



**FOR IMMEDIATE RELEASE**  
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## **Generations X and Y See Changing Retirement Landscape but Fail to Save Enough**

*Young Americans Value Workplace Benefits: Retirement Saving Plans, Healthcare*

**WASHINGTON** - Members of Generations X and Y, acknowledging that they need to pick up the slack when it comes to planning for their futures, are thinking about retirement and have defined financial goals according to a report released today by the Divided We Fail group (AARP, Business Roundtable, National Federation of Independent Business and the Service Employees International Union) and the American Savings Education Council (ASEC).

According to "Preparing for Their Future: A Look at the Financial State of Gen X and Gen Y," three out of four Gen Xers and Gen Yers said saving for retirement is a personal financial goal, and an overwhelming majority (92 percent) feels that they can achieve their most important financial goals in the next ten years. However, many younger Americans grade themselves poorly when it comes to saving money (42 percent gave themselves a D or F) and investing their money outside the workplace (47 percent gave themselves a D or F).

"These generations face new challenges when it comes to building lifetime financial security," said Nancy LeaMond, Executive Vice President of Social Impact at AARP. "The good news is that they realize how the retirement landscape is changing and are confident that they can achieve their financial goals, the bad news is that they know more about making their iPod work than making their savings work for them."

While 86 percent of Gen Xers and Gen Yers know they should be more prepared for a "rainy day," many report that they know more about their iPod (40 percent very knowledgeable) than they do about filing their taxes (26 percent), buying a home (21 percent), investing outside of work (15 percent) and saving for retirement (15 percent).

"Financial education is essential from the earliest ages if the youth of today and tomorrow are going to stand a chance of financial survival as 'spend and borrow' messages are thrust at them every hour of every day they are not in a classroom. And even then they may receive such a message on their

cell phone or iPod. This survey is a wake up call for action now," said Dallas Salisbury, chairman of the American Savings Education Council, a coalition of savings education organizations.

Young people place a high value on benefits in the workplace such as health insurance (94 percent), retirement savings plans (88 percent), matching or contributing to a retirement savings plan (89 percent), wellness plans (78 percent) and offering financial education/advice (77 percent). While they may look to the workplace for tools, 70 percent of Gen Xers and Gen Yers look to their parents for personal finance advice and guidance.

"A more financially aware generation of boomers can take the opportunity to share their experiences, mistakes and successes in planning for retirement," agreed the Divided We Fail organizations. "All of us, individuals, employers and even parents must take action to develop solutions large and small to make sure all generations are prepared."

An online survey of 1,752 young people was conducted in early 2008. For the purposes of this report Gen X includes those respondents ages 28 to 39 years old (born 1968 to 1979) and Gen Y includes those between the ages of 19 and 27 (born 1980 to 1988).

Divided We Fail, launched nationally in January 2007, has worked to engage the American people, elected officials and the business community to find broad-based, bi-partisan solutions to the most compelling domestic issues facing the nation: health care and the long-term financial security of Americans.

To view a full copy of this report visit [www.aarp.org/research/financial/retirementsaving/preparing\\_future.html](http://www.aarp.org/research/financial/retirementsaving/preparing_future.html) or [www.choosetosave.org/](http://www.choosetosave.org/). For more information about Divided We Fail efforts visit [www.dividedwefail.org](http://www.dividedwefail.org).

### **American Savings Education Council (ASEC)**

*American Savings Education Council is a program of the Employee Benefit Research Institute (EBRI) Education and Research Fund, a 501 (c) (3) non-profit organization ([www.ebri.org](http://www.ebri.org) and [www.choosetosave.org](http://www.choosetosave.org)). The ASEC mission: To make saving and retirement planning a priority for all Americans. ASEC is a convener and connector that bring together public- and private-sector partners to share information on best practices and to collaborate on financial security initiatives. For more information visit [www.choosetosave.org/asec](http://www.choosetosave.org/asec)*

### **AARP**

*AARP is a nonprofit, nonpartisan membership organization that helps people 50+ have independence, choice and control in ways that are beneficial and affordable to them and society as a whole. AARP does not endorse candidates for public office or make contributions to either political campaigns or candidates. We produce AARP The Magazine, published bimonthly; AARP Bulletin, our monthly newspaper; AARP Segunda Juventud, our bimonthly magazine in Spanish and English; NRTA Live & Learn, our quarterly newsletter for 50+ educators; and our website, <http://www.aarp.org>. AARP Foundation is an affiliated charity that provides security, protection, and empowerment to older persons in need with support from thousands of volunteers, donors, and sponsors. We have staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.*

### **Business Roundtable**

*Business Roundtable ([www.businessroundtable.org](http://www.businessroundtable.org)) is an association of chief executive officers of leading U.S. companies with \$4.5 trillion in annual revenues and nearly 10 million employees. Member companies comprise nearly a third of the total value of the U.S. stock markets and represent over 40 percent of all corporate income taxes paid. Collectively, they returned \$112 billion in dividends to shareholders and the economy in 2005. Roundtable companies give more than \$7 billion a year in combined charitable contributions, representing nearly 60 percent of total corporate giving. They are technology innovation leaders, with \$90 billion in annual research and development spending - nearly half of the total private R&D spending in the U.S.*

**NFIB**

*NFIB is the nation's leading small-business advocacy association, with offices in Washington, D.C. and all 50 state capitals. Founded in 1943 as a nonprofit, nonpartisan organization, NFIB gives small- and independent-business owners a voice in shaping the public policy issues that affect their business. NFIB's powerful network of grassroots activists send their views directly to state and federal lawmakers through our unique member-only ballot, thus playing a critical role in supporting America's free enterprise system. NFIB's mission is to promote and protect the right of our members to own, operate and grow their businesses. More information about NFIB is available online at [www.NFIB.com](http://www.NFIB.com).*

**SEIU**

*With 1.8 million members, SEIU ([www.seiu.org](http://www.seiu.org)) is the fastest-growing union in North America. Focused on uniting workers in three sectors to improve their lives and the services they provide, SEIU is the largest health care union, including hospitals, nursing homes, and home care; the largest property services union, including building cleaning and security; and the second largest public employee union.*