EXPLANATORY NOTES.

PENSIONS AMENDMENT BILL.

PART I.

Section 8 as amended.

Clause 2 (1) reduces the qualifying period of residence for old-age pensions from twenty-five to twenty years.

Section 8 now reads :-

"8. Necessary Qualifications.—No such person shall be entitled to a pension under this Part of this Act unless he fulfils the following conditions, that is to say:—

"(a) That he is residing in New Zealand on the date when he establishes his

claim to the pension; and also

"(b) That he has so resided continuously for not less than twenty years

immediately preceding such date:

- "Provided that continuous residence in New Zealand shall not be deemed to have been interrupted by absence therefrom in the following cases:—
 - "(i) Where the total period of all such absence does not exceed two years; or
 - "(ii) Where the total period of all such absence exceeds two years but does not exceed that period by more than a period of six months for every year of residence in New Zealand in excess of a period of twenty years, computed in accordance with the provisions of the last preceding subparagraph, if the applicant has been actually resident in New Zealand for the twelve months immediately preceding the date of the establishment of his claim."

Old Paragraphs of Section 8 repealed.

Clause 2 (2) repeals the disqualifications on account of imprisonment in

section 8 (c) and (d).

Clause 3 (1) (a) and (b) is in substitution for portion of section 9 of the principal Act, as amended by section 13 of the Finance Act, 1935. It increases the amount of old-age pension from £45 10s. per annum to £52 per annum from 1st July, 1936, and to £58 10s. from 1st December, 1936.

Clause 3 (2) is in substitution for portion of section 9 of Pensions Act, 1926, and provides for a deduction from maximum pension of £1 for every complete pound of income in excess of £52 a year and also for deduction in respect of property as specified in clause 4.

Clause 3: (3) An additional amount of £13 is payable to a male at age sixty or a female at age fifty-five with two or more children under fifteen years of age, this already being a provision of the principal Act.

Clause 3 (4) repeals section 9 of the principal Act, as amended by the Finance Act, 1935. Formerly under section 9 of the principal Act women suffered a deduction from maximum pension of £1 for each year or part of a year by which they were under the age of sixty-five years. This restriction is now abolished.

Section 13 as amended from 1st July, 1936, and as further amended from 1st December, 1936.

- Clause 3 (5) increases the limit of income plus pension for a married couple from £143 per annum to £156 per annum from 1st July, 1936, and to £169 from 1st December, 1936, section 13 of the principal Act now reading:—
- "13. Where Applicant is Married.—(1) If the applicant for a pension or the renewal of a pension is married the following provisions shall apply:—

"(b) The yearly income of each shall be deemed to be half the total yearly

incomes of both:

"Provided that the amount of the pension of either of them for any year shall in no case exceed such sum as, with the total actual incomes of both of them for the year and the pension (if any) then already granted to the other of them, will amount to £156 for the year."

This is further increased to £169 from 1st December, 1936.

- "(2) This section does not apply in cases where husband and wife are living apart pursuant to decree, order, or deed of separation."
- Clause 4 (1) provides that, in the computation of the capital value of the accumulated property of any applicant for old-age pension, account shall not be taken of any land, any interest in any mortgage of any estate or interest in land, in any annuity or any life policy, and any furniture or personal effects belonging to the applicant.
- Clause 4 (2) provides for the value of accumulated property; being the capital value thereof ascertained in accordance with regulations made under the principal Act. In the absence of regulations, or in so far as such regulations, do not apply the value shall be determined by the Magistrate or by the Commissioner.
- Clause 4 (3) makes provision for an exemption of £500 in respect of accumulated property.
- Clause 4: (4) Where the husband or wife of the applicant has property the same conditions to apply as to the applicant.
- Clause 4 (5) repeals section 10 of the principal Act relating to the ascertainment of accumulated property.
- Clause 5 repeals section 11 of principal Act relating to transfer of home property to Public Trustee. Section 11 has been inoperative since home property was fully exempted in 1925.
- Clause 6 (a) amends section 12 of principal Act by repealing the proviso to subsection (1), and substituting a proviso permitting the Magistrate or the Commissioner to exclude from the applicant's income such amount as he thinks fit in those cases in which it is shown that the income for the coming income-year will be less than for the last income-year but not exceeding the estimated reduction. Previously only personal earnings which had ceased were exempt.
- Clause 6 (b) amends subsection 2 of section 12 of principal Act to bring it into line with the new provisions as indicated in clause 6 (a).

Section 12 now reads:—

Section 12 as amended.

"12. Mode of Computing Annual Income.—(1) For the purpose of ascertaining whether the claimant for a pension is entitled thereto, and also of fixing the rate of the first year's pension, his income for the last preceding income-year shall be deemed to be his yearly income; and the property owned by him at the end of that income-year shall be deemed to be his accumulated property:

"Provided that if, on application for a pension or for the renewal of a pension, it is shown to the satisfaction of the Magistrate or the Commissioner, as the case may be, that the income of the applicant, or of the husband or wife of the applicant, for the then current income-year will be less than the income for the last preceding income-year, the Magistrate or Commissioner may exclude from the computation of the applicant's yearly income such amount (if any) as he thinks fit, not exceeding the amount of the estimated reduction.

