

The Post

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More than a Causeway
Northern Ireland,
where history is never
far from the surface
STUFF TRAVEL



KiwiSaver changes pitched

National Party wants all workers to make contributions, plus a \$1500 'Baby Boost' for newborns

POLITICS
Henry Cooke

National will campaign on making KiwiSaver compulsory for all workers – including the self-employed.

The party will also introduce KiwiSaver accounts for the newborn with a \$1500 kick-start from the Government, introduce Government-paid KiwiSaver contributions for those on paid parental leave, and make KiwiSaver employer contributions compulsory for workers over 65.

The combined changes will cost around \$1.1 billion over four years.

National Party leader Christopher Luxon announced the dramatic policy, a huge shift from the party who opposed the introduction of the savings scheme in the mid-2000s and removed most of the Government's incentives for joining.

The party has previously promised to lift "default" contribution rates to 6% each for employers and employees by 2032, and has already lifted the default rate to 3.5% in Government. These default rates will now become compulsory.

Workers will be able to get out of KiwiSaver only by meeting the stringent hardship test they currently have to meet to make an early withdrawal from the scheme.

Those in other defined contribution superannuation schemes such as the police pension would also be exempt.

Self-employed workers would be required to contribute the employee amount – 4% – from July 1, 2028.



National leader Christopher Luxon unveiled the policy at his party's annual conference yesterday alongside his deputy, Nicola Willis.

"National will make KiwiSaver compulsory for all workers, set our kids up for a more secure future, support mums or dads on paid parental leave, and ensure older workers don't lose out," Luxon said yesterday in a speech at his party's annual conference.

"Right now, the majority of Kiwis in paid work are getting prepared for their financial future, through a regular contribution to KiwiSaver.

"But for many Kiwis, especially those on low incomes, the self-employed, and many young people, saving for their future isn't a priority. I think that's a mistake."

Luxon said he was also keen to make sure children had a good savings start in life.

"To give every child the best start to

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We have always been committed to the values of personal responsibility, of a strong economy, of strong families.”

Nicola Willis
Deputy leader of the National Party

building financial security, from July 1, 2027, National will automatically enrol every baby born in New Zealand into KiwiSaver at birth and contribute a \$1500 Baby Boost payment to kick-start their savings. "Parents will be able to contribute further if they wish but even if they can't, their kids will be well on their way to a bigger nest egg."

He said those who chose to work over 65 deserved to have their KiwiSaver contributions matched if they continued to contribute.

"Many Kiwis choose to keep working beyond 65 and employers are not currently required to make KiwiSaver contributions for employees after that age. National will therefore require employers to maintain

KiwiSaver contributions for employees over 65 from July 1, 2027."

The hardship test is currently available for people who have serious difficulty meeting essential living costs. About 45,870 people withdrew their KiwiSaver for hardship reasons in the 2024-25 fiscal year.

Nicola Willis said the roughly \$1.1b cost of the policy could be met out of future operating allowances.

Asked to reflect on the National Party's journey to this point, given it has repeatedly opposed compulsory schemes in the past, Willis said she was focused on the future.

"This is a National Party for today and a National Party for the future, and we have always been committed to the values of personal responsibility, of a strong economy, of strong families."

ACT leader David Seymour criticised the policy. "There's a long way to the election, but it's exactly the kind of feel-good, end-of-the-road policy ACT exists to hold the line on, whether it's from National or Labour."

Labour leader Chris Hipkins said National "couldn't be trusted on KiwiSaver" – pointing to the multiple cuts to incentives for the scheme National has made while in Government.

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With love, Wellington

Wellingtonians turned out yesterday to celebrate the Hurricanes' 60-5 win over the Chiefs in this year's Super Rugby final.

Read more on page 32

Ruben Love, pictured taking selfies with fans while holding the Super Rugby Pacific Trophy in the capital yesterday, was named player of the final after his 25-point haul which included a spectacular dive in the corner for his second try. **DAVID UNWIN/THE POST**

