

Fisherman Orloff, Family Helped by Social Security

Monthly social security benefits are now going to the Gust Orloff family of Port Moller as a result of his cannery work and individual efforts from commercial fishing.

Lee R. Christensen, Juneau District Manager, explained that Gust Orloff has given his written permission for the use of his name and social security story to assist others in understanding the social security law. Social security records are kept confidential and can only be released upon written authorization.

Gust Orloff, his wife and four minor children are presently receiving a monthly benefit check of \$154.40. This monthly benefit is based on Gust's past cannery work and self-employment income from his fishing ventures.

Christensen says that monthly benefits are an earned right and are based on the annual average earnings of a worker or self-employed person over the years before he reaches retirement age. Monthly benefit payments are insurance pay-

ments to replace loss of earnings due to old-age retirement.

In addition to Gust's own old-age benefit, added benefit amounts are paid to his young wife and minor children. Christensen points out that the wage-earner and his dependents are all insured against loss of earnings due to the breadwinner's retirement brought on by old-age.

Gust's retirement from employment resulted when the Pacific American Fisheries cannery in Port Moller shut down after the 1963 season. However, Gust still fishes commercially each summer season but he and his dependents would still be entitled to monthly benefits during the other nine months when Gust does not fish.

Christensen points out here that any social security beneficiary is entitled to a full monthly check when he either does not earn more than \$100 from employment or when he does not actively engage in operating his business.

Should Gus's profits from fishing at the end of each year not exceed \$1,200, then he and his family would still be entitled to a full monthly check for the three months that he actually fished. Only when a person's earnings exceed \$1,200 does one begin to lose some benefits during the months of actual work or self-employment activity.

Christensen said that Gust had been reporting the profits from his fishing business over the years which gave him more social security credits and higher benefit payments.

Anyone who operates a business and clears at least \$400 a year gains social security credits by paying the self-employment tax on his business profits at the end of the year.

Many Native people are unaware that profits from their fishing, hunting, trapping, and selling of artifacts are considered business income and as such subject to the self-employment tax.

The Social Security folks got wind of the Orloff's entitlement to benefits when Jim Mara, the roving social security representative, made one of the rare visits to Port Moller and discovered that the Orloffs were the only family residing there.

Upon learning that Gust had reached retirement age and was no longer working steady due to the cannery shutdown, Mara immediately solicited claims from Gust and his family and the wheels started to roll.

Since all applications for benefits are retroactive 12 months, Gust and family were paid back one full year. His initial check was for \$1,852.80.