

## SOCIAL SECURITY AMENDMENT BILL

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### EXPLANATORY NOTE

1. The purpose of this Bill is to increase the rates of certain social security benefits, to increase the allowable income and the allowable capital of certain beneficiaries, and to make other miscellaneous amendments to the Social Security Act, 1938.

#### PART I—RATES OF MONETARY BENEFITS

2. This Part provides for an increase, as from the 8th May, 1950, of 2s. 6d. a week in the maximum rate of superannuation benefits (*clause 3*), and in the rates of age benefits (*clauses 4 and 5 (1) (c)*), widows' benefits (*clause 8*), orphans' benefits (*clause 9*), invalids' benefits (*clause 10*), miners' benefits (*clauses 14 and 15*), sickness benefits (*clause 16*), and unemployment benefits (*clause 17*).

3. Provision is also made for an increase of 10s. a week in the allowable income of age beneficiaries (*clause 5*), invalids (*clause 11*), and persons entitled to sickness benefits (*clause 16*). These increases in general take effect from 1st January, 1950.

4. Provision is made in the principal Act for the basic rates of age benefits and invalids' benefits to be reduced by £1 for every £10 of accumulated property. This reduction is now to be diminished, and is to be £1 for every £15 of accumulated property (*clauses 6 and 12*).

#### PART II—MISCELLANEOUS PROVISIONS AS TO MONETARY BENEFITS

5. *Clause 18* authorizes the Commission to refuse a benefit or to grant a reduced benefit where the applicant has failed to take appropriate proceedings for provision under Part II of the Family Protection Act, 1908, out of the estate of a relative of the beneficiary who has failed to make adequate provision for him under his will.

6. *Clause 19*: This clause provides that in computing the income of any woman, the Commission may take no account of her personal earnings from domestic service in a private home up to £78 a year.

7. *Clause 20*: An age beneficiary on attaining the age of sixty-five years is to be entitled to an increase in his allowable income of 2s. 6d. a week for each complete year after he attained the age of sixty years and was qualified on residential grounds during which he did not receive an age benefit, irrespective of the reason of deferment. Appropriate adjustments are to be made to apply the same provision to a beneficiary whose benefit is reduced by reason of the possession of accumulated property so as to place him in the same position as one whose allowable income is to be increased under this clause.

8. *Clause 21* clarifies the right of the Commission and a deserted wife who is in receipt of a widow's benefit to take proceedings to enforce a maintenance order against the husband or for a cancellation, variation, or suspension of the order. *Subclause (2)* contains provisions as to the apportionment between the Commission in respect of arrears and the wife in respect of current maintenance of moneys paid under the order after the cancellation of the benefit.

9. *Clause 22* validates the increases of 10s. a week in the allowable income of age beneficiaries and invalid beneficiaries which operated during the period from 1st January, 1950, until they were superseded by the further increases that were made on 8th May, 1950.

#### PART III—MATERNITY BENEFITS

10. *Clause 23*: Section 99 of the principal Act provides that patients in State maternity hospitals are not entitled to maternity benefits, and that no charge is to be made in respect of the confinement of any woman in any such hospital. The clause authorizes the Minister to approve the grant of maternity benefits to patients in any specified State maternity hospitals who are attended by their own doctors, and for payment to the doctors out of the Social Security Fund of scale fees in respect of that attendance.

#### PART IV—LIABILITY FOR SOCIAL SECURITY CHARGE OF PERSONS EMPLOYED BY GOVERNMENTS OF WESTERN SAMOA AND COOK ISLANDS

11. *Clause 24*: The intention of this clause is to clarify the position regarding the liability for social security charge of persons employed by the Governments of Western Samoa and the Cook Islands. The effect of the clause will be to exempt them from payment of the charge, unless they remain ordinarily resident in New Zealand.

