

29 June 2007

HIGH PUBLIC INTEREST IN KIWISAVER

“As we rapidly approach 1 July (Sunday), opening date for KiwiSaver, it has become clear that there has been a surge in public interest”, said Vance Arkininstall, CEO, Investment Savings & Insurance Association (“ISI”).

“Following the Budget announcements providing a tax credit of up to \$20 per week and the phased in compulsory employer contributions from 1 April next year, KiwiSaver has become a compelling opportunity for retirement savings. This surge in interest is no surprise”, said Mr Arkininstall.

“Approved KiwiSaver product providers are well prepared for this wave of interest and the solid stream of application that are being received. We expect further KiwiSaver product providers to be approved over the coming weeks and months. We anticipate further new entrants to the market as the success of KiwiSaver grows” said Mr Arkininstall.

“In making their choice KiwiSaver investors should consider the KiwiSaver scheme’s financial strength, size and track record of the manager. You need to be comfortable that the fund you choose has the experience and skill to manage your KiwiSaver funds. You also have the flexibility to change KiwiSaver providers if you choose”, said Mr Arkininstall.

“Investors will have a choice of funds (eg conservative, balanced or growth), don’t be automatically attracted to the most conservative fund but look for a fund that suits your appetite for risk. Many people should be looking at funds with growth prospects such as balanced or growth funds”, said Mr Arkininstall.

Don’t panic if you or your employer have not received the IRD KiwiSaver packs, demand may have stretched resources. Further supplies will be available shortly. You can join any time from 1 July”, said Mr Arkininstall.

For further information contact:
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