

## About a Third of Those Married/Living with a Partner Say They Agree on What they Should Save for Retirement

*However, one in five married or living with a partner have not even discussed how much they should save*

A recent Wall Street Journal Online/Harris Interactive Personal Finance Poll reveals that while 40 percent of adults want to use their money to continue to support their current lifestyle in their later years, about one-quarter prefer to use their money for enjoyable activities such as traveling or relocating to a warmer climate. Three out of 10 of those who are married or living with their partner are in agreement about how much they need to save for retirement, while equal numbers say they focus on saving more than their spouse/partner does (20%) or have never talked about how much they need to save for retirement (20%). The survey further explores how much retired couples say they argue over finances, how current living expenses in retirement compare with what retirees expected, and how much income those who are not retired believe they and their spouse/partner need annually in order to retire comfortably.

These are some of the results of an online survey of 2,075 U.S. adults conducted by Harris Interactive between May 30 and June 1, 2006 for The Wall Street Journal Online's Personal Journal Edition.

### Use of money in the later years

- If adults had one choice with what to do with their money in their later years, the likelihood that they say they would continue to support the lifestyle they have now increases with age, while the likelihood that they say they would use the money to travel, buy a vacation home or relocate to a warmer climate decreases with age.
- Men are more likely than women to say they would continue to support the lifestyle they have now (47% vs. 35%, respectively).
- Those who are single or have never been married are substantially more likely than those who are married/living with a partner or divorced/separated/widowed to say they would use the money to travel, buy a vacation home or relocate to a warmer climate (32% vs. 24% and 20%, respectively).

## Saving for retirement

- The level of agreement about how much they need to save for retirement rises with age and income, presumably because as couples near retirement they feel compelled to discuss their plans.
- Interestingly, men are more likely to focus on saving for retirement than women (both men and women admit this is the case in their relationship).

## Arguing over finances

Over half (54%) of retirees who are married or living with a partner say they argue about their finances about the same amount as they used to, and 41 percent say they argue less than they did before they retired.

“Money has long been known as a source of conflict among couples. The good news is that when couples reach retirement they argue about finances much less than they did while working,” states Anne Aldrich, Senior Vice President of the Financial Services Research Practice at Harris Interactive. “Moving into this stage of life takes planning and communication – when couples take the time to work through their plans conflict can be reduced.”

The notion of saving for retirement is one that is too much for some couples – about one in 10 say that neither of them can decide on how much to save for that stage in their life.

## Current living expenses vs. expectations

Over one-third (37%) of retired adults have experienced higher living expenses than they expected they would have, and this rises to nearly one out of two in the West (49%) and of those who are divorced/separated or widowed (49%) who say this.

- On average, adults who are not retired believe they and their spouse/partner need \$75,233 annually in order to retire comfortably. Predictably, this number increases when responses are compared by household income.

According to Aldrich, “The outlook on spending becomes more realistic with age. Priorities shift with different life stages, and it is important for financial advisors and those in the financial services industry to be aware of their clients’ needs and motivations as they near retirement so they can provide guidance that is personally relevant.”

Downloadable PDFs of The Wall Street Journal Online/Harris Interactive Personal Finance Polls are posted at [http://www.harrisinteractive.com/news/newsletters\\_wsjfinance.asp](http://www.harrisinteractive.com/news/newsletters_wsjfinance.asp).

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**TABLE 1**

**Marital Status**

"What is your marital status?"

Base: All adults

	Total
	%
<b>Married/Living with Partner (Net)</b>	<b>60</b>
Married	53
Living with partner	6
Single, never married	27
Divorced	8
Separated	1
Widowed	4

**TABLE 2**

**Employment Status**

"Which best describes you?"

Base: All adults

	Total	Those Married/Living with Partner
	%	%
I am retired from my primary occupation	25	29
I am not retired	75	71

**TABLE 3A**

**Use Of Money In Later Years – by Age**

"If you had only one choice, what would you do with your money in your later years?"

Base: All adults

	Total	Age			
		18-34	35-44	45-54	55+
	%	%	%	%	%
Continue to support the lifestyle I have now	40	25	37	42	57
Use the money to travel, buy a vacation home or relocate to a warmer climate	26	34	32	25	15
Save it to pay for health care and long-term care expenses	15	17	19	15	12
Leave an inheritance for my children or grandchildren	14	16	9	14	13
Other	5	8	3	3	3

Note: Percentages may not add up to exactly 100% due to rounding.

