

SOCIAL SECURITY AMENDMENT BILL

EXPLANATORY NOTE

THIS Bill amends the Social Security Act 1938.

PART I

RATES OF MONETARY BENEFITS

Part I increases the rates of the various benefits to the rates at present being paid, and is retrospective to 1 January 1954, as the present rates have been paid since that date.

Clause 5 (1) (b) makes a new provision to come into force on 1 November 1954 in cases where the Social Security Commission in its discretion increases the age benefit of a married person. It provides that in these cases the total benefit, together with any other monetary benefit received by the husband or the wife, is not to exceed the total of the benefits that could be paid to the husband and wife if they were both entitled to age benefits.

PART II

MISCELLANEOUS PROVISIONS AS TO MONETARY BENEFITS

This Part, except *clause 17*, is to come into force as from 1 August 1954.

Clause 15 provides that where a widow's benefit is payable to a deserted wife, and her marriage is dissolved by divorce, the Commission may in its discretion continue the benefit as if the marriage had not been dissolved.

Clause 16 amends the provisions applicable on the death of a beneficiary. *Subclause (1)* enables any amount of the benefit unpaid at the date of death to be paid to the widower in the case of a female beneficiary. The present provision refers only to the beneficiary's widow and dependent children. *Subclause (2)* enables the Commission to continue an age benefit, widow's benefit, or invalid's benefit to the end of the month following the month in which the beneficiary died, if the beneficiary left a widow or widower or any dependent child or children.

Clause 17 authorizes increases in the rates of monetary benefits in respect of the period from 15 September 1953 to 31 December 1953, and the clause is deemed to have come into force on 15 September 1953.

PART III

MEDICAL AND HOSPITAL BENEFITS, AND OTHER RELATED BENEFITS

This Part (except *clause 22*) is to come into force on 1 October 1954.

Clause 19 re-enacts the provisions as to payments from the Social Security Fund in respect of hospital treatment afforded by Hospital Boards, so as to refer to hospitals only and not to other institutions.

Clause 20 re-enacts the provisions as to payments from the Social Security Fund in respect of hospital treatment in private hospitals so as to provide that the payments are to be at the same rates as those prescribed for public hospitals of the same classes.

Clause 21 re-enacts the provisions as to payments from the Social Security Fund in respect of hospital treatment in institutions recognized by the Minister of Health as hospitals for the purposes of the Social Security Act, so as to bring the provisions into line with the new provisions as to public and private hospitals, and to enable the rates of payments to be separately prescribed, instead of being in all cases the same as the rates prescribed for public hospitals.

Clause 22 provides that regulations prescribing the payments to be made out of the Social Security Fund for medical and hospital and other related benefits may provide for the calculation of the payments by reference to the individual patients or other beneficiaries or in any other manner, as, for example, by reference to the previous year's patients or otherwise in commutation of the individual payments. The clause validates all such regulations that have already been made. The clause also enables different rates to be prescribed for different classes of hospitals as defined in the regulations.

Hon. Sir William Bodkin

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 1954, 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 10

RATES OF MONETARY BENEFITS

Commencement of this Part. 2. Except as otherwise hereinafter provided, this Part of this Act shall be deemed to have come into force on the first day of January, nineteen hundred and fifty-four. 15

Superannuation Benefits

Increasing maximum rate of superannuation benefits. 1951, No. 54 3. Section thirteen of the principal Act (as substituted by section three of the Social Security Amendment Act 1951) is hereby amended by omitting from subsection three the words "one hundred and forty-nine pounds ten shillings" and substituting the words "one hundred and seventy-five pounds ten shillings". 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 forty-nine pounds ten shillings", and substituting the words "one hundred and seventy-five pounds ten shillings". 25

(2) Section four of the Social Security Amendment Act 1951 is hereby repealed. 30

Section 17 of principal Act amended. 5. (1) Section seventeen of the principal Act is hereby amended as follows:

(a) By omitting from paragraph (b) of subsection two the words "two hundred and twenty-seven pounds ten shillings", and substituting the words "two hundred and fifty-three pounds ten shillings": 35

(b) By repealing the proviso to the same paragraph, and substituting the following provisos:

“Provided that in the case of a married man to whom this paragraph applies the Commission may, in its discretion, increase the rate of the benefit by an amount not exceeding one hundred and seventy-five pounds ten shillings in any year in respect of his wife:

“Provided also that no benefit shall be payable to a married person to whom this paragraph applies at a rate which, together with any benefit received under this Part of this Act by the wife or husband of the applicant, as the case may be, exceeds the aggregate of the rates of age benefits which could be paid to the applicant and his wife or her husband, as the case may be, if each were entitled to an age benefit:”

(2) The second proviso to paragraph (b) of subsection two of section seventeen of the principal Act (as added by paragraph (b) of subsection one of this section) shall come into force on the first day of November, nineteen hundred and fifty-four.

(3) Section five of the Social Security Amendment Act 1951 is hereby repealed. 1951, No. 54

6. (1) Section nineteen of the principal Act is hereby amended by omitting from the proviso the words “two hundred and twenty-seven pounds ten shillings”, and substituting the words “two hundred and fifty-three pounds ten shillings”. Section 19 of principal Act amended.

(2) Section six of the Social Security Amendment Act 1951 is hereby repealed.

Widows' Benefits

7. (1) Section twenty-three of the principal Act is hereby amended by omitting from paragraph (a) the words “one hundred and forty-nine pounds ten shillings”, and substituting the words “one hundred and seventy-five pounds ten shillings”. Increasing rate of widows' benefits.

(2) Section twenty-three of the principal Act is hereby further amended by repealing paragraph (b), and substituting the following paragraph:

“(b) Where the applicant has a child or children under sixteen years of age dependent on her the Commission may in its discretion increase the rate of the benefit by a mother’s allowance not exceeding—

“(i) In the case of an applicant with one dependent child, one hundred and seventeen pounds a year:

“(ii) In the case of an applicant with two or more dependent children, one hundred and forty-three pounds a year.”

(3) Subsection *two* of this section shall be deemed to have come into force on the first day of August, nineteen hundred and fifty-four.

(4) During the period which commenced on the first day of January, nineteen hundred and fifty-four, and ended with the last day of July, nineteen hundred and fifty-four, paragraph (b) of section twenty-three of the principal Act shall be deemed to have had effect as if it had been amended by omitting the words “ninety-one pounds” and substituting the words “one hundred and seventeen pounds”.

1951, No. 54

(5) Section seven of the Social Security Amendment Act 1951 is hereby repealed.

Invalids’ Benefits

Increasing rates
of invalids’
benefits.

8. (1) Section thirty-four of the principal Act is hereby amended as follows—

(a) By omitting from paragraph (a) of subsection one the words “one hundred and forty-nine pounds ten shillings” wherever they occur, and substituting in each case the words “one hundred and seventy-five pounds ten shillings”:

(b) By omitting from paragraph (b) of the same subsection the words “one hundred and seventeen pounds”, and substituting the words “one hundred and forty-three pounds”:

(c) By omitting from paragraph (c) of the same subsection the words “one hundred and forty-nine pounds ten shillings”, and substituting the words “one hundred and seventy-five pounds ten shillings”:

- (d) By omitting from subparagraph (i) of paragraph (c) of subsection two the words "two hundred and twenty-seven pounds ten shillings", and substituting the words "two hundred and fifty-three pounds ten shillings":
- 5 (e) By omitting from the proviso to paragraph (c) of the same subsection the words "one hundred and forty-nine pounds ten shillings", and substituting the words "one hundred and
- 10 (f) By omitting from the same proviso the words "nine pounds five shillings", and substituting the words "ten pounds five shillings".
- (2) Section nine of the Social Security Amendment 1951, No. 54
- 15 Act 1951 is hereby repealed.
9. (1) Section thirty-five of the principal Act is hereby amended by omitting from the proviso the words "three hundred and thirty-one pounds ten shillings", and substituting the words "three hundred and fifty-seven
- 20 pounds ten shillings".
- (2) Section ten of the Social Security Amendment Act 1951 is hereby repealed.

