

1943

NEW ZEALAND

SOCIAL SECURITY DEPARTMENT

REPORT FOR THE TWELVE MONTHS ENDED 31st MARCH, 1943

Presented to both Houses of the General Assembly pursuant to the Provisions of the Social Security Act, 1938

In so far as the Social Security Legislation is concerned, this report deals with Part II of the Act only. Reports on the operation of Part III and Part IV of the Act will be submitted by the Health and Land and Income Tax Departments respectively.

REPORT

To the Hon. the MINISTER OF SOCIAL SECURITY.

SIR,—

Social Security Department, Wellington, 17th May, 1943.

I have the honour to submit for the information of Parliament the fourth annual report of the Social Security Department, for the period 1st April, 1942, to 31st March, 1943.

NEW LEGISLATION

The following legislation became operative during the year :—

- (a) The Social Security and Pensions Emergency Regulations 1942, by which age, widows', orphans', invalids', miners', and Maori War benefits were increased by a bonus of 5 per cent. on the maximum rate from 1st May, 1942. Recipients of family benefits were granted a bonus of 2s. a week for each child and the allowable income was raised from £5 to £5 5s. The personal earnings exemption of totally blind applicants for invalids' benefit was increased from £143 to £156 a year :
- (b) The Social Security and Pensions Emergency Regulations 1942, Amendment No. 1, authorized the payment of an additional sum not exceeding £26 a year to any age beneficiary in respect of pre-enlistment dependency on a son whose death is due to his employment as a member of the forces :
- (c) The Social Security (Employment of Age Beneficiaries) Emergency Regulations 1942 enabled recipients of age benefits to surrender their benefits on taking up full-time employment and entitled them to restoration of benefit in full when such employment ceased :
- (d) The War Injuries to Civilians Emergency Regulations 1942 made provision for pensions to civilians and their dependants in respect of death or disablement which is directly caused by enemy action or in the course of activities undertaken in combating the enemy or to repel an imagined attack by the enemy.

BENEFITS

UNEMPLOYMENT BENEFITS

The following figures show the number of applications for unemployment benefits dealt with during the years ended 31st March, 1942, and 31st March, 1943, respectively, and illustrate a further noticeable decline in unemployment in the Dominion :—

	1941-42.			1942-43.		
	Males.	Females.	Totals.	Males.	Females.	Totals.
Persons granted benefit	8,999	630	9,629	2,052	317	2,369
Number of applications declined	5,122	790	5,912	558	586	1,144
Number of persons whose applications were declined, but who were granted emergency benefits on grounds of hardship	344	1,124	1,468	186	351	537
Totals	14,465	2,544	17,009	2,796	1,254	4,050

SICKNESS BENEFITS

The following figures show the number of applications for sickness benefits dealt with during the years ended 31st March, 1942, and 31st March, 1943, respectively :—

	1941-42.			1942-43.		
	Males.	Females.	Totals.	Males.	Females.	Totals.
Persons granted benefit	17,862	7,294	25,156	18,936	7,807	26,743
Number of applications declined	1,938	918	2,856	1,798	805	2,603
Number of persons whose applications were declined, but who were granted emergency benefits on grounds of hardship	113	242	355	136	278	414
Totals	19,913	8,454	28,367	20,870	8,890	29,760

EMERGENCY BENEFITS

Under the provisions of section 58 of the Social Security Act, 1938, the Social Security Commission may, in its discretion, grant a special benefit on grounds of hardship to any person who is not qualified for any other benefit under the Act, but who, by reason of age or of physical or mental disability, or for any other reason, is unable to earn a sufficient livelihood for himself and his dependants. Full and sympathetic use is made of this section, and emergency benefits granted during the year totalled 1,488.

OTHER MONETARY BENEFITS

Details with regard to other monetary benefits under the Act are included in the table on page 4.

FINANCE

STATEMENT SHOWING THE RECEIPTS AND PAYMENTS OF THE SOCIAL SECURITY FUND FOR THE YEAR ENDED 31ST MARCH, 1943

Receipts			Payments		
	£			£	£
Balance	3,023,835		Monetary benefits—		
	£		Universal superannuation	603,124	
Social security registration fees ..	540,921		Age	7,783,084	
Social security charge on wages and other income	11,624,046		Widows	866,597	
Penalties, fines, interest, and miscellaneous	48,673		Orphans	20,628	
			Family	790,719	
Grants from Consolidated Fund, vote "Social Security" (Social Security Act, 1938, section 105 (c))	3,800,000		Invalids	1,036,373	
	12,213,640		Miners	80,100	
			Maori War	190	
			Unemployment	49,639	
			Sickness	362,088	
			Emergency	118,923	
					11,711,465
			Medical benefits, &c.—		
			Medical benefits	1,016,032	
			Hospital benefits	1,539,282	
			Maternity benefits	505,219	
			Pharmaceutical benefits	563,247	
			Supplementary benefits	97,399	
					3,721,179
			Administration expenses—		
			Land and Income Tax Department ..	150,000	
			Health Department	62,509	
			Social Security Department	305,521	
					518,030
			Balance		3,086,801
					£19,037,475

WAR PENSIONS

The general administration of the various enactments providing for pensions and allowances in respect of service in the present and former wars and the carrying-out of decisions of the War Pensions Board and the War Pensions Appeal Board are functions of the Secretary for War Pensions.

