Canary

Gen Z isn't bad with money. They just don't have any to fall back on.

The generation least likely to reach for a credit card is also the generation most likely to say they had nowhere else to turn.

Gen Z workers who come to Canary's Grant Circle* program arrive in more acute circumstances than any other generation we serve. Nearly a third had already received an eviction or foreclosure notice before they applied, about four times the rate among Baby Boomers. When attempting to relieve themselves of unexpected financial emergencies, Gen Z grantees turned to credit cards much less often than their older counterparts, with just under 14% saying that they'd cover their emergency with a credit card and pay over time, compared to ~34% of Baby Boomers. In fact, more than half of Gen Z said that without the grant, they would not have been able to pay at all. Our data also shows that just over 66% of Gen Z requesters make less than $40,000 a year. Paired with historically high housing costs, there simply isn't enough to build a cushion to fall back on. No amount of budget discipline can work if there's nothing left to budget.

This pressure makes its way into the workplace through absenteeism and reduced productivity. 25.3% of Gen Z respondents said that they had missed or were late to a shift because of an unexpected financial hardship even before they applied for a grant. Outside our own data, PwC's 2026 Employee Financial Wellness Survey found that 71% of Gen Z workers report reduced productivity because of financial stress.

More than 35% of today's workforce is under 35 years old, according to the Bureau of Labor Statistics, and Gen Z's share of the workforce will continue to grow with a significant portion of the generation yet to enter the workforce. BLS reports the workforce in age bands rather than by generation, so the closest available measure combines the two youngest: 16-to-24, which is entirely Gen Z, and 25-to-34, where Gen Z overlaps with older Millennials. This growing part of the workforce has little to no savings or credit to face even a small financial emergency. While well-intentioned, offering traditional financial wellness benefits can assume a baseline of stability when there isn't one. The employers that will attract and retain this necessary talent are the ones who address the reality that their youngest employees are facing head on.

31% **of Gen Z respondents had already received an eviction or foreclosure notice, compared with 7% of Baby Boomers.**

Grant Circle Survey

56% **say they would have had no way to pay the expense at all without the grant, the highest of any generation.**

Grant Circle Survey

35% **of the US workforce are under 35 years old, a number that continues to grow.**

Bureau of Labor Statistics

***Grant Circle is a platform that supports organizations to provide emergency cash grants to employees and community members experiencing unexpected financial hardship. It is operated by Canary Benefits, Inc. and its associated non-profit Canary Impact Lab.**

THE SQUEEZE

Housing is where the pressure lands first

"I'm extremely grateful for the help I received, and I'm glad my little sister and nephews didn't end up homeless alongside me. Getting my grant helped me make sure we could pay the necessary bills we owed, when we were days away from being evicted."

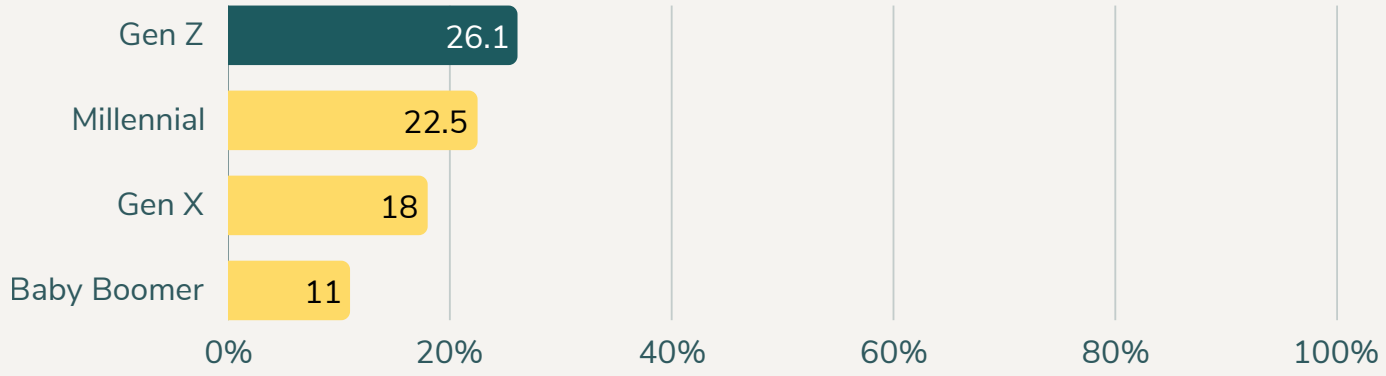
–ANONYMOUS GEN Z GRANT RECIPIENT

Rental affordability remains historically strained for lower-wage workers. The National Low Income Housing Coalition's Out of Reach 2026 puts the national wage needed to afford a modest two-bedroom rental at $34.73 an hour, against an average renter wage of $24.84. That is a gap of nearly $10 an hour, and it hits the workers with the least room to absorb that difference hardest.

