When Every Dollar Counts: Worker Perspectives on the Economy

September 3, 2026

3:00 to 4:00 PM ET

Connecting Communities

Today's moderator

Sarah Miller
Director & Principal Adviser
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Federal Reserve Bank of Atlanta

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Speakers

Beth M. Hammack
President and CEO
Federal Reserve Bank of Cleveland

Austan D. Goolsbee
President and CEO
Federal Reserve Bank of Chicago

Paula Tkac
Executive Vice President &
Director of Research

Federal Reserve Bank of Atlanta

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Speakers

Kristen Broady
Sr. Economist, Economic Advisor, and
Director of the Economic Mobility Project

Federal Reserve Bank of Chicago

Merissa Piazza
Lead Policy Analyst

Federal Reserve Bank of Cleveland

Housekeeping items

- Views expressed during this session are those of the speakers and are intended for informational purposes. They do not necessarily represent the views of Fed Communities or the Federal Reserve System.
- Microphones and the chat have been disabled. Please use the Q&A chat feature to submit questions.
- Visit fedcommunities.org for articles, resources, and data from the Federal Reserve System.
- This session, including the presentation, video, and podcast, will be available on fedcommunities.org within two weeks of today's event.

Connecting Communities

When every dollar counts: Inside the economic struggles of workers who earn low to moderate incomes

Connecting Communities
September 3, 2026

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WORKER
PERSPECTIVES

Why We Do This Research

Hear from people across the country to better understand:

- Household financial well-being
- Consumption effects of income/costs
- Employment experiences
- The challenges and successes navigating the labor market

Perspectives add nuance to macroeconomic data

- Understand context of day-to-day decisions to complement trends. These data are essential, not supplemental.
- Research aims to influence policy, practice, and program design which increases low- and moderate-income (LMI) populations stability, mobility, and resilience in the economy.

WORKER PERSPECTIVES

How We Do This Research

- To date, two national qualitative data gathering efforts:
  - May and September 2022 focused on non-degreed workers and job seekers; 2023 Publications: Worker Voices: Shifting Perspectives and Expectations on Employment
  - October and December 2025 focused on workers and job seekers with household income 85K or less; 2026 Publication: Worker Perspectives | Fed Communities
- Workers and job seekers engaged in virtual focus groups to discuss employment, household financial conditions, job search experiences, job market confidence and sentiment
- Going forward, our goal is to **sustain collection of these perspectives** and provide frequent insights that advance practice and policy considerations

Worker Perspectives | Fed Communities

2026 WORKER PERSPECTIVES

When every dollar counts: Inside the economic struggles of workers who earn low to moderate incomes

About the research

For many lower- and moderate-income workers and job seekers, survival is replacing economic mobility. This report explores how these individuals navigate tight budgets and a challenging job market. To overcome these obstacles, they are adapting finances and career plans, while also speaking hopefully about their personal ability to manage uncertainty.

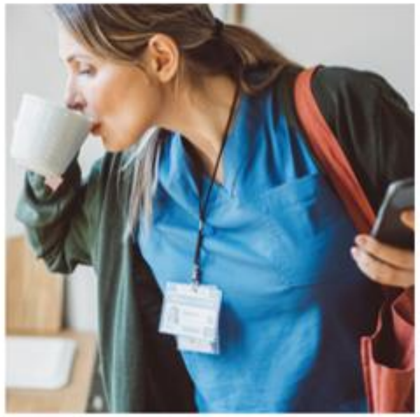
Key Themes | Executive Summary | 2026 Report | Economic Context | Methodology

WORKER PERSPECTIVES

"The American dream is just that, a dream. It's not even reachable anymore to have the house and the white picket fence."

—Participant with household income less than $50k annually

Setting the Economic Context




Post-pandemic to today: Rise of a K-shaped recovery

- Higher-wage sectors recovered quickly, lower-wage sectors lagged
- Structural differences emerged within “low-hire, low-fire” job market

Inflation and wage pressures on cost of living

- Growing share of households experiencing financial strain, particularly among low- and moderate-income
- Wage trends lagging for bottom half of income distribution
- Rising costs giving way to “trading down” trends

Employment trends and disruptions

- Job hugging amid lower levels of hiring, less telework opportunities
- AI and automation creating risk for lower-wage occupations
- AI trends, demographic, and educational shifts could challenge traditional labor supply and demand

