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S25.14

Submission to the Retirement Commission on the 2025 Review of Retirement Income Policies Terms of Reference

Introduction

1. The National Council of Women of New Zealand, Te Kaunihera Wāhine o Aotearoa (NCWNZ) is an umbrella group representing around 60 affiliated organisations and 300 individual members. Collectively our reach is over 200,000 with many of our membership organisations representing all genders. NCWNZ has 13 branches across the country.
2. NCWNZ's vision is a gender equal New Zealand and research shows we will be better off socially and economically if we are gender equal. Through research, discussion and action, NCWNZ in partnership with others, seeks to realise its vision of gender equality because it is a basic human right.
3. This submission has been prepared by NCWNZ Branch representatives and the Parliamentary Watch Committee.

Summary

4. We draw on existing NCWNZ policy, previous related submissions, secondary research and qualitative survey responses from organisational members, spanning age groups of 18 - 84 years. In line with NCWNZ's vision this submission will take a gender lens on the following scope statements.¹ In doing so we note the intersectional nature of the scope statements.
 - Item 1 - The purpose of retirement income policies, the performance of these policies, and developments and emerging trends since the 2022 review.
 - Item 4 – The diverse savings outcomes and experiences of women in retirement given they are the majority of those over 65 years old, and that there is a 25% gap on average in KiwiSaver balances between men and women.

¹Retirement Commission, 2025 Review of Retirement Income Policies (RRIP) <https://retirement.govt.nz/policy-and-research/2025-review-of-retirement-income-policies#termsofreference> .

- Item 6 – Government contributions to KiwiSaver, particularly the costs and benefits of government contributions, and which groups benefit most from receiving these contributions.

Human rights and international obligations

5. NCWNZ is committed to the protection of human rights. We draw attention to the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) and the Concluding Observations on the Ninth Periodic Report on New Zealand (CEDAW/C/NZL/CO/9). CEDAW specifically requests that the New Zealand Government adopt measures to improve the Economic Empowerment of Women, including those below, which are pertinent extracts to this submission: ²
 - i) 37 (a) Recognizing the adverse effects of intersecting forms of discrimination based on age, disability, remoteness, ethnicity or descent on the economic empowerment of women.
 - ii) 37 (b) Adopt targeted measures to reduce the gender pension gap, including by recognizing and computing unpaid care work performed by women towards pension entitlements and social benefits, extending the coverage of social protection, such as minimum wages, paid leave and maternity leave, to women in the informal economy and self-employed women.
 - iii) 37 (c) Increase budget allocations for the implementation of policies and programmes for the economic empowerment of older women, women with disabilities, rural women, Māori and Pasifika women and non-national and ethnic minority women, including measures to address poverty, illiteracy, unpaid work, access to healthcare, housing and social and economic benefits.

Purpose of retirement income

6. When looking at the purpose of retirement income policies it is essential from the outset to note that ‘retirement’ is a socially constructed concept. That is, ‘retirement’ is not a “natural progression or an essential stage of life”.³ In terms of public policy, it is an age-defined time in life (currently 65+) based on an outdated male ‘breadwinner’ model, when individuals transition or have transitioned from paid work to no paid work. Today and in future, the experiences and meanings given to ‘retirement’ differ and change depending on an individual’s resources (e.g., access to private income), needs, health and longevity. There is no one pathway to or through retirement⁴ and women tend to enter retirement less prepared, especially financially, than

² United Nations, Committee on the Elimination of Discrimination against Women. Concluding observations on the ninth periodic report of New Zealand. <https://docs.un.org/en/CEDAW/C/NZL/CO/9>, Pgs 9-10.

³ Jarvie P. Retirement - is it for all of us or just for some of us? <https://ema.co.nz/retirement-is-it-for-all-of-us-or-just-some-of-us/>

⁴ Retirement Interest Group of the New Zealand Society of Actuaries. 2019. Retirement income policy in New Zealand: a discussion of context and principles <https://actuaries.org.nz/content/uploads/2022/03/3-RIIG-Principles-Final-Sep19-1.pdf>

men.⁵ The CEDAW Committee’s recommendation 37b for the New Zealand Government to “reduce the gender pension gap” must underpin the purpose of any publicly funded retirement policies.