"(2) For the purpose of fixing the rate of the pension for the second and each subsequent year the pensioner's income for the income-year last preceding each such year shall be deemed (subject to the provisions of the last preceding subsection) to be his income for that year, and the property owned by him at the end of that income-year shall be deemed to be his accumulated property."

WIDOWS' PENSIONS.

- Clause 7 (1) increases the amount payable to every widow from 10s. for each child plus an additional 10s. to 10s. for each child plus an additional £1 per week, and is in substitution for section 21 of principal Act, as amended by the Finance
- Clause 7 (2) provides for the pension to be reduced by £1 for every complete £1 of the income of the widow and children in excess of £78 a year. The income exemption is as previously.
- Clause 7 (3) substitutes clauses 7 (1) and 7 (2) for section 21 of principal Act (which is quoted above), as amended by section 15 of the Finance Act, 1935, and repeals those sections.
- Clause 7 (4) repeals section 23 of the principal Act relating to the charging as income five per centum of the value of property—i.e., "constructive income"; also the apportionment of income partly derived from property and partly from personal earnings in respect of the property as this part of the section is no longer operative.
- Clause 8 makes provision for pensions for deserted wives on the same basis as widows. It provides that proceedings must have been taken under the Destitute Persons Act, 1910, and that she has failed to obtain a maintenance order, and also that the whereabouts of the husband is unknown.
- Clause 9 (1) permits the payment of a widow's pension to any married woman whose husband is a mental patient, but who is not actually detained in a mental institution. Example: Where a mental patient has been allowed out on probation or has escaped but has not actually been discharged.
- Clause 9 (2) makes provision for the income of the husband to be taken into consideration where a pension is payable to a woman coming within the provisions of clause 9 (1).
 - Clause 9 (3) repeals the definition of "widow" in section 2 of principal Act.

MINERS' PENSIONS.

Clause 10 provides for a miner to be eligible for pension when totally incapacitated by miner's phthisis, or by an occupational disease other than miner's phthisis (pneumoconiosis), or by heart disease.

Section 36 of Finance Act, 1929, as amended, now reads:-

Section 36, Finance Act, 1929, as now amended.

"36. Extension of Provisions for Pensions to Miners.—(1) For the purposes of Part IV of the Pensions Act, 1926 (in this section referred to as the said Act), the term 'miner's phthisis' is hereby extended to include tuberculosis of the lungs and any other disease of the respiratory organs commonly associated with or a sequel to pneumoconiosis.

"(2) Subject to the provisions of Part IV of the said Act, every miner who is, or who hereafter becomes, totally incapacitated for work owing to miner's phthisis (pneumoconiosis) or other occupational disease, or heart disease, contracted while working as a miner in New Zealand, shall during his incapacity be entitled to a

pension in accordance with the following provisions of this section.

"(3) Every person who, not being totally incapacitated for work as aforesaid, satisfies the Commissioner of Pensions that he is suffering from miner's phthisis contracted while working as a miner in New Zealand, and that he is thereby seriously and permanently incapacitated for work, shall during his incapacity be entitled to a pension under this section as if he were totally incapacitated for work."

Clause 11 (a) removes the necessity for a miner to have been naturalized for twelve months in order to qualify for a miner's pension.

Clause 11 (b) removes the disqualification in regard to imprisonment contained in section 34 of the principal Act.

Section 34 as now amended.

Section 34 of the principal Act now reads:

- "34. Conditions Precedent to Grant of Pension.—No such miner shall be entitled to a pension under this Part of this Act unless he fulfils the following conditions, that is to say:—
 - "(a) That he is a British subject;

"(d) That during the said period of five years he has not deserted or failed to provide for his wife or children; and."

Clause 12 (1) and (2) provides that the widow of any miner in receipt of a miner's pension at the date of his death shall be eligible for a miner's widows' pension regardless of the cause of death, and also provides that the pension shall continue during widowhood, and is in substitution for subsection one of section thirty-five of the principal Act, as amended by the National Expenditure Adjustment Act, 1932, and the Finance Act, 1935.

MILITARY (MAORI WAR) PENSION.

Clause 13 removes the disqualification of imprisonment imposed by paragraph (b) of section 42 of the principal Act.

Clause 14 increases the amount of military (Maori War) pensions to £52 per annum from 1st July, 1936, and to £58 10s. per annum from 1st December, 1936.

Section 43 now reads :--

"43. Amount of Pension.—The amount of a pension under this Part of this Act shall be £52 per annum."

Note.—From 1st December, 1936, £58 10s. is to be substituted for £52.

PENSIONS FOR SERVICE IN SOUTH AFRICAN WAR.

Clause 15 (1) and (2) increases the limit of income plus old-age pension from £97 10s. to £104 per annum from 1st July, 1936, and to £110 10s. from 1st December, 1936, as provided in section forty-five of the principal Act, which now reads:—

Section 45 as amended.