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*This PUBLIC BILL originated in the HOUSE OF REPRESENTATIVES, and, having this day passed as now printed, is transmitted to the LEGISLATIVE COUNCIL for its concurrence.*

*House of Representatives,  
8th November, 1950.*

*Hon. Mr. Watts*

## SOCIAL SECURITY AMENDMENT

Title.	ANALYSIS	
1. Short Title.	13. Section 35 of principal Act amended. Repeal.	
<b>PART I</b>		
RATES OF MONETARY BENEFITS		
2. Commencement of this Part.	14. Increasing rates of miners' benefits. Repeal.	
<i>Superannuation Benefits</i>		
3. Increasing rate of superannuation benefits. Repeal.	15. Section 44 of principal Act amended. Repeal.	
<i>Age Benefits</i>		
4. Increasing rate of age benefits. Repeal.	16. Increasing rates and allowable income in respect of sickness benefits. Repeal.	
5. Section 17 of principal Act amended. Repeal.	<i>Unemployment Benefits</i>	
6. Reducing deductions in respect of accumulated property.	17. Increasing rates of unemployment benefits. Repeal.	
7. Section 19 of principal Act amended. Repeal.	<b>PART II</b>	
<i>Widows' Benefits</i>		
8. Increasing rate of widows' benefits. Repeal.	MISCELLANEOUS PROVISIONS AS TO MONETARY BENEFITS	
<i>Orphans' Benefits</i>		
9. Increasing rate of orphans' benefits. Repeal.	18. Limitation in cases where applicant or beneficiary entitled to claim under Family Protection Act, 1908.	
<i>Invalids' Benefits</i>		
10. Increasing rates of invalids' benefits.	19. Provisions as to personal earnings from domestic service in a private home.	
11. Increasing allowable income in respect of invalids' benefits. Repeal.	20. Increasing allowable income of beneficiaries where application for benefit deferred.	
12. Reducing deductions in respect of accumulated property.	21. Enforcement of maintenance orders in respect of deserted wives.	

22. Validating increases in allowable income in respect of monetary benefits from 1st January to 7th May, 1950.	PART IV LIABILITY FOR SOCIAL SECURITY CHARGE OF PERSONS EMPLOYED BY GOVERNMENTS OF WESTERN SAMOA AND COOK ISLANDS
PART III MATERNITY BENEFITS	
23. Maternity benefits payable in certain cases to patients in State maternity hospitals.	24. Persons in employ of Governments of Western Samoa and Cook Islands not liable for social security charge.

## 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, 1950, 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

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## 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 eighth day of May, nineteen hundred and fifty.	
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*Superannuation Benefits*

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Increasing rate of superannuation benefits.	3. (1) Section thirteen of the principal Act is hereby amended by omitting from subsection two the words "one hundred and thirty pounds", and substituting the words "one hundred and thirty-six pounds ten shillings".	20
Repeal. 1949, No. 38	(2) Section three of the Social Security Amendment Act, 1949, is hereby repealed.	

*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 thirty pounds", and substituting the words "one hundred and thirty-six pounds ten shillings".	25
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(2) Section four of the Social Security Amendment Act, 1949, is hereby repealed. Repeal.

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

5 (a) By omitting from paragraph (a) of subsection one and also from paragraph (a) of subsection two the words “ fifty-two pounds ”, and substituting in each case the words “ seventy-eight pounds ”:

10 (b) By omitting from paragraph (b) of subsection two the words “ one hundred and eighty-two pounds ”, and substituting the words “ two hundred and fourteen pounds ten shillings ”:

15 (c) By omitting from the proviso to the same paragraph the words “ one hundred and thirty pounds ”, and substituting the words “ one hundred and thirty-six pounds ten shillings ”:

20 (d) By omitting from the same proviso the words “ three hundred and twelve pounds ”, and substituting the words “ three hundred and fifty-one pounds ”.

(2) Paragraph (a) of the *last preceding* subsection shall be deemed to have come into force on the first day of January, nineteen hundred and fifty.

