Introduction
The Junior Achievement 2018 Teens & Retirement Survey is presented with the support of AIG. This survey of 1,000 teens from 13 – 18 years-old was conducted through an online survey from August 13 to August 20, 2018. The survey focused on retirement attitudes, knowledge, and plans of teenagers in the United States of America. The survey’s margin of error is plus or minus 3.1 percent.

Lacking Knowledge in Retirement
While retirement is an exciting time, most teens are not thinking about this long-term goal when they are planning their futures. More than two-thirds (69%) of teens reported knowing little or nothing about financial planning. Yet, when asked when they would begin saving for retirement, the average response was at 29 years of age. The lack of understanding of retirement principles may be reflected in the fact that 32 percent of teens believe they will never retire, while 34 percent expect to retire at age 60 or younger.

Misguided in Planning for the Future
When teens were asked how much they could annually contribute to a 401k, more than half (56%) of teens stated there was no limit to the amount. Of the teens surveyed, nearly half (49%) were able to correctly describe 401ks, one-third (33%) were correct about what annuities are, and nearly two-thirds (61%) of teens were able to identify the description of Social Security. Less than a quarter (21%) of the teens surveyed knew that annuities are a protected source of lifetime income compared to stocks and mutual funds. About half (51%) of teens were somewhat confident that Social Security will exist when it is time for them to retire.
Informing Youth of Retirement Goals
While forty-six percent of teens stated that they did not know how to plan for their retirement, ninety-three percent agreed that it is important to establish a plan. Nearly three-fourths (72%) said that they would be likely to consult with a financial advisor about planning for retirement. The demand for retirement education is not lost on today’s teens as sixty-four percent of those surveyed were concerned about their parents’ preparedness for retirement. With the lack of retirement knowledge reported, nearly all (95%) of teens agreed that a personal finance course would be valuable to them.

Conclusion
Junior Achievement USA is pleased to present the findings to the 2018 Teens & Retirement Survey. The goal of this survey was to report on the level of teens’ understanding of future financial planning in the area of retirement. Junior Achievement’s programs promote financial literacy, work readiness, and entrepreneurship with the intent of empowering young people to own their economic success. JA reached more than 4.8 million students in grades K-12 in the 2017-2018 school year. For more information about JA, please visit www.ja.org.