



Fast Facts from EBRI

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FFE #108, Dec. 11, 2008

How Gender, Age Affect Retirement Plan Participation

WASHINGTON—How do gender and age affect the likelihood that you will participate in a retirement plan?

The October 2008 *EBRI Issue Brief*, which reports on employment-based retirement plan participation in 2007, answers this and other questions. In general, the *Issue Brief* reports, retirement plan participation increases with age. Among all workers, men had a higher participation level than women, but among full-time, full-year workers, women had a higher percentage participating than men.

Here are some of the key points in the *Issue Brief*, published by the nonpartisan Employee Benefit Research Institute (EBRI):

Age

- Retirement plan participation in 2007 was 56.6 percent for wage and salary workers ages 55–64, compared with 19.6 percent for those ages 21–24.
- Younger workers' significantly lower likelihood of participating in a plan could be the result of having lower incomes at the start of their careers. However, when looking at workers by age across earnings, younger workers are still less likely to be retirement plan participants than older workers with the same earnings.
- Even for the highest earners (\$50,000 or more), 49.2 percent of those ages 21–24 participated in a plan, compared with 74.4 percent of those ages 45–54.

Gender

- Female wage and salary workers ages 21–64 participated in a retirement plan at a lower level than males did in 2007. However, among full-time, full-year workers of these same ages, females had a higher rate of participation in a plan (57.0 percent for women, compared with 54.0 percent for men).
- Across all of the worker status categories, females were more likely to participate in a retirement plan than males. This result has persisted since 2001, when the full-time, full-year females' participation level was slightly higher than the males' level, at 58.5 percent to 58.1 percent. This difference subsequently grew to 3 percentage points in 2007.
- When examining participation by earnings level, the proportion of females participating in a plan was higher than it was for males at each earnings level examined. Consequently, it appears that female workers' lower probability of participation in the aggregate was a result of their overall lower earnings and lower rates of full-time work in comparison with males.

Data in the *Issue Brief* is based on the U.S. Census Bureau's March 2008 Current Population Survey. The full *Issue Brief* is available at www.ebri.org/pdf/briefspdf/EBRI_IB_10-2008.pdf

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