

1939.
NEW ZEALAND.

FORTY-FIRST ANNUAL REPORT OF THE
PENSIONS DEPARTMENT.
FOR THE YEAR ENDED 31st MARCH, 1939.

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, 31st March, 1939.

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', invalidity, and sundry pensions, family allowances, and war veterans' allowances for the year ended 31st March, 1939.

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, 1938.			As at 31st March, 1939.		
	Number.	Annual Value.	Total	Number.	Annual Value.	Total
			Payments, 1937-38.			Payments, 1938-39.
		£	£		£	£
War	24,096	1,579,724	1,597,524	21,257	1,624,514	1,616,248
Old-age	59,953	3,373,331	3,235,057	66,694	3,733,238	3,577,129
Widows'	4,982	476,907	471,287	5,196	496,831	487,216
Maori War	27	1,580	1,806	20	1,170	1,338
Miners'	1,060	86,537	88,167	1,062	85,938	87,094
Epidemic .. .. .	..	..	14	..	..	..
Invalidity	10,633	674,934	632,829	12,489	794,636	750,748
Boer War	55	1,939	1,991	54	1,917	1,905
Sundry pensions and annuities	142	12,642	12,554	137	11,772	12,390
Civil Service Act, 1908 ..	10	3,500	3,632	9	3,183	3,256
Family allowances	6,853	94,168	106,402	5,606	79,739	84,436
War veterans' allowances ..	2,204	159,279	161,267	2,223	159,031	158,584
Totals	110,015	6,464,541	6,312,530	117,747	6,991,999	6,780,344

Cost per head of European population : 1937-38, £4 3s. 2d. ; 1938-39, £4 8s. 3d.

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, 1939.	Annual Value.	Average Pension.	Payments, 1938-39.
			£	£ s. d.	£
Great Britain	War	1,349	70,400	52 0 0	} 129,021
"	Army and civil ..	745	48,788	66 0 0	
Australia	War	528	24,417	46 0 0	} 25,445
India	Army and civil ..	66	18,743	284 0 0	
South Africa	War	5	403	81 0 0	} 4,469
"	Civil	34	3,832	113 0 0	
Crown Colonies	"	36	10,948	304 0 0	} 12,787
Canada	War	1	222	222 0 0	
Totals .. ..	.. ..	2,764	177,753	..	187,582

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, 1938	1,168,575	709,369	41,488	7,865	12,261	25,968,530	27,908,088
Payments in 1938-39	51,294	47,997	2,825	616	441	1,513,075	1,616,248
Total payments to 31st March, 1939	1,219,869	757,366	44,313	8,481	12,702	27,481,605	29,524,336

The amount paid for the year ended 31st March, 1939, shows an increase over the preceding year of £18,724.

SUMMARY OF ANNUAL LIABILITY AS AT 31ST MARCH 1939.

Class of Pension.	Number of Pensioners.	Number of Children.	Annual Value.	Average Pension.
			£	£
Soldiers (permanent)	11,475	37	705,181	61
Soldiers (temporary)	4,318	24	316,528	73
Dependants of disabled soldiers	3,146	5,245	264,951	84
Widows (without children)	1,465	..	143,859	98
Widows (with children).. ..	414	763	67,913	164
Other dependants of deceased soldiers—				
Parents	3,255	..	118,571	36
Other adult dependants	99	..	3,407	34
Guardians of children	85	157	4,134	49
Totals, &c.	24,257	6,226	1,624,544	67

WAR PENSIONS PAYABLE OUTSIDE NEW ZEALAND AS AT 31ST MARCH, 1939.

	Soldiers.		Wives and Parents of Soldiers.	Dependants.		Annual Liability.
	Permanent.	Temporary.	Temporary.	Widows.	Other Dependants.	
						£
Great Britain ..	309	56	46	140	307	50,411
Australia ..	372	125	68	74	91	46,128
Other countries ..	59	14	10	9	21	5,861
Totals ..	740	195	124	223	419	102,400

ECONOMIC PENSIONS PAYABLE AT 31ST MARCH, 1939.

Class.	Number.	Annual Value.	Average Annual Grant.
		£	£
Soldiers with permanent pensions	2,328	143,129	61
Soldiers with temporary pensions	1,500	94,181	63
Widows with children	120	3,720	31
Widows without children	442	17,095	39
Widowed mothers	120	5,457	45
Totals	4,510	263,582	58

WAR PENSION APPEALS.

