

children who would be valuable assets to the Dominion. In spite of the large amount involved, in itself evidence of the size of the group which would benefit from this allowance, the Committee has no hesitation in recommending the adoption of the Government's proposal to increase the rate of allowance to 4s. in respect of the third and subsequent children, and to fix a maximum allowable income of £5 per week, plus the amount of the allowance.

MINER'S PHTHISIS.

92. All parties who gave evidence before the Committee were agreed that men who were suffering from this dread disease, and their wives who had to care for them, were deserving of the utmost sympathy and assistance from the community. At the present time the rate of pension is 25s. per week, and the Committee is glad to take the opportunity of recommending the acceptance of the Government's proposal that this benefit should be increased to 30s. per week with the supplementary benefit, as at present, of 10s. for a wife and 10s. for each dependent child up to the age of sixteen years.

WAR VETERANS AND WAR PENSIONS.

93. The Committee had the advantage of hearing very fully and carefully prepared evidence from the New Zealand Returned Soldiers' Association and representations from other bodies of returned soldiers. It was recognized on all sides that the present allowance by way of war-disability pension is entirely satisfactory to the returned soldiers, and, in fact, they ask that there should be no interference with the present provision. In the case, however, of the war veteran's allowance, the Returned Soldiers' Association made representations to the Government some time ago for an increase in the amount payable, and the Government's proposals are somewhat in excess of the amount then asked for. The association, however, recently reconsidered the question and has asked for a further increase, and also for an increase in the amount payable by way of economic pension to war-disabled pensioners.

94. The Committee has given serious consideration to these pensions, recognizing as it does that the community intend that the very best assistance possible should be given to the men who sacrificed their health during the Great War.

95. When the cuts made in pensions were restored in 1936 the Government acceded to the request of the returned soldiers to increase the widow's pension, the restoration of the economic pension being left in abeyance with the consent of the returned soldiers, and this was made clear in the evidence. The association, however, now asks that the economic pension should be fully restored to bring it into line with other pensions, particularly mentioning the invalidity benefit suggested in the Government's proposals.

96. The Committee fully appreciates the circumstances described in the evidence of the representatives of the Returned Soldiers' Association, and recommends to the careful consideration of the Government the possibility of increasing the economic pension to 30s. per week, leaving the allowance of 20s. for wives and 10s. for each child as at present.

97. At the present time war veterans' allowances are paid to men who do not qualify for economic pension, but who are medically certified as being unfit for permanent work. It was found from evidence supplied by the Pensions Department that in several cases men in receipt of the war veterans' allowance had also been granted sustenance to a limited extent in order to meet cases of real need. In view of the existence of this need, and the particular desirability that there should be no duplication of benefits under the national scheme, the Committee considers that some effort should be made to place the men in the war veterans' class on a more definite footing so that it should not be necessary for them to apply for sustenance. The real reason for the need of war veterans' allowances is the fact that these men have been impaired in health by their war service and their expectation of life has been reduced. Although medically unfit, they are unable to show either a degree of disability qualifying them for an economic pension or are unable to obtain a definite medical certificate that their present disability is due to war service, but they are in the same position in some respects as those who are receiving the economic pension. Bearing these facts in mind the Committee therefore recommends that the proposals of the Government be adopted as the basic rate for the war veterans' allowance, and the War Pensions Board be empowered under special circumstances to increase the rate for the veterans to 30s. per week and the wife of the veteran to 20s. per week. The maximum allowance should be £3 10s., and the veteran should have the right to receive 20s. additional earnings without suffering a reduction of the allowance.

STATE SUPERANNUATION.

98. A very considerable volume of evidence was tendered to the Committee by representatives of persons who contribute to the Government or local-body or private superannuation funds, and by persons already retired on superannuation. The Committee was surprised to find the widespread misunderstanding of the Government's proposals displayed by many of these representatives, and a considerable portion of the time taken during the hearing of their evidence was devoted to an explanation of the actual terms of the proposals.

99. The most general misconception was that the proposal to require a contribution of 1s. in the pound on salary, wages, and other income was intended to finance nothing but the proposed State superannuation benefit. During discussions, however, the representatives of these contributors invariably agreed that provision should be made by the State on behalf of its citizens for the persons covered in all the benefits enumerated under the proposals. No objection was raised to the present old-age pension, nor to the suggestion that it should be increased to an amount which the witnesses agreed was not unduly generous.