



The mission of the California Labor Lab is to extend the pursuit of health and safety for workers in traditional employment to those in a wide range of alternative arrangements in partnership with affected communities.

Data Brief #3

Financial Strain among Working Age Californians

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The California Work and Health Survey asked adults 18-70 three questions about financial strain: whether they find it difficult to live on their household income, could come up with \$400 if an unexpected expense arose, and if it is likely that they and their families will experience actual hardships such as inadequate housing, food, or medical attention in the next two months. In this Data Brief, we report their answers to these questions as well as the characteristics of those experiencing these forms of strain.

Slightly more than a third of working age Californians report difficulty living on their household incomes, 29% that they cannot sustain a \$400 expense, and 19% that it is likely they will experience actual hardships in next 2 months. Working in the month prior to interview reduces the prevalence of financial strain, but doesn't eliminate it: among workers, 30% report difficulty living on their household income, 24% that they cannot sustain a \$400 expense, and 17% that it is likely they will experience actual hardships. Financial strain occurs even among those with household incomes between \$65,000 and \$100,000 a year. Among those with incomes in that category, 17% report difficulty living on their household incomes, 14% that they cannot sustain a \$400 emergency expense, and the same percentage that they are likely to experience actual hardships in the next two months.

The percentage reporting the kinds of financial strain differ substantially by race and education. Much higher proportions of Hispanics, African Americans, and those of "Other/Mixed Races" than Non-Hispanic Whites and Asian/Pacific Islanders report difficult living on their household incomes, inability to sustain a \$400 expense, and being at risk of actual hardships in the next months. The prevalence of financial strain is lower among those with college degrees or more. However, even among college graduates, a quarter report difficulty living on their incomes, 13% can't sustain an expense of \$400, and 10% are at risk of hardships in housing, food, or health care in the next two months. Persons who are widowed, separated, or divorced also report much higher rates of financial strain than those who are currently married, with those who have never been married reporting strain at rates in between the other two groups.

Overall, despite the relative affluence of California, financial strain is relatively common in the State.

