

The COMMISSIONER, Government Life Insurance Department, to the CHAIRMAN, Old-age Pensions Committee.

Government Life Insurance Department, Head Office, Wellington,  
30th July, 1894.

DEAR SIR,—

Adverting to our conversations regarding the various schemes which have been suggested for dealing with the aged poor, I beg to inform you that I have asked the Actuary to prepare a synopsis of the papers in this department which relate to the matter. The synopsis has now been completed, and I hand you herewith twenty copies of it. I am sorry that they are a little blurred, but our machine is working badly. In case, however, they may not be entirely legible, I attach the original synopsis,

W. Hutchison, Esq.,  
Chairman Old-age Pensions Committee.

And remain, &c.,

J. H. RICHARDSON, Commissioner.

## I.—A BRIEF SUMMARY OF STATE PROVIDENT SCHEMES PROPOUNDED DURING THE LAST FIFTEEN YEARS, BUT NOT YET ADOPTED.

THESE schemes may be classified in two leading divisions: Division A—those which demand specific contributions, to be applied to create a specific fund; and Division B—those which do not build up such a fund, but provide each year for the benefits out of some form of taxation. Division A may be subdivided into—(1) Compulsory schemes; (2) voluntary schemes. All the schemes will fall into one or other of these categories, as set forth in the following schedule:—

### A.—SPECIFIC CONTRIBUTIONS TO CREATE A SPECIFIC FUND.

1. The Blackley type, compulsory.
2. The Chamberlain type, voluntary.

### B.—PENSIONS PAYABLE TO ALL WITHOUT DIRECT CONTRIBUTIONS.

The Booth type, indirectly compulsory.

#### DIVISION A.—1.

##### 1. CANON BLACKLEY'S ORIGINAL SCHEME.

*Payments.*—Every person to pay £10, or thereabouts, between eighteen and twenty-one.

*Benefits.*—Sick-pay, 8s. a week till seventy, and pension 4s. a week after seventy.

This scheme was eventually modified by Canon Blackley, principally through the opposition of the friendly societies, by eliminating the sickness benefit and lowering the pension age to sixty-five.

##### 2. CANON BLACKLEY'S AMENDED SCHEME.

*Payments.*—(a.) £10 in a lump sum from all persons with means, through the tax- or rate-collector. (b.) 1s. 3d. a week for three years between eighteen and twenty-one from wage-earners, the State paying half the premium. The fund to be valued yearly, and the payments to be increased if found necessary.

*Benefit.*—Apparently, 4s. a week pension after age 65.

##### 3. THE LATE SIR HARRY ATKINSON'S SCHEME (a Modification of Blackley's Scheme).

*Payments.*—Every person to pay 2s. 3d. a week between sixteen and twenty-three, or 3s. 3d. a week between eighteen and twenty-three, and also 2s. a week between twenty-three and twenty-eight.

*Benefits.*—Sick-pay till sixty-five: 15s. a week single people, £1 2s. 6d. a week married men, and 7s. 6d. a week married women. Pension: 10s. a week after sixty-five. Widowhood benefit: 15s. to £1 10s. a week, according to size of family, till each child is fifteen. Orphanhood benefit: 10s. a week to each orphan under three, and 6s. a week from three to fifteen.

Every man over twenty-three (excepting those provided for in friendly societies, and possibly excepting men over fifty) to be compelled to provide for 15s. a week sick-pay up to age 65; weekly payments according to age.

It was proposed to maintain all the existing indigent people over sixty-five out of the Consolidated Fund. The above scheme would then provide for all the existing population except orphans and widows. Sir H. A. Atkinson made the following suggestions (not included in the scheme) to provide for existing widows and orphans: (1.) That existing orphans should be allowed to make lower payments between sixteen and twenty-three to become entitled to the benefits. (2.) That rents from Crown lands should be put aside in perpetuity to make a provision for the widows of the present generation till the scheme should be in full operation: estimated to take £30,000 a year.

Sir H. A. Atkinson also proposed to use the remainder of the land-rents to endow each child born with £5 or less, which should be invested till sixteen, and then set off against the payments required. Emigrants under twenty-three would come under the scheme; those over twenty-three would pay for sick benefits only. Immigrants to draw all benefits except sick-pay. No surrender values to be given on leaving the colony.

*Machinery for securing Premiums.*—The colony to be divided into districts, conterminous with local bodies, which would be intrusted with registration. Employers to stop payments from wages and pay into Post-Office Savings-Bank; the payments of well-to-do people to be a debt due to the Crown.