



2015

A SURVEY OF
New York City
Asian American
Voters Age 35–69

AARP Real Possibilities in

New York City

HIGH ANXIETY:

New York City
Asian American Gen X and
Boomers Struggle with
Stress, Savings and Security



INTRODUCTION



This year Generation X turned 50! AARP New York is the state’s leading advocate for the 50-plus with over 2.5 million members, including 750,000 in New York City. We believe now is the time for us to take stock of the financial plans of Gen X and how prepared they are for their financial future. In a series of research reports published this year, AARP New York is detailing the findings of a groundbreaking survey of New York voters aged 35 to 69, Generation X and Baby Boomers together, on their financial state of mind. This report takes a deep dive into New York City’s large, growing and influential Asian American community with “High Anxiety: New York’s Asian American Gen X and Boomers Struggle with Stress, Savings and Security.”

As Gen Xers emerge from the long shadow cast by the Baby Boomers, they find themselves sandwiched between raising their children and caring for their aging parents while working longer hours to pay bills and student debt. Gen Xers lack the time, knowledge, and for many even the reasonable opportunity to manage and plan for their future. We found that not building a secure retirement is adding more worry to this important and stressed population. It is vital that these worries are addressed by our elected leaders because an uncertain financial future for New Yorkers is an uncertain financial future for the city and state.

Survey results reveal that large majorities of the city’s Asian American Gen X and Boomer voters are worried about not saving enough and not planning for retirement. They are also anxious about being able to afford a comfortable retirement. Moreover, one out of four currently in the workforce are not confident they will ever be able to stop working. Our city’s cost of living, including the highest utility bills in the country, coupled with an inability to save, all result in heightened likelihood to leave the city and a possible future “Gen-Xodus” from New York.

But it doesn’t have to be that way. At AARP New York we believe the level of stress among voters of both generations reflected in this “High Anxiety” report is proof that a new kind of retirement blueprint is required to foster better financial and retirement security and independence. One solution Illinois and Washington recently enacted is a state-facilitated retirement plan that would provide a path to saving for those with no workplace pension or 401k. It would particularly benefit Gen X and future generations of Asian Americans in New York: fully 61% of Asian private sector workers aged 18 to 64 in our state lack access to any kind of retirement savings plan through their employer. New York’s elected officials and state policymakers are in a position to lend these and other working New Yorkers a helping hand by ensuring that all who want to save for their retirement have a simple option for doing so.

AARP is committed to ensuring New Yorkers are able to live their best lives as they age, and we believe financial and retirement security are key to that goal. In the long run, helping our citizens plan for their future and help themselves helps us all.

Sincerely,

A handwritten signature in black ink that reads 'Beth Finkel'. The signature is written in a cursive, flowing style.

Beth Finkel
State Director, AARP New York

KEY SURVEY FINDINGS

- **65% of Asian American Gen X and Boomer voters surveyed in New York City worry about not saving enough - half of them (32%) worrying “often” about this financial concern. Additional concerns are not planning enough for retirement (59%); unaffordable, unexpected emergencies (57%); not paying bills (49%); too much debt (47%); and not finding or keeping a job because of age (41%).**
- **60% of Asian American Gen X and Boomer voters surveyed feel anxious about having enough money to live comfortably in their retirement years.**
- **One in four (28%) Asian American Gen X and Boomer working voters surveyed do not expect to ever retire.**
- **36% of New York City’s Asian American Gen X and Boomer voters surveyed have no retirement savings accounts at all - neither personal nor workplace savings accounts.**
- **35% of Asian American Gen X voters surveyed do not expect any Social Security income at all.**
- **75% of Asian American Gen X and Boomer voters surveyed support a proposal to improve access to workplace retirement plans with a state-facilitated savings option.**
- **More than half of Asian American voters surveyed from both generations are concerned that they will not be able to afford their monthly cost of housing into the future.**
- **Many Asian American Gen X voters surveyed do not see a long-term future for themselves in New York: 58% say they are likely to leave.**
- **20% of Asian American Gen X voters surveyed currently have student debt and another 48% expect to acquire it in the future. Among current and future student loan borrowers, 67% say these loans make it even harder to save for retirement.**
- **Compared to total Gen X and Boomer voters in New York City, Asian American voters from these generations are more likely to experience obstacles to saving due to family caregiving (46% Asian American vs. 36% total); or due to a lost job or pay cut (53% vs. 46%).**

EXECUTIVE SUMMARY

Asian American Gen X and Boomer voters in New York City share feelings of high anxiety about their future financial security.

In New York City, 60% of Asian American Gen X and Boomer voters surveyed are anxious about whether they will be able to live comfortably in their retirement years. In addition, among working Asian American voters surveyed, 28% is not confident they will ever be able to stop working for money. Compared to Boomers, more of Gen X is working without the confidence that Social Security will contribute, or contribute enough, to their retirement income. One-third (35%) of Asian American Gen X expects to receive nothing from Social Security in retirement - 2.5 times the share of equally pessimistic Asian American Boomers. Moreover, the majority of Asian American Gen X voters surveyed who expect to receive any Social Security benefit thinks it will be only a minor share of their retirement income. Yet, in spite of their dim expectations about Social Security, many Asian American Gen X voters surveyed are not saving for retirement.

More than one in three or 36% of Asian American Gen X and Boomer voters surveyed in New York City have no retirement savings account at all, whether through their employer or a personal account. Among those currently working, 28% do not have access to employer-sponsored retirement plans. And for younger generations, access to retirement savings plans at work is even worse: 61% of all private sector Asian American workers age 18 to 64 in the state of New York have no opportunity to save through a workplace retirement plan.

