



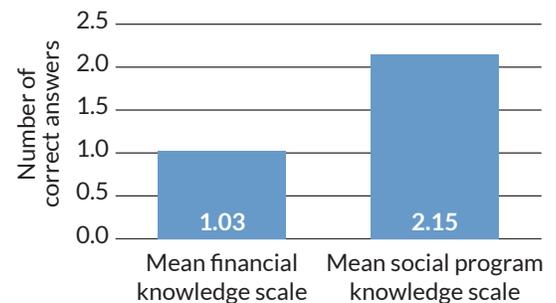
Financial Well-being Among Low-income Asian Older Workers: Evidence from Senior Community Service Employment Program Participants

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This pilot study investigates economic readiness for retirement among low-income older Asian adults. Data was collected from 150 participants of the National Asian Pacific Center on Aging (NAPCA) Senior Community Service Employment Program (SCSEP), an employment and training program for low-income older adults. Participants were surveyed for the study in three locations: Los Angeles, Orange County, CA, and New York City. Most research participants were older immigrants from Asia. The report’s major findings are the following:

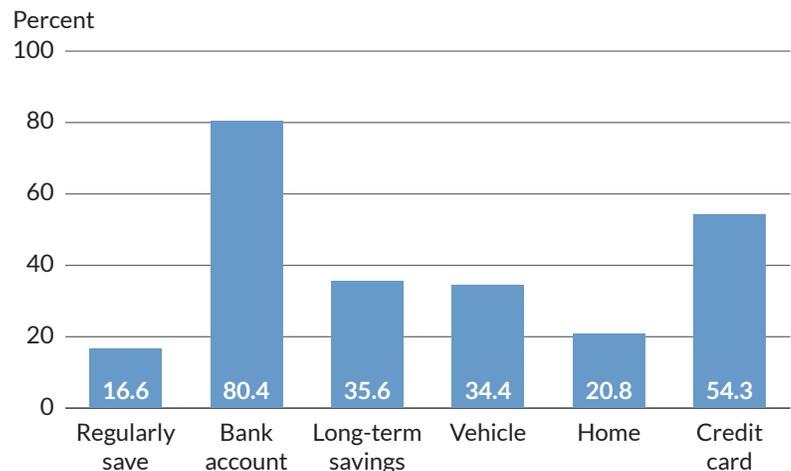
1. NAPCA’s SCSEP participants have very low levels of financial literacy.

- The average number of correct answers to four basic financial knowledge questions is only one.
- The average number of correct answers to five basic questions on Social Security and Medicare is about two.
- Only 40% report that they often keep track of their spending.



2. Asset ownership rates are generally low among NAPCA’s SCSEP participants.

- Only 17% regularly save.
- 80% have either a checking or savings account, partially because of NAPCA SCSEP’s efforts to encourage participants to open a bank account.
- Only one out of three possess long-term savings and vehicle ownership is about 35%.
- Homeownership rate is 20%.
- Only slightly more than half have a credit card.



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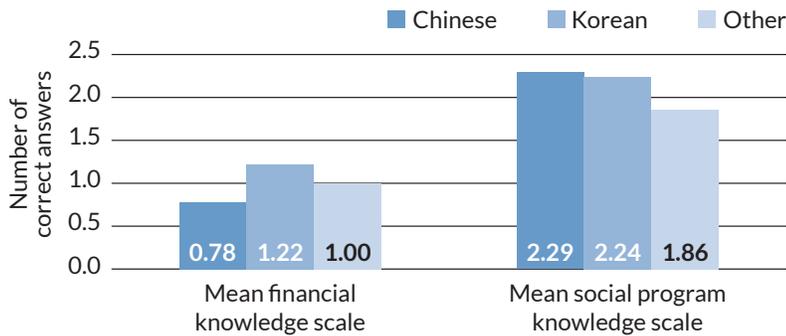
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3. Financial capacity and asset ownership differ across ethnic groups.

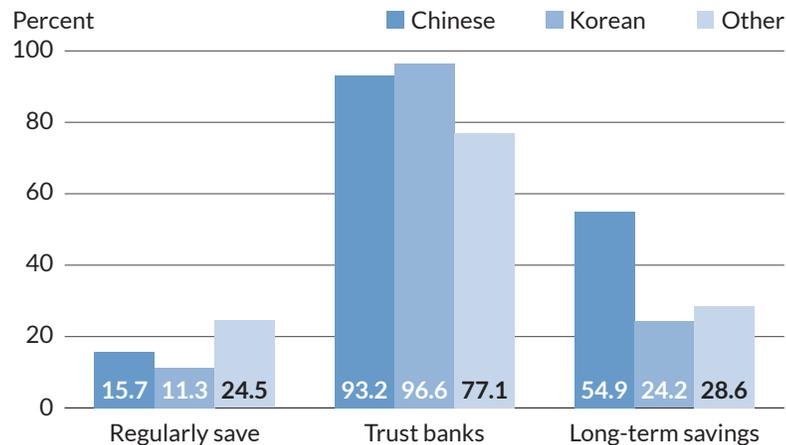
- Korean older adults' financial literacy levels are higher than Chinese and other* ethnic group members, but their financial management practices are poorer.
- Other ethnic group members are less likely than Chinese and Koreans to trust banks, feel welcome at banks, and feel comfortable in opening an account.
- Chinese participants' asset ownership rates of bank accounts, long-term savings, and homeownership are higher than Koreans and other group members.

* Includes Filipino, Samoan, Taiwanese, Thai, and Asian Indian.

Financial Literacy by Ethnicity



Financial Management and Long-term Savings



Conclusion

The findings from this study demonstrate urgent need to develop and implement culturally suitable intervention programs to enhance long-term economic security for low-income older Asian adults, such as financial education and planning services.

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