Appeals outstanding on 31st March, 1938	170
Appeals lodged during 1938-39	657
	827
Appeals dismissed during 1938-39	321
Appeals upheld during 1938-39	385
Appeals withdrawn and struck out, 1938-39	24
	730
Appeals outstanding on 31st March, 1939	97
Percentage upheld, 52·7.	

The total number of appeals dealt with to the 31st March, 1939, was 10,075, the percentage upheld being 48·5.

Of the 730 cases dealt with during the past year, 414 were heard at Auckland, 60·8 per cent. being upheld : 86 at Wellington, 39·5 per cent. being upheld : 136 at Christchurch, 38·2 per cent. being upheld : and 94 at Dunedin, 50 per cent. being upheld.

Medical treatment of war pensioners during 1938-39 cost £68,535.

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 £2,816 during the year.

The loading paid on life-insurance policies of war pensioners due to war-service disability amounted to £170 for the year.

Temporary war pensions to soldiers decreased by 121 and permanent pensions to soldiers increased by 439 during the year.

The 585 deaths among war pensioners are made up as follows : Soldiers, 238 : widows of soldiers, 13 : other dependants, 334.

WAR VETERANS' ALLOWANCES.

Since the passing of the War Veterans' Allowances Act in October, 1935, 3,426 cases have been granted, of which 2,223, with an annual value of £159,031, were in force as at 31st March, 1939. These comprised 917 single veterans, 1,245 married veterans, 60 widows, and 1 grant on account of an orphaned child.

The total dependent children in receipt of allowances as at 31st March, 1939, numbered 1,833.

WAR VETERANS' ALLOWANCES APPEALS.

Appeals outstanding on 31st March, 1938	..	..	..	..	6
Appeals lodged during 1938-39	..	..	..	..	27
					33
Appeals dismissed during 1938-39	..	..	..	..	16
Appeals upheld during 1938-39	..	..	..	..	16
Appeals withdrawn and struck out, 1938-39	..	..	..	..	..
					32
Appeals outstanding on 31st March, 1939	..	..	..	..	1
Percentage upheld, 50.					

FAMILY ALLOWANCES.

The claims lodged during the year totalled 1,861, which, with the 86 outstanding from the previous year, made a total of 1,947 to be dealt with. Of these, 807 were accepted and 610 rejected. Of the rejected claims, 383 represent cases where the income of the family was in excess of the limit allowed. Four hundred and thirty-eight new claims from Maoris were finally dealt with during the year, 248 being granted and 190 rejected.

The total children of the 5,606 allowances in force as at 31st March, 1939, and those in excess of two in a family numbered 26,992 and 15,780, the average per family being 4.81 and 2.81 respectively.

The total amount paid during the year was £84,436, while the total annual value of all allowances in force at the close of the year was £79,739.

Weekly Rates at which Allowances granted.

Weekly Rate	1s.	2s.	3s.	4s.	5s.	6s.	7s.	8s.	10s.	12s.	14s.	16s.
Number granted	10	353	9	198	3	130	2	58	29	10	2	3

Numbers according to Size of Family.

Number of Children in Excess of Two.	1.	2.	3.	4.	5.	6.	7.	8.
Number of families	338	203	141	78	28	13	5	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 £4.	Over £4.
Number of families	24	72	194	472	15

COST OF ADMINISTRATION.

The cost of administration for the year amounted to £113,070, the principal items of expenditure being £62,932 for salaries of officers of the Department, £26,315 and £4,889 paid to the Postal Department for payment of pensions and postage and telegrams respectively, £4,791 for salaries and other expenses of the War Pensions Appeal Board, and £2,477 for salaries of the War Pensions Board.

The number on the staff at 31st March, 1939, was 406, and of these, 69 were appointed during March in connection with work preparatory to the coming into operation of the Social Security Department.

The percentage of cost of administration to the total pension payments made of £6,967,926 (including £187,582 paid on behalf of other Governments) was 1.62, or 3.9d. in the pound.

Preliminary expenses incurred on account of the Social Security Department amounted to £12,149 as at 31st March, 1939.

LEGISLATION.

On the 14th September, 1938, the Social Security Act, 1938, was passed and with the coming into operation of that Act from the 1st April, 1939, the Pensions Department will lose its identity, it then being absorbed in the new Social Security Department, and all the officers of the Pensions Department will be transferred to the new department.

The War Pensions Act, 1915, and the War Veterans' Allowances Act, 1935, which have been administered by the Pensions Department under the Commissioner of Pensions, will in future be administered by the Social Security Department under the Secretary for War Pensions.