High cost of living, health costs and debt burdens may contribute to the lower likelihood of self-funding individual retirement accounts for New York City's Asian American Gen X and Boomer voters. Over half of Asian American voters surveyed from these generations (53%) say not having enough money after paying bills is an obstacle to saving for retirement and an equal share have experienced a lost job or reduced wages. Health needs - especially for Boomers - and family caregiving of elderly adults or relatives each have prevented retirement saving for 46% of voters surveyed. Paying for children's education (50%) and paying off debt (44%) are also common barriers to saving.

One-fifth (20%) of Asian American Gen X voters surveyed currently have student loan debt and more than twice that share (48%) expect to acquire student loan debt in the future to pay for a college education for themselves or their children. Student loan borrowing will become the norm with 68% of Asian American Gen X voters surveyed carrying this type of debt either today or in the future. With a majority of student loan borrowers saying these loans make it even harder to save for retirement; a significant number of Gen X is at risk of further jeopardizing their retirement security due to ongoing student loan repayment.

Financial insecurity combined with concern about unaffordable housing into the future may be driving intent to leave the state for some. More than half of Asian American Gen X and Boomer voters surveyed are concerned about their ability to pay future rent/mortgage, utility bills or property taxes. And, 58% of Asian American Gen X voters surveyed say they are likely to leave New York State in the future with about one in three (31%) saying they are *extremely* or *very* likely to leave.

Gen X is poised for a much different type of retirement than their parents' generation as traditional, defined-benefit pensions offered by employers have largely made way for defined-contribution, 401k type retirement savings plans in which the employee assumes all the risk. And that's only for those whose employers offer any retirement plan at all. With so many of New York's Asian American workers lacking access to any kind of employer-sponsored retirement savings plan, retirement options for many may include resorting to working longer, relying on family and public assistance or significantly reducing their standard of living.¹

A legislative proposal for a state-facilitated retirement savings option that would be available to all workers in New York is one solution. In addition to many of the same features of existing retirement plans, portability - the ability to have one account follow a worker from job to job - is considered by 81% of Asian American Gen X and Boomer voters surveyed to be a *very* important feature of a state-facilitated savings option. Such a feature would simplify plan participation for workers by eliminating the need to either roll over accounts or keep track of accounts in plans managed by previous employers. The proposal garners support from 75% of Asian American voters surveyed and 83% want New York elected officials to support the creation of such a plan.

¹ For related discussion, see *The Reality of the Retirement Crisis*, January 2015. Center for American Progress.
<https://www.americanprogress.org/issues/economy/report/2015/01/26/105394/the-reality-of-the-retirement-crisis/>

ABOUT THE SURVEY & REPORT TERMS

Terms in This Report

Gen X: Age 35 to 50

Boomer: Age 51 to 69

In Labor Force: Currently employed or unemployed and looking for work

Workers: Currently employed

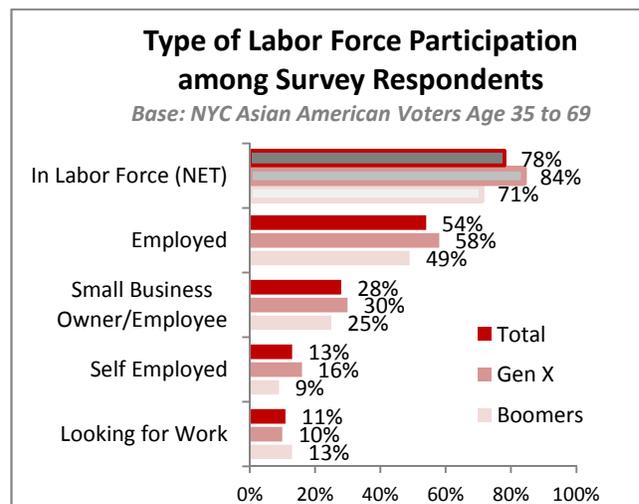
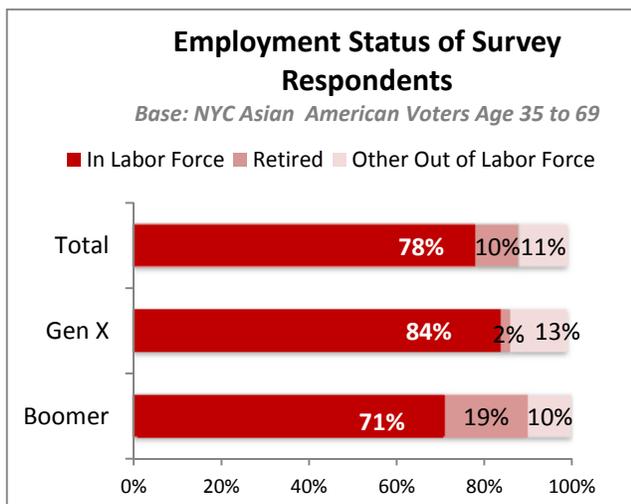
With Access to Retirement Plans: Currently employed and have access to an employer-sponsored retirement plan

Without Access to Retirement Plans: Currently employed and do not have access to an employer-sponsored retirement plan.

This supplement is an outgrowth of the 2015 AARP report, *High Anxiety: New York City Gen X and Boomers Struggle with Stress, Savings, and Security*. This supplemental report was undertaken to probe more deeply into the retirement and financial security of New York City’s Asian American Gen X and Boomer voters.² This report emphasizes and reports on the supplemental survey data and while there is some comparison to comparable citywide data from the full New York City report, it is not in every case.