"45. Special Pensions in respect of Service in South African War.—(1) Every person who, while domiciled in New Zealand, served in South Africa as a member of a New Zealand contingent raised for service in connection with the South African War, and who is qualified to receive an old-age pension under Part I of this Act, shall be entitled to receive, in addition to his old-age pension, a pension under this section at a rate not exceeding £13 a year, but so that his aggregate receipts from all sources shall not exceed the sum of £104 in any year.

"(2) The Commissioner shall investigate all claims for pensions under this

section, and the decision of the Commissioner shall be final."

Note.—From 1st December, 1936, £110 10s. is to be substituted for £104 in subsection (1).

PART II.

INVALIDITY PENSIONS.

Clause 16 (1) (a) and (b) makes provision for invalidity pensions to be payable to persons of sixteen years of age or upwards who are permanently incapacitated for work on account of total blindness, accident, illness, or congenital defect.

Clause 16 (2) provides that naturalization is to be as for old-age pensions.

Section 91 of principal Act as amended reads-

- "91. To whom Act is not to apply.—This Act, in so far as it provides for the grant of pensions, shall not apply—
 "(b) To aliens."
- Clause 16 (2A) provides for a continuous residental qualification in New Zealand of ten years immediately preceding date of application but allows certain periods of absence in certain cases.
 - Clause 16 (2B) specifies when the incapacitating condition must have arisen.
- Clause 16 (2c) provides that the incapacity for work in respect of which the application for pension is made must not be self-induced or brought about for the purpose of obtaining a pension.
- Clause 16 (2D) provides that where the incapacity for work is the result of an accident no grant may be made if the applicant has a claim for compensation or damages outstanding against an employer or any other person.
- Clause 16 (2E) specifies that the applicant must be of good moral character and of sober habits.

- Clause 17 (1) (a), (b), and (c) fixes the rates of invalidity pensions payable to various persons.
- Clause 17 (2) (a) and (b) sets out the method of computation of invalidity pensions where the applicant, the husband or wife of the applicant, and dependent children have income and/or property.
- Clause 17 (3) provides for the provisions of section 12 of the principal Act to apply to invalidity pensions.

Section 12 of principal Act as amended reads-

- "12. Mode of Computing Annual Income.—(1) For the purpose of ascertaining whether the claimant for a pension is entitled thereto, and also of fixing the rate of the first year's pension, his income for the last preceding income-year shall be deemed to be his yearly income; and the property owned by him at the end of that income-year shall be deemed to be his accumulated property:
- "Provided that if, on application for a pension or for the renewal of a pension, it is shown to the satisfaction of the Magistrate or the Commissioner, as the case may be, that the income of the applicant, or of the husband or wife of the applicant, for the then current income-year will be less than the income for the last preceding income-year, the Magistrate or Commissioner may exclude from the computation of the applicant's yearly income such amount (if any) as he thinks fit, not exceeding the amount of the estimated reduction.
- "(2) For the purpose of fixing the rate of the pension for the second and each subsequent year the pensioner's income for the income-year last preceding each such year shall be deemed (subject to the provisions of the last preceding subsection) to be his income for that year and the property owned by him at the end of that income-year shall be deemed to be his accumulated property."
- Clause 17 (4) provides for a special exemption in respect of the personal earnings of a blind applicant for invalidity pension.
- Clause 17 (5) limits the maximum pension payable to an applicant for invalidity pension to £4 a week.
- Clause 17 (6) defines the word "child" in relation to an applicant for invalidity pension. The term "child" means a child under the age of sixteen years, and is to include a stepchild or a child legally adopted by the applicant prior to the date of his application.
- Clause 17 (7) gives the Commissioner of Pensions power to grant a pension to any child who is in fact maintained by the applicant even though such child may not be the legal child of the applicant.
- Clause 18 provides for an additional pension to be paid to a totally blind applicant by way of bonus or subsidy on personal earnings at the rate of 25 per centum on the average weekly earnings for the year.
- Clause 19 provides for all applications for invalidity pensions to be determined by the Commissioner of Pensions.
- Clause 20 (1) provides that no invalidity pension is to be payable in respect of any period during which a pensioner is undergoing imprisonment or reformative detention or is being maintained at the expense of the State in a public institution. The Commissioner of Pensions may, however, pay out any amount payable in respect of the wife or children of the pensioner.

- Clause 20 (2) provides that no pension shall be payable while a pensioner is out of New Zealand, excepting that, in the case of a blind pensioner who is out of New Zealand for vocational training or for the medical treatment of his eyes, the pension may be paid for any period not exceeding two years.
- Clause 21 (1) provides that the pension shall be payable to the applicant in person. The Commissioner of Pensions may, however, if he thinks fit, pay to the wife of the applicant any portion payable in respect of herself or children.
- Clause 21 (2) permits the Commissioner of Pensions to pay any invalidity pension to any reputable person for the benefit of the pensioner or the wife and children if such a course is considered expedient.
- Clause 22 provides that the Commissioner of Pensions may suspend the pension of a blind pensioner under the age of twenty years who refuses without sufficient cause to be trained in an occupation.
- Clause 23 provides for the medical examination of an applicant or a pensioner, and in cases where an application has been refused on medical grounds for an appeal to a Board of three medical practitioners.
 - Clause 24 fixes the date of commencement of invalidity pensions.
- Clause 25 provides for the general provisions of the principal Act (not being provisions applicable to a particular class of pension) to apply to invalidity pensions.
- Clause 26 (1) and (2) repeals the existing provisions of the principal Act relating to blind pensions and provides for those blind pensions already on the pensions roll to be continued as invalidity pensions.

