



WORKTRENDS

AMERICANS' ATTITUDES ABOUT **WORK, EMPLOYERS, AND GOVERNMENT**

A Work-Filled Retirement: Workers' Changing Views on Employment and Leisure

by

Scott Reynolds, Neil Ridley, and Carl E. Van Horn, Ph.D.

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Center for Survey Research and Analysis
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at the University of Connecticut

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RUTGERS

JOHN J. HELDRICH CENTER FOR WORKFORCE DEVELOPMENT
EDWARD J. BLOUSTEIN SCHOOL OF PLANNING AND PUBLIC POLICY

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BACKGROUND

The John J. Heldrich Center for Workforce Development, based at the Edward J. Bloustein School of Planning and Public Policy at Rutgers, The State University of New Jersey, is a research and policy organization devoted to strengthening New Jersey's and the nation's workforce during a time of global economic change. The Heldrich Center researches and puts to work strategies that strengthen worker skills and employability, strengthen the ability of companies to compete, create jobs where needed, and improve the quality and performance of the workforce development system. Since its inception, the Heldrich Center has sought to inform employers, union leaders, policymakers, community members, the media, and academic communities about the critical workforce and education issues that relate to today's global, knowledge-based economy.

Since 1998, the Heldrich Center has experienced rapid growth, working with federal and state government partners, Fortune 100 companies, and major foundations. The Heldrich Center embodies its slogan "solutions at work" by teaming with partners and clients to translate cutting-edge research and analysis into practices and programs that companies, unions, schools, and government officials use to strengthen their workforces, create jobs, and remain competitive. The Center's projects are grounded in a core set of organizational priorities: to confront the challenges of America's skills and education gap, to reemploy laid-off workers, to ensure economic opportunity for all, to ensure high-quality education and training for all students and job seekers, and to strengthen the management and effectiveness of government programs.

The Center for Survey Research and Analysis (CSRA) at the University of Connecticut is a non-profit, non-partisan, full service survey research facility. Founded in 1997, CSRA is recognized nationally as a leader in the field of public opinion research—both for the research conducted and the graduate programs administered to train the next generation of survey researchers.

CSRA conducts hundreds of public opinion and survey research projects every year, ranging from national surveys of public opinion and public policy to state and municipal surveys. CSRA manages a 40-station, state-of-the-art Computer-Assisted Telephone Interviewing room. In addition to quantitative research, CSRA conducts in-depth qualitative research, including focus groups, one-on-one interviews, and case studies. CSRA strictly adheres to the code of ethics published by the American Association of Public Opinion Research.

To better understand the public's attitudes about work, employers, and the government, and to improve workplace practices and policy, the Heldrich Center and CSRA produce the *Work Trends* survey on a regular basis. The survey polls the general public on critical workforce issues facing Americans and American businesses, and promotes the survey's findings widely to the media and national constituencies.

Carl E. Van Horn, Ph.D., director of the Heldrich Center, and Kenneth Dautrich, director of the Institute of Public Affairs at the University of Connecticut, founded the *Work Trends* series. Dr. Van Horn and Samuel J. Best, Ph.D., director of CSRA, currently manage the series.

EXECUTIVE SUMMARY

As America's influential "Baby Boom" generation approaches retirement age, the vision of a traditional work-free retirement is yielding to a new notion of a work-filled retirement. While more than a quarter of American workers still expect their 60s and 70s to be devoted to leisure or community service, the majority of workers say that full- or part-time work will be either necessary or desirable. This new vision of how to spend time in one's later years will affect not only older workers but workers at all stages of their careers and employers across the nation.

A Work-Filled Retirement: Workers' Changing Views on Employment and Leisure is the 16th survey in the *Work Trends* series, a national survey that explores attitudes of the U.S. workforce. The project, begun in 1998, is a partnership of the John J. Heldrich Center for Workforce Development at Rutgers, The State University of New Jersey and the Center for Survey Research and Analysis at the University of Connecticut.

In this report, American workers across the nation describe their expectations of retirement and their views of how older workers are treated in the workplace. This is the third national survey in the *Work Trends* series that focuses on retirement, following *Second Wind: Workers, Retirement, and Social Security* (fall 2000) and *Taking Stock of Retirement: How Workers and Employers Assess Pensions, Trust, and the Economy* (spring 2002).

A Work-Filled Retirement comes at a time of heightened attention to retirement issues, particularly income security. A protracted national debate on the future of Social Security is underway. President Bush has proposed reforming

the 70-year-old public retirement program and Congress is now considering legislation.

Moreover, government reports have documented the worsening conditions of many private sector pension plans. According to the U.S. Pension Benefits Guaranty Corporation, 60% of those plans are underfunded,¹ a dramatic rise from the 19% underfunding level in 2000.² Responding to these concerns, Congress has begun to investigate ways to shore up private pension systems at troubled companies.

A Work-Filled Retirement finds workers open to continued opportunities for meaningful work during their retirement years, with an undercurrent of anxiety over future income and benefits. They are less confident about being able to retire **when** they want than they were five years ago. Many suspect that employers favor younger workers over older workers, especially when layoffs occur. These employees also display surprisingly high levels of confidence that they will have adequate funds to support themselves during retirement.

A WORK-FILLED RETIREMENT

The traditional notion of retirement—where one stops working completely and enjoys leisure time with friends and family—is obsolete. This national survey finds that about two-thirds of workers view retirement from a full-time job as an opportunity for continued productive employment. Nearly 7 in 10 workers expect to continue to work full time or part time following retirement from their main job, including 15% who expect to start their own business. **Only 13% expect to stop working entirely.**

¹ Pension Benefit Guaranty Corporation, 2004 Pension Insurance Data Book, Tables S-46 and M-13, <http://www.pbgc.gov/publications/databook/databook04.pdf>.

² Pension Benefit Guaranty Corporation, 2002 Pension Insurance Data Book, Tables S-27 and M-12, <http://www.pbgc.gov/publications/databook/databook02.pdf>.

Interest in a work-filled life for older workers increased significantly after the stock market declined in 2001. In spring 2005, nearly a quarter of the American workers surveyed report that they would be working either full time or part time for needed income following retirement, compared with only 13% in fall 2000.

In fact, among today's workers who are retired but still in the workforce, 54% went back to work because they needed income. Between 2000 and 2005, there was also a drop in the number of workers who said they would work part time out of interest or enjoyment.

The vision of a work-filled retirement differs among various groups of workers. Workers under age 34 are far more likely than older workers to anticipate starting a new business following retirement. Baby Boomers—those born between 1946 and 1964—are nearly twice as likely as non-Baby Boomers to expect to work part time for needed income.

The survey finds deepening concern among workers about their ability to retire when they want. Although half of workers would like to retire by age 55, only 17% believe they will be able to do so. Additionally, the gap between when workers would like to retire and when they think they will be able to retire has widened since 2000.

Six in 10 respondents now believe they will not be able to retire from full-time work by age 60, including 12% who say they will **never** be able to retire. In contrast, in 2000, only 40% of workers surveyed doubted they could retire by age 60, with 7% saying they would never be able to retire.

Workers also are less confident about controlling their retirement schedule than they were in 2000. Only a quarter of workers are very confident they can retire when they want, down from 29% in 2000.

The proportion of those who are not at all confident rose from 5% in 2000 to 15% in 2005. Workers between the ages of 35 and 54 are the least confident in their ability to retire when they want.

TREATMENT OF OLDER WORKERS IN THE WORKPLACE

Older workers are one of the fastest growing components of the U.S. workforce. The Bureau of Labor Statistics estimates that between 2002 and 2012, the number of workers 55 years and older is expected to grow by nearly 50%, far outpacing increases in the number of workers aged 16 to 54. By 2012, workers 55 years and older will make up about 20% of the labor force.³

In light of these demographic trends, *A Work-Filled Retirement* examines current perceptions of the treatment of older workers in the workplace. American workers say that older workers are more likely than younger workers to be laid off when a company reduces its workforce. Younger workers are thought to be far more likely than older workers to become reemployed following job loss. Eighty-six percent believe younger workers are reemployed at the same or better pay than their previous jobs. In addition, 44% believe older workers are treated unfairly when employers are making hiring decisions.

Overwhelmingly, American workers say that older workers are more likely to be laid off when a company reduces its workforce—71% agree with this concept, with only 18% believing younger workers are more likely to go. The belief persists despite independent data collected by the U.S. Department of Labor demonstrating that workers under 40 had higher overall layoff rates over the past 20 years.⁴

The survey also examines perceptions of how an older worker is defined. A majority of workers do not consider themselves to be older workers until at least the age of 60. However, they believe

³ Toossi, Mitra, "Labor force projections to 2012: The graying of the U.S. workforce," *Monthly Labor Review* (February 2004): 37-57.

⁴ Farber, Henry S., "What do we know about job loss in the United States? Evidence from the Displaced Workers Survey, 1984-2004" *Economic Perspectives* (2005): 13-28.

employers classify workers as “old” at much earlier ages. Nearly 40% of workers think that employers begin to view a worker as old by the age of 50.

Workers expect greater support from the government and employers in promoting employment of older workers. Although most respondents were not aware of the recent Supreme Court decision expanding the scope of a federal law prohibiting age discrimination, they strongly support the ruling when told about it. Workers also believe both the federal government and employers should do more to provide job opportunities for older workers.

ATTITUDES TOWARD RETIREMENT INCOME SECURITY

The imminent retirement of the eldest Baby Boomers has drawn national attention to the critical contributions that public programs and private plans make to an individual’s retirement income security. When asked about the roles of government, employers, and individuals in laying the foundation for retirement security, workers recognize that individuals now play the dominant role. Thirty-nine percent say that workers are primarily responsible for helping themselves prepare for retirement, compared with 25% who cite employers and 18% who cite government.

Yet, the survey finds that many workers are surprisingly optimistic about how they will support themselves during retirement. Their confidence is evident in the gap between the income workers expect to enjoy in retirement and their current prospects. For example, more than half of workers under age 35 who are not currently saving anything beyond Social Security believe they will be primarily supported by personal savings or employer-linked retirement plans.

This gap is also apparent in terms of employees’ personal savings. Overall, personal savings are the second most commonly cited source of planned retirement support. Yet, a substantial share of workers (35%) is currently saving **nothing** to supplement expected Social Security payments.

When asked about their savings behavior, 46% agree they are doing a good job of saving for retirement. That response is lower than in 2000, when 52% thought they were doing a good job.

Workers are also optimistic about the ability of employer-based retirement and pension plans to generate expected benefits. Four in 10 workers believe their principal source of retirement income will come from employer-sponsored pensions or 401(k) plans. Among those still working and eligible through their employer for a retirement or pension plan, 51% say they are very confident their plan will yield the benefits they expect upon retirement. This high level of confidence is remarkable given recent reports about the weak condition of many private sector plans.

Despite the widespread expectation that future retirement income will meet workers’ needs, the *Work-Filled Retirement* survey demonstrates that many workers are uncertain about the future availability of government retirement programs. In 2005, nearly 4 in 10 American workers disagree that Social Security and Medicare will still be available when they retire. Only 20% strongly believe that both will be a source of support upon retirement. This low level of certainty has not changed significantly since the 2000 *Work Trends* survey.

ECONOMIC WORK TRENDS

Despite the continued expansion of the U.S. economy, workers remain concerned about economic conditions, but are somewhat more optimistic than they were in 2004. More than half of workers (53%) say that “now is a bad time to find a quality job.” This level of pessimism has fallen from its fall 2004 level and is well below its peak in the spring 2003 *Work Trends* survey.

However, workers remain apprehensive about long-term job security. Forty-five percent of workers are very concerned about job security for those currently working, up from the fall 2004 figure and near a seven-year high for the *Work Trends* series.

SECTION 1. A WORK-FILLED RETIREMENT

PLANS FOR RETIREMENT YEARS

The traditional idea of retirement from work is changing. Many American workers no longer believe in the “work-save-retain” model. Even when older workers retire from their full-time jobs, they are unlikely to transition completely out of the workforce. For example, nearly 7 in 10 workers report that they plan to continue to work for pay following “retirement” from their main job.

