

Social Security recipients will see 2 percent boost in 2018

WASHINGTON (AP) — Millions of Social Security recipients and other retirees will get a 2 percent increase in benefits next year, the largest increase since 2012, though it comes to only \$25 a month for the average beneficiary.

The cost-of-living adjustment, or COLA, affects benefits for more than 70 million U.S. residents, including Social Security recipients, disabled veterans and federal retirees. That's about one in five Americans.

The Social Security Administration announced the COLA Friday.

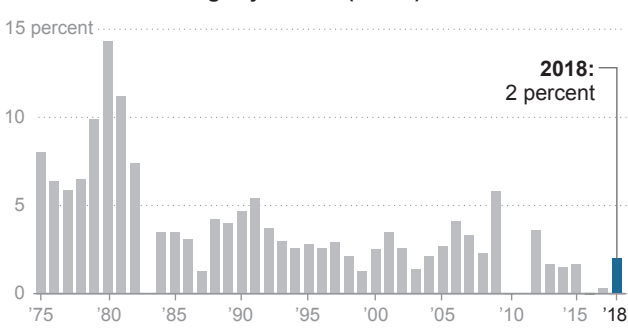
By law, the COLA is based on a broad measure of consumer prices generated by the Bureau of Labor Statistics. Advocates for seniors claim the inflation index doesn't accurately capture rising prices faced by seniors, especially for health care.

"It doesn't make your life any easier. It's really made it tight," said Barbara Bogart, who retired from a home health care company. "You

Boost in Social Security benefits

Social Security trustees predict recipients will get a 2 percent automatic benefit increase in 2018, the largest since 2012.

Annual cost of living adjustment (COLA) since 1975:



NOTE: The 1983 adjustment was delayed until January 1984; there were no increases in 2010, 2011 and 2016.

SOURCE: Social Security Administration

AP

have to be so careful to make it each month."

Bogart, 75, who lives near Indianapolis, said she gets less than \$1,000 a month from Social Security, her only source of income.

"I have all the normal costs that people have. I have groceries, gas for my car," she said. "I have to be

cautious."

Some conservatives argue that the inflation index is too generous because when prices go up, people change their buying habits and buy cheaper alternatives.

Consumer prices went up only slightly in the past year despite a recent spike in gasoline prices after a series

of hurricanes slowed oil production in the Gulf Coast, said Max Gulker, senior research fellow at the American Institute for Economic Research.

"For the most part, there was a decline in energy prices for a lot of the year," Gulker said. "But at the end of the year we saw that uptick in gas from the hurricanes."

The average monthly Social Security payment is \$1,258, or about \$15,000 a year.

Congress enacted automatic annual increases for Social Security in 1975. Presidents often get blamed when increases are small or zero. But President Donald Trump has no power to boost the increase, unless he persuades Congress to change the law.

In 2009, President Barack Obama persuaded Congress to approve one-time payments of \$250 to Social Security recipients as part of an economic stimulus package.

Over the past eight years, the annual COLA has aver-

aged just above 1 percent. In the previous decade, it averaged 3 percent.

Multiple years of small or no COLA reduces the income of retirees for the rest of their lives, said Mary Johnson of The Senior Citizens League.

"Think about the length of a retirement period. Eight years is about a third of a (healthy) retirement," Johnson said. "It's squeezing them. It's causing them to dip into savings more quickly. The lifetime income that they were counting on just isn't there."

The COLA is based on the Consumer Price Index for Urban Wage Earners and Clerical Workers, or CPI-W, a broad measure of consumer prices. It measures price changes for food, housing, clothing, transportation, energy, medical care, recreation and education.

The cost of medical care has gone up by 1.5 percent over the past year, according to the September report released Friday. Housing

prices are up by 2.8 percent while the cost of food and beverage has gone up by 1.2 percent.

Gasoline prices are up 10 percent from a year ago, according to AAA, though they have dropped in the past month.

The COLA is calculated using the average CPI-W for July, August and September, and comparing it to the same three months from the previous year.

Social Security is financed by a 12.4 percent tax on wages, with half paid by workers and the other half paid by employers. Next year, the maximum amount of earnings subject to the Social Security tax will increase from \$127,200 to \$128,700.

About 175 million workers pay Social Security taxes. Of those, about 12 million workers will pay more in taxes because of the increase in taxable wages, according to the Social Security Administration.

BRIEFLY

Greg Smith to address Heppner chamber

HEPPNER — Rep. Greg Smith is the special speaker for the upcoming Heppner Chamber of Commerce meeting.

The no-host luncheon event is Thursday, Oct. 19 at noon at Heppner City Hall, 111 N. Main St. The meal, which is catered by Bucknum's, features chicken bacon ranch wraps, chips and a cookie. The cost is \$10.

In addition, Kimberly Lindsay will share about an upcoming concert featuring Christopher Duffley. Sponsored by Community Counseling Solutions, the free event is Sunday, Dec. 10 at 6:30 p.m. at Heppner High School.

Those planning to attend the luncheon are asked to RSVP by Tuesday to ensure there's enough food and seating. For more information or to register, contact 541-676-5536 or heppnerchamber@centurytel.net.

Big River tees off for 10 years

UMATILLA — Big River Golf Course in Umatilla is swinging into celebration mode as it announces a 10-year anniversary event.