PART III.

MISCELLANEOUS.

Clause 27 amends the definition of income in section two of the principal Act by the addition of a new paragraph relating to legacies, or moneys received under a life-assurance policy, which are expended in acquiring a home or in renovating a home, paying off a mortgage thereon, or in any other manner deemed reasonable by the Commissioner of Pensions.

Clause 28 provides that if any person in receipt of any class of pension under the principal Act leaves New Zealand while in receipt of such pension, and returns within a period of five years, he shall not be required to comply with the residential qualifications applicable in the case of an original claim for a pension of the class he was receiving when he left New Zealand.

Clause 29 extends the authority for the payment of instalments before due date contained in section 47, paragraph (c), of the principal Act.

The proviso to paragraph (c) of section 47 now reads:—

"Provided that instalments may be paid at any time not earlier than the twenty-third day of the month preceding the due date of payment, or in special circumstances, and with the approval of the Minister, may be paid at any time not earlier than the twentieth day of that month."

This is to enable payment to be made on the preceding Friday when the twentythird of the month falls on a Saturday or Sunday. Also to allow of payments being made earlier at Christmas time. Clause 30 (1) amends section 74 of the principal Act to allow of the payment of any amount of pension accrued to the date of death of a pensioner to his widow, to the guardian of his children, or to his estate. The previous provisions of section 74 allowed of the payment of the accrued amount only where insufficient estate had been left by a pensioner to cover the cost of burial expenses and could be paid only to the person responsible for the payment of such expenses, or to a charitable institution for his maintenance.

Section 74 as amended.

Section seventy-four now reads:-

"74. Apportionment of Instalment on Death of Pensioner.—(1) On the death of a pensioner under Part I, Part III, Part IV, or Part V hereof, the instalment then accruing but not actually accrued due shall be apportioned up to the date of the death, and the apportioned amount, together with the previous instalment (if any) then payable but not actually paid, shall, without further appropriation than this Act, as the Commissioner directs, be paid to and for the benefit of his widow, or to any person having the control of any dependant child or children of the pensioner for the benefit of such child or children, or to the pensioner's estate."

Clause 30 (2) provides that section 74 of the principal Act shall apply to invalidity pensions.

Clause 31 amends section 86 of the principal Act to include a Minister of Religion as a person qualified to take declarations for the purposes of the Pensions Act, 1926, and amendments.

Section 86 as amended.

Section 86 of the principal Act now reads:—

"86. Registrar, &c., may take Declarations.—Every statutory declaration required by this Act, or adduced in proof of any particular required to be proved on the investigation of any claim or income and property statement, may be made before any Justice, solicitor, Minister of Religion, constable, Registrar, or Clerk of Court, or Postmaster, or the Commissioner."

Clause 32 amends section 91 of the principal Act by removing the necessity for an applicant for pension to have been naturalized for a period of twelve months preceding the date of his application, and also allows of the payment of pensions to Chinese and other Asiatics.

Hon. Mr. Parry.

PENSIONS AMENDMENT.

ANALYSIS.

1. Short Title and commencement.

PART I.

AMENDING PROVISIONS RELATING TO OLD-AGE, WIDOWS', MINERS', AND MILITARY PENSIONS.

Old-age Pensions.

2. Modification of qualifications of applicants for old-age pensions.

3. Increasing rates of pensions. Repeals. old - age

4. In computing capital value of accumulated property, certain classes of property not to be taken into account. Repeal. 5. Repeal.

12 of principal Act 6. Section amended.

Widows' Pensions.

 7. Increasing rates of widows' pensions. Repeals.
 8. Deserted wives who satisfy requirements of this section may be granted pensions under Part II of principal Act.

9. Conditions as to grant of pensions under Part II of principal Act to women whose husbands are mentally defective. Repeal.

Miners' Pensions.

- 10. Extension of grounds on which miners' pensions may be granted.
- 11. Modification of qualifications of applicants for miners' pensions. 26. Repeals.

12. Provision for pension to widow of deceased miner.

Military Pensions.

- 13. Modification of qualifications for pension in respect of service in Maori wars.
- 14. Increasing rate of pensions for service in Maori wars.
- 15. Altering limitations as to income of persons in receipt of pensions for service in South African War. Repeal.

PART II.

INVALIDITY PENSIONS.