Compared with the *Work Trends* survey from 2000, workers are more likely to believe they will have to work full time or part time to ease money concerns, and less likely to work part time for enjoyment or interest.

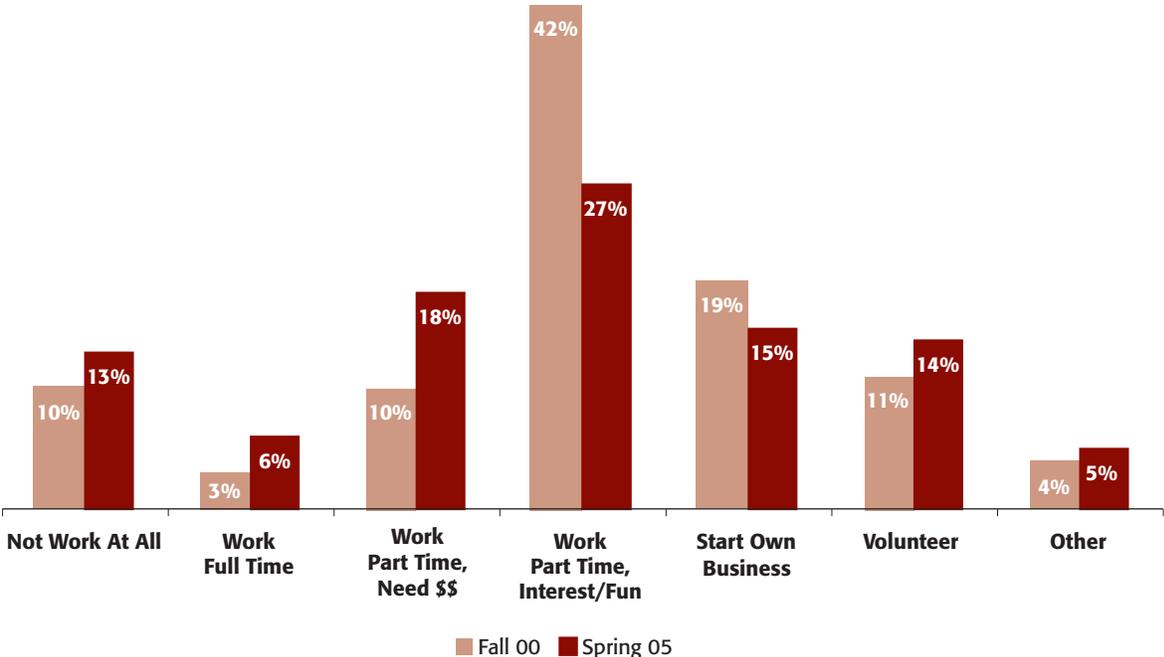
As shown in Figure 1.1, in the fall 2000 *Work Trends*, only 13% of American workers reported that they would be working either full time or part time for the needed income following

retirement, compared with 24% in spring 2005. The share of Americans who say they will work part time primarily because they need the money rather than for enjoyment almost doubled in the past five years, rising from 10% in 2000 to 18% in 2005. Significantly fewer workers plan to work part time out of interest or for fun.

Nearly 7 in 10 workers report that they plan to continue to work for pay following “retirement” from their main job.

While 42% responded that this was their plan in fall 2000, this number dropped to 27% in the current survey. The share of workers who will quit working entirely stayed roughly the same between the 2000 and 2005 surveys.

Figure 1.1: Post-Retirement Plans, 2000 vs. 2005



About one in four workers believe they will continue to either work full time following retirement or will hold a part-time job primarily for the income it provides. Further, there is a significant age split on planned retirement activities. The youngest workers surveyed—those between the ages of 18 and 34—are the most likely to view their retirement as a time to start their own business and least likely to believe they will work part time for extra money. Approximately one in five workers under age 35 intends to open a business and this rate declines as worker age increases. (See Figure 1.2.)

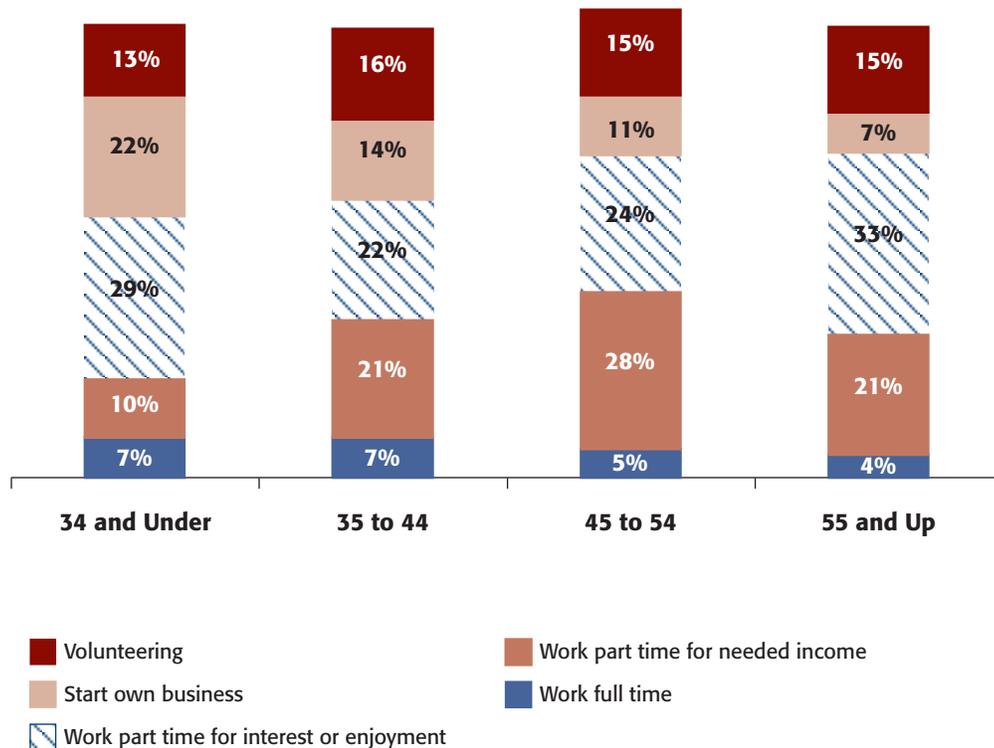
The survey results for members of the Baby Boom generation—those born between 1946 and 1964—show Boomers are almost twice as likely as non-Boomers to believe they will be working part time for extra money.

The youngest and oldest worker cohorts—those under 35 and those 55 and older—are more likely than middle-aged workers to believe they will choose to work part time out of **interest** or for **enjoyment** following their retirement.

The concept of retirement varies among workers with different educational backgrounds. College graduates are more likely to view their retirement as a time for volunteering or choosing to work part time, while those with no more than a high school education are the most likely to believe they will need to continue to work for money. Two-thirds of college graduates and 46% of those with no more than a high school education plan to work part time for fun, start their own business, or spend their retirement volunteering. Thirty percent of those with no more than a high school education plan to either work full time or part time for needed income, compared with 23% of those with some college education, and 17% of college graduates.

A subgroup of the workers surveyed had already retired from their primary jobs, yet remained in the workforce, working either full (43%) or part (57%) time. More than 70% of these “retirees” returned to work less than a year after retirement, including 47% who returned in less than six months.

Figure 1.2: Post-Retirement Plans, by Age Group



Note: Excluded are options for post-retirement activities including not working at all, and an “Other” category.

More than half (54%) left retirement because they needed the income, followed by 22% who decided to keep working out of interest or for enjoyment. Six percent took new jobs for the health benefits, and the remaining 18% cited other reasons, including boredom, social interaction, and a combination of factors.

TIMING OF RETIREMENT: IDEAL VS. REALITY

Workers would like to retire earlier than they believe they will be able to, and the gap between ideal and expected retirement has grown over the past five years.

Workers in 2005 feel less confident than they did in 2000 that they will be financially able to leave the workforce ahead of traditional retirement age. The majority of workers believe they will not be able to retire until at least age 60, including 27% who say they will be able to retire between 61 and 65 and 22% who believe they will retire at some age older than 65. Twelve percent believe they will **never** be able to retire. These responses reflect greater pessimism among workers today than those surveyed in 2000, when

Workers in 2005 feel less confident than they did in 2000 that they will be financially able to leave the workforce ahead of traditional retirement age.

24% expected to retire between ages 61 and 65, only 9% thought they would work beyond 65, and 7% believed they would never be able to retire.

Workers in 2005 would choose to retire at an older age, even if adequate finances were not a problem. In 2000, 37% of workers said they would choose to retire before age 50 if their finances permitted it. By 2005, this number had dropped to 20%. Most workers still desire to retire from their primary jobs by age 65 (86% in 2000, 89% in 2005), but have a different concept of how close they want to get to this cutoff before bowing out of the workforce.

Figures 1.3 and 1.4 show the difference between the age workers would **choose** to retire and the age they believe they will be able to retire in 2000 and 2005. While 50% of workers in 2005 say they would like to retire by age 55, only

Figure 1.3: Gap Between Ideal and Expected Age of Retirement, 2005

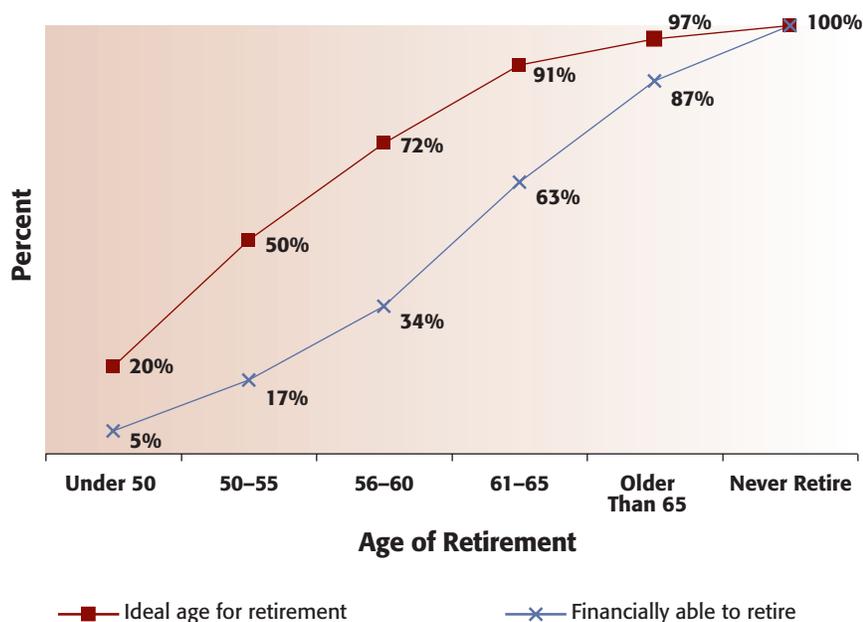
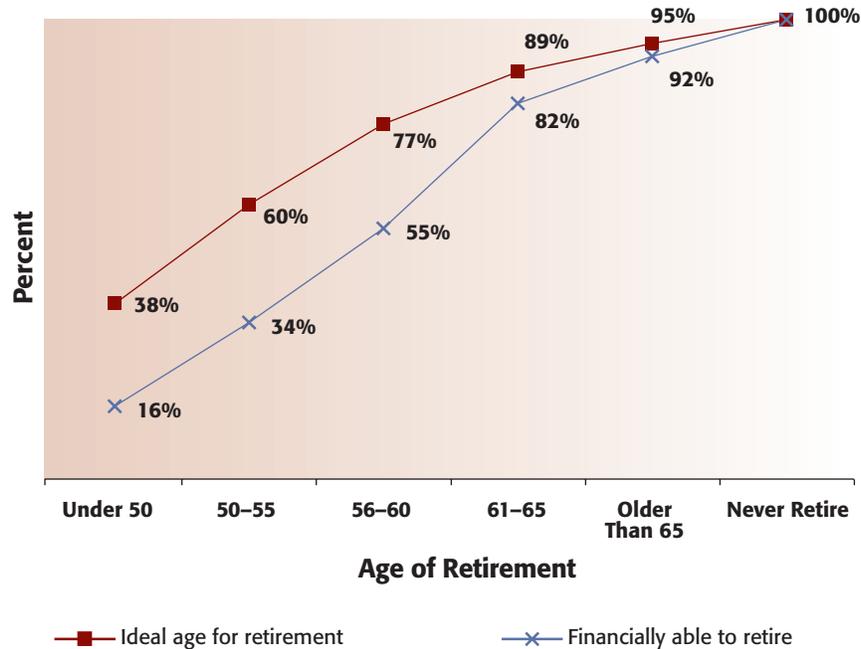


Figure 1.4: Gap Between Ideal and Expected Age of Retirement, 2000



17% believe they will be financially able to do so. This 33% gap is greater than it was in the 2000 survey, when 60% hoped to retire by age 55 and 34% thought they could afford it.

