

30 September 1998

The Investment Savings & Insurance Association (ISI) is pleased that Government is taking superannuation seriously and welcomes the opportunity to be part of any group that is formed to look at superannuation issues, provided it has broad-based political and public support to ensure certainty and stability over the long term," says Vance Arkinstall, Acting Chief Executive of ISI.

"We have always advocated the need for clear and sustainable policies on superannuation that have broad acceptance. We also invested considerable time and resources to produce a comprehensive research report into retirement savings, which built on the work of the Todd Task Force and Periodic Reporting Groups," Mr Arkinstall said.

The ISI Report on Retirement Savings: A Wake-Up Call outlined the fiscal risks and economic problems posed by New Zealand's ageing population. The conclusions which flow from this research seem stark and obvious and are based on six key policy areas that needed to be addressed if NZ Super is to be put on a more stable footing:

- improving economic growth;
- improving the efficiency of private sector investment decisions;
- limit government spending;
- consistent immigration policies; and
- removing distortions which influence private savings;
- enhance access to adequate retirement income for those in greatest need.

[click here to view the Retirement Savings: A Wake-Up Call report](#)

The ISI Report confirmed the finding of the Todd Reports – that while we have time to address the issue of future costs of New Zealand Superannuation, the current 'window of opportunity' should be used constructively to set in place long term plans. "The longer we delay, the more drastic the action which would be required."

"The public have consistently indicated that they want certainty and stability to plan for their retirement with confidence the goal posts won't be moved at some later point.

If we do not take this opportunity and put aside political point scoring we face a real risk of returning to the super auctions that characterised general elections of the past," said Mr Arkinstall.

Editors Note: The ISI is an industry association representing 29 major institutions in the financial services sector. Its members manage around \$20 billion in investments on behalf of some 1.5 million New Zealanders.

For more information contact:

Vance Arkinstall
Acting Chief Executive
ISI