- 16. Provision for grant of pensions to persons permanently incapacitated by reason of illness, accident, or congenital defect.
- Rates of invalidity pensions.
 Additional pension to blind pensioner by way of bonus in respect of personal earnings.
- 19. Commissioner to determine applications under this Part.
- 20. Forfeiture of pension in certain cases.
- 21. Instalments of pension may be paid to pensioner, or suitable person on his behalf.
- 22. Blind pensioner (being a minor)
 may be required to undergo occupational training.
- 23. Commissioner may require applicants or pensioners to be medically examined.
- 24. Commencement of pensions.
- 25. Application to invalidity pensions of general provisions of principal Act.

RT	III.

MISCELLANEOUS.

27. Amending definition of term "income" for purposes of principal Act.

28. Modification of residentia qualifications prescribed by principal Act.

29. Extension of authority for payment of instalments of pension before due date.

30. Section 74 of principal Acamended.

31. Section 86 of principal Act amended.

32. Section 91 of principal Act amended.

A BILL INTITULED

Title.

An Act to amend the Pensions Act, 1926.

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

Short Title and commencement.

See Reprint of Statutes, Vol. VI, p. 760 1. (1) This Act may be cited as the Pensions Amendment Act, 1936, and shall be read together with and deemed part of the Pensions Act, 1926 (hereinafter referred to as the principal Act).

(2) This Act shall be deemed to have come into force 10 on the first day of July, nineteen hundred and thirty-six.

PART I.

Amending Provisions relating to Old-Age, Widows', Miners', and Military Pensions.

Old-age Pensions.

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Modification of qualifications of applicants for old-age pensions. 2. (1) Section eight of the principal Act is hereby amended by omitting from paragraph (b) thereof the words "twenty-five years" wherever they occur therein, and in each case substituting the words "twenty years".

(2) The said section is hereby further amended by 20

repealing paragraphs (c) and (d) thereof.

Increasing rates of old-age pensions.

3. (1) Except as provided in subsection three hereof, the rates of old-age pensions in force on the commencement of this Act, or that may hereafter be granted, shall be computed as follows:—

(a) From the commencement of this Act to the thirtieth day of November, nineteen hundred and thirty-six, the rate of every such pension shall be fifty-two pounds a year, diminished in respect of the income or accumulated property 30 of the applicant as provided in the next succeeding subsection:

(b) On and after the first day of December, nineteen hundred and thirty-six, the rate of every such pension (whether granted before or after that date) shall be fifty-eight pounds ten shillings a vear, diminished in respect of the income or accumulated property of the applicant as provided in the next succeeding subsection.

(2) The amount of every pension computed in accordance with the last preceding subsection shall be

10 diminished as follows:—

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(a) By one pound for every complete pound of the income of the applicant in excess of fifty-two pounds a year; and also

(b) By one pound for every complete ten pounds of the net capital value of the accumulated property of the applicant, computed in accordance with the provisions of the next succeeding section:

> Provided that the rate of the pension shall not be diminished in respect both of the net capital value of any property and of the income derived from that property, but in any case to which this proviso relates the deduction shall be made in respect of the property or in respect of the income, whichever method provides for the greater deduction.

(3) In addition to the amount computed in accordance with the foregoing provisions of this section, there shall be payable to every pensioner to whom the provisions **30** of paragraph (b) of section seven of the principal Act relate such additional amount, not exceeding thirteen pounds a year, as (having regard to the circumstances of the case) the Magistrate by whom the pension-claim is investigated may in his discretion determine.

(4) The foregoing provisions of this section are in Repeals. substitution for section nine of the principal Act, as amended by section thirteen of the Finance Act, 1935, 1935, No. 5 and the said sections are hereby accordingly repealed.

(5) Section thirteen of the principal Act, as amended 40 by section thirteen of the Finance Act, 1935, is hereby amended by omitting from paragraph (b) of subsection one the words "one hundred and forty-three pounds", and substituting the words "one hundred and fifty-six pounds ". On the first day of December, nineteen

In computing capital value of accumulated property, certain classes of property not to be taken into account.

hundred and thirty-six, section thirteen of the principal Act shall be deemed to be further amended by omitting the words "one hundred and fifty-six pounds", and substituting the words "one hundred and sixty-nine pounds ".

4. (1) In computing, for the purposes of Part I of the principal Act, the capital value of the accumulated property of any applicant for a pension, no account shall be taken of-

(a) His interest in any land (including his interest 10 under any mortgage of any estate or interest in land):

(b) His interest in any annuity or in any policy of life-insurance:

(c) Any furniture or personal effects belonging to the 15 applicant.

(2) Except as provided in the last preceding subsection, all property belonging to the applicant shall be deemed to be his accumulated property, and the capital value thereof shall be ascertained in manner prescribed 20 by regulations under the principal Act, or, in the absence of regulations or in so far as they do not extend, shall be determined by the Magistrate by whom the pensionclaim is investigated or the Commissioner, as the case may require.

(3) From the capital value of the accumulated property of the applicant, ascertained in accordance with the foregoing provisions of this section, there shall be deducted the sum of five hundred pounds, and the residue then remaining shall be deemed to be the net capital 30

value of his accumulated property.

(4) Where for the purposes of Part I of the principal Act the value of the accumulated property of the wife or husband of an applicant for a pension is to be determined, it shall be determined in accordance with the 35 foregoing provisions of this section.