WHEN WORKERS THINK THEY WILL RETIRE

In 2005, 6 in 10 Americans surveyed believe they will not be able to retire from full-time work by age 60, including 12% who say they will never be able to retire. Five years ago, 40% of workers surveyed believed they would not be able to retire by age 60, with 7% saying they would never be able to retire.

Yet, younger workers believe they are less likely to need to work for money in their retirement and expect that they will be financially able to cease full-time work at a younger age. Forty-four percent of workers under 35 believe they will be able to leave the full-time labor force by age 60, compared with 31% of those between 35 and 44, 24% of those between 45 and 54, and only 16% of those

55 and up. Slightly more than 15% of workers over the age of 35 believe they will never be able to retire, while the number for those under 35 is 7%.

The belief that retirement is far off is even more prevalent among lower-income workers, with 53% of those earning under \$40,000 per year claiming they will not be able to retire by age 65, including 23% who believe they will never be able to retire. For those earning more than \$40,000 per year, these numbers are 25% and 8%, respectively.

In contrast, the ideal retirement age—that is, when a worker would retire if financial pressures were not a concern—does not vary strongly by income level. Most people with incomes both under \$40,000 (71%) and over \$40,000 (72%) indicate they would like to retire from their main jobs by the age of 60. A similar share of people on either side of this income division expect to continue to work either full or part time following retirement, but the lower-income group is motivated by financial necessity more often than those with higher incomes.

CAN WORKERS RETIRE WHEN THEY WANT?

Thirty-six percent express a lack of confidence in being able to leave their primary jobs when they would like. On the other hand, 40% profess being somewhat confident, and 24% claim to be very confident about meeting their retirement timetable.

As shown in Figure 1.5, these responses split on age, with workers between the ages of 35 and 54—and particularly those on the lower end of this range—showing the most apprehension about their retirement goals. When the response

is restricted to only those very confident they will be able to retire when they want, the age trend holds up, while the numbers fall across the board.

Workers with college degrees (74%) outpace both those with either some college education (59%) and those with no more than a high school degree (61%) in their confidence they will be able to retire when they want. Those earning more than \$40,000 per year (71%) are also more confident than those earning below this line (44%). There is no significant difference between men and women on this issue. (See Figure 1.6.)

Figure 1.5: Confidence Level for Being Able to Retire “When You Want,” by Age Group

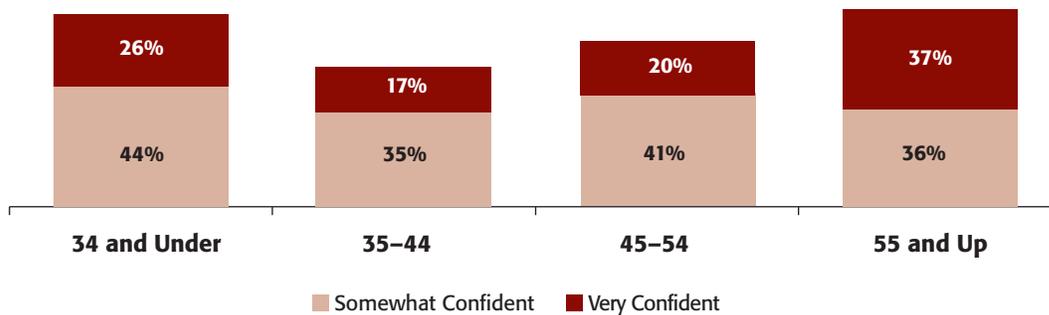
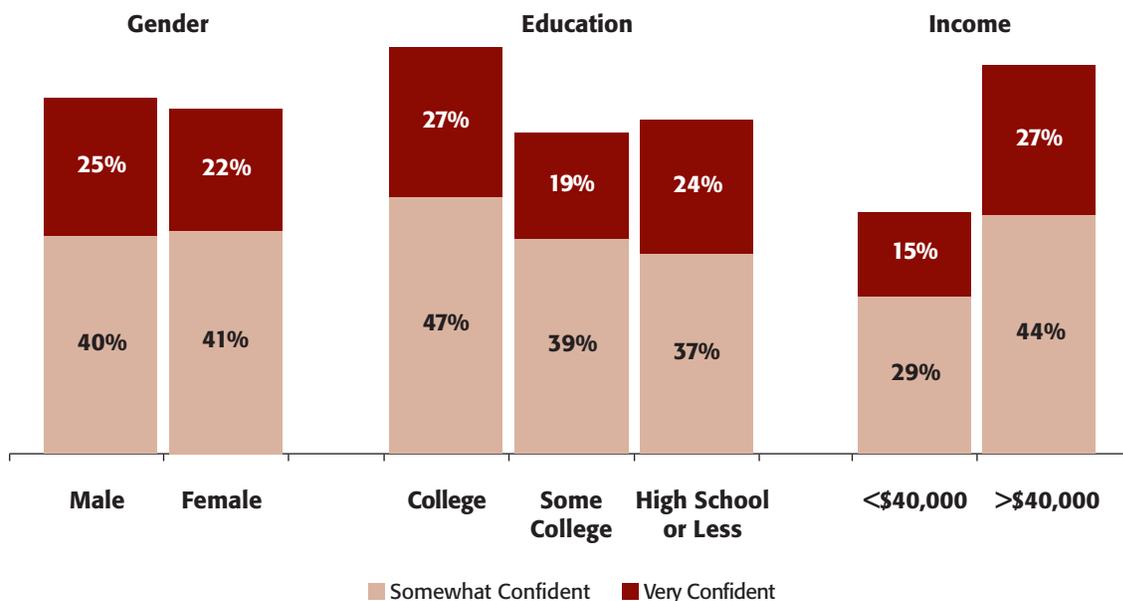


Figure 1.6: Confidence Level for Being Able to Retire “When You Want,” by Gender, Education Level, and Income



SECTION 2. UNFAIR TREATMENT OF OLDER WORKERS?

PERCEPTIONS ABOUT OLDER WORKERS

Workers are not only anxious about retirement options; they are also suspicious that employers favor younger workers over older workers in the workplace.

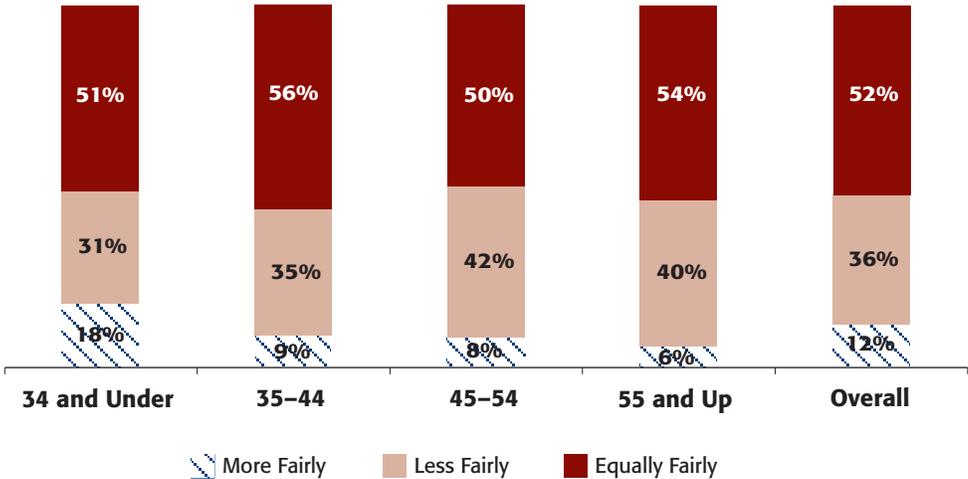
Overwhelmingly, surveyed workers say that older workers are more likely to be laid off when a company reduces its workforce. Seventy-one percent agree with this assessment, with only 18% believing younger workers are more likely to go. The belief persists despite independent data collected by the U.S. Department of Labor demonstrating that workers under 40 had higher overall layoff rates over the past 20 years.⁵ Further, this belief does not vary significantly across age brackets. While those under 35 are the most likely to believe that younger workers are at a layoff disadvantage, two-thirds of this group still say older workers are more likely to go, just below the overall rate of 71%.

Workers also believe that younger workers are in a better position to find a new job at the same salary following layoff. Eighty-six percent of workers believe younger workers are more likely to recover their salaries, while only 10% believe older workers are more likely. This view that

Workers are not only anxious about retirement options; they are also suspicious that employers favor younger workers over older workers in the workplace.

older workers have greater difficulty sustaining previous wages is, in fact, supported by U.S. Department of Labor data. Among workers able to find reemployment, 56% of workers over the age of 55 took new jobs with **lower** wages, the highest rate of any age group examined.⁶

Figure 2.1: Do Employers Treat Older Workers More or Less Fairly Relative to Younger Workers?



⁵ Farber, "What do we know about job loss in the United States?"

⁶ Helwig, Ryan, "Worker displacement in 1999-2000," *Monthly Labor Review* (June 2004), 54-68.

Another point of concern comes from workers' belief that age plays a role in treatment within the workplace. For example, 36% of surveyed workers believe that employers treat older workers less fairly than their younger counterparts, while 12% believe that younger workers are treated less fairly. Half believe that age makes no difference in employer treatment. (See Figure 2.1.)

Thirteen percent of those surveyed report being treated unfairly themselves because of age. An additional 19% believe someone in their company has been treated unfairly because of age. Eliminating repeat responses, roughly one in four workers has either been mistreated because of age or knows someone in their company who has been mistreated.

Older workers are also believed to be treated unfairly relative to their younger peers during the hiring process (44% of all workers agree with this assessment), when salary increases are determined (32%), and when promotions are decided (25%). (See Figure 2.2.)

The retired-but-working cohort shares the general view that older workers are at somewhat of a disadvantage within the workplace. More than

7 in 10 workers in this group believe that older workers are more likely than younger workers to be laid off when a company reduces its workforce, and 79% believe younger workers are more likely to find a new job at equal or greater pay.

Half of the working retirees believe older workers are treated less fairly overall compared with younger workers, although 35% find there to be no difference in treatment. This group is also the most confident that disparate treatment occurs when employers are making layoff decisions (62% believe older workers are treated unfairly) or when employers are interviewing and hiring new employees (56%).

WHEN DOES SOMEONE BECOME AN "OLDER" WORKER?

A majority of workers do not consider themselves to qualify as "older workers" until at least the age of 60, while maintaining that employers classify them as old at much earlier ages. There is a large gap between workers' self-assessments of their relative age and the way they believe employers view them.

