



ANALYSIS

Title

1. Short Title and commencement
2. New Zealand superannuation
3. Transitional retirement benefit

4. Annual adjustment of rates of New Zealand superannuation and veterans' pensions
5. Amendments to Social Security Act 1964
6. Repeals Schedules

1993, No. 149

An Act to amend the Social Welfare (Transitional Provisions) Act 1990 and to provide, in accordance with an Accord on Retirement Income Policies entered into on the 25th day of August 1993 by the Alliance, Labour, and National Parliamentary Parties,—

(a) For adjustments to the level of New Zealand superannuation (formerly known as national superannuation) to be made within a range of levels:

(b) For transitional provisions relating to the raising of the age of eligibility for New Zealand superannuation [29 September 1993]

BE IT ENACTED by the Parliament of New Zealand as follows:

1. Short Title and commencement—(1) This Act may be cited as the Social Welfare (Transitional Provisions) Amendment Act (No. 2) 1993, and shall be read together with and deemed part of the Social Welfare (Transitional Provisions) Act 1990 (hereinafter referred to as the principal Act).

(2) This Act shall come into force on the 1st day of April 1994.

2. New Zealand superannuation—(1) Unless in any case the context otherwise requires, and subject to the provisions of this Act and of the Income Tax Amendment Act (No. 4) 1993, every reference in the principal Act or in any other enactment or in any regulations, Order in Council, rule, bylaw, or other document whatever to guaranteed retirement income or national superannuation or to a guaranteed retirement income earner or a national superannuitant shall be read, respectively, as a reference to New Zealand superannuation or to a New Zealand superannuitant.

(2) Section 2 of the Social Welfare (Transitional Provisions) Amendment Act (No. 2) 1991 is hereby consequentially repealed.

3. Transitional retirement benefit—(1) The principal Act is hereby amended by inserting, after section 7, the following heading and section:

“Transitional Retirement Benefit

“7A. (1) Subject to the provisions of this Act and of the Social Security Act 1964, every person shall be entitled to receive a transitional retirement benefit—

“(a) Who meets the residential qualifications for New Zealand superannuation set out in section 4 of this Act; and

“(b) Who is not entitled to New Zealand superannuation because he or she has not yet attained the appropriate age specified in section 3 of this Act; and

“(c) Who is not entitled to receive a veteran’s pension; and

“(d) Whose spouse is not entitled to New Zealand superannuation or a veteran’s pension in his or her own right; and

“(e) Who attains the appropriate age specified in subsection (2) of this section.

“(2) A person attains the appropriate age for the purposes of subsection (1) of this section when he or she attains—

“(a) The age of 60 years, if he or she was born before the 1st day of July 1934:

“(b) The age of 60 years and 3 months, if he or she was born on or after the 1st day of July 1934 and before the 1st day of October 1934:

- “(c) The age of 60 years and 6 months, if he or she was born on or after the 1st day of October 1934 and before the 1st day of January 1935:
- “(d) The age of 60 years and 9 months, if he or she was born on or after the 1st day of January 1935 and before the 1st day of April 1935:
- “(e) The age of 61 years, if he or she was born on or after the 1st day of April 1935 and before the 1st day of July 1935:
- “(f) The age of 61 years and 3 months, if he or she was born on or after the 1st day of July 1935 and before the 1st day of October 1935:
- “(g) The age of 61 years and 6 months, if he or she was born on or after the 1st day of October 1935 and before the 1st day of January 1936:
- “(h) The age of 61 years and 9 months, if he or she was born on or after the 1st day of January 1936 and before the 1st day of April 1936:
- “(i) The age of 62 years, if he or she was born on or after the 1st day of April 1936 and before the 1st day of July 1936:
- “(j) The age of 62 years and 3 months, if he or she was born on or after the 1st day of July 1936 and before the 1st day of October 1936:
- “(k) The age of 62 years and 6 months, if he or she was born on or after the 1st day of October 1936 and before the 1st day of January 1937:
- “(l) The age of 62 years and 9 months, if he or she was born on or after the 1st day of January 1937 and before the 1st day of April 1937:
- “(m) The age of 63 years, if he or she was born on or after the 1st day of April 1937 and before the 1st day of July 1937:
- “(n) The age of 63 years and 3 months, if he or she was born on or after the 1st day of July 1937 and before the 1st day of October 1937:
- “(o) The age of 63 years and 6 months, if he or she was born on or after the 1st day of October 1937 and before the 1st day of January 1938:
- “(p) The age of 63 years and 9 months, if he or she was born on or after the 1st day of January 1938 and before the 1st day of April 1938:

“(q) The age of 64 years, if he or she was born on or after the 1st day of April 1938 and before the 1st day of July 1938:

“(r) The age of 64 years and 3 months, if he or she was born on or after the 1st day of July 1938 and before the 1st day of October 1938:

“(s) The age of 64 years and 6 months, if he or she was born on or after the 1st day of October 1938 and before the 1st day of January 1939:

“(t) The age of 64 years and 9 months, if he or she was born on or after the 1st day of January 1939 and before the 1st day of April 1939.

“(3) Subject to this Act and to the Social Security Act 1964, a person entitled to receive a transitional retirement benefit shall cease to be entitled to receive that benefit on the date on which that person becomes entitled to receive New Zealand superannuation or a veteran’s pension under this Act (whether in his or her own right or as a result of an election made under section 6 or section 11 of this Act).

“(4) Every transitional retirement benefit shall be paid at the appropriate rate specified in the Fourth Schedule to this Act.

“(5) In this section—

“(a) 3 months equals 13 weeks; and

“(b) 6 months equals 26 weeks; and

“(c) 9 months equals 39 weeks.”

(2) The principal Act is hereby amended by adding the Fourth Schedule set out in the First Schedule to this Act.

(3) Section 7A of the principal Act (as inserted by subsection (1) of this section) and the Fourth Schedule to the principal Act (as added by subsection (2) of this section), shall be deemed to be repealed on the 31st day of March 2004.

4. Annual adjustment of rates of New Zealand superannuation and veterans’ pensions—(1) The principal Act is hereby amended by repealing section 13A (as inserted by section 2 (1) of the Social Welfare (Transitional Provisions) Amendment Act (No. 3) 1991), and substituting the following section:

“13A. (1) In this section—

“‘C.P.I.’ means the consumers price index—all groups published by the Department of Statistics:

“‘Earner premium’ means the premium payable, under section 114 of the Accident Rehabilitation and Compensation Insurance Act 1992, by every earner:

“ ‘Standard tax’ means the amount of tax reckoned on a weekly basis that would be deductible in accordance with the tax code ‘G’ specified in section 344 of the Income Tax Act 1976.

“(2) Subject to subsection (3) of this section, the rates of New Zealand superannuation and veterans’ pensions specified in paragraphs (a), (b), and (c) of clause 1 and paragraphs (b) and (d) of clause 2 of the First Schedule to this Act shall be adjusted, by Order in Council, as at the 1st day of April each year so that in each case the new rate (after the deduction of standard tax) is the equivalent of the then existing rate (after the deduction of standard tax) adjusted by any percentage movement upwards in the C.P.I. between the C.P.I. for the quarter ended with the 31st day of December 1 year before the immediately preceding 31st day of December and the C.P.I. for the quarter ended with the immediately preceding 31st day of December.

“(3) Every Order in Council made under subsection (2) of this section shall adjust the annual rates of New Zealand superannuation and veteran’s pension—

“(a) So that the weekly amount (after the deduction of standard tax) payable to a married couple, both of whom are qualified to receive New Zealand superannuation or a veteran’s pension, is not less than 65 percent or more than 72.5 percent of the average ordinary time weekly earnings (males and females combined) as determined by the last Quarterly Employment Survey of wages published by the Department of Statistics before the 1st day of March in each year (after the deduction of standard tax and the earner premium payable on those earnings);

“(b) So that the weekly amount (after the deduction of standard tax) payable to a single person who is living alone (within the meaning of section 18A of this Act) is 65 percent of the weekly amount of New Zealand superannuation or veteran’s pension (after the deduction of standard tax) payable to a married couple, both of whom are qualified to receive New Zealand superannuation or a veteran’s pension;

“(c) So that the weekly amount (after the deduction of standard tax) payable to a single person who is not living alone (within the meaning of section 18A of this Act) is 60 percent of the weekly amount of New Zealand superannuation or veteran’s pension (after

the deduction of standard tax) payable to a married couple, both of whom are qualified to receive New Zealand superannuation or a veteran's pension:

“(d) So that the rates of New Zealand superannuation and veteran's pensions specified in paragraphs (b) and (d) of clause 2 of the First Schedule to this Act preserve their proportional relationships (after the deduction of standard tax) to the rates specified in paragraphs (a), (b), and (c) of clause 1 of that Schedule.

