

A SNAPSHOT OF AOTEAROA NEW ZEALAND'S RETIREMENT INCOME HISTORY

Old Age Pension introduced for 65-plus, subject to means test covering income and assets.

1898

Age Benefit emerges for 60-plus paid at 30 shillings a week or £78 a year.



1938

Those 65+ not entitled to Age Benefit receive a small Universal Superannuation payment of £10 a year.



1940

A revised National Superannuation scheme for a taxable universal pension at age 60 introduced in place of the contributory pension with no income or asset tests. The couple's pension was set at 80% of the average wage, and set at 60% of the married pension for a single.

National Superannuation becomes the most expensive single cost in the government budget and the following year the first cutbacks made.

1978

1977

Labour Government introduced a taxation surcharge on the other income of National Superannuitants.

1985



New "Single Living Alone" pension rate set at 65% of the couple rate.

1990

New National Government introduced measures to trim the cost of the pension.

1990 & 1991

The age of entitlement was lifted from 60 to 61, with a further phase up to 65 programmed for the period 1993 to 2001.

1992

An Accord was signed between then major parliamentary parties, which accepted the main elements of the superannuation changes, but also introduced a Transitional Retirement Benefit for the age cohort most affected by the increased age of entitlement for New Zealand Superannuation.

1993

The Accord also provided for the establishment of the Retirement Commission and for the provision of Periodic Reports on Retirement Income trends and policy.

1996

General Election resulted in a coalition between National and New Zealand First. New Zealand First favoured a compulsory superannuation savings scheme.

Referendum on Compulsory Retirement Savings Scheme was rejected by 91.8% of voters.

1997

The Coalition Government dissolved, and legislation passed that removed the 65% "floor" on the pension wage ratio and adjusted subject to a new 60% pension-wage ratio floor.

1998

The Labour-Alliance coalition reversed the pension-wage ratio decision. They restored a 65% floor for the ratio of the Married Couple rate to average net ordinary time wages, with counterpart increases in the minimum ratios for other superannuation rates.

1999

Entitlement age goes up to 65 as previously agreed in the Accord. The New Zealand Superannuation Fund (NZ Super Fund) public sector investment fund was established to finance part of the projected future expenditure on New Zealand Superannuation from investments.

2001

KiwiSaver introduced by the Labour-led Government launched as a new voluntary contributory retirement savings scheme.



2007

The NZ Super Fund had accumulated over \$14 billion in investment assets.

2008

National-led Government suspends payments to the NZ Super Fund. Contributions were proposed to resume in 2020/21 once the net debt to GDP ratio returned to below 20%.

2009



Labour-led Government resumes payments to the NZ Super Fund.

2017

The NZ Super Fund has accumulated \$59.8 billion in investment assets.

2021

