

1933.
NEW ZEALAND.

THIRTY-FIFTH ANNUAL REPORT OF THE
PENSIONS DEPARTMENT

FOR THE YEAR ENDED 31ST MARCH, 1933.

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 September, 1933.

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, blind, and sundry pensions, and family allowances for the year ended 31st March, 1933.

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, 1932.			As at 31st March, 1933.		
	Number.	Annual Value.	Total Payments, 1931-32.	Number.	Annual Value.	Total Payments, 1932-33.
		£	£		£	£
War.. .. .	21,041	1,242,480	1,261,778	21,104	1,200,468	1,217,586
Old-age	32,317	1,353,360	1,277,107	34,932	1,305,772	1,271,157
Widows'	4,709	345,471	340,162	4,687	307,926	311,317
Maori War	143	7,007	7,582	106	5,194	5,831
Miners'	991	74,035	69,785	743	56,618	62,563
Epidemic	111	4,998	5,580	98	3,690	4,197
Blind	360	17,179	16,710	395	18,422	18,065
Boer War	56	2,279	2,483	55	2,157	2,176
Sundry pensions and annuities..	115	9,383	9,388	120	10,090	9,626
Civil Service Act, 1908 ..	23	6,857	7,861	20	6,142	6,453
Family allowances	7,332	101,608	90,100	10,320	131,118	122,810
Totals	67,198	3,164,657	3,088,536	72,580	3,047,597	3,031,781

Cost per head of European population : 1931-32, £2 2s. 5d. ; 1932-33, £2 1s. 4d.

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 Certain income exemptions previously allowed were repealed, and provision made that no pensioner under the Pensions Act, 1926, other than an old-age pensioner, should receive a pension under the War Pensions Act, 1915.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.

The total amount paid during the year was £122,810, while the total annual value of all allowances in force at the close of the year was £131,118.

Weekly Rates at which Allowances granted.

Weekly Rate.	1s.	2s.	3s.	4s.	5s.	6s.	7s.	8s.	10s.	11s.	12s.	14s.	16s.	20s.
Number granted	8	1,862	14	1,107	7	515	2	184	97	1	31	8	4	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	1,824	1,147	514	204	104	34	9	4	..	1

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 £3 5s.	Over £3 5s.
Number of families	129	2,161	924	589	38

COST OF ADMINISTRATION.

The cost of administration for the year amounted to £58,320, the principal items of expenditure being £27,874 for salaries of officers of the Department, who numbered 162 as at 31st March, 1933; £15,701 and £4,008 paid to the Postal Department respectively for payment of pensions and postage and telegrams; £2,693 for salaries and other expenses of the War Pensions Appeal Board; and £1,836 for salaries of the War Pensions Board.

The percentage of cost of administration to the total payments made of £3,303,532 (including £271,751 paid on behalf of other Governments) was 1·77.

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, 1932	858,791	466,709	26,768	3,963	7,580	18,385,824	19,749,635
Payments in 1932-33	42,499	40,038	2,332	..	771	1,131,946	1,217,586
Total payments to 31st March, 1933	901,290	506,747	29,100	3,963	8,351	19,517,770	20,967,221

The amount paid for the year ended 31st March, 1933, shows a decrease over the preceding year of £44,192.

SUMMARY OF ANNUAL LIABILITY AS AT 31ST MARCH, 1933.

Class of Pension.	Number of Pensioners.	Number of Children.	Annual Value	Average Pension.
			£	£
Soldiers (permanent)	9,548	28	495,511	52
Soldiers (temporary)	3,615	54	253,517	70
Dependants of disabled soldiers	1,744	3,515	132,994	76
Widows (without children)	979	..	89,485	91
Widows (with children)	409	665	62,958	154
Other dependants of deceased soldiers—				
Parents	4,352	1	147,686	34
Other adult dependants	99	1	2,902	29
Guardians of children	358	574	15,415	43
Totals, &c.	21,104	4,838	1,200,468	57

WAR PENSIONS PAYABLE OUTSIDE NEW ZEALAND AS AT 31ST MARCH, 1933.

