

Appendix: Who Gets Retirement Plans and Why

The September 2008 issue of *Perspective* examines the various factors that lead some workers to favor compensation that includes both cash and retirement benefits more than cash alone, and the factors that lead some employers to choose to offer compensation that includes retirement benefits. This appendix provides supplementary tables with additional detail for the [September 2008 *Perspective*](#).

Figure A1 tabulates households' most important reason for savings by groupings of households not tabulated in Figure 1. Figure A2 presents statistics on workforce composition and retirement plan coverage that are charted in Figure 7 through Figure 12 of the *Perspective*, as well as additional information not charted in the main paper. Statistics on workforce composition by firm size and employer sponsorship status that is charted in Figure 15 through Figure 18 is reported in Figure A3.

Additional information on workforce composition by worker characteristics not included in Figure 15 through Figure 18 is also reported in Figure A3. Figures A4 and A5 illustrate the derivation of the data presented in Figure 19. Figure A6 gives additional information on employer sponsorship and participation using the same categories of workers presented in Figure A5.

FIGURE A1

MOST IMPORTANT REASON FOR FAMILY'S SAVINGS

Percentage of households with household head aged 21 to 64 by education, age of household head, or household income, 2004

	All	By education of household head				By age of household head					By household income quartile			
		Less than high school	High school/GED	Some college or associate degree	Bachelor or graduate degree	21 to 29	30 to 39	40 to 44	45 to 54	55 to 64	First	Second	Third	Fourth
Retirement	36	20	33	36	46	15	23	39	46	55	17	28	40	54
Liquidity	27	25	28	29	25	28	32	24	25	25	31	31	28	20
Education, home, or major purchase	27	36	31	25	22	43	34	31	22	10	36	30	24	21
Education	14	16	15	13	14	16	21	20	12	3	15	12	14	16
Buying a home	6	8	8	5	4	16	7	4	3	1	9	9	6	1
Purchases	7	13	8	7	4	10	6	6	7	5	12	8	5	4
Other	7	11	6	8	5	12	9	3	4	5	9	7	7	4
Investments	2	2	2	2	1	2	3	1	1	1	3	1	2	1
For the family	4	8	4	5	3	9	6	2	3	3	5	6	5	2
No particular reason	1	1	0	0	1	0	1	0	0	2	1	0	1	1
Can't/Don't save	3	7	3	3	2	2	2	4	3	4	7	4	2	1
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Note: Components may not add to the total because of rounding.

Source: Investment Company Institute tabulations of the 2004 Survey of Consumer Finances

FIGURE A2

RETIREMENT PLAN SPONSORSHIP AND PARTICIPATION RATES BY WORKER AND EMPLOYER CHARACTERISTICS

Private-sector wage and salary workers aged 21 to 64, 2006

	Number of people (millions)	Percentage of sample	Sponsorship rate	Participation rate	Participation conditional on sponsorship
All	104.7	100%	52%	41%	79%
Weeks and hours worked					
Full-year, full-time worker	76.9	73	58	49	85
Full-year, part-time worker	8.3	8	37	22	60
Part-year, full-time worker	13.1	13	41	25	62
Part-year, part-time worker	6.4	6	28	9	31
Major industry					
Manufacturing, durable goods	10.5	10	66	57	86
Finance, insurance, and real estate	8.2	8	65	57	87
Mining	0.7	1	63	54	86
Manufacturing, nondurable goods	6.3	6	62	53	84
Transportation, communication, and utilities	7.5	7	61	51	84
Wholesale trade	3.9	4	60	50	85
Professional and related services	24.4	23	58	46	79
Business and repair services	7.7	7	43	33	76
Retail trade	19.3	18	42	27	64
Entertainment and recreation services	1.9	2	40	28	68
Construction	8.9	8	34	29	84
Personal services	3.6	3	28	20	71
Agriculture, forestry, and fishing	1.8	2	21	15	73
Major occupations					
Executive, administrative, and managerial	14.9	14	67	59	89
Professional specialty	14.3	14	66	56	85
Technicians and related support	3.8	4	65	52	81
Administrative support, incl. clerical	14.7	14	57	43	76
Machine op, assemblers, and inspectors	6.6	6	53	41	79
Sales	12.6	12	51	37	73
Precision production, craft, and repair	12.2	12	47	40	85
Transportation and material moving	4.6	4	47	35	75
Protective service	0.8	1	42	30	70
Handlers, cleaners, helpers, and laborers	4.6	4	33	22	68
Other service	13.6	13	30	18	61
Farming, forestry, and fishing	1.9	2	21	15	71
Ethnicity					
White	70.0	67	58	47	81
Black	11.5	11	48	36	75
Hispanic	16.3	16	30	22	73
Other	6.9	7	51	40	79
Immigration status					
Native-born	86.2	82	56	44	80
Immigrant	18.5	18	35	27	77

