

# Urban Institute First Tuesdays

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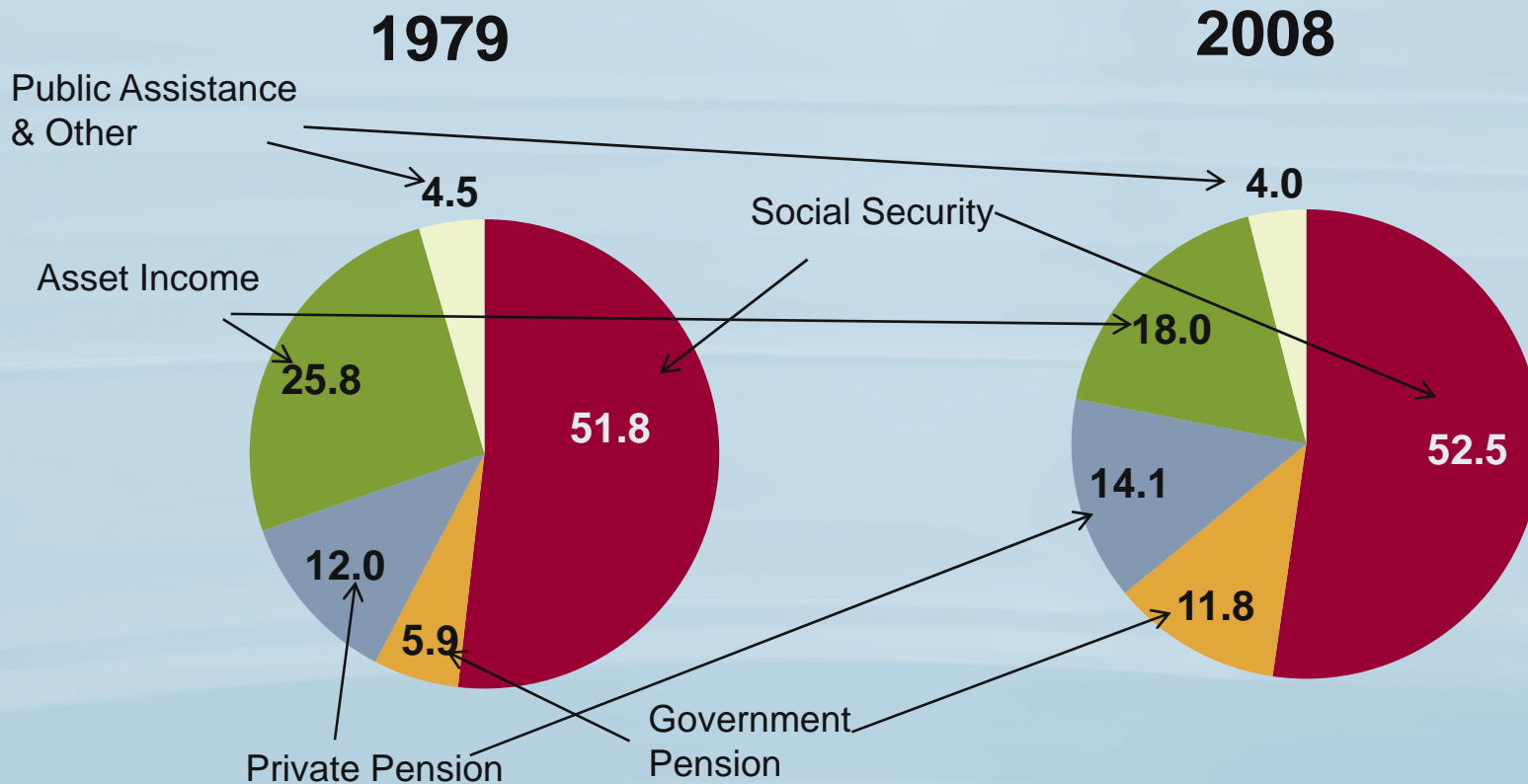
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February 3, 2009

\*The views presented reflect the conclusions of the author and do not necessarily reflect the views of the Investment Company Institute or its members.

