



- Retirement Policy and Research Centre
- Human Rights Commission, and
- Centre for Accounting, Governance and Taxation Research

centre for Accounting,  
Governance &  
Taxation Research

present:

# *Overseas Pensions Forum - options for reform*

25<sup>th</sup> August 2010

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[www.rprc.auckland.ac.nz](http://www.rprc.auckland.ac.nz)

**Welcome      Tena koutou**

**Who are we?**

**Research based**

**Policy focussed**

**We believe:**

**Policy should be based on  
clear principles and be  
simple and transparent**



# The Forum's rules

- Contentious subject
- Chatham House rules
- **Cannot address individual cases**

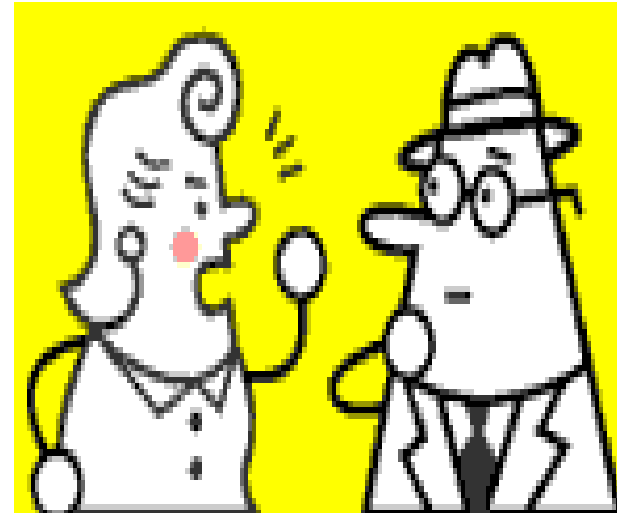


# Firm chair



Your reward....

# Please join us later



# Human Rights Chief Commissioner Rosslyn Noonan



# Setting the scene

**Governments' role in pensions  
in the 21st century is**

**COMPLEX**

# Retirement incomes – the spectrum

- ***Pure private***
- Pure voluntary saving
- *Tax-subsidised* private saving
- Mandatory private saving
- Mandatory public saving
- Social insurance
- Earmarked taxes
- Tax-funded flat-rate universal pensions
- Tax-funded flat-rate means-tested pensions
- Social assistance
- ***Pure public***



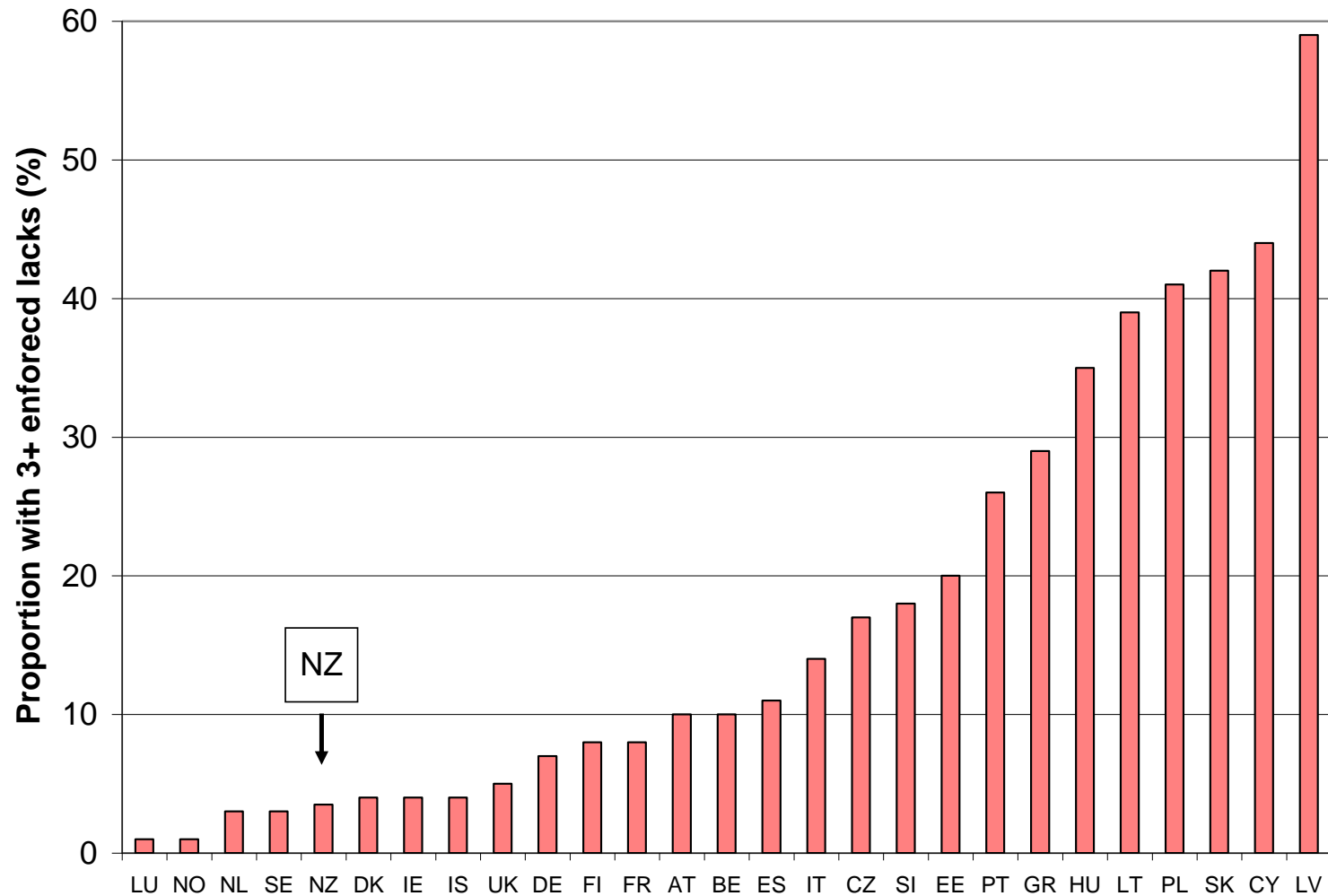
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# **New Zealand Superannuation**