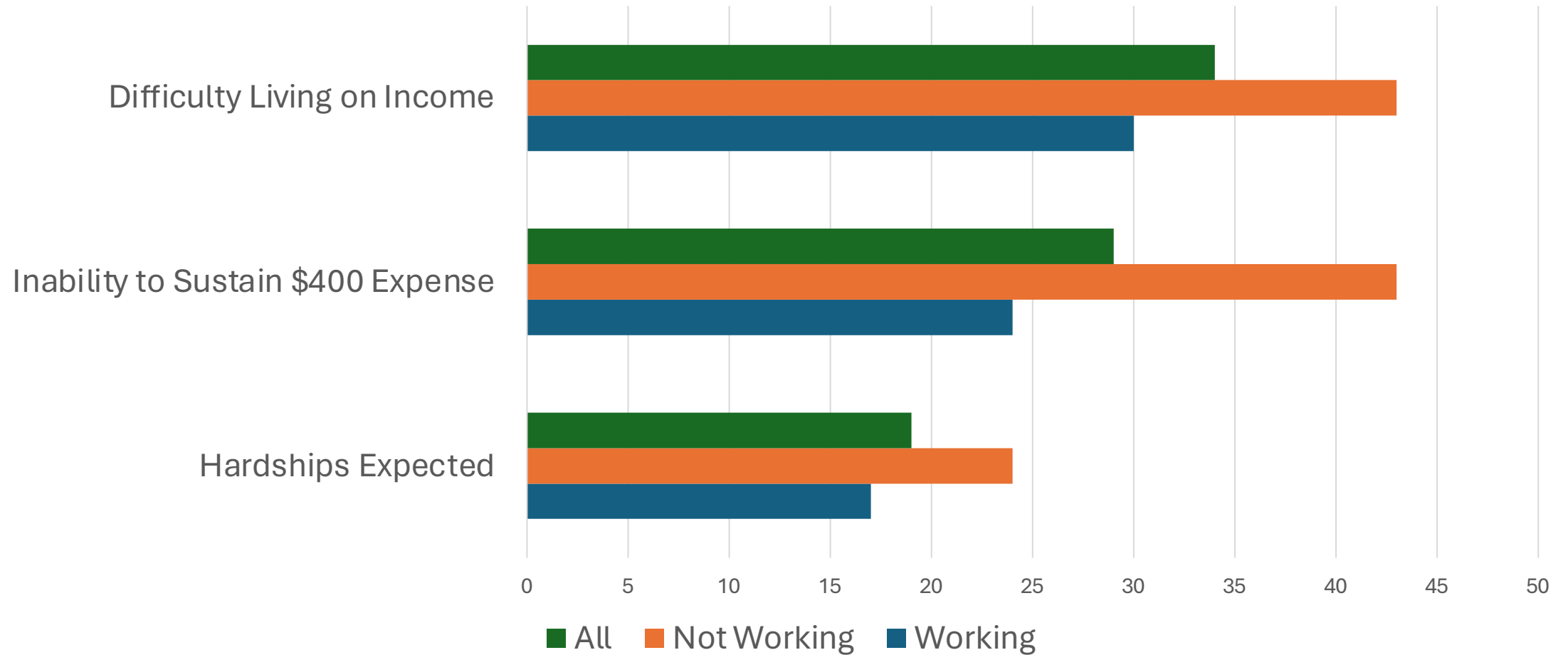
About the Survey

The California Work and Health Survey (CWHS) used a random sample of cell phones to develop its study cohort of 4,014 working age Californians. The CWHS was administered between November 2022 and May 2023 by telephone interviewers or completed on-line at the respondents' choice. Both the telephone-administered and on-line surveys could be completed in English or Spanish. The survey covered current employment status, working conditions among the employed, health status, and economic well-being. The results were weighted to reflect known characteristics of the working age population of California.