25 (3) Section five of the Social Security Amendment Act, 1949, is hereby repealed. Repeal. 1949, No. 38

6. (1) Section seventeen of the principal Act is hereby further amended by omitting from paragraph (b) of subsection one, and also from paragraph (c) of subsection two, the words “ ten pounds ”, and substituting in each case the words “ fifteen pounds ”. Reducing deductions in respect of accumulated property.

(2) This section shall be deemed to have come into force on the first day of October, nineteen hundred and fifty.

35 7. (1) Section nineteen of the principal Act is hereby amended by omitting from the proviso the words “ one hundred and eighty-two pounds ”, and substituting the words “ two hundred and fourteen pounds ten shillings ”. Section 19 of principal Act amended.

40 (2) Section six of the Social Security Amendment Act, 1949, is hereby repealed. Repeal.

*Widows' Benefits*

Increasing rate  
of widows'  
benefits.

**8.** (1) Section twenty-three of the principal Act is hereby amended as follows:—

(a) By omitting from paragraph (a) the words “one hundred and thirty pounds”, and substituting the words “one hundred and thirty-six pounds ten shillings”:

(b) By omitting from paragraph (b) the words “seventy-eight pounds”, and substituting the words “eighty-four pounds ten shillings”.

Repeal.

(2) Section seven of the Social Security Amendment Act, 1949, is hereby repealed.

*Orphans' Benefits*

Increasing  
rate of  
orphans'  
benefits.

**9.** (1) Section twenty-seven of the principal Act is hereby amended by omitting from subsection one the words “sixty-five pounds”, and substituting the words “seventy-one pounds ten shillings”.

Repeal.

(2) Section eight of the Social Security Amendment Act, 1949, is hereby repealed.

*Invalids' Benefits*

Increasing  
rates of  
invalids'  
benefits.

**10.** 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 thirty pounds” wherever they occur, and substituting in each case the words “one hundred and thirty-six pounds ten shillings”:

(b) By omitting from paragraph (b) of the same subsection the words “one hundred and four pounds”, and substituting the words “one hundred and ten pounds ten shillings”:

(c) By omitting from paragraph (c) of the same subsection the words “one hundred and thirty pounds”, and substituting the words “one hundred and thirty-six pounds ten shillings”.

Increasing  
allowable  
income in  
respect of  
invalids'  
benefits.

**11.** (1) Section thirty-four of the principal Act is hereby further amended as follows:—

(a) By omitting from subparagraph (i) of paragraph (a) of subsection two and also from subparagraph (i) of paragraph (d) of that subsection the words “fifty-two pounds”, and substituting in each case the words “seventy-eight pounds”:

5 (b) By omitting from subparagraph (i) of paragraph (c) of subsection two the words "one hundred and eighty-two pounds", and substituting the words "two hundred and fourteen pounds ten shillings":

10 (c) By omitting from the proviso to paragraph (c) of the same subsection the words "one hundred and thirty pounds", and substituting the words "one hundred and thirty-six pounds ten shillings":

(d) By omitting from the same proviso the words "eight pounds", and substituting the words "eight pounds fifteen shillings".

15 (2) Paragraph (a) of the *last preceding* subsection shall be deemed to have come into force on the first day of January, nineteen hundred and fifty.

(3) Section nine of the Social Security Amendment Act, 1949, is hereby repealed.

Repeal.  
1949, No. 38

20 **12.** (1) Section thirty-four of the principal Act is hereby further amended by omitting from subsection two the words "ten pounds" where they appear in paragraphs (a), (b), (c), and (d), and substituting in each case the words "fifteen pounds".

Reducing deductions in respect of accumulated property.

25 (2) This section shall be deemed to have come into force on the first day of October, nineteen hundred and fifty.

30 **13.** (1) Section thirty-five of the principal Act is hereby amended by omitting from the proviso the words "two hundred and eighty-six pounds", and substituting the words "three hundred and eighteen pounds ten shillings".

Section 35 of principal Act amended.

(2) Section ten of the Social Security Amendment Act, 1949, is hereby repealed.

