

24 May 2018

MEDIA RELEASE

TITLE: The du-er debate

Sometimes, I tend to have a quiet chuckle over certain things that happen. This is certainly true of the blind leading the blind which can occur without anyone the wiser as to who the real blind person is. As you all know New Zealand will pass its laws as it sees fit so the new portability of superannuation amendment will pass.

It will mean nothing to many of us who have never worked in New Zealand for even one year when we turned 20 years old.

But it is important that we contribute constructively and instructively to the bills committee which asked for our views via written submissions.

This is what I am trying to do and I attach for your reading and comment if you wish what I will present.

I understand the assembly voted on a motion to support the amendment in its current form. I wish them and their submission well.

Here goes my submission based on my views and notes on this matter:

"Niue is a small island state of approximately 1800 residents. It is a state in the Realm of New Zealand (which also includes New Zealand, the Cook Islands and Tokelau).

Niue is a state in free association with New Zealand. Niueans are New Zealand citizens under section 5 of the Niue Constitution Act 1974.

The explanatory note states that the Bill reflects the constitutional responsibility that New Zealand has for its citizens living in the Cook Islands, Tokelau and Niue and the relationship those citizens have with New Zealand. It responds to a longstanding request for pension portability from the leaders of Niue, Cook Islands and Tokelau, who view flexible pension portability as a necessary driver for increased economic activity in all parts of the Realm of New Zealand.

The Bill is inadequate in two principal respects:

(a) It is discriminatory between those entitled in the state of New Zealand and those entitled in Niue.

(b) It will have a continuing detrimental effect on economic activity in Niue.

Discrimination between those entitled in the state of New Zealand and those entitled in other parts of the Realm. The Bill does not go far enough in replacing section 8(c) but not section 8(b) of the principal Act.

The effect of the Bill is that a person who, for example, moves to Niue at the age of 50 is required to meet the residency requirement in section 8(b) of the principal Act (10 years resident and present in New Zealand since age 20). This is in addition to being required to reside in Niue for 5 years after the age of 50. In contrast, a person resident in New Zealand between the ages of 45 and 55 would meet the requirements of both section 8(b) and (c) from those 10 years of residence alone. This is discriminatory between New Zealanders and is not supported by the Government of Niue.

Section 8(b) should be replaced with a provision similar to section 8(c). The residency requirement in section 8(b) should be able to be met by residence in any country of the Realm.

Detrimental effect on economic activity in Niue. The governments of New Zealand and Niue have long been concerned with population retention in Niue. The current and proposed rules on portability of pensions create an incentive for Niueans to live in New Zealand. This is against the economic interests of Niue which needs its people and skills to be retained in Niue. This is a further reason to amend section 8(b) as described above.

Summary

- 1. The Bill is not supported in its current form.*
- 2. Section 8 should be amended to allow the residency criteria in section 8(b) and (c) to be met by residence in any part of the Realm of New Zealand."*

This submission has been delivered to the chair of the committee by the Niue high commission under my direction. The committee requested these views for its deliberations. The Niue high commission will also be present when the committee meet to discuss these submissions from the public on the 23 May.

His Excellency Fisa Pihigia has delivered this and will attend on my behalf.

[ENDS]

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