

*This PUBLIC BILL originated in the HOUSE OF REPRESENTATIVES, and, having this day passed as now printed, is transmitted to the LEGISLATIVE COUNCIL for its concurrence.*

*House of Representatives,  
18th October, 1949.*

*Hon. Mr. Parry*

## SOCIAL SECURITY AMENDMENT

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## A BILL INTITULED

Title.	AN ACT to Amend the Social Security Act, 1938. BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—	5
Short Title.	1. This Act may be cited as the Social Security Amendment Act, 1949, and shall be read together with and deemed part of the Social Security Act, 1938 (hereinafter referred to as the principal Act).	
1938; No. 7; reprinted, 1948, Vol. II, p. 1251		

## PART I

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## RATES OF MONETARY BENEFITS

Commencement of this Part.	2. This Part of this Act shall be deemed to have come into force on the first day of June, nineteen hundred and forty-nine.	
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*Superannuation Benefits*

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Increasing rate of superannuation benefits.	3. (1) Section thirteen of the principal Act is hereby amended by omitting from subsection two the words "one hundred and seventeen pounds", and substituting the words "one hundred and thirty pounds".	
Repeal. 1947, No. 28	(2) Section three of the Social Security Amendment Act, 1947, is hereby repealed.	20

*Age-benefits*

Increasing rate of age-benefits.	4. (1) Section sixteen of the principal Act is hereby amended by omitting from subsection one the words "one hundred and seventeen pounds", and substituting the words "one hundred and thirty pounds".	25
Repeal. 1947, No. 28	(2) Section four of the Social Security Amendment Act, 1947, is hereby repealed.	
Section 17 of principal Act amended.	5. (1) Section seventeen of the principal Act is hereby amended as follows:—	30
	(a) By omitting from paragraph (b) of subsection two the words "one hundred and sixty-nine pounds", and substituting the words "one hundred and eighty-two pounds":	
	(b) By omitting from the proviso to the same paragraph the words "one hundred and seventeen pounds", and substituting the words "one hundred and thirty pounds":	35

(c) By omitting from the same proviso the words "two hundred and eighty-six pounds", and substituting the words "three hundred and twelve pounds".

5 (2) Section five of the Social Security Amendment Act, 1947, is hereby repealed. Repeal.  
1947, No. 28

6. (1) Section nineteen of the principal Act is hereby amended by omitting from the proviso the words "one hundred and sixty-nine pounds", and substituting the words "one hundred and eighty-two pounds". Section 19  
of principal  
Act amended.

10 (2) Section six of the Social Security Amendment Act, 1947, is hereby repealed. Repeal.  
1947, No. 28

*Widows' Benefits*

7. (1) Section twenty-three of the principal Act is hereby amended as follows:— Increasing rate  
of widows'  
benefits.

(a) By omitting from paragraph (a) the words "one hundred and seventeen pounds", and substituting the words "one hundred and thirty pounds":

20 (b) By omitting from paragraph (b) the words "sixty-five pounds", and substituting the words "seventy-eight pounds":

(2) Section eight of the Social Security Amendment Act, 1947, is hereby repealed. Repeal.  
1947, No. 28

25 *Orphans' Benefits*

8. (1) Section twenty-seven of the principal Act is hereby amended by omitting from subsection one the words "fifty-two pounds", and substituting the words "sixty-five pounds". Increasing rate  
of orphans'  
benefits.

30 (2) Section nine of the Social Security Amendment Act, 1947, is hereby repealed. Repeal.  
1947, No. 28

*Invalids' Benefits*

9. (1) Section thirty-four of the principal Act is hereby amended as follows:— Increasing rates  
of invalids'  
benefits.

35 (a) By omitting from paragraph (a) of subsection one the words "one hundred and seventeen pounds" wherever they occur, and substituting in each case the words "one hundred and thirty pounds":

40 (b) By omitting from paragraph (b) of the same subsection the words "ninety-one pounds", and substituting the words "one hundred and four pounds":

- (c) By omitting from paragraph (c) of the same subsection the words "one hundred and seventeen pounds", and substituting the words "one hundred and thirty pounds":
- (d) By omitting from subparagraph (i) of paragraph (c) of subsection two the words "one hundred and sixty-nine pounds", and substituting the words "one hundred and eighty-two pounds":
- (e) By omitting from the proviso to paragraph (c) of the same subsection the words "one hundred and seventeen pounds", and substituting the words "one hundred and thirty pounds":
- (f) By omitting from the same proviso the words "seven pounds five shillings", and substituting the words "eight pounds".

Repeal.  
1947, No. 28  
Section 35 of  
principal Act  
amended.

