

Hon. Mr. Nash

FINANCE (No. 4)

ANALYSIS

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| <p>Title.</p> <p>1. Short Title.</p> <p style="text-align: center;">PART I.</p> <p style="text-align: center;">WAR PENSIONS (EMERGENCY RESERVE CORPS).</p> <p>2. This Part to be read with War Pensions Extension Act, 1940.</p> <p>3. Interpretation.</p> <p>4. Pensions and allowances to members of Emergency Reserve Corps and their dependants in respect of death or disablement attributable to their duties as members.</p> <p>5. Maximum rates of pensions payable in respect of death of member.</p> <p>6. Maximum rates of pensions payable in respect of total disablement of member.</p> <p>7. Rates of pensions payable in respect of partial disablement of member.</p> <p>8. Date of commencement of pensions and allowances.</p> <p>9. No person entitled to compensation or damages for death or disablement of member if pension payable under this Part.</p> <p style="text-align: center;">PART II.</p> <p style="text-align: center;">SOCIAL SECURITY.</p> <p>10. This Part to be read with Social Security Act, 1938.</p> | <p>11. Certain compassionate grants not "income" for purposes of Part II of principal Act.</p> <p>12. As to computation, for purposes of Part II of principal Act, of income of widowed mothers in receipt of allotments of military pay from sons. Consequential repeal.</p> <p>13. Definition of expression "medical benefits".</p> <p>14. Medical benefits to be provided by mutual arrangement between medical practitioners and patients. Consequential repeals and amendments.</p> <p>15. Section 82 of principal Act extended.</p> <p style="text-align: center;">PART III.</p> <p style="text-align: center;">MISCELLANEOUS.</p> <p>16. Section 13 of Finance Act (No. 2), 1940 (as to elections made for benefit of dependants by contributors to Government superannuation funds) modified.</p> <p>17. Extension of scheme for the granting of war bursaries.</p> <p>18. Pensions may be granted under Part III of War Pensions Extension Act, 1940, in respect of service in South African War.</p> <p>19. Section 12 of State Supply of Electrical Energy Act, 1917, amended.</p> |
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20. Special provisions with respect to advances for rural housing on Crown lands.	24. Dates of balance-sheets of Marketing Department to be fixed by Minister of Finance. Consequential repeal.
21. Charges under Rural Housing Act, 1939, in respect of Crown leases, to be satisfied out of value of improvements paid for by incoming tenants.	25. Exemption of Canteen Board from income-tax and certain other charges.
22. Section 6 of Rural Housing Act, 1939, amended.	26. Amending provisions of Native Land Act, 1931, as to execution of instruments by Natives.
23. Section 34 of Finance Act, 1932, modified in its application to head teachers and principals of reduced schools.	27. Authorizing the Taupiri Board to borrow £1,000 for purchase of plant and machinery.

A BILL INTITULED

Title. AN ACT to make Provision with respect to Public Finance and other Matters.

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority 5
of the same, as follows:—

Short Title. 1. This Act may be cited as the Finance Act (No. 4), 1940.

PART I.

WAR PENSIONS (EMERGENCY RESERVE CORPS). 10

This Part
to be read
with War
Pensions
Extension
Act, 1940.
1940, No. 9

2. This Part of this Act shall be read together with and deemed part of the War Pensions Extension Act, 1940, and the provisions of Part I of that Act shall, so far as applicable, apply accordingly as if they were re-enacted in this Part of this Act. 15

Interpretation.

3. (1) In this Part of this Act, the expression “Member of the Emergency Reserve Corps” or “member” means a member of the Emergency Reserve Corps established by the Emergency Reserve Corps Regulations 1940. 20

Serial number
1940/188.

(2) For the purposes of this Part of this Act, any child who has been legally adopted by a member at any time before the date of death or disablement, and any illegitimate child who is born to a member before the expiry of ten months after the date of death or disablement, but no other adopted child or illegitimate child, shall be deemed to be a child of the member, 25