“(4) The provisions of subsections (3) to (6) of section 61H of the Social Security Act 1964 shall apply to every Order in Council made under subsection (2) of this section as if that Order in Council were made under that section.

“(5) Every Order in Council made under subsection (2) of this section shall come into force or be deemed to come into force on the 1st day of April of the calendar year in which it is made, and shall apply in respect of New Zealand superannuation and veterans' pensions payable on and after that date.”

(2) Section 2 of the Social Welfare (Transitional Provisions) Amendment Act (No. 3) 1991 is hereby consequentially repealed.

5. Amendments to Social Security Act 1964—The Social Security Act 1964 is hereby amended in the manner indicated in the Second Schedule to this Act.

6. Repeals—The following enactments are hereby consequentially repealed:

- (a) Section 15 (1) of the Department of Social Welfare Act 1971;
 - (b) Section 2 of the Social Security Amendment Act 1984;
 - (c) Section 2 (3) (a) of the Social Security Amendment Act 1987;
 - (d) Subsections (7) and (10) (a) of section 14 of the Social Welfare (Transitional Provisions) Act 1990;
 - (e) Section 24 (2) of the Social Security Amendment Act 1991;
 - (f) Paragraphs (c) and (d) of section 5 (3) and subsections (1) to (3) of section 12 of the Social Security Amendment Act (No. 3) 1993.
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SCHEDULES

Section 3 (2)

FIRST SCHEDULE

NEW FOURTH SCHEDULE TO SOCIAL WELFARE (TRANSITIONAL PROVISIONS)
ACT 1990

Section 7A (4)

"FOURTH SCHEDULE

RATES OF TRANSITIONAL RETIREMENT BENEFIT

- (a) To any unmarried person without dependent children \$8,634.08 a year, diminished by 30¢ for every complete \$1 of the total annual income of the person in excess of \$2,600 a year but not in excess of \$4,160 a year, and by 70¢ for every complete \$1 of such income in excess of \$4,160 a year.
- (b) To an unmarried person with 1 dependent child \$11,341.72 a year, diminished by 30¢ for every complete \$1 of the total annual income of the person in excess of \$3,120 a year but not in excess of \$4,160 a year, and by 70¢ for every complete \$1 of such income in excess of \$4,160 a year.
- (c) To an unmarried person with 2 or more dependent children \$12,178.92 a year, diminished by 30¢ for every complete \$1 of the total annual income of the person in excess of \$3,120 a year but not in excess of \$4,160 a year, and by 70¢ for every complete \$1 of such income in excess of \$4,160 a year.
- (d) To a married person with 1 or more dependent children whose spouse is granted, in his or her own right, a benefit (other than New Zealand superannuation or a veteran's pension) \$7,195.24 a year, diminished by 15¢ for every complete \$1 of the total annual income of the person and his or her spouse in excess of \$3,120 a year but not in excess of \$4,160 a year, and by 35¢ for every complete \$1 of such income in excess of \$4,160 a year.
- (e) To a married person without dependent children whose spouse is granted, in his or her own right, a benefit (other than New Zealand superannuation or a veteran's pension) \$7,195.24 a year, diminished by 15¢ for every complete \$1 of the total annual income of the person and his or her spouse in excess of \$2,600 a year but not in excess of \$4,160 a year, and by 35¢ for every complete \$1 of such income in excess of \$4,160 a year.

