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OLD AGE NO FUN WITHOUT SAVINGS

"The Investment Savings & Insurance Association welcomes the survey of Living Standards of Older New Zealanders, released by the Ministry of Social Policy, as a valuable contribution to research on preparing for retirement," said Vance Arkinstall, CEO, ISI.

"It is reassuring to find that NZ Superannuation will assist to protect the great majority of older people from hardship and material deprivation, but it is also clear that even a modest increase in savings and investment could have a significant and beneficial increase in the standard of living for many in retirement," Mr Arkinstall said.

"The results of the survey reinforce the commonly held view that saving for retirement makes a significant contribution to the material well-being of older people. This outcome should provide additional encouragement to politicians to introduce taxation concessions to assist New Zealanders to increase private savings for retirement," said Mr Arkinstall.

"The examples in the survey graphically indicate that encouraging even modest increases in personal savings will have a major impact on total income and material well-being for many New Zealanders as they approach retirement. Government policies to encourage saving will play a major role in that objective" Mr Arkinstall said.

"The survey specifically identifies *"encouraging savings and investment to meet economic needs in old age and consideration of the mechanisms for encouraging such savings"* as a key issue to be addressed. This is totally consistent with the message our industry has been making to all political parties and officials and we have been encouraged by their comments," said Mr Arkinstall.

Ends

Vance Arkinstall
Chief Executive
ISI