Sustainable Regulation

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Insurance and Superannuation Unit

Sustainable Regulation

The Jury is still out.

Legislating to introduce…….

auto-enrolment…….too early to predict impact of these reforms.

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“the slap of a wet bus ticket”

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Background

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4th August 1908

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17th December 1987

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Sustainable regulation does require people to be sustained

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The total amount of contributions we have invested over time in superannuation in New Zealand was very similar to the amount of contributions the Australians put into superannuation in a three month period!

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“Blame the mess on a lack of self discipline”

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- Consideration of minimum funding levels for DB schemes.
- Review need for an independent Trustee.
- Clarify definition of unallocated funding.
- Strengthen general powers.

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“Retirement Income policy more complicated and unstable”

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"benefits from regulation can take many forms but these can be distilled down to an improvement in the welfare of an individual or group"

AND

"improved financial resilience for individuals'

AND

'savings should be locked in"

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Estimate 2016/17	2007/8
Implementation 68	86
KS Incentives 60	215
ESCT exemption 223	52
KS tax incentives 1679	206
TOTAL 2029	629

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Sustainable Regulation

- Simplification of the administration
- Linking statistical reporting to the annual reporting process
- Tighten up fee controls after five years
- Consider some modifications (retirement @60)
- Standardised simplified investment statement

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Superannuation

- Consideration of minimum funding levels for DB schemes.
- Review need for an independent Trustee.
- Clarify definition of unallocated funding.
- Strengthen general powers.
- Introduce penalties for overdue reporting as in UK.

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- Simplification of the administration
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