**TABLE 3B**

**Use of Money in Later Years – by Gender and Age**

“If you had only one choice, what would you do with your money in your later years?”

Base: All adults

	Total	Male Age					Female Age				
		Total Males	18-34	35-44	45-54	55+	Total Females	18-34	35-44	45-54	55+
	%	%	%	%	%	%	%	%	%	%	
Continue to support the lifestyle I have now	40	47	32	47	43	62	35	18	28	42	51
Use the money to travel, buy a vacation home or relocate to a warmer climate	26	24	30	26	27	16	28	37	38	24	15
Save it to pay for health care and long-term care expenses	15	15	17	17	18	10	16	18	20	13	14
Leave an inheritance for my children or grandchildren	14	11	14	6	9	11	16	18	11	18	15
Other	5	4	7	4	3	1	5	9	3	3	5

Note: Percentages may not add up to exactly 100% due to rounding.

**TABLE 3C**

**Use of Money in Later Years – by Marital Status**

“If you had only one choice, what would you do with your money in your later years?”

Base: All adults

	Total	Marital Status		
		Married	Single/ Never Married	Divorced/ Separated/ Widowed
	%	%	%	%
Continue to support the lifestyle I have now	40	46	30	41
Use the money to travel, buy a vacation home or relocate to a warmer climate	26	24	32	20
Save it to pay for health care and long-term care expenses	15	12	21	17
Leave an inheritance for my children or grandchildren	14	15	9	19
Other	5	3	8	4

Note: Percentages may not add up to exactly 100% due to rounding.

**TABLE 4A**

**Views on Saving for Retirement – by Age**

“Thinking about how you and your spouse or partner view retirement and how much you would need to save, which of the following best describes you?”

Base: Adults that are married/living with partner and are not retired

	Total	Age			
		18-34	35-44	45-54	55+
	%	%	%	%	%
We are in agreement about how much we need to save.	30	22	34	30	38
I focus on saving more than my spouse/partner does.	20	23	21	20	16
We have never talked about how much we need to save for retirement.	20	29	20	17	10
My spouse/partner focuses on saving more than I do.	11	5	10	16	14
Neither one of us can decide how much to save for retirement.	9	11	8	10	4
None of these	10	9	8	7	17

**TABLE 4B**

**Views on Saving for Retirement – by Gender**

“Thinking about how you and your spouse or partner view retirement and how much you would need to save, which of the following best describes you?”

Base: Adults that are married/living with partner and are not retired

	Total	Gender	
		Male	Female
	%	%	%
We are in agreement about how much we need to save.	30	33	27
I focus on saving more than my spouse/partner does.	20	25	17
We have never talked about how much we need to save for retirement.	20	20	19
My spouse/partner focuses on saving more than I do.	11	8	14
Neither one of us can decide how much to save for retirement.	9	7	11
None of these	10	7	12

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**TABLE 4C**

**Views on Saving for Retirement – by Income**

“Thinking about how you and your spouse or partner view retirement and how much you would need to save, which of the following best describes you?”

Base: Adults that are married/living with partner and are not retired

	Total	Income			
		Less Than \$35K	\$35K-\$49.9K	\$50K-\$74.9K	\$75K+
	%	%	%	%	%
We are in agreement about how much we need to save.	30	12	24	26	39
I focus on saving more than my spouse/partner does.	20	15	20	22	22
We have never talked about how much we need to save for retirement.	20	32	17	26	13
My spouse/partner focuses on saving more than I do.	11	4	13	9	15
Neither one of us can decide how much to save for retirement.	9	11	17	10	6
None of these	10	27	10	6	5

Note: Percentages may not add up to 100% due to rounding.

**TABLE 5**

**Amount Spouses Argue About Finances in Retirement**

“And, now that you are retired, which of the following would you say best describes you and your spouse/partner?”

Base: Retired adults that are married/living with partner

	Total
	%
We argue less about our finances than we used to before we retired.	41
We argue more about our finances now than we did before we retired.	4
We argue about our finances about the same amount as we used to.	54

Note: Percentages may not add up to exactly 100% due to rounding.

**TABLE 6A**

**Comparison of Actual Living Expenses in Retirement Against Expectations – by Region**  
 “How do your current living expenses in retirement compare with what you expected?”