Figure A2 continued on next page

FIGURE A2 (CONTINUED)

RETIREMENT PLAN SPONSORSHIP AND PARTICIPATION RATES BY WORKER AND EMPLOYER CHARACTERISTICS

Private-sector wage and salary workers aged 21 to 64, 2006

	Number of people (millions)	Percentage of sample	Sponsorship rate	Participation rate	Participation conditional on sponsorship
Gender					
Male	56.1	54%	53%	43%	82%
Female	48.6	46	51	39	76
Marital status					
Married	57.9	55			
Individual			57	48	84
Individual or spouse			70	62	89
Widowed, divorced, separated, or spouse absent	17.9	17	50	39	78
Never married	29.0	28	43	30	68
Age					
21 to 29 years	25.8	25	42	26	63
30 to 44 years	39.5	38	53	43	81
45 to 54 years	25.2	24	59	50	86
55 to 64 years	14.1	13	57	49	85
Education					
Less than high school	11.8	11	26	17	66
High school graduate or GED	32.7	31	47	36	77
Some college but no degree	20.6	20	52	39	74
Associate's degree	10.5	10	58	47	80
Bachelor's degree	20.9	20	64	54	85
Graduate degree	8.2	8	71	62	88
Earnings					
Less than \$10,000	11.9	11	24	8	32
\$10,000 to \$19,999	18.3	17	32	18	56
\$20,000 to \$29,999	19.5	19	47	34	73
\$30,000 to \$39,999	15.8	15	57	46	81
\$40,000 to \$59,999	19.1	18	66	58	88
\$60,000 to \$99,999	13.3	13	73	68	93
\$100,000 and more	6.8	6	77	73	95
Firm size (number of employees)					
Fewer than 10	15.1	14	18	14	78
10 to 24	12.3	12	30	23	78
25 to 99	16.4	16	45	35	77
100 to 499	16.5	16	57	46	80
500 to 999	6.3	6	63	51	81
1,000 or more	38.1	36	71	57	80
Immigration status and education					
Immigrant with less than high school	5.8	6	18	12	66
Immigrant high school graduate or GED	4.6	4	28	21	73
Immigrant with more than high school	8.0	8	51	41	81

Source: Investment Company Institute tabulations of March 2007 Current Population Survey

FIGURE A3

CHARACTERISTICS OF EMPLOYEES BY FIRM SIZE AND RETIREMENT PLAN SPONSORSHIP STATUS

Private-sector wage and salary workers aged 21 to 64, 2006; percentage of firm size/sponsor category with characteristic

	All by firm size (number of employees)				Sponsored by firm size (number of employees)				Not sponsored by firm size (number of employees)			
	Fewer than 25	25 to 99	100 to 999	1,000 or more	Fewer than 25	25 to 99	100 to 999	1,000 or more	Fewer than 25	25 to 99	100 to 999	1,000 or more
Weeks and hours worked												
Part-year, part-time worker	9	6	4	5	5	3	2	3	11	8	7	10
Part-year, full-time worker	12	7	6	7	9	5	4	6	12	8	8	11
Full-year, part-time worker	14	13	13	11	10	10	10	9	15	15	16	16
Full-year, full-time worker	65	75	78	76	75	82	83	82	62	69	70	63
Major industry												
Agriculture, construction, and personal household services	27	16	10	5	17	13	8	4	30	17	12	7
Retail, entertainment, business and repair services	29	27	20	32	22	20	16	27	31	32	26	44
Financial, insurance, real estate, and professional services	29	30	36	30	43	36	40	32	25	26	30	25
Mining, manufacturing, transportation, and wholesale trade	15	28	34	33	18	31	36	36	14	25	32	23
Major occupations												
Farm, handlers, helpers, and services	28	22	17	15	14	12	12	11	33	30	24	25
Production, machine operators, and transportation	24	26	25	18	21	24	24	18	25	27	26	17
Sales and administrative support	24	22	23	31	29	24	23	30	22	21	24	34
Professional, technical, and managerial	23	30	35	36	36	40	41	40	19	22	26	25
Age												
21 to 29 years	27	25	22	25	20	20	18	21	29	29	28	35
30 to 44 years	37	39	39	37	37	38	40	38	37	40	38	34
45 to 54 years	23	23	25	25	27	27	28	27	22	20	22	19
55 to 64 years	13	13	14	13	16	16	15	14	12	11	12	12
Education												
Less than high school	17	13	10	7	6	6	6	5	20	19	16	12
High school graduate or GED	34	32	31	29	28	30	29	27	35	34	34	34
Some college but no degree	19	19	19	21	20	20	19	20	19	19	19	22
Associate's degree	9	10	11	10	12	11	12	11	8	9	9	9
Bachelor's degree	16	18	21	23	24	24	24	25	13	14	17	17
Graduate degree	6	7	8	10	10	10	10	11	4	4	6	6

