

# **STRENGTHEN SOCIAL SECURITY** **...don't cut it.**

## **Written Statement of the Strengthen Social Security Coalition 1440 G Street NW, Washington DC 20005**

U.S. Senate Committee on Finance  
Subcommittee on Social Security, Pensions, & Family Policy  
Hearing on Examining the Importance of Paid Family Leave for American Working Families  
July 11, 2018

The Strengthen Social Security Coalition (SSSC) is a broad-based coalition of over 350 national and state organizations representing 50 million Americans, including seniors, workers, women, people with disabilities, children, young adults, veterans, people of low income, people of color, communities of faith, and others. We are united in our support of Social Security, a promise made to Americans of all generations. We support expanding Social Security, including adding paid family leave. We strongly oppose, however, proposals that advance paid family leave at the expense of Social Security retirement benefits. It is unnecessary to do so.

The provision of paid family leave is long past due in the United States. All Americans should have access to paid family leave, but paid family leave should not jeopardize anyone's retirement security. Americans are overwhelmingly supportive of paid family leave *and* Social Security. The nation is wealthy enough both to provide paid family leave to all working families and to increase Social Security's vital, but modest, retirement, disability, and survivor benefits.

Social Security was created in 1935 to replace wages lost as a result of old age, so that Americans would have guaranteed income in retirement. In the decades following, Social Security was expanded to protect workers from other events that lead to loss of wages – long-term disability and the death of a family breadwinner. It is a universal social insurance program – nearly all workers pay in, and in return they are eligible for benefits when they experience one of the insured events – old age, disability, or death leaving dependents.

While Social Security successfully covers long-term income losses, our nation, unlike many other countries, lacks a paid family and medical leave system for when workers take time out of the workforce for short-term reasons like having a child, caring for a loved one, or receiving medical treatment. It's long past time for us to join the rest of the world in providing paid family and medical leave.

Proposals, like the Independent Women's Forum (IWF) plan, are harmful to American families. The IWF proposal would allow new parents to take up to twelve weeks of leave with partial

wage replacement – but only in return for delaying their Social Security benefits when it comes time to retire. This “deal” is simply a Social Security benefit cut. Our country is facing a looming retirement crisis caused by the decline of traditional pensions, the inadequacy of 401(k)s, decades of rising inequality and stagnating wages. The last thing American families need is to be forced to cut their future benefits to pay for pressing immediate financial needs like those that occur at the birth of a child. Nor is there any reason to force them to make that choice: we are the wealthiest country in the history of the world. Protecting and expanding Social Security’s retirement, disability, and survivor benefits, while also providing working families with paid family and medical leave is a matter of political will and values, not affordability.

While the IWF proposal is supposed to help women, in reality women would be most hurt. Women’s retirement security would take the biggest hit from this plan because women provide the substantial majority of caregiving, and so, would disproportionately see their own Social Security benefits reduced under this proposal.

Moreover, women disproportionately rely on Social Security. As a result of longer life expectancies, on average, lower-paying jobs, often without access to supplementary retirement plans, and more time out of the workforce caring for family members, women’s average monthly Social Security benefits are already 20 percent lower than men’s. We should be crediting time out of the workforce caring for family members towards the calculation of Social Security, not forcing women to reduce their earned Social Security benefits even further for the invaluable, but monetarily uncompensated work of caregiving.

In addition to forcing new parents who need leave to cut their own future retirement benefits, the IWF plan is also very narrowly targeted to only cover parental leave. It does nothing for those who need medical leave either for themselves or to care for a loved one.

American families can and should have paid family leave and a secure retirement. Every member of Congress should reject the IWF plan and any other plan that tries to disguise a Social Security benefit cut behind the promise of other worthwhile goals. Our coalition, and the American people, will not stand idle as leaders try to dismantle our effective Social Security system in the name of paid parental leave. Rather, we urge Congress to develop a paid family leave system in addition to, not instead of, adequate Social Security benefits.

We look forward to your support in this matter and extend our assistance to create paid family leave while also expanding economic security in the form of increased Social Security benefits for retirees, people with disabilities, children who have lost parents, and others.