4. (1) Subject to the provisions of this Part of this Act, pensions and allowances shall be granted in respect of the death or disablement of members of the Emergency Reserve Corps in any case where the death or disablement in respect of which a claim for such pension or allowance is made was suffered by the member (whether before or after the passing of this Act) in the course of his service as a member, and is or was directly attributable to such service:
- 10 Provided that no pension shall be granted under this Part of this Act in respect of the death or disablement of any person if in respect of his death or of the same disablement any pension is payable under the War Pensions Extension Act, 1940.
- 15 (2) Save as expressly provided in this Part of this Act, all the provisions of the War Pensions Act, 1915, and its amendments (including the penal provisions thereof) shall, so far as applicable and with any necessary modifications, apply with respect to pensions and allowances payable under this Part of this Act, as if members of the Emergency Reserve Corps were members of the Forces.
- 20 5. (1) In respect of the death of a male member, the rates of the pensions payable under this Part of this Act shall not exceed,—
- (a) To or on account of his widow or to or on account of any child, the appropriate rate payable under Part III of the War Pensions Extension Act, 1940, in respect of the death of a private in the New Zealand Army:
- 30 (b) To or on account of any other dependant, the value of the benefits actually received by the claimant from the member during the period of twelve months preceding the date of his death.
- 35 (2) In respect of the death of a female member, the rates of the pensions payable under this Part of this Act shall not exceed,—
- (a) To or on account of any child, the sum of ten shillings a week:
- 40 (b) To or on account of any other dependant, the value of the benefits actually received by the claimant from the member during the period of twelve months preceding the date of her death.
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Pensions and allowances to members of Emergency Reserve Corps and their dependants in respect of death or disablement attributable to their duties as members.

1940, No. 9

Maximum rates of pensions payable in respect of death of member.

Maximum rates
of pensions
payable in
respect of
total
disablement
of member.

6. In respect of the total disablement of a member, the rates of the pensions payable under this Part of this Act shall not exceed,—

- (a) To or on account of an unmarried member under twenty-one years of age at the date of disablement, the sum of one pound a week: 5
- (b) To or on account of any other member, the sum of two pounds a week:
- (c) To or on account of the wife of a member, the sum of one pound a week: 10
- (d) To or on account of any child of a member, the sum of ten shillings a week:
- (e) To or on account of any other dependant, the value of the benefits actually received by the claimant from the member during the period of twelve months preceding the date of the disablement of the member. 15

Rates of
pensions
payable in
respect of
partial
disablement
of member.

7. In respect of the partial disablement of a member, the rates of the pensions payable under this Part of this Act shall be such less rates than the maximum rates prescribed by the *last preceding* section in respect of total disablement as are in each case determined by the War Pensions Board, having regard to the nature and probable duration of the disablement. 20

Date of
commencement
of pensions and
allowances.

8. (1) Except as provided in the *next succeeding* subsection, pensions under this Part of this Act in respect of the death of a member shall be payable as from the date of death, and pensions in respect of the disablement of a member shall be payable as from a date to be fixed in that behalf by the War Pensions Board. 25 30

(2) Where application for a pension or allowance in respect of the death of a member is made after the expiration of *six* months from the date of death, any pension or allowance granted in respect thereof shall commence on a date to be fixed in that behalf by the Board. 35

No person
entitled to
compensation or
damages for
death or
disablement of
member if
pension payable
under this Part.

9. No person shall be entitled to claim any compensation or damages in respect of the death or disablement of any member if in respect of such death or disablement he is entitled to claim a pension under this Part of this Act. 40

PART II.

SOCIAL SECURITY.

10. This Part of this Act shall be read together with and deemed part of the Social Security Act, 1938 (hereinafter in this Part referred to as the principal Act).

This Part to be read with Social Security Act, 1938, No. 7

11. Section ten of the principal Act is hereby amended by inserting, after the words "this Part of this Act" in paragraph (g) of the definition of the term "income", the words "or as a compassionate grant made by the Government or by any employer on account of the death of the husband of the applicant".

Certain compassionate grants not "income" for purposes of Part II of principal Act.

12. (1) Where the widowed mother of any member or members of any of His Majesty's Naval, Military, or Air Forces receives, by way of allotment from his or their pay or allowances, any amount or amounts exceeding in the aggregate the sum of two shillings a day, her income for the purposes of Part II of the principal Act shall, in respect of such allotments, be computed in accordance with the following rules, namely:—

As to computation, for purposes of Part II of principal Act, of income of widowed mothers in receipt of allotments of military pay from sons.

(a) Where an allotment is received from one son only, the sum of two shillings a day shall be deemed to be part of her income, and any excess over the sum of two shillings a day shall be deemed not to be part of her income:

(b) Where allotments are received from two or more sons, her income shall be deemed to include the sum of two shillings a day and also the amount (if any) by which the aggregate of the allotments exceeds the sum of two shillings a day increased by a further sum of two shillings a day in respect of each of the sons by whom an allotment is made, but shall be deemed not to include any other moneys received by her by way of allotment from those sons.