# Social Security Primary Source of Retirement Income

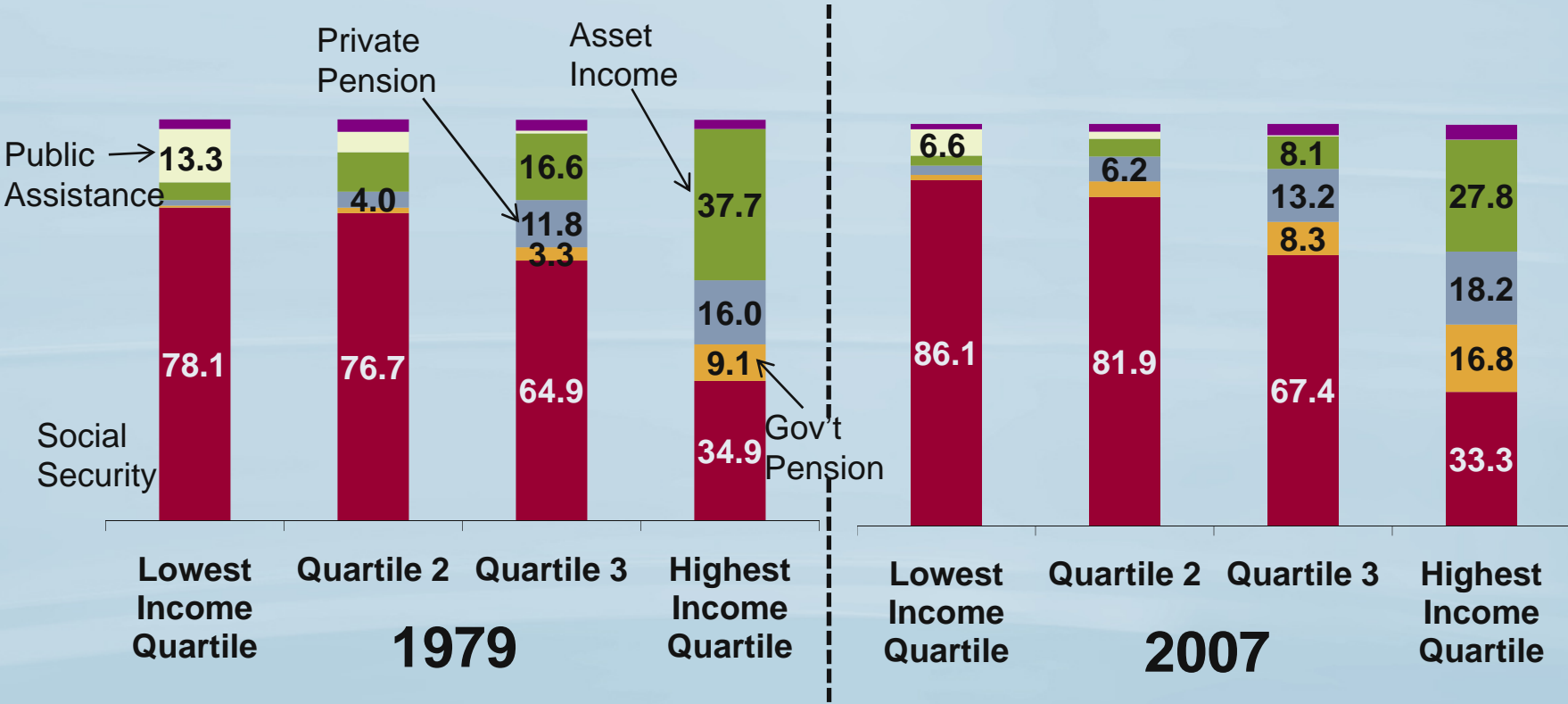
Percent of aggregate income of individuals age 65 or older, did not work, 1979 & 2007



Source: Tabulations from March 1980 & March 2008 Current Population Survey.

