

Social Assistance (Payment of New Zealand Superannuation and Veteran's Pension Overseas) Amendment Act

TMEC wishes to share the information with all community members and citizens of Taranaki Region the extracts of the letter received from the Office of Hon Pansy Wong -Minister for Ethnic Affairs

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The issue of superannuation portability has been raised by our communities for many years and it is a pleasure to tell you that a new law has been passed that ensures senior citizens have choices about where to enjoy their Golden Years.

The Social Assistance (Payment of New Zealand Superannuation and Veteran's Pension Overseas) Amendment Act was passed on 21 October 2009, and would come into force on 5 Jan 2010.

This will replace the current system, which restricts superannuitants' ability to receive their pension while outside of New Zealand for more than 26 weeks in countries without a reciprocal agreement to 50 percent of their entitlement.

Under the new legislation, people will now receive up to their full entitlement while outside New Zealand.

This new law makes it easier for superannuitants to travel overseas and allow them to receive their entitlements while living or travelling outside of New Zealand. It reflects the global world and the fact that nowadays, people are constantly on the move.

The changes ensure that people over the age of 65 are not restricted in the way they choose to enjoy their retirement – whether that is in New Zealand , or overseas.

The new law will also ensure that senior citizens receive the pension they are entitled to by setting up a new payment rate while they are overseas.

This will allow superannuitants to receive up to the full rate of their entitlement, depending on how long they have lived in New Zealand between the ages of 20 and 65 years.

For example, someone who has lived here for 50 percent of this period -22.5 years will receive 50 percent of their pension. If they have lived here 30 years they will receive 66 percent – in contrast to the existing pension. If they have lived here for 30 years they will receive 66 percent – in the contrast to the existing system, where they would have only got 50 percent.

The entitlement will be available to all senior citizens who go overseas.

As Minister for Ethnic Affairs, I understand that there have been some concerns about retrospective entitlements being affected. I am pleased to tell you that this issue has been addressed through the “grandparent provision”, which means that no person with existing entitlements will be adversely affected.

The “grandparent provision” of the law means all people who are now receiving 50 percent under the existing rules will continue to receive 50 percent- or will have their payment rate increased if they are entitled to more when the new legislation comes into force.

These changes will ensure that elderly New Zealander of all ethnic backgrounds are getting the entitlements they deserve and that they have greater freedom in choosing where they enjoy their retirement years.

This makes sense, because many members of our ethnic communities have chosen New Zealand as their permanent home. have paid taxes and should receive what they are entitled to.

For more information, please feel free to phone 0800 777 227 or email international.services@msd.govt.nz

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