Repeal.  
1949, No. 38

*Miners' Benefits*

35 **14.** (1) Section forty-one of the principal Act (as substituted by section twenty-one of the Social Security Amendment Act, 1945, and amended by section eleven of the Social Security Amendment Act, 1949), is hereby further amended by omitting the words "one hundred  
40 and thirty pounds" wherever they occur, and substituting in each case the words "one hundred and thirty-six pounds ten shillings".

Increasing rates of miners' benefits.  
1945, No. 11  
1949, No. 38

Repeal.

(2) Section eleven of the Social Security Amendment Act, 1949, is hereby repealed.

Section 44 of principal Act amended.

**15.** (1) Section forty-four of the principal Act is hereby amended by omitting from subsection one the words "one hundred and four pounds", and substituting the words "one hundred and ten pounds ten shillings". 25

Repeal.

(2) Section twelve of the Social Security Amendment Act, 1949, is hereby repealed.

#### *Sickness Benefits*

Increasing rates and allowable income in respect of sickness benefits.

1945, No. 11  
1949, No. 38

**16.** (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, 1949), is hereby further amended as follows:— 10

(a) By omitting from paragraph (a) the words "thirty shillings", and substituting the words "thirty-two shillings and sixpence": 15

(b) By omitting from paragraph (b) the words "fifty shillings" wherever they occur, and substituting in each case the words "fifty-two shillings and sixpence": 20

(c) By omitting from the proviso to subsection two the words "twenty shillings", and substituting the words "thirty shillings": 25

(d) By omitting from the same proviso the words "forty shillings", and substituting the words "fifty shillings".

(2) Paragraphs (c) and (d) of the last preceding subsection shall be deemed to have come into force on the first day of January, nineteen hundred and fifty. 30

Repeal.  
1949, No. 38

(3) Section thirteen of the Social Security Amendment Act, 1949, is hereby repealed.

#### *Unemployment Benefits*

Increasing rates of unemployment benefits.

**17.** (1) Section fifty-two of the principal Act is hereby amended as follows:— 35

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



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

(2) Section fourteen of the Social Security Amendment Act, 1949, is hereby repealed. Repeal.

## PART II

### MISCELLANEOUS PROVISIONS AS TO MONETARY BENEFITS

10 18. (1) The Commission may in its discretion refuse to grant any benefit under Part II of the principal Act (other than a superannuation benefit, a miner's benefit, or a family benefit) or may grant any such benefit at a reduced rate or may cancel any such benefit already  
15 granted in any case where any testator, being a relative of the applicant, has died without, in the opinion of the Commission, making adequate provision under his will for the proper maintenance and support of the applicant, and the applicant has, in the opinion of the Commission,  
20 failed without good and sufficient reason to institute proceedings under Part II of the Family Protection Act, 1908, for a share in or further provision out of the estate of the testator, and to prosecute with all due diligence any proceedings so instituted by him or any such  
25 proceedings on an application under Part II of the Family Protection Act, 1908, made or deemed to have been made on his behalf.

Limitation in cases where applicant or beneficiary entitled to claim under Family Protection Act, 1908.

See Reprint of Statutes, Vol. III, p. 298

(2) In any such proceedings the Commission shall be entitled to appear and show cause why provision or  
30 further provision, as the case may be, should be made for the applicant out of the testator's estate.

(3) In making any order on an application under Part II of the Family Protection Act, 1908, for provision out of the estate of a testator, the Court shall disregard  
35 any benefit under Part II of the principal Act (other than a superannuation benefit, a miner's benefit, or a family benefit) which is or may become payable to any person.

(4) In this section the term "relative" means a  
40 person out of whose estate the applicant is entitled to make a claim for provision under Part II of the Family Protection Act, 1908.

Provisions as to personal earnings from domestic service in a private home.