People are invited to pack the clubhouse Monday, Oct. 30 from 5-7 p.m. at 709 Willamette St., Umatilla. Golfers are encouraged to register for their 2018 memberships prior to the event to be entered into a drawing for a chance to receive a \$300 refund on membership dues. The drawing will be held at the anniversary event at 6:45 p.m.

For more information, contact Megan Olsen at 541-922-306 or megan@golfbigriver.com.

Downtown alliance seeks volunteers

MILTON-FREEWATER — The Milton-Freewater Downtown Alliance invites people to stay abreast of what's happening in town and to get involved.

The alliance has several committees people can join to help. Focus areas include organization, planning, design and marketing.

For more information, contact Jenny Camarena or David Shannon at 541-969-4485, mfd.director@gmail.com or visit www.mfdowntown.org.

Lobbying group challenges Oregon's retirement savings plan

EUGENE (AP) — An Oregon program designed to help workers whose employers don't offer retirement plans to save money is under fire as a national lobbying group filed a lawsuit against it.

The Register-Guard reports that the industry committee on the Employee Retirement Income Security Act filed the suit on Thursday in federal court, seeking to block a reporting requirement that OregonSaves imposes on businesses that already offer retirement plans to employees.

Committee officials say the compliance reporting requirement is a burden on employers and the state is reaching beyond what federal law allows.

State Treasurer Tobias Read says Oregon has worked with companies to ensure the program "is simple, smart and works well for everybody, because the bottom line is that we want to make it easy to save."

Fiat Chrysler recalls 470,000 vehicles for headrest problem

DETROIT (AP) — Fiat Chrysler is recalling nearly 470,000 older vehicles worldwide to fix a problem with headrests that can malfunction in rear collisions.

The recall covers certain 2012 Jeep Liberty SUVs and 2012 and 2013 Chrysler 200 and Dodge Avenger midsize sedans.

Fiat Chrysler says a safety restraint control computer can degrade after several years of use. That can stop the headrests from moving forward in a crash to protect front-row occupants from whiplash injuries.

The company says it's not aware of any related injuries. Owners will be notified in November. Dealers will replace the control computers at no cost to owners.

Gains for tech help U.S. stocks higher, but insurers skid

NEW YORK (AP) — U.S. stocks finished mostly higher Friday to wrap up a subdued week, and technology companies did most of the heavy lifting. Investors were also pleased to see that shoppers spent more money in September.

Printer and PC maker HP sent technology companies higher after releasing a strong profit forecast for next year. Big names like Intel and Facebook also rose. Companies in retail, travel and entertainment moved up after the Commerce Department's report on retail spending. Health insurers and hospital operators skidded after President Donald Trump said he will stop government payments to insurance companies under the Affordable Care Act.

The Standard & Poor's 500 index added 2.24 points, or 0.1 percent, to 2,553.17. The Dow Jones industrial average picked up 30.71 points, or 0.1 percent, to 22,871.72. The Nasdaq composite gained 14.29 points, or 0.2 percent, to close at a record high of 6,605.80. The Russell 2000 index of smaller-company stocks slid 2.51 points, or 0.2 percent, to 1,502.66.

Idaho-Oregon bulb onion crop smaller, prices higher

By SEAN ELLIS
EO Media Group

NYSSA — The onion crop in the Treasure Valley of Idaho and Oregon will be significantly smaller this year but growers are seeing prices that are much higher than normal.

"Yields are definitely down and size is off a little bit but prices are significantly better," said Bruce Corn, one of the 300 farmers in the area who grow the Spanish bulb onions the region is famous for.

Most growers and shippers the *Capital Press* spoke with said yields will be off 20-30 percent this year. Size profile is also off and fewer colossals and super-colossals, the largest bulb onion sizes, will come out of the region this year.

But prices are way up. For example, a 50-pound bag of jumbo yellow onions is selling for \$10-11 right now, up from \$5.50 to \$6 this time last year.



Sean Ellis/Capital Press

Onions are sorted Sept. 28 at a processing facility near Nyssa. The bulb onion crop in the Treasure Valley area of Idaho and Oregon will be smaller than normal this year but prices are up significantly.

"As you drive around, there are a lot of empty bins," said Paul Skeen, president of the Malheur County Onion Growers Association. "The bottom line is prices are up because there is a shortage."

Buyers from Mexico are purchasing a lot of

onions right now and that's also impacting the market, said Snake River Produce Manager Kay Riley.

"The market is about as good as we've seen it for this time of year," said Riley, the marketing order chairman for the Idaho-Eastern Oregon Onion Committee.

Corn said the higher prices mean grower returns will be much better this year, despite the smaller crop.

"Last year, we had incredible yields but low prices. There was no return after you paid packing charges and storage," he said. "This year is significantly better that way."

Although this year's crop is much smaller than normal, quality is excellent, said Murakami Produce Manager Grant Kitamura.

"They are coming in in really good shape," he said. "They are beautiful."

Kitamura said it's likely the higher prices will hold throughout the year, which typically happens during a year with limited supply.

"You could see higher prices later; I don't know for sure," he said. "But I can't see them going down. Overall, we're hoping for a lot better year than we had last year."



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