Figure 2.2: Do You Think Older Workers are Treated Unfairly When Employers are:

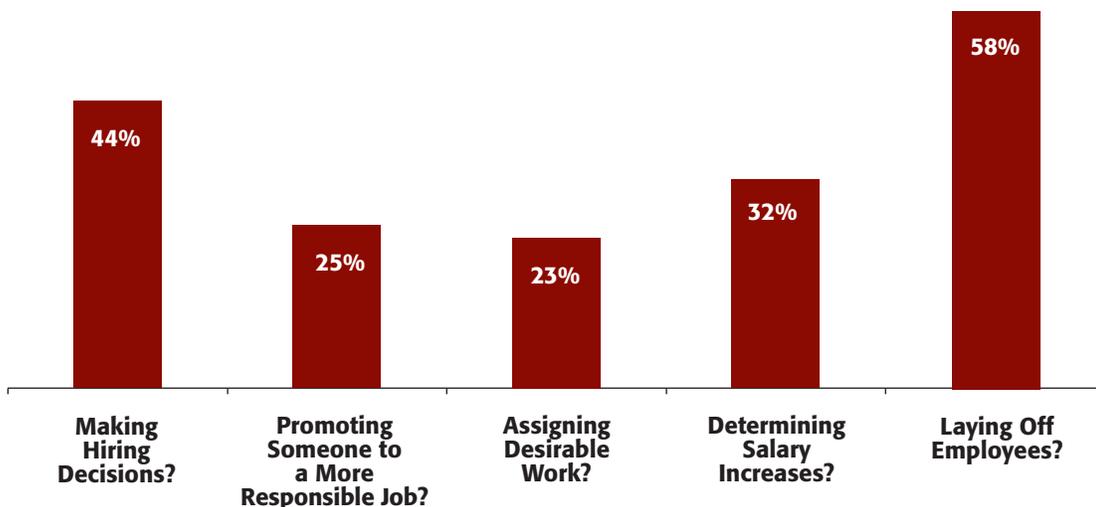
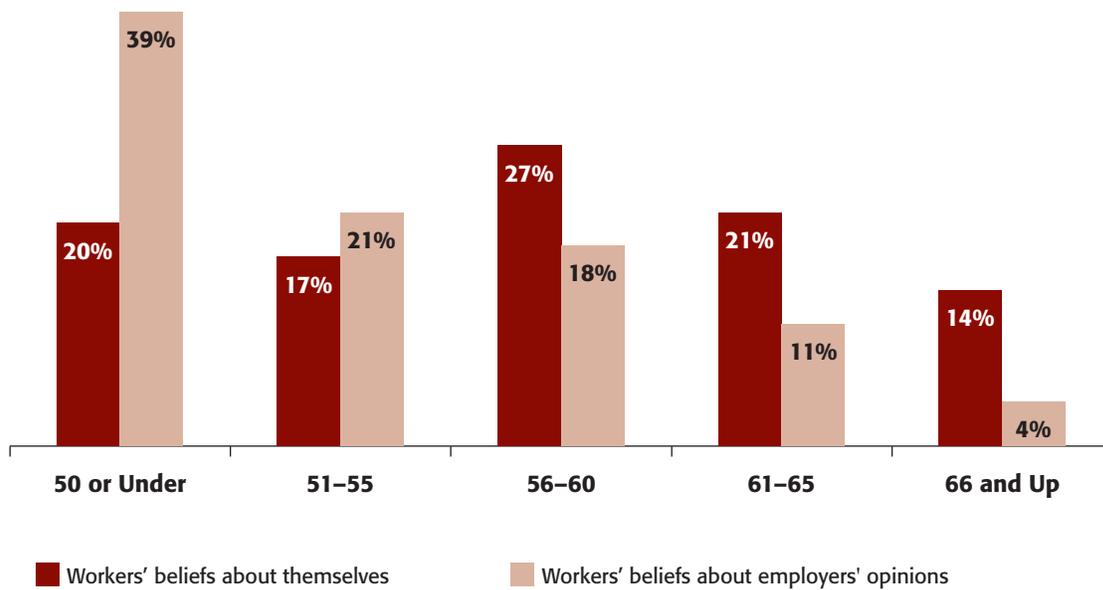


Figure 2.3: When Does a Worker Count as Old?



For example, in response to the question, “At what age do you consider a person to be an older worker?”, 20% of workers cite an age younger than 50. When asked the same question about what they believed **employers’** cutoff to be, almost 40% indicate an age less than 50. Sixty percent of workers believe employers consider workers under the age of 55 to be older workers. In contrast, the median age at which workers consider themselves old falls between 56 and 60. (See Figure 2.3.)

These perceptions vary with age. More than half of workers under the age of 35 believe that workers are old by the time they reach 55, and by the time a worker reaches age 60, more than three-fourths (77%) of those under 35 would identify the worker as old. Older workers are much more reluctant to apply the older worker label to workers at as early an age. For example,

workers 55 and older are approximately half as likely as workers under 35 to claim a 60-year-old worker should be counted as old.

These conflicting perceptions among different age groups are illustrated in Figure 2.4. The younger workers are, the earlier they define other workers as old. The lines eventually converge — regardless of age, nearly everyone considers workers in their 70s to be older workers—but not before showing some significant differences.

A related question — “When do you think **employers** consider a worker to be old?” — shows workers of all ages in general agreement on when employers consider employees to be older. Still, older workers are the group most likely to feel employers define “old” differently than they do. (See Figure 2.5.)

Figure 2.4: Perception of Older Workers, by Age Group by Which a Worker is Considered Old

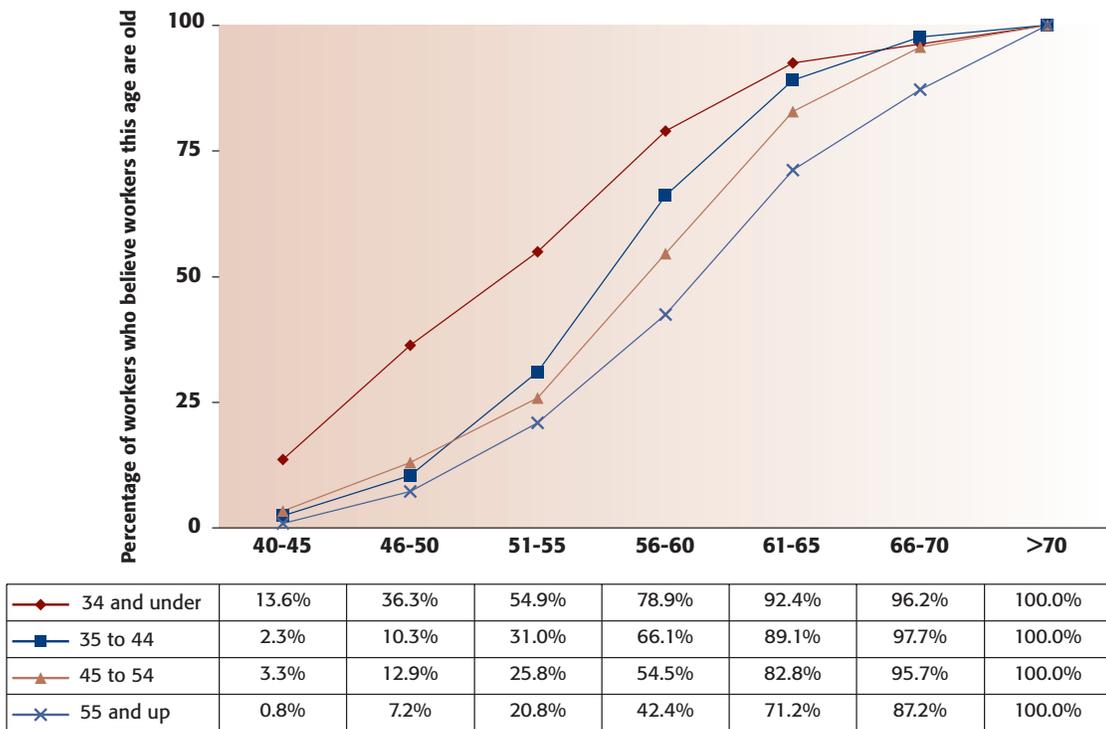
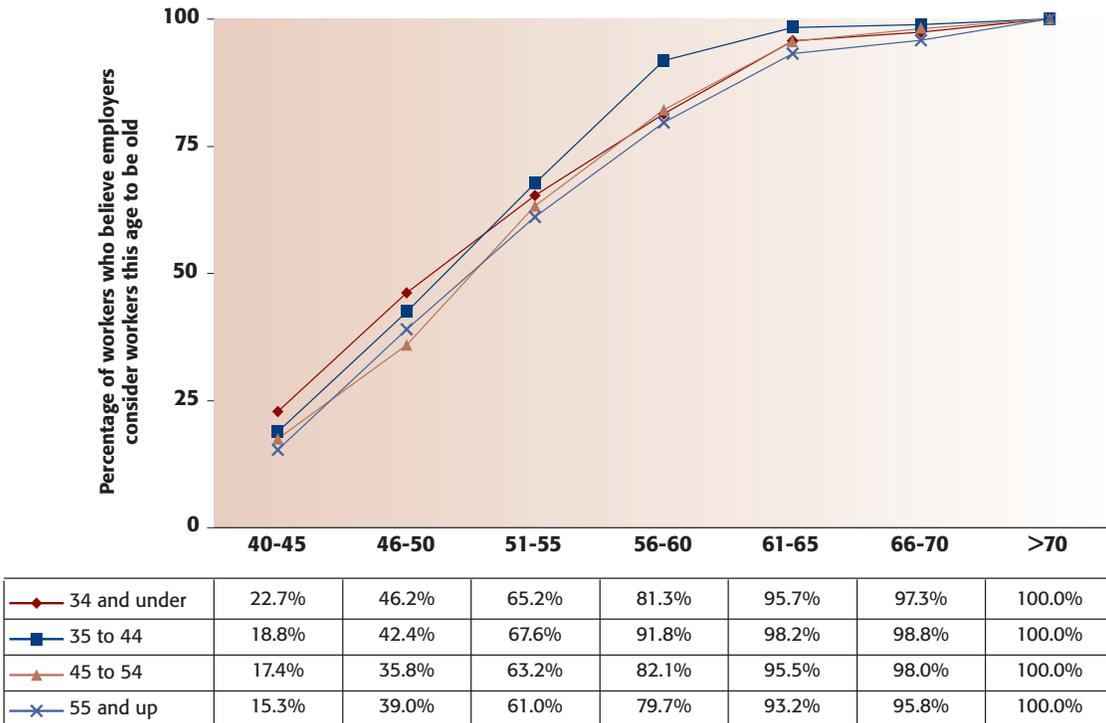


Figure 2.5: Perception of Older Workers, by Age Group by Which Employers are Believed to Consider a Worker to be Old



SUPREME COURT DECISION ON AGE DISCRIMINATION

Most workers were unaware of the recent Supreme Court decision reducing the burden of proof on people bringing age discrimination suits against their employers.⁷ In fact, only 22% heard of the ruling. Workers 55 and older (31%) were more likely to have heard of the decision than those under 55 (21%).

Despite the lack of familiarity, workers were generally supportive of the ruling as it was described to them. Sixty-three percent of workers favor the decision, 22% oppose it, and 14% say they are unsure.

JOB ASSISTANCE FOR OLDER WORKERS

When asked if government should have programs (such as job training or career guidance) to help older workers find or keep

work, workers were supportive. Three in 10 strongly agree that the government should pursue such programs, and 68% express at least some agreement with the idea.

Responses again differed by age. Seventy-two percent of workers under age 45 support a direct government role in helping older workers, compared with 61% of those 45 and older. Those earning less than \$40,000 per year, those with no more than a high school education, and those identifying themselves as Democrats were all more likely to strongly agree with the idea that government should assist older workers.

Workers also believe employers should do more to hire and retrain older workers: 72% agree with this idea, including 31% who strongly agree. Those without college degrees, those with lower incomes, Democrats, and women were all more likely to strongly agree.

⁷ For more information on the Supreme Court decision, see <http://a257.g.akamaitech.net/7/257/2422/30mar20051200/www.supremecourtus.gov/opinions/04pdf/03-1160.pdf>

SECTION 3. RETIREMENT INCOME SECURITY

WHO SHOULD HELP WORKERS PREPARE FOR RETIREMENT?

As shown in Figure 3.1, by a solid margin, workers believe they should have primary responsibility for preparing for their own retirement. Thirty-nine percent believe that workers themselves are most responsible, followed by 25% who place the responsibility on employers, and 18% who believe government should be responsible. Seventeen percent feel that all three groups should share equal responsibility.

