



# KiwiSaver changes from 1 April 2026

## What's happening?

In June 2025, the government announced changes to KiwiSaver. Starting 1 April 2026, default KiwiSaver contribution rates for employees and employers will progressively increase:

- From 1 April 2026, the rate will rise from 3% to 3.5%.
- From 1 April 2028, the rate will rise again to 4%.

Other changes announced include:

### **The government contribution was reduced**

- Starting 1 July 2025, the government lowered its yearly contribution to 25 cents for every \$1 employees put in, up to \$260.72 per year (it was previously 50 cents per \$1, up to \$521.43).
- Employees must still contribute at least \$1,042.86 annually to get the full benefit.
- Those earning over \$180,000 a year will no longer qualify for the government contribution. Other eligibility criteria remain the same.

### **Younger members included**

- From 1 July 2025, 16- and 17-year-olds are eligible for government contributions, and from 1 April 2026, they are eligible for employer contributions.

### **What is not changing**

- First home withdrawal rules remain the same and KiwiSaver can still be used to help employees buy their first home.
- There is no change for over 65s, i.e. the government or compulsory matching employer contribution does not extend to this group. Westpac's policy, however, is to recognise employees' contributions beyond age 65 so you will continue to benefit from an employer contribution to KiwiSaver, if you are making a KiwiSaver contribution.

## Does this impact Westpac's In-Tandem scheme?

Yes, some employees are members of both KiwiSaver and Westpac's In-Tandem scheme.

If you are splitting your superannuation contributions between KiwiSaver and In-Tandem (known as the 'Combo' option), 0.5% more of the employee and employer contribution will go to KiwiSaver and correspondingly 0.5% less to In-Tandem, but overall Westpac's total employer contribution will remain the same or will increase by 0.5% where necessary to meet minimum KiwiSaver contribution requirements.

## What effect will this have on my contributions?

The impact on your superannuation contributions depends on which scheme you belong to.

Many employees are members of both KiwiSaver and the Westpac In-Tandem scheme. If Westpac is currently contributing 10% or 6% (Management and Pre-Management categories respectively), the total amount won't change but the higher KiwiSaver rate will mean more of your contributions will go to KiwiSaver and less to In-Tandem. If Westpac is currently contributing 3%, this will increase to 3.5%



The following tables set out the impact on your contributions and Westpac's contributions based on your membership category:

Scheme membership	Impact of Changes	Current Contributions		Contributions from 1 April 2026	
		Member	Westpac	Member	Westpac
I'm a member of <b>KiwiSaver only</b> <i>(I'm not a member of In-Tandem)</i>	From 1 April 2026 your contribution and Westpac's contribution will <b>increase by 0.5%</b> .	3.0%	3.0%	3.5%	3.5%

Scheme membership	Impact of Changes	Current Contributions		Contributions from 1 April 2026	
		Member	Westpac	Member	Westpac
I'm a member of <b>In-Tandem only</b> <i>(I'm not contributing to KiwiSaver)</i>	No change. From 1 April your contributions will <b>remain the same</b> according to your membership category:				
	<b>Membership Category</b>	Member	Westpac	Member	Westpac
	<u>Management (Cat E)</u>	4.8%	10.0%	4.8%	10.0%
	<u>Pre-Management (Cat F) 2 or more years' service</u>	4.0%	6.0%	4.0%	6.0%
	<u>Pre-Management (Cat F) less than 2 years' service</u>	4.0%	0.0%	4.0%	0.0%
<u>Fixed term/Casual (Cat G)</u>	4.0%	0.0%	4.0%	0.0%	

Scheme membership	Impact of Changes	Current Contributions		Contributions from 1 April 2026		
		Member	Westpac	Member	Westpac	
<b>'Combo' option:</b> I'm a member of both KiwiSaver and In-Tandem and have elected to split my contributions between the two schemes under the 'Combo' option	If you are <b>Management</b> or <b>Pre-Management with 2 or more years' service</b> , the contribution <b>split will change</b> between the two schemes, but Westpac's and your contribution <b>totals will remain the same</b> .					
	If you are <b>Pre-Management with less than 2 years' service</b> or <b>Fixed Term</b> or <b>Casual</b> , your contribution amount will remain the same, but the contribution <b>split will change</b> between the two schemes and Westpac's contribution will <b>increase by 0.5%</b> .					
	<b>Membership Category</b>	Member	Westpac	Member	Westpac	
	<u>Management (Cat E)</u>	KiwiSaver In-Tandem Total	3.0% <u>1.8%</u> <b>4.8%</b>	3.0% <u>7.0%</u> <b>10.0%</b>	3.5% <u>1.3%</u> <b>4.8%</b>	3.5% <u>6.5%</u> <b>10.0%</b>
	<u>Pre-Management (Cat F) 2 or more years' service</u>	KiwiSaver In-Tandem Total	3.0% <u>1.0%</u> <b>4.0%</b>	3.0% <u>3.0%</u> <b>6.0%</b>	3.5% <u>0.5%</u> <b>4.0%</b>	3.5% <u>2.5%</u> <b>6.0%</b>
	<u>Pre-Management (Cat F) less than 2 years' service</u>	KiwiSaver In-Tandem Total	3.0% <u>1.0%</u> <b>4.0%</b>	3.0% <u>0.0%</u> <b>3.0%</b>	3.5% <u>0.5%</u> <b>4.0%</b>	3.5% <u>0.0%</u> <b>3.5%</b>
	<u>Fixed term/Casual (Cat G)</u>	KiwiSaver In-Tandem Total	3.0% <u>1.0%</u> <b>4.0%</b>	3.0% <u>0.0%</u> <b>3.0%</b>	3.5% <u>0.5%</u> <b>4.0%</b>	3.5% <u>0.0%</u> <b>3.5%</b>