7. NCWZNZ firmly believes the purpose of retirement income policies must be to ensure a liveable income for all at 65 years and over who meet residency criteria, (at present 10 years after age, 5 of these after age 50).⁶ New Zealand Superannuation (NZS) is the core Government mechanism that contributes to the essential financial security of those 65+ years for the variable length of time required for each individual. As such, NZS policy must uphold the principles of equity, adequacy, empowerment, sustainability and accessibility.
8. The universality, simplicity and non-contributory features of NZS are its strength and should not be underestimated. NZS is efficient, cost-effective, indexed to wages and taxable. Importantly, NZS ensures all female recipients at age 65 have a secure, known and individual source of income regardless of wealth and relationship status. It is critical that NZS is not subjected to the various stringently income-tested supplementary benefits available to the wider population (discussed later) and/or the income of a partner or household (e.g., means-testing). We cannot over-emphasise this crucial element of policy design.
9. There are other important policy features that NCWZNZ see as indispensable to ensure a liveable retirement income for all women 65+ years. These are universal access to the Super Gold card that enables for example, discounts to goods and services (e.g., 5% some supermarkets), free public transport (where it exists), and the untaxed Winter Energy Payment (currently 1 May – 1 October – also paid to other beneficiaries), as a growing number of households experience “energy poverty”.⁷ Access to other statutory benefit entitlements can be critical for some female NZS recipients, such as a Community Services card and the wider suite of welfare benefits.
10. The purpose of KiwiSaver, initiated in 2007, is to provide a supplementary retirement income. While it is primarily for retirement saving, it can also be used for a first home purchase (recognition of the link between home ownership and a secure retirement). It is based on an auto-enrolment, opt-out, portable savings scheme. KiwiSaver has been through many iterations; however, only individuals that retire in 2050 will have had KiwiSaver for most of their working lives. The scheme works through employee saving contributions ranging from 3-10% of gross pay which sit alongside the employer contribution of 3%. The existence of a systemic gender wage gap is evidenced by lower account balances for women, and more men choosing a higher contribution rate. Proportionally, it is the Government contribution that is more important to women.⁸

⁵ Morrissey, S. (2022). What does retirement look like for women? ISBN 978-0-473-63905-1.

⁶ Work and Income, Who can get NZ Super?.

<https://workandincome.govt.nz/eligibility/seniors/superannuation/who-can-get-it/index.html>

⁷ O’Sullivan K, Chen Z, Fyfe C, Pierse N. 2024. Energy poverty: The lowest-income households pay more in Aotearoa <https://www.phcc.org.nz/briefing/energy-poverty-lowest-income-households-pay-more-aotearoa>

⁸ Retirement Income Interest Group of the New Zealand Society of Actuaries. 2022. Insights into pre-retirement KiwiSaver Accounts. <https://actuaries.org.nz/content/uploads/2022/11/Insights-into-current-KiwiSaver.pdf>

Performance of these policies

11. NZ women are advantaged by the design of NZS compared to their Australian counterparts.⁹ Historically, NZS has had success in preventing extreme hardship or poverty for most women over 65. This scenario has, however, assumed mortgage-free home ownership, and a stable partner. Such assumptions are now questionable and no longer the reality for a growing number of women (discussed below).
12. The gender pensions gap noted by CEDAW makes NZS an essential part of retirement income for an increasing number of women.¹⁰ The performance of NZS and other retirement saving initiatives (e.g., KiwiSaver) alongside wider welfare policies that impact recipients are directly affected by legislation. Any legislation affecting wage growth or remuneration definitions can affect NZS and contributions to KiwiSaver (e.g., 2025 Equal Pay Amendment Act). As noted above, proportionally, it is the Government contribution to KiwiSaver that is more important to women. It is therefore disappointing to see that the 2025 budget halves the annual government contribution up to a maximum of \$260.72 from 1 July 2025. Moreover, other policies to alleviate older persons' hardship, such as the Accommodation Supplement, have been neglected.¹¹
13. Looking beyond the universality of NZS, the remnants of other historically embedded assumptions (e.g. no economic value placed on unpaid work) and wider contextual changes are now significantly placing many groups of women in vulnerable and precarious financial situations.

