



BUSINESS SCHOOL

Retirement Policy and Research Centre

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Press release

The RPRC is pleased to see the terms of reference announced for the 2019 Retirement incomes review.

The Retirement Commissioner has a statutory obligation to produce a report on retirement incomes policies every three years. This year's review has had little fanfare so far and [the terms of reference](#) have only just been released. The report is expected by December 2019.

“Will there be enough time to examine in depth the pressing issues of suitable policies for a rapidly ageing population?” asks Dr Claire Dale, Research Fellow RPRC.

The government has asked the Commission for Financial Capability to report on a wide variety of issues. In line with the government's emphasis on wellbeing, the terms of reference stress that the review must assess “the effectiveness of current retirement policies for financially vulnerable and low-income groups, and recommendations for any policies that could improve their retirement outcomes.”

“Let us hope the policy to abandon the kickstart for newly enrolled adult KiwiSavers is reassessed along with attention to the need for recognition of the unpaid work of caregiving that affects the ability of caregivers to accumulate wealth for retirement. Caregivers are predominantly women” says Dale.

As in previous reviews, much attention is given to KiwiSaver, including the level and types of fees charged by KiwiSaver providers, the impact that fees may have on KiwiSaver balances, and ethical investments. Other topics include: the impact of current retirement income policies on current and future generations, fiscal sustainability of current New Zealand superannuation settings, and decumulation of retirement savings and other assets.

While strident in its criticism in opposition of at least some of the aspects of New Zealand's treatment of those with overseas pensions, the Labour led government has so far refrained from making any changes, and this topic is absent from the terms of reference.

“Recommendations on overseas pensions from the 2016 review were given no attention. The glaring anomaly of the treatment of spouses who lose part or all of their New Zealand Superannuation merely because they are married to someone with a large overseas pension should have been dealt with long ago” says Dale.

“After past reviews, recommendations have largely been ignored. We hope that this time the Review is substantial, its recommendations are debated widely, and policies appropriate for a rapidly ageing population are introduced.”

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