Except where otherwise noted, data in this report are from a telephone survey of 353 Asian American registered voters in the five boroughs of New York City aged 35 to 69. The survey sample was sub-divided into two generational cohorts: Gen X, age 35 to 50; and Boomers, age 51 to 69. There were 195 interviews completed among Gen X respondents and 158 interviews among Boomer respondents. Due to small sample sizes in generational cohorts, some data in this report is shown only for the total sample of Gen X and Boomers together. It should also be noted that interviewing was conducted in English only thus data represented here is not representative of the entire Asian American voter population of New York City.³

The majority (78%) of survey respondents is currently in the labor force: 84% of Asian American Gen X voters surveyed and 71% of Asian American Boomer voters are working or looking for work. More than one-fourth (28%) of all survey respondents, or one-third of all in the labor force, is an owner or employee of a small business. “Small business” was not defined for survey participants.



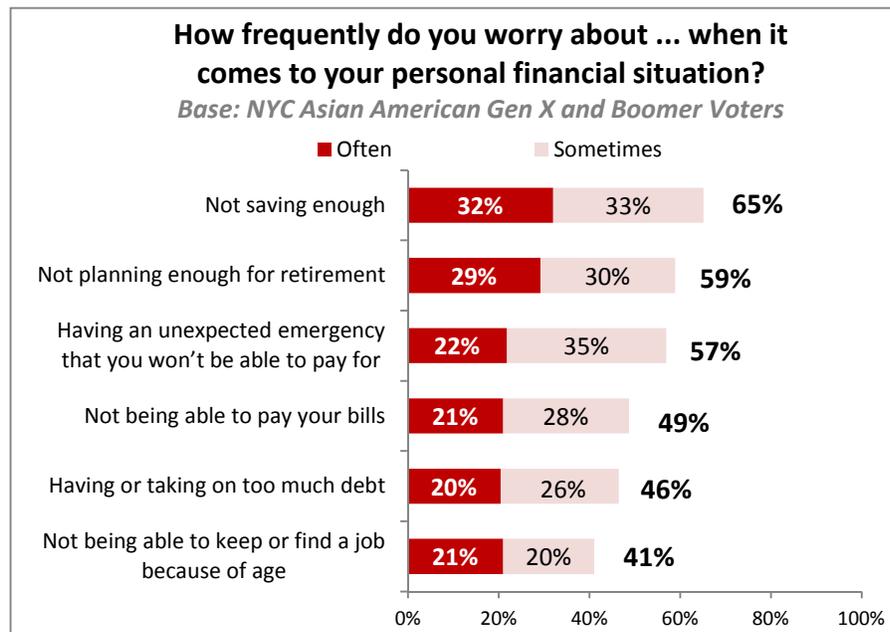
² Survey respondents self-identified as Asian.

³ The citywide report and additional details on the research methodology, a fully annotated questionnaire and additional reports can be found at www.aarp.org/nygenxandboomers

DETAILED SURVEY FINDINGS

CURRENT FINANCIAL SITUATION

Nationally, as many as 35% of Gen X workers and 40% of Boomer workers believed the Great Recession had not ended by 2014 and only one-fourth of either group said the economy was recovering or had fully recovered at the time.⁴ Survey results among New York City's Asian American Gen X and Boomer voters this year reveal a similar sense of insecurity and financial vulnerability. Not saving enough is the leading area of financial concern for these generations with two-thirds of Asian American Gen X and Boomer voters surveyed worrying, including one-third doing so often.



Lack of retirement planning (59%) ranks second among financial worries followed by nearly as many worrying about having unexpected emergencies they cannot afford (57%). Just under half are preoccupied about not being able to pay bills (49%) and having too much debt (46%). On the income side of the equation, four in ten Asian American Gen X and Boomer voters surveyed in New York City worry about not being able to find or keep a job because of age.

The level of worry among Asian American voters in these generations is about on par with overall New York City Gen X and Boomer voters on these financial issues with one exception: Asian American voters are more likely than total Gen X and Boomer voters to worry about job security of older workers (41% vs. 30%).

⁴ *The Retirement Readiness of Three Unique Generations: Baby Boomers, Generation X, and Millennials. 15th Annual Transamerica Retirement Survey of Workers*, April 2014, Transamerica Center for Retirement Studies (TCRS) https://www.transamericacenter.org/docs/default-source/resources/center-research/tcrs2014_sr_three_unique_generations.pdf

