

1938.
NEW ZEALAND.

FORTIETH ANNUAL REPORT OF THE
PENSIONS DEPARTMENT
FOR THE YEAR ENDED 31ST MARCH, 1938.

Presented to both Houses of the General Assembly pursuant to Section 90 of the Pensions Act, 1926.

The COMMISSIONER OF PENSIONS to the Hon. the MINISTER OF PENSIONS.

SIR,—
Pensions Department, Wellington, 1st July, 1938.
I have the honour to furnish herewith, for the information of Parliament, the report of the Department relating to war, old-age, widows', Maori War, miners', epidemic, invalidity, and sundry pensions, family allowances, and war veterans' allowances for the year ended 31st March, 1938.
The following comparative statement relates to the annual value and gross payments of all pensions administered by the Department for the past two years :—

PENSIONS IN FORCE : ANNUAL VALUE AND TOTAL PAYMENTS.

Class of Pension.	As at 31st March, 1937.			As at 31st March, 1938.		
	Number.	Annual Value.	Total Payments, 1936-37.	Number.	Annual Value.	Total Payments, 1937-38.
		£	£		£	£
War	23,711	1,532,424	1,483,345	24,096	1,579,724	1,597,524
Old-age	54,134	3,068,293	2,413,103	59,953	3,373,331	3,235,057
Widows'	4,753	464,879	412,280	4,982	476,907	471,287
Maori War	36	2,106	1,972	27	1,580	1,806
Miners'	1,040	87,838	83,253	1,060	86,537	88,167
Epidemic	3	76	253	..	..	14
Invalidity	7,491	478,165	284,760	10,633	674,934	632,829
Boer War	57	2,131	2,067	55	1,939	1,991
Sundry pensions and annuities	144	13,161	13,892	142	12,642	12,554
Civil Service Act, 1908 ..	11	3,933	4,106	10	3,500	3,632
Family allowances	9,515	125,702	130,730	6,853	94,168	106,402
War veterans' allowances ..	2,079	151,713	110,667	2,204	159,279	161,267
Totals	102,974	5,930,421	4,940,428	110,015	6,464,541	6,312,530

Cost per head of European population : 1936-37, £3 5s. 9d. ; 1937-38, £4 3s. 2d.

PAYMENTS ON BEHALF OF OTHER GOVERNMENTS.

The following figures relate to the war and other pensions paid by the Department during the year on behalf of other Governments:—

Government.		Class of Pension.		Number at 31st March, 1938.	Annual Value.	Average Pension.			Payments, 1937-38.
					£	£	s.	d.	£
Great Britain	..	..	War	1,361	71,696	53	0	0	} 148,064
"	..	..	Army and civil	750	50,929	68	0	0	
Australia	..	..	War	518	24,158	46	12	9	25,512
India	..	..	Army and civil	60	14,074	235	0	0	16,988
South Africa	..	..	War	4	389	97	0	0	} 5,739
"	..	..	Civil	33	3,755	114	0	0	
Crown Colonies	..	..	"	41	12,966	316	0	0	13,775
Canada	..	..	War	1	215	215	0	9	368
Totals		..	..	2,768	178,182	..			210,446

WAR PENSIONS.

SUMMARY OF WAR PENSION PAYMENTS.

	Payments made in						Total.
	London.	Australia.	Canada.	South Africa.	Foreign Countries.	New Zealand.	
	£	£	£	£	£	£	£
Total payments to 31st March, 1937	1,115,651	653,658	39,049	7,207	11,683	24,483,316	26,310,564
Payments in 1937-38	52,924	55,711	2,439	658	578	1,485,214	1,597,524
Total payments to 31st March, 1938	1,168,575	709,369	41,488	7,865	12,261	25,968,530	27,908,088

The amount paid for the year ended 31st March, 1938, shows an increase over the preceding year of £114,179.

SUMMARY OF ANNUAL LIABILITY AS AT 31ST MARCH, 1938.

Class of Pension.		Number of Pensioners.	Number of Children.	Annual Value.	Average Pension.
				£	£
Soldiers (permanent)	..	11,036	34	659,136	60
Soldiers (temporary)	..	4,439	32	318,737	72
Dependants of disabled soldiers	..	3,077	5,571	261,231	85
Widows (without children)	..	1,393	..	135,443	97
Widows (with children)	..	407	765	66,620	164
Other dependants of deceased soldiers—					
Parents	..	3,528	..	129,795	37
Other adult dependants	..	103	..	3,445	33
Guardians of children	..	113	190	5,317	47
Totals, &c.	..	24,096	6,592	1,579,724	66

WAR PENSIONS PAYABLE OUTSIDE NEW ZEALAND AS AT 31ST MARCH, 1938.