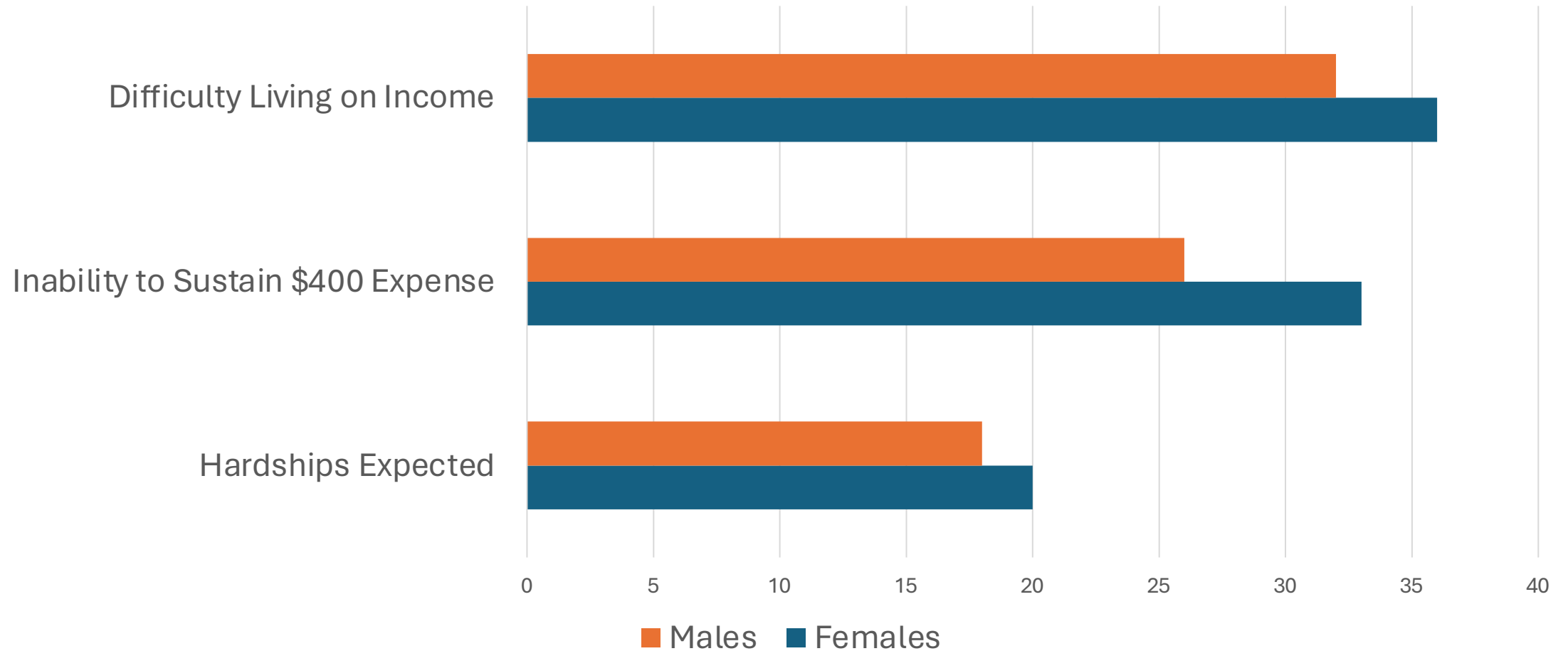
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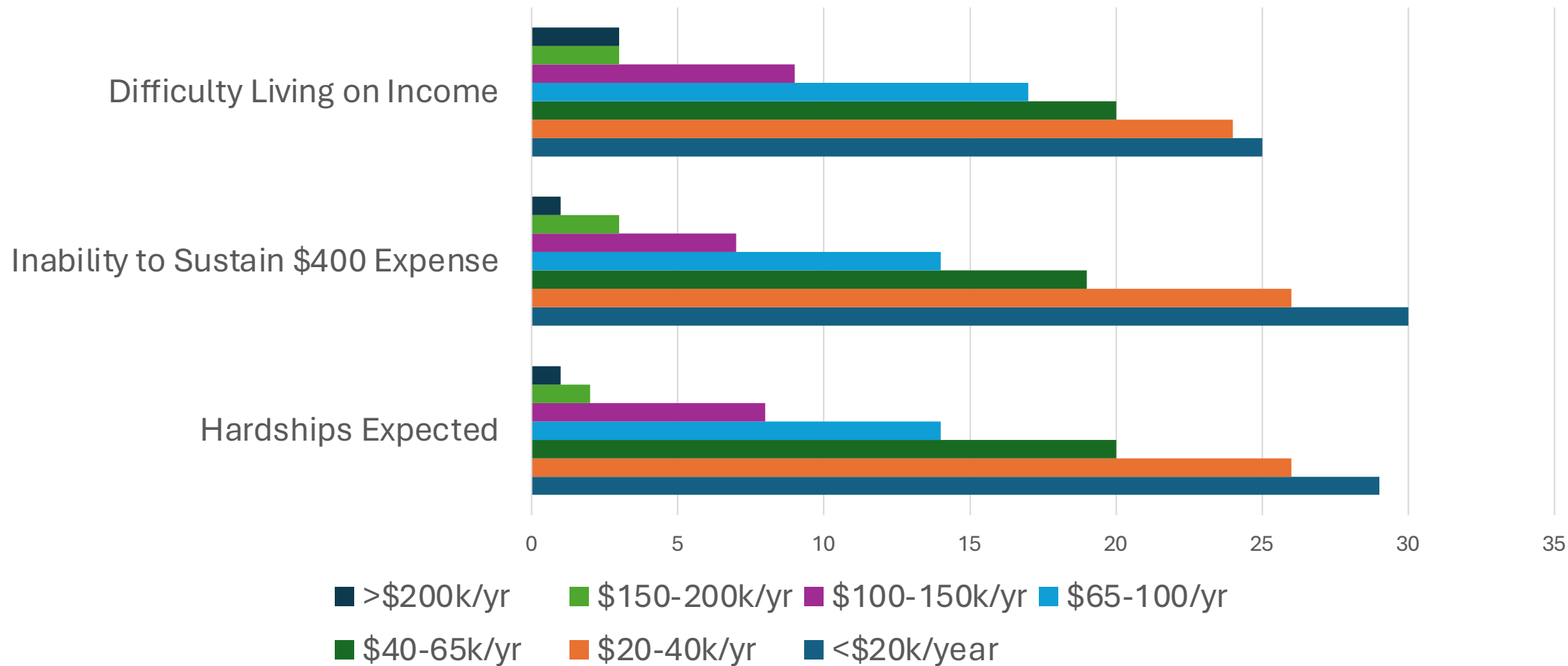
Financial Strain: Difficulty in Living on Household Income, Inability to Sustain \$400 Expense, and Likelihood of Hardships in Housing, Food, and Medical Care in Next Two Months, by Employment in Past Month (%)