19. (1) Notwithstanding anything to the contrary in the principal Act, the Commission may, in its discretion, in computing for the purposes of Part II of the principal Act the income of any woman, take no account of her personal earnings (if any) from domestic service in a private home up to seventy-eight pounds a year: 5

Provided that the aggregate amount of personal earnings of which no account is taken under this section together with personal earnings of which no account is taken under subsection three of section thirty-four of the principal Act shall not in any case exceed one hundred and fifty-six pounds a year. 10

(2) This section shall be deemed to have come into force on the first day of October, nineteen hundred and fifty. 15

Increasing allowable income of beneficiaries where application for benefit deferred.

20. (1) Notwithstanding anything contained in the principal Act, the Commission may, in its discretion, in computing pursuant to section seventeen of the principal Act the rate of any age benefit payable to any person who has attained the age of sixty-five years and the rate of any age benefit payable to the wife or husband of any such person, diminish the amount (if any) by which the basic rate of the benefit or benefits is to be reduced on account of the receipt of income and the possession of accumulated property by an amount or amounts not exceeding in the aggregate six pounds ten shillings for every year of deferment. 20 25

(2) In any case to which the last preceding subsection applies the limits of income and benefit prescribed in the proviso to paragraph (b) of subsection two of section seventeen of the principal Act and in the proviso to section nineteen of that Act may, in the discretion of the Commission, be exceeded in each case by an amount not exceeding six pounds ten shillings for each year of deferment. 30 35

(3) In this section the expression "year of deferment" means any period or periods (whether before or after the commencement of this section) amounting to a year during which the applicant or, in the alternative, the husband or wife of the applicant after attaining the age of sixty years and before attaining the age of sixty-five years, and having satisfied the conditions as to residence for the grant of an age benefit, has not received an age benefit under Part II of the principal Act. 40

(4) This section shall be deemed to have come into force on the first day of October, nineteen hundred and fifty.

5 **21.** (1) Notwithstanding anything contained in section thirteen of the Social Security Amendment Act, 1943, where any moneys payable under a maintenance order are payable into the Social Security Fund pursuant to that section, either the beneficiary (as defined in that section) or the Commission, acting for and on behalf of  
10 the beneficiary, may—

Enforcement of maintenance orders in respect of deserted wives.  
1943, No. 19

(a) Institute and prosecute proceedings under Part VI of the Destitute Persons Act, 1910, for the enforcement of the order:

See Reprint of Statutes, Vol. II, p. 917

15 (b) So long as a benefit continues to be payable to the beneficiary under paragraph (a) of subsection two of section twenty-two of the principal Act, institute and prosecute proceedings under section thirty-nine of the  
20 Destitute Persons Act, 1910, for an order cancelling, varying, or suspending the maintenance order.

(2) Notwithstanding anything contained in section thirteen of the Social Security Amendment Act, 1943, so long as any moneys payable under a maintenance  
25 order are required by that section to be paid to the Social Security Fund, any moneys received under that order by the Registrar of any Magistrate's Court after the date of receipt of notice of determination of the benefit as prescribed in subsection five of the said  
30 section thirteen, may in the discretion of the Registrar be apportioned between the wife and the Commission:

Provided that the wife or the Commission or the Registrar of the Court may at any time apply to a  
35 Magistrate for an order apportioning any such moneys or, in the case of an application by the wife or the Commission, for an order varying an apportionment already made by the Registrar; and on any such application the Magistrate may make such order as he thinks fit apportioning the moneys paid or payable under the  
40 maintenance order, or give such directions as he deems necessary or desirable to the Registrar in respect of the disposal of any moneys received by him under the order.

(3) While any moneys payable under a maintenance order are payable into the Social Security Fund the Commission shall be served with a copy of any proceedings instituted by any person under the Destitute Persons Act, 1910, in relation to the order, and the Commission or any officer of the Social Security Department, without special appointment, shall be entitled to appear and be heard in any such proceedings. 5

Validating  
increases in  
allowable  
income in  
respect of  
monetary  
benefits from  
1st January  
to 7th May,  
1950.

