MONEY

Worker optimism surges

29% in poll expect their incomes to rise this year

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Americans are significantly more optimistic about their income prospects while their perceptions of their financial well-being have improved modestly, according to Federal Reserve survey results out Wednesday.

Twenty-nine percent of those surveyed expect their income to be higher in 2015, up from 21% the previous year. The annual survey of 5,800 Americans was conducted last fall as part of the Fed's *Report on the Economic Well-Being of U.S. Households in 2014.*

The respondents' bullish outlook on their income is consistent with other reports showing that wage gains are finally picking up after years of stagnation since the Great Recession.

But their views varied by income level. Twenty-two percent of those with less than $40,000 in annual income expect it to be higher this year, vs. 36% of those with incomes above $100,000.

Meanwhile, 65% of adults say their families are "doing OK" financially or "living comfortably," up from 62% in the 2013 survey.

But many people aren't prepared for retirement, with 31% saying they have no retirement savings or pension, including nearly a quarter of those older than 45. And 38% of those still in the labor force say they don't plan to retire or plan to keep working as long as possible.

AMONG THE REPORT'S OTHER FINDINGS:

53% of those surveyed say they could cover a hypothetical emergency costing $400 without selling something or borrowing money.

31% have gone without some type of medical care in the past year because they couldn't afford it.

43% of homeowners believe their house has increased in value the past year.

39% expect home values in their neighborhood to rise in the coming year.

23% have at least some education debt.

31% say they can't qualify for a mortgage. Also, many renters would like to buy a house but can't afford a down payment.

33% who applied for credit in the 12 months before the survey were turned down or given less than they requested.