In submitting this last report of the Pensions Department I would like to pay a tribute to the efficiency and loyalty of the staff during the years that the Pensions Department was operating.

STATISTICS IN REGARD TO CIVIL PENSIONS.

	Old-age.	Widows'.	Maori War.	Miners'.	Invalidity.
Pensions in force at 31st March, 1938 ..	59,953	4,982	27	868*	10,633
New pensions granted, 1938-39 ..	12,008	1,094	..	76*	3,776
Deaths during 1938-39 ..	4,179	19	7	25†	871
Cancellations during 1938-39 ..	1,088	870	..	27	1,049
Net increase or decrease ..	16,741	1214	7	2	1,856
Pensions in force at 31st March, 1939 ..	66,694	5,196	20	871*	12,489
Total children in receipt of pension, 31st March, 1939 ..	..	10,271	..	191†	3,662
Total European pensioners ..	63,771	4,621	11	1,062	11,734
Total Maori pensioners ..	2,872	575	9	..	751
Total Asiatic pensioners ..	51	..	..	..	4
‡ Pensioners under section 7 (b), Pensions Act, 1926 ..	169	..	..	..	..
Percentage of European pensioners to total European population ..	4.15	0.30	..	0.07	0.76
New claims lodged ..	16,915	2,649	..	130	7,201
New claims rejected ..	2,317	398	..	33	3,152
Number of children on whose account pension granted ..	..	2,341	..	..	..
Annual liability at 31st March, 1939 ..	£3,733,238	£496,831	£1,170	£85,938	£794,636
Average pension per annum ..	£55 19s. 6d.	£95 12s. 4d.	£58 10s. 6d.	£80 18s. 5d.	£63 12s. 6d.
Gross expenditure for year 1938-39 ..	£3,577,129	£487,216	£1,338	£87,094	£750,748
Increase or decrease on figures of previous year ..	£342,072	£15,929	£468	£1,073	£117,919
Cost per head of European population ..	£2 6s. 6-8d.	6s. 4d.	0-2d.	1s. 1-6d.	9s. 9-2d.
Credit from national endowment ..	£43,595	..	..	..	..
Refunds paid to Public Account ..	£1,547	£329	..	£3	£322
Number of pensioners in homes and hospitals ..	1,809	..	1	15	1,126
Amount paid to controlling authorities of these ..	£98,232	..	£49	£1,353	£63,968
Number of pensioners in mental hospitals ..	211	4	..	3	..
Amount paid to Mental Hospitals Department on account of these ..	£12,251	£113	..	£185	..
Unpaid instalments as at 31st March, 1939 ..	£8,839	£1,698	£10	£265	£3,776
Instalments forfeited and subsequently paid ..	£4,036	£653	..	£48	£1,974
Average of family under fifteen years ..	..	1.98	..	..	..
Total claims lodged to date ..	195,674	25,567	1,893	3,749	26,332
Total claims established ..	154,891	20,264	1,698	2,873	16,147
Total claims rejected ..	36,774	4,063	195	872	9,391
Total number of children benefited ..	..	48,085	..	..	..
Total deaths ..	71,615	164	1,672	1,167	1,966
Total guardians appointed ..	..	463	..	..	..
Total cancellations ..	16,582	14,904	6	644	1,692
Grand total paid to date ..	£34,320,907	£6,222,169	£612,553	£1,078,719	£1,842,194
Total amount paid on account funeral expenses ..	..	..	..	£11,213	..
Total credit from national endowment ..	£946,644	..	..	..	..
Invalidity appeals—					
Appeals outstanding on 31st March, 1938 ..	..	..	..	..	57
Appeals lodged during 1938-39 ..	..	..	..	..	688
Appeals dismissed during 1938-39 ..	..	..	..	..	400
Appeals upheld during 1938-39 ..	..	..	..	..	262
Appeals withdrawn and struck out 1938-39 ..	..	..	..	..	38
Appeals outstanding on 31st March, 1939 ..	..	..	..	..	45
Percentage upheld ..	..	..	..	..	37.4

* 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 169 cases above comprise: European—Males, 60 and under 65, 141; females, 55 and under 60, 13; Maori—Males, 60 and under 65, 14; females, 55 and under 60, 1.

Total European population at 31st March, 1939, 1,536,264.

COMPARATIVE STATEMENT RELATING TO THE ANNUAL VALUE AND GROSS PAYMENTS OF ALL PENSIONS ADMINISTERED BY THE DEPARTMENT DURING THE YEARS 1935-39.