Developments and emerging trends since the 2022 review

14. As noted above, legislation impacts the performance of retirement income policies and the quality of life for women at age 65+ as they navigate an often-unpredictable pathway to and through retirement. Using a gender lens, six major developments and emerging trends are outlined below.
15. While listed separately, all six trends and developments intersect and are cumulative over a life course for groups of women ages 50+. Their effect is felt most among low-income older women. There is a growing distance between those who do well in retirement and the most vulnerable group, who are often single and/or have care-giving responsibilities, are renting, and who - due to multiple factors, many of which are beyond their control - have been able to accumulate only minimal savings or none at all. One consequence is poor health and well-being. It is timely to repeat that all these recent trends and developments have been an outcome, either directly or indirectly, of legislative changes and policy factors. Their flow-on effects will be ongoing; thus, the retirement wealth gap can only increase and is discussed further below.

⁹ Dale, M.C. & St John, S. (2020). Working Paper 2020-1. Women and Retirement in a Post COVID World. Retirement Policy and Research Centre, The University of Auckland.

¹⁰ Dale, M.C. & St John, S. (2020). Working Paper 2020-1. Women and Retirement in a Post COVID 19 World.

¹¹ St John, S. (2025). New Zealand Superannuation as a basic income. PIE Working Paper 2025-1. Pensions and Intergenerational Equity Hub, The University of Auckland.

Pay equity

16. Gender equality is a fundamental human right yet globally gender inequality persists everywhere, hindering social progress.¹² While New Zealand is a signatory of CEDAW, we have witnessed the Coalition Government attacks on pay equity: first in 2024 with the disestablishment of the Pay Equity Taskforce, then in 2025, in an unprecedented piece of legislation, the Equal Pay Amendment Act. The Act, passed under urgency and bypassing the standard select committee process, retrospectively halted 33 hard fought-for pay equity claims affecting ~180,000 workers, predominantly in low paid and/or undervalued female dominated occupations. The threshold for lodging future pay equity claims has been raised (e.g., new workforce criteria 70% over 10 years) negating often years of underpayment for the work performed. One dire outcome of this unprecedented action by the Coalition Government is to increase the already inequitable position between men and women with flow on effects for a significant number of years.

An increase in the number of older people renting

17. In New Zealand, approximately 14% of people aged 65+ still have a mortgage, while another 20% are renting. It is estimated that weekly housing costs are likely to exceed 40% of the NZS payment.¹³ In 2023, the Retirement Commission's director of policy and research, Dr Suzy Morrissey, stated that she expected the number of people over 65 renting to jump to 40%, or 600,000 people, by 2048.¹⁴

A lack of social housing suited to low-income older women

18. A growing number of older women, (including a disproportionate number of Māori and Pacific women), are unable to save for retirement because of increasing living costs, particularly if they are renting in the private rental market coupled with a low income. This scenario is evidenced by statistics showing that older women are disproportionately dependent on welfare benefits - which are considered below a minimal level of adequacy before age 65 years¹⁵. For those 45-64 years, living alone in low wage work, significant poverty and hardship is evident.¹⁶
19. Women's longevity and/or single status means that they can be recognised as an at-risk group "increasingly vulnerable to homelessness."¹⁷ For example, the Auckland City Mission reported it had more than 200 women aged over 55 waiting for social housing, "There's just a huge

¹² United Nations. Sustainable Development Goals, Gender equality.
<https://www.un.org/sustainabledevelopment/gender-equality>.

¹³ NZIER Report to Retirement Commission (2025). Aotearoa New Zealand in 2050. Preparing our retirement income policy for the future.

