

Newsletter 41: 2026 Kiwi saver /Annuity /Superannuation/ Protection Association of NZ.



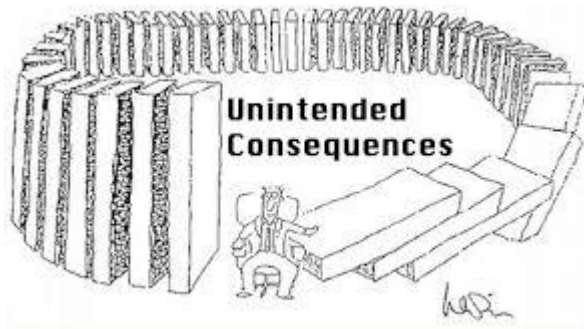
Issue 40 2026 issue



Hi everybody

KASPANZ was formed in February 2013, and we continue to enhance our reputation with our regularly refreshed website with retirement income articles and comment. The Consumer voice must be heard, the economist voice, and a limited diet of individual commentators of various worth, needs additional stimulus and *Kaspanz* tries to provide that through information and influence. Remember to click onto our website www.kaspanz.com on a regular basis to see what is there, and remind

EDITORIAL



On May 8th, 2026 Nicola Willis, said reform is high for NZ Super. Willis who is not known for her knowledge of NZ Super, needs to be careful of unintended consequences, when talking on retirement income. I suggest Willis should be reading the Retirement Commission Recommendations and the NZ Societies of Actuaries findings, and remember Luxon came to office, saying he was driven by Evidence based policy. NZ has a poor record of “messy policy” on long term

cost projects, and one lever reforms are not the way to go. The National party has a long record of “taking away” on retirement income policy, doing their own thing, and be dammed.

Winston Peters is onto it, praise policy that works, change those that do not.!

The facts, not perceptions see below

<https://actuaries.org.nz/content/uploads/2024/01/RIIG-NZS-Reform-Jan24.pdf>

KASPANZ TRIBUTE to a thoughtful, reflective and common-sense driven Retirement Commissioner. The new appointee David Boyle has large shoes to fill, we wish you well David.

Raising retirement age brandishes a keen two-edged challenge

Talk of a ‘silver tsunami’ highlights the impact on those in the path of the billions in rising costs; it disregards those already gasping for breath in the wave



Retirement Commissioner Jane Wrightson

Analysis: Jane Wrightson is 68 years old. She's ready to "semi-retire" from full-time work, and ease back to part-time. She'd even announced she'd finish up her job at the start of this year. But she hasn't been able to ... mainly due to waiting for the minister to sign off on her successor.

That's because her organisation is the Retirement Commission. So, she has a unique insight into the challenge of, well, retiring.

Many other New Zealanders her age are also unwilling or unable to retire, but for a different reason. It's because they aren't financially secure.

And their nervousness is only worsened when the Government highlights the discrepancy between their savings and our neighbours across the ditch. The average balance of those nearing retirement in Australia is around \$400,000; while New Zealanders aged 61 to 65 have KiwiSaver balances on average closer to \$70,000.

Writing at Newsroom Pro, [Wrightson argues](#) that comparison is misleading; that we should factor in the value of government-funded NZ Super, equivalent to having a lump sum of around \$560,000 at retirement.

At the same time, that universal NZ Superannuation payment isn't really enough for most people to live on. Not on its own, and not if they don't own their home freehold. No wonder, then, that to many people there seems little option but to continue working.

At the New Zealand Economic Forum at the University of Waikato, Milford Asset Management chief executive Blair Turnbull warned that this country is facing a "silver tsunami" of retirees as the working age population shrinks, health costs rise and towns across the country see population decline.

In 1970 there were seven workers to every retiree; today there are just four. And by 2060, he says, there will be only two workers to every person over the age of 65. Unless superannuation is prepaid by then, those two workers will be supporting another person, and one with high health costs.

The debate round raising the retirement age to 67 is "rhetorical", he says, because it wouldn't raise anywhere near the money required. "Treasury are very clear, unless it goes to like 72 or 73, we can't afford it."

Now, that may be manageable for white-collar workers like Turnbull or Wrightson, but for those who've worked with their hands all their lives, the prospect of remaining on their feet well into their 70s is daunting indeed. For some in our community, the idea of spending years on the golf course like the silvering models on the glossy retirement village brochures, is laughable. Māori men have a life expectancy of only 73 years; Pasifika men around 75 years.

Similarly, women are still paid less than men and they typically have fewer years in the workforce, to pay off mortgages and save for their retirement, so their nest eggs are far smaller when they reach 65.

It's equity reasons like these that explain why Wrightson and the Retirement Commission argue for the retention of NZ Super, and oppose raising the retirement age beyond 65. She argues the fiscal savings from raising the retirement age would be offset by the extra support needed for those who cannot work until a later age.

