

Bowles Simpson Deficit Plan



It's Not the Balanced Approach We Need

Raising the Retirement Age is a Benefit Cut

The Bowles-Simpson plan raises the eligibility age for full retirement benefits to 69½ and early retirement to age 64. This proposal will mean a 15% across-the-board benefit cut for retirees by the year 2080.

- For an average retiree today who earns \$1,250 per month that means a benefit cut of over \$2,000 a year.

Not Everyone is Living Longer & Can Work Longer

Those who support increasing the retirement age argue that people are living longer and therefore, should work longer. While Americans are, on average, living longer, these longer life expectancies are not seen across-the-board. Studies have shown a strong correlation between longevity and income, meaning higher income male workers are seeing most of the increases in life expectancy. In fact, life expectancy at age 65 has increased by only one year for lower-income men, with lower-income women actually seeing declines and upper-income women seeing only modest improvements.

Not everyone is healthy enough to continue to work until nearly 70 years old. Asking millions of Americans to work longer in physically demanding jobs will simply not be possible for many and the Bowles-Simpson "hardship waiver" would be out of reach to millions of Americans who would not qualify.

The Real World for Older Workers

For older workers healthy enough to work longer, the reality of the American workplace is that too often jobs simply do not exist. According to the Bureau of Labor Statistics, workers between ages 55 and 64 are unemployed much longer than their younger competition in the workforce as they fight for jobs in short supply. The Equal Employment Opportunity Commission also reports an increase in the number of age discrimination complaints as seniors feel the pressure of aging in the workforce. Few employers are willing to invest the significant amounts needed to recruit or retain older workers when qualified younger workers are available to fill those jobs. Simply telling seniors to work longer ignores these workplace realities.

Targeting Future Generations - Not Protecting Them

Instead of protecting income security for future generations, raising the retirement age will in fact mean dramatic benefit cuts for younger workers and their families. It will mean especially deep cuts for those who can afford them the least - lower income workers who are less likely to be able to continue working to nearly 70. Cutting benefits by as much as 36% for future generations means Social Security would only replace 28% of their pre-retirement earnings, compared with 49% just decades ago. The recession generation is already suffering from high unemployment, low wages, and economic challenges unprecedented in modern history. Targeting them for massive and unnecessary benefit cuts in their retirement years ignores the economic realities these middle-class American workers will face.

JOIN THE FIGHT

The National Committee to Preserve Social Security and Medicare represents millions of members and supporters nationwide who do not believe Congress should target middle-class and poor families to pay down the deficit. You can add your voice to our fight for common sense fairness and equity.

TELL CONGRESS

Hands Off - No Cuts to Social Security and Medicare. There are many ways you can ensure your voice is heard:

*Write or email Congress
Call via our Free Hotline
Sign Our Online Petition*

LEARN MORE

All the information and tools you need to fight back against Congressional efforts to cut vital benefits to millions of Americans are available at:

thetruthnow.org



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TARGETS FUTURE GENERATIONS FOR CUTS

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