¹⁴ NZIER Report to Retirement Commission (2025). Aotearoa New Zealand in 2050. Preparing our retirement income policy for the future.

¹⁵ Dale, M.C. & St John, S. (2020). Working Paper 2020-1. Women and Retirement in a Post COVID 19 World. Retirement Policy and Research Centre, The University of Auckland.

¹⁶ Ibid, p.22

¹⁷ Ministry of Housing and Urban Development. 2025. Homelessness Action Plan Evaluation.
<https://www.hud.govt.nz/documents?q=Homelessness+Action+Plan&sort=>

demand...in that demographic - and growing.”¹⁸ This statistic is alarming. Numerous stories of older single women who have sat on the Kainga Ora waiting list (or were told they are not eligible despite their dire situation) for several years despite having a "high need score" of A16, A17 or A18, is shameful. Affordable, adequate and safe housing with secure tenure is a basic human right.

KiwiSaver early hardship withdrawals

20. Evidence of a significant and increasing number of people in financial hardship is seen in the numbers applying to withdraw money from their KiwiSaver funds. Financial mentors report that it is mainly women with under \$20,000 in total balances who are using their KiwiSaver funds to sustain minimum living costs (e.g., rent or mortgage arrears, outstanding debt to loan firms) and/or support whānau (e.g., funeral costs, living costs, debt)¹⁹. Comparing figures from 2021 and 2022, the Retirement Commission reports that the widest gaps of average balances are still between men and women in their 40s (women = 34% less than men) and 50s (37% less than men).²⁰ Given lower KiwiSaver balances and for some, negative wealth when combined with lower rates of labour market participation, unemployment, underemployment, low pay and a disproportionate share of unpaid work, the ability to recover any savings lost (hardship withdrawal/s) is a formidable task.

Rise in the numbers of divorce or separation decisions

21. The percentage of separation or divorce involving people over age 50+ is rising (39.9% in 2023)²¹. Explanations for this increasing trend at an older age are complex, including relationship breakdown. However, we cannot ignore the fact that New Zealand has an unacceptably high rate of violence against women²² and a history of abuse is a significant factor in many separations and divorces. Evidence shows that divorce later in life can affect women disproportionately, (through loss of property, ongoing care of children, and often elder care responsibilities) making it difficult to recover and put money aside to rebuild wealth and save for retirement.

¹⁸ RNZ. 2024. The grim picture of homelessness for NZ women <https://www.rnz.co.nz/news/national/535943/the-grim-picture-of-homelessness-for-nz-women>

¹⁹ Financial Services Council of NZ. 2025. Insights and Trends: Women and finance in NZ. <https://www.fsc.org.nz/report/insights-and-trends-women-and-finance-in-new-zealand>

²⁰ Retirement Commission. 2023. New data reveals gender gaps widening in KiwiSaver balances across all ages. <https://retirement.govt.nz/news/latest-news/new-data-reveals-gender-gaps-widening-in-kiwisaver-balances-across-all-ages>

²¹ Reitsma B. 2024. Silver separation: Why more Kiwi couples are divorcing in their 50s, 60s and beyond <https://www.nzherald.co.nz/lifestyle/silver-separation-why-more-kiwi-couples-are-divorcing-in-their-50s-60s-and-beyond/NQ2436X7HBBVPB4OXPHZNUOZGY/>

²² Data collated from Crime and Victim Survey's in 2022 and 2023 found that nearly half (46%) of all New Zealand women had been directly affected by Family and/or sexual violence over their lifetimes. Ministry of Justice. 2023. "New Zealand Crime and Victims Survey: Key Findings Cycle 5" <https://www.justice.govt.nz/justice-sector-policy/research-data/nzcvs/nzcvs-cycle-5-resources-and-results/>.