Scheme membership	Impact of Changes	Current Contributions		Contributions from 1 April 2026		
<b>Non-Combo</b> I'm a member of both KiwiSaver and In-Tandem but haven't elected the 'Combo' option	If you are <b>Management</b> or <b>Pre-Management with 2 or more years' service</b> , your contribution will <b>increase by 0.5%</b> . Westpac's total employer contribution will remain the same, but the contribution <b>split will change</b> between the two schemes.					
	If you are <b>Pre-Management with less than 2 years' service</b> or <b>Fixed Term</b> or <b>Casual</b> , both your contribution and Westpac's contribution will <b>increase by 0.5%</b> .					
	<b>Membership Category</b>		Member	Westpac	Member	Westpac
	<u>Management (Cat E)</u>	KiwiSaver	3.0%	3.0%	3.5%	3.5%
		In-Tandem	<u>4.8%</u>	<u>7.0%</u>	<u>4.8%</u>	<u>6.5%</u>
		<b>Total</b>	<b>7.8%</b>	<b>10.0%</b>	<b>8.3%</b>	<b>10.0%</b>
	<u>Pre-Management (Cat F) 2 or more years' service</u>	KiwiSaver	3.0%	3.0%	3.5%	3.5%
	In-Tandem	<u>4.0%</u>	<u>3.0%</u>	<u>4.0%</u>	<u>2.5%</u>	
	<b>Total</b>	<b>7.0%</b>	<b>6.0%</b>	<b>7.5%</b>	<b>6.0%</b>	
<u>Pre-Management (Cat F) less than 2 years' service</u>	KiwiSaver	3.0%	3.0%	3.5%	3.5%	
	In-Tandem	<u>4.0%</u>	<u>0.0%</u>	<u>4.0%</u>	<u>0.0%</u>	
	<b>Total</b>	<b>7.0%</b>	<b>3.0%</b>	<b>7.5%</b>	<b>3.5%</b>	
<u>Fixed term/Casual (Cat G)</u>	KiwiSaver	3.0%	3.0%	3.5%	3.5%	
	In-Tandem	<u>4.0%</u>	<u>0.0%</u>	<u>4.0%</u>	<u>0.0%</u>	
	<b>Total</b>	<b>7.0%</b>	<b>3.0%</b>	<b>7.5%</b>	<b>3.5%</b>	

Scheme membership	Impact of Changes
<b>Not a member</b> of KiwiSaver or In-Tandem	If you are not a member of either KiwiSaver or In-Tandem, the <b>changes don't affect you</b> . You may, however, wish to consider whether it is a suitable time to join one of the schemes (or both) to start building your retirement savings.

**Note:**

1. Category E and F members can elect to contribute at a higher percentage of salary than the default amounts. In this case your contribution percentages may be higher but the same principles apply.
2. Salary for the purposes of In-Tandem has the meaning given in the product disclosure statement, and is different to the salary definition for KiwiSaver, so any contribution split between the two schemes may not be exactly in the ratio described above and may be calculated on a different amount than your remuneration paid in any particular pay period. See the member booklet and product disclosure statement available at [www.westpacnzstaffsuper.co.nz/](http://www.westpacnzstaffsuper.co.nz/) for more information.
3. Contributions are calculated on your before-tax salary. Member contributions are deducted from your after-tax salary. Employer superannuation contribution tax is deducted from Westpac contributions before they are credited to In-Tandem or KiwiSaver.
4. The illustrations above assume that KiwiSaver contributions are at the default rate. Your contributions and the allocation as between In-Tandem and KiwiSaver will differ if you have taken a temporary rate reduction for KiwiSaver. This is discussed further below.
5. Entitlements to employer contributions to In-Tandem are subject to vesting, which is the percentage of your Company Account you are entitled to receive, depending on how long you have been a Scheme member (Category E) or in Service (Category F). For more information see the In-Tandem member booklet and product disclosure statement available at [www.westpacnzstaffsuper.co.nz/](http://www.westpacnzstaffsuper.co.nz/).



## With the government increasing the amount employers are required to contribute to KiwiSaver, can Westpac reduce the amount it contributes to In-Tandem by the same amount?

Yes, In-Tandem is designed to integrate with KiwiSaver so the contribution rates to In-Tandem are expressed as a total contribution amount, and any contributions Westpac is required to make to KiwiSaver are deducted from this amount.

