



Equal Pay and Retirement Savings

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On average, women who work full-time year-round are paid 84 cents for every dollar a man makes, with the gap shifting based on age, race/ethnicity and other factors. The difference between women's and men's salaries means more than lower take-home pay – it also means women have less money they can save towards their retirement

Women also face other challenges to saving for a secure retirement. Women [live almost three years](#) longer than men, so they need to plan for additional years of retirement savings. They are more likely than men to reduce their work hours to [take care of children or other family members](#), which can reduce earnings and retirement savings. They also [often work for employers](#) that don't offer a retirement plan or work part-time – 30 percent of working women are in part-time employment, compared to 19 percent of men -- so they may not be eligible to participate in a retirement plan offered through their employment.

While we continue to address these challenges, women can take personal action to make the most of their money. Putting aside even a little will make a difference over time.

Here are some steps to help you start saving for retirement:

- Get information about any retirement plan that might be available to you through your employment. Some employers may offer a pension that will provide you a specific monthly benefit upon retirement, depending on the terms of the plan and how long you work for the employer. You may also be eligible to participate in a 401(k) plan or other individual account retirement plan through your job that you may be able to contribute to and your employer may contribute to on your behalf as well. If you participate in your employment-based retirement plan and can contribute, contribute as much as you can! If you don't participate, sign up. Many employers who offer a 401(k) plan match a percentage of your contribution – it's like getting free money! Ask your employer (or your union, if you are represented by one) for more information or call us at 1-800-ASK-EBSA.
- You may be near retirement but do not have enough retirement savings to support yourself for a retirement that could last 30 years or more. It's not too late to start. If you are age 50 or over, you can make additional contributions to your 401(k) or individual account plan to "catch up" on your savings. Again, ask your employer or your union to learn more about this, or call EBSA.
- If you don't participate in a retirement plan through your employment, you can save for retirement by contributing to an [Individual Retirement Account \(IRA\)](#).
- Include allocating something towards the retirement part of your budget, even if it is a small amount. Establishing a budget can help you manage your spending to help you find where and how much you can save.
- If you are getting a divorce, talk to your attorney about a qualified domestic relations order. You may have rights to a portion of your spouse's retirement benefits, and you need to understand your rights and whether you need certain paperwork in place to protect your access to a portion of your spouse's pension.

The keys are to understand what is available to you for retirement and to make saving a habit. It can be hard to think about putting aside money you won't use for years, and it can be a struggle to save when you are faced with challenges and competing responsibilities. Planning for retirement is an important part of your financial freedom. And remember - it's never too late to start. Small amounts of savings grow over time!

For more information on ways to achieve a secure retirement and other financial goals, you can visit EBSA's website at dol.gov/ebsa and read the publications [Savings Fitness: A Guide to Your Retirement and Your Financial Future](#) and [Taking the Mystery out of Retirement](#).

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