Age discrimination in paid work

22. According to the Older Workers Employment Action Plan,²³ an older worker is age-defined as 50+ years. While not all workers are subject to this category (e.g., highly paid professions), women (and some men) employed in lower paid occupations, have found themselves in low-wage, precarious employment situations, and this precarity has increased with rising unemployment and underutilisation (varies by ethnicity and age).²⁴ To illustrate, evidence drawn from recent restructuring data in public sector entities indicates that women, at 62.2% of the 2024 workforce, are facing either disestablishment of their roles and/or redundancy at a higher rate than men.²⁵ Loss of employment and extended periods on the minimal Jobseeker benefit impact badly on retirement savings (e.g., KiwiSaver), reinforcing other systemic disadvantages faced by groups of women.
23. Such discriminatory factors are overlaid by the gender pay gap. Not only do we have a well-publicised female ethnic and disability median hourly wage gap, but this gap is compounded for many women as they age. The gender pay gap for all ages is 9.1%; for women ages 51-55 years it is 12.1%; 56-60 years, 13%; 61-65 years, 15%.²⁶ Systemic vertical (gendered power hierarchies) and horizontal occupational segregation and the financial devaluing of many of the roles and occupations held by women intensify the 'gender pensions gap'.

Diverse savings outcomes and experience of women in retirement

24. As noted previously, there is no one pathway to or through retirement. Not all women are disadvantaged, and not all men are advantaged. But as highlighted in the previous sections, on average, women are less wealthy, materially and financially, than men at 65+ years, and women often live longer lives in relative poverty.
25. The causes of the 'gender pensions gap' are well known, resulting from long-standing systemic inequalities, exacerbated by legislative shifts. These include the compounding effect of the gender pay gap as women age, often fewer hours worked per week, lower hourly rate paid, conscious and unconscious bias (ageism) towards women 50+ years, higher separation and divorce rates for the 50+ age group, and welfare policy design that disregards unpaid care work performed by women towards pension entitlements and social benefits. All these factors contribute to the current and future poverty levels of vulnerable groups of older women.
26. Older women are disproportionately dependent on pre-retirement welfare benefits. It is well acknowledged that the benefits themselves in New Zealand are below a minimal level of

²³ The Office for Seniors Te Tari Kaumātua. 2022. Older Workers Employment Action Plan <https://www.officeforseniors.govt.nz/assets/Uploads/Older-Workers-Action-Plan-FINAL.pdf>

²⁴ As Dec. 2024, 13.8% of women underutilised compared to 10.8% men; 5.2% women unemployed (Māori wahine 8.9%) compared to 4% of men. Ministry for Women.

²⁵ Howell A. 2024. PSA fears women will bear the brunt of public sector cuts, MBIE cost-cutting plans reveal. <https://www.nzherald.co.nz/nz/psa-union-fears-women-will-bear-the-brunt-of-public-sector-cuts-mbie-cost-cutting-plans-revealed/O4AL2UV6CFEWNEIX4KS2MEXMJ4/>

²⁶ Morrissey, S. (2022). What does retirement look like for women? ISBN 978-0-473-63905-1.

adequacy. To avoid extreme poverty, many beneficiaries must apply for supplementary second-tier assistance (Accommodation Supplement and Disability) and third-tier hardship and food grants. The possibility of any savings for retirement is very limited for these women.

