



Migration policies wander into the fraught area of 'citizens-only' super

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PIE is pleased to republish this article by Eric Crampton ² as it contributes to the understanding of a vexed area of policy- the role of citizenship in access to entitlements in New Zealand. In particular, this has come to the fore in a recent announcement by Winston Peters to the effect that his party would require citizenship for access to New Zealand Superannuation.

PIE has also contributed to the debate over this contentious policy suggestion and notes the many unintended consequences: e.g. see St John, S (2026) [Migrants shocked by NZ First's superannuation policy](#) 8th Sept, Radio NZ, [Will it save any money and what should be done instead?](#) The Platform 8th Sept, [Interview snip](#).

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There was a line that made the rounds when Trump first campaigned to be President: his promises should be taken seriously but not literally.

[New Zealand First has promised that, from 2029, only citizens would be able to collect superannuation](#). Taken literally, that would not just affect migrants who have lived here for a long time. It could also have serious consequences for Kiwis living abroad.

People cannot simply show up in New Zealand at age 64 and start collecting superannuation the next year. The basic rules are the same whether you are a citizen, a permanent resident, or a resident. [You must have lived in New Zealand, or in a country with which New Zealand has a Social Security Agreement, for long enough to qualify](#).³

In 2021, Parliament extended the residence requirement for eligibility, with a phase-in period. Those born from mid-1977 onward must have spent at least twenty years here after turning twenty. Five of those years must be after the age of 50. [That legislation](#) began as a New Zealand First [Member's Bill](#).

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² Republished from original article in The Post 15th September [Migration policies wander into the fraught area of 'citizens-only' super](#) with thanks to the NZ initiative and The Post

³ PIE notes too that any overseas state pension entitlement is offset against NZ Superannuation.

So a New Zealander who left for Dubai at age 20 and only returned home shortly before retirement would not qualify for superannuation at 65. Nor would a migrant from Dubai arriving here at the same age. Neither would meet the residence requirement because New Zealand does not have a Social Security Agreement with the United Arab Emirates.

But a Kiwi who spent his working life in Canada, and a Canadian who spent his working life in New Zealand, can count time spent in either country towards New Zealand's residence requirement or towards Canada's pension qualification rules.

New Zealand has Social Security [agreements like this with eleven jurisdictions](#) including Denmark, Greece, Ireland, the Netherlands, South Korea, and the UK, though the latter agreement is a bit more complicated.

Our rules are in-line with other Western countries' rules. [Australia, Canada, the Netherlands, Sweden, Finland, Norway, the UK, and Ireland](#) do not make citizenship a requirement. And [Denmark's citizenship requirement is waived for those who have lived there for ten years](#).

Migrants already [pay a disproportionately high share of tax](#). They generally arrive after being educated at their home-country's expense. They work and pay taxes here. Treasury estimates that [up to a quarter of the tax paid each year by the foreign-born is paid by people who subsequently leave the country](#). Those who remain and become eligible for superannuation will have paid their dues just as much as citizens who have spent the same amount of time here.

Now let's take New Zealand First literally. They have announced no exceptions for citizens of Social Security Agreement countries.

Excluding all non-citizens would not be straightforward. New Zealand would either have to renegotiate its Social Security Agreements or legislate despite its existing obligations. Terminating the agreements would not suffice. The agreements with Canada and Australia require that, even if the agreements are terminated, benefits continue for anyone who was receiving benefits through the Agreement.

Many other agreements also have savings provisions, though protections vary. If New Zealand legislated over those rights, agreements with the Netherlands and Denmark could find the government before an arbitral tribunal.

Other countries could well reciprocate the favour. Kiwis who have built a working life in Canada or Australia could lose more than the ability to count their New Zealand years toward pension eligibility. Those countries could decide that if New Zealand pensions are only for New Zealand citizens despite signed agreements, their pensions should also exclude New Zealanders.

For Kiwis who made their fortunes abroad, losing access to the government pension while retired overseas may not matter. But other elderly Kiwis could decide to come home. They would be eligible for health services. If Social Security Agreements have ended, the government would have to choose whether returnees could access superannuation.

New Zealand First opposes raising the age of eligibility, even under National's policy of holding it at 65 until 2044. But its policy, taken literally, would stop pension payments to existing non-citizen recipients who have paid taxes here for their entire working lives, if they do not take up citizenship by 2029.

NZ First encourages taking up citizenship. For many, that isn't just local paperwork and a pleasant ceremony. Indian, Chinese, Japanese and South Korean residents who

naturalise here can lose their existing citizenship. Malaysia and Singapore do not generally permit adult dual citizenship. A Dutch resident can lose Dutch citizenship unless an exception applies. New Zealand has Social Security agreements with the Netherlands and South Korea; that latter agreement was signed by The Rt Hon Winston Peters in his capacity as Foreign Minister in 2019.

Citizens of other countries can be required to seek approval, a Prime Minister's permission, or even a Royal Decree if they want to keep their original citizenship while taking up citizenship here.

Giving up citizenship abroad when dual citizenship is not allowed can mean far more than just switching passports. It can create enormous complications for property, inheritance and business interests in some birth-countries.

NZ First's announcement comes less than a week after ACT promised to abolish the permanent resident category, with late clarification that existing Permanent Residents would be grandfathered and Active Investor Plus visa-holders exempted. The parties seem to be one-upping each other. And the election campaign still has a long time to run.

New Zealand cannot afford to make good migrants feel merely tolerated. Our wages are not especially high, we are far from everywhere, and talented migrants have choices. Migrants choosing New Zealand currently pay a large share of the bills.

New Zealand First's superannuation policy might not be meant to be taken literally. But the anti-migrant turn among the minor parties on the right should be taken seriously.

Comments to PIE

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