

Nearly Half of Workers Living Paycheck to Paycheck, Finds CareerBuilder.com Survey

25 percent of workers save nothing each month

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As the country continues to deal with the current economic slowdown, workers are stretching their paychecks more than ever. Nearly half of workers (47 percent) say they always or usually live paycheck to paycheck just to make ends meet, up from 43 percent last year, according to a nationwide survey of over 7,192 workers by CareerBuilder.com. One-in-five (21 percent) workers with salaries of \$100,000 or more report they too live paycheck to paycheck.

The struggle from pay period to pay period makes planning for the future difficult. A quarter of workers say they don't put any money aside for savings each month. Of those who do save, thirty-four percent of workers set aside less than \$100 a month for savings, and 18 percent save \$50 or less. Additionally, a third of workers say they do not participate in any programs such as 401k, IRAs or retirement plans. One in ten (10 percent) workers making more than \$100,000 report putting no money into savings each month or participating in a 401k, IRA or comparable retirement plan.

Four-in-ten (42 percent) workers say they would need up to an additional \$500 per paycheck to live comfortably. Fourteen percent says they have to work more than one job to keep up with monthly expenses.

Comparing gender, more female workers (54 percent) say they always or usually have to live paycheck to paycheck, compared to males (41 percent). More men (77 percent) than woman (72 percent) say they save some portion of their paycheck each month, while 70 percent of women claim to have a set budget, compared to 61 percent of men.

"Nearly two-thirds of workers say they have a set budget each pay period, although 19 percent admit to typically going over it," said Rosemary Haefner, vice president of human resources for CareerBuilder.com. "Just like in business, going over a budget can have negative consequences on the bottom line. Workers who are facing challenges in this area may want to reevaluate where their funds are being allocated, so they can identify opportunities to reprioritize, recoup savings and lighten their financial burden."

Haefner offers the following tips for putting extra cash in your pocket:

Consider meeting with a financial planner -- having a certified, outside pair of eyes looking at your financial situation may unlock additional areas for savings.

Take advantage of all the benefits offered to you -- more companies are offering flexible spending accounts, wellness benefits, company discounts, etc. Talk to your HR department and see what is available to help save money on your monthly expenses.

Look at your commute -- workers say one of the biggest money drains on them each month is their car. With gas prices as high as they are and the

exuberant cost of parking your car in the city, it may be time to look into alternative modes of transportation.

Could your paycheck be bigger? -- Sixty-four percent of hiring managers expect to provide an increase in

salaries for full-time, permanent employees in the third quarter. Now may be the time to approach your boss and negotiate a higher salary.

Survey Methodology

This survey was conducted online within the U.S. by Harris Interactive on behalf of CareerBuilder.com among 2,770 hiring managers and human resource professionals (employed full-time; not self-employed; with at least significant involvement in hiring decisions; non-government); and 7,192 U.S. employees (employed full-time; not self-employed; non-government) ages 18 and over between May 22 and June 13, 2008, respectively (percentages for some questions are based on a subset US Employers or Employees, based on their responses to certain questions). With a pure probability sample of 2,770 and 7,192 one could say with a 95 percent probability that the overall results have a sampling error of +/- 1.16 percentage points and +/- 1.86 percentage points, respectively. Sampling error for data from sub-samples is higher and varies.

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