	Soldiers.		Wives and Parents of Soldiers.	Dependants.		Annual Liability.
	Permanent.	Temporary.	Temporary.	Widows.	Other Dependants.	
						£
Great Britain..	306	58	46	141	333	51,592
Australia ..	357	149	70	68	102	45,609
Other countries	61	17	6	7	20	5,131
Totals	724	224	122	216	455	102,332

ECONOMIC PENSIONS PAYABLE AT 31ST MARCH, 1938.

Class.					Number.	Annual Value.	Average Annual Grant.
						£	£
Soldiers with permanent pensions	..	..	..	..	1,965	119,663	61
Soldiers with temporary pensions	..	..	..	..	1,481	91,547	62
Widows with children	..	..	..	..	99	3,035	31
Widows without children	..	..	..	..	400	15,453	39
Widowed mothers	..	..	..	..	141	6,516	46
Totals	..	..	..	..	4,086	236,214	58

WAR PENSION APPEALS.

Appeals outstanding on 31st March, 1937	..	..	..	..	383	
Appeals lodged during 1937-38	..	..	..	..	717	
						1,100
Appeals dismissed during 1937-38	..	..	..	..	464	
Appeals upheld during 1937-38	..	..	..	..	442	
Appeals withdrawn and struck out, 1937-38	..	..	..	..	24	
						930
Appeals outstanding on 31st March, 1938	..	..	..	..		170
Percentage upheld, 47·5.						

The total number of appeals dealt with to the 31st March, 1938, was 9,345, the percentage upheld being 48.

Of the 930 cases dealt with during the past year, 534 were heard at Auckland, 51·5 per cent. being upheld; 104 at Wellington, 29·8 per cent. being upheld; 213 at Christchurch, 45·5 per cent. being upheld; and 79 at Dunedin, 49·4 per cent. being upheld.

Medical treatment of war pensioners during 1937-38 cost £68,559.

Railway concessions to war pensioners on maximum permanent disablement pension and those with locomotive disabilities on permanent pension in excess of 50 per cent. cost £2,237 during the year.

The loading paid on life-insurance policies of war pensioners due to war-service disability amounted to £172 for the year.

Temporary war pensions to soldiers decreased by 5 and permanent pensions to soldiers increased by 389 during the year.

The 541 deaths among war pensioners are made up as follows: Soldiers, 229; widows of soldiers, 17; other dependants, 295.

WAR VETERANS' ALLOWANCES.

Since the passing of the War Veterans' Allowances Act in October, 1935, 3,056 cases have been granted, of which 2,204, with an annual value of £159,279 were in force as at 31st March, 1938. These comprised 925 single veterans, 1,218 married veterans, 59 widows, and 2 grants to orphaned children.

The total dependent children in receipt of allowances as at 31st March, 1938, numbered 1,919.

WAR VETERANS' ALLOWANCES APPEALS.

Appeals outstanding on 31st March, 1937	..	..	..	..	18
Appeals lodged during 1937-38	..	..	..	..	55
					73
Appeals dismissed during 1937-38	..	..	..	..	41
Appeals upheld during 1937-38	..	..	..	..	23
Appeals withdrawn and struck out, 1937-38	..	..	..	..	3
					67
Appeals outstanding on 31st March, 1938	..	..	..	..	6
Percentage upheld, 34.3.					

FAMILY ALLOWANCES.

The claims lodged during the year totalled 1,021, which, with the 152 outstanding from the previous year, made a total of 1,173 to be dealt with. Of these, 774 were accepted and 313 rejected. Of the rejected claims 117 represent cases where the income of the family was in excess of the limit allowed. Three hundred and eighty-one new claims from Maoris were finally dealt with during the year, 244 being granted and 137 rejected.

The total children of the 6,853 allowances in force as at 31st March, 1938, and those in excess of two in a family numbered 32,302 and 18,596, the average per family being 4.71 and 2.71 respectively.

The total amount paid during the year was £106,402, while the total annual value of all allowances in force at the close of the year was £94,168.

Weekly Rates at which Allowances granted.

Weekly Rate.	1s.	2s.	3s.	4s.	5s.	6s.	7s.	8s.	9s.	10s.	11s.	12s.	14s.	16s.	
Number granted	..	7	390	6	176	7	94	..	49	1	25	1	14	3	1

Numbers according to Size of Family.

Number of Children in Excess of Two.	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
Number of families ..	386	178	102	59	28	15	3	3	..	..

