

# Palzewicz campaign: Social Security not enough for retirement

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**BROOKFIELD, WI**-For seniors relying on Social Security, especially those with no savings, making ends meet is challenging. Workers used to rely on pensions, but that is no longer the norm. Democrat Tom Palzewicz, running for the Fifth Congressional District seat, sees the problem clearly.

“In 2020, the average social security payment is just \$1,500 a month, \$18,000 annually. I can’t imagine having a healthy and economically sound life off of that kind of money,” said Palzewicz. “Pensions have been dwindling, and 33% of workers have no kind of workplace savings vehicle. So they’re careening towards these lackluster social security payments without any safety net in place.”

“There’s another disturbing fact. 70% of those who reach 65 are eventually going to need some kind of long-term care, which isn’t covered by Medicare. Sadly, 20% say that they will never be able to retire. So they’re going to continue working. The age of 65 has been considered the ideal retirement age, but that may no longer be possible.”

When the Roosevelt Administration passed the Social Security Act in 1935, the average age expectancy for a man was much lower than it is today. Palzewicz believes the Social Security program needs updating and adjustment.

“The idea of the program has changed over time. It became a retirement plan for a lot of different people. The average monthly check is around \$1500, which is not a number people can retire on. We have not addressed the picture of retirement in this country. We started down the road with unions who created pensions, which became more of a norm in many large corporations, which was where most people worked. But for companies without pensions, the idea of building a nest egg is not

going to happen.

“When I worked at FirstStar (now US Bank) I was covered by a pension, but they stopped that in the mid- to late-nineties. The idea behind the 401k is to give us this opportunity for us to save for our own retirement and companies could put some matching dollars in, and this would be the new retirement plan. The problem is when they got rid of pensions, they didn’t bump up salaries to cover the impact of what we’d have to put into our 401k. They just got rid of pensions.”

An after-effect of eliminating pensions, many people made the decision not to participate. Companies made it easy for people to borrow out of their 401k. At present, approximately 40% of people have a 401k, and few are covered by pensions.

“In fact, one of the big issues that labor continues to push for is the pension benefit guaranty corporation, which is a quasi-government entity, but it is not funded to the level it needs to be because companies that go out of business who have pensions, don’t legally have to fund those pensions, even though they’ve been promised to workers.”

Palzewicz understands the need to provide for American workers, but that will require a rework of the way we look at retirement.