

An Employer Match Makes a Difference

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Behaviors of adjacent cohorts of federal employees with and without an employer match		
TSP Behavior	No Match Hired 1983	Match Hired 1984
% of workers who contribute	69.5	91.7
Average contribution rate (as % of salary)	5.9	9.2
Average contribution rate of contributors (as % of salary)	8.5	10.0
% of workers whose whole portfolio is invested in the G Fund*	16.7	24.1
% of workers' portfolio in the G Fund	45.5	53.1
Average ratio, balance to pay	0.8	2.5
*G Fund = The default allocation for contributions. The interest rate is based on the yield for Treasury notes. Source: Congressional Budget Office, November 2018.		