Topics covered

Employment Status and Income

Cost of Living and Consumption Behavior

Employment Experiences and Job Search

Job Quality Considerations

Education and Skill Development

AI Impacts on Job, Job Search, Confidence

Confidence in Job Market

What we heard

STUCK IN SURVIVAL MODE

Challenges balancing wages and costs of living

LIMITED ECONOMIC MOBILITY

Barriers to finding better jobs, pursuing education

SEARCHING FOR JOBS AND JOB QUALITY

Pay and work/life balance are key, hard to find

PERSEVERANCE IN THE FACE OF CHALLENGES

Low confidence in the economy & labor market, still some positivity, confidence in individual ability

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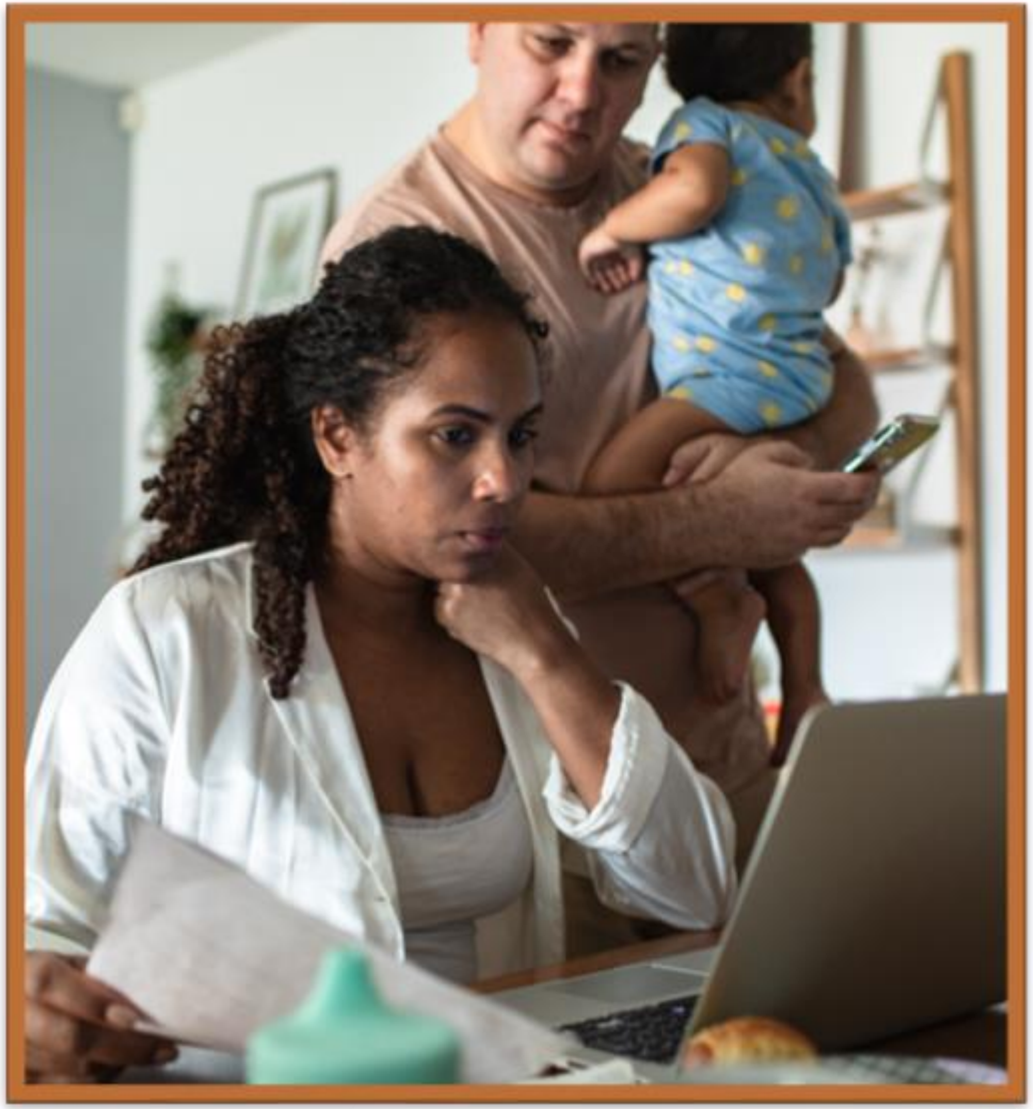
Stuck in survival mode

- **Cost pressures and wages falling short of rising prices**
  - Consistent financial struggles, flat and stagnant wages creating bigger pressures than they have experienced
- **Tightening tight budgets and trading down**
  - Bargain shopping, salvage grocery stores, eliminating dining out, forgoing medical care or declining medical coverage due to costs
- **Filling the budget gap: savings, credit, and safety nets**
  - Food banks, payday lending, credit extension, concern over perceived safety net erosion (SNAP, work requirements, healthcare changes)
- **True cost of survival**
  - Perpetual survival mode, with “alarm bells ringing”, keeping most from considering themselves economically stable.