(2) This section is in substitution for section thirty-seven of the Finance Act, 1940, and that section is hereby accordingly repealed.

Consequential repeal. 1940, No. 6

Definition of expression "medical benefits".

13. (1) For the purposes of Part III of the principal Act, the expression "medical benefits" means and includes all proper and necessary services of medical practitioners except such services as may, in accordance with regulations, be excluded therefrom, either absolutely or in special circumstances to be defined in such regulations. 5

(2) If any question arises as to whether any service provided by a medical practitioner is within the scope of medical benefits, it shall be decided by the Minister after consultation with the appropriate committee appointed in accordance with section eighty-three of the principal Act. 10

Medical benefits to be provided by mutual arrangement between medical practitioners and patients.

14. (1) Any medical practitioner who is for the time being qualified to provide medical services in relation to medical benefits and any person who is for the time being entitled to claim medical benefits for himself or for any member of his family, in accordance with Part III of the principal Act, may mutually agree in the prescribed form and manner for the provision of such medical benefits by that medical practitioner. 15 20

(2) Subject to his compliance with the prescribed terms and conditions relating thereto, every medical practitioner who undertakes by agreement under the last preceding subsection to provide medical benefits for any person entitled to claim such benefits or for any member of his family shall be entitled to receive from the Social Security Fund in respect of each such person such capitation fees as may from time to time be prescribed, and he shall not demand or accept or be entitled to recover from the patient or any other person any fees in respect of any services provided by him as medical benefits. 25 30

(3) In addition to the capitation fees payable as aforesaid every medical practitioner who provides any medical benefits shall be entitled to receive from the Social Security Fund mileage fees to be computed in accordance with regulations. 35

Consequential repeals and amendments.

(4) Sections eighty-five, eighty-six, and eighty-seven of the principal Act are hereby repealed. 40

(5) Section eighty-eight of the principal Act is hereby amended by omitting from subsection two

the words "under the contract of service", and substituting the words "out of the Social Security Fund".

(6) For the purposes of section eighty-four and section eighty-eight of the principal Act, every medical practitioner who undertakes to provide medical benefits in accordance with the foregoing provisions of this section shall be deemed to have entered into a contract of service as referred to in those sections.

15 **15.** The powers conferred on the Minister by section eighty-two of the principal Act may be exercised in respect of any class or classes of persons if, by reason of special circumstances or conditions, the Minister is satisfied that special arrangements made by him in accordance with that section will meet the requirements of such persons not less adequately than the provision of corresponding benefits in accordance with the principal Act.

Section 82 of principal Act extended.

PART III.

MISCELLANEOUS.

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16. (1) In this section—

"The said Act" means the Finance Act (No. 2), 1940:

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"The said section" means section thirteen of the said Act.

(2) The time allowed by subsection ten of the said section for the making of elections by contributors who had retired before the commencement of the said Act may be extended by the Board in the case of any such contributor for such period as it thinks fit if it is satisfied that the failure of the contributor to make an election within the prescribed time was due, in whole or in part, to his absence from New Zealand for the whole or any part of the period between the commencement of the said Act and the thirty-first day of March, nineteen hundred and forty-one.

(3) Subsection ten of the said section shall apply with respect to contributors who have retired since the passing of the said Act and before the passing of this Act and to contributors who may hereafter retire before

Section 13 of Finance Act (No. 2), 1940 (as to elections made for benefit of dependants by contributors to Government superannuation funds) modified. 1940, No. 19

the issue of regulations to give effect to the said section as if in any such case the contributor had retired before the commencement of the said Act.

(4) Notwithstanding anything in subsection ten of the said section, but subject to the provisions of this subsection, any contributor who, by reason of age or length of service, is at any time entitled to retire on a retiring-allowance or to give notice of his intention so to retire may, on production to the Board of satisfactory medical evidence as to his health, make an election under the said section at any time before his retirement. No election shall be made under this subsection except with the concurrence of the Public Service Commissioner (in the case of a contributor under his control), or with the concurrence of the Minister of Education (in the case of a contributor to the Teachers' Superannuation Fund), or (in any other case) with the concurrence of the Minister in charge of the Department concerned. Any election made under this subsection shall take effect on the retirement of the contributor who shall not, on his retirement, be required to furnish any further medical evidence as to his health.

(5) Notwithstanding anything in the said section, the Board, with the concurrence of the Minister of Finance, may accept an election, without requiring the production of medical evidence as to health, made by any contributor who, on the passing of this Act, is entitled to retire or to give notice of his intention to retire but who, to meet the requirements or the convenience of the Department concerned or of the Government, has not retired.