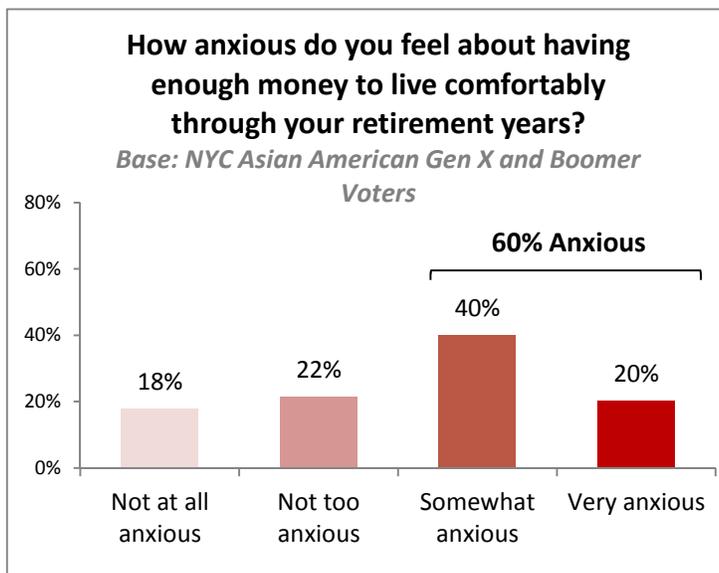
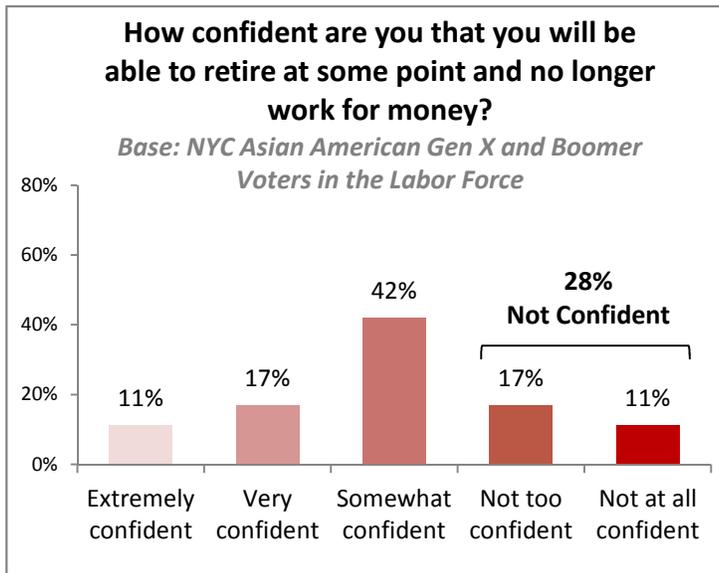
CONFIDENCE IN RETIRING

As further evidence that a lack of saving and sufficient retirement planning is a significant source of insecurity, there is a substantial share (28%) of Asian American working voters in the Gen X and Boomer cohorts who lack confidence that they will ever be able to stop working and another 42% is just somewhat confident. An even larger majority of 60% is somewhat or very anxious about

having enough money to live comfortably through their retirement years.

Although Gen X has more time to accelerate savings and planning before a hoped-for retirement age, they are equally as anxious as their Boomer counterparts. Sizeable portions of both Asian American Gen X and Boomer voters face a future of either working indefinitely and/or having to reduce their standard of living to below what is currently considered comfortable.

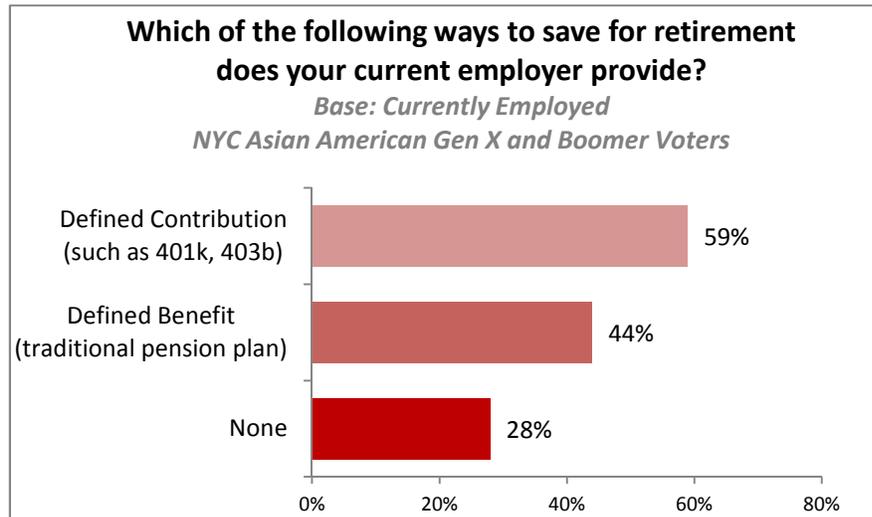
At the same time, there appears to be a reality gap among the 71% of Asian American voters age 35 to 69 currently in the New York City labor force who are at least somewhat confident they will retire. More than half (56%) of these Gen X and Boomers expect to retire by age 65 or before, which is consistent with the rest of New York City. For Gen X in particular, this suggests unrealistic expectations about retirement considering their own confession about not saving enough and not planning enough for retirement. Moreover, nearly one-third of present day near retirees across New York State are at risk of retiring with incomes below poverty level.⁵



⁵ Are U.S. Workers Ready for Retirement? Schwartz Center for Economic Policy Analysis. 2014. http://www.economicpolicyresearch.org/images/docs/research/retirement_security/Are_US_Workers_Ready_for_Retirement.pdf

ACCESS TO RETIREMENT PLANS (AMONG EMPLOYED⁶)

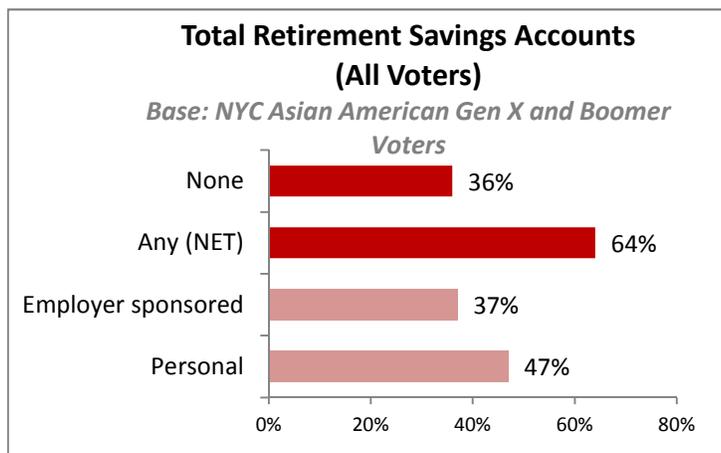
More than a quarter of Asian American Gen X and Boomer workers surveyed have no access to any type of workplace retirement savings plan. The level of access is even lower for younger workers and those in the private sector. As many as 61% of all private sector Asian workers in New York State age 18 to 64 lack access to any workplace retirement savings plan, leaving them no option to save at work through the convenience of auto deductions and other plan benefits.⁷



Workers currently without access to retirement plans at work see the value of such plans. Eight in ten (80%) Asian American workers surveyed positively affirm they would participate in a way to save for retirement at work if their employer offered it.