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FIGURE A3 (CONTINUED)

CHARACTERISTICS OF EMPLOYEES BY FIRM SIZE AND RETIREMENT PLAN SPONSORSHIP STATUS

Private-sector wage and salary workers aged 21 to 64, 2006; percentage of firm size/sponsor category with characteristic

	All by firm size (number of employees)				Sponsored by firm size (number of employees)				Not sponsored by firm size (number of employees)			
	Fewer than 25	25 to 99	100 to 999	1,000 or more	Fewer than 25	25 to 99	100 to 999	1,000 or more	Fewer than 25	25 to 99	100 to 999	1,000 or more
Earnings												
Less than \$20,000	42	31	21	25	23	18	16	17	48	42	30	45
\$20,000 to \$39,999	34	36	36	31	36	37	36	31	34	36	37	30
\$40,000 to \$59,999	13	18	23	19	22	24	25	22	11	13	20	12
\$60,000 and more	10	15	19	25	19	22	24	30	7	9	12	13
Immigration status and education												
Immigrant with less than high school	9	7	5	3	2	2	2	2	11	11	9	6
Immigrant high school graduate or GED	7	5	4	3	2	3	3	2	8	7	6	5
Immigrant with more than high school	7	7	7	9	6	6	7	9	7	7	8	9
Native-born	77	81	84	86	89	89	89	88	74	75	77	81

Source: Investment Company Institute tabulations of March 2007 Current Population Survey

FIGURE A4

CHARACTERISTICS OF EMPLOYEES BY RETIREMENT PLAN SPONSORSHIP STATUS

Private-sector wage and salary workers aged 21 to 64, 2006

	Number of people (millions)			Percentage of sample		
	All	Sponsored	Not sponsored	All	Sponsored	Not sponsored
All workers	104.7	54.5	50.2	100%	100%	100%
Weeks and hours worked						
Full-year, full-time worker	76.9	44.3	32.6	73	81	65
Full-year, part-time worker	8.3	3.1	5.2	8	6	10
Part-year, full-time worker	13.1	5.3	7.8	13	10	15
Part-year, part-time worker	6.4	1.8	4.6	6	3	9
Major industry						
Manufacturing, durable goods	10.5	6.9	3.5	10	13	7
Finance, insurance, and real estate	8.2	5.3	2.9	8	10	6
Mining	0.7	0.4	0.3	1	1	1
Manufacturing and nondurable goods	6.3	4.0	2.4	6	7	5
Transportation, communication, and utilities	7.5	4.6	2.9	7	8	6
Wholesale trade	3.9	2.3	1.6	4	4	3
Professional and related services	24.4	14.2	10.1	23	26	20
Business and repair services	7.7	3.3	4.4	7	6	9
Retail trade	19.3	8.2	11.1	18	15	22
Entertainment and recreation services	1.9	0.8	1.1	2	1	2
Construction	8.9	3.0	5.9	8	6	12
Personal services	3.6	1.0	2.6	3	2	5
Agriculture, forestry, and fishing	1.8	0.4	1.5	2	1	3
Major occupations						
Executive, administrative, and managerial	14.9	9.9	5.0	14	18	10
Professional specialty	14.3	9.4	4.8	14	17	10
Technicians and related support	3.8	2.5	1.4	4	5	3
Administrative support, including clerical	14.7	8.4	6.3	14	15	13
Machine operators, assemblers, and inspectors	6.6	3.5	3.2	6	6	6
Sales	12.6	6.5	6.2	12	12	12
Precision production, craft, and repair	12.2	5.8	6.5	12	11	13
Transportation and material moving	4.6	2.2	2.4	4	4	5
Protective service	0.8	0.4	0.5	1	1	1
Handlers, cleaners, helpers, and laborers	4.6	1.5	3.1	4	3	6
Other services	13.6	4.1	9.5	13	8	19
Farming, forestry, and fishing	1.9	0.4	1.5	2	1	3
Ethnicity						
White	70.0	40.5	29.5	67	74	59
Black	11.5	5.5	6.0	11	10	12
Hispanic	16.3	4.9	11.3	16	9	23
Other	6.9	3.5	3.4	7	6	7