(2) Section ten of the Social Security Amendment Act, 1947, is hereby repealed.

**10.** (1) Section thirty-five of the principal Act is hereby amended by omitting from the proviso the words "two hundred and seventy-three pounds", and substituting the words "two hundred and eighty-six pounds".

Repeal.  
1947, No. 28

(2) Section eleven of the Social Security Amendment Act, 1947, is hereby repealed.

#### *Miners' Benefits*

Increasing rates  
of miners'  
benefits.  
1945, No. 11  
1947, No. 28

**11.** (1) Section forty-one of the principal Act (as substituted by section twenty-one of the Social Security Amendment Act, 1945, and amended by section twelve of the Social Security Amendment Act, 1947), is hereby further amended by omitting the words "one hundred and seventeen pounds" wherever they occur, and substituting in each case the words "one hundred and thirty pounds".

Repeal.  
1947, No. 28  
Section 44  
of principal  
Act amended.

(2) Section twelve of the Social Security Amendment Act, 1947, is hereby repealed.

**12.** (1) Section forty-four of the principal Act is hereby amended by omitting from subsection one the words "ninety-one pounds", and substituting the words "one hundred and four pounds".

Repeal.  
1947, No. 28

(2) Section thirteen of the Social Security Amendment Act, 1947, is hereby repealed.

*Sickness Benefits*

13. (1) Subsection two of section forty-six of the principal Act (as substituted by section twenty-three of the Social Security Amendment Act, 1945, and amended  
5 by section fourteen of the Social Security Amendment Act, 1947) is hereby further amended as follows:—

- (a) By omitting from paragraph (a) the words “twenty-five shillings”, and substituting the words “thirty shillings”:
- 10 (b) By omitting from paragraph (b) the words “forty-five shillings” wherever they occur, and substituting in each case the words “fifty shillings”.

(2) Section fourteen of the Social Security Amendment Act, 1947, is hereby repealed.

Increasing rates  
of sickness  
benefits.  
1945, No. 11  
1947, No. 28

Repeal.  
1947, No. 28

*Unemployment Benefits*

14. (1) Section fifty-two of the principal Act (as amended by section twenty-five of the Social Security  
20 Security Amendment Act, 1947) is hereby further amended as follows:—

- (a) By omitting from paragraph (a) of subsection one the words “twenty-five shillings” and substituting the words “thirty shillings”:
- 25 (b) By omitting from paragraph (b) of the same subsection the words “forty-five shillings” wherever they occur, and substituting in each case the words “fifty shillings”.

(2) Section fifteen of the Social Security Amendment Act, 1947, is hereby repealed.

Increasing  
rates of  
unemployment  
benefits.  
1945, No. 11  
1947, No. 28

Repeal.  
1947, No. 28

## PART II

## MISCELLANEOUS PROVISIONS AS TO MONETARY BENEFITS

15. Except as otherwise hereinafter provided, this Part of this Act shall come into force on the first day of  
35 *November*, nineteen hundred and forty-nine.

Commencement  
of this Part.

Rate of benefit being paid when widow without children attains the age of 60 years.  
1946, No. 22

**16.** Section twenty-four of the principal Act (as substituted by section two of the Social Security Amendment Act, 1946) is hereby amended by adding to subsection one the following proviso:—

“ Provided that where an applicant who has no child or children under sixteen years of age dependent on her is in receipt of a widow’s benefit immediately before she attains the age of sixty years, paragraph (a) of this subsection shall continue to apply to the rate of that benefit for the residue of the period for which it has been granted.”

Payment of benefits where wife or widow is in receipt of war pension for her own disablement.

**17.** (1) Section sixty-two of the principal Act is hereby amended by adding to paragraph (c) the following proviso:—

“ Provided that nothing in this paragraph shall prevent the Commission from paying any part of any age-benefit, sickness benefit, unemployment benefit, or emergency benefit where the wife of the applicant is in receipt of a war pension in respect of her own disablement: ”

(2) Section sixty-three of the principal Act is hereby amended by inserting in subsection three, after the word “ age-benefit ”, the words “ or a widow’s benefit ”.

Extending time for payment of instalments of benefits.

**18.** Section sixty-eight of the principal Act is hereby amended by omitting from subsection three the words “ date when ”, and substituting the words “ end of the month in which ”.

*Ex gratia* payments to be treated as compensation or damages.

**19.** Section seventy-four of the principal Act is hereby amended by adding the following subsection as subsection two thereof:—

“(2) For the purposes of this section the expression ‘ compensation or damages ’ includes any *ex gratia* payment made in settlement of or on account of a claim for compensation or damages.”