# Only Higher Income Get Substantial Amount from Other Sources

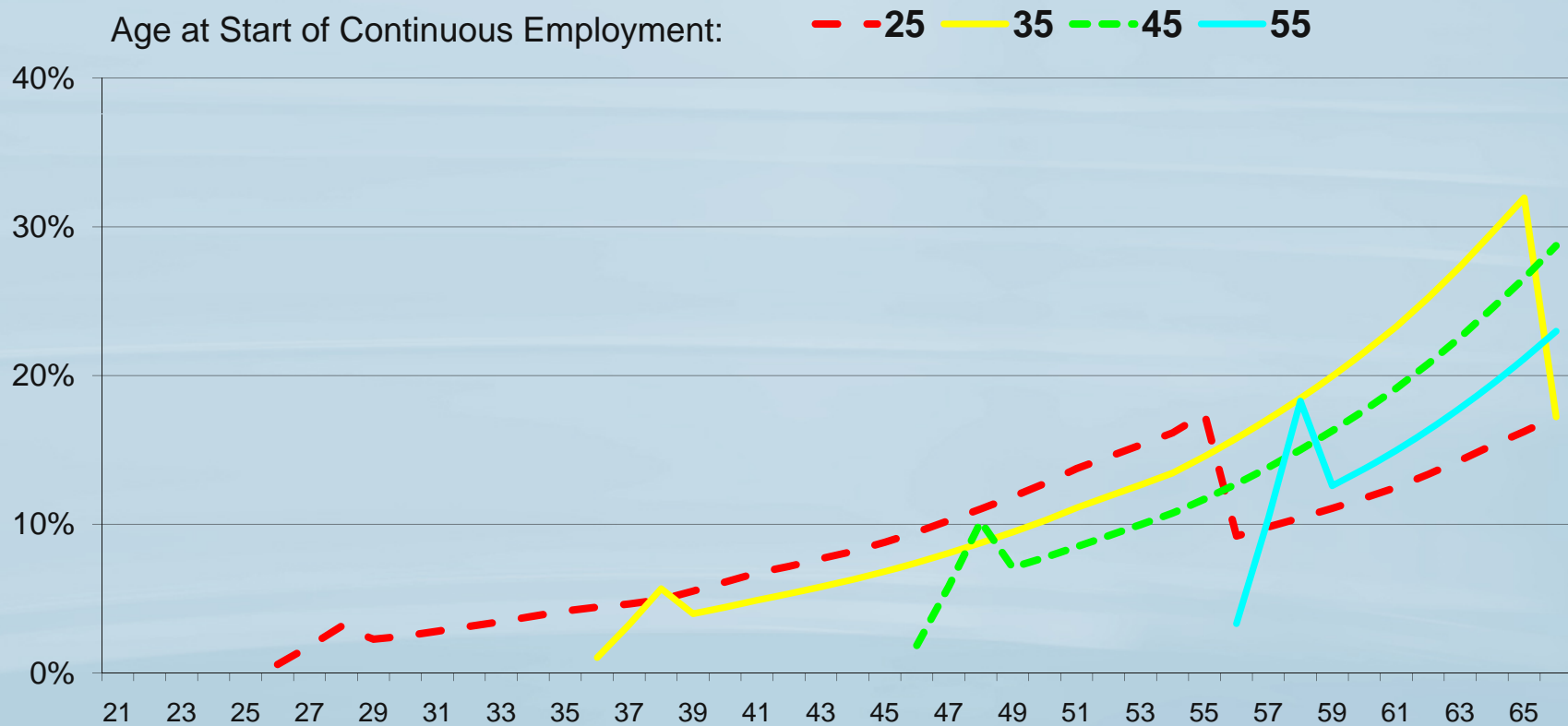
Percent of aggregate income of individuals by quartile, age 65 or older, did not work, 1979 & 2007



Source: Tabulations from March 1980 & March 2008 Current Population Survey.