This shows up sharply in Gen Z's requests. Eviction or a forced move is the single most common event bringing them to Grant Circle, accounting for 26% of their requests against 11% of Baby Boomers. Additionally, rent or mortgage appears as an expense on 42% of their grant requests, their most common expense category by a wide margin. Utilities and food are the next most requested, appearing on 33% and 26% of requests respectively.

EVICTION OR FORCED MOVE AS A SHARE OF GRANT REQUESTS, BY GENERATION

Share of all requests where the triggering event was eviction or forced move.



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WHY THERE'S NOTHING TO FALL BACK ON

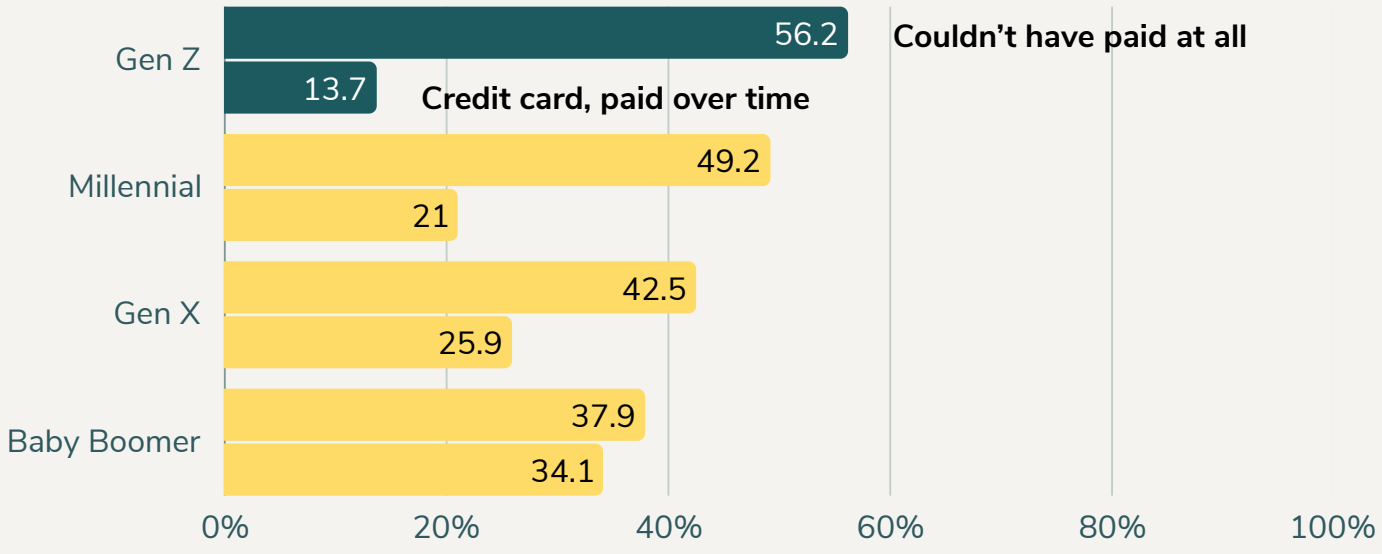
"This grant has been life changing. I truly feel blessed by this organization. Their help has made a hard situation a thing of the past and not something that would burden me for months, if not years, to come. I am forever indebted and appreciative of this grant and everyone at Grant Circle."

–ANONYMOUS GEN Z GRANT RECIPIENT

Gen Z sits disproportionately in the income bands with the least cushion. Two-thirds of Gen Z requesters, 66.3%, earn under $40,000 a year, against roughly 52% of Millennials and Gen X. Asked how they would have covered the expense without a grant, 56.2% said they simply could not have paid, the highest share of any generation. Only 13.7% would have put it on a credit card and paid it off over time, against 34.1% of Baby Boomers. Without savings or credit to cover unexpected expenses, Gen Z respondents have to resort to other means.