27. Dr Claire Dale, research fellow at the Pensions and Intergenerational Equity Hub in the Department of Economics at the University of Auckland Business School, notes that the use of conventional welfare benefits with stringent income and asset tests are particularly harsh for those over 50 years of age. This group can spend lengthy times unemployed (see 16) due to providing unpaid caregiving or inability to work. They are likely to exhaust their private retirement resources (e.g., KiwiSaver hardship withdrawal) before reaching the age of eligibility for NZS.²⁷
28. For those who do manage to save, the outcome can force them back to a precarious existence. To illustrate, we use a recent case story²⁸: *A woman on a Supported Living Benefit who, while boarding with a relative, managed to put \$20 per week aside into her KiwiSaver scheme and thus obtain the maximum government subsidy for those years. Later, she ended up renting on her own and was making ends meet, keeping to a strict budget, with her Supported Living Benefit, the Accommodation Supplement and some Temporary Additional Support. On turning 65 her income dropped! This drop in income was because she had managed to save \$19,000 in her KiwiSaver fund and Work and Income rigidly applied the cash asset test on the basis that her funds were now available for her to use. This precluded her from receiving Accommodation Supplement until her cash assets dropped to \$8,100 and she could not receive Temporary Additional Support unless her cash assets dropped to \$1,095.*
- The outcome effectively ensures a retirement life of poverty and poor well-being, particularly for those in private rentals with no close whānau support. Anecdotal evidence shows many older women are increasingly depending on food banks for food as their food money is the only discretionary income they can use if an emergency comes up (eg essential car transport needing repair). We consider this a negative indictment of our retirement income policies.
29. Older people are particularly vulnerable to high health costs, including dental costs. Women on average live longer than men, which means their limited amount of funds must last longer. The \$8,100 limit (as per the case above) would not cover many extra expenses, and once it was depleted, it would be difficult if not impossible to accumulate a new emergency buffer. An additional barrier to accumulating or maintaining an emergency buffer is the annual before-tax income limit of \$67,756 for a single person living in Auckland and receiving NZS.
30. A question raised by the scenario above, is to question why, if in a private rental situation (becoming more common) would someone attempt to save beyond a limited emergency fund? Any excess funds above the threshold cap of \$8,100 for a single person or \$16,200 for a couple, will be subjected to the cash asset test, negating the ability to apply for a supplementary benefit.

²⁷ Dale C. 2025. Urgent reforms needed to keep older people in affordable homes. <https://www.thepost.co.nz/nz-news/360619731/urgent-reforms-needed-keep-older-people-affordable-homes>.

²⁸ This story, one of many, was conveyed to us by a financial mentor working with WINZ and MSD clients.

It is extraordinary that this threshold has not been changed for 30 years.²⁹ This anomaly is stark when it represents 1.75% of today's median house price, yet when it was last adjusted in 1988, it was around 17% of the median house price.

31. Moreover, as knowledge of Work and Income's non-adjusted cash asset thresholds grows, it is likely that more renters will become aware of this embedded disadvantage. This could lead to a decrease in their KiwiSaver savings to ensure that they stay below the \$8,100 threshold by lowering the percentage saved, requesting a savings holiday and/or by withdrawing under the hardship criteria.
32. This threshold for the Accommodation Supplement is especially draconian when considering that the savings threshold for tenancy in a Kainga Ora home is \$42,700. An elderly person in a Kainga Ora subsidised rental home with sustainable tenancy has major advantages compared to someone in a private rental. As our case above shows those in private rentals are disincentivised to save and are at the mercy of insecure tenancy and/or rent increases, while their Accommodation Supplement has not increased or been adjusted for inflation. Women reliant on NZS and wider welfare policies face the prospect of a greatly restricted lifestyle and endure a lower quality of life.
33. We note that the Retirement Commissioner in the 2022 review recommended to the Government that the cash asset test for the Accommodation Supplement be increased to at least \$42,700 per person with consideration given for annual inflation adjustments where appropriate. This recommendation, along with others to date, has not been implemented by those with decision-making power.
34. The 2025 budget set lower government contributions to KiwiSaver going forward and this will weaken any incentive for low-income people, including those on benefits and those self-employed, to save. Currently, some beneficiaries restrain their spending and budget carefully to put \$20 per week aside to receive the \$520 contribution. The decrease in the government contribution will likely decrease the incentive to save for those with the smallest KiwiSaver balances.

Recognising and computing the unpaid care work performed by women

35. Discussions on the future of New Zealand retirement policies and their impact on groups of women highlight the negative effect of the unequal distribution of caring responsibilities. This is often attributed to the 'motherhood penalty' (e.g., gender/ethnic pay gaps; part-time, casual paid work, vertical segregation, lower KiwiSaver balances), the needs of dependent children whether partnered or not (e.g., sole parents), discriminatory social institutions and workplaces, and gender role stereotypes. While valuable, policy initiatives such as parental leave, childcare subsidies and flexible working arrangements tend to target women (men more in theory than practice) during their child-bearing years. It is crucial to recognise that women's caregiving

²⁹ Data from the Ministry of Social Development shows there were 48,789 people receiving NZ Super and an accommodation supplement in December 2024, up from 34,279 in December 2019.

responsibilities can be all-encompassing and on-going (e.g., grandchildren and older whānau care). Despite past government initiatives to understand the contribution and value to society of women's unpaid work,³⁰ such research has gained little traction. NCWNZ finds the reticence to revive the programme, begun by the Ministry for Women (2019), unacceptable.

