



GEORGETOWN UNIVERSITY
 McCourt School of Public Policy
 Center for Retirement Initiatives

FAST FACT SHEET #6

What are American Workers' Coverage and Participation Rates in Employer Sponsored Retirement Savings Plans?

Source: U.S. GAO, Retirement Security: Federal Action Could Help State Efforts to Expand Private Sector Coverage (GAO-15-556), September 2015

- ✓ One study using household data from the Current Population Survey shows the participation rate of private sector workers in workplace retirement savings programs has declined slightly from about half of full- and part-time workers in the late 1990s to 43 percent in 2012 (p. 7).
- ✓ Roughly half of private sector workers do not participate in a workplace retirement savings program. Recent data from the 2014 National Compensation Survey, a firm level survey conducted by the Bureau of Labor Statistics, show that 48 percent of private sector workers participated in a retirement plan (p. 15).
- ✓ 84 percent of the workers who do not participate in workplace retirement savings programs reported that the main reason was not having access to a workplace retirement program, rather than a failure to participate (p. 16).
- ✓ Among those who do not participate in employer-sponsored retirement savings plans, 68 percent reported they worked for an employer that did not offer a program and another 16 percent reported they were not eligible for the program their employer offered. Only 16 percent of those who did not participate reported being eligible and not participating (p. 17).
- ✓ Workers at the largest firms (with more than 1,000 employees) in the private sector were more than 9 times as likely to have an employer that offered a workplace retirement savings program compared to those who worked for firms with 50 or fewer workers (p. 20).
- ✓ About 23 percent of workers at firms with 50 or fewer workers participated in a program compared to 60 percent of workers at firms with more than 1,000 workers (p. 22).
- ✓ Compared to part-time workers in the private sector, full-time workers were about 2.6 times more likely to be eligible for a workplace retirement savings program offered by their employer (p. 22).
- ✓ Workers in management, business, science, and arts occupations in the private sector were nearly twice as likely to work for an employer that offers a workplace retirement savings program compared to workers in service occupations (p. 22).
- ✓ Among those eligible, workers ages 18 to 24 in the private sector were roughly one-half as likely to participate in workplace retirement savings programs as workers ages 25 to 34 (p. 23).
- ✓ Among workers who are least likely to participate—such as lower income, service sector, and younger workers—the majority did so when they had workplace access (p. 23).