



## **Pensions and Intergenerational Equity Hub Annual Report 2025.**

### **The PIE Hub**

The PIE hub researches the implications for inter-generational equity of pensions, welfare, tax and ACC policies, and explores possible options for reforms in this time of rapid demographic change. In an honorary capacity, with our research associates, we produce a variety of working paper reports, commentaries and briefings, and use these to promote public debate in the media to fulfil our role as a policy hub. We ground policy analysis in a sound policy development framework as set out in a Policy Quarterly article, [St John and Dale \(2012\)](#).

### **2025 Projects**

#### **1. Is NZS 'affordable'?**

For many years, the RPRC and now PIE has drawn attention to the fiscal impact of the ageing of the baby boom cohort. Demand to reform New Zealand Superannuation (NZS) for so called reasons of 'fiscal affordability' continues to have a high profile in the media. In the grips of a prolonged recession, Honorary Associate Professor Dr Susan St John argues, the immediate problem is one of increasing unfairness, especially between the wealthy old and the impoverished young. Drawing on PIE research, in this Policy Quarterly article, *Superannuation as a basic income*, we outline a solution: [Take \\$3billion off the top end of NZS and redistribute within the welfare budget to reduce poverty and make it NZS fairer.](#)

Once we have moderated the immediate inequities, PIE argues, we should not expect NZS to do the heavy lifting of tackling long term problems such as climate change and health cost pressures. For those longer term issues, we need a pragmatic wealth-based tax that is simple to implement and will quickly raise meaningful revenue, such as suggested in [PIE Commentary 2024-9, Time to check out the Fair Economic Return.](#)

In the infamous 1991 'mother of all budgets', the National Government outlined how they would change New Zealand's state pension into a welfare benefit: a draconian policy to save money that was mercifully thrown out before implementation. PIE believes it is possible, under current austerity policies, for government once again to be tempted to adopt a joint means test akin to the one in Australia. [PIE's basic income approach](#) is as far as an income test should go without damaging the core of our retirement incomes policies.

Former RPRC co-director, PIE research associate Michael Littlewood contributes to the debate by highlighting how the fiscal cost outcomes show projections for NZS have

moderated over time: [On the long-term costs of New Zealand Superannuation: more affordable now?](#) He suggests NZS can be improved but is essentially worth protecting.

## **2. Aged care and housing**

Honorary Research Fellow Dr Claire Dale has been working with a small trans-disciplinary team since 2022 on the research project: "Aged Care in a Changing World". The first stage of the project was interviewing stakeholders in the aged care sector in Aotearoa New Zealand. See PIE working paper 2025-2 [Aged Care - Good, better, best.](#)

More accessible housing solutions lie in government policy changes. [PIE Commentary 2025-1](#) outlines 3 critical policy changes that would improve rental affordability for older people. First: update the Ministry of Social Development's income and asset policy on access to the Accommodation Supplement. Second, reform Central Government's policy around the Income Related Rent Subsidy forcing Local Governments to shed their public and senior housing; and third: remove the recently imposed cap on IRRS subsidies.

One of the long-term problems is increasingly inadequate housing for many older people as outlined in this commentary by Dr Dale: [As house prices drop, will the retirement nest egg still be such a safe bet?](#) Changes to KiwiSaver, global economic uncertainty and predictions house prices could drop by as much as 20% by 2030 all mean a retirement strategy based on the equity held in a house is no longer as reliable as it used to be.

## **3. The fiscal straightjacket**

One emerging issue is that of how we conceptualise the projected fiscal costs and pressures, specifically from the ageing of the population, but also from climate change, and infrastructure deficits and other risks.

PIE has been contributing to various Treasury workshops (March- August) on long term fiscal planning. Dr St John was also an invited panellist at the Greens fiscal strategy launch in June. In [Reflections on the Green Party's Fiscal Strategy launch](#), she questioned the suitability of the accepted fiscal indicators and targets.

PIE is pleased to republish this important commentary from economics researcher PIE Research Associate, Tayla Forward [PIE commentary 2025-6. What does Fiscal Responsibility actually mean?](#)

## **4. Accounting for ACC**

Dr St John has been researching this year with the ACC Futures Coalition. This [PIE Briefing 2025-1: Funding ACC](#) investigates the issues of fully funding ACC, setting levies, experience rating and the impact on safety. Is ACC just dressed up private insurance with all the implications for its accounting treatment? Or is it best seen, in the changed environment of the 21st century, as social insurance? What are the implications?

