

# You, too, Can Afford to Retire on Social Security Benefits--If You Can Operate a Turpentine Still

**Editor's Note:** Can you stretch \$75 a month, plus your social security, into a living these days? You can if you run a cotton gin, or a turpentine still, or go fishing (except for halibut and salmon) or hold public office. But for a lot of others, the retirement dream isn't helped much by present social security rules. That's why 170 bills in Congress propose that something be done about it.)

By CLARKE BEACH  
AP Newsfeature Writer

WASHINGTON (AP)—Congress may soon do something to help along that dream of yours about retiring on your social security when you're 65.

You know how the dream goes: You'll take your social security and piece it out by running a tourist home in California, or maybe Florida ...

Or live the year around at that waterside resort where you spend your vacations and hire out your motorboat for fishing parties ...

Or maybe do a little farming or real estate work.

Trouble is that, as of now, you can't count too much on Uncle Sam's cooperation. Under present law you probably wouldn't be able to earn any kind of a substantial income at the same time you draw social security checks.

Those social security taxes that are taken out of your pay check simply are not buying anything comparable to a private annuity.

If you earn more than \$75 a month in employment "covered" by social security, you can't get any social security retirement benefits—not until you are 75. Nor can you get them if you earn more than \$900 a year in self-employment (that figures out at \$75 a month, too) except in certain activities.

**Coverage Spreads**  
The trend for years has been to put more employment and self-employment under social security. One of the last things President Eisenhower did before Congress adjourned was to propose that some 10 1/2 million more persons be covered. Congress probably will go along at least part way on this.

On the other hand there's a growing movement in Congress to permit persons drawing social security old age benefits to earn as much as they please in any kind of work. Twenty-five bills were introduced in the last session to permit this.

All told, 170 bills dealing with the income of the aged are being studied by a House Ways and Means Subcommittee.

**Would Raise Limits**  
Forty-four of the proposals would raise the limit on what you can earn in covered employment to amounts ranging from \$100 to \$250 a month instead of the present \$75.

The Ways and Means Committee plans to make some recommendations before the next session of Congress opens. I was told "the pressure is terrific on this—people all over the country are writing their congressmen," and it seems fairly

certain the ceiling will be raised to some extent.

However, Congress probably will take a long, hard look at the cost. Robert Ball, acting director of the Old Age and Survivors Insurance (OASI) Bureau, estimates that if the limit on earnings of the aged were abolished the cost of retirement benefits would increase by \$1,400,000,000 or 50 per cent a year.

**Many Working**  
"About 1,431,000 persons who have social security insurance and are 65 or older are still working," he said.

"If they were permitted to draw retirement benefits and keep on working, social security taxes would have to be raised, or benefits payments to widows and children or the money would have to come out of general treasury funds."

"The social security system was never designed to enable people to earn substantially and still draw benefits. Of course, if the American people are willing to pay for that kind of system, it's up to them."

So, at present anyway, your retirement dream hinges in finding a way to make a supplementary income which is not covered by social security.

**To Aid Farmers**  
You might buy a farm and run it yourself, since the self-employed farmer is now exempt from social security. But this might not last. The Eisenhower proposals would blanket farmers into the system.

You could buy and operate a cotton gin or a turpentine still. Those two industries, curiously, were exempted from the coverage of the act.

You could be a notary public. That work is exempted, as are all public appointive or elective offices. You might become a justice of the peace, sheriff, marshal, register of deeds, city councilman, mayor, governor, member of Congress, even President of the United States.

Employees in the fishing industry are in general exempted from the \$75 limit. You couldn't use your own motorboat to take out fishing parties and earn over \$900 a year, but if you could get some other boat owner to hire you, you could earn as much as he'd pay you.

**Jobs Covered**  
But don't get a job fishing for salmon or halibut, and don't work on craft of more than 10 tons. Those jobs are covered.

You might get work with a foreign government, either in this country or abroad. Or with the United Nations or some other international organization. They are all exempted.

Most employees in charitable and religious organizations are now exempted. The clergy and other professions are, too, but could you suddenly become a doctor, minister or lawyer at 65?

Here's one tip that might save you a lot of money:  
If you work after retirement, you lose your monthly social security check only for the months in which you make over \$75.

Suppose you are drawing \$85 a month in OASI benefits, the maxi-

um for one person, and you write a book—or a play or a song, or invent a gadget of some kind—in three months.

You send it to your agent and do no more work, ever. You can collect royalties or fees for years afterwards but social security still will dock you for only three months—\$255.

**Changed After 75**  
Another bright spot in the picture: You can still work when you're 75, it makes no difference to Uncle Sam how much you earn or where you work. No matter what you do, your OASI checks will be mailed you the rest of your life.

The truth about social security is that it is primarily disaster insurance. The maximum family benefit of \$168.75 a month could be a godsend to your wife and children if you died before reaching 65. If you become incapacitated for work in the uncertain tomor-

row, it might be a blessing to you in your old age.

For persons who have earned \$3,600 a year or less, the retirement benefit could offer a relatively adequate income—perhaps from \$1,000 to \$2,025 a year, depending on the worker's average earnings and number of dependents.

But the maximum payment of \$2,025 wouldn't be acceptable to a person in the upper middle income bracket, say above \$7,500 a year. To retire comfortably, he would have to supplement his OASI benefits with substantial earnings or have other income, such as a private pension or returns from investments. The law puts no limit on these.

