

Alliance Retirement and Aged-Care Policy

Security, Dignity, and Independence in Later Life

Our Vision

The Alliance believes that every person has the right to security, dignity, and independence in later life.

Retirement income and aged care are not privileges to be provided according to a person's wealth. They are essential components of a just society and should be available as universal rights.

The Alliance will defend the universal pension, raise it to a level people can live on, and provide high-quality public services and care based on need later in life, rather than by ability to pay.

Our retirement and aged-care policies will recognise the contribution older people have made to society, and ensure that no one is forced into poverty, insecurity, or inadequate care because they have reached retirement age or require long-term support.

1. A Universal Right to Retirement Income

The Alliance will maintain a **universal state pension** as a fundamental social right.

Entitlement will be based on age and residency, rather than income or wealth. The state pension will not be means-tested.

The Alliance will:

- maintain the age of entitlement for the pension at 65, with no intention of raising it at any point;
- maintain universal eligibility for people who meet the appropriate age and residency requirements;
- ensure that retirement income provides genuine economic security, rather than merely preventing destitution;
- recognise the state pension as a universal entitlement and an essential part of Aotearoa New Zealand's social security system.

Retirement should be a time when people can live with security and dignity, regardless of their personal wealth. Maintaining the age of the pension at sixty-five is a red line for the Alliance, and we see the merit of an argument for lowering it rather than raising it over time. Ordinary working people have been largely shut out of significant productivity

gains over many decades, and we intend to reverse that trend by investing in an increase in meaningful free time for all.

2. An Adequate and Secure State Pension

The level of the state pension must allow older people to participate fully in society and maintain a reasonable standard of living.

The Alliance will increase the married rate of New Zealand Superannuation to **72.5 percent of the after-tax average wage**.

The pension will be:

- funded from **general taxation**;
- adjusted regularly to reflect movements in both wages and the cost of living.

The Alliance **opposes any move to reintroduce a superannuation surcharge or to impose means-testing on the state pension**. Retirement income should remain a universal entitlement based on age and residency, rather than being reduced or withdrawn because an older person has other income, savings, or assets.

A universal pension recognises that retirement security is a collective social responsibility and that people should be able to plan for their retirement with confidence and certainty.

3. Protecting Retirement Income from Inflation

Older people are particularly vulnerable to increases in the cost of essential goods and services because many rely on fixed or relatively predictable incomes.

The Alliance will therefore provide strong and automatic protection for the purchasing power of retirement incomes.

State pensions will be **adjusted quarterly** in response to movements in average earnings or the Consumer Price Index, **whichever is greater**.

Pension rates will also maintain their relationship with average weekly earnings, ensuring that older people's living standards do not fall progressively behind those of working Kiwis.

Indexation will be automatic rather than dependent on governments, making discretionary decisions about whether pensioners can afford to keep pace with rising costs.

4. Universal and Dignified Aged Care

The need for residential or long-term care should not result in older people having to exhaust their lifetime savings before receiving proper support.

The Alliance will **abolish means-testing for older people requiring long-term hospital or residential care.**

Access to appropriate care will be based on need rather than wealth.

We will provide:

- high-quality residential and hospital care;
- appropriate assessment, rehabilitation, and support services;
- safe and dignified environments for older people; and
- appropriate support for people to remain independent in their own homes wherever possible.

Public funding for aged care must be directed towards care, rather than private profit.

5. Protecting Aged-Care Workers and the Quality of Care

The quality of care provided to older people depends upon the people who provide that care.

The Alliance will ensure that public funding for elderly assessment, rehabilitation, and care is appropriately directed towards:

- adequate staffing;
- fair wages and employment conditions;
- manageable workloads;
- training and professional development; and
- safe staffing levels and quality care.

Public funding must not be used to subsidise inadequate staffing, unmanageable workloads, or the extraction of profits from essential aged-care services.

Where public money is provided to private or community providers, there must be strong accountability to ensure that funding delivers high-quality care and decent employment conditions.

6. Transport, Communications, and Social Connection

Financial security alone is not sufficient to ensure a dignified retirement.

Older people must be able to remain connected to their communities and participate fully in society.

The Alliance will provide older people with:

- free or subsidised public transport;

- subsidised telephone and internet connections;
- access to essential communication services; and
- support for community-based services that reduce isolation and enable older people to remain active, independent, and empowered to continue living in their own homes for as long as possible.

We recognise that access to transport and communications is particularly important for older people living alone, living in rural communities, or with limited mobility.

No older person should be isolated from their family, community, or essential services because they cannot afford to travel or communicate.

7. Independent Advocacy for Older People

Older people must have a strong and independent voice when dealing with government agencies, health services, aged-care providers, and other institutions.

The Alliance will establish and fund **independent advocacy services for older people**.

These services will:

- provide independent advice and assistance;
- support older people to understand and exercise their rights;
- assist people who experience inadequate or inappropriate care;
- advocate for older people in dealings with government and service providers; and
- identify systemic problems affecting older people and bring them to the attention of government.

Advocacy services must be independent of the organisations whose decisions they may be required to challenge.

8. A Ministry for Senior Citizens

The Alliance will establish a dedicated **Ministry for Senior Citizens**.

The Ministry will ensure that the interests and needs of older people are properly considered across the whole of government.

Its responsibilities will include:

- monitoring the impact of government policies on older people;
- advising Cabinet and government agencies on the economic and social position of senior citizens;
- developing targeted social and economic programmes;

- monitoring retirement income adequacy;
- overseeing the effectiveness of services for older people;
- supporting independent advocacy; and
- consulting regularly with senior citizens and organisations representing them.

The needs of older people should not be an afterthought within government policy. A dedicated Ministry will ensure that their interests have a permanent and authoritative voice within government.

9. Future Proofing with KiwiSaver and an Adequate Super Scheme

Aotearoa New Zealand was robbed of an opportunity to build a Superannuation Fund worth more than a trillion dollars, due to the repeal of the Superannuation Act (1974).

The Alliance Party believes that moving towards a similar policy is possible through steady reform and greater investment in KiwiSaver.

We will immediately establish an automatic \$10,000 endowment for all new KiwiSaver accounts, ring-fenced until retirement or terminal illness. This will provide enough of an initial boost to effectively leverage KiwiSaver into a meaningful, long-term savings scheme.

We will phase out the use of “active” KiwiSaver funds, with investment directed into passive funds that are focused on local infrastructure and investment. Working Kiwis should not have to worry about how and where their retirement fund is being invested, as a dignified and well-resourced retirement is a net social good.

10. Security, Dignity, and Independence

The Alliance's retirement and aged-care policies are based on a simple principle: growing older should never mean losing economic security, dignity, or independence.

A universal state pension will provide a secure foundation for retirement. Adequate indexation will protect pensioners from inflation and declining living standards. Universal access to long-term care will ensure that people are not required to impoverish themselves to receive necessary support.

The KiwiSaver endowment gives everyone a stake in a fund with up to sixty-five years to grow and requires that a meaningful share of it is invested here. Our retirement savings currently do a great deal of work for economies other than our own. Directed into local infrastructure and productive industry, the same money builds the country that people are saving to retire in, while also lifting the wealth floor for the working Kiwi.

At the same time, better aged-care staffing, subsidised transport and communications, independent advocacy, and a dedicated Ministry for Senior Citizens will ensure that older people are able to remain connected, respected, and active members of society.



The Alliance will build a retirement and aged-care system based on universal rights rather than means testing, dignity rather than dependence, and public responsibility rather than private profit.

Older people have contributed throughout their working and community lives to building Aotearoa New Zealand. They are entitled to security and dignity in return.