(5) This section is in substitution for section ten of the principal Act, and that section is hereby accordingly repealed.

5. Section eleven of the principal Act is hereby 40 repealed.

6. Section twelve of the principal Act is hereby amended as follows:

> and substituting the following proviso:— "Provided that if, on application for a pension, or for the renewal of a pension, it is shown to the satisfaction of the Magistrate or

(a) By repealing the proviso to subsection one,

Repeal.

Repeal.

Section 12 of principal Act amended.

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the Commissioner, as the case may be, that the income of the applicant, or of the husband or wife of the applicant, for the then current income-year will be less than the income for the last preceding income-year, the Magistrate Commissioner may exclude from the computation of the applicant's yearly income such amount (if any) as he thinks fit, not exceeding the amount of the estimated reduction ":

(b) By inserting, after the words "shall be deemed" in subsection two, the words "(subject to the provisions of the last preceding subsection)".

Widows' Pensions.

15 7. (1) Except as provided in the next succeeding Increasing subsection, the amount of every pension payable under rates of Part II of the principal Act shall be computed at the pensions. rate of ten shillings a week for each child in respect of whom the pension is payable, increased by one pound 20 a week, but not so as to exceed in any case the rate of four pounds ten shillings a week.

(2) The annual amount of the pension computed in accordance with the last preceding subsection shall be diminished by one pound for every complete pound by 25 which the total income of the applicant and of any child or children in respect of whom the pension is payable exceeds seventy-eight pounds a year.

(3) The foregoing provisions of this section are in Repeals. substitution for section twenty-one of the principal Act, 30 as amended by section fifteen of the Finance Act, 1935, 1935, No. 5 and those sections are hereby accordingly repealed.

(4) Section twenty-three of the principal Act is hereby repealed.

8. A pension under Part II of the principal Act 35 may be granted to any married woman, as if she were a who satisfy widow, who has been deserted by her husband and who satisfies the Magistrate by whom her claim for a pension is investigated-

Deserted wives requirements of this section may be granted pensions under principal Act.

(a) That she has taken proceedings against her husband for a maintenance order under Part III of the Destitute Persons Act, 1910, See Reprint and that she has failed to obtain a maintenance Vol. II, p. 906 order or that the order, if made, has not been complied with; and

(b) That she is not aware of the present whereabouts of her husband.

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Conditions as to grant of pensions under Part II of principal Act to women whose husbands are mentally defective. See Reprint of Statutes,

Vol. V, p. 743

Extension of grounds on

which miners'

pensions may be granted.

Modification of

qualifications of applicants

for miners'

pensions.

Repeal.

9. (1) A pension under Part II of the principal Act may be granted to any married woman in respect of whose husband a reception-order under the Mental Defectives Act, 1911, is for the time being in force (whether or not he is detained in an institution under that Act).

(2) In computing the amount of the pension (if any) to which any woman may be entitled under this section, the income (if any) of the husband shall be taken into account as if it were income of the applicant.

(3) Section two of the principal Act is hereby consequentially amended by repealing the definition of the term "widow".

Miners' Pensions.

10. Section thirty-six of the Finance Act, 1929, is 15 hereby amended by inserting, before the words "contracted while working as a miner in New Zealand" in subsection two, the words "or other occupational Ibid., Vol. VI, p. 794 disease or heart disease ".

11. Section thirty-four of the principal Act is hereby 20 amended as follows:

(a) By omitting from paragraph (a) all words after the words "That he is a British subject"; and

(b) By omitting from paragraph (d) the words "has not been convicted of any offence punishable 25 by imprisonment for two years or upwards, and ".

Provision for pension to widow of deceased miner.

12. (1) If any miner in receipt of a pension under Part IV of the principal Act dies leaving a widow, his widow shall be entitled during widowhood to a pension 30 at the rate of seventeen shillings and sixpence a week.

(2) This section is in substitution for subsection one of section thirty-five of the principal Act, as amended by section twenty of the National Expenditure Adjustment Act, 1932, and by subsection two of section sixteen 35 of the Finance Act, 1935, and the said enactments are hereby consequentially repealed.

1932, No. 8

1935, No. 5

Military Pensions.

Modification of qualifications for pension in respect of service in Maori wars.

13. Section forty-two of the principal Act is hereby amended by repealing paragraph (b) thereof.

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14. Section forty-three of the principal Act is hereby Increasing rate amended by omitting the words "forty-nine pounds", of pensions for service in and substituting the words "fifty-two pounds". On the Maori wars. first day of December, nineteen hundred and thirty-six, 5 the said section forty-three shall be deemed to be further amended by omitting the words "fifty-two pounds". and substituting the words "fifty-eight pounds ten shillings ".

15. (1) Section forty-five of the principal Act. as 10 amended by section fourteen of the Finance Act, 1935, is hereby further amended by omitting from subsection one the words "ninety-seven pounds ten shillings", and substituting the words "one hundred and four pounds ''. On the first day of December, nineteen 15 hundred and thirty-six, section forty-five of the principal Act shall be deemed to be further amended by omitting from subsection one the words "one hundred and four pounds ", and substituting the words " one hundred and ten pounds ten shillings ". 20

Altering limitations as to income of persons in receipt of pensions for service in South African War.