## Why is the total company contribution remaining the same?

Understanding the design of In-Tandem helps explain this. Through In-Tandem, Westpac offers staff a higher employer contribution rate than available through KiwiSaver. Westpac thinks saving for retirement is important, which is why Westpac's contribution rates are already higher than most other New Zealand organisations.

Some employees choose for all their contributions to go to In-Tandem; others choose to split their contributions (using the Combo option) between In-Tandem and KiwiSaver to take advantage of the government's KiwiSaver incentives. To provide this flexibility, the rules of the scheme (as set out in the member booklet and trust deed), specify a total employer contribution. If an employee chooses to direct some of their contributions to KiwiSaver, any amount the employer is required to contribute to KiwiSaver is deducted from the company's total contribution, and the balance then goes to In-Tandem.

## What incentives remain to contribute to KiwiSaver?

When KiwiSaver was first announced there were a number of government incentives to encourage members to join, including:

- a Kick-start contribution of \$1,000;
- employer contributions were tax free; and
- the government made a matching \$1 for \$ contribution up to \$1,042 per annum.

These have been progressively removed or reduced, so from 1 July 2025 the only remaining incentive is a matching government contribution of 25c for each \$1 employees contribute up to a cap of \$260.72 per year (employees who earn more than \$180,000 p.a. are not eligible).

With the reduction in the government's incentives, some employees may decide there is no longer sufficient incentive to lock away funds to age 65, so might apply to go on a KiwiSaver contribution suspension and instead direct all their contributions to In-Tandem. The flexibility of the In-Tandem design allows you to make these decisions.

## Will this impact my take home pay?

If you are a member of KiwiSaver but have not joined In-Tandem and elected the Combo option, the increase in your KiwiSaver contribution from 1 April 2026 will reduce your take home pay.

If you are a member of both KiwiSaver and In-Tandem and elected the Combo option, the split of your contributions between the two schemes will change but your take home pay will remain the same.



## What if I can't afford an increase in my contribution amount or don't want to change it?

- If you are a member of both KiwiSaver and In-Tandem and have elected the Combo option, your total contributions won't change.
- If you are a member of KiwiSaver, you can apply to the IRD for a temporary rate reduction to maintain your contribution at 3% or to suspend your contributions. Westpac's employer contribution will reduce by the same amount.
- If you are member of both KiwiSaver and In-Tandem but haven't elected the Combo option, you could reduce your KiwiSaver contribution (as described above) or you could elect to go onto the Combo option. Going to the Combo option would mean your overall contributions would then decrease to the In-Tandem Combo default amounts, as illustrated above. You could elect to contribute at a higher percentage if you wish to keep your contribution to savings at about the same level as in the non-Combo option.

## What if I want all future contributions to go to In-Tandem?

If you are a member of both KiwiSaver and In-Tandem and are eligible to receive an employer contribution (i.e. you are a Management employee or a Pre-Management employee with more than 2 years' service), you can apply to the IRD to suspend your KiwiSaver contributions. If you have elected the Combo option, your total contributions won't change but your contribution and Westpac's contribution will then all go to In-Tandem.

If you haven't elected the Combo option, you can suspend your KiwiSaver contribution and then elect to increase your contribution amount to In-Tandem to keep the total contributions at the same level.

## I have elected the Combo option so more of my contributions will go to KiwiSaver and less to In-Tandem. Can I increase my contribution so the amount going to In-Tandem stays the same?

Yes, you can elect to contribute to In-Tandem at a higher rate than the minimum amount to keep your contributions to In-Tandem at the same level. Westpac's contribution won't change so you may wish to increase your contribution further to compensate for more of the employer contribution going to KiwiSaver and less to In-Tandem.

## What do I need to do?

If you are happy for your KiwiSaver contribution to increase from 3% to 3.5%, **no action is required** as Payroll will automatically apply the change for the 1 April 2026 pay date.

If you want to maintain your contributions at the current level of 3% (or suspend your contributions to KiwiSaver), you can apply to the IRD for a temporary rate reduction or savings suspension. While a reduction is in place, Westpac's employer contribution will also be reduced.



To take a temporary rate reduction, you will need to:

- Apply to IRD via myIR. You can do this from 1 February 2026
- Then make a change to your KiwiSaver contributions in Workday via the WNZL - Superannuation and KiwiSaver, Request for KiwiSaver Contribution Changes or New Enrolment menu option. Please upload a copy of your IRD letter confirming acceptance of the rate reduction.

If you want to take a savings suspension in In-Tandem, use the relevant form available at [www.westpacnzstaffsuper.co.nz/](http://www.westpacnzstaffsuper.co.nz/).

## Need advice?

Westpac employees can meet with a Westpac Financial Adviser for a confidential and obligation-free consultation. Call them on 0800 942 822.

They can:

- Help you put your financial information together;
- Define your goals by discussing your needs, objectives and financial situation;
- Provide you with a personalised investment portfolio; and
- Help you put your investment plan into action.

## Where to find out more about In-Tandem

The product disclosure statement and other useful information for In-Tandem is available at [www.westpacnzstaffsuper.co.nz/](http://www.westpacnzstaffsuper.co.nz/).

For any further information, please contact Helpline on **0508 IN TANDEM (0508 468 263)**.