



MINISTRY OF SOCIAL
DEVELOPMENT

TE MANATŪ WHAKAHIATO ORA

- 2 MAY 2017

Dear

On 20 March 2017 you emailed the Ministry requesting, under the Official Information Act 1982, the following information:

- *A record of outcomes of Appeals to the Internal Review Committee concerning Canada Pensions (CPP & OAS)?*
- *Are pensions from China exempt from Section 70?*

Information about the specifics of Internal Reviews, Benefit Review Committee hearings and Social Security Appeals Authority hearings are held in notes on individual case files. In order to provide you with a record of outcomes of internal reviews specific to Canadian pensions, Ministry staff would have to manually review the notes for every review. As such I refuse your request under section 18(f) of the Official Information Act. The greater public interest is in the effective and efficient administration of the public service.

I have considered whether the Ministry would be able to respond to your request given extra time, or the ability to charge for the information requested. I have concluded that, in either case, the Ministry's ability to undertake its work would still be prejudiced.

Section 70 of the Social Security Act 1964 (s70) requires that the amount of any overseas pension must reduce the amount of any New Zealand benefit or pension where:

- that overseas pension forms part of a programme of benefits and pension paid for any of the contingencies for which New Zealand benefits would be paid; and
- the pension scheme is administered by or on behalf of the Government of the country from which the pension originates.

Both of these criteria must be met for an overseas pension to be covered by the scope of s70.

The Chinese pensions that are currently paid to New Zealand residents are "enterprise" pensions paid to former employees of large private Chinese businesses or state-owned enterprises. Enterprise pension schemes are either administered by individual employers (pensions from these types of schemes are treated as private

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pensions) or, where the organisation is a state-owned enterprise, by the Government in their capacity as an employer (pensions from these types of schemes are regarded as civil service or government occupational pensions). As enterprise pension schemes are not administered by or on behalf of the Chinese Government (except in the capacity of the Government as an employer in which case they are government occupational pension schemes), they do not meet the second criteria specified in s70 and are therefore not deducted from New Zealand benefits and pensions.

In 1997, the Chinese Government introduced a state-administered pension system. The earliest a Chinese pension will be subject to s70 is July 2022, as these pensions are not payable until an employee and their employer have paid into that state system for at least 15 years, after which they must be resident and present in New Zealand for the required 10 year period to qualify for New Zealand Superannuation.

The principles and purposes of the Official Information Act 1982 under which you made your request are:

- to create greater openness and transparency about the plans, work and activities of the Government,
- to increase the ability of the public to participate in the making and administration of our laws and policies and
- to lead to greater accountability in the conduct of public affairs.

This Ministry fully supports those principles and purposes. The Ministry therefore intends to make the information contained in this letter available to the wider public shortly. The Ministry will do this by publishing this letter on the Ministry of Social Development's website. Your personal details will be deleted and the Ministry will not publish any information that would identify you as the person who requested the information.

If you wish to discuss this response with us, please feel free to contact OIA_Requests@msd.govt.nz.

If you are not satisfied with this response, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at www.ombudsman.parliament.nz or 0800 802 602.

Yours sincerely



Ruth Bound
Deputy Chief Executive, Service Delivery