

**SOCIAL SECURITY PRIVATIZATION
WOULD BE DEVASTATING FOR
HISPANICS!**

TALKING POINTS

- **Social Security is the mainstay of retirement income for Hispanics.** It is estimated that three fourths of Latino seniors depend on Social Security for more than half of their total income. About forty one percent rely on Social Security for all of their income. Without Social Security, the poverty rate for Hispanics would more than triple. Social Security's progressive benefit formula is designed to help low wage workers and workers whose careers are interrupted by periods of unemployment or disability. Furthermore, Hispanics are less likely to have private pensions or savings income than whites. This means Social Security's retirement benefits are particularly important to Hispanics.
- **Social Security's disability and survivor protections are critically important for Hispanics.** Although Hispanics represent about 13 percent of the U.S. population, 17 percent of the workers receiving Social Security disability benefits are Hispanic. Hispanics have a higher work disability rate than other Americans. The most recent Census data showed an overall work disability rate of 11.9 percent compared to 16.7 percent for Hispanics. Thus, Hispanics are more likely to be in need of the disability benefits that the Social Security system provides.
- **Hispanics rely on Social Security more than other groups.** Because Hispanics tend to have lower earnings, higher rates of unemployment, longer life expectancies, higher rates of work disability, and less retirement income from other sources, they are more dependent on Social Security than other groups. With regard to life expectancy, Hispanic men over 65 can expect to live another 20 years, 3 years longer than white men and 4 years longer than African American men. Hispanic women over 65 can expect to live another 23 years, 3 years longer than white women and 4 years longer than African American women. The longer life expectancy of Hispanics means they especially benefit from Social Security's lifetime, inflation-protected retirement benefits.
- **President Bush's plan to privatize Social Security would have a devastating impact on Hispanics.** It would force huge cuts in Social Security benefits for future retirees - a 46 percent cut by the year 2075. These cuts would be extremely devastating for Hispanics because they rely so heavily on Social Security's retirement and disability benefits. Furthermore, because Hispanics have lower wages and more unemployment than whites, they would be less likely to build up significant assets in private accounts. In addition, given Hispanics' longer life expectancy, there is a huge potential for elderly Hispanics to outlive any assets they may accumulate in these accounts. The net result is that millions of Hispanics would be condemned to a sharply lower standard of living!