

# Work and Economic Insecurity in California

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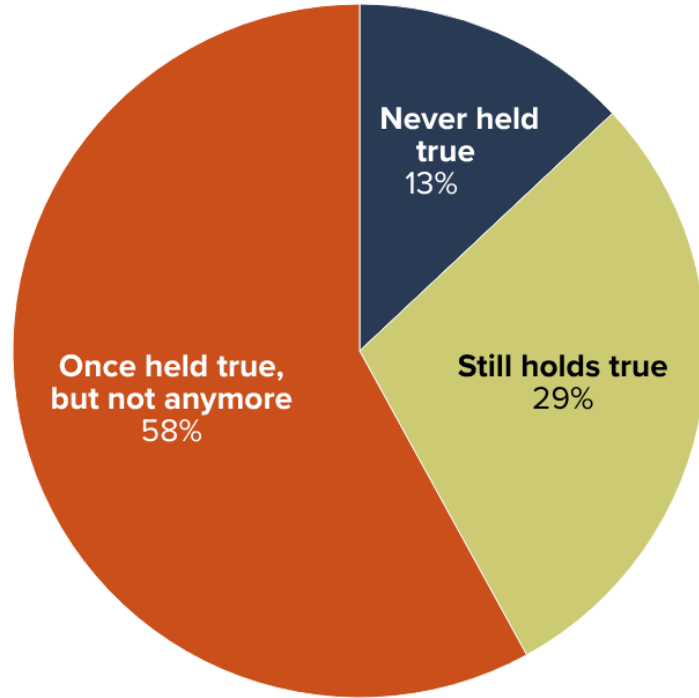


**PPIC**

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# Only three in ten Californians believe the American Dream holds true

Do you think the American Dream—that if you work hard, you'll get ahead—holds true?

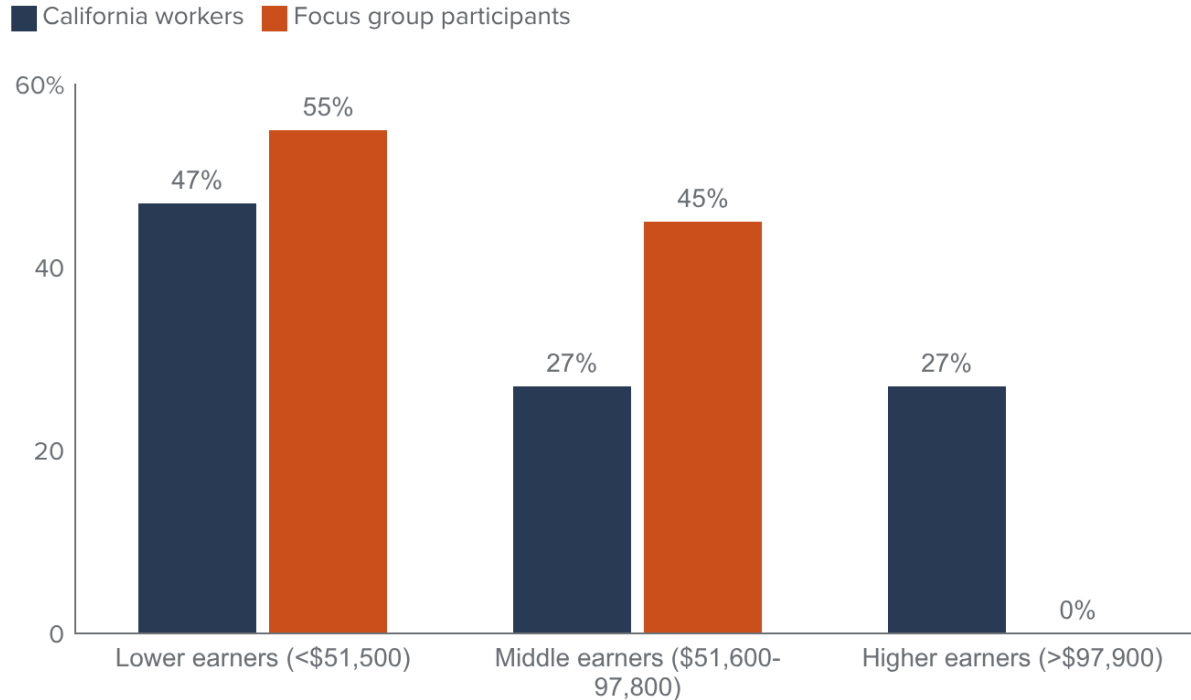


# Why do many working Californians struggle to achieve economic security?

Combining insights from representative data, the PPIC Statewide Survey, and focus groups conducted in summer 2025, we examine:

- Workers' perspectives on economic security
- Rising costs of essentials and coping strategies
- Ways that work can fall short of helping workers achieve economic security
- Opportunities to advance economically through work—and barriers to doing so

# Like three-quarters of California's workforce, focus group participants are lower and middle earners



## How do workers define economic security?

*Financial security means that I can retire comfortably. I'm secure. The word security carries meaning to me... knowing that I can pay all of my bills and tuck some away and have savings.*

