



Media Release

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## **NZ Super Fund change does not affect your fortnightly payments**

Retirement Commissioner Diana Crossan says the government's suspension of its contributions to the New Zealand Superannuation Fund announced in today's Budget does not affect New Zealanders' fortnightly Super payments.

The government will not be making automatic annual payments to the Super Fund until the government accounts are next in surplus which is not expected to be for at least ten years.

"Many people will be wondering what this move means for them. It will not affect the fortnightly payments made to superannuitants," said Diana Crossan.

The government has also reiterated that there will be no change to the current age of eligibility which is 65 years.

In other budget news, the Retirement Commissioner has welcomed a move by the government to provide additional support for the Securities Commission to assist with its work in regulating financial advisers.

"The Securities Commission is responsible for overseeing the Financial Advisers Act and the Financial Services Providers Act. This important legislation is aimed at setting a minimum standard of competence for financial advisers.

"The legislation will go some way to restoring the public's faith in some sectors of the finance industry following the collapse of dozens of financial companies," said Diana Crossan.

The government has also announced that the KiwiSaver mortgage diversion facility is to be closed to new applicants from 1 June 2009. The facility allowed members to divert up to half their KiwiSaver contributions to their mortgage repayments. About 600 people out of more than a million KiwiSaver members had used the facility.

**For more information please contact:**

Catriona Robertson

Senior Communications Adviser

Retirement Commission

T: 04 494 6243

M: 021 242 7936

E: [catriona.robertson@retirement.org.nz](mailto:catriona.robertson@retirement.org.nz)