RETIREMENT SAVINGS BEHAVIOR

Looking beyond workplace savings alone, 47% of all Asian American New York City voters surveyed in these generational cohorts have some personal retirement savings account outside of work such as an IRA. On net, 64% of Asian American voters surveyed have at least one type of retirement account and more than one in three (36%) have no retirement savings account at all.



Compared to overall Gen X and Boomer voters in New York City, Asian American voters in these generational cohorts have comparable retirement savings rates - 38% of Gen X and Boomer voters citywide have no retirement account.

⁶ Survey data includes both public and private sector workers.

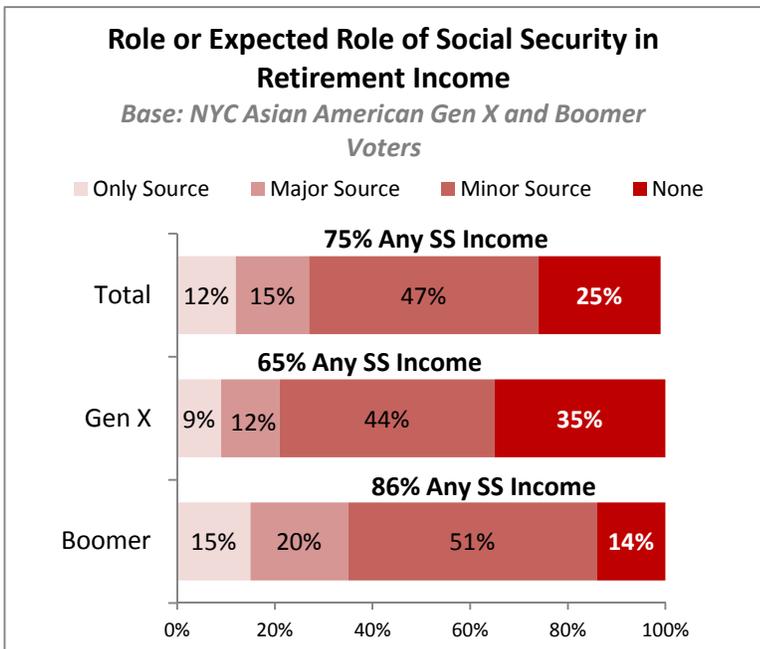
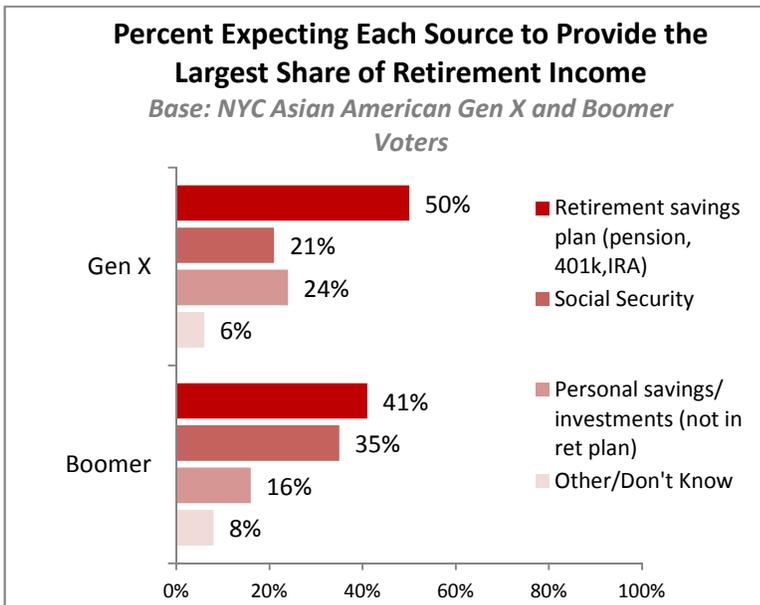
⁷ Sixty-one percent of Asian private sector employees equals 358,608 Asian New York workers without access to retirement plans through their employer (average 2012-2014). <http://www.aarp.org/content/dam/aarp/ppi/2015-07/AARP-NewYork-state-fact-sheet.pdf>

RETIREMENT INCOME EXPECTATIONS

In spite of lagging participation in retirement plans or savings accounts, Asian American Gen X and Boomer voters surveyed are most likely to expect their largest share of retirement income to come from a retirement savings plan. Half (50%) of Gen X and 41% of Boomers expect a retirement savings plan, like a pension, 401k or IRA, to provide the largest share of income in their retirement. When it comes to expectations of Social Security, Boomers (35%) are much more likely to expect it to provide the largest share of income compared to Gen X (21%).

