

22 August 2000

Encouragement for Savings

"An increasing number of New Zealanders recognise the need to save for retirement, says Paul Fyfe, Chairman of the Investment Savings and Insurance Association (ISI).

Speaking at the release of the ISI's Annual Review for the year to 30 June 2000, Mr Fyfe reported that unlisted retail funds under management had grown 12% to \$16.97 billion during the year, while the industry also managed \$7.66 billion in non-investment linked life insurance, \$2.27 billion in listed managed investments and \$1.81 billion in Australian unit trusts sold in New Zealand.

"More people are realising that, for the average person, managed funds provide an ideal, easy way of building up a nest-egg" said Mr Fyfe.

"The ISI still has concerns about the tax environment for savings in New Zealand, but we are delighted to be working with legislators to resolve these issues. We are encouraged that there is greater recognition by politicians and the country at large of the need for future retirees to have some private savings to supplement the basic income they will receive from NZ Superannuation."

Ends

Vance Arkinstall
Chief Executive
ISI