36. Unpaid work is the economy's largest sector outside the production boundary.³¹ Marilyn Waring³² and Prue Hyman,³³ New Zealand economists and public policy activists have long questioned why no economic value is given to women's unpaid labour, considering its importance in sustaining the capitalist economies of every nation including New Zealand. It is complex and as yet there is no universally accepted way to measure women's unpaid work. Looking to the future, the economic invisibility of women's unpaid labour cannot continue to be ignored. This absence is seen in the fact that the unpaid work (e.g., caregiving, voluntary and community work) predominantly done by women, has been overlooked, taken for granted, and not considered in the development of government policy (e.g., KiwiSaver; paid work obligations attached to welfare benefits) and/or investment decisions. It is not simply about 'market value', it is recognition of the other benefits to a well-functioning society. Marilyn Waring's proposal that Treasury "include an expanded definition of work, by adopting and acknowledging all 'work' in its advice to government"³⁴ would be a start.
37. In response to increasing global demand to measure 'the care economy'³⁵, the International Labour Organization (ILO) has undertaken to develop internationally agreed statistical standards for care work measurement.³⁶ This, alongside the work already done by the Ministry for Women and others, is crucial if indeed the government is serious (beyond the rhetoric) of closing the 'gender pension gap'.
38. The lack of recognition of the economic value of unpaid, caregiving, domestic and household work links closely to the monetary undervaluation of women's paid work in female dominated occupations that require similar skills (nursing, early childhood, primary teaching, aged care). The recent retrospective attack on pay equity (see 11) and its detrimental flow-on effect speaks to the urgency for the government to formally recognise unpaid work. It is important on many levels to give visibility to unpaid work by establishing a methodology that measures the entirety of informal and formal unpaid work that plays a critical role in developing, supporting and sustaining New Zealand society and the wider capitalist/production economy.

³⁰ Ministry for Women. Essays on unpaid work (2019). <https://www.women.govt.nz/library/essays-unpaid-work-2019>

³¹ Waring, M. (2019). Still Counting. Wellbeing, Women's Work and Policy-making. BWO Books.

³² Ibid.

³³ Hyman, P. (2017). *Hopes dashed? The economics of gender inequality*. BWO Books.

³⁴ Waring, M. (2019, p.108). Still Counting. Wellbeing, Women's Work and Policy-making. BWO Books.

³⁵ World Economic Forum. (2024). The future of the care economy. White Paper. https://www3.weforum.org/docs/WEF_The_Future_of_the_Care_Economy_2024.pdf ; W20 Economic Empowerment of Women and Girls (2024). Examples of best practice (care economy section 4) https://w20brazil.org.br/wp-content/uploads/2024/12/W20-Exemples-of-best-practices_11_2024.pdf

³⁶ Watson S, Walsh K. (2023). Measurement of unpaid domestic and care work <https://researchrepository.ilo.org/esploro/outputs/conferencePaper/Measurement-of-unpaid-domestic-and-care/995331818002676#file-0>

Recommendations

39. Primarily, our recommendations outlined below are a discussion on redistribution and making intergenerational decisions concerning how future public money should be spent.