New Zealand's two main social insurance programmes, ACC and NZS are treated very differently in the Crown accounts. It is hard to see how this is justified - and it contributes to making fixed targets for debt and size of state even more uncertain and unhelpful.

Dr St John suggests there is little justification for ACC's outstanding claims liability sitting on the Crown balance sheet. Moreover, the complex system of different levies for ACC supposedly to reflect the risk of different industries, and experience rating designed to reward and punish safe and unsafe practices is profoundly disconnected from outcomes.

It is past time to modernise, simplify and implement meaningful and effective ways to prevent accidents.

## **5. Intergenerational impacts of policies**

Dr Gerry Cotterell and Dr St John examine low-income family policies under the Sixth Labour Government of New Zealand, (2017 to 2023). PIE working paper 2025-4: [Family incomes policy under the Labour Government 2017 – 2023](#) assesses how far these policies represent a significant shift from the previous National-led governments' approach, which in turn was a continuance of National's 1990s welfare paradigm introduced in the 1990s. Repeating the cycle, we see many of the advances made by Labour on family and child poverty insufficiently embedded and easily eroded under the coalition government.

The Census has been a critical element in the array of available population data to date. PIE Research Associate Len Cook, former NZ Government Statistician argues the decision to abolish the Census has wide implications for policy development of all kinds. PIE Commentary 2025-2: [What the public needs to know about the decision to stop the five -yearly census](#).

## **6. KiwiSaver**

PIE continues to monitor KiwiSaver and has done so from its inception. Recent plans to expand KiwiSaver contributions to 12% to match Australia are problematic. The issues have been and continue to be explored by PIE in different social media platforms (see media and publications below).

## **Consultations**

- As part of the New Zealand – 2025 IMF Article IV Consultation the IMF officials met Dr St John at Auckland University on February 27<sup>th</sup> to discuss the latest PIE working paper and superannuation policy.
- In 2025 more work was done by Treasury on long term fiscal projections, where the impacts are not just from the ageing of the population but also climate change and geopolitical uncertainty. PIE has contributed to that work in online workshops and ongoing consultation
- PIE contributed to the 2025 Retirement Commission's review. We acknowledge the assistance of the commission in this publication- [New Zealand Superannuation as a Basic Income](#) Policy Quarterly, Volume 21, Issue 3, August 2025 pages 59-65, Victoria University of Wellington.  
Dr Dale outlines three critical policy changes would improve rental affordability for older people. The 2025 Review of Retirement Income Policies provides an ideal opportunity to make those necessary changes. Policy changes would improve rental housing options for older people, [PIE Commentary 2025-1: Policy Changes Would Improve Rental Housing Options for Older People](#).
- In November, Dr Dale was involved in consultation on the [draft Carers' Strategy Action Plan](#) discussion document (the Action Plan), which has received initial agreement from Cabinet. Find out more on [MSD's website](#).
- On 27 November PIE contributed to a session on social security at the University of Auckland's Public Policy Institute with a delegation of academics from China.

- Dr St John and Chris Casey, convenor ACC Futures Coalition, hosted a meeting for a delegation of parliamentarians and staff from Fiji (November 18<sup>th</sup>) at the Business School.



Members of the delegation: Honourable Sakiusa Tubuna (Committee Chair) / Assistant Minister in the Office of the Prime Minister, Honourable Semi Koroilavesau, Honourable Shalen Kumar, Honourable Kalaveti Ravu, Honourable Alipate Tuicolo, Members, Standing Committee on Economic Affairs, Honourable Jone Usamate - Alternate Member, Standing Committee on Justice, Law, and Human Rights, Ms. Awantika Raj - Deputy Committee Clerk, Standing Committee on Economic Affairs, Ms Louchrisha Hussain, UNDP Project Lead.