Section 35 of principal Act amended.

Miners' Benefits

10. (1) Section forty-one of the principal Act is hereby amended by omitting the words "one hundred and forty-nine pounds ten shillings" wherever they occur, and substituting in each case the words "one hundred and seventy-five pounds ten shillings".
- 25 (2) Section eleven of the Social Security Amendment Act 1951 is hereby repealed.
- 30 11. (1) Section forty-four 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 forty-three
- 35 pounds".
- (2) Section twelve of the Social Security Amendment Act 1951 is hereby repealed.

Increasing rate of miners' benefits.

Section 44 of principal Act amended.

Sickness Benefits

Increasing rates
of sickness
benefits.
1945, No. 11
1951, No. 54

12. (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 by section thirteen of the Social Security Amendment Act 1951) is hereby further amended as follows: 5

(a) By omitting from paragraph (a) the words "thirty-five shillings", and substituting the words "forty-five shillings":

(b) By omitting from paragraph (b) the words "fifty-seven shillings and sixpence" wherever they occur, and substituting in each case the words "sixty-seven shillings and sixpence". 10

(2) Section thirteen of the Social Security Amendment Act 1951 is hereby repealed. 15

Unemployment Benefits

Increasing
rates of
unemployment
benefits.

13. (1) Section fifty-two of the principal Act is hereby amended as follows:

(a) By omitting from paragraph (a) of subsection one the words "thirty-five shillings", and substituting the words "forty-five shillings": 20

(b) By omitting from paragraph (b) of the same subsection the words "fifty-seven shillings and sixpence" wherever they occur, and substituting in each case the words "sixty-seven shillings and sixpence". 25

(2) Section fourteen of the Social Security Amendment Act 1951 is hereby repealed.

PART II

MISCELLANEOUS PROVISIONS AS TO MONETARY BENEFITS 30

Commencement
of this Part.

14. Except as otherwise hereinafter provided, this Part of this Act shall be deemed to have come into force on the first day of August, nineteen hundred and fifty-four.

Benefits for
deserted wives
may be
continued
after divorce.
1948, No. 78

15. Section twenty-two of the principal Act is hereby amended by inserting, after subsection two (as substituted by section eighteen of the Finance Act (No. 2) 1948), the following subsection: 35

“(2A) Where the marriage of any woman who is in receipt of a widow’s benefit under paragraph (a) of subsection two of this section is dissolved by divorce, the Commission may, in its discretion and subject to such conditions as it thinks fit, continue the benefit as if the marriage had not been dissolved; and in any such case the provisions of section thirteen of the Social Security Amendment Act 1943 shall, with the necessary modifications, continue to apply as if the marriage were still subsisting.

1943, No. 19;
reprinted 1948,
Vol. II, p. 1349

16. (1) Section seventy-five of the principal Act is hereby amended by inserting in paragraph (a) of subsection one, after the word “widow”, the words “or widower”.

Amending provisions applicable on death of beneficiary.

(2) Section seventy-five of the principal Act is hereby further amended by adding to paragraph (a) of subsection one (as amended by section twenty of the Social Security Amendment Act 1949) the following additional proviso:

1949, No. 38

“Provided also that where any person, while in receipt of an age benefit, widow’s benefit, or invalid’s benefit, dies leaving a widow or widower or any dependent child or children the Commission may, in its discretion, continue the benefit to such date, not later than the end of the month next after the month in which the beneficiary died, as the Commission thinks fit.”

