



FOR IMMEDIATE RELEASE
August 18, 2011

Contact: Katie Bryan
202-939-1018

Statement by America Saves on the Wealth Gap between Whites, Blacks, and Hispanics

Wealth gap highlights importance of saving for low-income households

Washington, D.C. – America Saves issued the following statement on the recent Pew Research Center’s findings that the median wealth of white households is 20 times that of black households and 19 times that of Hispanic households:

“We are disappointed but not surprised to learn that the economic recession took a far greater toll on the wealth of minorities than whites. The Pew Research Center’s report found that about a third of black and Hispanic households had zero or negative net worth in 2009, compared with only 15 percent of white households. These results only reaffirm that creating a culture of savings in America needs to be a top priority – especially among low-income earners. We need to continue to work diligently to encourage people to save or the wealth gap will only widen.

“It is important for all Americans to have savings. Having a savings account allows people to pay for emergencies on their own instead of turning to high-interest credit cards or payday loans. We know that even those of low-to-moderate income can save effectively by saving automatically to pay down debt, build an emergency fund, and save for a home, education, or retirement.

“Our established network of national partners and local community campaigns focuses on the problems that low-to-moderate income earners face by not saving and has developed community-based strategies with partners such as employers, financial institutions, government agencies, schools, and nonprofit organizations to address them.

“We are encouraged by the opportunities that have been created to allow even those of modest means to save. Financial institution partners are providing no-fee and low-opening balance savings accounts; employers are promoting direct deposit and saving automatically, particularly for emergencies; and VITA sites that provide free tax preparation are promoting saving at tax time – when low-income tax payers receive their largest lump sum payment of the year.”

#####

America Saves is an initiative of the Consumer Federation of America involving more than 1,000 non-profit, government, and corporate groups that encourages individuals and families to save money and build personal wealth. For more information, including information in Spanish, visit AmericaSaves.org