About one in three (35%) Asian American Gen X voters surveyed in New York City expect they will not receive any retirement income at all from Social Security and another 44% say it will be a

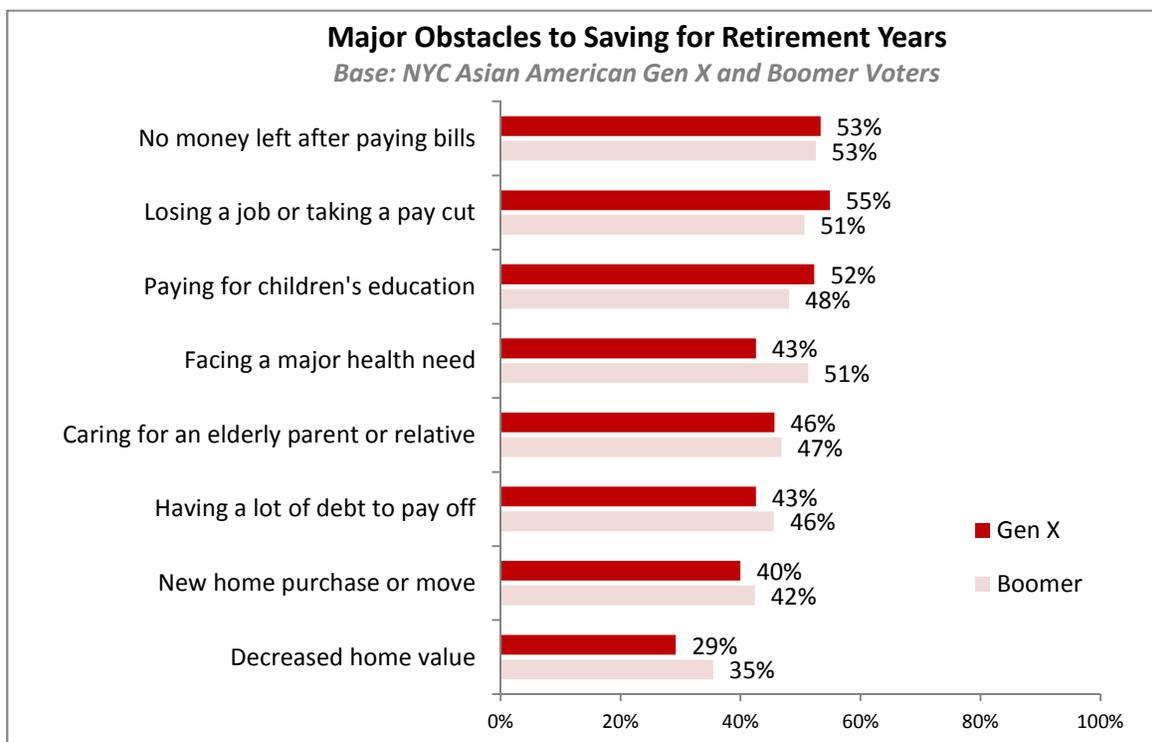
minor source of income. This pattern is consistent with overall voters in each generational cohort. Among all Gen X voters in New York City, 33% expect they will not receive any retirement income from Social Security.



DEBT AND OTHER BARRIERS TO SAVING

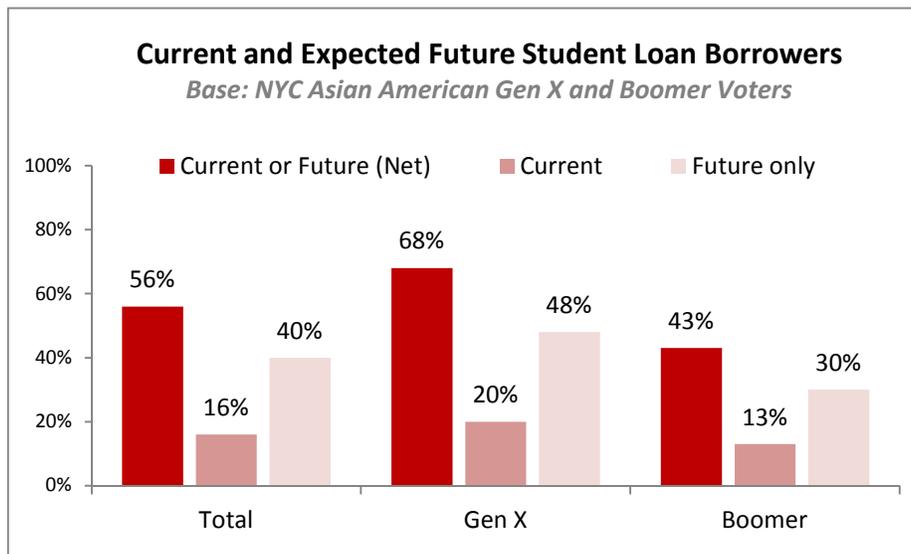
Consistent with the rest of New York City Gen X and Boomer voters, many Asian American voters (53%) age 35 to 69 consider current expenses a financial barrier to saving for retirement. Asian American voters are similarly likely to mention a job loss or pay cut as a barrier to saving, with 55% of Gen X and 51% of Boomers experiencing this. Paying for children's education is a barrier to saving for retirement for 52% of Asian American Gen X and 48% of Asian American Boomer voters surveyed; and paying off debt is a savings obstacle for 43% of Gen X and 46% of Boomers.

Health issues also prevent saving for 51% of Asian American Boomer voters and 43% of Asian American Gen X voters experiencing a major health need. Almost as many mention family caregiving for an adult loved one has posed a barrier to saving for retirement (46% of Gen X and 47% of Boomers).



Compared to total voters in these cohorts, Asian American Gen X and Boomer voters surveyed are more likely to cite family caregiving as an obstacle to their own retirement saving (46% and 47% of Asian American Gen X and Boomer voters compared to 37% and 36% of citywide totals, respectively.) Another distinctive difference in savings barriers among Asian American voters in these cohorts is comparatively fewer say having no money after paying bills is a barrier to saving (53% vs. 62% citywide) but job loss or pay cuts are relatively more common (53% vs. 46% citywide).

