


U. S. DEPARTMENT OF LABOR  
Wage and Hour Division  
Washington, D. C. 20210

August 25, 1970

24 AB 707.34



This is in further reference to your letter of March 19, 1970, in which you inquired about the application of the equal pay provisions to the amounts an employer contributes toward a retirement or pension plan in behalf of his employees. In our response dated April 23, 1970, we said that this matter was under consideration and that we would advise you when a decision had been reached.

After giving the question considerable study in light of the complex issues involved, we have now arrived at a determination that an employer's contributions to a plan providing retirement or pension benefits to his employees will be considered as "wages" within the meaning of the Equal Pay Act.

We are, therefore, taking the position that where the employer's contributions to such a plan are equal for both men and women, no wage differential prohibited by the equal pay provisions will result from such payments, even though the benefits which accrue to the employees in question may be greater for one sex than for the other. The fact that the employer may make unequal contributions for employees of opposite sexes in such a situation will not, however, be considered a violation of the Equal Pay Act if the resulting benefits are equal for employees of both sexes where the equal pay standard otherwise applies.

Sincerely,

/s/ Robert D. Moran

Administrator