	Soldiers.		Wives and Parents of Soldiers.	Dependants.		Annual Liability
	Permanent.	Temporary.	Temporary.	Widows.	Other Dependants.	
						£
Great Britain ..	256	91	26	147	495	52,539
Australia ..	257	202	31	50	156	40,674
Other countries ..	51	21	..	5	30	4,458
Totals ..	564	314	57	202	681	97,671

ECONOMIC PENSIONS PAYABLE AT 31ST MARCH, 1933.

Class.				Number.	Annual Value.	Average Annual Grant.
					£	£
Soldiers with permanent pensions .. ..	..	..	..	1,071	55,680	52
Soldiers with temporary pensions .. ..	..	..	..	1,242	65,490	53
Widows with children .. ..	..	..	..	91	2,275	25
Widows without children .. ..	..	..	..	153	4,708	31
Widowed mothers .. ..	..	..	..	169	3,830	23
Totals .. ..	..	..	..	2,726	131,983	48

WAR PENSION APPEALS.

Appeals outstanding on 31st March, 1932	229
Appeals lodged during 1932-33	608
	— 837
Appeals dismissed during 1932-33	306
Appeals upheld during 1932-33	324
Appeals withdrawn and struck out, 1932-33	27
	— 657
Appeals outstanding on 31st March, 1933	180
Percentage upheld, 49·3 per cent.	

The total number of appeals dealt with to the 31st March, 1933, was 4,871, the percentage upheld being 48 per cent.

Of the 657 cases dealt with during the past year, 358 were heard at Auckland, 56·1 per cent. being upheld; 107 at Wellington, 32·7 per cent. being upheld; 112 at Christchurch, 35·7 per cent. being upheld; and 80 at Dunedin, 60 per cent. being upheld.

Medical treatment of war pensioners during 1932-33 cost £71,077.

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 £1,482 during the year.

The loading paid on life-insurance policies of war pensioners due to war-service disability amounted to £182 for the year.

Temporary war pensions to soldiers increased by 143 and permanent pensions to soldiers increased by 44 during the year.

The 400 deaths among war pensioners are made up as follows: Soldiers, 139; widows of soldiers, 8; other dependants, 253.

Discharged Soldiers' Civil Re-establishment Act, 1930.

During the year ended 31st March, 1933, the committees and employment officers appointed in terms of the provisions of the above-mentioned Act found it increasingly difficult to place disabled ex-soldiers in employment, owing to the large number of fit men and boys able to undertake continuous and arduous labour being available to fill vacant positions, but, notwithstanding this handicap, were

able to place some 350 disabled ex-soldiers in jobs, of which approximately 20 per cent. represented permanent positions, the balance being in semi-permanent or casual work. With the experience gained since the scheme came into operation in July, 1931, the committees are unanimous in coming to the conclusion that better results for disabled ex-soldiers can be achieved by creating new avenues of employment suitable for the individual need and particular physical disability of the man rather than to continue exploiting the ordinary channels of labour, which through the lack of physical efficiency are practically closed to this class of disabled ex-soldier. Recognizing this, the Christchurch Committee set up a scheme of disabled soldiers' handicrafts, whereby the disabled men manufactured articles at home and sold them through two shops in the city. Later a factory was established, and these men are now making basketware, seagrass furniture, leather cases and bags, toy novelties, and wood-work of all descriptions. In Dunedin a factory, manned by disabled ex-soldiers, operates under the trade name of Disabled Soldiers' Products, and turns out all classes of fibre and leather cases, and of leather work generally. The system in Wellington is somewhat similar to that in Christchurch, whereby goods mostly of leather, wood, and metal are manufactured at home and sold through the agency of two shops, the establishment of a factory being under consideration. In the Auckland District schemes for the manufacture and sale of wire and metal work and basketware are in operation in two towns, and it is hoped that a scheme similar to those operating in the South will shortly be introduced in Auckland City itself. Other avenues which the committees are investigating are tobacco-culture, seed-raising, and the manufacture of New Zealand mementos. In Christchurch fifteen disabled men have been placed on Angora-rabbit farms, and it is expected that these will shortly become self-supporting. The work of the committees and the employment officers, in the face of the adverse conditions of employment and the lack of finance, is to be highly commended on the results shown.

STATISTICS IN REGARD TO CIVIL PENSIONS.