In its ongoing Retirement Confidence Survey, the Employee Benefit Research Institute (EBRI) has consistently found the level of debt among workers negatively impacts retirement confidence.⁸ In New York City, the majority of Asian American Gen X and Boomer aged voters surveyed (72%) have some form of debt; and 43% of Gen X and 46% of Boomers report that having a lot of debt to pay off is a major obstacle to saving for retirement years.



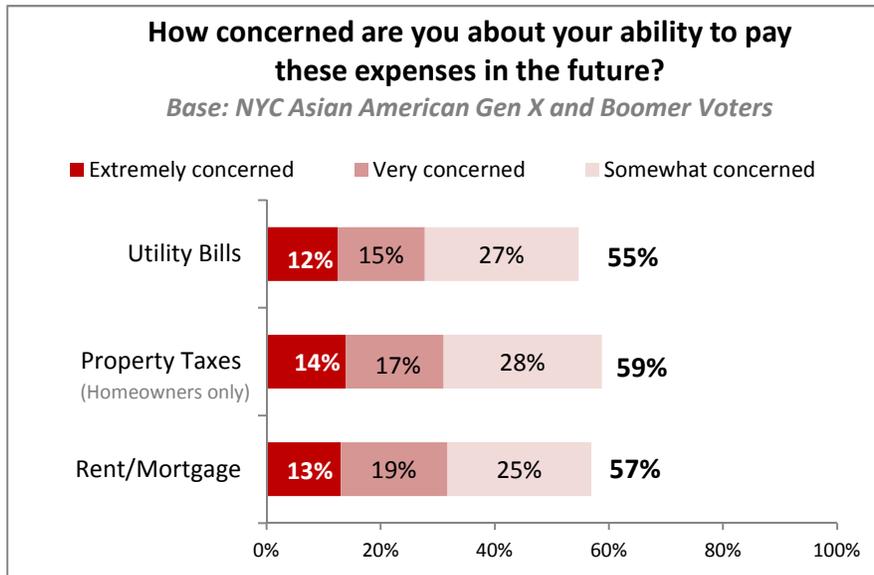
Student loan debt in particular is one type of consumer debt that is likely to increase even more in the future. Currently, 20% of Asian American Gen X voters surveyed and 13% of Boomers have student loan debt. However, more than twice as many expect to acquire student loan debt in the future, either for themselves or their children. In addition to current student loan borrowers, another 48% of Asian American Gen X voters surveyed say they are likely to have student loans in the future. Among Asian American Boomer voters, levels are relatively lower but still more than four in ten overall are either current or future expected student loan borrowers. Such high levels of current and expected future student debt borrowing are comparable to New York City and statewide figures measured this survey.

More than six in ten current and future student loan borrowers (67%) among Asian American voters surveyed say paying off such debt has made or will make it harder to save for retirement. Significant proportions of student loan borrowers also expect these loans will have a negative impact on paying bills (62%) or affording a home (52%).

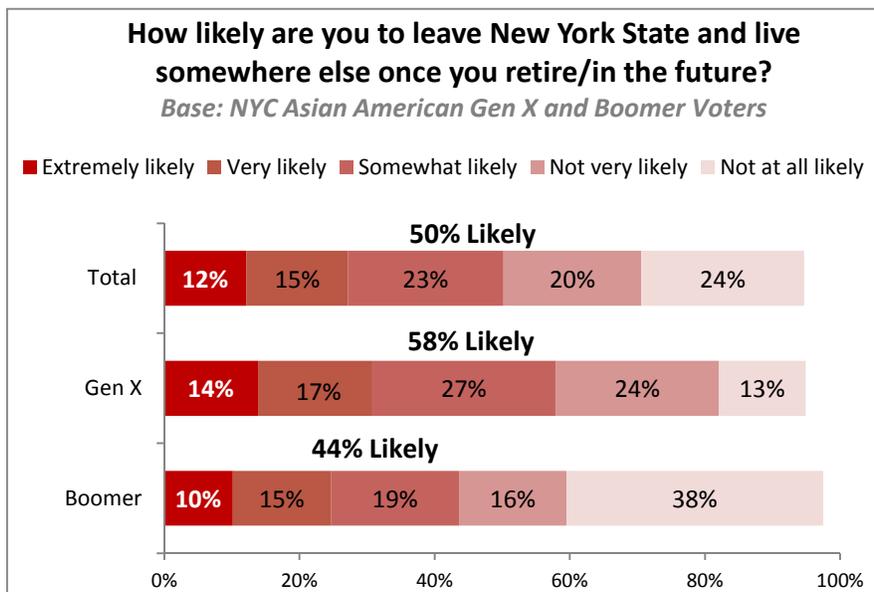
⁸ 2015 Retirement Confidence Survey, Employee Benefit Research Institute. <http://www.ebri.org/surveys/rcs/2015/>

NEW YORK AFFORDABILITY

As discussed above, having enough money left after paying bills is one of the most commonly cited obstacle to saving for retirement. Housing expenses are one area that is a concern for a majority: more than half are at least somewhat concerned about their ability to pay utility bills (55%), property taxes (59%) or rent or mortgage (57%) in the coming years. With so many feeling concern about housing affordability, it is not surprising that a large majority want elected officials to support rent stabilization in New York City. More than two-thirds (68%) of Asian American Gen X and Boomer voters surveyed agree that rent stabilization should be supported by elected officials at the city and state levels.



Strong concern about housing affordability in the future is reflected in a common expectation to leave New York. A majority share (58%) of Asian American Gen X voters surveyed is at least somewhat likely to leave New York when they retire. Consistent with results across the city, Gen X is more likely than Boomers to see themselves leaving New York in the future. More than four in ten (43%) Asian American Boomers surveyed are at least somewhat likely to leave New York.