Weekly Incomes of Families.

Weekly Income.	£1 and under.	Over £1 and up to £2.	Over £2 and up to £3.	Over £3 and up to £4	Over £4
Number of families ..	14	76	291	362	31

COST OF ADMINISTRATION.

The cost of administration for the year amounted to £110,494, the principal items of expenditure being £56,944 for salaries of officers of the Department, who numbered 286 as at 31st March, 1938; £28,661 and £4,869 paid to the Postal Department for payment of pensions and postage and telegrams respectively; £5,690 for salaries and other expenses of the War Pensions Appeal Board; and £2,477 for salaries of the War Pensions Board.

The percentage of cost of administration to the total pension payments made of £6,522,976 (including £210,446 paid on behalf of other Governments) was 1.69, or 4.1d. in the pound.

LEGISLATION.

The scope of the old-age and invalidity pensions legislation has been widened during the financial year by sections 29 and 30 of the Finance Act, 1937, and by the Pensions Amendment Act, 1937.

The provisions of section 29 of the Finance Act, 1937, increased the period of absence from New Zealand allowed to an applicant for invalidity pension from six months during the preceding ten years to twelve months, plus one month's absence for every year of residence in excess of ten years.

Section 30 of the Finance Act, 1937, provided that any applicant whose incapacitating condition originated elsewhere than in New Zealand should, if actually resident in New Zealand on 4th September, 1936 (the date of the passing of the Pensions Amendment Act, 1936, which enacted the original invalidity-pensions legislation), be eligible for an invalidity pension on the completion of ten years' residence, and, if not actually resident in New Zealand on that date, on the completion of twenty years' residence.

The Pensions Amendment Act, 1937, reduced the period of residence in New Zealand required by an applicant for old-age pension from twenty years to ten years for every applicant who was actually resident in New Zealand on 15th March, 1938, the date of the passing of the amendment.

STATISTICS IN REGARD TO CIVIL PENSIONS.

	Old-age.	Widows'.	Maori War.	Miners'.	Invalidity.	Epidemic.
Pensions in force at 31st March, 1937 ..	54,134	4,753	36	861* 179†	7,491	3
New pensions granted, 1937-38	10,685	1,033	..	76* 38†	4,373	..
Deaths during 1937-38	3,956	3	9	65	755	..
Cancellations during 1937-38	910	801	..	29	476	3
Net increase or decrease	+5,819	+229	-9	+20	+3,142	-3
Pensions in force at 31st March, 1938 ..	59,953	4,982	27	868* 192†	10,633	..
Total children in receipt of pension, 31st March, 1938 ..	..	9,845	..	383	3,067	..
Total European pensioners	57,132	4,462	16	1,060	10,080	..
Total Maori pensioners	2,774	520	11	..	548	..
Total Asiatic pensioners	47	..	..	..	5	..
‡Pensioners under section 7 (b), Pensions Act, 1926 ..	126	..	..	..	..	..
Percentage of European pensioners to total European population ..	3.76	0.29	..	0.07	0.66	..
New claims lodged	12,596	1,330	..	168	6,828	..
New claims rejected	2,065	332	..	73	3,033	..
Number of children on whose account pension granted ..	..	2,199	..	..	..	..
Annual liability at 31st March, 1938 ..	£3,373,331	£476,907	£1,580	£86,537	£674,934	..
Average pension per annum	£56 5 4	£95 14 6	£58 10 0	£81 12 9	£63 7 8	..
Gross expenditure for year 1937-38 ..	£3,235,057	£471,287	£1,806	£88,167	£632,829	£14
Increase or decrease on figures of previous year ..	+£821,954	+£59,007	-£166	+£4,914	+£348,069	-£239
Cost per head of European population ..	£2 2s. 7d.	6s. 2d.	0.3d.	1s. 2d.	8s. 4d.	..
Credit from national endowment	£42,660	..	..	..	..	..
Refunds paid to Public Account	£1,390	£152	..	£8	£305	..
Number of pensioners in homes and hospitals ..	1,653	..	1	25	1,080	..
Amount paid to controlling authorities of these ..	£102,318	..	£130	£1,105	£58,493	..
Number of pensioners in mental hospitals ..	216	3	..	2	..	..
Amount paid to Mental Hospitals Department on account of these ..	£11,679	£65	..	£103	..	..
Unpaid instalments as at 31st March, 1938 ..	£7,201	£1,314	£15	£238	£2,935	..
Instalments forfeited and subsequently paid ..	£3,967	£598	£5	£36	£4,594	..
Average of family under fifteen years ..	..	1.98	..	..	..	..
Total claims lodged to date	178,759	22,919	1,893	3,619	19,131	..
Total claims established	142,883	19,170	1,698	2,772	12,371	972
Total claims rejected	34,457	3,665	195	839	6,239	..
Total number of children benefited	..	45,744	..	..	..	..
Total deaths	67,436	154	1,665	1,095	1,095	14
Total guardians appointed	..	437	..	..	..	..
Total cancellations	15,494	14,034	6	617	643	958
Grand total paid to date	£30,743,778	£5,734,953	£611,215	£991,625	£1,091,446	£474,101
Total amount paid on account funeral expenses ..	..	..	..	£10,448	..	..
Total credit from national endowment ..	£903,049	..	..	..	..	..
Invalidity appeals—						
Appeals outstanding on 31st March, 1937 ..	..	..	..	..	166	..
Appeals lodged during 1937-38	..	..	..	..	944	..
Appeals dismissed during 1937-38	..	..	..	..	558	..
Appeals upheld during 1937-38	..	..	..	..	431	..
Appeals withdrawn and struck out 1937-38 ..	..	..	..	..	64	..
Appeals outstanding on 31st March, 1938 ..	..	..	..	..	57	..
Percentage upheld	..	..	..	..	40.9	..

