



Office of Hon John Carter

MP for Northland

Minister of Civil Defence

Minister for Senior Citizens

Minister for Racing

Associate Minister of Local Government

02 JUL 2009

Liz Baxendine
President
Age Concern New Zealand
PO Box 10 688
WELINGTON 6143

Dear Liz

Thank you for your letter of 10 June 2009 to the Prime Minister, Hon John Key, about your concerns with how the rates of New Zealand Superannuation are expressed. Mr Key has asked me to reply on his behalf as this matter falls within my portfolio of responsibilities.

I note that you also sent copies of your letter to the Minister of Finance, Hon Bill English, the Minister for Social Development and Employment, Hon Paula Bennett, the Minister for the Community and Voluntary Sector, Hon Tariana Turia, the Minister of Revenue, Hon Peter Dunne, and myself.

You said in your letter that it is incorrect to express the rates of New Zealand Superannuation as "...66 percent of the net average wage" and to keep using and quoting the couple rate exclusively, when referring to rates of New Zealand Superannuation. You ask that ministers and government agencies move away from using the "66 per cent" formula when talking about New Zealand Superannuation.

I agree with you and the Ministry of Social Development (the Ministry) has responded. Ministry officials have agreed that in preparing future publications, which refer to New Zealand Superannuation, the phrasing of the rates of New Zealand Superannuation will be more explicitly expressed without losing the meaning. Where appropriate, the Ministry will refer to the married and single person rates along the following lines:

On 1 April of each year, we will ensure that the net married couple rate of New Zealand Superannuation is at least 66% of net average ordinary time weekly earnings. Also, on this date, we will ensure that the net single person living alone rate is 65% of the net married couple rate, and the net single sharing rate is 60% of the net married couple rate.

The Ministry has reviewed information which *is* publicly available and, with the exception of the previously published documentation relating to the Ministry's Statement of Intent and Budget information, will be using the new description. The Ministry does not Intend to change these documents as this would require them to be re-tabled in Parliament.

The Ministry will be applying the new description to future publications about New Zealand Superannuation, as they are due for reprint. The Ministry has also included a web link to the Work and Income website in its online Statement of Intent, so that superannuitants can find more information about New Zealand Superannuation,

You may *be* aware that the Prime Minister has recently sent a letter to all superannuitants to reassure them that this Government is protecting their entitlements in these tough times. This letter says:

New Zealand Superannuation for married couples will continue to be at least 66% of the after-tax average wage, paid from age 65. All other Superannuation rates will continue to be calculated from this base.

Thank you for writing to me about this matter. I hope that my response has answered your concerns.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'John Carter', written over a faint, large watermark of the same signature.

Hon John *Carter*
Minister for Senior Citizens