



Fast Facts from EBRI

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Race, Ethnicity, and Retirement Plan Participation

WASHINGTON—Are race and ethnicity factors in the likelihood that a worker will participate in a retirement plan?

A study by the nonpartisan Employee Benefit Research Institute (EBRI) shows this is the case: Black (45.9 percent) and Hispanic (28.7 percent) wage and salary workers ages 21–64 were significantly less likely than whites (52.8 percent) to participate in a retirement plan.

However, the study also found that the participation gap between black and white Americans narrowed when accounting for earnings levels—indicating the gap was largely related to income differences. While native-born (U.S.-born) Hispanics had participation levels closer to those of white and black Americans across earnings levels, nonnative-born Hispanics had a lower probability of participating in a retirement plan.

Here are examples of retirement plan participation levels for wage and salary workers ages 21–64 with three annual income levels:

Retirement Plan Participation Levels, by Salary and Demographic
Wage and Salary Workers, Ages 21–64

	\$15,000–\$29,999	\$30,000–\$49,999	\$50,000 or More
White	43.2%	64.9%	74.3%
Black	42.8	64.6	72.1
Other	37.0	59.1	69.1
Hispanic	23.7	48.1	64.0
Native-born	36.1	56.3	67.7
Nonnative-born	17.7	41.1	58.9

For a graphic display of these and other wage levels, see *Fast Facts from EBRI*, <http://ebri.org/publications/facts/index.cfm?fa=fastfacts> or Figure 8 on page 14 of the full study, which was published in the October 2005 *EBRI Issue Brief*, “Employment-Based Retirement Plan Participation: Geographic Differences and Trends,” available on the Internet at: www.ebri.org/pdf/briefspdf/EBRI_IB_10-20051.pdf

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