**22.** During the period which commenced on the first day of January, nineteen hundred and fifty, and ended with the seventh day of May, nineteen hundred and fifty, the principal Act shall be deemed to have had effect as if it had been amended as follows:— 10

- (a) By omitting from paragraph (b) of subsection two of section seventeen the words “one hundred and eighty-two pounds”, and substituting the words “two hundred and eight pounds”: 15
- (b) By omitting from the proviso to that paragraph the words “three hundred and twelve pounds”, and substituting the words “three hundred and thirty-eight pounds”: 20
- (c) By omitting from the proviso to section nineteen the words “one hundred and eighty-two pounds”, and substituting the words “two hundred and eight pounds”: 25
- (d) By omitting from subparagraph (i) of paragraph (c) of subsection two of section thirty-four the words “one hundred and eighty-two pounds”, and substituting the words “two hundred and eight pounds”: 30
- (e) By omitting from the proviso to the same paragraph (c) the words “eight pounds”, and substituting the words “eight pounds ten shillings”: 35
- (f) By omitting from the proviso to section thirty-five the words “two hundred and eighty-six pounds”, and substituting the words “three hundred and twelve pounds”.

## PART III

## MATERNITY BENEFITS

23. (1) Notwithstanding anything contained in section ninety-nine of the principal Act, the Minister  
 5 may from time to time, upon or subject to such conditions as he deems necessary, approve the grant of maternity benefits under subsection one of section ninety-five of the principal Act to every woman to whom medical  
 10 services are rendered in a specified State maternity hospital by a medical practitioner selected by her.

Maternity benefits payable in certain cases to patients in State maternity hospitals.

(2) Without limiting the general power to impose conditions conferred by the *last preceding* subsection, the Minister may as a condition of his approval require that the medical practitioner by whom the services are  
 15 rendered shall have entered into an agreement with the medical superintendent for the time being of the State maternity hospital, acting on behalf of the Crown, in terms approved by the Minister as to the conditions on which the medical practitioner is to be entitled to  
 20 treat his patients in that hospital.

(3) Where any woman is entitled to maternity benefits pursuant to subsection *one* of this section, sections twelve, thirteen, and fourteen of the Social Security Amendment Act, 1939, shall apply with respect  
 25 to medical services rendered to her.

1939, No. 31

(4) The Minister may withdraw in whole or in part any approval given by him under subsection *one* of this section, and may from time to time modify, add to, or  
 30 revoke any conditions imposed by him under that subsection.

## PART IV

LIABILITY FOR SOCIAL SECURITY CHARGE OF PERSONS  
 EMPLOYED BY GOVERNMENTS OF WESTERN  
 SAMOA AND COOK ISLANDS

35 24. (1) Section one hundred and ten of the principal Act (as amended by section fifteen of the Finance Act, 1947) is hereby further amended by adding the following subsections:—

40 “(5) For the purposes of the last preceding subsection, a person who is absent from New Zealand in the service in any capacity of the Government of Western

Persons in employ of Governments of Western Samoa and Cook Islands not liable for social security charge.  
 1947, No. 6

Samoa or of His Majesty in respect of the Government of the Cook Islands or who is absent from New Zealand as a member of the Western Samoan Public Service or of the Cook Islands Public Service shall be deemed not to be in the service of the Government of New Zealand. 5

“(6) In the last preceding subsection—

1949, No. 47

“ ‘ Western Samoan Public Service ’ has the same meaning as in the Samoa Amendment Act, 1949:

See Reprint of Statutes, Vol. II, p. 658

“ ‘ Cook Islands Public Service ’ has the same meaning as in the Cook Islands Act, 1915.” 10

(2) This section shall be deemed to have come into force, with respect to persons in the service of the Government of Western Samoa and to members of the Western Samoan Public Service (not being persons in the service of His Majesty in respect of the New Zealand Reparation Estates), on the first day of April, nineteen hundred and forty-seven. 15

(3) This section shall come into force, with respect to persons in the service of His Majesty in respect of the Government of the Cook Islands and to members of the Cook Islands Public Service and to persons in the service of His Majesty in respect of the New Zealand Reparation Estates, on the first day of April, nineteen hundred and fifty-one. 20  
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