* Miners. † Widows of miners. ‡ Pensions may be granted to males sixty years and over and to females fifty-five years and over in cases where two or more children under fifteen are being maintained. The 126 cases above comprise: European—Males, 60 and under 65, 102; females, 55 and under 60, 12; Maori—Males, 60 and under 65, 10; females, 55 and under 60, 2.

Total European population at 31st March, 1938, 1,517,712.

PENSIONS GRANTED, DEATHS, AND CANCELLATIONS IN EACH YEAR, WITH NUMBER IN FORCE.

Year ended 31st March,	Number of Pensions granted.	Deaths.	Cancellations.	In Force at End of Period.	Year ended 31st March,	Number of Pensions granted.	Deaths.	Cancellations.	In Force at End of Period.
<i>Old-age.</i>					<i>Family Allowances.</i>				
1899-1900	12,186	824	77	11,285	1928 ..	3,154	25	123	3,006
1901-1910	17,848	10,237	3,576	15,320	1929 ..	1,437	39	641	3,763
1911-1920	24,028	16,017	3,338	19,993	1930 ..	1,004	41	858	3,868
1921 ..	2,152	1,880	428	19,837	1931 ..	1,399	46	604	4,617
1922 ..	2,553	1,578	321	20,491	1932 ..	3,040	56	269	7,332
1923 ..	2,781	1,763	328	21,181	1933 ..	3,841	68	785	10,320
1924 ..	2,549	1,870	392	21,468	1934 ..	3,022	68	1,129	12,145
1925 ..	2,654	1,635	425	22,062	1935 ..	2,166	63	1,927	12,321
1926 ..	3,100	1,839	418	22,905	1936 ..	1,730	55	2,305	11,691
1927 ..	3,302	2,049	407	23,751	1937 ..	1,131	25	3,282	9,515
1928 ..	3,638	2,093	421	24,875	1938 ..	774	7	3,429	6,853
1929 ..	3,614	1,968	411	26,110					
1930 ..	3,506	2,242	465	26,909	Totals..	22,698	493	15,352	..
1931 ..	4,640	2,202	352	28,995					
1932 ..	5,806	2,188	296	32,317					
1933 ..	5,534	2,262	657	34,932					
1934 ..	5,509	2,369	565	37,507					
1935 ..	5,934	2,744	556	40,141					
1936 ..	6,476	2,746	562	43,309					
1937 ..	14,388	2,974	589	54,134					
1938 ..	10,685	3,956	910	59,953					
Totals..	142,883	67,436	15,494	..					
<i>Widows'.</i>					<i>Maori War.</i>				
1912-1920	5,817	47	2,326	3,444	1913-1920	1,691	750	2	939
1921 ..	627	8	642	3,421	1921 ..	2	130	..	811
1922 ..	523	3	598	3,343	1922 ..	1	72	..	740
1923 ..	616	12	536	3,411	1923 ..	1	71	1	669
1924 ..	730	8	607	3,526	1924 ..	1	80	1	589
1925 ..	602	6	524	3,598	1925 ..	1	71	..	519
1926 ..	684	2	447	3,833	1926 ..	..	74	1	444
1927 ..	705	6	562	3,970	1927 ..	..	70	..	374
1928 ..	761	4	629	4,098	1928 ..	..	66	..	308
1929 ..	823	5	584	4,332	1929 ..	..	49	..	259
1930 ..	702	6	655	4,373	1930 ..	..	50	..	209
1931 ..	815	9	613	4,566	1931 ..	1	40	..	170
1932 ..	798	8	647	4,709	1932 ..	..	27	..	143
1933 ..	731	3	750	4,687	1933 ..	..	36	1	106
1934 ..	703	5	766	4,619	1934 ..	..	20	..	86
1935 ..	687	2	799	4,505	1935 ..	..	21	..	65
1936 ..	696	10	822	4,369	1936 ..	..	22	..	43
1937 ..	1,117	7	726	4,753	1937 ..	..	7	..	36
1938 ..	1,033	3	801	4,982	1938 ..	..	9	..	27
Totals..	19,170	154	14,034	..	Totals..	1,698	665	6	..
<i>Invalidity.</i>					<i>War.</i>				
1925 ..	114	..	..	114	1916-1920	49,254	953	13,730	34,571
1926 ..	92	9	1	196	1921 ..	2,207	358	4,656	31,764
1927 ..	46	6	4	232	1922 ..	945	369	3,249	29,091
1928 ..	39	11	1	259	1923 ..	625	358	2,898	26,460
1929 ..	43	14	6	282	1924 ..	551	361	3,484	23,166
1930 ..	47	10	8	311	1925 ..	432	334	1,946	21,318
1931 ..	43	18	6	330	1926 ..	353	369	586	20,716
1932 ..	45	13	2	360	1927 ..	350	353	88	20,625
1933 ..	52	9	8	395	1928 ..	330	401	—6	20,560
1934 ..	60	12	5	438	1929 ..	398	360	—88	20,686
1935 ..	70	24	10	474	1930 ..	347	405	—111	20,739
1936 ..	55	13	9	507	1931 ..	431	387	—242	21,025
1937 ..	7,292	201	107	7,491	1932 ..	348	432	—100	21,041
1938 ..	4,373	755	476	10,633	1933 ..	352	400	—111	21,104
Totals..	12,371	1,095	643	..	1934 ..	365	419	—264	21,314
					1935 ..	463	445	—346	21,678
					1936 ..	740	451	—664	22,631
					1937 ..	1,136	484	—428	23,711
					1938 ..	665	541	*—261	24,096
					Totals..	60,292	8,180	28,016	..