Base: Retired adults

	Total	Region			
		Northeast	Midwest	South	West
	%	%	%	%	%
<b>Much/Slightly Higher (Net)</b>	<b>37</b>	<b>37</b>	<b>35</b>	<b>30</b>	<b>49</b>
They are much higher than I expected.	14	11	12	7	32
They are slightly higher than I expected.	22	26	22	22	17
They are about the same as I expected.	45	42	45	51	39
<b>Much/Slightly Lower (Net)</b>	<b>18</b>	<b>21</b>	<b>20</b>	<b>20</b>	<b>11</b>
They are slightly lower than I expected.	10	13	8	12	7
They are much lower than I expected.	8	8	12	8	5

**TABLE 6B**

**Comparison of Actual Living Expenses in Retirement Against Expectations – by Marital Status**  
 “How do your current living expenses in retirement compare with what you expected?”

Base: Retired adults

	Total	Marital Status		
		Married	Single/ Never Married*	Div./ Sep./ Wid.
	%	%	%	%
<b>Much/Slightly Higher (Net)</b>	<b>37</b>	<b>33</b>	<b>31</b>	<b>49</b>
They are much higher than I expected.	14	13	12	19
They are slightly higher than I expected.	22	19	19	30
They are about the same as I expected.	45	52	34	28
<b>Much/Slightly Lower (Net)</b>	<b>18</b>	<b>15</b>	<b>35</b>	<b>23</b>
They are slightly lower than I expected.	10	12	7	7
They are much lower than I expected.	8	3	28	16

\*Base size is low; please use data directionally.

**TABLE 7A**

**Estimated Income Needed in Retirement – by Region**

“How much income do you believe you and your spouse/partner need annually in order to retire comfortably? If you’re not sure, please make your best estimate.”

Base: Adults that are not retired

	Total	Region			
		Northeast	Midwest	South	West
	%	%	%	%	%
\$24,999 or less	11	9	13	9	12
\$25,000 to \$49,999	23	18	27	28	15
\$50,000 to \$74,999	27	30	27	26	27
\$75,000 to \$99,999	17	18	12	16	22
\$100,000 to \$124,999	9	10	9	9	9
\$125,000 to \$149,999	3	2	3	1	6
Over \$150,000	10	12	9	10	10
Mean	\$75,233	\$78,026	\$72,463	\$71,009	\$81,359

Note: Percentages may not add up to 100% due to rounding.

**TABLE 7B**

**Estimated Income Needed in Retirement – by Income**

“How much income do you believe you and your spouse/partner need annually in order to retire comfortably? If you’re not sure, please make your best estimate.”

Base: Adults that are not retired

	Total	Income			
		Less Than \$35K	\$35K-\$49.9K	\$50K-\$74.9K	\$75K+
	%	%	%	%	%
\$24,999 or less	11	35	5	2	1
\$25,000 to \$49,999	23	31	48	20	8
\$50,000 to \$74,999	27	12	24	49	31
\$75,000 to \$99,999	17	10	12	13	27
\$100,000 to \$124,999	9	4	2	7	16
\$125,000 to \$149,999	3	1	4	0	5
Over \$150,000	10	7	5	9	12
Mean	\$75,233	\$48,655	\$59,811	\$71,794	\$89,268

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## Methodology

This survey was conducted online within the United States between May 30 and June 1, 2006 among 2,075 adults (aged 18 and over). Figures for age, sex, race/ethnicity, education, region and household income were weighted where necessary to bring them into line with their actual proportions in the population. Propensity score weighting was also used to adjust for respondents' propensity to be online.

All surveys are subject to several sources of error. These include: sampling error (because only a sample of a population is interviewed); measurement error due to question wording and/or question order, deliberately or unintentionally inaccurate responses, nonresponse (including refusals), interviewer effects (when live interviewers are used) and weighting.

With one exception (sampling error) the magnitude of the errors that result cannot be estimated. There is, therefore, no way to calculate a finite "margin of error" for any survey and the use of these words should be avoided.

With pure probability samples, with 100 percent response rates, it is possible to calculate the probability that the sampling error (but not other sources of error) is not greater than some number. With a pure probability sample of 2,075 adults one could say with a 95 percent probability that the overall results have a sampling error of +/- 3 percentage points. Sampling error for the various sub-samples shown in the tables is higher and varies. However that does not take other sources of error into account. This online survey is not based on a probability sample and therefore no theoretical sampling error can be calculated.

*These statements conform to the principles of disclosure of the National Council on Public Polls.*

## About the Survey

The Wall Street Journal Online/Harris Interactive Personal Finance Poll is an exclusive poll that is published in the Personal Journal Edition of The Wall Street Journal Online at [www.wsj.com/personaljournal](http://www.wsj.com/personaljournal).

## About The Wall Street Journal Online

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