(2) Section fourteen of the Finance Act, 1935, is Repeal. hereby consequentially repealed.

1935, No. 5

PART II.

INVALIDITY PENSIONS.

16. (1) Subject to the provisions of this Part of this Provision for 25 Act, every person of the age of sixteen years or upwards shall be entitled to a pension (hereinafter in this Part of this Act referred to as an invalidity pension) who—

(a) Is totally blind; or

(b) Is permanently incapacitated for work as the result of an accident, or by reason of illness, or of any congenital defect.

(2) No person shall be entitled to an invalidity pension who would be disqualified from obtaining an old-age pension on any of the grounds specified in section 35 ninety-one of the principal Act, or who does not satisfy the following conditions, namely:—

> (a) That he has resided continuously in New Zealand for not less than ten years immediately preceding the date of his application:

> > Provided that continuous residence in New Zealand shall not be deemed to have been

grant of pensions to persons permanently incapacitated by reason of illness, accident, or congenital defect.

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interrupted by occasional absences therefrom, not exceeding six months in the aggregate, and in the case of a totally blind person shall not be deemed to have been interrupted by any period of absence for purposes of vocational training or of medical treatment in respect of his eyes:

(b) In the case of an applicant for a pension on the ground of blindness, that he was born blind New Zealand or became blind while 10 permanently resident in New Zealand; and, in the case of any other applicant, that he was born in New Zealand with the condition to which his incapacity for work is attributable or that he became incapacitated for work by 15 reason of an accident happening in New Zealand or by reason of illness contracted in New Zealand:

(c) That his incapacity for work was not selfinduced, or was not in any way brought about 20 with a view to qualifying for an invalidity pension:

(d) That, where his incapacity for work is the result of an accident, he has no claim outstanding against any employer or any other person for 25 compensation or damages in respect of such

accident: (e) That he is of good moral character and sober habits.

Rates of invalidity pensions.

17. (1) Subject to the provisions of this section, 30 pensions granted under this Part of this Act shall be computed as follows:-

(a) In the case of a married man (with a wife dependent on him or with a wife and children dependent on him) the pension shall be at the 35 rate of twenty shillings a week, increased by ten shillings a week in respect of his wife and further increased by ten shillings a week in respect of each such child:

(b) In the case of a widower with children dependent 40 on him, the pension shall be at the rate of twenty shillings a week, increased by ten shillings a week in respect of each such child:

(c) In every other case the pension shall be at the rate of twenty shillings a week.

(2) The annual amount of any pension computed in accordance with the *last preceding* subsection shall be diminished in accordance with the following provisions, namely:—

(a) In the case of an applicant to whom paragraph (a) or paragraph (b) of the last preceding subsection relates, the annual amount so computed shall be diminished as follows:—

(i) By one pound for every complete pound of the total annual income of the applicant and of his wife and dependent children in excess of one hundred and four pounds; and also

(ii) By one pound for every complete ten pounds of the net capital value of the accumulated property of the applicant and of his wife and children, computed as in the case of an application for an old-age pension:

(b) In every other case, the annual amount so computed shall be diminished as follows:—

(i) By one pound for every complete pound of the annual income of the applicant in excess of fifty-two pounds; and also

(ii) By one pound for every complete ten pounds of the net capital value of the accumulated property of the applicant, computed as in the case of an application for an old-age pension.

(3) The provisions of section twelve of the principal Act shall apply with respect to the computation of **30** pensions under this Part of this Act.

(4) In computing for the purposes of this section the annual income of any blind person, no account shall be taken of any personal earnings up to but not exceeding two pounds fifteen shillings a week.

35 (5) Notwithstanding anything in the foregoing provisions of this section, no pension shall be granted under this Part of this Act in excess of four pounds a week.

(6) For the purposes of this Part of this Act the 40 term "child", in relation to an applicant for an invalidity pension, means a child under the age of sixteen years, and includes a stepchild or a child legally adopted by the applicant prior to the date of his application for a pension.

45 (7) Notwithstanding anything in the foregoing provisions of this section, the Commissioner, in computing the amount of the pension payable to any applicant under

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this Part of this Act, may regard any child who is in fact maintained by the applicant as if such child were a child of the applicant and dependent on him.

Additional pension to blind pensioner by way of bonus in respect of personal earnings.

18. In addition to the pension computed as provided in the last preceding section, there shall be payable to every blind pensioner who may be employed in any occupation an additional weekly allowance equal to twenty-five per centum of his average weekly earnings for the year, but so that in no case shall the total receipts of the pensioner in his own right (whether derived from 10 pension or personal earnings or from any other source) exceed the rate of three pounds fifteen shillings a week.

19. Every application for a pension under this Part of this Act shall be determined by the Commissioner of Pensions.

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20. (1) No person shall be entitled to receive a pension under this Part of this Act in respect of any period during which he is undergoing a sentence of imprisonment or reformative detention, or is being maintained at the expense of the Government as an 20 inmate of any public institution:

Provided that, in any such case, the Commissioner may pay to any person competent to receive the same so much of the pension as is granted in respect of the wife or children of the pensioner.

