

BACKGROUND

18 June 1998

A Brief History of Public Pension Policies

This backgrounder gives a brief summary of the developments in retirement income policy in New Zealand. What it shows is that NZ has experimented with almost every variation in the delivery of public pensions from income-tested old age pensions to universal pensions, from tax incentives to a compulsory contributory scheme.

| date | event |
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| 1898 | Introduction of a means-tested, old age pension to those aged 65 and over |
| 1915 | Tax exemptions for life insurance extended to superannuation contributions |
| 1938 | Means tested old age pension at 60, small universal pension available from age 65 Social security tax of 1/6d in the pound introduced to pay for scheme, but did not meet annual costs (fund abolished in 1964 and tax incorporated into PAYE rates) |
| 1975 | Introduction of compulsory contributory superannuation scheme |
| 1976 | Compulsory scheme abolished and replaced with National Superannuation, a universal pension available to all those aged 60 and over, without means or retirement test |
| 1985 | Surcharge on additional income introduced Tax incentives for superannuation savings removed |
| 1991 | Surcharge on additional income increased age of eligibility increased to 65, to be phased in over 10 years |
| 1992 | Todd Task Force on Private Provision for Retirement |
| 1993 | Multiparty Accord on Retirement Income Policies signed |
| 1997 | Release of PRG reports Referendum on Compulsory Superannuation Savings Scheme |
| 1998 | April: Surcharge abolished June: Release of the ISI Report on Retirement |