Figure A4 continued on next page

FIGURE A4

CHARACTERISTICS OF EMPLOYEES BY RETIREMENT PLAN SPONSORSHIP STATUS

Private-sector wage and salary workers aged 21 to 64, 2006

	Counts (millions)			Percentage of sample		
	All	Sponsored	Not sponsored	All	Sponsored	Not sponsored
Immigration status						
Immigrant	18.5	6.4	12.0	18%	12%	24%
Native-born	86.2	48.0	38.2	82	88	76
Gender						
Male	56.1	29.6	26.5	54	54	53
Female	48.6	24.8	23.7	46	46	47
Marital status						
Married	57.9	33.0	24.8	55	61	49
Widowed, divorced, separated, or spouse absent	17.9	8.9	9.0	17	16	18
Never married	29.0	12.5	16.4	28	23	33
Age						
21 to 29 years	25.8	10.8	15.1	25	20	30
30 to 44 years	39.5	20.8	18.7	38	38	37
45 to 54 years	25.2	14.8	10.4	24	27	21
55 to 64 years	14.1	8.1	6.0	13	15	12
Education						
Less than high school	11.8	3.1	8.8	11	6	17
High school graduate or GED	32.7	15.3	17.4	31	28	35
Some college but no degree	20.6	10.7	9.8	20	20	20
Associate's degree	10.5	6.1	4.4	10	11	9
Bachelor's degree	20.9	13.4	7.5	20	25	15
Graduate degree	8.2	5.8	2.4	8	11	5
Earnings						
Less than \$10,000	11.9	2.9	9.0	11	5	18
\$10,000 to \$19,999	18.3	5.8	12.5	17	11	25
\$20,000 to \$29,999	19.5	9.2	10.4	19	17	21
\$30,000 to \$39,999	15.8	9.1	6.8	15	17	13
\$40,000 to \$59,999	19.1	12.7	6.4	18	23	13
\$60,000 to \$99,999	13.3	9.7	3.6	13	18	7
\$100,000 or more	6.8	5.2	1.6	6	10	3
Firm size (number of employees)						
Fewer than 10	15.1	2.7	12.4	14	5	25
10 to 24	12.3	3.7	8.6	12	7	17
25 to 99	16.4	7.4	9.0	16	14	18
100 to 499	16.5	9.4	7.0	16	17	14
500 to 999	6.3	4.0	2.3	6	7	5
1,000 or more	38.1	27.2	10.9	36	50	22
Immigration status and education						
Immigrant with less than high school	5.8	1.0	4.7	6	2	9
Immigrant high school graduate or GED	4.6	1.3	3.3	4	2	7
Immigrant with more than high school	8.0	4.1	3.9	8	8	8

Source: Investment Company Institute tabulations of March 2007 Current Population Survey