Termination of benefits on death of beneficiary.

**20.** Section seventy-five of the principal Act is hereby amended by adding to paragraph (a) of subsection one the following proviso:—

“ Provided that the Commission may in its discretion continue an age-benefit, widow’s benefit, invalid’s benefit, or miner’s benefit until the end of the month in which the

beneficiary dies, or continue a sickness benefit or unemployment benefit until the end of the week in which the beneficiary dies: ”

21. (1) Notwithstanding anything to the contrary in  
 5 Part II of the principal Act, the Commission may in its discretion increase by an amount not exceeding twenty-six pounds a year the rate of any benefit under Part II of the principal Act payable to any beneficiary who satisfies the Commission that he or she was one of the  
 10 parents of—
- (a) A deceased member of any of His Majesty's Forces established in New Zealand whose death was attributable to his service as a member of any such Force:
- 15 (b) A deceased member of the New Zealand Mercantile Marine whose death was directly attributable to the Second World War:
- (c) A deceased member of any Forces established in any part of the British Commonwealth other than New Zealand who was domiciled in New Zealand at the commencement of any War in which His Majesty's Forces established in New Zealand were engaged and whose death was attributable to his service as a member of any  
 20 such Force:
- 25 (d) A deceased member of the Mercantile Marine of any part of the British Commonwealth other than New Zealand who was domiciled in New Zealand at the commencement of the Second World War and whose death was directly attributable to that war.
- (2) For the purposes of this section a beneficiary shall be deemed to have been one of the parents of any such deceased member if the member was a child or step-  
 35 child or adopted child of the beneficiary, or if in any other case the member was maintained by the beneficiary or by the wife or husband of the beneficiary and is in the circumstances of the case regarded by the Commission as being a child of the beneficiary.
- 40 (3) This section is in substitution for section eleven of the Social Security Amendment Act, 1943, and that section and subsection three of section seven of the Social

Power to increase rates of benefits granted to parents of deceased members of the Forces or of the Mercantile Marine.

Repeals.  
 1943, No. 19  
 1945, No. 11

Security Amendment Act, 1945, and section thirty-three of the last-mentioned Act are hereby consequentially repealed.

(4) This section shall be deemed to have come into force on the first day of April, nineteen hundred and forty-nine. 5

Benefits subject to reciprocity with Australia.

**22.** Section two of the Social Security (Reciprocity with Australia) Act, 1948, is hereby amended, as from the commencement thereof, by inserting, after the definition of the expression "appropriate authority", the following definition:— 10

" 'Benefit' means an age-benefit, an invalid's benefit, a widow's benefit, a family benefit, an unemployment benefit, or a sickness benefit: "

### PART III

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#### MEDICAL SERVICES

Commencement of this Part.

**23.** (1) This Part of this Act shall be deemed to form part of Part III of the principal Act, and shall come into force on a day to be appointed for the commencement thereof by the Minister of Health by notice in the *Gazette*. 20

(2) This Part of this Act shall apply with respect to all medical services provided by a medical practitioner on or after the date of the commencement of this Part of this Act, and shall not apply to any medical services provided before that date. 25

Prohibiting practice under capitation system and fee for service system at the same time.  
1941, No. 14

**24.** Section three of the Social Security Amendment Act, 1941 (which sets out certain classes of medical services that are not to be the subject of specific fees paid from the Social Security Fund), is hereby amended by inserting, after paragraph (e), the following new paragraph:— 30

"(ee) Except as the Minister otherwise determines in any case or class of cases, medical services provided by any medical practitioner who is for the time being bound by an agreement to provide medical benefits for capitation fees in accordance with section fourteen of the Finance Act (No. 4), 1940: " 35

1940, No. 30



25. Section seven of the Social Security Amendment Act, 1941 (which entitles a medical practitioner to recover fees from a patient and the patient to obtain a refund from the Social Security Fund), is hereby  
5 amended by inserting in subsection one, after the words "the medical practitioner", the words "if he is authorized so to do by the Council of the New Zealand Branch of the British Medical Association after consultation by the Council with the Minister".
- 10 26. Section four of the Social Security Amendment Act, 1941, is hereby amended by omitting from paragraphs (a), (b), and (c) of subsection one the words "a fee of seven shillings and sixpence", and substituting in each case the words "a reasonable fee not exceeding  
15 seven shillings and sixpence".
27. (1) Section eleven of the Social Security Amendment Act, 1941 (which authorizes the making of regulations), is hereby amended by adding to paragraph (a) the words "or to receive from the Fund mileage fees  
20 computed at a rate higher than that specified in section five of this Act".
- (2) Section five of the Social Security Amendment Act, 1941, is hereby consequentially amended by omitting from subsection two the words "Subject to the provisions of this section", and substituting the words  
25 "Subject to the provisions of this Act".
28. (1) Notwithstanding the provisions of section twelve of the Finance Act (No. 2), 1942, regulations may be made under section one hundred and forty of the  
30 principal Act for the provision of benefits in respect of any class or classes of specialist medical services as defined in the said section twelve and for the payment out of the Social Security Fund in respect of any such services of fees to be determined in accordance with a  
35 scale of fees to be fixed in accordance with the provisions of section twelve of the Social Security Amendment Act, 1939 (which relates to maternity benefits), as if it were a scale of fees under that section; and the provisions of subsections two to seven of the last mentioned section  
40 shall apply accordingly to every scale of fees under this section.

