

Feb. 2, 2005 - Rep. Slaughter Launches Pre-SOTU Offensive to Protect Working Women from Bush...

Rep. Slaughter Launches Pre-SOTU Offensive to Protect Working Women from Bush Privatization Scheme

Washington, DC - Rep. Louise M. Slaughter (NY-28), Ranking Member of the House Committee on Rules, launched a pre-State of the Union offensive Wednesday morning to the Bush Administration's plan to privatize Social Security. The plan, which is seen by many to women in particular, is expected to serve as the focal point of President Bush's State of the Union address this evening.

"If the White House gets what they want, women will feel the horrible consequences the Bush privatization plan has on their pocket books" stated Slaughter. "In my home state of New York alone, 55% of women would fall below the poverty line if their Social Security is cut like the Bush administration is proposing."

Of Social Security beneficiaries 65 years of age or older, women account for 60 percent of those receiving benefits. Because women historically earn less than their male counterparts and have fewer years in the workforce than men they typically have less money to invest in their retirement. The Bush privatization plan only makes their difficult situation worse.

"I had no idea that 'W' stood for Wall Street. President Bush wants to place the retirement needs of millions of hard working women and families in the hands of his corrupt corporate cronies. Have we forgotten about Enron, WorldCom and Global Crossing? We cannot let this happen," stated Rep. Slaughter.

The transitional costs of changing the current system to privatized accounts would range from \$1 to \$2 trillion in the first

year alone. The Bush Administration has attempted to downplay the substantial transition costs by perpetuating the myth that Social Security faces an unavoidable "crisis." This week the Associated Press reported that Social Security estimates have become more optimistic in recent weeks.

"The White House is deceiving the American people. They have yet to tell us how they plan on financing their special interest privatization scheme. Which is it Mr. President? Are you going to cut benefits by almost half or borrow more money from foreign countries?" stated Slaughter.

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Further Documentation:

- Social Security has been one of the nations' strongest, most successful social programs in the last 75 years and has prevented millions of American seniors from falling into poverty.
- Although it is called a "crisis" by the Bush Administration, Social Security actuaries report that the program has adequate funds to pay benefits for at least another forty years.
- The solid Social Security system has never lost a penny, while privatization relies on fluctuating elements such as the stock market. One severe drop in the market could cause hundreds of thousands of seniors who are dependent on Social Security to lose significant portions of their retirement funds.
- If the Republican plan to cut Social Security would take effect today, New York beneficiaries would experience a \$413 drop in monthly benefits, and would lose \$5,808 annually.
- Privatization would gamble with the security of 146,000 residents of Erie County, over 100,000 residents of Monroe County, about 35,000 residents of Niagara, and over 5,700 residents of Orleans County.
- Nearly 60% of all Social Security recipients in New York State are women. The Center for Budget and Policy Priorities estimates that without Social Security 55% of senior women would live in poverty.