



Cabinet Social Wellbeing Committee

Minute of Decision

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New Zealand Superannuation and Veteran's Pension Legislation Amendment Bill: Proposed Policy Changes and SOP

Portfolio **Social Development**

On 12 February 2020, the Cabinet Social Wellbeing Committee, having been authorised by Cabinet to have Power to Act [CAB-20-MIN-0019]:

- 1 **noted** that the New Zealand Superannuation and Veteran's Pension Legislation Amendment Bill (the Bill) provides that the non-qualified partner provision will close from 1 July 2020 and spousal deduction will cease from 1 July 2020;
- 2 **noted** that through the drafting process and the analysis of submissions on the Bill, officials have identified policy changes that need to be made to the Bill to ensure couples' entitlements are clear, and legislation aligns with the policy intent of the modernisation and simplification package agreed to by Cabinet in May 2019 [SWC-19-MIN-0050];
- 3 **noted** that the Office of the Clerk of the House of Representatives has confirmed that these amendments are within the scope of the Bill;

Partner in hospital for more than 13 weeks

- 4 **agreed** that legislation be amended to allow a community-based partner to receive an increased rate of main benefit or Veteran's Pension (VP) or New Zealand Superannuation (NZS) when their partner is hospitalised and receiving a reduced rate of payment under a different Act;

Applying abatement for NZS and VP

- 5 **agreed** that Schedule 4 of the Social Security Act 2018 be amended to apply:
 - 5.1 Income Test 4 to a Jobseeker Support recipient whose partner receives either NZS or VP;
 - 5.2 Income Test 2 to a Supported Living Payment recipient whose partner receives either NZS or VP;

Direct deduction of overseas pensions received by a superannuitant in respect of or by a dependant

- 6 **agreed** that legislation be amended to ensure that NZS and VP are unaffected by an overseas pension received by or on behalf of a dependant;

- 7 **agreed** that this exemption also apply to any Winter Energy Payments received by superannuitants to be consistent with the approach for spousal deduction;

Next steps

- 8 **approved** the Supplementary Order Paper to the Bill [PCO 21243-1/8.0] for release;
- 9 **agreed** to the submission to the Social Services and Community Select Committee of:
- 9.1 a supplementary departmental report reflecting the policy decisions above;
- 9.2 the attached Supplementary Order Paper reflecting the policy decisions above.

Vivien Meek
Committee Secretary

Present:

Hon Kelvin Davis
Hon Dr Megan Woods
Hon Chris Hipkins
Hon Andrew Little
Hon Carmel Sepuloni (Chair)
Hon Dr David Clark
Hon Stuart Nash
Hon Jenny Salesa
Hon Kris Faafoi
Hon Tracey Martin
Hon Willie Jackson
Hon Aupito William Sio
Hon Poto Williams
Jan Logie, MP

Officials present from:

Office of the Prime Minister
Officials Committee for SWC
Office of the Chair of SWC

Hard-copy distribution:

Minister for Social Development