17. (1) Notwithstanding anything to the contrary in the principal Act, the Commission may, in its discretion and in accordance with any general or special directions of the Minister of Social Security, in respect of the period commencing on the fifteenth day of September, nineteen hundred and fifty-three, and ending with the thirty-first day of December, nineteen hundred and fifty-three, increase the rate of any benefit under Part II of the principal Act to a rate not exceeding the appropriate rate prescribed by the principal Act as amended by this Act.

Authority to increase rates of benefits from 15 September to 31 December 1953.

(2) In determining any application for an increased benefit under this section the Commission may take into account such factors of economic significance (including any bonus received by the beneficiary from the Social Security Fund) as the Commission thinks fit.

(3) This section shall be deemed to have come into force on the fifteenth day of September, nineteen hundred and fifty-three.

PART III

MEDICAL AND HOSPITAL BENEFITS, AND OTHER RELATED BENEFITS

Commencement of this Part.

18. Except as otherwise hereinafter provided, this Part of this Act shall come into force on the first day of October, nineteen hundred and fifty-four. 5

Payments in respect of hospital treatment afforded by Hospital Boards.

19. The principal Act is hereby amended by repealing section ninety-two, and substituting the following section:

“92. (1) Where any person who is entitled to claim hospital benefits in accordance with this Part of this Act, or any member of the family of any such person, receives any hospital treatment as hereinbefore defined in or at any hospital maintained by a Hospital Board, there shall be payable to that Board, out of the Social Security Fund, such amount in respect of that treatment as may be prescribed. 10 15

“(2) The amount so paid to a Hospital Board in respect of the hospital treatment afforded to any person shall be paid to and accepted by the Board in full satisfaction of all claims by the Board in respect of that treatment.” 20

Payments in respect of hospital treatment in private hospitals.

20. The principal Act is hereby amended by repealing section ninety-three, and substituting the following section: 25

“93. (1) Where any person who is entitled to claim hospital benefits in accordance with this Part of this Act, or any member of the family of any such person, receives any hospital treatment as hereinbefore defined in any private hospital, there shall be payable out of the Social Security Fund, to the licensee or other person entitled to claim payment in respect of that treatment, the same amount as would have been payable in respect of that treatment if it had been afforded by a Hospital Board. 30 35

“(2) Any amount paid under this section in respect of any hospital treatment received by any person shall be in partial satisfaction of any claim by the licensee or other person to whom the payment is made in respect of that treatment.” 40

21. The principal Act is hereby amended by inserting, after section ninety-three (as substituted by the *last preceding* section), the following section:

Payments in respect of hospital treatment in institutions.

5 “93A. (1) In respect of hospital treatment afforded in any institution or place recognized and approved by the Minister as a hospital for the purposes of this Part of this Act to persons who are entitled to claim hospital benefits in accordance with this Part of this Act, or to members of the families of any such persons, there shall
10 be payable out of the Social Security Fund to the person entitled to claim payment in respect of that treatment such amounts as may be prescribed.

15 “(2) Unless the Minister otherwise determines in any case or class of cases, any amount paid under this section in respect of the hospital treatment of any person shall be in partial satisfaction of any claim by the person to whom the payment is made in respect of that treatment.”

22. The principal Act is hereby amended by adding
20 to Part III, as from the commencement of that Part, the following heading and section:

Regulations prescribing payments in respect of benefits.

“*Regulations*

25 “101A. Without limiting the general power to make regulations conferred by section one hundred and forty of this Act, it is hereby declared that regulations made under that section for the purpose of prescribing payments to be made out of the Social Security Fund in respect of any benefits provided under this Part of this Act—

30 “(a) May provide for the calculation of the payments by reference to the individual patients or other persons receiving the benefits or in any other manner:

35 “(b) May, in relation to hospital benefits, prescribe different rates of payments for different classes of hospitals defined in the regulations; and may provide that the determination of the Minister as to the class in which any hospital is included shall be final.”