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(2) Every instalment of any such pension which falls due while the pensioner is resident out of New Zealand shall be absolutely forfeited:

Provided that this subsection shall not apply in respect of any period, not exceeding two years, during 30 which a blind pensioner may be out of New Zealand for purposes of vocational training or of medical

treatment in respect of his eyes.

21. (1) Except asotherwise provided herein. pensions payable under this Part of this Act shall be 35 paid to the applicant personally, but the Commissioner may, in any case, if he thinks fit, pay to the wife of the applicant so much of the pension as is granted in respect of her or of any child or children of the applicant.

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(2) In any other special case the Commissioner may pay any pension under this Part of this Act or any part of such pension to any reputable person in trust to apply the same for the benefit of the applicant, or of

Commissioner to determine applications under this Part.

Forfeiture of pension in certain cases.

Instalments of pension may be paid to pensioner, or to suitable person on his behalf.

the wife or the children in respect of whom such pension is payable, in such manner as the Commissioner may approve or direct.

22. In the case of a blind pensioner under the age Blind **5** of twenty years who is capable of being trained in any occupation, the Commissioner may suspend payment of the pension if the pensioner wilfully refuses without sufficient cause to undertake such training when called upon so to do.

pensioner being a minor) may be required to undergo occupational training.

10 23. The Commissioner may, if he thinks fit, direct Commissioner any applicant or pensioner under this Part of this Act to be examined by a registered medical practitioner, to be nominated by the Commissioner for the purpose, who shall certify whether or not in his opinion the applicant 15 or pensioner is permanently incapacitated for work or is totally blind, and shall state the grounds upon which his opinion is founded:

may require applicants or pensioners to be medically examined.

Provided that if any claim for a pension under this Part of this Act is declined or any such pension is 20 cancelled on medical grounds, the applicant or pensioner shall have a right of appeal to a Board of three registered medical practitioners, to be appointed for the purpose by the Commissioner.

Commencement of pensions.

24. Every pension granted under this Part of this 25 Act shall be deemed to have commenced on the first day of the month in which the application therefor is received by the Commissioner:

Provided that any pension granted on an application received within one month after the date of passing of 30 this Act shall be deemed to commence on the first day of July, nineteen hundred and thirty-six.

25. The provisions of the principal Act (not being provisions limited in their application to any particular class of pension that may be granted thereunder) shall. 35 with the necessary modifications and in so far as they are not inconsistent with the express provisions of this Part of this Act, apply in relation to invalidity pensions, to applications for such pensions, and to matters incidental thereto.

Application to invalidity pensions of general provisions of principal Act.

26. (1) Part III of the principal Act, and section Repeals. 40 four of the Pensions Amendment Act, 1932, are hereby 1932, No. 15 repealed.

(2) All pensions granted under Part III of the principal Act and in force on the passing of this Act shall continue in force as if they were invalidity pensions granted under this Part of this Act.

PART III.

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MISCELLANEOUS.

Amending definition of term "income" for purposes of principal Act.

27. The definition of the term "income" in section two of the principal Act is hereby amended by inserting, after paragraph (f), the following new paragraph:—

"(g) Any moneys, not exceeding in the aggregate 10 the sum of five hundred pounds, that may be received by way of legacy or under any life-assurance policy and that are expended in the purchase of property to be used as a home, or for improvements or renovations to property used as a home, or to pay off any principal sum or interest on a mortgage on any such property, or for any other purposes that the Commissioner deems reasonable."

Modification of residential qualifications prescribed by principal Act. 28. Notwithstanding anything to the contrary in the principal Act, if any person leaves New Zealand while in receipt of a pension and returns to New Zealand within a period of five years he shall not, in respect of a subsequent application for a pension of the same class, be required to comply with the residential qualifications 25 applicable in the case of an original claim.

29. Section forty-seven of the principal Act is hereby amended by adding to the proviso to paragraph (c) the words "or, in special circumstances and with the approval of the Minister may be raid at any time not see

approval of the Minister, may be paid at any time not 30 earlier than the twentieth day of that month ".

Extension of authority for payment of instalments of pension before due date.

Section 74 of principal Act amended.

30. (1) Section seventy-four of the principal Act is hereby amended by omitting from subsection one the words "be paid to such person as the Minister directs, and shall be applied in or towards defraying the burial 35 expenses of the deceased pensioner", and substituting the words "as the Commissioner directs be paid to and for the benefit of his widow, or to any person having the control of any dependent child or children of the pensioner for the benefit of such child or children, or to 40 the pensioner's estate".

- (2) The said section seventy-four shall apply with respect to invalidity pensions granted under Part II of this Act.
- 31. Section eighty-six of the principal Act is hereby section 86 of 5 amended by inserting, after the word "solicitor", the principal Act amended. words "Minister of Religion".

32. Section ninety-one of the principal Act is hereby Section 91 of amended by repealing paragraphs (c) and (d) of principal Act amended. subsection one thereof.