**Percentage Computed**  
Milton A. Ellis, assistant vice president of the Metropolitan Life Insurance Co., told me his organization reckons an adequate retirement income at 40 per cent of a man's salary.

## Oregon Seasonal Employment Lagging Below That of '51, '52

Seasonal employes in Oregon in September this year total approximately the same number as in September a year ago, but the figure is slightly below the all-time top registered a month earlier, records of the State Unemployment Compensation Commission here disclosed Saturday.

Both the number of job seekers and insurance claimants continued considerably above recent summers but were lower than in 1946 or 1949. Unfilled job openings reported by State Employment Offices were highest this year except for June but were below similar post-war periods with the single exception of 1949.

Employment in Oregon's main seasonal activities—lumber, construction, agriculture and food processing—is lagging somewhat below similar figures for either 1951 or 1952. Lateness of 1953 crops may serve to increase earlier job reports in some lines but construction operations were not expected to equal the peaks of 30,000 in each of the most recent summers, officials said. Nor will the entire lumber and logging industry attain the 90,000-plus figures reported in every year since the Korean action started.

Steady gains in lesser trade, services and manufacturing lines have offset partly losses in main seasonal groups. Merchants reported retail employment fully up to similar periods in recent years while some service lines such as resorts, amusements and repair shops showed an uptrend. In miscellaneous manufacturing, metals and machinery were higher

than in other summers but were balanced by layoffs in furniture and ship repairing.

The number of job seekers dropped 3,000 in August to 21,500, the lowest reported this year by local employment officers but about 50 per cent more than in September, 1950, 1951 and 1952. Nearly 40 per cent of these were women.

**In Portland Area**  
More than half of those looking for work were in Multnomah County while another thousand were counted at nearby Oregon City and Hillsboro. Biggest drops in unemployment during August came from Western Oregon farm areas, especially the Salem section, Hillsboro, Corvallis, Lebanon and Medford. The Ontario and Milton-Freewater areas were busiest. Baker, Hood River, Klamath Falls, La Grande and Roseburg reported more idle workers than a month before.

The busy harvest period had little effect on the number of covered workers asking for compensation, the records show.

Claimants from lumber operations are nearly double those of last summer while from construction and most smaller manufacturing groups the uptrend was from 25 to 50 per cent.

Unemployment payments for the first eight months of 1953 reached \$13,274,191, an increase of more than 20 per cent over a year ago and highest for this period with the exception of 1946 and 1949. With the gain over recent years becoming more pro-

"Under present income tax and social security laws," he said, "a pension of 40 per cent of final pay would result in something like 50 to 60 per cent of take home pay, and even a higher percentage if costs of commuting, clothing, lunches and so forth are considered.

Such estimates help to explain some significant statistics which the OASI bureau has compiled:

1. In a survey of persons drawing OASI checks, it was learned that only 4 per cent retired voluntarily in good health. Nearly all the others either lost their jobs or were physically unable to work.

2. Of the 525,000 insured workers who reached 65 in 1952, only 230,000—considerably less than half—retired and applied for OASI benefits.

That would seem to recognize that in these days, \$75 a month isn't much.

Now if there were only more turpentine stills ...

## 2,000 Mining Men Due at Convention

SEATTLE (AP)—Nearly 2,000 North American mining men and U.S. and State government officials will gather in Seattle Monday for the opening of the 1953 Metal and Non-metallic Mining Convention of the American Mining Congress.

The convention program includes discussion of U. S. government mineral policies, public lands, labor relations and manpower matters, uranium production and international gold silver and monetary policies.

Government officials who are scheduled to appear before the convention include Felix E. Wormser, assistant secretary of the interior; Lewis Hoffman of the Interior Department's Bureau of Land Management, and representatives of the Atomic Energy Commission, the Bureau of Mines and the U. S. Geological Survey.

The delegates are coming from nearly every state in the union, Alaska, Canada and Mexico.

Unemployment during the first three months of the year averaging 150 per cent higher than during the third quarter, the number of idle during the early part of 1954 may approach the record of the cold spells in 1949 and 1950.

Paul Gurske, member of the Unemployment Compensation Commission, on a recent trip to Klamath Falls, stressed the labor situation before a large audience.

## Mitchell Rites On Tuesday

DALLAS — Graveside services for Fred Mitchell, 75, resident of the Dallas area for 26 years who died in a Salem hospital Thursday, will be held Tuesday at 2 p.m. in the Dallas Cemetery.

He was born July 3, 1877 in Red Bluff, Calif., and married Edith Williams in 1903 in Roseburg. Survivors include a daughter, Ethel Martin; 10 grandchil-

dren and 10 great-grandchildren. Services are under direction of the Bollman Funeral Home.

**SUBSTANDARD HOUSES**  
NEW ORLEANS (AP)—The Commission Council planned to establish minimum housing standards after a survey showed that 43 per cent of the city's 173,000 houses were sub-standard.

The average depth of the world's oceans is about two miles.

## Driver Dies Behind Wheel!

PORTLAND (AP)—An automobile crashed into a pole here Saturday. Police found David R. Kelly, 25, Portland, dead inside. His wife, suffering from shock, was unable to tell police what caused the car to hit the pole.

Police said the possibility of a heart attack would be investigated.



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