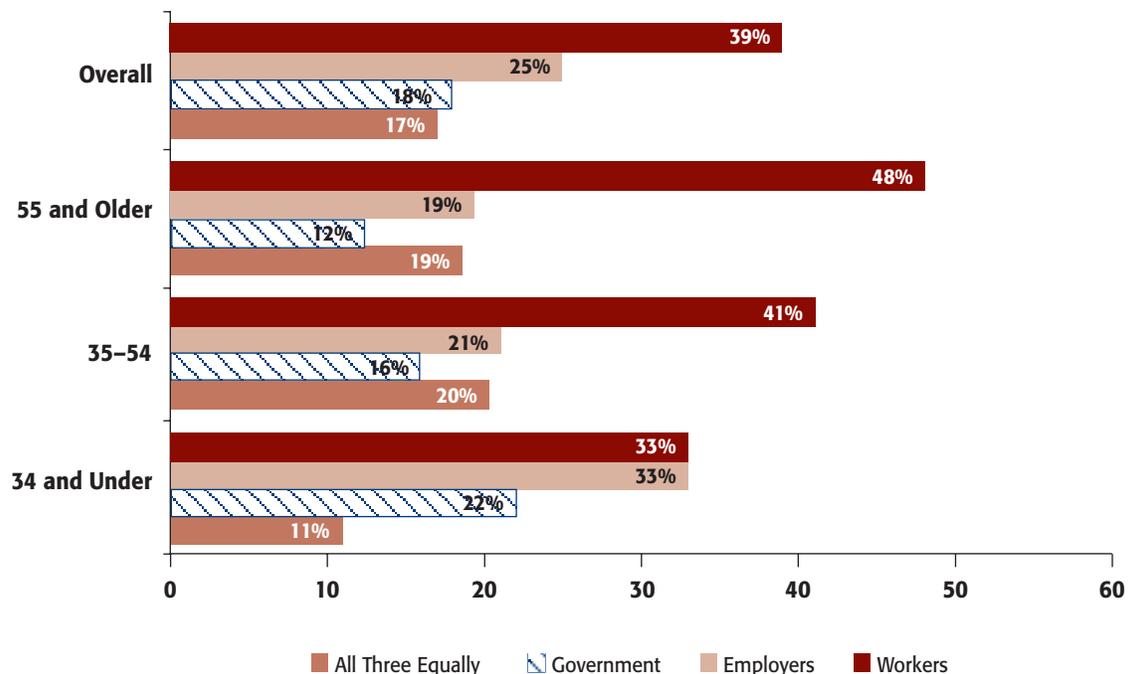
Older workers were the most likely to feel workers should be primarily responsible for their own retirement (48% of those 55 and older). That sentiment declined with age—45% of 45- to 54-year-olds feel workers should bear the most responsibility, with 36% of 35- to 44-year-olds, and 33% of those under 35 agreeing.

By a solid margin, workers believe they should have primary responsibility for preparing for their own retirement.

Younger workers expect greater responsibility from employers (33% of those under 35), while 35- to 44-year-olds were the most likely (24%) to say that workers, business, and government all have an equal responsibility.

College graduates (50% vs. 35% of non-college graduates) also were more likely to hold workers primarily responsible for their own retirement preparations, as were those earning over \$40,000 per year (46% vs. 26% of those earning less than \$40,000) and Republicans (54% vs. 32% of Democrats and Independents).

Figure 3.1: Primary Responsibility for Preparing Workers for Retirement, by Age Group



ARE WORKERS SAVING ENOUGH?

Workers expect to rely more on employer-sponsored retirement plans and personal savings than they do on Social Security, despite the fact that a large percentage of workers are not currently saving anything to supplement Social Security. Further, many workers are not confident that Social Security will be available to them when they retire.

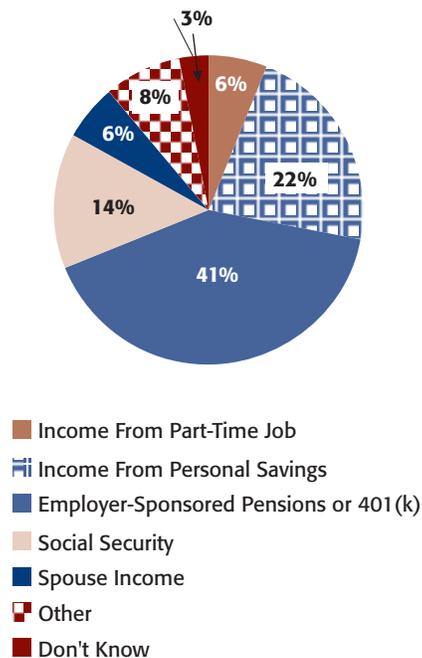
Workers expect to rely more on employer-sponsored retirement plans and personal savings than they do on Social Security, despite the fact that a large percentage of workers are not currently saving anything to supplement Social Security.

Even though most Americans believe they will continue to work at least part time following retirement from their primary occupation, many say they will depend on employer-sponsored retirement plans for financial support in their later years. For example, 4 in 10 workers believe their principal source of retirement income will come from employer-sponsored pensions or 401(k) plans. Twenty-two percent believe their own personal savings will be their main income source, with Social Security the third most cited primary retirement income source (14%). (See Figure 3.2.)

One cause for concern is the extent to which workers are currently able to participate in employer-related retirement plans. Four in 10 workers surveyed are not currently eligible for an employer-sponsored retirement plan, and more than half of these “ineligibles” are not currently saving anything for retirement outside of Social Security.

In fact, despite the belief—held generally across the board—that Social Security will not be a primary retirement support, a significant share (35%) of workers are currently saving nothing besides their Social Security. This is especially true for younger workers, those

Figure 3.2: Anticipated Primary Means of Support in Retirement, 2005



with lower levels of education, those earning under \$40,000 annually, and women.

Workers are uncertain whether they are on track with their personal savings behavior. Only 46% agree with the statement, “I am doing a good job of saving for retirement.” Workers were asked to respond to this statement on a scale of 0 to 10, with 0 signifying strong disagreement and 10 indicating strong agreement. The most frequent response, by 22% of workers surveyed, was a 5, indicating neither agreement nor disagreement with the statement. An additional 32% acknowledged not doing a good job of saving, with answers between 0 and 4. These responses reveal a greater level of concern than workers held five years earlier. In the 2000 *Work Trends*, 52% of workers agreed they were doing a good job saving for retirement and 26% of workers disagreed.

Workers 55 and older were the most likely to agree that their retirement savings were in good shape, with 53% in agreement, compared with 47% of those under 35, 37% of those

Table 3.1: “I am doing a good job of saving for retirement”

	Agreement	Strong Agreement
Age: 34 and Under	47%	19%
Age: 35–54	43%	13%
Age: 55 and Older	53%	21%
Gender: Male	47%	18%
Gender: Female	45%	15%
Education: High School or Less	41%	17%
Education: Some College	43%	13%
Education: College	58%	19%
Income: < \$40,000	32%	11%
Income: > \$40,000	53%	19%
Those Not Saving Besides Social Security	20%	13%
Saving Besides Social Security	61%	17%

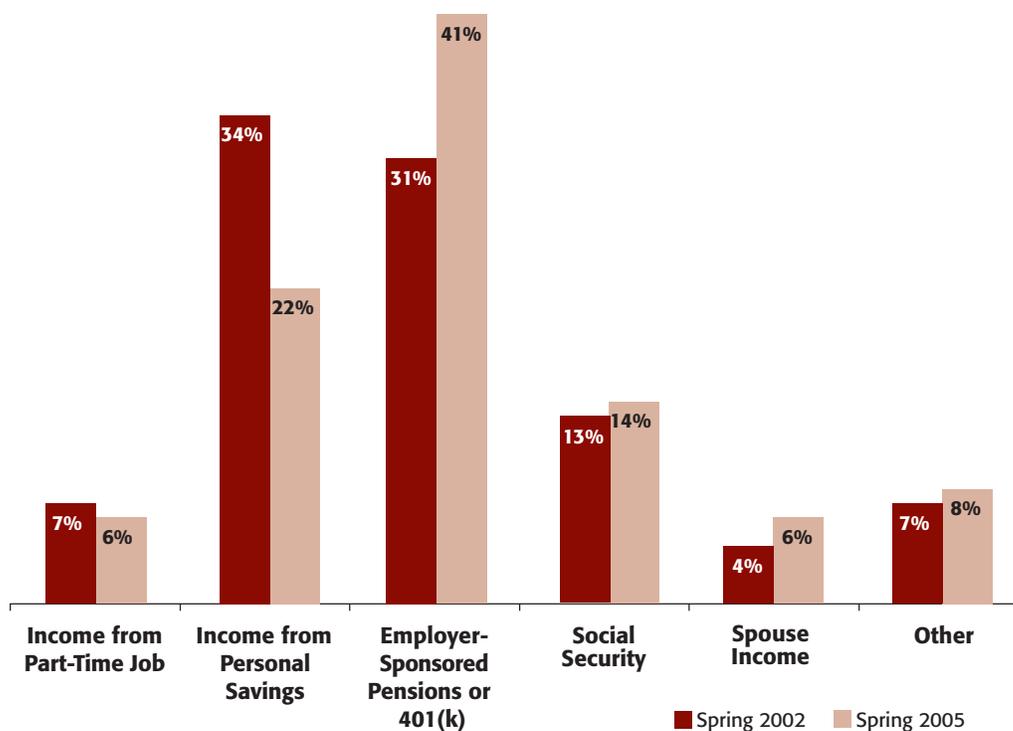
between 35 and 44, and 48% of workers between 45 and 54. Approximately 16% of workers under 45 strongly disagree that they are doing a good job saving for retirement.

As illustrated in Table 3.1, workers earning over \$40,000 per year are more likely to agree that their savings are in good shape (53%) than are workers earning less (32%). College graduates (58%) also outpace workers with some college education (43%) and workers with no more than a high school education (41%) in agreeing with the statement about doing a good job saving for retirement.

Among retired workers who remain in the labor force, approximately one in three (35%) are very confident they have the financial resources to support themselves in retirement, while an additional 32% are somewhat confident. Twelve percent are not at all confident they have access to adequate resources.

In the 2002 *Work Trends* survey, personal savings exceeded employer-sponsored retirement plans/pensions as the most popular form of primary retirement support. (See Figure 3.3.)

Figure 3.3: Anticipated Primary Source of Retirement Income, 2002 vs. 2005



Currently only 22% believe their own personal savings will be their main income source, down from 34% in the spring 2002 *Work Trends*. Social Security remains the third most popular primary income source, with 14% of workers citing the program as their chief expected retirement resource. The drop in reliance on personal savings was offset by an increased expected burden for employer-related retirement plans, which jumped from 31% in 2002 to 41% in 2005.

SAVING BESIDES SOCIAL SECURITY?

A significant percentage of workers (35%) is currently saving nothing for retirement beyond Social Security contributions. Despite this, many of these workers do not believe Social Security will be their main income support during retirement.

A significant percentage of workers is currently saving nothing for retirement beyond Social Security contributions.

Almost half (48%) of workers under age 35 are not saving anything for retirement besides Social Security. (See Table 3.2.) Among those between 35 and 44, 35% are only saving via Social Security, followed by 21% of those between 45 and 54, and 20% of workers over 55.

Of the nearly one in two workers under 35 with only Social Security savings to date, 36% still believe personal savings will be their primary form of support in retirement. Social Security comes in third (15%) in the primary support ranking among these workers, behind employer-sponsored pensions or 401(k)s (26%) and income from personal savings (36%). The fact that more than one in four workers under 35 who are not currently saving anything besides Social Security still expect their primary retirement income support to come from either personal savings or an employer-linked retirement plan indicates a serious gap between perception and reality.

This gap between workers' current savings behavior and expected retirement income persists across demographic lines. For example, nearly half (44%) of workers with a high school education or less currently save nothing besides Social Security. Of these workers, only 23% believe Social Security will be their primary support in retirement. A similar gap exists for those earning less than \$40,000 per year—only 28% of those currently saving nothing besides Social Security believe Social Security will serve as their main income source in retirement.