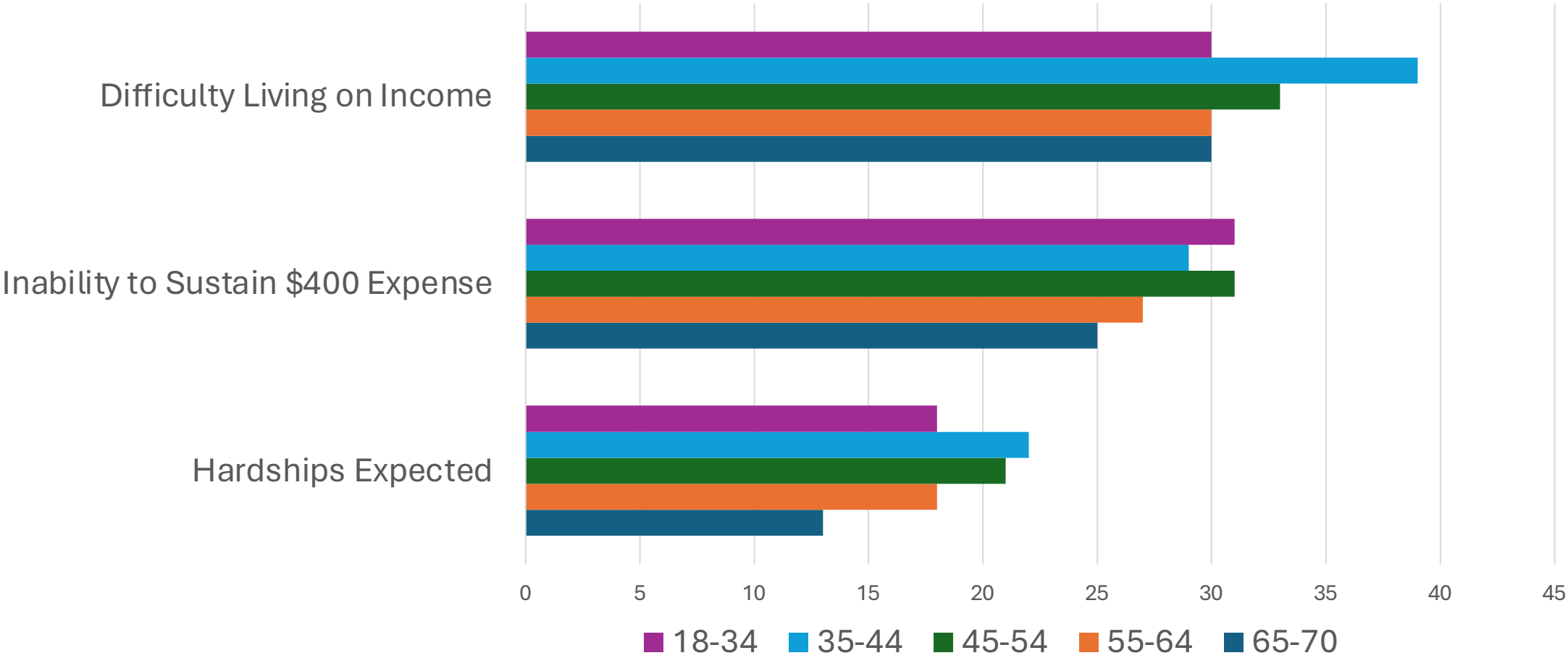
Financial Strain: Difficulty in Living on Household Income, Inability to Sustain \$400 Expense, and Likelihood of Hardships in Housing, Food, and Medical Care in Next Two Months, by Gender (%)