FIGURE A5

DECOMPOSITION OF SPONSORSHIP STATUS BY WORKER CHARACTERISTICS

Private-sector wage and salary workers aged 21 to 64, 2006

	Employer sponsors plan		Employer does not sponsor plan		Not sponsored workers with spousal sponsorship		Neither self nor spousal sponsorship	
	Count (millions)	Percentage of sponsored employees in category	Counts (millions)	Percentage of not-sponsored employees in category	Counts (millions)	Percentage of not-sponsored in category with spousal sponsorship	Counts (millions)	Percentage of not-sponsored employees in category
Total	54.5	100%	50.2	100%	7.4	15%	42.8	85%
Part-year or part-time workers	10.2	19	17.6	35	2.9	16	14.7	29
Earn less than \$20,000	5.3	10	13.5	27	2.1	15	11.4	23
Earn \$20,000 to \$39,999	2.9	5	3.0	6	0.5	19	2.4	5
Earn \$40,000 or more	2.0	4	1.2	2	0.3	22	0.9	2
Full-time, full-year workers	44.3	81	32.6	65	4.5	14	28.1	56
Earn less than \$20,000	3.4	6	8.0	16	0.7	8	7.3	15
Earn \$20,000 to \$39,999	15.3	28	14.2	28	2.0	14	12.2	24
Earn \$40,000 or more	25.6	47	10.4	21	1.9	18	8.5	17
21 to 29 years of age	7.6	14	8.4	17	0.6	7	7.8	16
Earn less than \$20,000	1.1	2	2.9	6	0.1	4	2.8	6
Earn \$20,000 to \$39,999	3.8	7	3.9	8	0.3	7	3.6	7
Earn \$40,000 or more	2.7	5	1.5	3	0.2	10	1.4	3
30 to 44 years of age	17.4	32	13.1	26	2.0	15	11.2	22
Earn less than \$20,000	1.1	2	2.9	6	0.3	10	2.6	5
Earn \$20,000 to \$39,999	5.5	10	5.7	11	0.8	15	4.8	10
Earn \$40,000 or more	10.9	20	4.6	9	0.9	19	3.7	7
45 to 64 years of age	19.2	35	11.1	22	2.0	18	9.2	18
Earn less than \$20,000	1.2	2	2.2	4	0.3	13	1.9	4
Earn \$20,000 to \$39,999	6.0	11	4.6	9	0.8	18	3.8	8
Earn \$40,000 or more	12.0	22	4.3	9	0.9	20	3.5	7
Memo: Full-time full-year; earn \$40,000 or more and over age 29 OR earn \$20,000 to \$39,999 and over age 44	28.9	53	13.5	27	2.6	19	11.0	22

Source: Investment Company Institute tabulations of March 2007 Current Population Survey

FIGURE A6

SPONSORSHIP AND PARTICIPATION RATES BY WORKER CHARACTERISTICS

Percentage of private-sector wage and salary workers aged 21 to 64, 2006

	Percent of workforce	Individual's own-employer			Individual's or spouse's employer		
		Sponsorship rate	Participation rate	Conditional participation rate	Sponsorship rate	Participation rate	Conditional participation rate
Total	100	52	41	79	59	49	83
Part-year or part-time workers	27	37	21	56	47	33	70
Earn less than \$20,000	18	28	11	38	39	24	60
Earn \$20,000 to \$39,999	6	50	35	70	59	46	78
Earn \$40,000 or more	3	63	53	84	71	63	88
Full-time, full-year workers	73	58	49	85	63	55	87
Earn less than \$20,000	11	30	19	63	36	24	69
Earn \$20,000 to \$39,999	28	52	41	78	59	48	82
Earn \$40,000 or more	34	71	65	92	76	71	93
21 to 29 years of age	15	48	35	72	51	38	74
Earn less than \$20,000	4	27	15	54	30	17	57
Earn \$20,000 to \$39,999	7	50	34	69	53	38	71
Earn \$40,000 or more	4	64	54	85	67	58	86
30 to 44 years of age	29	57	49	85	64	56	87
Earn less than \$20,000	4	27	17	63	34	24	69
Earn \$20,000 to \$39,999	11	49	39	79	57	47	82
Earn \$40,000 or more	15	70	64	91	76	70	92
45 to 64 years of age	29	63	56	89	70	64	91
Earn less than \$20,000	3	35	25	71	44	34	78
Earn \$20,000 to \$39,999	10	56	47	84	64	56	87
Earn \$40,000 or more	16	74	69	94	79	74	95
Memo:							
Full-time full-year; earn \$40,000 or more and over age 29 OR earn \$20,000 to \$39,999 and over age 44	40	68	62	91	74	68	92

Source: Investment Company Institute tabulations of March 2007 Current Population Survey

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