Refund system not to apply unless specially authorized.  
1941, No. 14

Fees payable from Fund for general medical services.  
1941, No. 14

Power to prescribe higher mileage fees.  
1941, No. 14

Specialist medical services.  
1942, No. 14

1939, No. 31

(2) Any regulations made for the purposes of this section may include provisions for the official recognition of medical practitioners as specialists in any branch or branches of medicine or surgery, and for the determination of questions or disputes as to whether or not a particular service is a specialist medical service. 5

Right to  
recover fees  
from patients,  
and reference  
of accounts  
to Divisional  
Disciplinary  
Committee.  
1941, No. 14

29. (1) For the purposes of this section,—

“ Divisional Disciplinary Committee ” or “ Committee ” means a Divisional Medical Practitioners Disciplinary Committee appointed under the *Medical Practitioners Amendment Act, 1949*: 10

“ Medical practitioner ” includes the personal representatives and assignees of the medical practitioner concerned: 15

“ Medical services ” means any general medical services or pharmaceutical requirements that may be the subject of payments from the Fund in accordance with the Social Security Amendment Act, 1941, as amended by this Part of this Act, and any specialist medical services that may be the subject of payments from the Fund in accordance with regulations made under section *twenty-eight* of this Act. 20

(2) No medical practitioner shall be entitled to recover any fees or charges for medical services as hereinbefore defined until the expiration of one month after an account signed by him and showing particulars of the services provided on each occasion for which a fee or charge is claimed and the amount claimed for each occasion has been delivered to the person chargeable: 30

Provided that any Judge or Magistrate may on the *ex parte* application of any medical practitioner authorize him to commence an action for the recovery of any fees or charges before the expiration of the period limited by this subsection on proof that there is reasonable cause for believing that the person chargeable is about to leave New Zealand or has done or is about to do any other act that would tend to prevent or delay the medical practitioner from obtaining payment. 40

(3) That delivery may be effected either by personal delivery of the account to the person chargeable or by forwarding it to him by post in a registered letter addressed to him at his place of residence or last known  
5 place of residence.

(4) Within one month after the delivery of an account in accordance with this section, the person chargeable may apply to the Divisional Disciplinary Committee for the district in which the medical practitioner resides for an examination of the account by the  
10 Committee and for its opinion as to what are reasonable fees or charges for the services for which the account is rendered.

(5) Every such application shall be in writing  
15 addressed to the Secretary of the Committee, and shall be accompanied by the account and supported by such other information as the Committee may require of the applicant.

(6) If the Court in which any action for the recovery  
20 of any fees or charges in respect of any medical services is pending is satisfied that an application has been made under this section for an examination of the account for those fees or charges, the Court shall not complete the hearing of the action until the opinion of the Committee  
25 is made known to the Court.

(7) The Court in which any action for the recovery of any fees or charges in respect of any medical services is pending may of its own motion or on the application of any party refer the account for the fees or charges  
30 for examination to the Divisional Disciplinary Committee for the district in which the medical practitioner resides, and in any such case the Court shall not complete the hearing of the action until the opinion of the Committee is made known to the Court.

(8) Where in any action for the recovery of fees or charges in respect of any medical services the opinion of the Divisional Disciplinary Committee on the account for the fees or charges has been made known to the Court, the Court shall not give judgment for any  
35 amount exceeding that which is expressed to be reasonable in the opinion of the Committee without first affording the Committee a reasonable opportunity of appearing by counsel and adducing evidence and making representations on the matter.  
40

Repeal.  
1941, No. 14

(9) Section eight of the Social Security Amendment Act, 1941, is hereby repealed.

Section 81 of  
principal Act  
amended.

**30.** Section eighty-one of the principal Act (which restricts the right to benefits where damages are recoverable) is hereby amended by omitting from subsection one the word "If", and substituting the words "To the extent to which". 5