	Old-age.	Widows'.	Maori War.	Miners'.	Blind.	Epidemic.
Pensions in force at 31st March, 1932 ..	32,317	4,709	143	{ 583* 408† }	360	111
New pensions granted, 1932-33 ..	5,534	731	..	100	52	..
Deaths during 1932-33 ..	2,262	3	36	52	9	..
Cancellations during 1932-33 ..	657	750	1	296	8	13
Net increase or decrease ..	+2,615	-22	-37	-248	+35	-13
Pensions in force at 31st March, 1933 ..	34,932	4,687	106	{ 610* 133† }	395	98
Total children in receipt of pension, 31st March, 1933 ..	..	9,675	..	..	..	127
Total European pensioners sixty-five years and over at 31st March, 1933 ..	27,687	..	..	..	..	..
Total female European pensioners sixty years to sixty-four years at 31st March, 1933 ..	5,592	..	..	..	..	..
Percentage of European pensioners to total European population ..	2.3	..	..	..	..	..
Total Maori pensioners ..	1,621	353	37	..	41	..
New claims lodged ..	6,965	827	..	152	74	..
New claims rejected ..	1,416	112	..	61	20	..
Number of children on whose account pension granted ..	..	1,586	..	..	..	..
Annual liability at 31st March, 1933 ..	£1,305,772	£307,926	£5,194	£56,618	£18,422	£3,690
Average pension per annum ..	£37 7 7	£65 13 11	£49 0 0	£76 4 1	£46 12 9	£37 13 1
Gross expenditure for year 1932-33 ..	£1,271,157	£311,317	£5,831	£62,563	£18,065	£4,197
Increase or decrease on figures of previous year ..	-£5,950	-£28,845	-£1,751	-£7,222	+£1,355	-£1,383
Cost per head of European population ..	17s. 4d.	4s. 3d.	1d.	10.2d.	3d.	0.7d.
Credit from national endowment ..	£22,259	..	..	..	..	..
Credit from gold duty ..	..	..	..	£3,719	..	..
Refunds paid to Public Account ..	£577	£69	£8	£5	£2	£5
Number of pensioners in homes and hospitals ..	1,102	..	6	8	96	..
Amount paid to controlling authorities of these ..	£45,179	..	£327	£404	£5,220	..
Number of pensioners in mental hospitals ..	138	..	..	2	2	..
Amount paid to Mental Hospitals Department on account of these ..	£4,814	..	..	£83	£78	..
Unpaid instalments as at 31st March, 1933 ..	£4,867	£2,056	£69	£319	£22	£16
Instalments forfeited and subsequently paid ..	£1,394	£481	£4	£43	£18	£9
Average of family under fifteen years ..	..	2.06	..	..	..	..
Total claims lodged to date ..	127,082	17,537	1,893	2,525	706	..
Total claims established ..	99,891	14,934	1,698	2,055	521	972
Total claims rejected ..	26,513	2,541	195	458	170	..
Total number of children benefited ..	..	36,239	..	..	..	..
Total deaths ..	52,647	127	1,586	803	90	14
Total guardians appointed ..	..	328	..	..	..	..
Total cancellations ..	12,312	10,120	6	509	36	860
Grand total paid to date ..	£20,506,146	£3,940,937	£596,731	£636,821	£110,333	£467,654
Total credit from gold duty ..	..	..	..	£54,742	..	..
Total amount paid on account funeral expenses ..	..	..	..	£7,187	..	..
Total credit from national endowment ..	£718,137	..	..	..	..	..

* Miners.

† Widows.

Total European population at 31st March, 1933, 1,465,833.

