

SOCIAL SECURITY UPDATE



SOCIAL SECURITY IS FINANCIALLY SOUND

The Social Security program continues to operate on a sound financial basis. Income to the Social Security trust funds is expected to exceed outgo by about \$36 billion this year. Current estimates show that the program will be able to pay benefits into the next century, as is shown in the table below:

Year	Income	Outgo	Amount in Trust Funds
1988	\$259 billion	\$223 billion	\$104 billion
1990	\$309 "	\$255 "	\$200 "
2000	\$0.6 trillion	\$0.4 trillion	\$1.3 trillion
2010	\$1.2 "	\$0.8 "	\$4.5 "

BENEFITS TO 38 MILLION PEOPLE

The number of people who receive Social Security has risen to over 38 million this year. All received a cost-of-living increase of 4.2 percent in January. But Social Security is not just for retired people. Here is how benefits are being paid this year:

- 60 percent goes to retired workers.
- 10 percent goes to families of retired workers.
- 20 percent goes to survivors of deceased workers.
- 10 percent goes to disabled workers and their families.

Social Security is funded through payroll taxes paid by employers, employees, and the self-employed, and not from general revenues. Social Security is not a savings or checking account. Rather, it is a pipeline. Revenues collected from today's workers flow into

one end of the pipe, and flow out the other end in the form of benefits for today's beneficiaries. Any reserves not used for benefits or operational expenses are invested in U.S. Government securities and earn the prevailing rate of interest.

PAID BY THE PUBLIC!

CUSTOMER SERVICE

Providing excellent public service is the hallmark of Social Security. All of our local offices now offer appointments for interviews and other business for your convenience.

A FORCED DEBT!

If you have a question, call us first. Social Security has greatly increased the use of telephone service. Over 37 percent of all claims for benefits are now made by phone, saving time and money and avoiding unnecessary office trips for you. Also, about 30 percent of changes of address and other reported changes are handled by phone. We encourage you to use the phone to transact your Social Security business.

The Social Security system remains in excellent financial condition. Our goal is to continue to provide you with the best possible service for your Social Security needs.

Dorcas R. Hardy
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Commissioner of Social Security

POLITICAL ECONOMIC I.O.U. TRAP!

SOCIAL SECURITY... IT NEVER STOPS WORKING

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OPERATION RIPOFF; "We" (?) will have a \$36 billion surplus this year. How nice. If this "MONEY" is left in the S.S. Account, instead of being "INVESTED", IT WOULDN'T COST ANYONE ANYTHING!

But when this \$36 billion is "INVESTED" in Government Securities; who PAYS the "INTEREST"? YOU DO! Who REDEEMS the "SECURITIES", if and when needed? YOU DO! Or GENERATIONS YET TO BE BORN!

To obtain the "BENEFITS" of this \$36 billion, WE will be FORCED to pay ANOTHER \$36 billion, plus more than \$2.5 billion annual interest!

We will have "REAL SECURITY" when the "TRUST" is \$4.5 TRILLION, I can hardly wait! How about YOU?

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\$4.5 TRILLION OF DEBT!
+ COMPOUND INTEREST
\$ REDEMPTION!