# DB Benefit Accrual for Individual Employees

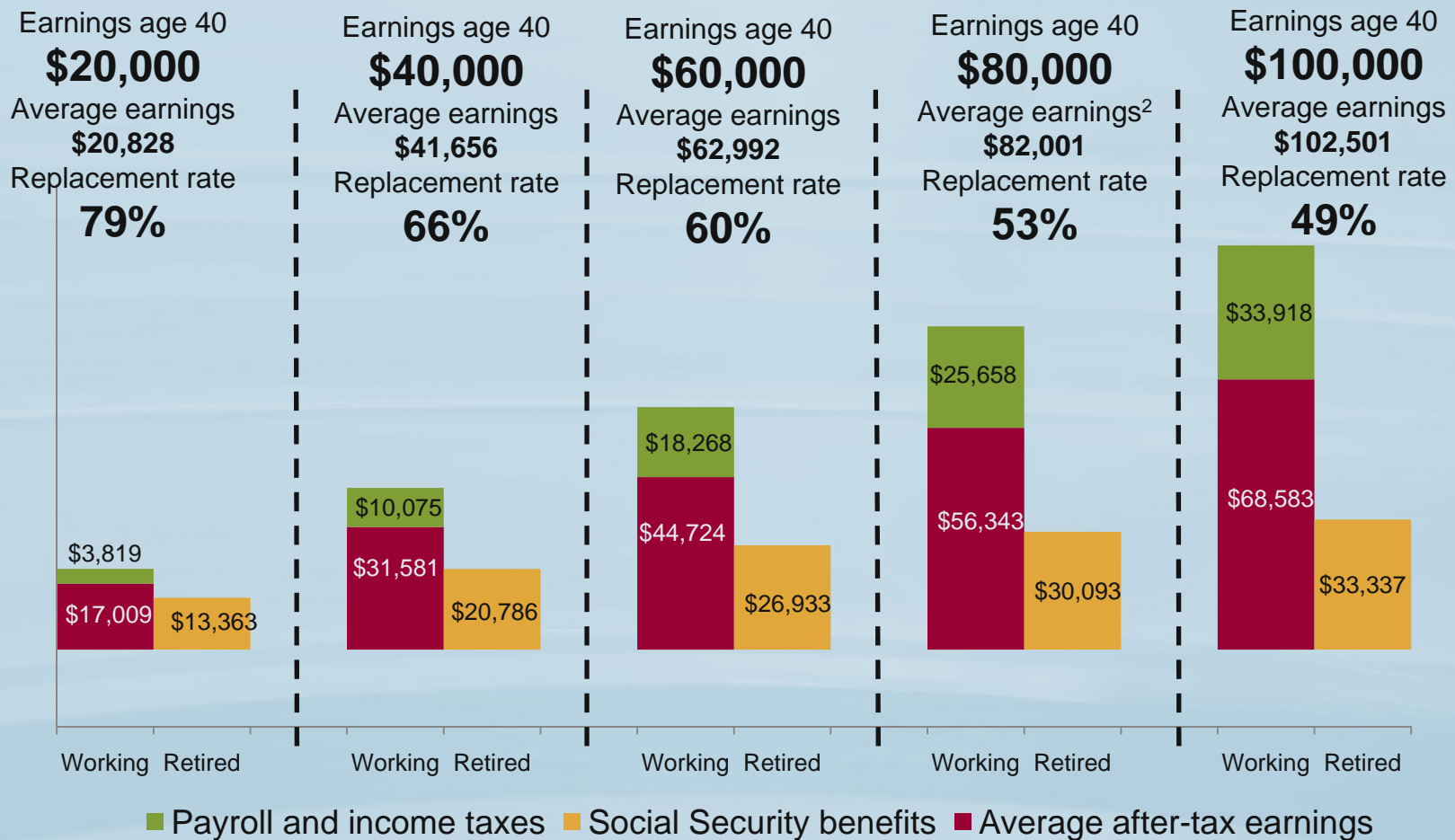
PDV of DB benefit accruals with formula 1.5% per year up to 30 years



