsibilities, i.e. lack of money. Two-thirds said it was a major reason.

Could People Save \$1000 More Per Year?

- 55 percent working non-savers say they could save \$20 per week for retirement.
- 57 percent of working savers say could save \$20 per week more.

\$20 per week=\$1040/year.