Class of Pension.		As at 31st March, 1935.			As at 31st March, 1936.			As at 31st March, 1937.			As at 31st March, 1938.			As at 31st March, 1939.		
		Number.	Annual Value.	Total Payments, 1934-35.	Number.	Annual Value.	Total Payments, 1935-36.	Number.	Annual Value.	Total Payments, 1936-37.	Number.	Annual Value.	Total Payments, 1937-38.	Number.	Annual Value.	Total Payments, 1938-39.
War ..	..	21,678	1,264,375	1,264,110	22,631	1,384,340	1,349,447	23,711	1,532,424	1,483,345	24,096	1,579,724	1,597,524	24,257	1,624,544	1,616,248
Old-age ..	..	40,141	1,583,413	1,519,889	43,309	1,828,150	1,718,601	54,134	3,068,293	2,413,103	59,953	3,373,331	3,235,057	66,694	3,733,238	3,577,129
Widows ..	..	4,505	294,437	296,565	4,369	321,605	311,864	4,753	464,879	412,280	4,982	476,907	471,287	5,196	496,831	487,216
Maori War ..	..	65	3,185	3,607	43	2,107	2,577	36	2,106	1,972	27	1,580	1,806	20	1,170	1,338
Miners ..	..	783	60,510	58,740	851	73,331	67,834	1,040	87,838	83,253	1,060	86,537	88,167	1,062	85,938	87,064
Epidemic ..	..	34	1,563	1,983	10	501	907	3	76	253	..	..	..	..	..	..
Blind ..	..	474	22,151	21,227	507	23,961	22,991	..	..	..	..	..	..	..	..	..
*Invalidity ..	..	..	..	..	..	..	..	7,491	478,165	284,760	10,633	674,934	632,820	..	..	..
Boer War ..	..	53	2,108	2,084	55	2,086	2,127	57	2,131	2,067	55	1,939	1,991	54	1,917	1,905
Sundry pensions and annuities ..	..	139	12,176	12,120	151	15,065	13,053	144	13,161	13,892	142	12,642	12,554	137	11,772	12,390
Civil Service Act, 1908 ..	..	15	5,073	5,211	13	4,460	4,676	11	3,933	4,106	10	3,500	3,632	9	3,183	3,256
Family allowances ..	..	12,321	151,169	152,818	11,691	144,856	149,043	9,515	125,702	130,730	6,853	94,168	106,402	5,906	79,739	84,436
War veterans' allowances ..	..	..	..	..	1,043	58,558	16,544	2,079	151,713	110,667	2,204	159,279	161,267	2,223	159,031	158,584
Totals ..	..	80,208	3,400,160	3,338,354	84,673	3,858,820	3,659,664	102,974	5,930,421	4,940,428	110,015	6,464,541	6,312,530	117,747	6,991,999	6,780,344

* Blind pensions formerly payable were merged with invalidity pensions.

Cost per head of European population : 1935, £2 5s. ; 1936, £2 9s. 1d. ; 1937, £3 5s. 9d. ; 1938, £4 3s. 2d. ; 1939, £4 8s. 3d.

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	1939	745	3	1,989	5,606
1930	3,506	2,242	465	26,909					
1931	4,640	2,202	352	28,995	Totals..	23,443	496	17,341	..
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					
1939	12,008	4,179	1,088	66,694					
Totals..	154,891	71,615	16,582	..					
<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
1939	1,094	10	870	5,196	1939	..	7	..	20
Totals..	20,264	164	14,904	..	Totals..	1,698	1,672	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
1939	3,776	871	1,049	12,489	1934	365	419	—264	21,314
Totals..	16,147	1,966	1,692	..	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
					1939	586	585	*—160	24,257
					Totals..	60,878	8,765	27,856	..

* This represents 608 reinstatements, less 448 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	..
1939	101	72	27	1,062					
Totals..	2,873	1,167	644	..	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					
1939	370	45	306	2,223					
Totals..	3,426	149	1,054	..					

*The administration of Epidemic Pensions was taken over from the Health Department as from 1st April, 1920. There were no payments made during 1938-39 under this heading as the pensionable children had reached the disqualifying age prior to 1st April, 1938.

H. DIGBY SMITH,
Commissioner of Pensions.

Approximate Cost of Paper.—Preparation, not given; printing (680 copies) £12.

By Authority: E. V. PAUL, Government Printer, Wellington.—1939.

Price 6d.]