

Financial services news alert

10 March 2010

KiwiSaver changes

Minister of Commerce Simon Power has asked officials to fast-track work to tighten up KiwiSaver regulation. According to his press release (available [here](#)), he wants to address a “growing concern” among “mum and dad investors”, primarily arising out of the Huljich situation.

In addition to the work already signalled in the Government’s response to the recommendations of the Capital Market Development Taskforce (see our newsletter [here](#)), officials are to report on whether:

- the monitoring and reporting regime for default funds should be extended to all KiwiSaver funds (eg detailed quarterly reporting to an expert monitoring panel and a more limited choice of trustees),
- KiwiSaver funds should report more regularly to investors and the regulator on the returns, fees and assets of each fund in a consistent and comparable manner, and
- the ability of the regulator to supervise the trustees of KiwiSaver schemes and hold them accountable for fulfilling their obligations should be increased.

The Minister also flagged that the new regulations will be looked at in context of the creation of a new super regulator, as recommended by the Capital Market Development Taskforce.

Timing

Officials are to report to the Minister within three to four weeks.

Where can I get more information?

We will prepare a note when more information is available. For now, if you would like to discuss the proposals, please contact your usual Minter Ellison Rudd Watts lawyer, or any of the contacts below.

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