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"Sometimes I do fall behind just with basics like food and things of that nature…but now I work two jobs and I have a family of five. So, I do have to make things stretch throughout the month and things of that nature, but I do make enough to survive. However, it's barely working."

–Participant with household income between $50k–$60k annually

(Not so) upward mobility

- **Job instability, unemployment and necessity of side hustles**
  - Focused on “survival” rather than “success”, supplemental income necessary, struggling to find stable employment, feeling a sense of being “disposable”
- **Job hugging**
  - Expressions of “thankfulness” if employed, most citing uncertainty in job market to leave a job for unknown circumstances
- **Education and skill-building barriers**
  - Lack of capital to pay tuition, questioned whether a degree would yield an income return on investment even with ambition to develop their skills

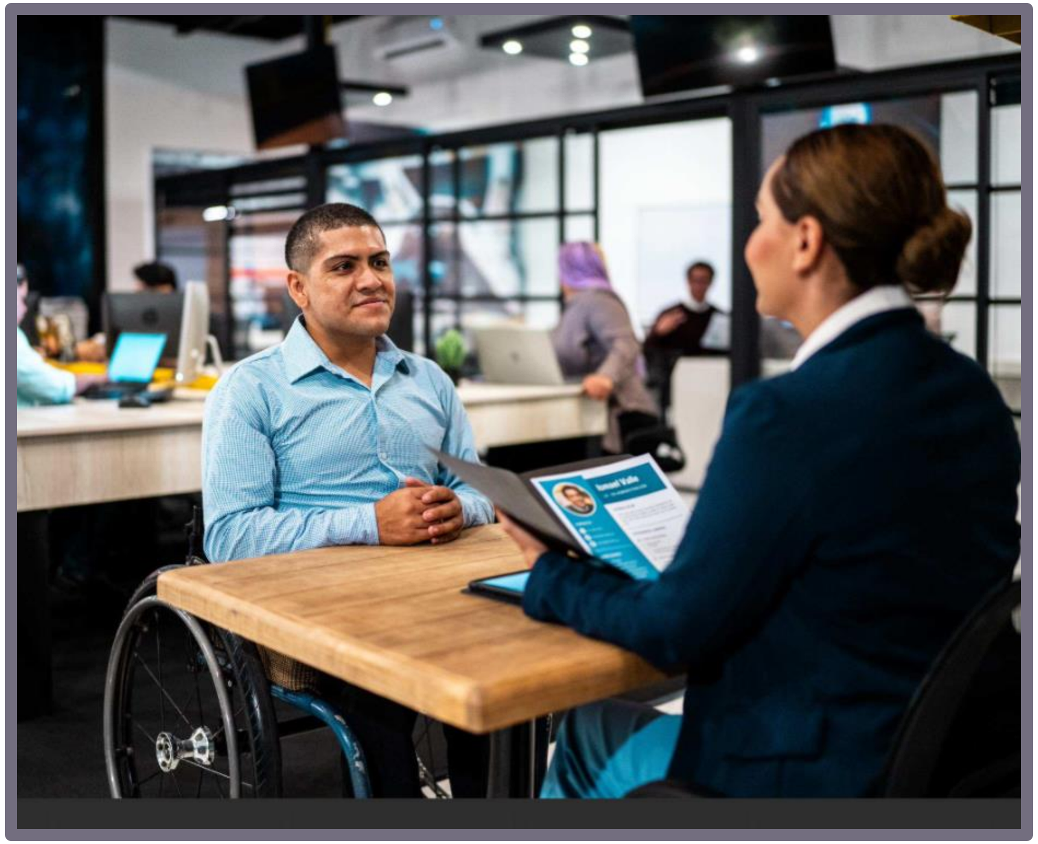
WORKER PERSPECTIVES

“I don't know that going back to school would make a difference for the expense, you know, the time commitment.”

