



Hon. Doris O. Matsui
Member of Congress

Doris O. Matsui

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BUSH...REMOVING THE SECURITY FROM SOCIAL SECURITY

(Washington, DC) – Congresswoman Doris O. Matsui (CA-5) issued the following statement in response to President Bush's comments on Social Security reform at his televised press conference Thursday night.

“During his sixty day tour to promote his Social Security ‘reform’ plan, President Bush has been hesitant to offer any details. After last night’s press conference, we can see why, as the President clearly envisions reductions in benefits for tens of millions of Americans.

“It is also important to point out that while the President last night emphasized reductions in benefits for the wealthiest, it is abundantly clear that these benefit cuts will impact many middle class Americans. According to the non-partisan Center on Budget and Policy Priorities, an average wage earner who is 25-years-old today and retires at 65 would see his or her benefits cut by 16 percent. The Center reports that a worker making \$58,000 a year will see his or her benefits cut by 42 percent. These benefit cuts will reach millions of middle class working Americans.

“And, by the way, an often-ignored fact about his proposal is that most retirees will see reductions in benefits without regard for whether they opt for private accounts. That is apparently what the President means by giving people choices: you can choose not to have a private account, but you are not given a choice on the benefit cuts.

“President Bush’s continued insistence on privatization of Social Security is troubling. The private accounts will drain trillions from the Social Security trust fund, making the fund’s solvency problem worse. As a result, privatization will require even deeper benefit cuts than a proposal would that did not privatize the program. The money has to come from somewhere.

“That is why Democrats and a growing number of Republicans are firmly against private accounts. Steep benefit cuts for millions of Americans and shouldering our children and grandchildren with trillions of dollars in debt are no way to deal with the manageable challenges that Social Security faces. Democrats are eager to get to work on this issue, but private accounts simply will not work as part of a solution. Instead, the President’s proposal would multiply Social Security’s problems.”

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