- i) **NCWNZ firmly believes the purpose of retirement income policies must be to ensure a liveable income for everyone at 65 years and over who meet residency criteria. We recommend that NZS ensures all female recipients at age 65 have a secure, known and individual source of income regardless of wealth and relationship status.** The simplicity in administration of NZ is a strength, and it must not be subjected to the stringently asset testing.
- ii) **NCWNZ does not support raising the age of eligibility.** Such a policy shift, prompted by phrases such as “NZS is fiscally unsustainable” mask the decisions on the redistribution of public funds.³⁷ The Retirement Commission has previously not supported the raising of the age of eligibility. It is recognised that such a decision would disproportionately impact groups with, for example, lower life expectancies (Māori and Pacific peoples), workers in physically demanding roles, the disabled, and many low paid women. Commentators note that the savings would result in increased costs elsewhere such as other welfare benefits, thus questioning the overall savings to the Government.³⁸
- iii) **NZS should remain indexed to wages at a percentage rate to ensure a liveable income for all individual recipients, whether single or partnered. Any consideration of alternative options should be thoroughly scrutinized through a gender lens.** Other options include: 1) to index NZS to the CPI thereby removing any link to wages. The concern here is any savings would be off-set against the very real possibility of an increase in older person poverty, and as we have shown, is already evident in the female aged community, particularly the growing number of women in private rentals with little savings; 2) The development of a basic income approach (e.g., NZSG) thereby targeting, through taxation, high income superannuants. Again, it depends on the detail and reducing unintended consequences (e.g., amount of bureaucratic oversight).³⁹
- iv) **NCWNZ strongly recommends that the Government take immediate action by adopting targeted measures to reduce the gender pension gap.** This submission has shown the precarity of individual responsibility that has, effectively, silenced the voices of groups of women who find themselves in situations over which they have little control. The systemic monetary undervaluation of female-dominated occupations, the lack of pay transparency and the persistent gender pay gap are but three examples. The retrospective halt to 33 hard fought-for pay equity claims affecting about 180,000 workers is symptomatic of the siloed way government decisions are made and the power of lobby groups. It is women who pay the price as they struggle to save for retirement via savings schemes such as KiwiSaver.

³⁷ St John, S. (2025). New Zealand Superannuation as a basic income. PIE Working Paper 2025-1. Pensions and Intergenerational Equity Hub, The University of Auckland.

³⁸ NZIER Report to Retirement Commission (2025). Aotearoa New Zealand in 2050. Preparing our retirement income policy for the future.

³⁹ Ibid

- v) **The work programme to understand the contribution and value to society of women's unpaid work, must be revived.** At a minimum a regular, fully funded and highly rigorous time-use survey is urgently needed. To add weight and impetus, we recommend the proposal that Treasury include an "expanded definition of work, by adopting and acknowledging all 'work' in its advice to government on public policy" be made mandatory.
- vi) **We strongly advocate for Work and Income cash asset thresholds and supplementary payments to be set at an equitable level and adjusted annually to prevent crushing poverty.** This includes:
 - a. keeping the cash asset threshold for tenancy in private rentals in line with those for a Kainga Ora home.
 - b. raising the cash asset threshold for the Accommodation Supplement to at least \$46,240 per person and annually adjust this. (Note that \$42,700 in 2022 is equivalent to approximately \$46,240 today, using the New Zealand CPI data).
 - c. increasing the cash asset for Temporary Additional Support to at least \$10,000 per person and annually adjust this.
 - d. increasing the amount of the maximum Accommodation Supplement weekly payment and annually adjust it to provide relief for seniors in private rental accommodation.
- vii) **As poverty is strongly accommodation-related, we believe an expanded programme of social housing suitable for older people should be prioritised.** This is urgently needed now and in the future.

Conclusions

- 40. The basis of this NCWNZ submission to review the retirement income policies is CEDAW's call on the New Zealand Government to 'reduce the gender pension gap'. In doing so, we draw on a gender lens, traversing several intersecting explanatory factors, many of which are systemic in our highly gendered segregated labour market, and compounded by recent policy decisions.
- 41. The Government is the primary agency of change. They hold certain powers on behalf of **all** in the society they represent. Economic austerity should not preclude democracy (e.g., The Equal Pay Amendment Act passed under urgency). Primarily, our recommendations as outlined are a discussion on redistribution and making intergenerational decisions concerning how future public money should be spent.



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