

Representatives of the South African Veterans' Association appeared before us and urged upon us three recommendations: (a) that a service pension of £50 per annum be paid to all such veterans irrespective of health or financial standing, and purely as a reward for services rendered in South Africa; or (b) the granting of a service pension of £50 per annum to all such veterans on attaining the age of sixty-five years (or earlier if any disability should become apparent); and (c) the reduction of age for eligibility to the old-age pension in the case of such veterans from sixty-five to sixty years.

We are not prepared to make recommendations (a) or (b) set out above. In so far as these men are disabled by their war service we think that they are sufficiently provided for by being placed on the same footing as men disabled in the Great War. In so far as they are not disabled, their condition, circumstances, and claims do not fall within the scope of our order of reference.

As to recommendation (c), it is equivalent to a loading of five years on the age of an applicant for old-age pension. We think that, *prima facie*, such a loading is not unreasonable on the life of one who served in such a campaign as the South African War, and may be viewed as a species of disability. We therefore recommend that where a South African veteran is otherwise qualified for the old-age pension his age should for pension purposes be increased by five years to make him eligible at an actual age of sixty years.

(iii) *Those who while domiciled in New Zealand served during the Great War.*

Our law makes two pension provisions for such persons. They are to be found in the War Pensions Act, 1915, and its amendment Acts of 1916, 1917, and 1923; also in sections 12 and 13 of the Finance Act, 1919, and sections 2 and 3 of the Finance Act, 1920.

The pensions defined and granted by these statutes fall into two divisions: firstly there is the war disability pension, which was defined and granted by the 1915 Act, and secondly a supplementary pension known as the economic pension, which is defined and granted by the Act of 1923.

(1) *Physical Disability Pension.*—This is a pension payable to persons who suffer physical disability as a result of service in the Great War. It is granted as of right to all persons who have the necessary qualification of a physical disability, and is granted without regard to any financial or economic necessity or effect. The qualifying disabilities are of two kinds: firstly there are a number of specific physical or bodily losses which are set out in a schedule to the Act, such as loss of limbs, parts of limbs, or loss of an eye, or total loss of sight and hearing; the second class comprises disease—such as, for instance, rheumatism or tuberculosis—proved to be attributable to war service.

With regard to the disabilities of the first class, they are fully described and classified in a schedule to the 1917 Act, and it is as a rule an obvious question of fact whether or not a man comes within this schedule, and, if so, into what division he falls. As to the other class—namely, disease such as, for instance, tuberculosis or rheumatism—the existence and the extent of the disability is reported to and decided by the War Pensions Board, which has in this matter the assistance of the most efficient medical and surgical specialists or practitioners available.

The pensionable value of any physical injury is fixed by the schedule of the 1917 Act, which sets forth an arbitrary relative assessment of the various injuries and states it as a ratio or percentage of the maximum pension fixed by the Acts. Thus the loss of two limbs ranks as 100 per cent. disability, entitling the pensioner to the maximum pension, whilst the loss of an index finger is ranked as 20 per cent., entitling the pensioner to one-fifth of the maximum. The degree of disability from disease is fixed by the medical assessors on a study of the facts of each individual case.

(2) *Economic Pension.*—To the above-described disability pension there may be added a supplementary pension known as the economic pension. This pension was first created, defined, and granted by the 1923 War Pensions Amendment Act, and it was enacted as the result of a Commission of inquiry appointed to inquire and report upon the working of war-pension legislation as it existed in the year 1923.