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U.S. NEWS

Quarter of U.S. Has No

By DAVID HARRISON

WASHINGTON—Many American households remain financially fragile and uncertain about their retirement prospects despite a booming job market that is lifting wages, according to a Federal Reserve survey released Thursday.

One-quarter of working individuals say they have no retirement savings at all, the survey said, and 44% worry that their saving isn't on track. Among younger work-

ers, aged 18 to 29, 42% have nothing set aside, and only 26% believe they are adequately prepared for retirement.

Households are also struggling to cover their day-to-day expenses, the survey found, with 17% saying they wouldn't be able to pay all of their bills during the month of the survey. In most cases, that means they expect to forgo making part of their rent, mortgage, credit card or utility payments.

Roughly a quarter of adults

skipped medical care in 2018 because they were unable to pay, and about 40% have unpaid debt from unexpected medical bills incurred last year.

And almost 40% of Americans said they don't have enough cash on hand to cover an unexpected \$400 expense. In most cases, they said they would rely on credit-card balances or loans from family and friends.

The Fed has conducted its annual survey of household well-being since 2013. Over

Retirement Savings

the past six years, the results suggest a steady improvement in Americans' economic situation.

But the large share of households who still report some form of financial vulnerability could be a sign that the improvements the economy has made over the past decade haven't been sufficient to allow many families to move beyond living paycheck to paycheck.

In a speech this month, Fed governor Lael Brainard said those households would suffer

more in a downturn than those with a bigger nest egg.

"Low levels of savings can create a challenging cycle when material disruptions in income, or even small unexpected expenses, spiral into a broader financial setback," she said.

Still, Americans are largely upbeat about their financial situation, the survey found. Three out of four respondents said they were doing OK or living comfortably, up from 63% in the 2013 survey. Nearly two out of three de-

scribed their local economic conditions as "good" or "excellent."

Irregular work schedules and volatile incomes could explain the prevalence of shaky household finances in a strong labor market.

About a quarter of employees have varying work schedules, and 17% say their schedules change based on their employer's needs, often with three days' notice or less. Almost three out of 10 said their household income varies from month to month.