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The finance sector has renewed its call for the Government to take the lead in developing a nationally accepted policy on retirement income.

Releasing its annual review today, the Investment Savings and Insurance Association said it was concerned that there is little evidence of action to create a sustainable retirement income environment.

"Earlier this year, we launched the ISI Report on Retirement Savings", ISI Chairman Ross McEwan said.

"In it, we urged the government to initiate debate and policy development and called on political parties to work together on a unified policy.

"However, despite pointing out particular areas of development that were needed and receiving a good hearing, nothing seems to have happened since and it is important that momentum is not lost.

"As each year goes by, there is less time available to develop and implement new savings policies to benefit the substantially greater proportion of people who will be leaving the workforce," Mr McEwan said.

"For the sake of individual New Zealanders and the country as a whole, our political representatives must grasp this issue and develop an acceptable savings regime."

Mr McEwan also remarked on the continuing need for a simplified tax system, noting that some recent changes have, perversely, made it more complex.

In other comments, Mr McEwan noted that the changing global and internal economies had led to further rationalisation within the finance sector. "Member companies experienced growth, but greater competition also resulted in industry rationalisation and the disappearance of some well known names.

"International events now leave New Zealand's economy somewhat exposed to forces over which it has little control. It is obviously a time in which the Government must exercise prudent financial management," Ross McEwan concluded.

Ross McEwan

Chairman, Investment Savings and Insurance Association Chief Executive, National Mutual

The Investment Savings and Insurance Association of NZ Inc represents 29 investment and life insurance companies which manage over \$20 billion dollars of investments for 1,500,000 million New Zealand policy holders and savers