–Participant with household income less than $50k annually

Searching for jobs and job quality

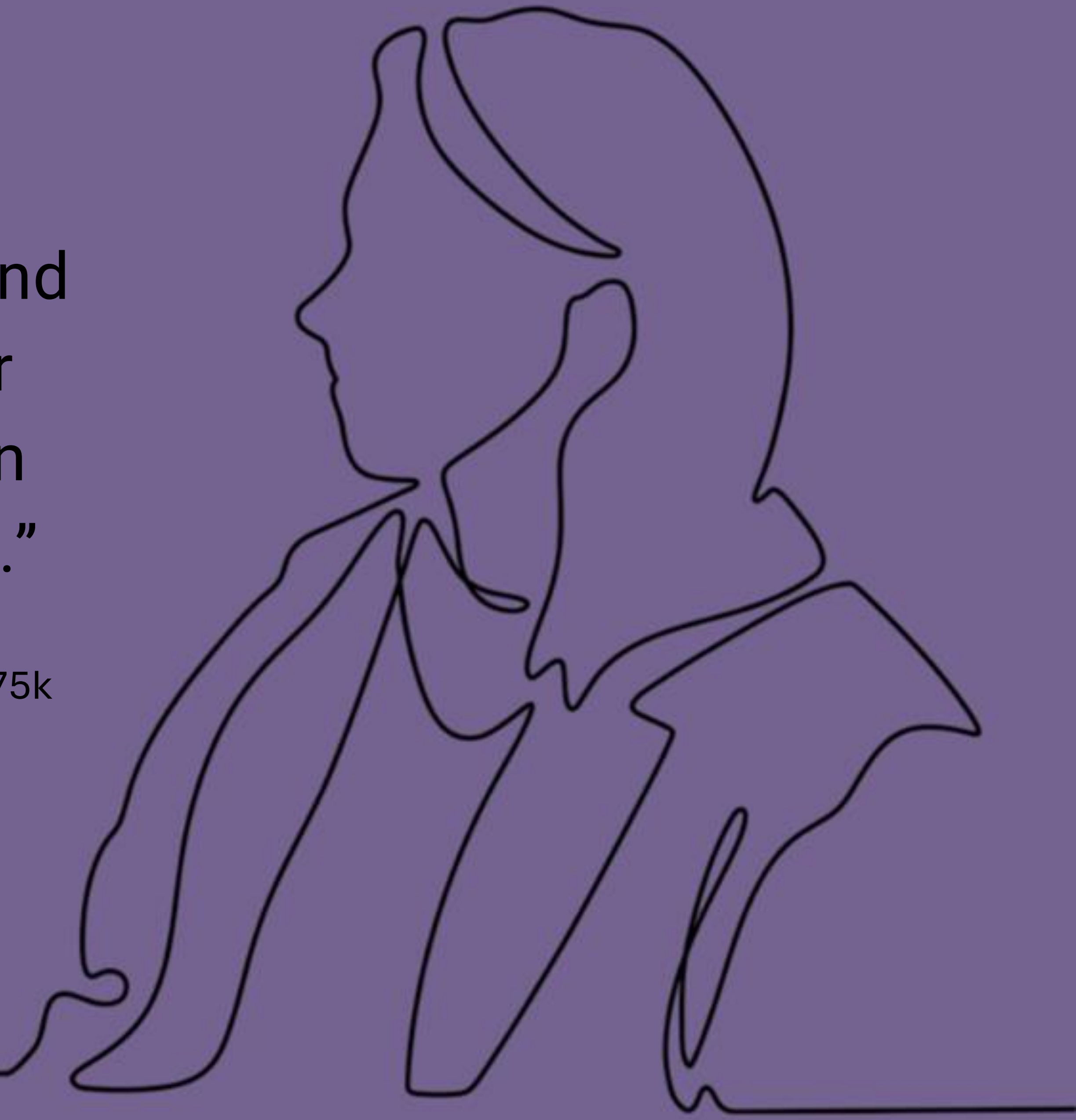
- **Perpetual job search**
- **Compensation is foundational**
  - Discussions of income focused on breathing room – not become wealthy or rich
- **Tradeoffs for job quality remain**
  - Flexibility and work-life balance consistent trend, particularly sharp for caregivers
- **Complications in a modern job search**
  - Frustration in lack of responses or signaling to increase market competitiveness, AI screening, job scams
- **Job quality elements aspirational rather than expected**



WORKER PERSPECTIVES

“A job where you have a good work and life balance. It has to have room for advancement; more than 10 years in same level can have you burned out.”