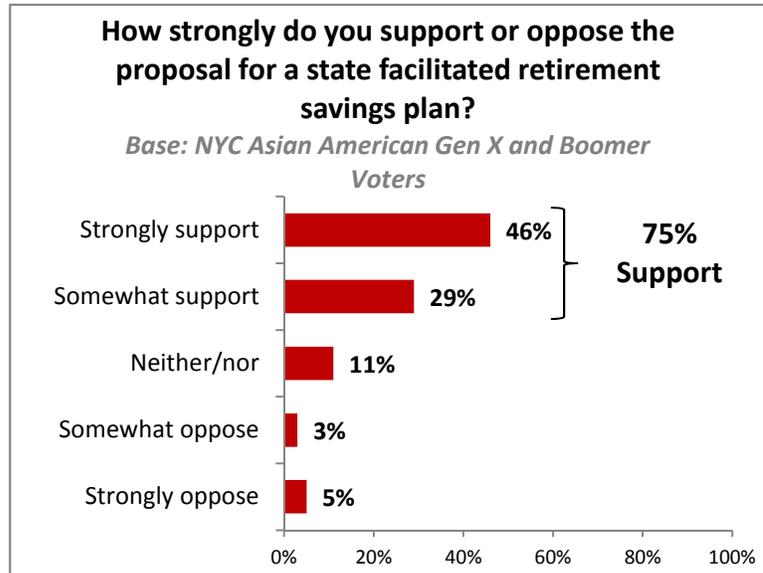


Compared to citywide voters, stated intent to leave New York State is lower for Asian American Gen X and Boomers surveyed – 50% vs. 61% overall.

PROPOSED STATE-FACILITATED RETIREMENT SAVINGS OPTION FOR WORKERS

One way to help more New Yorkers save would be for the state to set up a retirement savings plan, similar to its 529 college savings plan, where workers can contribute to a private retirement account that is professionally managed. Workers can choose whether or not to participate, and the account would be portable from job to job. The plan would have low fees and not cost taxpayer dollars.

In order to help close the gap in access to retirement savings plans, 75% of Asian American voters in New York City age 35 to 69 support a state-facilitated retirement savings option for New York State, with half strongly in support.



A state-facilitated retirement savings option would most directly benefit those without access to a plan in their workplace, including small business owners and employees who tend to have lower levels of access. When asked about potential features in a state-facilitated savings option for retirement, the top-ranked important feature by a wide margin is portability; such that the retirement plan automatically follows workers from job to job. This innovative savings plan feature eliminates the need to rollover funds and allows for easier accumulation of savings in a single account. Eight in ten (81%) Asian American Gen X and Boomer voters surveyed consider this to be *very* important to a state-facilitated savings option.

Most (83%) Asian American Gen X and Boomer voters surveyed agree that New York elected officials should support creating a state-facilitated retirement savings plan so more workers have an opportunity to save for retirement. Fifty-five percent (55%) feel “strongly” that this should be a concern of elected officials.

DEMOGRAPHIC PROFILE OF RESPONDENTS

	Gen X	Boomer
Gender		
Male	50%	50%
Female	50%	50%
Civil Status		
Married or living with a partner	67%	70%
Widowed, divorced or separated	9%	15%
Never married	23%	12%
Membership		
AARP	4%	35%
AARP Non-Member	96%	65%
Education		
High school graduate or less	11%	15%
Post high school or 2 year degree	20%	22%
4 year degree	35%	30%
Post graduate or graduate degree	33%	30%
Party Affiliation		
Democrat	47%	47%
Republican	8%	15%
Independent	23%	23%
Something else	12%	6%
None of above/Don't know/Refused	10%	9%
Political Views		
Conservative	11%	28%
Moderate	37%	29%
Liberal	24%	19%
None of these/Don't know/Refused	28%	24%
Income		
<\$30K	12%	13%
\$30K-<\$50K	16%	18%
\$50K-<\$75K	13%	15%
\$75K-<\$100K	14%	13%
\$100,000-<\$150,000	17%	11%
\$150,000+	12%	11%
Don't know/Refused	16%	19%
Borough		
Bronx	6%	5%
Brooklyn	24%	16%
Manhattan	20%	12%
Queens	44%	58%
Staten Island	6%	9%

METHODOLOGY

This report is based on data collected through a telephone survey of registered voters in the state of New York age 35 to 69, with oversamples in seven targeted geographies and among multicultural voters in New York City. Survey results discussed in this report are limited to the sample of Asian American voters in New York City.

Interviews were conducted by Precision Opinion from February 26th to May 17th, 2015. Respondents were sampled from a registered voter list provided by L2 then screened to confirm their age, registered voter status and state of residence. A total of 353 interviews were completed among qualified respondents who identified as Asian in New York City. The sample was split into two strata by age (Gen X and Boomer) and the final number of interviews in each age cohort were 195 Gen X and 158 Boomer. The sample was weighted by gender within age group in order to maintain the proper representation of males and females. The total Asian American voter sample was also weighted by age. County proportions (distribution of residence across the 5 counties/boroughs of NYC) were evaluated and a decision was made not to weight on this variable.

The margin of sampling error for the Asian American New York City sample of 353 is +/-5.1%. The margin of sampling error for the Gen X sample is +/- 7.0% and for the Boomer samples is +/-7.8%.

Additional details on the survey execution, sample design and data weighting are in the full methodology statement which can be found together with a fully annotated questionnaire and more information about this survey at www.aarp.org/nygenxandboomers.

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