

Report on the Economic Well-Being of U.S. Households in 2019

May 14, 2020

NARRATOR. Since 2013, the Federal Reserve Board has conducted the Survey of Household Economics and Decisionmaking, which measures the economic well-being of U.S. households and identifies potential risks to their finances. The 2019 survey of over 12,000 adults was conducted in October of last year, offering a picture of personal finances prior to the onset of the COVID-19 pandemic.

To obtain updated information in the midst of closures and stay-at-home orders, a smaller supplemental survey of just over 1,000 adults was conducted from April 3-6 of this year, focusing on labor market effects and households' overall financial circumstances at that time.

Drawing on both the surveys, the latest Report on the Economic Well-Being of U.S. Households finds declines in overall economic well-being between the fall of 2019 and April 2020, concentrated among those who experienced employment disruptions in March.

Half of those who lost a job or work hours said they were at least okay financially, while the other half were experiencing greater financial difficulties. Based on the supplemental survey, 13 percent of all adults said they lost a job, were laid off, or were told not to work in March. This suggests that 20 percent of people who were working before the pandemic lost a job in March. Six percent of all adults were not laid off but had their hours reduced or took unpaid leave. Individuals who lost a job or had reduced hours reported difficulty in paying bills.

As of early April, 18 percent of adults said they could not pay all of their current month's bills in full, with greater difficulty in paying bills among those laid off or working fewer hours. Among adults who lost a job or had their hours reduced, 70 percent reported that their income declined. Overall, 23 percent of adults said their income in March was lower than in February.

Five percent said their income increased. More than 9 in 10 who lost a job or were told not to work expect to return to the same job, including 14 percent who were told the date to expect to return or who have already returned to work.

Education is a major determinant of where workers are physically able to do their jobs. Sixty-three percent of workers with a bachelor's degree worked entirely from home in the last week of March. Sixty-seven percent of workers who never attended college and 60 percent who completed some college or an associate degree worked entirely outside of their homes.

The Board plans to continue to use the survey to understand how consumers are faring during the pandemic. This and other such information is available in the latest Report on the Economic Well-Being of U.S. Households.

To view or download this year's full report, visit:

<https://www.federalreserve.gov/consumerscommunities/shed.htm>