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Income and Benefits, II: Retirement Plan Participation

WASHINGTON—How does income affect the likelihood of participating in a retirement plan?

The higher an individual's earnings were, the more likely he or she participated in a retirement plan. One-quarter of wage and salary workers age 21–64 who had annual earnings of \$15,000–\$19,999 participated in a plan. This number increased to 68.8 percent of those earning \$50,000 or more in 2008, the latest data available.

**Percentage of Wage and Salary Workers Ages 21–64
Participating in a Retirement Plan, by Income, 2008**

Income level	Participation Level
Less than \$5,000	6.6%
\$5,000–\$9,999	12.0
\$10,000–\$14,999	17.9
\$15,000–\$19,999	25.0
\$20,000–\$29,999	37.1
\$30,000–\$39,999	52.8
\$40,000–\$49,999	62.2
\$50,000 or more	68.8

Source: Employee Benefit Research Estimates from the 2009 March Current Population Survey.

Overall, among full-time, full-year wage and salary workers ages 21–64 (those with the strongest attachment to the workforce), just under 55 percent participated in a retirement plan in 2008.

Individuals in professional and related occupations had the highest probability of participating in a plan, at 62 percent. Those workers in farming, fishing, and forestry occupations had the lowest likelihood of participating in a plan, at 13.9 percent. Details appear in the November 2009 *EBRI Issue Brief*, available at www.ebri.org/pdf/briefspdf/EBRI_IB_11-2009_No336_Ret-Part.pdf

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