- Individual basis**
- Not tied to work**
- Flat rate, taxable**
- Not welfare**
- Low residency requirements**

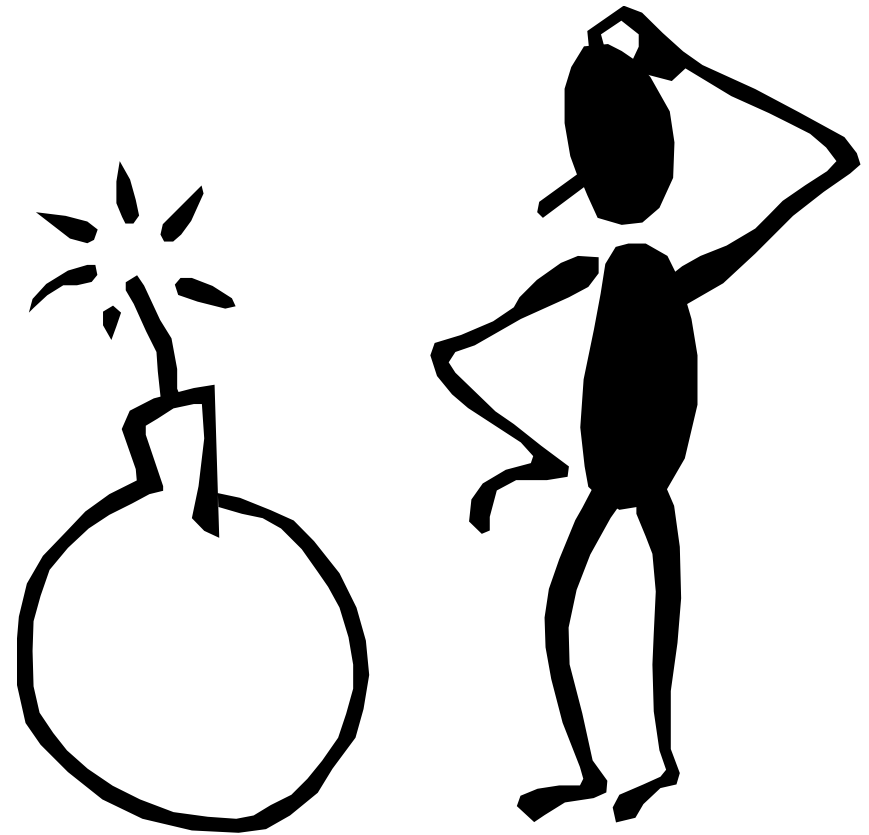
# Simple and effective: Deprivation rates (MSD 2009)



# New Zealand and Australia unique

- Need for section 70

***An Australian might have  
no Age Pension but have  
highly subsidised  
mandatory saving  
For which section 70 does  
not apply***

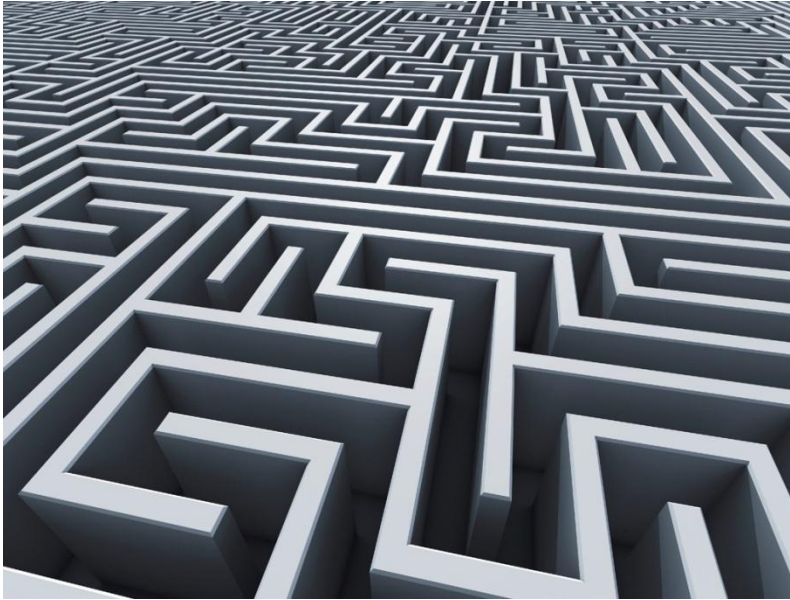


# Add KiwiSaver to the mix

- *Pure private*
- Pure voluntary saving
- **Tax-subsidised private saving**
- Mandatory private saving
- Mandatory public saving
- Social insurance
- Earmarked taxes
- **Tax-funded flat-rate universal pensions**
- Tax-funded flat-rate means-tested pensions
- Social assistance
- *Pure public*

# Maze of issues and complaints

- **Ruth is at one end**



- **The odd person thinking they should get 2 full basic pensions is at the other**

# Outcomes of this forum

- **Not all expectations will met**
- **The RPRC, the HRC and the CAGTR are not the government**
- **Hopefully this forum will make a significant contribution to change**

# Understanding the DDP



**Introducing Dianne Rogers and Lynn Cousins**