– Coastal county worker

*Economic security just translates more to freedom to me. Not worrying about everyday expenses and being able to think a little bit more broadly about life and helping my daughter and things like that.*

– Los Angeles worker

# Affordability is a major challenge for working Californians

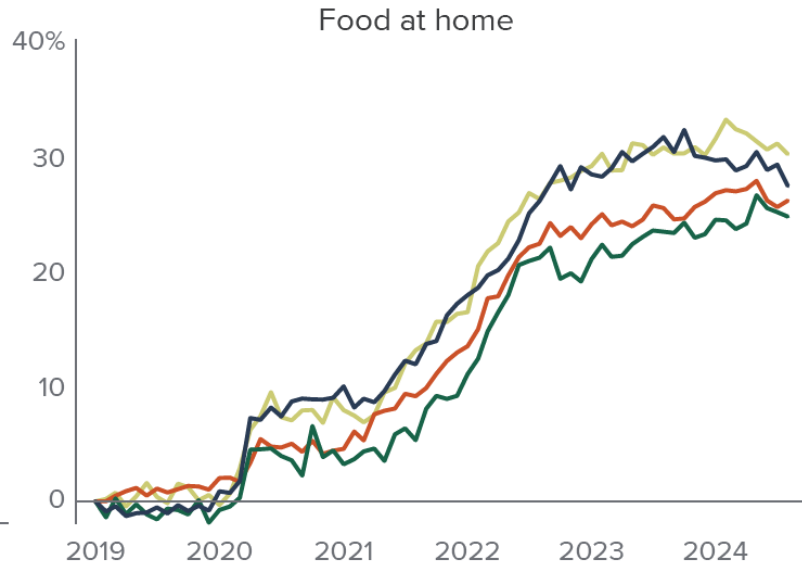
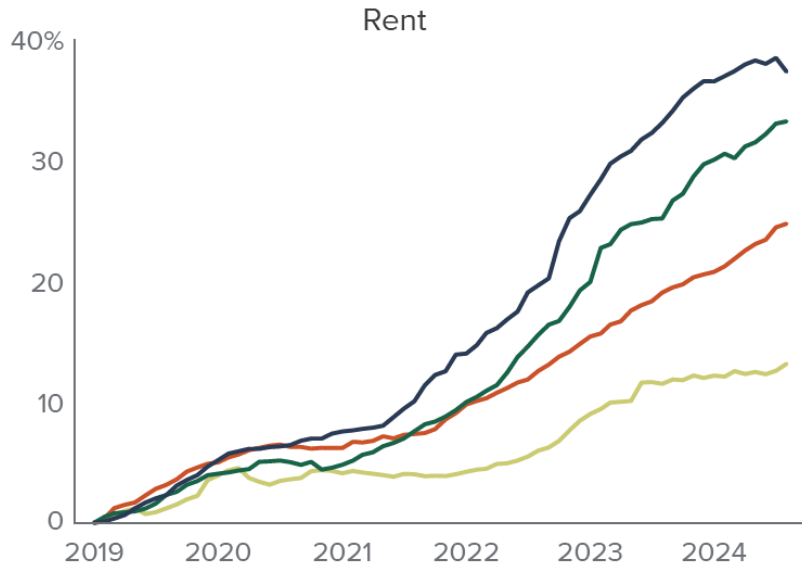
*I work full time, and I can't afford to live. I'm not saying I want to be rich and live this lavish lifestyle. I just feel like if I'm working 60 hours a week, I should be able to go to the doctor.*

– San Diego worker

# The cost of basic necessities has risen sharply in recent years

% change since 2019

Los Angeles Riverside San Diego San Francisco



# Coping with higher costs involves difficult tradeoffs for workers

- **Caretaking**
  - Working a full-time job vs. caring for young children at home
- **Mobility**
  - Moving to a less expensive area vs. staying near local support network
- **Safety net benefits**
  - Working more hours vs. keeping access to Medi-Cal benefits

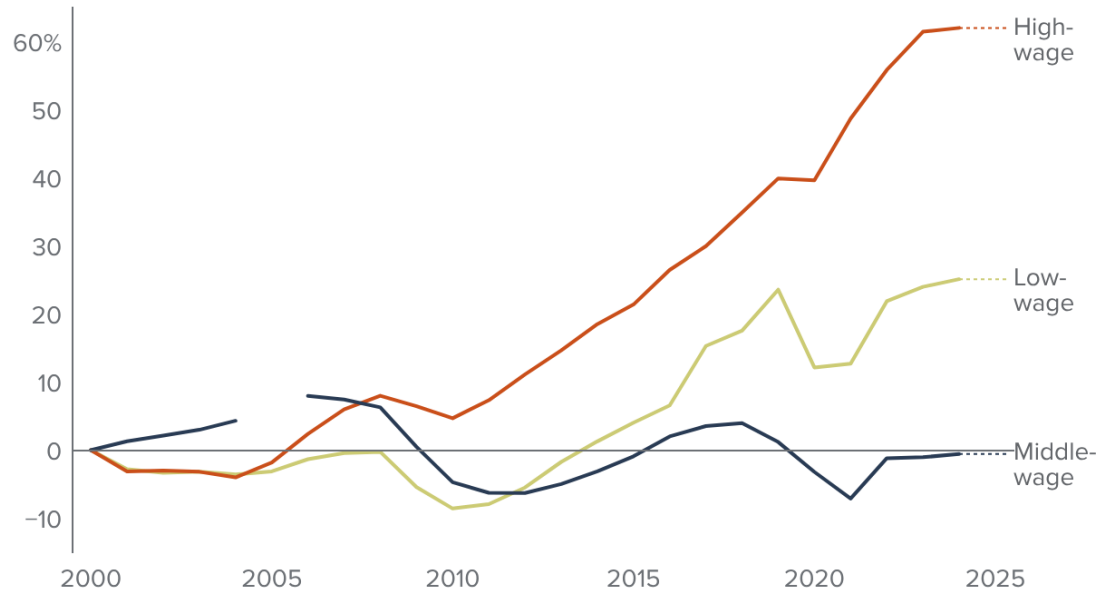
# How do workers feel about making these tradeoffs?