(6) An election made by a contributor under subsection *four* or subsection *five* of this section shall not be revocable. In the event of the death of any such contributor before he has become entitled to a retiring-allowance, his election shall operate in favour of the nominated annuitant as if the contributor had been in receipt of a retiring-allowance at the date of his death.

(7) An election by a contributor to surrender portion of his retiring-allowance in accordance with the said section may be—

- 5 (a) An absolute election to surrender portion of the retiring-allowance:
- (b) A contingent election to surrender portion of the retiring-allowance in the event of the contributor surviving the nominated annuitant:
- 10 (c) An absolute election, in accordance with paragraph (a) hereof, combined with a contingent election to surrender a further portion of the retiring-allowance in the event of the contributor surviving the nominated annuitant.

15 17. The provisions of section thirty of the War Legislation Act, 1917, are hereby extended to authorize the grant of war bursaries and allowances in accordance with that section—

Extension of scheme for the granting of war bursaries.

See Reprint of Statutes, Vol. II, p. 1161 1935, No. 4

20 (a) To children of veterans who for the time being are in receipt of allowances under the War Veterans' Allowances Act, 1935;

(b) To children of any deceased veteran who at the time of his death (whether before or after the passing of this Act) was in receipt of an allowance under the War Veterans' Allowances Act, 1935; and

25 (c) To children of persons in respect of whose death or disablement in the present war any person is entitled to claim a pension under Part II of the War Pensions Extension Act, 1940.

1940, No. 9

30 18. Pensions under Part III of the War Pensions Extension Act, 1940, may be granted to persons permanently resident in New Zealand in respect of the death or disablement of persons who served in South Africa as members of any New Zealand contingent in connection with the South African War if the War Pensions Board is satisfied either that the death or disablement of the person by or in respect of whom a claim for a pension is made under this section is

35 attributable to his service as a member of such contingent or that the condition which has resulted in his death or disablement has been aggravated by such

40 service.

Pensions may be granted under Part III of War Pensions Extension Act, 1940, in respect of service in South African War.

1940, No. 9

Section 12 of State Supply of Electrical Energy Act, 1917, amended.

See Reprint of Statutes, Vol. III, p. 94

Special provisions with respect to advances for rural housing on Crown lands. 1939, No. 10

Charges under Rural Housing Act, 1939, in respect of Crown leases to be satisfied out of value of improvements paid for by incoming tenants.

See Reprint of Statutes, Vol. IV, p. 660 1939, No. 32

19. Section twelve of the State Supply of Electrical Energy Act, 1917, is hereby amended by inserting, after the words "after making provision" in subsection five, the words "for the payment of income-tax and of any other statutory charges, and".

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20. (1) Any notice under section four of the Rural Housing Act, 1939, in respect of lands held under lease or license from the Crown may be given to the Commissioner of Crown Lands for the district in which the lands are situated, and any objection under that section may be given by that Commissioner or by any other competent person acting on behalf of the Crown.

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(2) Where an advance is duly made under the Rural Housing Act, 1939, in respect of any land leased by the Crown the charge created by section six of that Act shall be a charge on the lessee's interest in the land, and shall have priority over any charge or loading in respect of the value of buildings or other improvements on such land.

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21. (1) Notwithstanding anything to the contrary in section eighty-two of the Land Act, 1924, where any moneys held by the Receiver of Land Revenue have been received by him, whether before or after the passing of this Act, in respect of the value of improvements on any lands in respect of which an advance has been duly made under the Rural Housing Act, 1939, the moneys so held shall, to the extent thereof, be applied as follows:—

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(a) First (in a case of forfeiture) in payment of any expenses incurred in recovering possession of the land and in respect of the sale or other disposal thereof;

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(b) Secondly, in repayment of the advance;

(c) Thirdly, in payment of any moneys due in respect of the land by the outgoing occupier; and

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(d) Fourthly, in payment of the residue (if any) to the original lessee, licensee, or other person entitled.

(2) The provisions of the *last preceding* subsection shall apply with respect to any moneys made payable to an outgoing occupier pursuant to section eighty-three of the Land Act, 1924.

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22. Section six of the Rural Housing Act, 1939, is hereby amended by adding to subsection three the following proviso:—

Section 6
of Rural
Housing Act,
1939, amended.
1939, No. 32

“ Provided that the Council may apply in or towards
5 payment of expenses incurred by it under this Act
such amount or proportion of the interest received
by it as may from time to time be approved by the
Controller and Auditor-General.”

