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Employee Participation in Retirement Plans Remains Constant

WASHINGTON—The percentage of workers over the age of 16 who have an employment-based pension or retirement plan remained unchanged at 59 percent from 2006 to 2009, according to recent data released by the nonpartisan Employee Benefit Research Institute (EBRI). However, the percentage is currently below its highest level in the past decade (60 percent in 1998 and 63 percent in 2003), but higher than or equal to the levels from 1979–1993 (56–59 percent).

EBRI's data are based on the U.S. Census Bureau's Survey of Income and Program Participation (SIPP) on retirement and reflects 2009 data. SIPP provides detailed information on employment-based retirement plans. Full results of EBRI's research are published in the *November Notes* online at www.ebri.org/pdf/notespdf/EBRI_Notes_Nov10_RetPart_HCS.pdf

The report also found the following data on employee participation in retirement plans:

- The percentage of workers *participating* in any type of retirement plan increased to 45 percent in 2009, up slightly from 44 percent in 2006, just surpassing its 1998 level of 44 percent and within the range of the levels found in 1979–1993, but below the peak value of 48 percent in 2003.
- The *vesting rate* (the percentage of workers who say they were entitled to some pension benefit or lump-sum distribution if they left their job) stood at 42 percent in 2009 and is up from 24 percent from 1979, due partly to the increased number of workers participating in defined contribution retirement plans (such as 401(k) plans), where employee contributions are immediately vested.

Year	Sponsorship Level	Participation Level	Vesting Rate
1979	56%	46%	24%
1983	52%	43%	24%
1988	55%	42%	28%
1988	57%	43%	34%
1993	59%	46%	41%
1998	60%	44%	41%
2003	63%	48%	44%
2006	59%	44%	41%
2009	59%	45%	42%

Source: Employee Benefit Research Institute estimates of the May 1979, May 1983, May 1988, and April 1993 Current Population Survey employee benefit supplements and the 1996, 2001, and 2004 Panel of the Survey of Income and Program Participation Topical Module 7 and 2008 Panel of the Survey of Income and Program Participation Topical Module 3.

^a The fraction of workers whose employer or union sponsors a plan for any of the employees at the worker's place of employment.

^b The percentage of workers who say they were entitled to some pension benefit or lump-sum distribution if they left their job.

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