

who hold that a larger pension should have been granted, and that this should have been diminished, pound by pound, by all income accruing to the pensioner without any exemptions. Practically the amount of the pension is of less financial importance than the question of how far the fact that a person is in receipt of an income should affect the amount of his pension. The provisions of the Act dealing with this part of the subject will be explained later on.

WHO SHOULD RECEIVE THE PENSION?

Two ancient adversaries, Logic and Expediency, come into conflict immediately this question is raised. Logic champions the theory that every old man (or woman) should receive a pension out of the ordinary revenue because, (1) Everyone contributes towards that fund in the shape of taxes; (2) If a distinction is attempted to be drawn between the indigent and those in comfortable circumstances, and relief is given only to the former, such relief cannot be a "pension," but must be in the nature of charitable aid.

At one time there was a majority in the representative Chamber in favour of the principle that pensions should be given to all, but the difficulty of raising sufficient money, by taxation or otherwise, to carry out such a vast scheme, proved insurmountable, and member after member has reluctantly abandoned the universal pension as "a consummation devoutly to be wished," but impracticable. Logic may have been the guiding star of philosophers of the time of Socrates, but expediency is the goddess of the degenerate politician of the present day, and in 1898 Parliament reversed its decision given in 1896, and decided emphatically against the universal pension scheme.

After abandoning the project of giving pensions to all, Parliament fell back on the principle that pensions should be given only to those who were in actual want. This came so very near to charitable aid pure and simple, that it was felt that if it was intended to distinguish between poor law relief and an old age pension, some special qualifi-

cation should be added. This distinction is made by insisting that a pensioner shall be a "deserving" person. The principle underlying the New Zealand Bill is, therefore, that pensions should be given to the aged deserving poor.

SOME OF THE DIFFICULTIES.

Proceeding upon this foundation a number of problems presented themselves for consideration.

The age limit was the first. In connection with this, the Bill provides that "Subject to the provisions of this Act, every person of the full age of sixty-five years or upwards shall, whilst in the colony, be entitled to a pension as hereinafter specified."

While some considered that the age should be fixed at sixty, instead of sixty-five, it was generally conceded that the Bill should be made as economical as possible at first.

Having decided that the pension should be given to the aged poor, the question arose, "When is a man so poor that he should receive from the colony a pension in his old age?" The Act provides that he shall receive a pension if "his yearly income does not amount to fifty-two pounds or upwards"; and also, "the net capital value of his accumulated property does not amount to two hundred and seventy pounds or upwards."

Perhaps the most knotty point to decide was to what extent should any income a pensioner might be receiving affect the amount of his pension. To meet this difficulty pensions are fixed on a sliding scale, and a distinction is made between income derived from accumulated property and income received from any other source. To quote the Act again,—

"(9) The amount of the pension shall be eighteen pounds per year, diminished by, (1) One pound for every complete pound of income above thirty-four pounds; and also by, (2) One pound for every complete fifteen pounds of the net capital value of all accumulated property, computed and assessed as next hereinafter provided."