AMENDMENT OF ACT.

During the year a short amending Act was added to the statute-book, the main features being-

- (1.) A variation in the age-limit, whereby males at age 60, and females at age 55, who are the parents of two or more children under the age of 14 dependent upon them for their support, and who can comply with the residential and other qualifications of former Acts, are eligible for admission to the roll with a maximum pension of £39 per annum. The applications lodged under this provision to the end of March numbered 33, of which 24 were granted and 9 rejected. The annual increase to the appropriations for these new pensions is represented by the sum of £871.
- (2.) The exemption from inclusion in the computation of a pensioner's income of sums expended from capital in maintenance and other necessary expenses. The number of pensioners who had benefited by this provision to the close of the year was 56, the annual amount due to these, in addition to that previously payable, being £779.
- (3.) A widening of the scope of the Act by providing for the treatment of certain classes of life-interests as income instead of property. A limited number of pensioners has received increased pensions as a result of this provision.

(4.) A provision making for uniformity of interpretation in regard to the treatment of

money received from the sale or other conversion of real property.

A further amendment in the form of a separate Act entitled the Military Pensions Act, which received the Governor's assent on the 28th October, 1911, provides for the payment of a military pension in lieu of an old-age pension to any person who has served as a soldier in any war under the Crown, and who can comply with the various qualifications imposed by the Old-age Pensions Acts. Under this Act 23 pensions have been granted, 12 being to original applicants and 11 representing conversions from old-age pensions.

PENSIONS IN FORCE.

The number of pensions in force on the 31st March, including 665 Maoris, totalled 16,649, being an increase of 629 on the figures of the previous year, thus:-

		European.	Maori.	Total.
New pensions granted		 $2,\overline{2}37$	81	2,318
Deduct deaths		 1,391	78	
Deduct cancellations		 198	${\bf 22}$	1,689
Increase				629

The liability in regard to these is represented by the sum of £416,530 per annum, being an average of £25 per pension. The liability for the number of pensions on the books at the end of

each year since the Act was passed is shown by Table XI of the appendix.

As pointed out in previous reports, with the population of the Dominion gradually increasing there must of necessity be a proportionate increase each year in the number of persons of the required age and residence from whose ranks the army of pensioners is drawn, and it should therefore be looked upon as a certainty that the number of participants will go on increasing at a fairly high rate without any aid in the way of extended benefits. The number now being admitted each year would almost seem to have settled down to a fixed average of something like 200 a month, the figures for the past three years being—1910, 2,304; 1911, 2,399; 1912, 2,318. The net average increase, after allowing for deaths and cancellations, works out at 697 for the past seven years. The fluctuations since the Act came into operation in 1899 are shown in Table XII of the appendix.

The percentage of pensioners to the population eligible by age and residence, which has remained stationary for two years, now shows a slight upward tendency, the rate at the end of the year just closed being 37 per cent., as against 36 per cent. in the previous year. The liberalizing provisions of the amendments of more recent years can be held to be in part responsible for this. Where previously these were effecting only an increase in the amount of the average pension payable, and thereby in the gross payments under the Act, now the number of participants is beginning to be affected; and another factor operating to this end, due no doubt to the added benefits referred to, is the evident desire of our old colonists to take advantage of the State's benefaction at the earliest possible opportunity. The number of people who have applied for and obtained pensions immediately they were qualified by age or residence has been quite a feature of the year's operations, considerably over one-third of the number admitted coming under this

The following table shows the percentages from 1906 onwards of the European pensioners to (a) the population eligible by age, and (b) the population eligible by age and residence:

At 31st March.	(a.) European Population eligible by Age.	(b.) European Population eligible by Age and Residence.	European Pensioners.	Percentage to (a).	Percentage to (b).
1906 (actual)	40,788	37,367	11,915	29	31
1907 (estimated)	42,337	38,611	12,597	29	32
1908 ,,	$43,\!371$	39,336	1 2 ,91 2	29	32
.909 ,,	44,562	40.176	13,705	30	34
.910 ,,	44,838	40,238	14.626	32	36
911 (actual)	47,700	41.990	15,336	32	36
1912 (estimated)	48,294	42,772	15,984	33	37