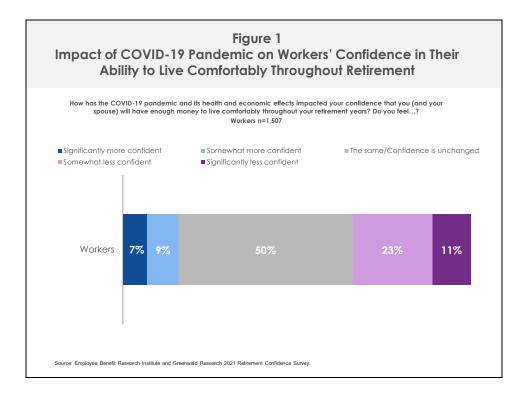


2021 RCS FACT SHEET #7 IMPACT OF COVID-19

The 31st annual Retirement Confidence Survey (RCS) asked a series of questions on the impact of COVID-19 on workers. Did it impact their retirement confidence? Ability to work the number hours wanted/needed, pay for health care, or save for retirement? Did workers change their target retirement date?

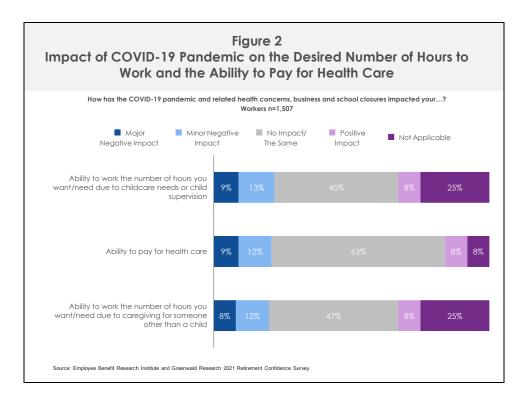
Retirement Confidence and COVID-19

One half of workers say that the pandemic has not changed their confidence in their ability to live comfortably throughout their retirement. However, 1 in 3 workers say their confidence was somewhat or significantly lower due to the pandemic. Yet, 15 percent of workers say their confidence increased (Figure 1).



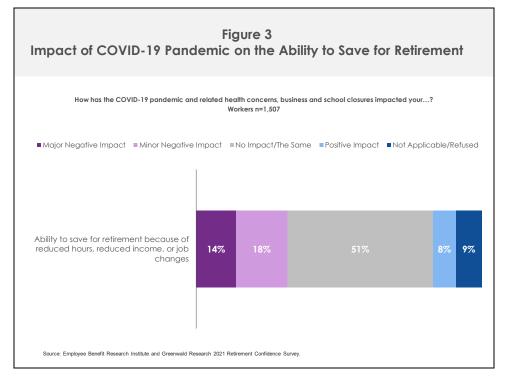
Ability to Work Desired Hours and Pay for Health Care

Two in ten workers report that the COVID-19 pandemic had either a minor or major negative impact on their ability to work the number of wanted/needed hours both due to childcare needs or child supervision and due to caregiving for someone other than a child. However, 7 in 10 workers say these reasons either had no impact or are not applicable. A similar share of workers say the pandemic had a negative impact on their ability to pay for health care. Likewise, 7 in 10 workers' ability to pay for health care due to the pandemic was not impacted or was not applicable (Figure 2).



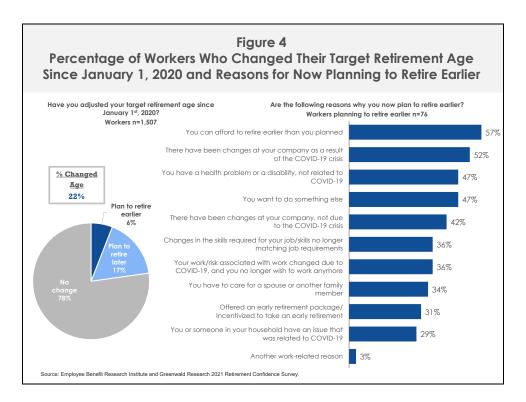
Ability to Save for Retirement and the COVID-19 Pandemic

For the pandemic's impact on workers' ability to save for retirement, 1 in 3 workers say that it had a negative impact. One-half (51 percent) of workers report that it had no impact, while 8 percent say that the pandemic had a positive impact on their ability to save for retirement (Figure 3).



Changes in Target Retirement Age Since January 1, 2020

Two in ten (22 percent) workers say their target retirement age had changed since January 1, 2020. More say that they now plan to retire later than those who say they now plan to retire earlier (17 percent vs. 6 percent). Among those who now plan to retire earlier, reasons involving COVID-19 are often cited. The most cited reason for retiring earlier involving COVID-19 is that there have been changes at their company as a result of the COVID-19 crisis (52 percent). Other reasons include their work/risk associated with work changing due to COVID-19 and them no longer wishing to work anymore (36 percent) and they or someone else in their household had an issue that was related to COVID-19 (29 percent). However, there are many reasons cited for planning to retire earlier that did not involve COVID-19, including the most overall cited reason for now planning to retire earlier — they can afford to retire earlier than they planned (57 percent) (Figure 4).



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