



# MINISTRY OF SOCIAL DEVELOPMENT

*Te Manatū Whakahiato Ora*

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- 9 OCT 2014

Robert Latimer

[fyi-request-2005-3fb4b422@requests.fyi.org.nz](mailto:fyi-request-2005-3fb4b422@requests.fyi.org.nz)

Dear Mr Latimer

Thank you for your email of 12 September 2014 requesting, under the Official Information Act 1982, the following information:

- *Copies of the required communication [set out in Article 23(d) of the Social Security (Reciprocity with the United Kingdom) Act 1956] between the governments of the United Kingdom and New Zealand on the introduction of section 70 of the New Zealand Social Security Act 1964.*

As you are aware Article 23(d) of the Social Security (Reciprocity with the United Kingdom) Act 1956 states that: 'the competent authorities shall communicate to each other as soon as possible, information regarding any change made in their legislation which affect the application of the Agreement.'

Up until January 1968, people living in New Zealand who qualified for a New Zealand Pension by virtue of actual residence in New Zealand (that is 20 years) were allowed to receive their New Zealand pension in full in addition to any Retirement Pension they might have been receiving from the United Kingdom. As you are aware, this position changed in 1969 when the Social Security (Reciprocity with the United Kingdom) Act 1956 was being revised. At this time New Zealand authorities informed the United Kingdom that, by virtue of Section 70 of the New Zealand Social Security Act 1964, New Zealand pensions would, with effect from 1 January 1968, be reduced by the amount of any pension paid under the social security system of another country.

The correspondence you have sought copies of is almost 50 years old. The Ministry has reviewed paper copies of files held at Archives New Zealand and was able to locate the following document which talks specifically about section 70 of the Social Security Act 1964. A copy of the letter is enclosed for your reference.

- Letter to A J Patterson at the Ministry of Social Security in London England, dated 1967.

The letter references earlier correspondence between New Zealand and the United Kingdom which is out of scope of your request as it does not specifically relate to section 70 deductions. The letter also references a draft letter which the United Kingdom

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intended to send to its citizens who were living in New Zealand at the time. As this correspondence was not between the governments of New Zealand and the United Kingdom, this correspondence is also outside the scope of your request. Furthermore, the United Kingdom's response to this letter (if there was one) could not be located.

I hope you find this information helpful. You have the right to seek an investigation and review of my response by the Ombudsman, whose address for contact purposes is:

The Ombudsman  
Office of the Ombudsman  
PO Box 10-152  
WELLINGTON 6143

Yours sincerely

A handwritten signature in black ink, appearing to read 'Sacha O'Dea', written in a cursive style.

Sacha O'Dea  
**General Manager Ageing, Disability and International**

AIR MAIL:

25 November 1967

A.J.Patterson Esq.,  
Ministry of Social Security,  
Overseas Division,  
1 Adam Street,  
LONDON, W.C.2.,  
ENGLAND.

Dear Pst,

As promised in my letter of 20 November 1967, I am now writing concerning the draft of the letter you propose sending to contributors who are living in New Zealand.

Since the receipt of your last letter I have had protracted discussions with Government and the Ombudsman regarding the Commission's policy for administering Section 70 of our Act which reads as follows:-

"(1) In this section the expression "overseas pension" means a pension or other periodical allowance granted elsewhere than in New Zealand.

(2) Notwithstanding anything to the contrary in this Part of this Act, if any overseas pension is payable to or in respect of any person who is in receipt of a benefit under this Part of this Act, or is or in respect of the wife or husband or child of any such person, the Commission may, in its discretion, reduce the rate of the benefit or benefits that would otherwise be payable under this Part of this Act by an amount not exceeding the rate of the overseas pension."

The outcome was that Government has confirmed the existing policy of the Commission under which persons receiving overseas pensions analogous to New Zealand social security benefits and war pensions are placed in a position no more favourable than persons entitled to a New Zealand social security benefit only or to a benefit and a New Zealand war pension.

You are aware that the Commission is already invoking Section 70 to directly deduct contributory pensions from New Zealand widows, invalids, sickness and unemployment benefits, even though the beneficiary may be residentially qualified without recourse to the existing agreement and that it was the intention to postpone the application of this policy to age and superannuation benefits until the new agreement is signed.

However, it is now mandatory to extend the Commission's policy under Section 70 to Age and Superannuation benefits so that contributory pensions will operate as a direct deduction from these benefits irrespective of whether the beneficiary is residentially qualified for New Zealand benefit without recourse to the existing agreement and that this change will be effective from 1 January 1968.

In view of this it is suggested that you amend the opening sentence of the letter you intend sending to contributors in New Zealand. Otherwise, the draft letter is satisfactory so far as I am concerned.

Yours sincerely,