

PAUL E. TSONGAS
5TH DISTRICT, MASSACHUSETTS

COMMITTEES:
BANKING, FINANCE AND
URBAN AFFAIRS
INTERIOR AND INSULAR AFFAIRS
AD HOC COMMITTEE ON ENERGY

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Congress of the United States
House of Representatives
Washington, D.C. 20515

January 25, 1978

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Dear :

I appreciate your comments on the social security system. This issue is both complicated and serious enough to warrant a thorough discussion of my position.

As you know, the country has undergone dramatic demographic shifts in recent years. With a declining birth rate, fewer people in the work force and an increasingly large elderly population, the crisis promises to get worse, not better.

There has been an historic unwillingness on the part of Congress to face up to this crisis. Only in the face of bankruptcy has Congress attempted to look at the problem. We are now aware of past instances of poor judgment and management which brought about the present crisis, but that does not change the current situation.

I believe we must have a strong social security program. My preference is a system of contributions where the employer, the government and the individual each provide one-third. In time, I believe that will happen. It also makes sense to provide funds obtained from the more equitable progressive tax structure; to do otherwise is counterproductive to the economy. The proposed tax cut will accomplish this for the interim, although the effects will take longer to be felt.

I voted for the program recently passed by Congress -- not because it is the best alternative -- but because it is better to do something today than allow the system to bankrupt itself.

The new legislation sets up a National Commission on Social Security which will undertake a two-year study and make recommendations for legislative changes. I am sure we will see structural reform of the system including coverage of Federal employees and Members of Congress.

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Page 2

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I opposed coverage for Federal employees in the current legislation because the Ways and Means Committee was negligent in not working out the details of the proposal. The complexities of merging social security and civil service retirement will be studied for two years. During this time, all affected persons will have an opportunity to take part in shaping the details of the merger, with special attention to protecting existing rights of civil service retirees.

As the debate over social security continues, I look forward to hearing your comments and suggestions.

Sincerely,

PAUL E. TSONGAS
Member of Congress

PET/dwp