Of the retired-but-working group, only 31% currently receive Social Security benefits, while 75% have other money saved for retirement besides their Social Security payments. One in six of the retired but working are neither receiving Social Security nor have anything else saved for retirement.

Table 3.2: Percentage of Workers Not Saving Besides Social Security, by Demographic Group

	% of Workers Not Saving Anything Besides Social Security	% of These Workers Who Believe Social Security Will Be Their Primary Form of Retirement Support
Age: 34 and Under	48%	15%
Age: 35–54	27%	24%
Age: 55 and Older	20%	33%
Gender: Male	30%	16%
Gender: Female	39%	22%
Education: College	18%	10%
Education: Some College	36%	16%
Education: High School or Less	44%	23%
Income: <\$40,000	55%	28%
Income: >\$40,000	25%	11%

EMPLOYER-SPONSORED RETIREMENT PLANS

Almost 60% of employees still working in their primary job are currently eligible through their employer for a retirement or pension plan, including 401(k)s. Fifty-one percent of workers are very confident that their plan will have the benefits they expect upon retirement. An additional 31% are somewhat confident that their expectations will be met.

Those at the younger and older ends of the workforce display more confidence that their retirement plans will be in good shape when they retire—86% of workers under 35 and 83% of workers 55 and above are at least somewhat confident that their employer-sponsored plans will meet their expectations, compared with 78% of those between 35 and 54. Still, despite this moderate anxiety among the 35- to 54-year-old group, the primary feeling about retirement plans set up through an employer is one of confidence.

THE FUTURE OF SOCIAL SECURITY

While Social Security ranks as the third most commonly cited source of primary financial support during retirement (14%), 4 in 10 American workers are not sure that Social Security and Medicare will still be available when they retire. Only 20% strongly agree that both will be available upon retirement.

Age strongly affects a worker's position on this issue—48% of workers under age 35 express some doubts that Social Security and Medicare will be available to them, followed by 54% of those between the ages of 35 and 44. When these two groups are merged, an even 50% of workers under the age of 45 disagree with the statement, “Social Security and Medicare will

Four in 10 American workers are not sure that Social Security and Medicare will still be available when they retire.

still be available to me when I retire.” Only 40% of workers between 45 and 54 disagree, and a mere 11% of those 55 and above have doubts. Workers with college degrees are somewhat more likely to doubt Social Security and Medicare's future than those with less education (46% vs. 39%, respectively), but there is no split on the issue by either gender or income level.

The current national debate surrounding Social Security centers on the program's long-term solvency. According to recent government reports, annual benefit payments will exceed annual revenues beginning in 2017, at which time the federal government will have to draw on trust fund reserves to meet obligations. The trust funds are projected to be depleted by 2041. At that time, annual income for the program will only be sufficient to pay about 74% of promised benefits.⁸

A leading reform proposal is to allow individuals to keep a portion of their Social Security payroll taxes in personal or private retirement accounts for which they would determine their own investments. When asked about this proposal, more than two-thirds of workers (69%) express support for the plan. Younger workers are more likely than older workers to support the concept of personal/private accounts as described in the survey, with 77% of those under 35 indicating they were in favor of that option. Slightly over half (52%) of workers 55 and older support the proposal. Workers with different education levels also showed a split on this question, with 59% of college graduates voicing support for the idea, compared with 73% of those without a college degree.

⁸ Government Accountability Office, *Social Security: Societal Changes Add Challenges to Program Protections* (Washington, D.C.: Author, May 2005).

EXPECTED RETIREMENT SUPPORTS BY DEMOGRAPHIC GROUP

As illustrated in Figure 3.4, the oldest workers surveyed—those 55 and older—are twice as likely (29%) to believe Social Security will be their primary income support than are those between the ages of 45 and 54 (14%). Primary reliance on employer-sponsored pensions is strongest among those between 35 and 54, while workers below the age of 35 are the most likely age group to rely primarily on personal savings, although employer-sponsored pensions remain their expected primary source.

A respondent’s education level strongly determines retirement expectations. Social Security and income from other sources (such as spouses, children, and part-time jobs) are far more popular among those without a college education than among those with at least some college education. Half of those with a college degree believe that their primary source of retirement income will come from an employer-sponsored pension or a 401(k), compared with only 35% of those with a high school education or less. Only 6% of college graduates believe Social

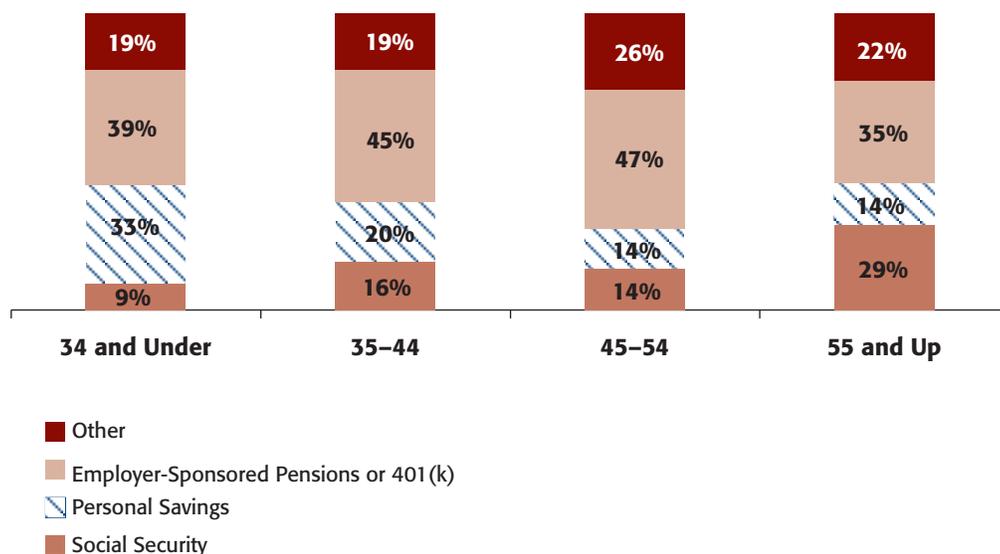
Security will provide the greatest share of their retirement support, while the rate for high school graduates is more than three times that number.

Workers earning less than \$40,000 annually also plan to rely on employer-sponsored pensions (29%) more than anything else, but this option barely edges out Social Security (26%). More than 7 in 10 workers earning more than \$40,000 per year believe personal savings or employer-sponsored pensions will be their primary form of support.

Men are more likely than women to believe they will rely on personal savings (25% vs. 20%) or on employer-sponsored pensions or 401(k)s (46% vs. 38%), while women are more likely to think they will base their retirement support on Social Security (18% vs. 10%) or on other sources (22% vs. 18%, including an eight-to-one margin within the “income from a spouse” category).

Among the subgroup of workers that have already retired from their main job but remain in the labor force, most have alternate means of income that function as their primary financial support. Thirty-three percent rely primarily on employer-sponsored pensions or 401(k)s, while

Figure 3.4: What Do You Anticipate Being Your Main Source of Support During Retirement?



Note: “Other” includes spouse, children, own job, and mixtures of sources.

17% rely on Social Security, and 16% rely on income from personal savings. Thirteen percent earn their primary income from a part-time job, while other forms of support include spousal income, spousal retirement plans, and full-time jobs.

Beyond employer-sponsored pensions or 401(k) plans, the second most commonly expected form of primary support is split between personal savings and Social Security, with significant demographic splits present. (See Table 3.3.)

Table 3.3: Primary Source of Support During Your Retirement

	Most Common Answer		Second Most Common Answer	
Age: 34 and Under	Employer-sponsored pensions/401(k)	39%	Personal Savings	33%
Age: 35–54	Employer-sponsored pensions/401(k)	46%	Personal Savings	17%
Age: 55 and Older	Employer-sponsored pensions/401(k)	35%	Social Security	29%
Gender: Male	Employer-sponsored pensions/401(k)	46%	Personal Savings	25%
Gender: Female	Employer-sponsored pensions/401(k)	38%	Social Security	18%
Education: College	Employer-sponsored pensions/401(k)	51%	Personal Savings	29%
Education: Some College	Employer-sponsored pensions/401(k)	44%	Personal Savings	24%
Education: High School or Less	Employer-sponsored pensions/401(k)	35%	Social Security	20%
Income: <\$40,000	Employer-sponsored pensions/401(k)	29%	Social Security	26%
Income: >\$40,000	Employer-sponsored pensions/401(k)	49%	Personal Savings	24%

SECTION 4. ECONOMIC WORK TRENDS

Although the U.S. economy has continued to expand during 2005, workers remain apprehensive about the health of the economy. They are, however, somewhat more optimistic than they were in 2004.

Thirty-five percent of workers are very concerned about the current unemployment rate, down from 40% in the fall 2004 *Work Trends* survey. More than half (53%) say that “now is a bad time to find a quality job,” compared with 63% in the fall 2004 *Work Trends*. (See Figure 4.1.)

Workers also remain anxious about job security. Forty-five percent of workers are very concerned about job security for those currently working, an **increase** from the fall 2004 *Work Trends*. The share of workers expressing concern about job security has risen substantially since 2000, reaching a seven-year high in spring 2004 before falling slightly to its current level.

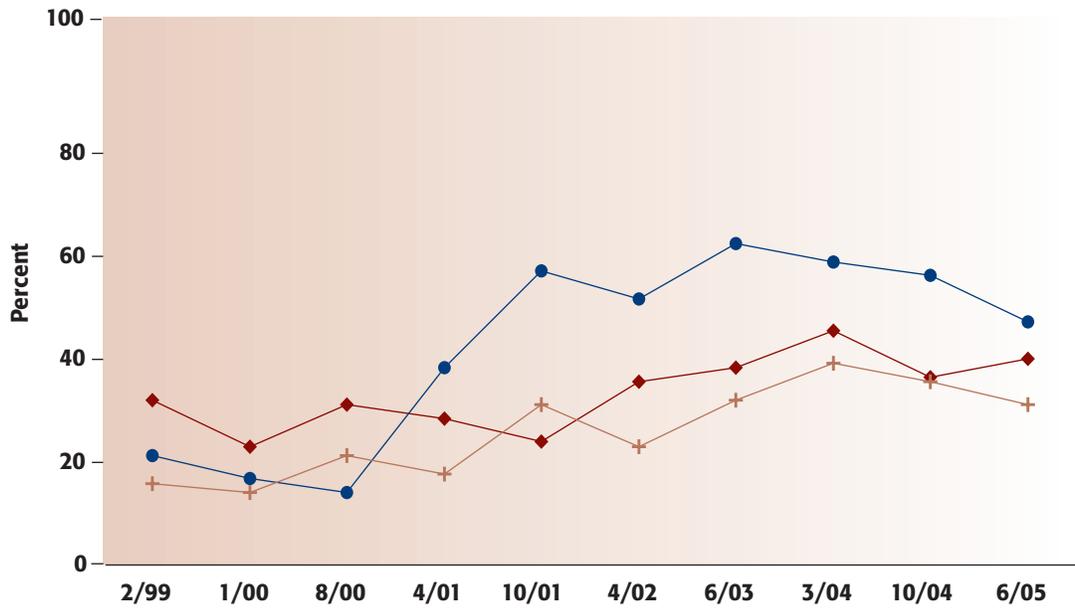
Older workers tend to be more pessimistic about the economy than younger workers. Fifty-one percent of Baby Boomers (those between 41 and 59 years of age) express considerable concern about job security, compared with 41% of mostly younger workers. Fifty-seven percent of Boomers think that now is a bad time to find a quality job, compared with about 50% of mostly younger workers.

Although the U.S. economy has continued to expand during 2005, workers remain apprehensive about the health of the economy.

Views of the health of the economy vary widely among workers by political affiliation, education level, income, and gender. Women, Democrats, less-educated workers, and workers earning less than \$40,000 per year tend to be more anxious about current economic conditions than their counterparts. For example, 52% of Democrats express considerable concern about the level of unemployment, compared with only 19% of Republicans and 27% of Independents. In addition, a majority of women (52%) are very concerned about job security, but only 39% of men are equally concerned.

