

Media Release: EMBARGOED UNTIL 0600 THURSDAY 10 OCTOBER 2019

Annual KiwiSaver Report Card shows good progress

The Financial Services Council (FSC) has welcomed the release of the annual FMA report on KiwiSaver and the solid progress it shows in a number of key areas over the last year.

“This is a valuable annual temperature check of the KiwiSaver system, how the scheme is evolving, what’s going well, and what remains a work in progress”, said Richard Klipin, CEO of the Financial Services Council.

“This year’s report reinforces the strong growth of KiwiSaver and its increasingly central role in New Zealanders’ retirement planning. Total assets in KiwiSaver are now \$57 billion and the number of Kiwis signed up has risen to just under three million.

“It’s great to see the report recognise the improved performance of default scheme providers in actively engaging with their members and ensuring that they are in the right type of KiwiSaver scheme.

“This has been a major area of focus for default providers and it’s pleasing that their increased engagement efforts are resulting in more informed consumers making active choices about their KiwiSaver settings.

“We also acknowledge the clear message in the report about fee levels and the desire from the FMA for them to reduce.

“Fees are a work in progress but there is already considerable work going on across the industry to reduce fees and to deliver a greater range of fee structures and other product innovations to Kiwis.

“With the growth of the KiwiSaver market there is now real competition for consumers to choose from to ensure that they are getting value for money and that they are paying fees which reflect their needs.

“Our message to Kiwis is a simple one – save smart. Make sure you are in the right KiwiSaver scheme for your needs, don’t be afraid to ask hard questions about fees, and ultimately if you’re not happy with the value being delivered, change provider or scheme.

“The recent FSC discussion paper, *KiwiSaver 2050*, found that the scheme is on track to have one trillion dollars in funds under management by 2050.

“These types of numbers mean we need to get KiwiSaver right which is why initiatives such as this report card and the discussion they generate are so important.

“As an industry we welcome the scrutiny and debate and look forward to working with all stakeholders to further improve KiwiSaver in the future”, concluded Mr Klipin.

ENDS

Note to editors:

The FSC discussion paper, *KiwiSaver 2050: Pathways to the Future*, released in September 2019 can be found [here](#).

For all media enquiries, please contact:

Thomas Pryor
Sherson Willis
021 818 973 or thomas@shersonwillis.com

About the Financial Services Council (FSC)

The Financial Services Council is a non-profit member organisation and the voice of the financial services sector in New Zealand. Our 50 members comprise 95% of the life insurance market in New Zealand and manage funds of more than \$57.3bn. Members include the major insurers in life, disability and income insurance, fund managers, KiwiSaver, professional services and technology providers to the financial services sector.

www.fsc.org.nz, twitter: [@FSC_NZ](https://twitter.com/FSC_NZ)