NEW LEGISLATION

The following legislation became operative during the year :—

- (a) The Social Security and Pensions Emergency Regulations 1942, which made provision for a bonus of 15 per cent. on maximum rates to be paid in respect of all economic pensions from 1st May, 1942. War veterans' allowances were increased by the addition of a bonus of 5 per cent. on the maximum rates :
- (b) The Social Security and Pensions Emergency Regulations 1942, Amendment No. 1, which enables the War Pensions Board to grant pensions to widows of ex-servicemen in receipt of permanent pensions for total disablement where death is not attributable to military service. The Board may also continue for twenty-eight days after the death of an ex-serviceman any pension or allowance in respect of his disablement granted to any dependant and current at his death.

The maximum rates for war veterans' allowances are now £78 a year for the veteran, £52 a year for his wife, and £26 a year for each child, plus a bonus of 5 per cent., but so that the total allowance payable in respect of the veteran, his wife and children does not exceed £234 a year, plus bonus of 5 per cent.

The War Pensions Board may now complete the investigation of the claim of any veteran who has died before his application was finalized and may in its discretion authorize a grant on behalf of the widow and/or children.

DISSECTIONS OF WAR PENSIONS CURRENT AT 31ST MARCH, 1943

Class of Pension.	War Pensions Act, 1915.			War Pensions Extension Act, 1940.			Totals.		
	Number of Pensioners	Number of Children.	Annual Value.	Number of Pensioners.	Number of Children.	Annual Value.	Number of Pensioners	Number of Children.	Annual Value.
			£			£			£
Ex-members of forces—									
Permanent	12,117	9	838,806	77	..	8,929	12,194	9	847,735
Temporary	3,341	..	255,971	5,331	1	479,761	8,672	1	735,732
Dependants of disabled ex-members	2,782	3,049	209,701	828	776	58,533	3,610	3,825	268,234
Widows	2,002	526	226,344	1,083	817	148,662	3,085	1,343	375,006
Other dependants of deceased members	1,919	71	71,955	347	126	18,755	2,266	197	90,710
Totals	22,161	3,655	1,602,777	7,666	1,720	714,640	29,827	5,375	2,317,417

ECONOMIC PENSIONS PAYABLE AT 31ST MARCH, 1943, IN SUPPLEMENTATION OF STATUTORY WAR PENSIONS

Class of Pension.	War Pensions Act, 1915.		War Pensions Extension Act, 1940.		Total.	
	Number.	Annual Value.	Number.	Annual Value.	Number.	Annual Value.
Ex-members with permanent pensions	2,397	£ 214,415	40	£ 3,588	2,437	£ 218,003
Ex-members with temporary pensions	1,100	94,834	1,931	166,628	3,031	261,462
Widows	1,024	44,269	491	18,492	1,515	62,761
Widowed mothers	92	4,987	115	6,137	207	11,124
Totals	4,613	358,505	2,577	194,845	7,190	553,350

PENSIONS PAYABLE OUTSIDE NEW ZEALAND AT 31ST MARCH, 1943

Class of Pension.	War Pensions Act, 1915.	War Pensions Extension Act, 1940.	Total.
Ex-members of forces—			
Permanent	835	1	836
Temporary	40	21	61
Wives and parents of ex-members : Temporary	102	7	109
Dependants of deceased members—			
Widows	213	25	238
Other dependants	294	28	322
Totals	1,484	82	1,566

SUMMARY OF WAR PENSION PAYMENTS

	Payments made in						Total.
	London.	Australia.	Canada.	South Africa.	Foreign Countries.	New Zealand.	
Total payments to 31st March, 1942	£ 1,351,199	£ 881,415	£ 51,185	£ 10,184	£ 14,927	£ 32,349,289	£ 34,658,199
Payments in 1942-43..	12,464	58,102	3,178	865	460	1,980,455	*2,055,524
Total payments to 31st March, 1943	1,363,663	939,517	54,363	11,049	15,387	34,329,744	36,713,723

* Includes £479,477 in respect of war pensions in connection with the present war and £1,985 to members of the Emergency Reserve Corps.