FIRST SCHEDULE—*continued*NEW FOURTH SCHEDULE TO SOCIAL WELFARE (TRANSITIONAL PROVISIONS)
ACT 1990—*continued*“FOURTH SCHEDULE—*continued*RATES OF TRANSITIONAL RETIREMENT BENEFIT—*continued*

- (f) To a married person with 1 or more dependent children whose spouse is not granted a benefit in his or her own right \$7,195.24 a year, increased by \$7,195.24 a year in respect of his or her spouse, the total rate to be diminished by 30¢ for every complete \$1 of the total annual income of the person and his or her spouse in excess of \$3,120 a year but not in excess of \$4,160 a year, and by 70¢ for every complete \$1 of such income in excess of \$4,160 a year.
- (g) To a married person without dependent children whose spouse is not granted a benefit in his or her own right \$7,195.24 a year, increased by \$7,195.24 a year in respect of his or her spouse, the total rate to be diminished by 30¢ for every complete \$1 of the total annual income of the person and his or her spouse in excess of \$2,600 a year but not in excess of \$4,160 a year, and by 70¢ for every complete \$1 of such income in excess of \$4,160 a year.”
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Section 5

SECOND SCHEDULE
AMENDMENTS TO SOCIAL SECURITY ACT 1964

Provision of Social Security Act 1964 Amended	Amendment
Section 2 (as substituted by section 15 (1) of the Department of Social Wel- fare Act 1971)	<p>By repealing this section, and substituting the following section:</p> <p>“2. Administration—Subject to the control and direction of the Minister of Social Welfare, this Part of this Act and the Social Welfare (Transitional Provisions) Act 1990 shall be administered in the Department of Social Welfare by the Director-General of Social Welfare.”</p>
Section 3	<p>By inserting in subsection (1), after subparagraph (i) of paragraph (b) of the definition of the term “benefit” (as substituted by section 2 (1) of the Social Security Amendment Act (No. 2) 1990), the following subparagraph:</p> <p>“(ia) A transitional retirement benefit payable under Part I of the Social Welfare (Transitional Provisions) Act 1990:”.</p> <p>By repealing the definition of the term “guaranteed retirement income” in subsection (1) (which definition was inserted by section 14 (3) of the Social Welfare (Transitional Provisions) Act 1990 and amended by section 2 (1) of the Social Welfare (Transitional Provisions) Amendment Act (No. 2) 1991).</p> <p>By inserting in subsection (1), in its appropriate alphabetical order, the following definition:</p> <p>“‘New Zealand superannuation’ means New Zealand superannuation payable under Part I of the Social Welfare (Transitional Provisions) Act 1990:”.</p> <p>By inserting in subsection (1), after the definition of the term “temporary employment” (as inserted by section 2 (3) of the Social Security Amendment Act 1991), the following definition:</p> <p>“‘Transitional retirement benefit’ means a transitional retirement</p>

SECOND SCHEDULE—*continued*AMENDMENTS TO SOCIAL SECURITY ACT 1964—*continued*

Provision of Social Security Act 1964 Amended	Amendment
Section 3— <i>continued</i>	<p style="text-align: center;">benefit payable under Part I of the Social Welfare (Transitional Provisions) Act 1990.”.</p> <p>By adding the following subsection:</p> <p>“(3) Except for the purposes of section 69E of this Act, and notwithstanding the definition of the term ‘income’ in subsection (1) of this section, where it is necessary to determine, for the purposes of this Act or the Social Welfare (Transitional Provisions) Act 1990, the income of any person who—</p> <p>“(a) Meets the residential qualification for New Zealand superannuation set out in section 4 of the Social Welfare (Transitional Provisions) Act 1990; and</p> <p>“(b) Is aged 60 years or more and whose spouse (if any), being a spouse whose age is less than that of the person whose income is being determined, is aged 60 years or more; and</p> <p>“(c) Is in receipt of a pension under a superannuation scheme registered under the Superannuation Schemes Act 1989 or of payments under an annuity paid in respect of a policy of life insurance—</p> <p>“(i) Offered or entered into in New Zealand by a life insurer (as that term is defined in section 204 of the Income Tax Act 1976); or</p> <p>“(ii) Offered or entered into outside of New Zealand by a life insurer (as so defined) that is resident in New Zealand within the meaning of section 241 of the Income Tax Act 1976; and</p>

