Inland Revenue
Te Tari Taake

26OIA2298

12 June 2026

[redacted]

[redacted]

Thank you for your request made under the Official Information Act 1982 (OIA), transferred from the Ministry of Business, Innovation and Employment to Inland Revenue on 14 May 2026. You requested the following:

> *I request the following information under the terms of the Official Information Act 1982: Any data, reports, or statistics relating to the number of people aged 18–25 who applied for the KiwiSaver hardship reduction rate or contribution reduction rate before the policy changes that came into effect on 1 April 2026. If possible, I would appreciate:*
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> - *yearly totals for the past five years,*
> - *any available demographic breakdowns,*
> - *and any briefing notes or reports discussing trends among young people applying for reduced contribution rates before the policy change.*
>
> *The information sought in this request is to be used as part of a journalism report into the financial pressures facing young New Zealanders and the impacts of policy change on people aged 18–25. As this information will be used in the public interest to help inform readers about financial accessibility and youth economic wellbeing, I ask that any fee associated with this request be waived.*

Background

As you are aware, in Budget 2025 the Government introduced several changes to KiwiSaver to encourage Kiwis to save more for their first home and retirement. The default rate of employee and matching employer KiwiSaver contributions rose from 3% to 3.5%, which came into effect on 1 April 2026.

Another one of the changes announced that came into effect from 1 April 2026 was an option for a Temporary Rate Reduction, that allowed members, for a period between 3 months to 1 year, to reduce their KiwiSaver default contribution rate to 3% (Temporary rate reduction). However, this option cannot be taken at the same time as a Savings Suspension. As the Temporary Rate Reduction was introduced as one of the 1 April 2026 changes and did not apply to KiwiSaver rates before that date, this is outside the scope of your request.

Savings Suspensions

We interpreted your request as seeking information regarding Savings Suspensions. KiwiSaver members who have been contributing to their KiwiSaver for at least 12 months have the ability to apply for a Savings Suspension to reduce their KiwiSaver contributions to 0% for a period of

3 months to 1 year (Taking a savings break). The criteria for 12 months of contributions can be reduced in cases where the suspension is applied for due to financial hardship.

Inland Revenue does not hold information on the number of applications made for Savings Suspensions, but it does hold information on the number of Savings Suspensions that were granted.

Data provided was extracted on 9 June 2026 and represent figures at a point-in-time. All 2026 figures are provisional and may change by the next reporting date (30 June 2026).

The table below provides the number of KiwiSaver members aged 18-25 who have applied for and been granted a KiwiSaver Savings Suspension over the past 5 years.

KiwiSaver members on Saving Suspensions

Suspension Type	30 Jun 2022	30 Jun 2023	30 Jun 2024	30 Jun 2025	31 Mar 2026
Ordinary	12,550	11,576	8,525	7,086	6,180
Financial hardship	193	278	212	178	229
Total	**12,743**	**11,854**	**8,737**	**7,264**	**6,409**

Demographic groups

Demographic group data held by Inland Revenue related to the number of KiwiSaver members aged 18–25 who were on a Savings Suspension by region, and by annual income, is provided in the following tables:

Demographic data by region

Region	30 Jun 2022	30 Jun 2023	30 Jun 2024	30 Jun 2025	31 Mar 2026
Auckland	5,053	4,484	3,300	2,585	2,195
Bay of Plenty	836	839	632	563	481
Canterbury	1,328	1,116	879	780	736
Gisborne	148	124	95	72	80
Hawkes Bay	495	504	331	242	217
Manawatu-Wanganui	530	565	419	368	323
Marlborough	100	87	65	56	50
Nelson	139	110	78	66	61
Northland	399	440	328	260	234
Otago	475	471	349	292	254
Southland	223	212	148	143	151
Taranaki	285	273	214	189	188
Tasman	123	117	94	80	48
Waikato	1,316	1,291	962	831	737
Wellington	1,153	1,112	757	674	601

West Coast	54	46	45	26	33
Other	86	63	41	37	20
Total	**12,743**	**11,854**	**8,737**	**7,264**	**6,409**

Note: The row titled *Other* includes members whose region cannot be confirmed, such as where Inland Revenue cannot verify a valid postcode.

Demographic data by annual income

Income Group	30 Jun 2022	30 Jun 2023	30 Jun 2024	30 Jun 2025	31 Mar 2026
Unknown	22	60	45	45	28
$1 - $50,000	10,643	9,455	6,425	5,057	4,332
$50,001 - $100,000	2,024	2,239	2,160	2,003	1,862
$100,001 - $150,000	41	85	92	139	149
$150,001+	13	15	15	20	38
Total	**12,743**	**11,854**	**8,737**	**7,264**	**6,409**

Note: Income information relates to the tax year before the relevant financial year. For example, income information for members as at 30 June 2025 is from the 2024 tax year. The *Unknown* income group refers to members for whom Inland Revenue holds no income information. Income has been grouped into $50,000 bands to protect individuals' anonymity.

Right of review

If you disagree with my decision on your OIA request, you have the right to ask the Ombudsman to investigate and review my decision under section 28(3) of the OIA. You can contact the office of the Ombudsman by email at: info@ombudsman.parliament.nz.

Publishing of OIA response

We intend to publish our response to your request on Inland Revenue's website (ird.govt.nz) as this information may be of interest to other members of the public. This letter, with your personal details removed, may be published in its entirety. Publishing responses increases the availability of information to the public and is consistent with the OIA's purpose of enabling more effective participation in the making and administration of laws and policies and promoting the accountability of officials.

Thank you again for your request.

Yours sincerely

Rian Shearman

Group Lead - Customer and Compliance Services - Individuals