As indicating the effect which the operation of the pension scheme has had on the annual expenditure on outdoor relief in the Dominion since the Old-age Pensions Act came into force in 1898, the following table is supplied. It will be noted that the cost of outdoor relief has decreased from £50,850 in 1899 to £33,998 in 1908, or a decrease from 1s. 4¼d. to 8¾d. in the cost per head of the European population.

Year ended.	European Population.	Annual Cost of Outdoor Relief.	Cost per Head of Population.
		£	s. d.
31st March, 1899	746,676	50,850	1 4¼
" 1900	758,617	41,790	1 1¼
" 1901	772,719	42,181	1 1
" 1902	789,994	38,934	0 11¾
" 1903	814,842	43,421	1 0¾
" 1904	838,954	42,618	1 0¼
" 1905	864,971	40,799	0 11¼
" 1906	889,968	39,547	0 10½
" 1907	913,873	36,532	0 9½
" 1908	937,587	*33,998	0 8¾

* This sum does not include £7,000 cost of administration.

Wealth of Pensioners.

The amount of accumulated property owned by pensioners is as follows :—

	£
Freehold	350,453
Leasehold	29,387
Life interest	20,056
Cash	56,911
Stock, furniture, &c.	96,628
	553,435
Less mortgages on property	82,786
Total net property owned by pensioners	470,649
Total net property owned by husbands and wives of pensioners (not themselves pensioners)	113,818
Grand total	£584,467

The total annual income earned by pensioners is £108,718, and by their husbands and wives (not themselves pensioners) £22,939.

The total net property owned by pensioners represents an increase of £35,705 on last year's figures, while the income of pensioners has decreased by £1,294.

The average amount of property held by each pensioner, after the deduction of mortgages, is £34 13s., as against £32 16s. in 1907 and £28 12s. in 1906.

The average amount of income earned per pensioner is £8, as against £8 5s. in 1907 and £8 4s. in 1906.

Of the 13,569 pensioners on the roll, no less than 2,605 have benefited by the provision in the 1905 Act increasing the allowance from £50 to £150 on property whereon a pensioner resides, and which produces no income.

The particulars which go to make up these figures are set out in full detail in the Appendix.

General.

The relationship existing between the Department and the pensioners on the one side, and the magistracy of the Dominion on the other, continues to be of a harmonious character, and this desirable position may be ascribed both to the ready assistance which is given to applicants in proving their eligibility, and also to the system adopted of having the fullest information available when the applicant is before the Pension Court. Under this latter system the now very isolated cases of misrepresentation are detected at the outset, and I have pleasure in recording the fact that in no single instance throughout the year was it found necessary to exact the full penalties provided by law.

The assistance rendered to intending applicants by the Department in securing evidence of their ages is indicated by the fact that in no less than 639 individual cases throughout the year were inquiries made from the different sources open to the Department. Of this number 357 were proved to be of the required age, while the large number of 144 were proved to be still short of the pension age. In 95 cases no evidence was obtainable at all, and in the remaining 43 cases replies from outside the Dominion are still awaited.

Of the 101 cases where replies from outside the Dominion were being awaited at the date of my last report, 30 were proved to be over the age, 4 under the age, the balance of 67 being cases in which no proof was obtainable.