

TALKING POINTS

Defending Social Security

The Issue

As the nation confronts its fiscal challenges, especially in the aftermath of the 2008 Wall Street collapse, some argue that the Social Security system needs to be reformed. Specifically, reform proponents suggest that Social Security needs to be cut, if not privatized altogether and turned over to Wall Street. It is a specious argument. Not only is Social Security fully funded with a surplus, the system — unlike stocks and real estate — ensures Americans a secure retirement. That is why NYSUT opposes a federal proposal to a chained Consumer Price Index to determine monthly Social Security payments.

Where We Stand

- Our nation's Social Security system is the foundation seniors and future retirees can depend on for their basic financial security.
- The Social Security system is fully funded for more than two decades. It is the most sound and secure retirement system we have, and far safer than depending on the swings of Wall Street.
- Social Security is funded in full for the next 20 years with a surplus of \$2.6 trillion. And through an adjustment in which everyone pays the same rate on all income, it will ensure that Social Security is funded for decades to come. Dismantling it makes no sense.



When they say:

You say:

Social Security is facing a crisis.

The crisis is not in our Social Security system. The crisis is in the rest of the retirement system: Americans' pensions are gone; housing is down; 401(k) plans are unreliable and at the mercy of Wall Street. Our Social Security system, meanwhile, is fully funded for the next two decades with a \$2.6 trillion surplus.

We have to reduce Social Security benefits now in order to save it, because everyone knows the system is going bankrupt.

Actually, Social Security is sound for the next two decades and if everyone pays in at the same rate on all earned income (including bonuses), it will remain sound for decades to come.

Our looming debt means we all have to sacrifice and any deal must include Social Security cuts.

Social Security did not cause the deficit. We pay into the system separately from taxes, so it is not affected by the deficit. Pulling apart this foundational system is reckless and would leave us all unsafe financially. Rather than dismantling Social security, when it comes to fixing the deficit, millionaires and billionaires should pay their fair share of taxes.

There are not enough workers for the system to support the number of retirees who are now living longer.

We've had had the same ratio for the last 35 years. And, if we have all Americans pay in at the same rate, the system will always be fully funded. It's good news that people are living longer. Rather than dismantle Social Security, a continually fully funded system will ensure people won't outlive their retirement income. After all, they cannot count on stocks or real estate to be there for them.