



2017 USW Constitutional Convention RESOLUTION

Resolution No. 21

Improving and Protecting Our Social Safety Nets

WHEREAS, the economic security of Canadian and United States workers has declined over the last three decades and remains under threat; and

WHEREAS, the maximum benefit under the Canada Pension Plan is just over \$1,100 per month, less generous than U.S. Social Security and far less than is needed for a dignified retirement; and

WHEREAS, under a recently announced expansion to the Canada Pension Plan the maximum benefit will increase to around \$1,650 per month in 2025, which is an increase from 25% of pre-retirement earnings to 33% of pre-retirement earning, but which is still far less than is needed for a dignified retirement; and

WHEREAS, our Union has long advocated the need for the Canada Pension Plan benefits to be doubled in order to provide universal pension benefits for all Canadians to retire with dignity; and

WHEREAS, Canada does not have a universal drug benefit; and

WHEREAS, in Canada, 80% of union members have pension coverage compared with 27% of non-union workers; and

WHEREAS, when companies in Canada become insolvent, pensions and benefits are not protected with the result that our members are frequently left with reduced pensions, no benefits and unanticipated drug costs; and

WHEREAS, in the United States, politicians and pundits instill fear and uncertainty on the future viability of benefit programs such as Social Security, Medicare and Medicaid. Meanwhile, over half of Americans will not be able to replace enough of their incomes in retirement to maintain their standard of living and the rate of income inequality has grown to levels which are unsustainable for democracy; and

WHEREAS, the rate of pension coverage of union-represented workers is almost twice that of non-union workers in the United States, 51% of the workforce in private industry has no private pension coverage, and 31% of workers report that they and/or their spouse have no savings set aside specifically for retirement; and

WHEREAS, many in the political establishment of Washington D.C. continue to undermine Social Security by questioning its long-term viability of its trust funds and falsely suggest it adds to the U.S. federal budget deficit. Social Security is self-funded through payroll taxes and does not contribute to the deficit. The Social Security trust funds have also been raided to pay for wars or wasteful spending. In fact, during 2016 Social Security was projected to have had a \$16 billion surplus of total income relative to cost. The assault on Social Security is aimed at dismantling the program and cutting benefits, by means such as increasing the retirement age, reducing annual Cost of Living Adjustments (COLA); and slashing the actual benefits for older and disabled Americans; and

WHEREAS, due to the retirement of the baby-boom generation, reduced birth rate of younger generations and increased life expectancy, the combined Social Security trust funds are projected to begin to decline beginning in 2020; the reserves are sufficient to pay benefits to 2034 and on a reduced basis thereafter. However, policy experts estimate that the deficit in the combined trust funds could be eliminated by a 1.29% increase in the payroll tax rates paid by both employees and employers or other combination of adjustments; and

WHEREAS, in 2015, Social Security benefits reached 60 million Americans with 88% of the population age 65 and older receiving Social Security benefits. Among elderly social security beneficiaries, 21% of married couples and about 43% of unmarried persons rely on Social Security for 90% or more of their income. The average Social Security benefit for a retired worker was a modest \$1,348 per month for June 2016; and

WHEREAS, for over 75 years, through good times and bad, Social Security has been the mainstay keeping millions of Americans out of poverty and is continually cited as one of the most efficient and reliable programs administered by the federal government. In its long history of paying benefits, the Social Security Administration has never missed paying a check. Retirees and their spouses do not have to worry about “outliving” their benefits or benefit reductions due to poor investment performance, as Social Security payments continue throughout the lifetime of a worker and his or her survivor; and

WHEREAS, 171 million workers are covered under Social Security; and

WHEREAS, in 2017, the House Republican leadership introduced legislation which would cut benefits for all but the poorest beneficiaries, raise the retirement age to 69, reduce future COLA adjustments and cut Social Security taxes for high-earners. In recent years, Republicans in Congress have also voted in favor of ending Medicare and Medicaid as we know them. Medicare has been a solemn guarantee by the

federal government to provide health insurance to those 65 years and older and is partially funded through payroll contributions of workers. Medicare is a reliable program ensuring that millions of older Americans have guaranteed access to the healthcare they need without the specter of destitution; and

WHEREAS, in addition to the poor, Medicaid provides vital services that seniors depend upon, such as nursing home care and home health aides. About 60% of all Medicaid recipients are elderly Americans in need of nursing home care and most are women. Currently, Medicaid provides critical healthcare coverage to 50 million Americans with the federal government responsible for up to 50% of state Medicaid costs; and

WHEREAS, the expansion of Social Security, Medicare and Medicaid would significantly reduce the rate of poverty in the United States and reduce significant waste within the private retirement and healthcare system.

THEREFORE, BE IT RESOLVED that:

- (1)** In Canada, our Union will continue its fight to improve retirement security through the “Workers First” agenda of legislative change, including better protection for pensions, benefits and other entitlements for workers whose companies go bankrupt so that workers’ entitlements are secured and paid before other creditors.
- (2)** Our Union will continue to work with the New Democratic Party, empathetic provincial governments and other organizations and unions to advocate for a phased-in doubling of Canada Pension Plan benefits.
- (3)** The USW will support securing and strengthening the Social Security system by rejecting efforts to privatize the system, reduce field offices, eliminate the Social Security Disability Insurance program, raise the retirement age, means test benefits and otherwise undermine benefits and by supporting efforts to raise the \$127,200 cap for 2017 on Social Security taxes so all pay their fair share to secure the program’s solvency and strive to ensure that inequities in coverage are addressed.
- (4)** Our Union will join allied organizations and millions of Americans to support securing and strengthening Medicare by rejecting efforts to privatize Medicare by turning it into a voucher program forcing those over 65 to buy health insurance in the private market.
- (5)** We continue to support securing and strengthening Medicaid by rejecting efforts to turn it into a block grant to states or to otherwise reduce or eliminate benefits such as nursing home care and other healthcare necessities.

- (6)** The USW will work with all sectors of the international trade union movement in our solemn duty to stand up to the political parties and forces in defense of the livelihoods of retired workers and the right of all workers to retire in dignity with government guaranteed healthcare benefits.