



16 May 2024

Julie Moffett
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Dear Julie Moffett

Thank you for your request made under the Official Information Act 1982 (OIA), received on 18 April 2024. You requested the following (numbered for ease of response):

1. *How much money has been withdrawn from Kiwisaver funds nationwide over the period 2019-2024?*
2. *How much money has been withdrawn from Kiwisaver funds in the Ashburton District/Mid Canterbury over the period 2019-2024? (If this cannot be broken down to the district please give a Canterbury breakdown of figures)*
3.
 - a) *What is the average amount that is withdrawn if the request is allowed?*
 - b) *What are the top five reasons given for withdrawal request? (if more specific than "financial hardship" ie: paying everyday bills, dentist bill, rates, rent, unexpected bills, etc)*
4. *What are the demographics of people making the withdrawal request: age group, marital/relationship status/with children/home owner/tenant?*
5.
 - a) *How many withdrawal requests are made?*
 - i. *(number nationwide and*
 - ii. *for Ashburton District)*
 - b) *How many requests are allowed? (number nationwide and for Ashburton District)*
 - c) *How many are denied? (number nationwide and for Ashburton District) .*
6. *What are the top 5 main reasons for denial?*
7. *What are the concerns IRD has about Kiwisaver withdrawal - for individuals and for New Zealand?*

Questions 1, 3a and 5a

The table below details the amount and average amount withdrawn nationwide from KiwiSaver funds as well as the number of requests allowed (count of member column) from the 2019 financial year to 2 May 2024.

The average amount withdrawn column represents the average amount that each KiwiSaver member has withdrawn during each financial year.

Please note these figures do not cover all types of withdrawals as KiwiSaver providers are not obliged to provide Inland Revenue with retirement withdrawal data. Column *Count of members* includes members who made one or more withdrawals.

Financial Year	Count of members	Amount withdrawn	Average amount withdrawn
2019	81,361	\$1,582,669,336	\$19,452
2020	89,004	\$1,992,304,929	\$22,384
2021	81,290	\$1,953,858,153	\$24,036
2022	56,186	\$1,448,679,592	\$25,784
2023	54,618	\$1,274,996,679	\$23,344
2024	61,597	\$1,516,738,686	\$24,624

Questions 2 and 5bii

The table below shows the amount withdrawn in the Ashburton District from KiwiSaver funds from the 2019 financial year to 2 May 2024.

As noted above, these figures do not cover all types of withdrawals as KiwiSaver providers are not obliged to provide Inland Revenue with retirement withdrawal data, and the data below may include data on members who made a withdrawal under more than one category within the same period.

Financial Year	Count of members	Amount withdrawn	Average amount withdrawn
2019	610	\$11,699,511	\$19,180
2020	606	\$13,034,558	\$21,509
2021	614	\$15,022,478	\$24,467
2022	394	\$9,937,303	\$25,222
2023	369	\$8,364,923	\$22,669
2024	407	\$9,983,316	\$24,529

Question 3b

The table below shows the top reasons given when making a request for withdrawal and the number of applications Inland Revenue has processed and approved, including the number of approved applications received from KiwiSaver providers from the 2019 financial year to 2 May 2024. As noted above, these figures do not cover all types of withdrawals as KiwiSaver providers are not obliged to provide Inland Revenue with retirement withdrawal data.

As noted above, the data below may include data on members who made a withdrawal under more than one category within the same period.

Reason for withdrawal	Year withdrawal made					
	2019	2020	2021	2022	2023	2024
Court ordered	198	175	273	446	260	364
First home	40,161	41,366	54,492	38,724	30,143	29,898
Permanent emigration	2,027	2,231	1,761	1,107	1,654	2,295
Serious illness	2,023	1,972	1,519	1,320	1,472	1,396
Significant financial hardship	16,728	18,217	19,936	14,469	20,601	26,603
Other	27,115	31,613	8,952	198	588	1,131

KiwiSaver providers are not obliged to provide Inland Revenue with retirement withdrawal data; however, providers will occasionally send Inland Revenue retirement withdrawal data under the "Other" category. A change to the way data was provided in April 2020 significantly reduced the receipt of data in the "Other" category. This category may contain retirement withdrawals; however, as this information is not required and is provided ad-hoc, it is not reliable when determining the number of retirement withdrawals. Inland Revenue is not provided further data to determine what KiwiSaver providers may categorise as "Other" and is thus unable to provide any additional information or explanation regarding that category.

