

FRIDAY ALERT



Alliance for Retired Americans

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Spanish version: www.alianzadejubilados.org

Donald Trump's "Wages are Too High" Mentality is an Attack on Social Security

During Tuesday night's Republican presidential debate, **Donald Trump** answered a question about raising the minimum wage by saying that [wages are too high](#). Rather than taking on Trump, **Marco Rubio** and **Ben Carson** helped reinforce that message by stating their own opposition to a minimum wage hike.

"Given the stagnant wage growth in America for everyone but those at the very top of the economic ladder, it is stunning that Donald Trump could say that," said Alliance President **Robert Roach, Jr.** "And remarkably, Sen. Rubio and Dr. Carson were not at all outraged. They seemed to be thinking along the same lines."

According to the [Economic Policy Institute](#), compensation for the median worker (half the workers earn below that amount), adjusted for inflation, grew just 8.7 percent between 1973 and 2014. This comes out to an annual growth rate of a mere 0.2 percent.

"Paying people higher wages for their work means more than just a bigger paycheck for those workers and their families today," added Mr. Roach. "Those higher wages mean increased Social Security benefits for the workers when they retire."

Higher wages would also strengthen the Social Security trust fund for future generations, since those who earn more pay more in Social Security taxes, up to the annual cap of \$118,500.

When Trump first talked about running for president in 2000, he said he wanted to privatize the program and raise the retirement age, even calling the program a Ponzi scheme in his book, *The America We Deserve*.

New Alliance Fact Sheet Explains 2016 Budget Agreement and Medicare Part B Premiums

The Alliance has released a new fact sheet laying out the details of the 2016 budget agreement reached in October between Congress and President **Obama**. The agreement reduces the increases in Medicare Part B premiums for the 16 million Medicare beneficiaries who would have been subjected to a 52% increase in premiums in 2016. Instead, these beneficiaries will see their monthly premiums increase from \$104.90 to \$121.80 next year. The beneficiaries who are protected under the "hold harmless" provision that kicked in from the lack of a Social Security COLA will not see an increase in their Part B premiums.

The budget agreement also protects all beneficiaries from a steep 52% increase in Medicare Part B deductibles from this year's \$147. Under the agreement, all beneficiaries will pay a \$166 deductible next year.

“While this deal is not perfect, we are relieved that it protects millions of seniors from significant increases to their Medicare Part B premiums and deductibles,” said Alliance Secretary-Treasurer **Joseph Peters, Jr.** “We will continue to urge Congress to implement the Consumer Price Index for the Elderly (CPI-E), a more accurate way of calculating Social Security COLAs, so this crisis does not happen again in the future.”

Presidential Politics Complicate Trade Pact

In recent weeks, the Trans Pacific Partnership (TPP) has come [under fire](#) from candidates on both sides of the political spectrum, from **Hillary Clinton** to Mr. Trump. Democratic support was crucial for securing President Obama’s Trade Promotion Authority this summer; however, the current toxic political climate around free trade means those Democratic votes can’t be guaranteed when TPP comes up for a final vote next year.

After notifying Congress on November 5 that he plans to sign the TPP, President Obama has to wait at least 90 days to do so. He then would have to officially submit the deal to Capitol Hill, and Congress would have 90 legislative days from then to vote on the agreement.

“When it comes to prescription drug prices, the last thing seniors need is a trade deal that keeps generics off the market and other increases,” said **Richard Fiesta**, Executive Director of the Alliance. “If the presidential campaign helps keep the TPP from being implemented, we welcome the fortuitous timing.”

It's Never Too Soon To Plan Your 'Driving Retirement'

Seniors’ lives can [change dramatically](#) after they make the decision to give up driving. Transportation remains a huge issue for older Americans. For many seniors, lack of adequate transportation leads to poor health outcomes, isolation, and depression.

A recent report by researchers at Columbia University and the AAA Foundation for Traffic Safety shows that older adults who give up driving are nearly twice as likely to suffer depression as those who continue to stay behind the wheel. However, there are ways to lessen the shock by planning ahead. Seniors advocates and research experts urge families to talk about the likelihood years before it happens and map out transportation alternatives.