*The cost of living is going up, but what we get paid at work is not. We have to pick up different jobs and have no time to recharge or do the basic things to balance out our lives. If I have to push the boulder up the hill, I will, but I don't think any of us should have to live like that.*

– Los Angeles worker

# Job growth has accelerated in high- and low-wage occupations while middle-wage jobs have stagnated

% change in California jobs since 2000



# Workers seeking to improve earnings and well-being face challenges

- Part-time and erratic work schedules can limit earnings potential
- Wage growth opportunities can be limited in certain industries
- Picking up another job or “gig” can increase earnings, but it is hard to balance work and life responsibilities
- Certain job characteristics can make it difficult to pursue other opportunities

# Economic advancement could require switching employers or careers

- Job or career changes are especially difficult for workers in precarious financial situations
- Lower-wage workers see fewer in-house opportunities for advancement
  - About four in ten lower- and middle-wage workers report education and training opportunities, vs. about six in ten higher-wage workers
- Many have doubts about educational options and whether additional training would pay off

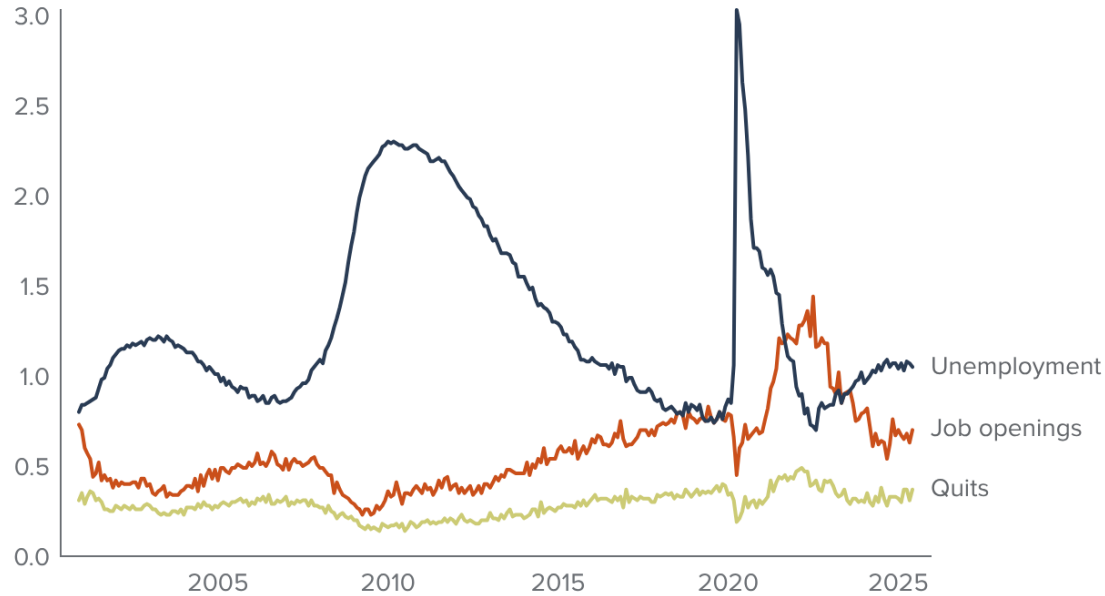
## Why are workers hesitant about making career changes that could help them advance economically?

*I've been thinking about making a career shift and getting more training, but you have to sacrifice a lot of your time and your ability to work a normal job... it takes money to make money.*

– Los Angeles worker

# Today's volatile labor market exacerbates risk

Millions of Californians



# Key takeaways from listening to working Californians

- Many of California's low- and middle-wage workers are stuck in survival mode
- Despite citing certain state policies and programs that are helping, many workers feel they lack a political voice
- Improving paths for workers to improve economic security and upward mobility remains a vital challenge for state policymakers
- Workers struggling to make ends meet feel overlooked by government leaders—and want their experiences to be better understood

*Live like we do, and just see if you can make it work, and see what it feels like. Because until you know how hard it is to live on like \$2,000 a month, when rent is like \$1,200–\$1,800 and you have kids or dependents, then you can't really conceptualize what people need.*

– Central Valley worker