Although there are wide differences among workers on some issues, opinions about the current job situation are less clear cut. Educated workers are just as likely as less-educated workers to say that now is a bad time to find a quality job. In addition, nearly equal shares of men and women are pessimistic about the job situation.

Figure 4.1: Worker Concerns Over Economic Issues



◆ Very concerned about job security	36%	26%	35%	32%	27%	40%	43%	51%	41%	45%
● Bad time to find a quality job	24%	19%	16%	43%	64%	58%	70%	66%	63%	53%
✦ Very concerned about current unemployment rate	18%	16%	24%	20%	35%	26%	36%	44%	40%	35%

CONCLUSION

A Work-Filled Retirement emerges with the United States in the midst of a demographic transformation. The oldest of the Baby Boom generation will start to turn 65—the traditional retirement age—in 2011 and the youngest of that generation will turn 55 in 2019. In coming years, older workers will have a growing presence in the U.S. workforce. By 2012, workers 40 years and older will make up over half of the labor force.⁹

As Baby Boomers near retirement, a new vision for retirement is taking hold among American workers. A majority of workers look forward to a productive retirement focused on working out of interest or for enjoyment, supplementing their incomes, or starting new businesses that contribute to the economy. Others expect to remain active through volunteer activities. However, workers are not as certain as they were five years ago that they will be able to retire when they want.

At a time when the number of workers 55 years and older is growing rapidly, this survey finds widespread skepticism about the treatment of older employees in the workplace. Older workers are perceived to be likely targets of layoffs and are likely to face a hard landing following job loss. In light of these beliefs, a majority of workers believe that both employers and government have a responsibility to promote employment opportunities for older workers.

In evaluating the traditional three pillars of retirement security—employer-sponsored pension plans, government benefits, and personal savings—workers express a combination of

confidence and concern. Those surveyed are optimistic about the ability of employer-sponsored pensions and retirement plans to generate promised benefits, despite a spate of recent reports about the funding challenges facing many private sector plans. Workers reveal more anxiety when asked about the other two pillars of retirement security. Although personal savings are the second most commonly cited source of primary retirement income—after employer-sponsored pension plans—more than a third of workers are currently saving nothing besides Social Security and less than half think they are doing a good job of saving for retirement. When asked about government retirement programs, large numbers of workers express skepticism about the future availability of Social Security and Medicare, as they did in 2000. Only about one in five workers strongly believes that both will be available to support them in retirement.

The demographic shifts in the U.S. workforce are likely to increase pressure on the nation's political and corporate leaders to come up with creative policy solutions. The imminent retirement of the oldest Baby Boomers will put increasing strains on government retirement programs and the economy. At the same time, the growing presence of older workers in the labor force is likely to force changes in employers' policies and workplace practices. Policymakers should look for solutions that facilitate a work-filled retirement for employees that choose it, meet the needs of employers for a steady supply of qualified workers, and address the need of all workers for retirement security.

⁹ Toossi, "Labor force projections to 2012."

APPENDIX A: METHODOLOGY

The worker survey was conducted from May 2 through June 12, 2005 by the Center for Survey Research and Analysis (CSRA) at the University of Connecticut. This report is based on a total of 800 telephone interviews completed with adult members of the workforce in the contiguous United States.

Interviews were conducted at CSRA's interviewing facility in Storrs, Connecticut, using a Computer-Assisted Telephone Interviewing system. Professional survey interviewers who are trained in standard protocols for administering survey instruments conduct all CSRA surveys. All interviewers assigned to this survey participated in special training conducted by senior project staff. The draft survey questionnaire and field protocols received extensive testing prior to the start of the formal interviewing period. Interviews were extensively monitored by center staff to ensure CSRA standards for quality were continually met.

The sample for this survey was stratified to ensure that regions, as defined by the U.S. Census Bureau, were represented in proportion to their share of the total U.S. population. Within each of these regions, telephone numbers were generated through a random-digit-dial telephone methodology to ensure that each possible residential telephone number had an equal probability of selection. Telephone banks that contain no known residential telephone numbers were removed from the sample selection process. The sample was generated using the GENESYS sampling database under the direction of a CSRA survey methodologist. Once selected, each telephone number was contacted a minimum of four times to attempt to reach an eligible respondent. Households where a viable contact

was made were called up to 25 additional times. All households that initially refused to be interviewed were contacted at least one additional time by a senior interviewer who attempted to elicit cooperation. Within each household, one adult was randomly selected to complete the interview.

A total of 1,232 adults were interviewed for this survey. Respondents who worked full or part time, or who were unemployed and looking for work, received a complete interview. A total of 432 respondents who did not meet these criteria received a short interview that included demographic questions. The results of this report are based on a total of 800 complete interviews with members of the workforce, including 82 people who have retired from their primary job but remain in the workforce. The final results were weighted to match U.S. Census Bureau estimates for age, educational attainment, gender, and race. For the purposes of some subgroup analysis on the "retired but still working" segment, an additional 14 retirees who remained in the labor force following retirement were also interviewed, bringing the total number of members of this group to 96. The responses of these additional people are not included in the general weighted analysis.

The sample error associated with a survey of this size is +/- 3.5%, meaning that there is less than one chance in 20 that the results of a survey of this size would differ by more than 3.5% in either direction from the results that would be obtained if all members of the workforce in the contiguous United States had been selected. The sample error is larger for subgroups. CSRA also attempted to minimize other possible sources of error in this survey.

APPENDIX B: SURVEY RESULTS

Note: Due to rounding, some percentages may not equal to 100%.

Hello, my name is _____ and I'm calling from the Center for Survey Research and Analysis at the University of Connecticut. We're conducting a brief national survey of the American workforce. May I please speak to the person in your household who is at least 18 years old and who has the next birthday?

ASKED OF EVERYONE SCREENED

QS1. Are you currently employed, are you retired from your main job but still working full time or part time, are you unemployed and looking for work, or are you not employed and not looking for work?

Employed	61%
Retired from main job, but still working full time or part time	3%
Unemployed and looking for work	6%
Unemployed and not looking for work	30%
Don't know	0%
Count (# of interviews)	(1,232)

ASKED ONLY OF THOSE WHO ARE UNEMPLOYED AND NOT LOOKING FOR WORK

QS1A. Why are you currently not working? (ASK OPEN ENDED AND CODE INTO CATEGORIES)

Retired and not working	56%
Unable to work due to disability	12%
Could not find employment	2%
Caring for children	5%
Caring for a sick or elderly relative	0%
Homemaker	12%
Student not working	8%
Other	5%
Count	402

ASKED ONLY OF THOSE WHO ARE EMPLOYED

QS2. Which statement best describes your current employment situation? (READ CHOICES 1-5)

I work full time for only one employer	65%
I work full time for one employer and part time for another	6%
I work one part-time job	12%
I work two or more part-time jobs	2%

I am self employed	12%
Don't know	2%
Refused	0%
Count	779

ASKED ONLY OF THOSE WHO DESCRIBED THEIR EMPLOYMENT STATUS

QS3. How many hours do you work in a typical week? (ENTER 2 DIGIT NUMBER 0-79)

1-20	7%
21-40	53%
41-60	34%
61-79	4%
80 or more	2%
Don't know	0%
Refused	0%
Count	751

ASKED OF EVERYONE

IQ1. I'm going to read you a list of some economic issues. For each issue that I read, please tell me whether you are very concerned, somewhat concerned, not too concerned, or not at all concerned about this.

Q1. The current unemployment rate.

Very concerned	35%
Somewhat concerned	40%
Not too concerned	17%
Not at all concerned	8%
Don't know	1%
Refused	0%
Count	800

Q2. Job security for those currently working.

Very concerned	45%
Somewhat concerned	39%
Not too concerned	11%
Not at all concerned	5%
Don't know	0%
Refused	0%
Count	800

Q3. Thinking about the job situation in America today, would you say that now is a good time or a bad time to find a quality job?

Good	39%
Bad	53%
Don't know	8%
Refused	0%
Count	800

ASKED ONLY OF THOSE CURRENTLY EMPLOYED

Q4. Many retire from full-time work for pay at different stages of life these days but continue to work part time or in a new industry or occupation. Are you currently retired or have left your primary job or career, or are you still working in your primary job or career?

Retired from main job	8%
Working at main job	91%
Don't know	1%
Refused	0%
Count	751

THE NEXT SETS OF QUESTIONS WERE ASKED ONLY OF WORKERS WHO ARE NOT RETIRED FROM THEIR MAIN JOB OR CAREER

IQ5. Now I am going to ask you some questions about your current employer and saving for retirement.

Q5. How satisfied are you with the retirement and pension plans provided by your employer?

Very satisfied	30%
Somewhat satisfied	27%
Neither satisfied nor dissatisfied	10%
Somewhat dissatisfied	9%
Very dissatisfied	15%
Don't know	7%
Refused	1%
Count	669

Q6. Are you currently eligible, through your employer, for any type of retirement or pension plan?

Yes	62%
No	37%
Don't know	1%
Count	586

ASKED OF SELF EMPLOYED ONLY

Q6a. Are you currently eligible for any type of retirement or pension plan?

Yes	23%
No	75%
Don't know	3%
Count	83

Q7. Does your employer require you to participate in this plan, or is your participation voluntary?

Required	20%
Voluntary	75%
Don't know	5%
Count	385

ASKED OF SELF EMPLOYED ONLY

Q7a. Are you required to participate in this plan, or is your participation voluntary?

Required	12%
Voluntary	74%
Don't know	14%
Count	23

Q8. Do you participate in this plan, or not?

Yes, participate	81%
No, do not participate	18%
Don't know	1%
Count	385

ASKED OF SELF EMPLOYED ONLY

Q8a. Do you participate in this plan, or not?

Yes	78%
No	7%
Don't know	15%
Count	23

Q9. Does your employer pay for ALL of the cost of the plan, do you pay for ALL of the cost of the plan, or is the cost shared?

Employer pays all the costs	23%
Respondent pays all the costs	7%
Shared costs	65%

Don't know	4%	Not very confident	7%
Refused	2%	Not at all confident	6%
Count	385	Don't know	4%
		Refused	1%
		Count	385

ASKED OF SELF EMPLOYED ONLY

Q9a. Do you pay for all the cost of the plan, or is the cost shared?

Respondent pays all the costs	41%
Cost shared (Specify WHO PAYS)	35%
Don't know	25%
Count	23

Q10. For your primary pension plan, when you retire, will you receive benefits that are based on your final salary and years of service, or will your benefits depend on how much money is in the account when you retire?

Based on salary and years of service	29%
Depends on how much is in the account	57%
Don't know	14%
Refused	0%
Count	408

Q11. If you had the choice, how would you prefer to receive your benefits?

Based on salary and years of service	51%
Depends on how much is in the account	37%
Don't know	11%
Refused	0%
Count	408

Q12. Since the start of your employment, has your current company changed its retirement plans in such a way that it will result in a lower retirement payout than you had anticipated?

Yes	13%
No	80%
Don't know	7%
Count	408

Q13. How confident are you that your employer-sponsored pension plan will have the money available to provide the benefits you expect for your retirement?

Very confident	51%
Somewhat confident	32%

ASKED OF SELF EMPLOYED ONLY

Q13a. How confident are you that your pension plan will have the money available to provide the benefits you expect for your retirement?

Very confident	44%
Somewhat confident	18%
Not very confident	5%
Not at all confident	21%
Don't know	12%
Count	23

Q14. At what age do you think you will be financially able to retire from full-time work for pay?

Under 50	5%
50 - 55	11%
56 - 60	16%
61 - 65	27%
More than 65	22%
Never/won't be able to retire	12%
Don't know	7%
Count	718

Q15. Regardless of when you think you will be able to retire from full-time work for pay, at what age, ideally, would you like to retire?

Under 50	20%
50 - 55	29%
56 - 60	22%
61 - 65	18%
More than 65	6%
Never want to retire	3%
Don't know	2%
Count	718

Q16. Thinking about your employment in later years, which of the following statements best describes what you think you will be doing when you retire from your main job?