WAR PENSIONS APPEAL BOARD

The following table summarizes the operations of the War Pensions Appeal Board during the year with respect to appeals under war pension and related legislation :—

	War Pensions Act, 1915.	War Pensions Extension Act, 1940.	War Pensions and Allowances (Mercantile Marine) Act, 1940.	War Veterans' Allowances Act, 1935.	Totals.
Appeals outstanding at 31st March, 1942	31	96	..	1	128
Appeals lodged 1942-43	200	1,138	1	2	1,341
Total to be dealt with	231	1,234	1	3	1,469
Appeals upheld, 1942-43	71	346	1	2	420
Appeals dismissed, 1942-43	105	468	573
Appeals withdrawn and struck out 1942-43	3	70	..	1	74
Total disposed of 1942-43	179	884	1	3	1,067
Appeals outstanding at 31st March, 1943	52	350	402
Percentage upheld	39·6	39·1	100	66·6	39·3

Medical treatment of war pensioners during 1942-43 cost £30,004. (This item includes the cost of treatment of pensioners resident in overseas countries.)

Railway concessions to ex-members of the forces pensioned for total and permanent disablement and those with locomotor disabilities on permanent pensions in excess of 50 per cent. cost £4,158.

BENEFITS AND PENSIONS IN FORCE AND TOTAL PAYMENTS

	As at 31st March, 1942.			As at 31st March, 1943.		
	Number in Force.	Annual Value.	Total Payments 1941-42.	Number in Force.	Annual Value.	Total Payments 1942-43.
		£	£		£	£
Universal superannuation	41,021	512,762	445,686	44,448	666,720	603,124
Age	99,152	7,337,248	7,190,694	99,671	7,903,910	7,783,084
Widows	10,765	849,363	844,928	10,589	864,062	866,597
Orphans	372	18,909	18,275	395	21,033	20,628
Family	18,316	631,902	539,183	14,190	764,841	790,719
Invalids	12,107	1,022,611	1,011,375	11,938	1,029,055	1,036,373
Miners	888	80,403	83,258	841	76,362	80,100
Maori War	4	312	440	2	164	190
Unemployment	841	..	138,528	373	..	49,639
Sickness	3,672	..	304,154	3,699	..	362,088
Emergency	2,170	..	126,718	1,821	..	124,268
War (War Pensions Act, 1915) ..	22,894	1,619,206	1,617,481	22,161	1,602,777	1,574,062
War (War Pensions Extension Act, 1940)	3,297	313,399	178,135	7,666	714,640	479,477
War Veterans' allowances	1,888	216,864	210,575	1,807	222,173	224,942
Boer War (Defence Act, 1909) ..	45	1,478	1,581	42	1,453	1,504
Mercantile Marine pensions	3	266	617	6	498	350
Emergency Reserve Corps	2	127	1,062	19	1,477	1,985
Sundry pensions and annuities ..	76	9,377	9,329	139	15,069	13,581
Civil Service Act, 1908	6	2,337	2,354	5	1,903	2,176
War and other pensions paid on behalf of the Governments of Great Britain, Australia, India, Canada, South Africa, and Crown colonies	3,037	210,455	184,039	3,224	242,718	352,104
Totals	220,556	12,827,019	12,908,412	223,036	14,128,855	14,366,991

COST OF ADMINISTRATION

Excluding expenditure of £2,918 on capital items, administration costs for the year amounted to £351,219, including £44,769 in respect of the administration of war pensions and allowances. This represents 2·43 per cent. on total payments.

GENERAL

Under arrangements made by the Rehabilitation Board, the Secretary for War Pensions was authorized from the 1st March, 1943, to pay rehabilitation allowances to demobilized servicemen and women for periods up to thirteen weeks following the cessation of Service pay for the purpose of assisting in their reabsorption into civil life.

To meet the claims of servicemen and women whose Service pay had ceased, 2,319 cases were reviewed, and of these 849 individual grants were awarded. The large majority of the others had already been successful in obtaining employment and were not in need of assistance. As at the 31st March, 1943, 763 allowances were current representing a weekly value of £2,837, while for the period 1st to the 31st March, 1943, payments totalling £7,861 were made.

The number of officers absent on war service on the 31st March, 1943, was 511, and of these 17 had made the supreme sacrifice. In spite of the large number of officers engaged on military service, the Department, with the help of temporary female assistance, has been able to render the community very efficient service.

In submitting this report I would again like to emphasize the splendid service rendered by the staff and express my appreciation of the manner in which a difficult year's work has been brought to a successful conclusion.

H. DIGBY-SMITH, Chairman,
Social Security Commission.