the Act, as now framed, actually offers advantages by reason of the provisions exempting on the property side any sum invested in the manner hereinbefore described. There are already on record cases where the owners of cash, whose pensions would otherwise have been subject to reduction, have qualified for the full pension in this way.

Other features of the Act under review may be mentioned—namely, the provision enabling the owner of a home of any value to transfer the said property to the Public Trustee in return for a full pension and the further condition, contingent thereon, giving the next-of-kin the right to redeem the property at death by payment of the sum that would otherwise not have been payable but for the transfer. The law previously limited the value of the home transferable, and made it incumbent on the Public Trustee to sell the property at death.

The total cost of the additional pensions under the amending Act is estimated at £15,000 per annum.

Consequent on the amendments to the Act in recent years, and also on the change in the administration, which latter has enabled a wider use to be made of the Postal service for the convenience of pensioners, it has been found necessary to bring the regulations under the Acts up to date. These were signed by the Governor on the 24th January last, and, in accordance with the law, will be laid upon the table of the House.

Pensions in Force.

As is to be expected, the number of pensioners continues to increase, there being on the roll on the 31st March a total of 15,320, including 694 members of the Native race.

The increase on the figures of the previous year is 924, thus :—

	European.	Maori.	Total.
New pensions granted	2,214	90	2,304
Deduct deaths	1,094	75	..
Deduct cancellations	200	11	1,380
Increase			924

In addition to this pronounced increase in the actual numbers, I have also to report a further increase in the percentage of pensioners to the population eligible by age and residence, which now stands at 36 per cent. In 1901 this percentage was 42 per cent.; in 1906 it had dropped to 31 per cent., since which year it has been gradually rising as indicated hereunder :—

On 31st March,		Europeans eligible by Age and Residence.	European Pensioners.	Percentage.
1906	(Actual)*	37,367	11,915	31
1907	(Estimated)	38,611	12,597	32
1908	"	39,336	12,912	32
1909	"	40,176	13,705	34
1910	"	40,238	14,626	36

* See "Census Report," 1906, page 37.

The percentage of pensioners to the population eligible by age only is 32 per cent. Last year it was 30 per cent.

Two reasons can be ascribed for this upward tendency—namely, the widening of the scope of the Act by the amendments of 1908 and 1909, and the very evident desire of the aged community to avail themselves of the benefits of the Act at the earliest possible opportunity. There is no doubt that the financial stringency during last winter assisted in swelling the ranks of the pensioners; but a marked feature of the transactions right through the year has been the number of successful applicants who had just reached the pension-age, or had just completed the necessary period of residence. With the present indications of the effect of the 1909 Act, which had been only three months in operation at the close of the year, there is every reason to anticipate that this percentage will be further increased during the current year.

Of the total number of pensioners, 11,827 are in receipt of the full pension of £26. This represents 77 per cent. of the whole, as against 78 per cent. in the previous year.

Of the 7,487 pensioners admitted in the first three months of the Act eleven years ago, 1,912 are still on the roll.

The European pensioners of the age of ninety and over number 105. Eight are of the age of ninety-five and over, and one is over one hundred.

Further details regarding the ages of pensioners and of their distribution throughout the Dominion appear in the appendix of this report (Tables 4 and 7).

New Claims.

The number of claims lodged during the year totalled 2,892, an increase of 58 on the figures of the previous year. These, with the 865 awaiting investigation at the seventy-three agencies of the office on the 31st March, 1909, made a total of 3,757 dealt with. These are accounted for as follows :—

Granted	2,304
Rejected (including withdrawals, deaths, &c.)	677
Awaiting investigation on the 31st March, 1910	776
Total	3,757