



EBRI News

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New Research from EBRI:

Employer Compensation Spending Nearly \$8 trillion in 2007

WASHINGTON—Spending by U.S. employers on total compensation for workers continues to increase, reaching almost \$8 trillion at year-end 2007, according to a study published today by the nonpartisan Employee Benefit Research Institute (EBRI). That is almost 35 percent higher than in 2000.

Wages and salaries accounted for the largest share, \$6.4 trillion (or 81.4 percent), while benefits made up the remainder, \$1.5 trillion (18.6 percent), according to the study in the November 2008 *EBRI Notes*, available at www.ebri.org

Retirement benefits remain the largest single sector of benefits expenditures by employers, although health benefits have been catching up, the study reported. By 2007, retirement benefits accounted for 47.7 percent of the total spending for benefits, while health benefits had increased to 42.8 percent of total benefit spending. “Other benefits” (unemployment insurance, life insurance, and workers’ compensation) accounted for 9.5 percent.

The EBRI study, based on the latest available data from the U.S. Commerce Department, includes charts showing trends in employer spending on wages and benefits dating from 1960.

The November 2008 *EBRI Notes* also includes a second study, based on U.S. Census Bureau data, that examines retirement annuity and pension income for the population age 50 and over.

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