23. (1) Notwithstanding anything in subsection two
10 of section thirty-four of the Finance Act, 1932, where
any school has heretofore been or is at any time
hereafter reduced by more than one grade the rate of
the salary and allowances of the head teacher or
principal of that school shall not, while he continues
15 to hold the position of head teacher or principal, be
reduced in accordance with the said subsection below
the maximum rate of the salary and allowances that
would be prescribed for his position if the school had
been reduced by one grade only.

Section 34 of
Finance Act,
1932, modified
in its applica-
tion to head
teachers and
principals
of reduced
schools.
1932, No. 11

20 (2) If before the passing of this Act the rate of
the salary and allowances payable to any head teacher
or principal has been reduced to a greater extent than
is prescribed by the *last preceding* subsection, the rate
of his salary and allowances shall be adjusted in
25 accordance with this section as from the first day of
February, nineteen hundred and forty.

24. (1) Notwithstanding anything in section fifty-
seven of the Finance Act, 1932, the several statements
of account and balance-sheets required to be prepared
30 by the Marketing Department pursuant to that section
shall be prepared, in respect of the several operations
of the Department, for periods ending on such dates
as may from time to time be approved for the purpose
by the Minister of Finance. Different dates may be
35 approved as aforesaid for the accounts and balance-
sheets prepared in respect of different operations of
the Department.

Dates of
balance-sheets
of Marketing
Department
to be fixed
by Minister
of Finance.
1932, No. 11

(2) Where a date other than the thirty-first day
of July is approved in respect of any of the accounts
40 or balance-sheets of the Department, the report
on the operations of the Department, prepared in

- 1936, No. 5 accordance with subsection one of section fourteen of the Marketing Act, 1936, shall, so far as it relates to such accounts and balance-sheets, be for the period to which they respectively relate.
- Consequential repeal. (3) Subsection three of section fourteen of the Marketing Act, 1936, is hereby consequentially repealed. 5
- Exemption of Canteen Board from income-tax and certain other charges. Serial number 1939/242 25. Income derived by the Canteen Board established under the Defence Canteen Emergency Regulations 1939 shall be, and be deemed heretofore to have been, exempt from income-tax, from the social security charge, and from the national security tax. 10
- Amending provisions of Native Land Act, 1931, as to execution of instruments by Natives. See Reprint of Statutes, Vol. VI, pp. 199, 345 26. The Native Land Act, 1931, is hereby amended by inserting, after the words "or a Postmaster" wherever those words occur in subsections two and three of section two hundred and sixty-eight and in subsections two and three of section five hundred and forty-seven of the said Act, the words "or any other officer in the service of the Crown who for the time being is authorized by the Governor-General, by notice in the *Gazette*, to attest the signature of Natives to such instruments". 15 20
- Authorizing the Taupiri Board to borrow £1,000 for purchase of plant and machinery. 1929, No. 23 27. (1) In this section "the Taupiri Board" or "the Board" means the Board of the Taupiri Drainage and River District under the Taupiri Drainage and River District Act, 1929. 25
- See Reprint of Statutes, Vol. V, p. 360 (2) Unless a poll of ratepayers is demanded in accordance with the provisions of subsection *three* hereof, the Taupiri Board may, by special order and without taking the steps prescribed by sections nine to thirteen of the Local Bodies' Loans Act, 1926, borrow such sum, not exceeding one thousand pounds, as may be required by it for the purchase of plant and machinery. 30
- (3) At any time before the date fixed for the confirmation of a resolution to raise a loan by special order under the authority of this section not less than five per centum of the ratepayers whose names are inscribed on the roll of ratepayers may by writing under their hands delivered or sent by post to the Board demand that a poll be taken on the proposal to raise such loan. 35 40

(4) Every public notice of a resolution to raise any loan under the authority of this section shall, in addition to any other particulars required to be given therein, contain a statement to the effect that a poll
5 of the ratepayers is required to be taken if five per centum of the ratepayers of the district so demand by writing under their hands delivered or sent by post to the Board.

(5) Where the Taupiri Board proposes to raise
10 a loan by special order under the provisions of this section the notice required to be given to the Minister of Finance under section ten of the Local Government Loans Board Act, 1926, shall not be given until after a confirmation of the resolution to raise the loan by
15 special order.

See Reprint
of Statutes,
Vol. V, p. 418