



Fast Facts from EBRI

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Retirement Plan Participation Profile, Part IV: Older Workers, Between Ages 51–60

WASHINGTON—What percentage of older U.S. workers (between ages 51–60) participate in any kind of retirement plan at work? How does that compare with five years ago? What were the participation levels for workers in this age group in 401(k)-type plans, and what were the main reasons for nonparticipation?

A study by the nonprofit Employee Benefit Research Institute contains a profile of workers' participation in retirement plans by age group, among other things. The analysis uses 2003 data (the latest available). This *Fast Facts* looks at workers between the ages of 51 and 60—those in the later years of their working careers. This is the fourth in a series of reports tracking workers from age 21–65.

In brief, the study finds that well over half of all workers 51–60 participate in any type of retirement plan at work; among those who do, 401(k)-type defined contribution plans are the most common.

Workers 51–60 who participated in any employer-sponsored retirement plan in 2003:

- Employed at a firm sponsoring a plan: 75.1 percent.
- Participating in a plan: 64.5 percent.
- Vested (entitled to benefits) in a plan: 60.1 percent.
- Of participating workers, those in a defined benefit (pension) plan only: 27.6 percent.
- Of participating workers, those in a defined contribution plan only: 49.8 percent.
- Of participating workers, those in both kinds of plan: 20.8 percent.

Comparison of 2003 and 1998 participation levels for workers 51–60:

- Participated in current job's plan: 64.5 percent in 2003 (59.1 percent in 1998).
- Have a plan from a current or former job: 67.7 percent in 2003 (62.1 percent in 1998).
- Have ever participated in employment-based plan: 72.8 percent in 2003 (68.6 percent in 1998).

Participation levels for workers 51–60 in a 401(k)-type or defined contribution plan, in 2003:

- Employed at a firm sponsoring a plan: 53.1 percent.
- Participating in a plan: 42.3 percent.
- Vested in a plan: 41.5 percent.
- Percentage of nonparticipants at employers where a plan was available:
 - Ineligible: 41.1 percent.
 - Cannot afford to contribute: 18.4 percent.

All figures, as well as other details, are available in the January 2006 *EBRI Issue Brief* available at http://www.ebri.org/pdf/briefspdf/EBRI_IB_01-20061.pdf Earlier parts of this series are available at: <http://ebri.org/publications/facts/index.cfm?fa=fastfacts>

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