Source: Author's Calculation

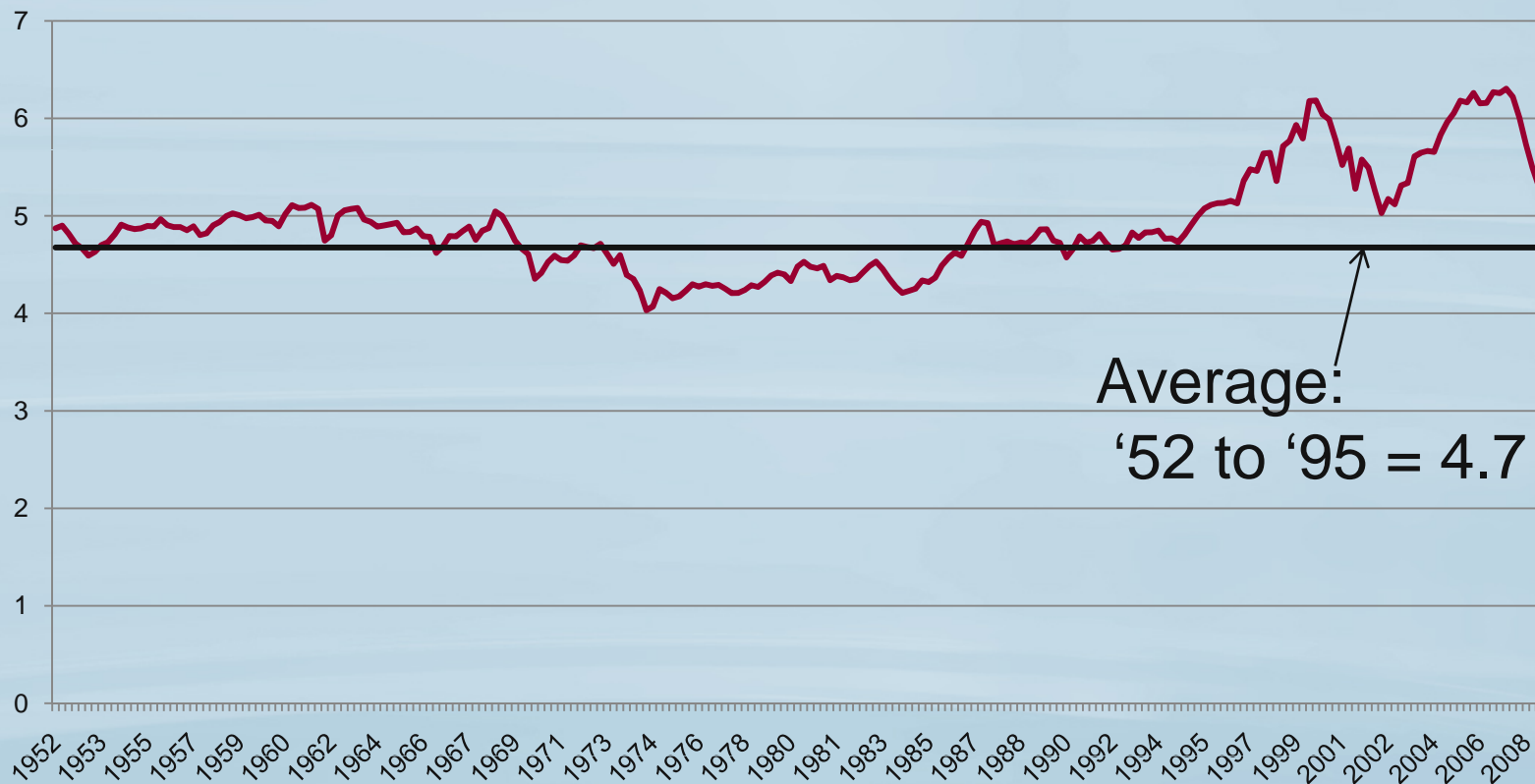
# Social Security Replacement Rates

(dollar amounts are constant 2006 dollars)