"I think Treasury's position is purely fiscal," Wrightson tells me, this morning. "That's its job, but the issues are much wider. The first question we have to ask is, how do we want to financially assist older people in New Zealand? What kind of country do we want to be? Absolutely, you have to look at who an age rise would hurt. And that is very obviously women. Women were plunged into poverty, with a short notice change in the UK."

That's also why there's a compelling argument that Māori or blue-collar workers should be able to access their retirement income earlier; Te Pāti Māori co-leader Rawiri Waititi puts that at age 57, for Māori.

Presumably it would be convenient to the Government if the next Retirement Commissioner – if and when minister Scott Simpson

finally manages to appoint one – were to publicly support increasing the retirement age, like some of Wrightson’s predecessors. Her opposition is a political problem

We have a two-edged challenge: what the country can afford, and what individuals can afford. Yes, in some respects the distinction is illusory. NZ Super is funded by taxpayers; so too is the shrinking Government contribution to our KiwiSaver’s.

But it’s meaningful in the sense that while the cost may eventually be picked up by the public, a greater focus on savings can shift the demographic cost to that workers eventually pay for their own retirement, not just for their parents.

Newsroom business journalist Alice Peacock has been at the New Zealand Economic Forum in Hamilton. She’s been listening in on a panel discussion about funding retirement.

Tracey Martin from the Aged Care Association says raising retirement age needs to be a systematic change – in part because 59 percent of those aged over 65yrs live with a disability. (She also argues the John Key Government was wrong to remove \$1000 “kick-start” incentive to get people to sign-up to KiwiSaver).

Blair Turnbull argues KiwiSaver should be compulsory – and always on top of pay-packets like Australia’s, to make it work better. In other words, he agrees with the Retirement Commission that ‘total remuneration packages’, in which the employee is liable for their employers’ contribution too, are entirely at odds with the spirit and intent of the KiwiSaver scheme. Wrightson calls this mechanism “abhorrent”.

And former Attorney-General David Parker suggests we need a ‘companion product’ to save for a home or education, so that

KiwiSaver so it can be kept purely for retirement savings and not depleted for a deposit on a first home. “I really believe in the importance of high rates of home ownership, but I don’t necessarily think that the answer is to allow people to stop saving or to withdraw their savings to do it.”

This focus on solutions is welcome – and, says Wrightson, it’s what’s been sorely lacking from wider public and political discourse. She’s happy at the prospect that retirement income will be discussed in this year’s election; she’d be even happier if parties could agree an accord to elevate it beyond politics.

“The easiest thing to do is put the age up and say, job done,” she worries. “And then the question goes, well, what are you going to do for the people who are affected by this? How long a runway are you going to give them? Because if it’s a short runway, that’s very bad policy. If it’s a long runway, it’s not going to fix your books, actually.

“So, it’s hard. And New Zealanders, I think, do need certainty around this. I think some of the problem has been that we haven’t had a mature conversation about this for some time. We just go from election to election, and people hold different views, and there it is.”

Been in Aussie, where there is a wail of discontent re their 2025 November Aged Care Reforms. Remember Aussie had a Royal Commission into Aged Care, hopefully are politicians are aware, and not repeating ground already covered

SNIPPETS FROM RECENT 2026 VISIT TO AUSSIE

Tax the Rich. Billionaires fear they will be rich pickings, as they get wealthier from AI. Wealth inequality has increased during Trumps 2nd term, USA top 1 percents holding 32% of net wealth, with bottom

50% holding a 2.5% share. New York Mayor suggests a more progressive tax system.

AUSSIE SUPER

40% of Aussies over 67 are on the Aged Pension (means tested). Over 2 million Aussie retirees live off less than \$50,000 on the aged pension. The full age pension for a couple is \$47,000, and 31,000 single, the paper work and accountancy/legal advice to receive maximum entitlements is significant. 17% of retirees enter retirement with a home loan. Aussies yearn for the simplicity of the New Zealand scheme.

LEST WE FORGET!

- **Gabriel Makhlouf, then Chair of Treasury, in a 2012 panel discussion with Aged Concern, described** Treasury as a “fan” of NZ Super. “Compared to other systems of retirement income support, it is simple; people know exactly what they will get and when and it does not discourage continued paid work.

HAVE YOU READ

Far superior to the near useless Treasury Long Term Fiscal Policy statement.

[Inland Revenue \(IRD\)](#) published its Long-term Insights Briefing (LTIB) 2026 on April 13, 2026, titled "[Stable bases and flexible rates: New Zealand's tax system](#)."

<https://www.taxpolicy.ird.govt.nz/-/media/project/ir/tp/publications/2026/2026-ltib.pdf?modified=20260419234443>