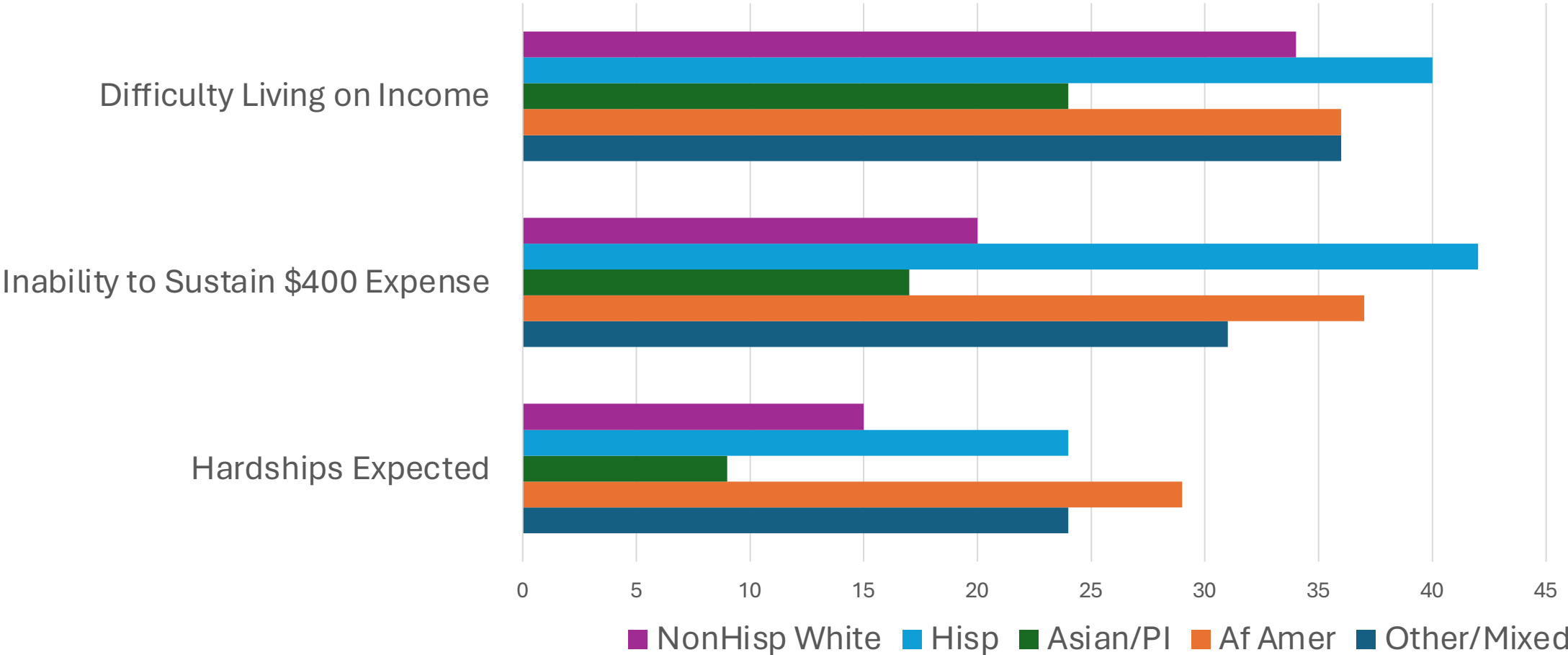
Financial Strain: Difficulty in Living on Household Income, Inability to Sustain \$400 Expense, and Likelihood of Hardships in Housing, Food, and Medical Care in Next Two Months, by Household Income (%)