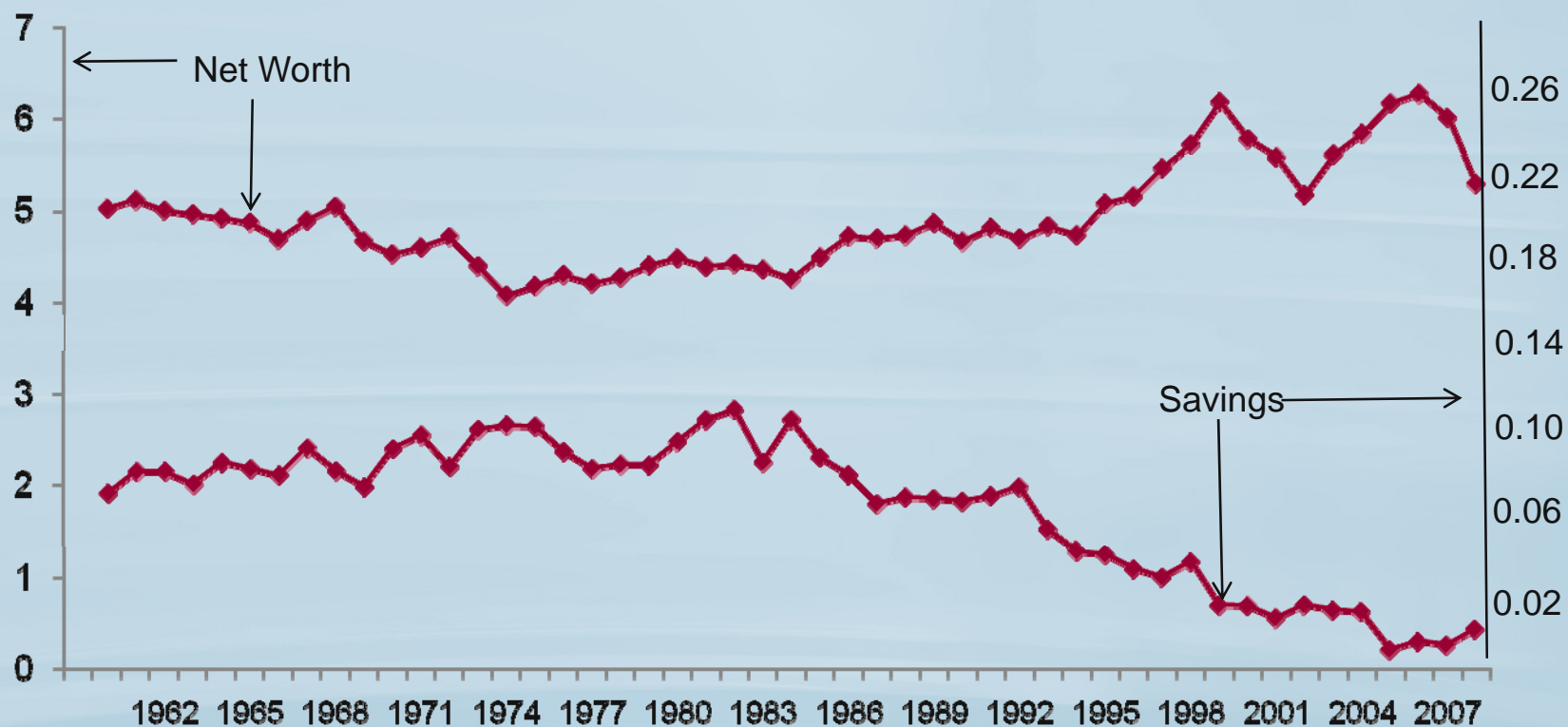
Source: Investment Company Institute calculations based on current Social Security benefit formula and current income tax rate

# Household Net Worth and Personal Savings as a Multiple of Disposable Personal Income



Note: Data is through December 31, 2008.  
Source: Federal Reserve Board

# Household Net Worth and Personal Savings as a Multiple of Disposable Personal Income



Note: Data is through September 30, 2008.  
Source: Federal Reserve Board

# Links to Research

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- [www.ici.org](http://www.ici.org)

## **”Measuring Retirement Resource Adequacy”**

- <http://ssrn.com/abstract=1092590>
- <http://journals.cambridge.org/action/displayAbstract?fromPage=online&aid=2197036&fulltextType=RA&fileId=S1474747208003806>

## **“Can 401(k) Plans Provide Adequate Retirement Resources?”**

- <http://www.pensionresearchcouncil.org/publications/document.php?file=709>
- <http://ssrn.com/abstract=1317904>

## **Who Gets Retirement Benefits and Why”**

- <http://ssrn.com/abstract=1291775>
- <http://www.ici.org/stats/res/per14-02.pdf>