## Submissions and presentations

- PIE contributed to several social media platforms including: Juggernaut 2, Bryan Bruce, Bernard Hickey.
- On 4<sup>th</sup> August, at the Professional Development Conference: 'Navigating Housing and Homelessness in 2025', at Ceramco Function Centre, Glen Eden, Dr Dale delivered the Keynote presentation, available online at [PIE Presentation 2025-1: Housing for a lifetime](#).
- In May, Dr St John submitted PIE [Submission: Empowering families: Increasing certainty and preventing debt in the Working for Families scheme](#)
- In June, Dr Dale delivered PIE [Submission: Regulatory Standards Bill](#)
- In November, Dr Dale delivered [PIE Submission: Fast-track Approvals Amendment Bill](#).

## PIE media & publications

- St John S (2025) [Let's put the scary accounting ratios back in the box](#). SubStack Dec 2025
- St John (2025) [Be afraid be very afraid: our world class retirement system is under threat](#) Substack 3<sup>rd</sup> December
- St John, S (2025) [Where does National really want to take retirement income policy?](#) Daily Blog, 1<sup>st</sup> December
- Gerry Cotterell and Susan St John [Family incomes policy under the Labour Government 2017 – 2023](#). PIE working paper 2025-4: examine low-income family policies under the Sixth Labour Government of New Zealand, (2017 to 2023).
- St John, S (2025) [Some thoughts on public sector accounting as if the state is a business](#) Substack 19<sup>th</sup> November 2025
- St John, S (2025) [Accounting for ACC](#). PIE Briefing 2025-1, EPC, University of Auckland 19<sup>th</sup> November 2025
- Dale, M Claire, (2025) [Submission 2025-3 Fast-track Approvals Amendment Bill](#). 17 November 2025.
- [The second episode of Juggernaut 2](#): The inside story of the mother of all budgets: The Story of the Fourth National Government includes new and exclusive interviews with Jim Bolger, Ruth Richardson, Jenny Shipley, Susan St John, Helen Clark, Bill Birch, Rob Eaddy, Michael Laws. November 11th 2025
- [Pop-up Hoon on Labour's CGT-lite policy](#). A recording of Bernard Hickey's live video on Substack, 29 October with Terry Baucher, Shamubeel Eaqub and Susan St John, discussing Labour's announcement of a Capital Gains Tax policy.
- St John, S (2025) [Wise Men and low level journalism |Daily Blog](#) 28th October

- St John, S (2025) [Jobseeker changes turn young adults into dependent children – and squeeze households further](#) The Conversation, 8<sup>th</sup> October
- St John, S et al [20 Economists; Open Letter to Prime Minister and Minister of Finance](#) 4<sup>th</sup> October, Substack.
- St John, S (2025). [It is time for economists to stop trying to be accountants](#) , Substack 1st October.
- St John, S (2025) [Treasury might have included 'frightening older people to death' as a handy outcome of their dreamed-up alternatives.](#) Daily Blog 28<sup>th</sup> September
- St John, S (2025) [Time to talk about progressive actions to stop economy haemorrhaging and to rebuild personal balance sheets | The Daily Blog](#), 22<sup>nd</sup> September 2025
- Dale, M.C., [Housing for a lifetime](#). Keynote presentation at Professional Development Conference in Auckland, 4 August 2025.
- St John, S. [New Zealand Superannuation as a Basic Income](#) Policy Quarterly, Volume 21, Issue 3, August 2025 pages 59-65, Victoria University of Wellington
- [Susan St John interview with Dale Husband](#) :It is often suggested that we need to raise the age of retirement to 67, an idea that the prime minister supports. Waitea News 11th August
- St John, S (2025) [Take \\$3billion off the top end of super and redistribute within the welfare budget to reduce poverty and make it fairer. But to tackle all the other problems we need a wealth-based tax.](#) Newsroom, 5<sup>th</sup> August
- Dale, M.C., [As house prices drop, will the retirement nest egg still be such a safe bet?](#) published 16 July 2025 in [The Conversation](#), republished as PIE Commentary 2025-3, republished in Age Concern's Senior Matters 21 July 2025, quoted by Catherine McGregor, 'Mortgage free, not financially free' in [The Bulletin/The Spinoff](#) September 1, 2025.
- St John, S (2025) [MSD consultation: Empowering families: Increasing certainty and preventing debt in the Working for Families scheme. Yeah right.](#) |Daily Blog 7th July
- Dale, M.C., PIE Working Paper 2025-2, [Aged Care in a Changing World: good, better, best](#) 16 June 2025,
- Dale, M.C., PIE [Submission 2025-1 : Regulatory Standards Bill](#), 23 June 2025
- Dale, M.C., University of Auckland, Opinion, [Housing security slipping for older Kiwis](#), 7 April 2025, republished in Age Concern Senior Matters, 5 May 2025
- St John, S [PIE Submission: 2025-2 Review: Empowering families: Increasing certainty and preventing debt in the Working for Families scheme](#)
- St John, S (2025) [Take \\$3billion off the top end of super and redistribute within the welfare budget to reduce poverty and make it fairer. But to tackle all the other problems we need a wealth-based tax.](#) Newsroom, 5<sup>th</sup> August
- St John, S (2025) MSD consultation : [Empowering families: Increasing certainty and preventing debt in the Working for Families scheme. Yeah right.](#) | The Daily Blog 7th July
- St John, S (2025) Panel discussion [Reflections on the Green Party's Fiscal Strategy launch](#) 16th June, Wellington Museum. PIE commentary 2025-4.
- St John, S (2025) [The young need state support just as much as the old](#) Newsroom, 6th June, 2025
- St John, S ( 2025) interview with Susan Edmunds RNZ [Budget 2025: Economists split over Government's student loan move – NZ Herald](#), 25<sup>th</sup> May 2025
- St John, S ( 2025) : [Govt should defuse NZ's social time-bomb – but won't](#) Newsroom Op-Ed 21st May 2025
- St John, S ( 2025) [Same old story—let's frighten the horses with the bogey of net debt.](#) Substack 3<sup>rd</sup> May 2025
- St John, S (2025) [\(16\) Ep 44 Head2Head – Susan St John on rethinking Superannuation](#), Substack interview with Byan Bruce, 23rd April 2025