Not work at all	13%
Retire from current job but work full time for pay doing something else	6%
Work part time for the needed income it provides	18%
Work part time for interest or enjoyment	27%
Start your own business/go into business for yourself	15%
Volunteer in the community	14%
Other	5%
Don't know	1%
Count	718

Q17. People use different ways to support themselves in retirement. From the following list, please tell me the one that will be your MAIN source of support during retirement. Will it be:

Income from a part-time job	6%
Income personal savings	22%
Employer-sponsored pensions or 401(k)	41%
Social Security	14%
Income from a spouse	6%
Income from your children	1%
Other (specify)	8%
Don't know	3%
Count	718

Q18. What would be the SECOND MOST important source of support during your retirement. Will it be:

Income from a part-time job	16%
Income personal savings	16%
Employer-sponsored pensions or 401(k)	20%
Social Security	29%
Income from a spouse	8%
Income from your children	1%
Other (specify)	4%
Don't know	4%
Refused	0%
Count	718

Q19. Are you currently saving anything for retirement, other than Social Security?

Yes	65%
No	35%
Don't know	0%
Refused	0%
Count	718

ASKED ONLY OF THOSE SAVING FOR RETIREMENT

Q20. Are you currently contributing to an employer-sponsored retirement plan, a pension, a 401(k), or some other type of plan?

Yes	71%
No	29%
Count	527

ASKED ONLY OF THOSE SAVING FOR RETIREMENT

Q21. Are you currently contributing to non-employer-sponsored savings accounts, IRAs, or other savings plans to prepare for retirement?

Yes	60%
No	39%
Don't know	0%
Count	527

Q22. Do you currently receive Social Security benefits?

Yes	5%
No	95%
Count	718

Q23. How confident are you that you will be able to retire when you want?

Very confident	24%
Somewhat confident	40%
Not very confident	21%
Not at all confident	15%
Don't know	1%
Refused	0%
Count	718

THE NEXT SETS OF QUESTIONS WERE ONLY ASKED OF WORKERS RETIRED FROM THEIR MAIN JOB OR CAREER BUT STILL WORKING FULL TIME OR PART TIME. RESPONSES ARE BASED ON THE OVERSAMPLE.

Q24. At what age did you retire from your main job?

Under 50	41%
51 - 55	24%
56 - 60	13%
61 - 65	18%
66 - 70	2%
Older than 70	1%
Don't know	2%
Count	96

Q25. Was your retirement voluntary or was it early retirement determined by your employer?

Voluntary	76%
Determined by employer	16%
Other (such as health reasons) (specify)	7%
Don't know	1%
Count	96

Q26. Since retiring from your main job, have you returned to full- or part-time work?

Yes, full-time work	42%
Yes, part-time work	56%
Don't know	1%
Refused	1%
Count	96

Q27. How many years was it until you got back to full- or part-time work after retiring from your main job?

Less than 6 months	47%
6 months to less than 1 year	24%
1 year to less than 5 years	15%
5 years to less than 10 years	6%
10 years or more	6%
Count	96

Q28. Why have you returned to work?

Needed income it provides	54%
Mainly for interest or enjoyment	22%

Need health benefits	6%
Other (specify)	18%
Count	96

Q29. How confident are you that you have the financial resources to support yourself in retirement?

Very confident	35%
Somewhat confident	32%
Not very confident	20%
Not at all confident	11%
Don't know	1%
Count	96

Q30. People use different ways to support themselves in retirement. From the following list, please tell me the one that is your MAIN source of support during retirement. Is it:

Income from a part-time job	13%
Income personal savings	16%
Employer-sponsored pensions or 401(k)	33%
Social Security	17%
Income from a spouse	8%
Other (specify)	14%
Count	96

Q31. What is the SECOND MOST important source of support during your retirement?

Income from a part-time job	16%
Income personal savings	11%
Employer-sponsored pensions or 401(k)	17%
Social Security	38%
Income from a spouse	4%
Other (specify)	12%
Don't know	2%
Count	96

Q32. Do you currently receive Social Security benefits?

Yes	31%
No	69%
Count	96

Q33. Other than Social Security, do you currently have any additional money saved for retirement?

Yes	75%
No	25%
Count	96

ASKED OF EVERYONE

IQ34. Now I am going to ask you some questions about workers and how employers and government can help workers prepare for retirement.

Q34. At what age do you consider a person to be an older worker?

40 - 45	7%
46 - 50	14%
51 - 55	16%
56 - 60	27%
61 - 65	21%
66 - 70	9%
More than 70	5%
Don't know	2%
Count	800

Q35. At what age do you think employers begin considering an employee to be an older worker?

40 - 45	18%
46 - 50	21%
51 - 55	21%
56 - 60	18%
61 - 65	11%
66 - 70	2%
More than 70	2%
Don't know	7%
Count	800

Q36. In general, when a company reduces its workforce, who is more likely to be laid off, older workers or younger workers?

Older workers	71%
Younger workers	18%
Neither	6%
Don't know	5%
Count	800

Q37. Who do you think is more likely to find a new job at equal or greater pay after a layoff, older workers or younger workers?

Older workers	11%
Younger workers	86%
Neither	2%
Don't know	2%
Count	800

Q38. In general, do employers treat older workers more fairly, less fairly, or just as fairly as younger workers?

More fairly	11%
Less fairly	34%
Just as fairly	50%
Don't know	5%
Count	800

Q39. Have you ever felt that your employer treated you unfairly because of age?

Yes	13%
No	86%
Don't know	1%
Refused	0%
Count	800

Q40. Do you know of any instances within your company in which employees were treated unfairly because of age?

Yes	19%
No	80%
Don't know	0%
Refused	0%
Count	800

ASKED ONLY OF THOSE WHO ANSWERED "YES" TO Q40

Q41. In what way were older workers treated unfairly?

During the hiring process	3%
When being promoted	9%
When being assigned tasks and responsibilities	14%
When salary increases are being decided	6%
When being laid off	20%
Other (specify)	39%

Don't know	5%
Refused	4%
Count	164

IQ42. Now, I am going to ask you some questions about the treatment of older workers, in general. Do you feel employers treat older workers fairly or unfairly in the following practices:

Q42. When interviewing and hiring new employees?	
Fairly	48%
Unfairly	44%
Don't know	9%
Refused	0%
Count	800

Q43. When promoting people to a more responsible job?

Fairly	70%
Unfairly	25%
Don't know	6%
Refused	0%
Count	800

Q44. When assigning desirable tasks and responsibilities?

Fairly	70%
Unfairly	23%
Don't know	6%
Refused	0%
Count	800

Q45. When determining salary increases?

Fairly	61%
Unfairly	32%
Don't know	7%
Refused	0%
Count	800

Q46. When laying off employees?

Fairly	36%
Unfairly	57%
Don't know	6%
Refused	0%
Count	800

Q47. Who do you think should be primarily responsible for helping workers prepare for retirement? Workers, employers, or the government?

Workers	39%
Employers	25%
Government	18%
All three (volunteered)	17%
Don't know	1%
Refused	0%
Count	800

SPLIT SAMPLE — ASKED ONLY OF HALF OF SAMPLE

Q48. Do you favor or oppose allowing individuals to keep some of their Social Security payroll taxes in PERSONAL retirement accounts for which they would determine their own investments to provide for their own retirement security?

Favor	69%
Oppose	25%
Don't know	6%
Refused	0%
Count	404

SPLIT SAMPLE — ASKED ONLY OF HALF OF SAMPLE

Q48a. Do you favor or oppose allowing individuals to keep some of their Social Security payroll taxes in PRIVATE retirement accounts for which they would determine their own investments to provide for their own retirement security?

Favor	69%
Oppose	27%
Don't know	3%
Refused	0%
Count	396

IQ49. The Supreme Court recently upheld a law that prohibits age discrimination in the workplace. Now, age-bias claims simply have to prove that an employer's policy had a negative impact on older workers, whether or not the employer intended it.

Q49. Have you heard of this decision?

Yes	22%
No	77%
Don't know	0%
Count	800

Q50. Do you favor or oppose this decision?	
Favor	63%
Oppose	22%
Don't know	14%
Refused	1%
Count	800

Q51. At what age do you think workers should qualify for special protections from age discrimination and other workplace practices established by the federal government?	
16 - 29	5%
30 - 49	17%
50 - 59	40%
60 or more	14%
Don't think special protections are needed at any age (volunteered)	12%
Don't know	11%
Refused	1%
Count	800

IQ52. Please rate each of the following statements on a scale of 0 to 10, where 0 means strongly disagree, 10 means strongly agree, and 5 means neither agree nor disagree. First:

Q52. The federal government should do more to promote opportunities for older workers to obtain or retain work, such as helping them upgrade their skills or provide career guidance.	
0 "Strongly disagree"	5%
1	2%
2	2%
3	3%
4	4%
5 "Neither agree nor disagree"	17%
6	8%
7	13%
8	13%
9	4%
10 "Strongly agree"	30%
Don't know	1%
Count	800
Mean rating	6.90

Q53. The federal government should provide incentives for older workers to stay in their jobs, including changes in Social Security and Medicare rules.

0 "Strongly disagree"	6%
1	3%
2	3%
3	6%
4	4%
5 "Neither agree nor disagree"	21%
6	7%
7	10%
8	11%
9	4%
10 "Strongly agree"	23%
Don't know	2%
Count	800
Mean rating	6.27

Q54. Employers should do more to provide opportunities for older workers, such as hiring or retraining.

0 "Strongly disagree"	3%
1	0%
2	2%
3	3%
4	2%
5 "Neither agree nor disagree"	19%
6	7%
7	12%
8	14%
9	7%
10 "Strongly agree"	31%
Don't know	1%
Refused	0%
Count	800
Mean rating	7.29

Q55. Employers should provide incentives for older workers to stay working, including changes in pension and benefit rules.

0 "Strongly disagree"	6%
1	2%
2	1%

3	5%	7	12%
4	5%	8	13%
5 "Neither agree nor disagree"	24%	9	4%
6	6%	10 "Strongly agree"	20%
7	10%	Don't know	2%
8	13%	Count	800
9	5%	Mean rating	6.21
10 "Strongly agree"	24%		
Don't know	1%	Q58. Social Security and Medicare will still be available to me when I retire.	
Refused	0%		
Count	800	0 "Strongly disagree"	18%
Mean rating	6.52	1	6%
		2	6%
Q56. I do not believe people should retire so long as they are physically able to work.		3	7%
		4	5%
0 "Strongly disagree"	23%	5 "Neither agree nor disagree"	19%
1	8%	6	3%
2	6%	7	5%
3	7%	8	7%
4	4%	9	3%
5 "Neither agree nor disagree"	17%	10 "Strongly agree"	20%
6	2%	Don't know	1%
7	5%	Count	800
8	6%	Mean rating	4.96
9	2%		
10 "Strongly agree"	19%	Q59. I am doing a good job of saving for retirement.	
Don't know	1%	0 "Strongly disagree"	14%
Refused	0%	1	3%
Count	800	2	5%
Mean rating	4.50	3	5%
		4	5%
Q57. If available, I would take advantage of an option to reduce my working hours and phase my retirement over a number of years.		5 "Neither agree nor disagree"	22%
		6	8%
0 "Strongly disagree"	8%	7	10%
1	2%	8	9%
2	4%	9	3%
3	4%	10 "Strongly agree"	16%
4	2%	Don't know	0%
5 "Neither agree nor disagree"	24%	Refused	0%
6	6%	Count	800
		Mean rating	5.38



JOHN J. HELDRICH CENTER FOR WORKFORCE DEVELOPMENT
Edward J. Bloustein School of Planning and Public Policy
Rutgers, The State University of New Jersey
33 Livingston Avenue, Fifth Floor
New Brunswick, NJ 08901
732.932.4100, ext. 717
www.heldrich.rutgers.edu



UNIVERSITY OF CONNECTICUT
341 Mansfield Road, Room 400
Storrs, CT 06269-1164
860.486.2579