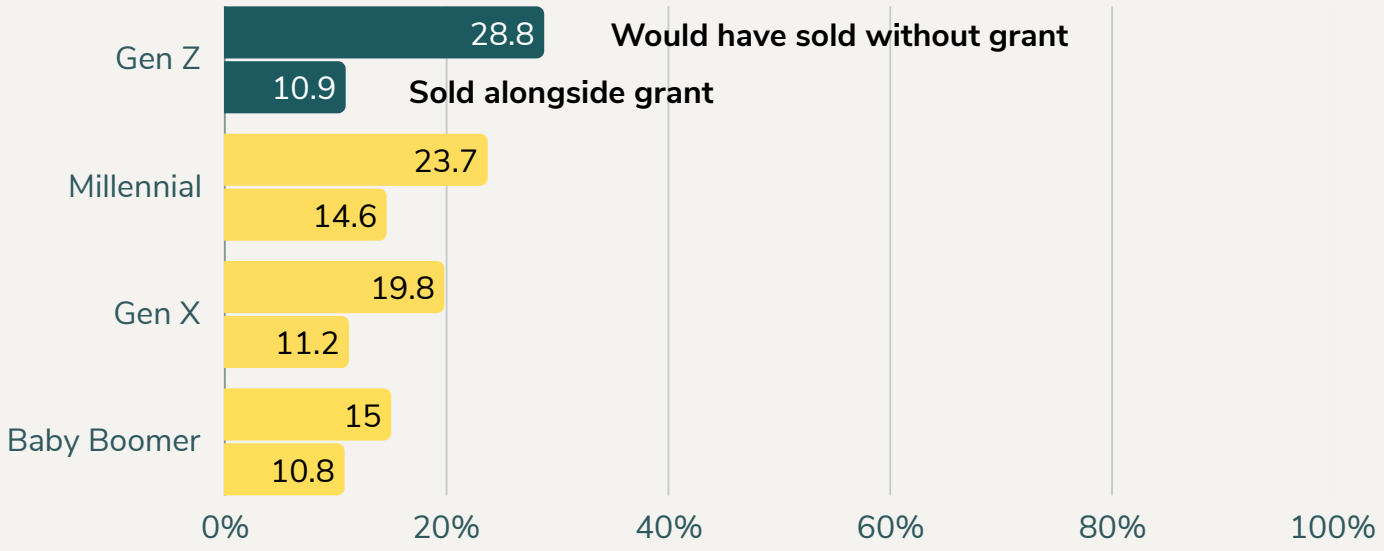
TWO WAYS TO COVER AN EMERGENCY

Q: "If you had not received a grant, how would you have paid?"



WHAT THE GRANT PREVENTS

Share of respondents who said they would have sold possessions to cover the expense against the share who did alongside the grant.



The second chart suggests that in lieu of credit, Gen Z turns to selling possessions to cover their unexpected financial emergency. Without a grant, Gen Z were nearly twice as likely as Baby Boomers to say they'd have sold their possessions. With a grant in hand, the share who actually sold something falls to 10.9%, in line with every other generation.

Despite facing significant obstacles, 86% of Gen Z recipients say they're optimistic they can now resolve the situation that brought them to us, in line with every other generation. For many, a relatively small amount of well-timed cash assistance can make the difference. In fact, 52.3% of Gen Z recipients say the grant fully covered their need.