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>Maori War.</i>				
1899-1900	12,186	824	77	11,285	1913-1920	1,691	750	2	939
1901-1910	17,848	10,237	3,576	15,320	1921 ..	2	130	..	811
1911-1920	24,028	16,017	3,338	19,993	1922 ..	1	72	..	740
1921 ..	2,152	1,880	428	19,837	1923 ..	1	71	1	669
1922 ..	2,553	1,578	321	20,491	1924 ..	1	80	1	589
1923 ..	2,781	1,763	328	21,181	1925 ..	1	71	..	519
1924 ..	2,549	1,870	392	21,468	1926 ..	..	74	1	444
1925 ..	2,654	1,635	425	22,062	1927 ..	..	70	..	374
1926 ..	3,100	1,839	418	22,905	1928 ..	..	66	..	308
1927 ..	3,302	2,049	407	23,751	1929 ..	..	49	..	279
1928 ..	3,638	2,093	421	24,875	1930 ..	..	50	..	209
1929 ..	3,614	1,968	411	26,110	1931 ..	1	40	..	170
1930 ..	3,506	2,242	465	26,909	1932 ..	..	27	..	143
1931 ..	4,640	2,202	352	28,995	1933 ..	..	36	1	106
1932 ..	5,806	2,188	296	32,317	Totals..	1,698	1,586	6	..
1933 ..	5,534	2,262	657	34,932	<i>War.</i>				
Totals..	99,891	52,647	12,312	..	1916-1920	49,254	953	13,730	34,571
<i>Widows'.</i>					1921 ..	2,207	358	4,656	31,764
1912-1920	5,817	47	2,326	3,444	1922 ..	945	369	3,249	29,091
1921 ..	627	8	642	3,421	1923 ..	625	358	2,898	26,460
1922 ..	523	3	598	3,343	1924 ..	551	361	3,484	23,166
1923 ..	616	12	536	3,411	1925 ..	432	334	1,946	21,318
1924 ..	730	8	607	3,526	1926 ..	353	369	586	20,716
1925 ..	602	6	524	3,598	1927 ..	350	353	88	20,625
1926 ..	684	2	447	3,833	1928 ..	330	401	—6	20,560
1927 ..	705	6	562	3,970	1929 ..	398	360	—88	20,686
1928 ..	761	4	629	4,098	1930 ..	347	405	—111	20,739
1929 ..	823	5	584	4,332	1931 ..	431	387	—242	21,025
1930 ..	702	6	655	4,373	1932 ..	348	432	—100	21,041
1931 ..	815	9	613	4,566	1933 ..	352	400	*—111	21,104
1932 ..	798	8	647	4,709	Totals..	56,923	5,840	29,979	..
1933 ..	731	3	750	4,687	<i>Miners'.</i>				
Totals..	14,934	127	10,120	..	1916-1920	683	133	135	415
<i>Blind.</i>					1921 ..	107	43	5	474
1925 ..	114	..	..	114	1922 ..	78	38	8	506
1926 ..	92	9	1	196	1923 ..	96	52	6	544
1927 ..	46	6	4	232	1924 ..	88	48	4	580
1928 ..	39	11	1	259	1925 ..	111	70	14	607
1929 ..	43	14	6	282	1926 ..	96	50	13	640
1930 ..	47	10	8	311	1927 ..	84	51	5	668
1931 ..	43	18	6	330	1928 ..	104	47	4	721
1932 ..	45	13	2	360	1929 ..	94	53	2	760
1933 ..	52	9	8	395	1930 ..	86	59	8	779
Totals..	521	90	36	..	1931 ..	153	51	5	876
<i>Family Allowances.</i>					1932 ..	175	56	4	991
1928 ..	3,154	25	123	3,006	1933 ..	100	52	296	743
1929 ..	1,437	39	641	3,763	Totals..	2,055	803	509	..
1930 ..	1,004	41	858	3,868	<i>Epidemic.</i>				
1931 ..	1,399	46	604	4,617	1920 ..	939	..	..	..
1932 ..	3,040	56	269	7,332	1921 ..	27	4	113	849
1933 ..	3,841	68	785	10,320	1922 ..	6	..	172	683
Totals..	13,875	275	3,280	..	1923 ..	..	2	112	569
					1924 ..	..	1	111	457
					1925 ..	..	..	92	365
					1926 ..	..	1	51	313
					1927 ..	..	2	52	259
					1928 ..	..	3	47	209
					1929 ..	..	..	21	188
					1930 ..	..	1	27	160
					1931 ..	..	..	22	138
					1932 ..	..	..	27	111
					1933 ..	..	..	13	98
					Totals..	972	14	860	..

* This represents 625 reinstatements less 514 actual cancellations.

J. H. BOYES,
Commissioner of Pensions.

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