

LEGISLATION.

Under the provisions of the National Expenditure Adjustment Act, 1932, the maximum rates of old-age, widows', and miners' pensions were reduced by 10 per cent., and the income exemptions of old-age and widows' pensions were decreased to £39 and £65 respectively. Certain income exemptions previously allowed were repealed, and provision made that no pensioner under the Pensions Act, 1926, other than an old-age pensioner, should receive a pension under the War Pensions Act, 1915. Pensions to miners' widows which were payable during widowhood were restricted to payment for a period of two years as previously obtained in the original enactment but an amendment of the law passed later in the same year provides for continuance of the miner's pension at the rate of £35 19s. per annum until the widow becomes qualified to receive an old-age pension to those widows who were actually in receipt of pension on the passing of the National Expenditure Adjustment Act, subject to the same means test as applicable to old-age pensions.

War pensions to ex-soldiers for disablement, and war pensions payable to the widow, child, or widowed mother of a deceased member of the New Zealand Expeditionary Force, were not reduced in any way by the National Expenditure Adjustment Act, but pensions to other dependants were reduced by 17½ per cent. Economic pensions to ex-soldiers were decreased from £1 10s. weekly to £1 1s. weekly, and economic pensions to dependants from 10s. to 8s., and 15s. to 12s. for widows, and £1 to 16s. for widowed mothers.

Provision was made in the National Expenditure Adjustment Act that the rate of pension should in no case be reduced by more than 10 per cent. during the currency of the pension certificate in force on the passing of the Act.

The only amendment affecting family allowances was to reduce the limit of income from £3 12s. to £3 5s. weekly.

These reductions were made by the State and Parliament with great reluctance owing to the hardship imposed on the individual pensioner, who in practically every case received his pension on the grounds of unfortunate financial needs, but the necessary cost of the benefits of free pensions systems has been so steadily rising in recent years that the financial aspect had to be resolutely faced. Despite the savings effected by these reductions in pensions rates, the greater numbers being granted pensions and family allowances as compared with the figures prior to the economic depression will very shortly negative the financial effect thereof, as it is estimated that in this financial year the expenditure will be greater by £150,000 than that for the year ended 31st March, 1933. From the figures shown in the tables of pensions in force on the preceding page it will be seen that the expenditure in pensions was less by £56,755 for the year ended 31st March, 1933, as compared with that of the previous year, notwithstanding that the number of beneficiaries, particularly old-age pensioners and recipients of family allowances, increased by a total of 5,382.

No reduction in the rates for blind pensions or military (Maori War) pensions payable under the Pensions Act, 1926, was made.

Under the Pensions Amendment Act, 1932, passed on 19th November, 1932, the residence qualification for applicants for miners' pension was extended to allow of occasional absences from New Zealand, not exceeding six months in the aggregate, without interrupting continuous residence. Provision was also made that continuous residence for blind-pension applicants should not be deemed to be interrupted by absence from New Zealand for the purpose of medical treatment in respect of the applicant's eyes, and that pension could be paid outside New Zealand for two years if the pensioner was absent for the same purpose.

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, 1933.	Annual Value.	Average Pension.	Payments, 1932-33.
			£	£ s. d.	£
Great Britain	War	1,522	79,252	52 0 0	} 197,450
"	Army and civil ..	761	53,169	70 0 0	
Australia	War	501	21,872	43 13 2	23,398
India	Army and civil ..	74	16,957	229 0 0	28,724
South Africa	War	3	136	45 0 0	273
"	Civil	30	3,446	115 0 0	7,835
Crown Colonies	"	34	11,114	327 0 0	13,474
Canada	War	1	273	272 14 7	597
Totals	2,926	186,219	..	271,751

FAMILY ALLOWANCES.

The claims lodged during the year totalled 4,384, which, with the 332 outstanding from the previous year, made a total of 4,716 to be dealt with. Of these, 3,841 were accepted and 427 rejected. Of the rejected claims 184 represent cases where the income of the family was in excess of the limit allowed. 392 new claims from Maoris were finally dealt with during the year, 268 being granted and 124 rejected.

The total children of the 10,320 allowances in force as at 31st March, 1933, and those in excess of two in a family numbered 46,150 and 25,510, the average per family being 4.47 and 2.47 respectively.