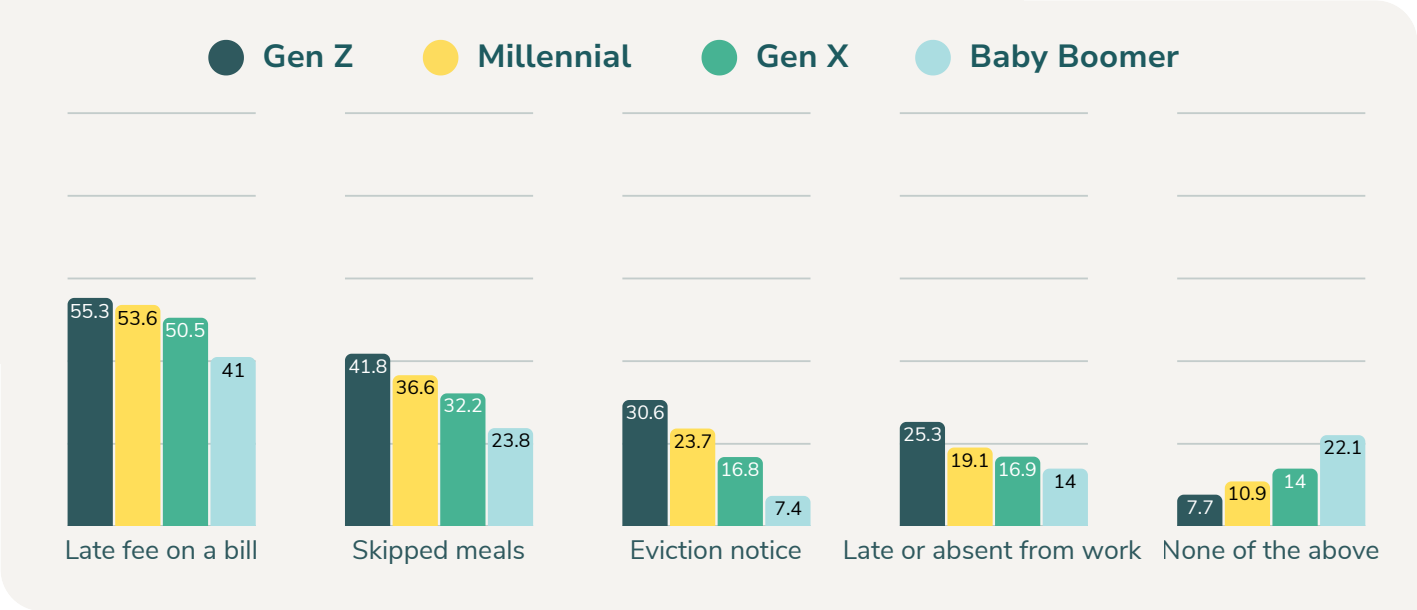
WHY THIS MATTERS TO EMPLOYERS

By the time a Gen Z employee applies for a grant, the situation has usually already done damage. Only 7.7% of Gen Z recipients said none of the listed consequences had happened to them before they applied, against 22.1% of Baby Boomers. Put the other way, 92.3% had already taken a concrete hit.

A quarter of Gen Z recipients, 25.3%, had been late to work or missed a shift because of the hardship that brought them to us, compared to 14% of Baby Boomers. More than 41% of Gen Z respondents had skipped meals before requesting a grant, and more than 30% had already received an eviction notice. Even if employees are still showing up, they don't leave the baggage of a financial emergency at the front door.

WHAT HAD ALREADY HAPPENED BEFORE THEY APPLIED, BY GENERATION

"Before receiving the grant, did any of the following happen because of the financial hardship? Select all that apply." Gen Z n = 376, Millennial n = 2,251, Gen X n = 1,888, Baby Boomer n = 420



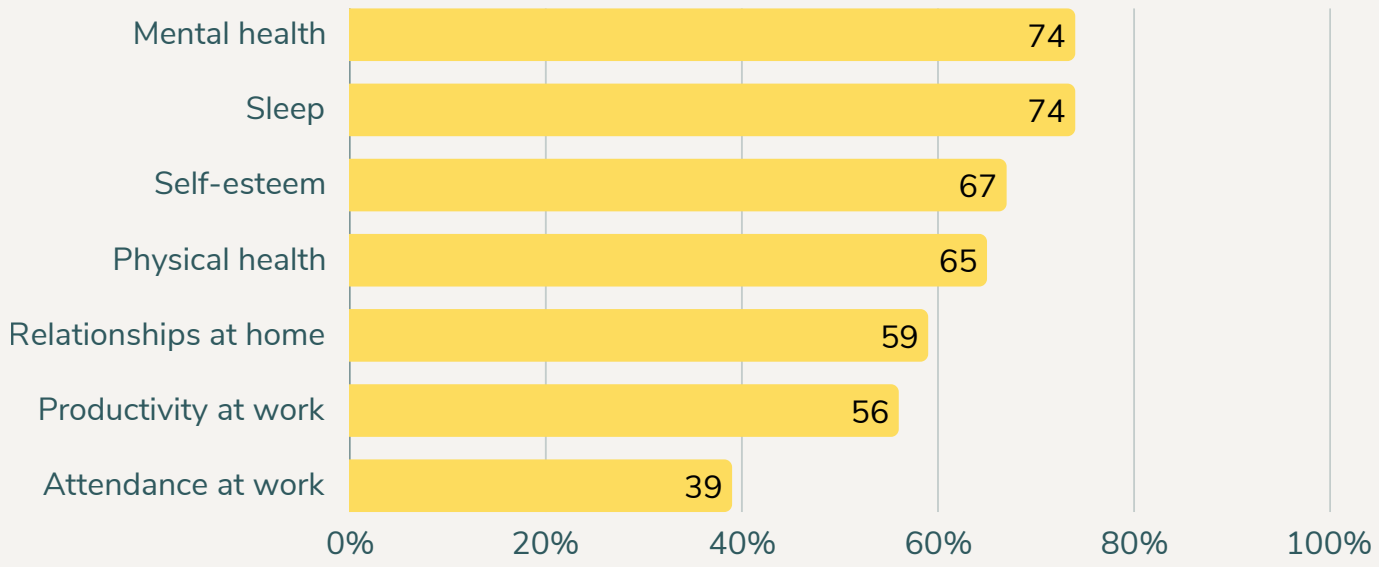
Relief helps to alleviate the absenteeism problem. After receiving a grant, 16.1% of Gen Z said it let them keep working when they otherwise might not have been able to, again the highest of any generation. The emergency pulls people away from work and the money brings them back, and both sides are visible in Canary's own recipient data. Employers can see the impact of grants on attendance, but the effects of hardship are burdening their team well before it shows up as a missed shift.