SECOND SCHEDULE—*continued*AMENDMENTS TO SOCIAL SECURITY ACT 1964—*continued*

Provision of Social Security Act 1964 Amended	Amendment
Section 3— <i>continued</i>	<p>“(d) Commenced to receive payments of that pension or under that annuity—</p> <p>“(i) Before the 1st day of April 1992; and</p> <p>“(ii) When that person was aged not less than 55 years nor more than 59 years and when that person’s spouse (if any), being a spouse whose age is less than that of the person whose income is being determined, was aged 55 years or more,—</p> <p>50 percent of the amount received by that person under that pension or under that annuity shall not be included in the income of that person.”</p>
Section 61E (as substituted by section 10 (1) of the Social Security Amendment Act (No. 3) 1993)	<p>By repealing paragraph (b) of the definition of the term “beneficiary”, and substituting the following paragraph:</p> <p>“(b) New Zealand superannuation, a transitional retirement benefit, or a veteran’s pension.”</p>
Section 61G (as substituted by section 9 (1) of the Social Security Amendment Act 1981)	<p>By inserting, after the words “this Part of this Act” in both places where they appear, the words “or the Social Welfare (Transitional Provisions) Act 1990”.</p>
Section 61H (as substituted by section 3 of the Social Security Amendment Act 1990)	<p>By repealing subsection (1), and substituting the following subsection:</p> <p>“(1) The Governor-General may from time to time, by Order in Council,—</p> <p>“(a) Amend sections 61DB, 61DC, 61DD, 61EC, and 125 of this Act; and</p> <p>“(b) Amend the First, Second, and Fourth Schedules to the Social Welfare (Transitional Provisions) Act 1990; and</p> <p>“(c) Amend the Third, Fourth, Sixth, Eighth, Ninth, Sixteenth to Nineteenth, Twenty-second, Twenty-third, Twenty-sixth, and Twenty-seventh Schedules to this Act—</p>

SECOND SCHEDULE—*continued*AMENDMENTS TO SOCIAL SECURITY ACT 1964—*continued*

Provision of Social Security Act 1964 Amended	Amendment
Section 61H (as substituted by section 3 of the Social Security Amendment Act 1990)— <i>continued</i>	by increasing the amount of any benefit, allowance, lump sum payment, maximum amount of supplements, average regional rental, asset limit, income exemption, maximum amount of advance, cash assets test, or annual or weekly income test (but not the rate of diminution of any benefit or allowance) set out in those sections and those Schedules, and by decreasing the amount of any average regional rental.”
Section 64	By inserting in subsection (1), and also in subsection (2A) (as inserted by section 18 (2) of the Social Security Amendment Act 1978), after the words “Schedule to this Act”, the words “or in the Social Welfare (Transitional Provisions) Act 1990”.
Section 66A (as inserted by section 22 of the Social Security Amendment Act 1972)	By omitting the words “under this Part of this Act”.
Section 66B (as inserted by section 4 of the Social Security Amendment Act (No. 4) 1992)	By omitting the words “payable under this Part of this Act”.
Section 68	By omitting the words “for the purposes of this Part of this Act”.
Section 69c (1) (as substituted by section 15 (1) of the Social Security Amendment Act (No. 2) 1985)	By inserting in paragraph (a), after the words “unemployment benefit,”, the words “or a transitional retirement benefit.”.
Section 69c (5) (as added by section 11 (2) of the Social Security Amendment Act 1982)	By repealing paragraph (a) (as substituted by section 14 (10) (a) of the Social Welfare (Transitional Provisions) Act 1990 and amended by section 5 (3) (d) of the Social Security Amendment Act (No. 3) 1993), and substituting the following paragraph: “(a) A married person is in receipt of New Zealand superannuation