* This represents 731 reinstatements, less 470 actual cancellations.

PENSIONS GRANTED, DEATHS, AND CANCELLATIONS IN EACH YEAR, WITH NUMBER IN FORCE—*continued*.

Year ended 31st March,	Number of Pensions granted.	Deaths.	Cancellations.	In Force at End of Period.	Year ended 31st March,	Number of Pensions granted.	Deaths.	Cancellations.	In Force at End of Period.
<i>Miners'.</i>					<i>Epidemic.</i>				
1916-1920	683	133	135	415	1920	939	..	..	..
1921 ..	107	43	5	474	1921 ..	27	4	113	849
1922 ..	78	38	8	506	1922 ..	6	..	172	683
1923 ..	96	52	6	544	1923 ..	..	2	112	569
1924 ..	88	48	4	580	1924 ..	..	1	111	457
1925 ..	111	70	14	607	1925 ..	..	..	92	365
1926 ..	96	50	13	640	1926 ..	..	1	51	313
1927 ..	84	51	5	668	1927 ..	..	2	52	259
1928 ..	104	47	4	721	1928 ..	..	3	47	209
1929 ..	94	53	2	760	1929 ..	..	..	21	188
1930 ..	86	59	8	779	1930 ..	..	1	27	160
1931 ..	153	51	5	876	1931 ..	..	..	22	138
1932 ..	175	56	4	991	1932 ..	..	..	27	111
1933 ..	100	52	296	743	1933 ..	..	..	13	98
1934 ..	70	51	26	736	1934 ..	..	..	30	68
1935 ..	124	48	29	783	1935 ..	..	..	34	34
1936 ..	142	70	4	851	1936 ..	..	..	24	10
1937 ..	267	58	20	1,040	1937 ..	..	..	7	3
1938 ..	114	65	29	1,060	1938 ..	..	..	3	..
Totals..	2,772	1,095	617	..	Totals..	972	14	958	..
<i>War Veterans' Allowances.</i>									
1936 ..	1,061	7	11	1,043					
1937 ..	1,468	44	388	2,079					
1938 ..	527	53	349	2,204					
Totals..	3,056	104	748	..					

H. DIGBY SMITH,
Commissioner of Pensions.

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