Question 4

The tables below show the age of the KiwiSaver members making a withdrawal request and the amount withdrawn from the 2019 financial year to 2 May 2024. The age of the members is recorded as at 30 June 2023.

As noted above, these figures do not cover all types of withdrawals as KiwiSaver providers are not obliged to provide Inland Revenue with retirement withdrawal data, also the data below may include data on members who made a withdrawal under more than one category within the same period. The 65+ category includes data for customers for which Inland Revenue holds no age data.

Count of members						
Age Group	2019	2020	2021	2022	2023	2024
0 - 17	589	630	27	19	11	11
18 - 24	7,215	7,567	6,138	4,326	3,717	3,935
25 - 34	30,932	33,018	36,402	25,835	21,374	23,109
35 - 44	17,338	18,595	18,542	13,794	14,922	17,478
45 - 54	11,681	12,534	10,921	7,600	8,754	10,327
55 - 64	7,222	7,831	6,032	4,438	5,653	6,505
Age 65+	6,384	8,829	3,228	174	187	232

Amount withdrawn						
Age Group	2019	2020	2021	2022	2023	2024
0 - 17	\$1,201,813	\$1,471,978	\$34,051	\$40,837	\$39,572	\$57,271
18 - 24	\$68,715,167	\$75,112,446	\$88,586,434	\$67,003,331	\$55,273,056	\$60,841,535
25 - 34	\$595,272,170	\$680,371,213	\$903,833,785	\$685,008,530	\$512,302,757	\$582,075,993
35 - 44	\$371,580,902	\$437,797,551	\$493,301,147	\$382,650,718	\$365,715,493	\$449,971,384
45 - 54	\$253,886,644	\$305,264,895	\$273,308,669	\$209,214,783	\$213,961,938	\$266,967,336
55 - 64	\$148,368,543	\$187,571,706	\$129,290,739	\$101,770,711	\$123,707,048	\$151,394,057
Age 65+	\$143,644,097	\$304,715,140	\$65,503,327	\$2,990,683	\$3,996,815	\$5,431,109

Inland Revenue does not hold data on the relationship, parental or home ownership status of KiwiSaver members making a withdrawal request, thus these parts of question four of your request are refused under section 18(g) of the OIA as the information requested is not held by Inland Revenue and I do not have grounds to believe this information is held by or more closely connected with the functions of another department.

Questions 5a, 5c and 6

When a KiwiSaver member applies to withdraw funds, these applications are received and processed by their KiwiSaver provider, except for applications from members under significant financial hardship or serious illness who are also within the initial two month holding period. (This period provides time for new members who have been automatically enrolled by their employers to decide to opt out or remain enrolled).

As such Inland Revenue does not hold data on the number of withdrawals requests made, the number of applications denied or the top five reasons for denials, thus these parts of your request are refused under section 18(g) of the OIA as the information requested is not held by Inland Revenue and I do not have grounds to believe this information is held by or more closely connected with the functions of another department.

Question 7

Inland Revenue has an administrative role in KiwiSaver, and primarily facilitates the timely transfer of KiwiSaver contributions from members to scheme providers. You may wish to reach out to the Ministry of Business, Innovation and Employment which has policy responsibility for the withdrawal settings under the KiwiSaver Act 2006, For an independent view on KiwiSaver, you may be interested in reading the *three yearly review of retirement income policy* produced by the Retirement Commission, which is available on its website (retirement.govt.nz).

Right of review

If you disagree with my decision on your OIA request, you can ask an Inland Revenue review officer to review my decision. To ask for an internal review, please email the Commissioner of Inland Revenue at: commissionerscorrespondence@ird.govt.nz.

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

If you choose to have an internal review, you can still ask the Ombudsman for a review.

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 for your request.

Yours sincerely



Andrew Robertson

Group Lead - Individuals