



International Association of Machinists & Aerospace Workers

IAM Supports Legislation to Protect, Secure, and Improve Social Security Benefits

It is the IAM's firm belief that after a lifetime of hard work and dedication, working people should be able to retire with dignity and economic security. Preferably, a worker's retirement income stream should be derived from three sources - social security, a defined benefit pension, and the retiree's personal savings. Unfortunately, there are many powerful interests, from profit-obsessed corporate decision makers to unfeeling conservative ideologues, who aim to erode our path to a secure retirement. **The Machinists Union continues to fight on every battlefield where the retirement security of our members is in jeopardy.**

For decades, Social Security has delivered guaranteed, lifetime benefits without interruption to generations of Americans. These beneficiaries earned their Social Security by contributing into the system with every paycheck. Nearly sixty-five million older Americans, people with disabilities and family members of deceased workers – one out of every five households – relies on Social Security. Additionally, nearly 182 million active workers contribute to Social Security with every paycheck through payroll taxes. The Machinists Union firmly believes full Social Security benefits must continue to be paid to all current beneficiaries and to all active contributing workers once it is their turn to enjoy retirement. However, in the 118th Congress a growing number of legislators are promoting ideas that put these earned benefits at risk.

The Machinists Union strongly believes that in order to continue to provide retirement security for current and future generations, Congress must strengthen and expand Social Security by increasing benefits, rather than reducing them. The Machinists Union categorically opposes any attempts to reduce Social Security benefits, and we oppose any policy prescriptions that will lead to the weakening of the Social Security system. This includes policy proposals to raise the full retirement age, partial or full privatize the program, or the creation of “special commissions” or “expert panels” to make decisions that adversely affect Social Security and its beneficiaries.

In order to continue to provide retirement security for current and future generations, it is time to strengthen and expand Social Security and increase benefits. **The Machinists Union strongly supports federal legislation that increases Social Security benefits, extends the solvency of the Social Security Trust Fund, and repeals the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO).**



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IAM Supports Protecting Negotiated Pensions for Federal Contract Workers

As the largest defense union in the United States, the International Association of Machinists and Aerospace Workers (IAMAW) represent tens of thousands of private sector government contract workers working under the Service Contract Act (SCA) on military bases and Department of Defense (DoD) installations across the country.

These highly skilled Machinists Union members work side-by-side with their federal worker counterparts providing essential services to the federal government and our men and women in uniform. Federal workers are typically employed by one employer across their career in government, the federal government. In contrast, federal contract workers are very often forced to transition from employer to employer as the service contract they work under is awarded to a new “successor contractor” every 3 to 5 years each time the federal contract is recompeted.

We applaud President Biden for issuing Executive Order 14055, which requires successor contractors who are awarded federal service contracts to rehire qualified employees employed under the predecessor contract. This language ensures that as these service contracts transition from employer to employer, these worker’s jobs are protected. The language also ensures that the government retains the benefit of skilled and seasoned workers over the course of time.

This Executive Order rightly protects their jobs from these frequent changes in employer, but unfortunately the continuity of their employer-provided benefits are still not protected. This issue is most apparent when it comes to employer-provided pension plans. Very often these unionized SCA workers forgo wages to negotiate a defined-benefit pension plan with the contractor. These often come in the form of a Taft-Hartley multiemployer pension plan.

Unfortunately, when SCA contracts are recompeted many applicant employers will underbid the contract in order to win the competition. Then they are forced to cut costs, typically on the backs of the SCA workforce, and typically the pension plan is the first thing to get cut.

Eliminating an existing pension plan is highly detrimental. It wreaks havoc for the worker’s retirement security- often resulting in the elimination of earned benefits if the worker has not met the vesting requirements (typically 5 years). It also makes it very difficult to recruit and retain a highly skilled, consistent workforce to the detriment of the government’s mission and purpose.

For all of these reasons, we urge you to support legislative, regulatory or administrative action to protect the negotiated defined-benefit pensions and other retirement benefits of federal contract workers.