- St John, S (2025) [The fatal flaw in our social policies since 1991 remains to haunt us](#) Substack 7th April.
- St John, S (2025) [There is a truckload of trouble coming as the budget looms and the signals are ominous](#) Daily Blog 2<sup>nd</sup> April 2025
- Anne Marie Coury Interview with Susan St John on Senior focus: New Zealand Superannuation [Listening on Planet FM 104.6 FM | Auckland New Zealand](#) March 31<sup>st</sup> 2025
- Dale, MC, [Urgent reforms needed to keep older people in affordable homes | The Post](#), 27<sup>th</sup> March.
- Terry Baucher reviews 'NZ Super as a basic income' [Should NZ Super be changed to a UBI, and treated as a grant?](#) Interest.co.nz March 22nd 2025
- St John, S (2025) Newsroom, [NZ Super's urgent reform needs to be granted](#) (paywalled) 10th March
- Susan St John Interview Newstalk ZB with Francesca Rudkin, 8th March
- [Susan St John On the Future Of Superannuation In New Zealand](#) | Michael Laws, The Platform and YouTube
- St John, S, Interview with Susan Edmunds [Researcher Outlines Plan For Higher Tax On Well-Off Pensioners](#), Radio NZ, March 5<sup>th</sup> 2025, reported in Greymouth Star, Westport Times, Otago Daily Times and on NewstalkZB.
- St John, S (2025) [New Zealand Superannuation as a basic income](#). PIE working paper 2025-1: March 5<sup>th</sup> 2025:
- St John (2025) [Beware of ACT's kite flying](#). Daily Blog 10th February,
- St John, S (2025). [Don't let social service cuts lead us to our lowest point – Newsroom](#) 3rd February, 2025 and BFM interview [Budget Cuts to Social Services and the Effect on New Zealanders w/ the University of Auckland's Dr Susan St John: 4th February, 2025 | 95bFM](#)
- St John, S RNZ interview with Susan Edmunds [My entire years wages, mum, 47k debt for working for families](#) 20th Jan and [We can barely make ends meet as it is': Mum facing \\$47k Working for Families debt](#) Star News 21<sup>st</sup> January 2025
- Dale, MC [Policy Changes Would Improve Rental Housing Options for Older People](#) PIE Commentary 2025-1.