

Percentage of U.S. Workers Living Paycheck to Paycheck Reaches Recession-Era Low, Finds CareerBuilder Survey

--Percentage of workers who usually or always live paycheck to paycheck (40 percent) on downward trend since recession-era high of 46 percent

--Forty-four percent of female workers live paycheck to paycheck, compared to 36 percent of males

--In tough times, more workers would give up their phones and cable before their pets

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CHICAGO, Aug. 15, 2012 /PRNewswire/ -- Fewer American workers are reliant on their next payday to make ends meet, according to a new CareerBuilder survey. Forty percent of workers report that they always or usually live paycheck to paycheck, a slight decrease from 42 percent in 2011. This year's figure marks a recession-era low, continuing a downward trend from a peak of 46 percent in 2008, during the early days of the financial crisis.

Infographic: <http://cb.com/NygwyT>

The nationwide survey – conducted between May 14 and June 4, 2012 among more than 3,800 full-time workers – found that a majority of those currently living paycheck to paycheck (53 percent) were not doing so until 2008. Additionally, 37 percent of workers say they sometimes live paycheck to paycheck, while 23 percent say they never do. Twenty percent of workers were unable to make ends meet at least once in the last year.

Workers making at least six figures are feeling more confident in 2012. Twelve percent of workers who earn \$100,000 or more always or usually live paycheck to paycheck – trending down from 14 percent in 2011 and 17 percent in 2010.

"Making ends meet remains a challenge for millions of households, but the situation has improved for workers who've grown more confident with their job security or who've taken steps to pay down debt and save more," said Rosemary Haefner, vice president of human resources at CareerBuilder. "Seventy-two percent of workers report they are more fiscally responsible since the end of the recession, and as the labor market continues to improve, we expect more workers will again be able to spend in ways that will drive the economy forward."

Most Valued Expenses

A majority (59 percent) of workers said they cut back on leisure activities since the start of the recession, but for many, the following expenses are too important to give up, regardless of financial concerns:

- Internet connection – 57 percent
- Driving – 44 percent
- Pet – 39 percent
- Cable TV – 29 percent
- Mobile phone – 24 percent

Savings and Retirement

More than a quarter of workers (27 percent) do not save anything each month – the same as last year. Thirty

percent save more than \$250 and one in ten (10 percent) save more than \$1,000. Sixty-seven percent of workers contribute to a 401(k), IRA or comparable retirement plan, similar to 2011 (66 percent). Twenty percent of workers said they reduced their contribution to these plans in the last year, which is also relatively unchanged from 2011 (21 percent).

Paycheck to Paycheck by Gender and Age

The number of those living paycheck to paycheck varies by segment and demographics:

Gender: Consistent with past studies, women (44 percent) are more likely than men (36 percent) to live paycheck to paycheck. Additionally, one quarter (25 percent) of female workers missed a monthly payment at least once in the past year, compared to 17 percent of men.

Age: Compared to other age groups, workers close to retirement (55+) are least likely to report living paycheck to paycheck.

- 18-34 – 40 percent
- 35-44 – 42 percent
- 45-54 – 43 percent
- 55+ – 34 percent

Additionally, workers age 55+ are more likely than those workers age 25-54 to report saving more than \$1,000 dollars a month (13 percent) and most likely to participate in a 401(k), IRA or comparable plan (73 percent).

Survey Methodology

This survey was conducted online within the U.S. by Harris Interactive[©] on behalf of CareerBuilder among 3,892 U.S. workers (employed full-time, not self-employed, non-government) ages 18 and over between May 14 and June 4, 2012 (percentages for some questions are based on a subset, based on their responses to certain questions). With a pure probability sample of 3,892, one could say with a 95 percent probability that the overall results have a sampling error of +/-1.57 percentage points. Sampling error for data from sub-samples is higher and varies.

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