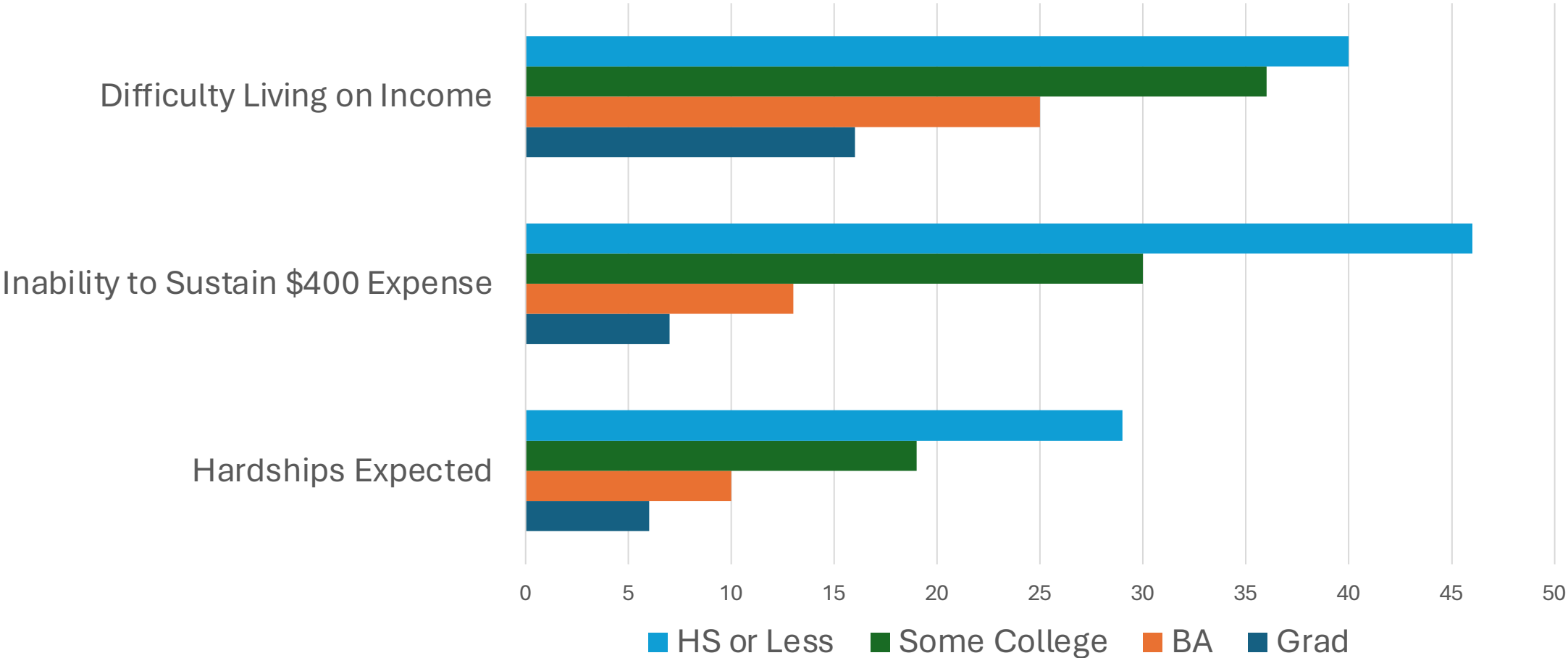
Financial Strain: Difficulty in Living on Household Income, Inability to Sustain \$400 Expense, and Likelihood of Hardships in Housing, Food, and Medical Care in Next Two Months, by Age (%)



