

AMENDMENT OF ACT.

During the year an amending Act, of four sections, passed through Parliament, the main features of which were—(1) The restoration of the allowance of £50 from cash and other forms of property not constituting a home discontinued under the 1909 Act; and (2) a straight-out exemption of £340 from the home (including furniture and personal effects) of an applicant, in lieu of the provision of the 1909 Act, whereby the home was charged as income at the rate of £1 for every £10 in the net capital value thereof.

The effect of this amendment, which received the Governor's assent on the 21st November, 1910, and came into operation on the 1st January, 1911, was to immediately increase the amount being paid to the pensioners already on the roll by the sum of £11,843 per annum, or, approximately, £1,000 per month. As no variation of an individual pension can be made by law without the authority of a Magistrate, and as the holding of special pension Courts locally to get the increases through was out of the question in the limited period allowed—a little over a month, arrangements were made with Magistrates throughout the Dominion to authorize the increases on schedules prepared at Head Office from their previously recorded decisions; and I take this opportunity of acknowledging the readiness with which these gentlemen fell in with my suggestions in this matter, and also the promptness with which the schedules were completed and returned to Head Office, thus enabling every increase of pension payable under the Act to be available to pensioners on the date fixed by the Legislature.

Of the 15,790 pensioners on the roll when the Act was passed, 12,092 were already in receipt of the full pension. Of the remaining 3,698 who were being paid less than £26, all but 396—namely, 3,302—received increases totalling the £11,843 per annum already referred to. These 396 represent those pensioners whose pensions were reduced on account of income, and were not affected one way or the other by the amendment, with the exception of the limited number of some thirty married pensioners who, with husbands or wives (not on the roll) possessing homes exceeding in value the amount of the allowance—*i.e.*, £340, will at the next succeeding renewal of their pensions suffer slight reductions if their positions remain unaltered; reductions, however, which will for the most part be made up by the increased pensions payable, as between the 1909 and 1910 Acts, to the said husbands or wives should they be admitted to the roll. An actual illustration of this class of case is as follows:—

	Pension.
	£
Husband a pensioner: wife's home, £390—Under 1909 Act	26
Under 1910 Act	24
Decrease	£2
Wife (since admitted): home, £390—Under 1909 Act	21
Under 1910 Act	24
Increase	£3
Net gain to both pensioners	£1

The total of these reductions will not exceed £100.

The annual increase to the appropriations for old-age pensions under this Act, in conjunction with the Act of 1909, is estimated at £26,000, made up as follows:—

	£
Actual increase during 1910 under 1909 Act	9,500
Actual increase under 1910 Act	11,800
Estimated increase on new pensions for twelve months (on basis of figures for three months ended 31st March, 1911)	4,700
	<u>£26,000</u>

PENSIONS IN FORCE.

The number of pensioners on the roll on the 31st March, including 684 Maoris, was 16,020, being an increase of 700 on the figures of the previous year, thus:—

	European.	Maori.	Total.
New pensions granted	2,320	79	2,399
Deduct deaths	1,347	76	..
Deduct cancellations	263	13	1,699
Increase			700

The net annual increase of pensioners during the past six years has been as follows:—

1905-6	812	1908-9	827
1906-7	675	1909-10	924
1907-8	312	1910-11	700

The anticipation of last year that the percentage of pensioners to the population eligible by age and residence would show a further increase has not been realized, the said percentage remaining at 36 per cent. This would tend to show that, so far, the effect of the amendments of 1909 and 1910 has been not so much to introduce a new class of pensioner as to increase the benefits to those who were already eligible; in fact, it may be stated that of the new pensioners admitted since the 1909 Act was passed—*i.e.*, over a period of fifteen months—only thirty-four represent applicants who were ineligible