SECOND SCHEDULE—*continued*AMENDMENTS TO SOCIAL SECURITY ACT 1964—*continued*

Provision of Social Security Act 1964 Amended	Amendment
Section 69c (5) (as added by section 11 (2) of the Social Security Amendment Act 1982)— <i>continued</i>	or a transitional retirement benefit or a veteran's pension, or of an invalid's, sickness, or unemployment benefit, or a related emergency benefit; and".
Section 70 (as substituted by section 13 (1) of the Social Security Amendment Act 1975)	By inserting in paragraph (a) of subsection (1) (as substituted by section 16 (1) of the Social Security Amendment Act (No. 2) 1985), and also in paragraph (b) of subsection (1), after the words "this Part of this Act", the words "or under the Social Welfare (Transitional Provisions) Act 1990". By inserting in subsection (1), after the words "payable under this Part of this Act", the words "or under the Social Welfare (Transitional Provisions) Act 1990".
Section 70A (1) (b) (as inserted by section 9 (1) of the Social Security Amendment Act (No. 5) 1991)	By inserting, after subparagraph (iii), the following subparagraph: "(iiiia) A transitional retirement benefit payable under Part I of the Social Welfare (Transitional Provisions) Act 1990; or".
Section 71	By inserting in subsection (1), after the words "this Part of this Act", the words "or the Social Welfare (Transitional Provisions) Act 1990".
Section 74	By inserting, after the words "this Part of this Act", the words "or the Social Welfare (Transitional Provisions) Act 1990".
Section 74A (as inserted by section 29 of the Social Security Amendment Act 1991)	By omitting from subsection (1) the words "under this Part of this Act". By omitting from subsection (2) the words "any Schedule to this Act", and substituting the words "the Social Welfare (Transitional Provisions) Act 1990".

SECOND SCHEDULE—*continued*AMENDMENTS TO SOCIAL SECURITY ACT 1964—*continued*

Provision of Social Security Act 1964 Amended	Amendment
Section 75 (as substituted by section 12 (1) of the Social Security Amendment Act 1982)	By inserting in subsection (2), after the words “in this Part of this Act”, the words “or in the Social Welfare (Transitional Provisions) Act 1990”. By omitting from subsection (2) the words “under this Part of this Act”.
Section 80 (1) (as substituted by section 32 (1) of the Social Security Amendment Act 1991)	By inserting, after the words “sickness benefit,”, the words “transitional retirement benefit,”.
Section 80 (2b) (as inserted by section 20 (2) of the Social Security Amendment Act (No. 3) 1993)	By inserting, after the words “domestic purposes benefit”, the words “or a transitional retirement benefit”.
Section 80 (8) (as substituted by section 32 (1) of the Social Security Amendment Act 1991)	By inserting in paragraph (a) of the proviso, after the words “veteran’s pension”, the words “or of a transitional retirement benefit”. By inserting in paragraph (b) of the proviso, after the words “veteran’s pension”, the words “or of a transitional retirement benefit”.
Section 80B (1) (a) (as substituted by section 5 (1) of the Social Security Amendment Act (No. 4) 1992)	By inserting, after the words “invalid’s benefit,”, the words “a transitional retirement benefit,”.
Section 80B (3) (as substituted by section 5 (1) of the Social Security Amendment Act (No. 4) 1992)	By adding to the definition of the term “income” the words “; and also includes transitional retirement benefits paid under the Social Welfare (Transitional Provisions) Act 1990:”.
Section 80c (as inserted by section 21 of the Social Security Amendment Act (No. 2) 1991)	By omitting from subsection (2) the words “under this Part of this Act”.
Section 125 (1) (as substituted by section 26 (1) of the Social Security Amendment Act 1975)	By omitting the words “under Part I of this Act”, and substituting the words “(as defined in section 3 (1) of this Act)”.
Section 127 (as substituted by section 41 of the Social Security Amendment Act 1972)	By repealing paragraph (a), and substituting the following paragraph: “(a) Any benefit under this Act or the Social Welfare (Transitional Provisions) Act 1990; or”.

SECOND SCHEDULE—*continued*AMENDMENTS TO SOCIAL SECURITY ACT 1964—*continued*

Provision of Social Security Act 1964 Amended	Amendment
Twenty-second Schedule (as added by section 27 (1) of the Social Security Amendment Act (No. 2) 1985)	<p>By omitting from clause 1 the words “(other than national superannuation, a family benefit, or an orphan’s benefit) under Part I of this Act”, and substituting the words “(other than New Zealand superannuation, a veteran’s pension, an orphan’s benefit, or an unsupported child’s benefit)”.</p> <p>By omitting from clause 2 the words “national superannuation under Part I of this Act”, and substituting the words “New Zealand superannuation under Part I of the Social Welfare (Transitional Provisions) Act 1990”.</p>

This Act is administered in the Department of Social Welfare.