–Participant with household income between \$60k–\$75k annually



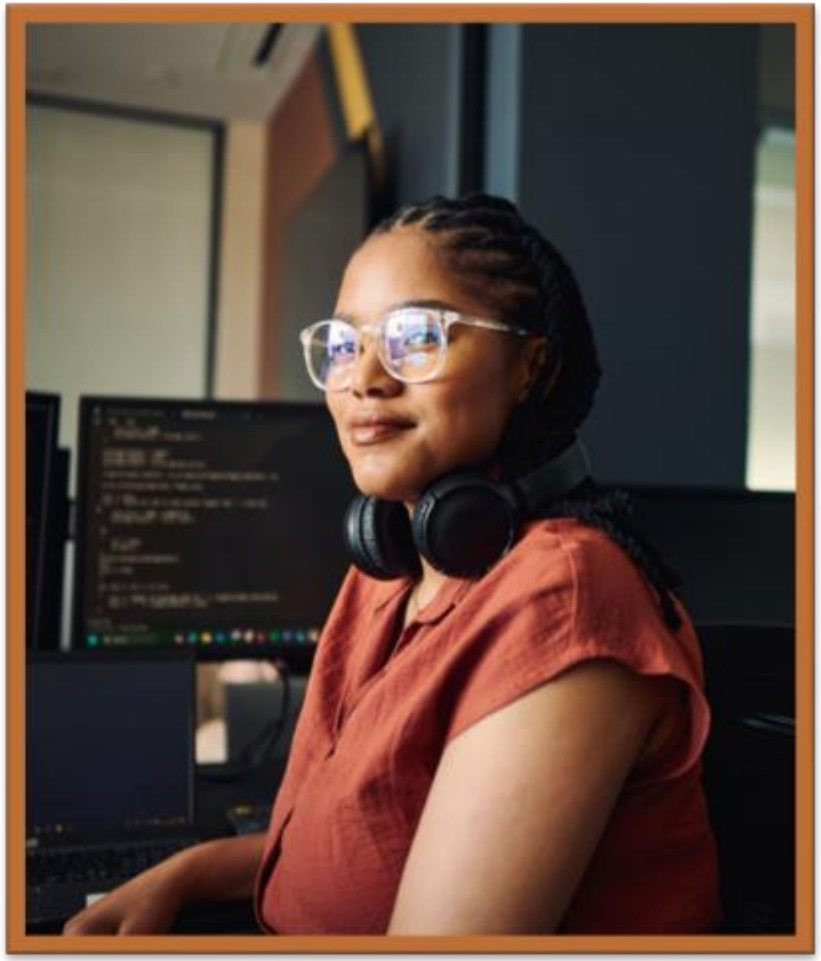
Perseverance in the face of challenges

Low confidence in the economy overall

- Downward trend on confidence over the past year, few noting optimistic views
- Discussion of financial circumstances having always been tough, recent trends have them approaching a more dire and palpable state of financial insecurity

Personal optimism and necessity of positive thinking

- Shared a sense of personal conviction in their own ability to navigate hardships out of necessity
- Optimism was fueled by necessity and the importance of positive thinking



WORKER PERSPECTIVES

"So I just feel like staying positive and just kind of having that resilience that things will work through. I don't know. I know that's not how everybody thinks, but that's just how I kind of delude myself into thinking that it's just gonna workout."

–Participant with household income less than $50k annually

Future Research Considerations

Look for Deep Dive Briefs

- **Household financial stress:** causes and effects
- **Employment experiences**: multiple jobs/side hustles, supplemental income necessity, job hugging and job search
- **Upward mobility roadblocks**: barriers to skill-development
- **AI impacts**: experiences with AI impacting job tasks, job stability; broader labor market effects

Help us shape this research…. We want to hear from you.

- What else would be helpful to know?
- What else would be helpful to influence policy change?
- What else would be helpful to positively impact programming?

Closing remarks and requests

- Please complete the post-event survey.
- Materials from today's event will be available on YouTube and the Connecting Communities website within two weeks of today's event.
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- Mark your calendars for October 8 for our next Connecting Communities event: *Building Community Capacity to Harness Opportunity Zones 2.0 Investments.* (fedcommunities.org/events)

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Thank you for joining us

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