Independent research also points to high levels of financial stress facing the youngest generation in the workforce.

PwC's 2026 Employee Financial Wellness Survey, fielded in January 2026 among roughly 3,500 US employees, found 59% of workers stressed about their finances, with 71% of Gen Z reporting reduced productivity. The same survey showed that financial stress had negatively impacted several aspects of workers' lives including the mental health and sleep of 74% of respondents. Productivity was affected for 56% of respondents, and 39% said financial stress impacted their work attendance.

FINANCIAL STRESS NEGATIVELY IMPACTS MY...

Q: In the past year how much of a negative impact have financial stress / money worries had on...



Source: PwC's 2026 Employee Financial Wellness Survey, January 2026. Based on 3,344 full-time U.S. employees.

This isn't a small corner of the labor market. Bureau of Labor Statistics projections put workers under 35 at 35.1% of the US civilian labor force in 2025. The 16-to-24 age group, which is entirely Gen Z, accounts for 12.9%. For younger and hourly workers, financial instability is a daily operating condition, and it shapes whether they can get to work, focus, and stay.

Most of the available offerings in a standard benefits stack are crucial for employees' long-term financial success. However, many of these necessary tools also require a foundation to build on. Retirement matching, planning tools, and savings programs assume a baseline of stability much of this generation doesn't have. An employee who can't absorb a $400 car repair won't be reached by an offering that pays off over decades.

WHAT EMPLOYERS CAN DO NOW

1. Audit reach, not just offerings.

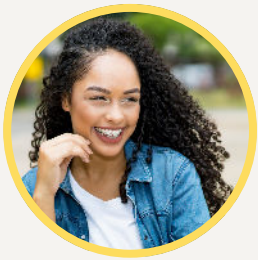
Look at utilization of your existing well-being offerings split by wage band and job type. If hourly and entry-level participation trails salaried, support isn't landing where the need is.

2. Check the size of the gap you're solving for.

Most Grant Circle requests are resolved in the low four figures. Emergency relief is among the least expensive interventions available for the amount of disruption it prevents.

3. Make speed part of the design.

In an emergency, time is of the essence. Take an eviction notice, for example: relief that arrives after the deadline has to solve a different, more expensive problem than the one the employee originally faced.



"I had exhausted all of my options and was on the verge of losing my home when I spoke with my employer about my situation. [They] recommended that I apply for the grant fund, and thanks to that $1,000 contribution, I was able to cover my overdue rent."

–ANONYMOUS GEN Z GRANT RECIPIENT

WHAT'S NEXT

Canary is continuing this research through 2026, with a closer look at how hardship type and response speed shape outcomes across wage bands. Findings will appear in our next annual *Strengthening the Safety Net* report in spring 2027. You can read our most recent Strengthening the Safety Net report here.

METHODOLOGY

Findings draw on two sources. Grant request data covers 27,056 Grant Circle requests from 17,847 requesters between 2023 and September 2026. Survey findings come from Canary's post-grant survey, fielded seven days after disbursement, with 5,094 total respondents. Gen Z bases range from 330 to 379 depending on the question, giving Gen Z estimates a margin of error of roughly ±5 percentage points at 95% confidence. That calculation assumes a random sample, and ours isn't one: respondents are grantees who chose to answer, so the figure is a best case and the true uncertainty is wider. Generations follow Pew Research Center definitions. Workforce composition stats follow BLS age bands, which do not map onto generational definitions. Because Canary's client base includes a growing share of hourly and quick-service employers, generational composition of requesters reflects both employee need and the mix of participating employers, and is not presented here as a population trend. Recipient quotes are published with consent and identifying details removed.

SOURCES

National Low Income Housing Coalition, Out of Reach 2026 (July 2026)
PwC, 2026 Employee Financial Wellness Survey (January 2026; n ≈ 3,500 US employees)
U.S. Bureau of Labor Statistics, Employment Projections labor force by age, percent distribution (2025)
Pew Research Center generational definitions

ABOUT CANARY

Canary is a mission-driven enterprise contributing to the evolution of the 21st century safety net. Through Grant Circle, our employer-sponsored emergency relief platform, we help organizations get the right money to their people at the right time. Founded by Rachel Schneider, co-author of The Financial Diaries.

Visit workwithcanary.com to learn more.

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