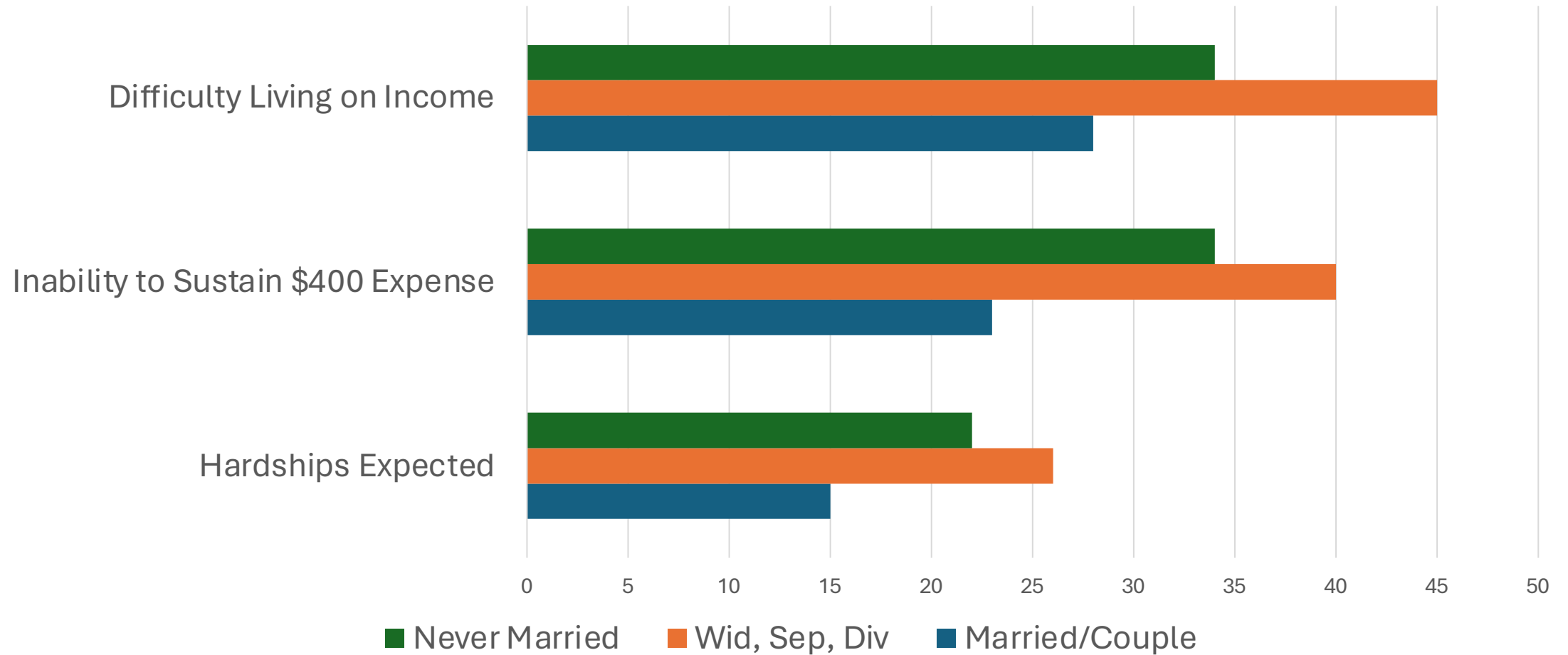
Financial Strain: Difficulty in Living on Household Income, Inability to Sustain \$400 Expense, and Likelihood of Hardships in Housing, Food, and Medical Care in Next Two Months, by Race/Ethnicity (%)



Financial Strain: Difficulty in Living on Household Income, Inability to Sustain \$400 Expense, and Likelihood of Hardships in Housing, Food, and Medical Care in Next Two Months, by Education (%)



Financial Strain: Difficulty in Living on Household Income, Inability to Sustain \$400 Expense, and Likelihood of Hardships in Housing, Food, and Medical Care in Next Two Months, by Marital Status (%)



Financial Strain: Difficulty in Living on Household Income, Inability to Sustain \$400 Expense, and Likelihood of Hardships in Housing, Food, and Medical Care in Next Two Months, by Region of State

