



(Kiwibank n.d.)

More about us

Back in 2002, we launched with a thought: New Zealand needs a better banking alternative—a bank that provides real value for money, that has Kiwi values at heart, and that keeps Kiwi money where it belongs—right here, in New Zealand.

So we set up shop in PostShops throughout the country, putting us in more locations than any other bank in New Zealand literally overnight (without wasting millions on new premises!).

Where that thinking got us

Just a few short years later, we have more than 650,000 customers, with hundreds more joining each week.

We have more than 800 Kiwibank staff around the country and a nationwide ATM network. We're in more than 300 PostShops, which means we can stay open longer than other banks, even on weekends in many places.

We've got what you need

Kiwibank's full range of accounts and services are leading the charge.

Personal banking – home loans, personal loans, credit cards, everyday accounts, savings accounts, investments and insurance.

Business banking – lending, cheque accounts, savings accounts, credit cards, investments, merchant services and insurance.

International services – online and manual international money transfers, foreign exchange and Foreign Currency Accounts and travellers' cheques.

All the banking services you could possibly need including internet, phone and mobile banking, txt and email alerts, online and email statements, a nationwide network of ATMs —the works!

Some of our great thinking

We're challenging the Aussie banks and their old fashioned thinking. As well as being voted New Zealand's Most Trusted Bank three years in a row at the Readers Digest Trusted Brand Awards, we are:

■ Giving you better value

Our great deals have seen us win the Sunday Star-Times CANSTAR (previously CANNEX) Supreme Award for best value bank in 2006, 2007, 2008, 2009 and 2010.

■ Lowering your costs

We were the first bank to give you a free electronic transaction account that still lets you use a branch occasionally — for free. We also launched a new type of credit card to help Kiwis save on fees —Kiwibank MasterCard Zero, where you pay no account fee if you use your card at least once every three months*.

■ Guaranteeing our home loans

Kiwibank Home Loans are guaranteed to save you money on the overall cost of your home loan over the first six years compared with any equivalent home loan from the big banks**

■ Giving you the good stuff, first

We were first to introduce real time mobile phone banking, beating the world's biggest banks to win the international 2007 Financial Innovation Award. We were also the first bank in New Zealand to launch a PIE Term Deposit Fund, TXT alerts and online international money transfers.

* An inactivity fee and service fees may apply.

**The big banks are ANZ, ASB (excluding BankDirect), BNZ, National Bank and Westpac.

New Zealand Post guarantee

New Zealand Post Limited, our parent company, has guaranteed our payment obligations, including any payment obligation in respect of any deposit made with us. The guarantee does not apply to payment obligations where the terms of the obligation expressly provide in writing that the obligation will not have the benefit of the guarantee.

This means that the guarantee does not apply to unsecured, subordinated bonds issued by us. The guarantee is not secured and its amount is not limited. The guarantee is unconditional and is terminable by New Zealand Post Limited upon three months' notice to us. Any such termination does not affect any existing payment obligations owed under the guarantee at the termination date.

Conditions

Free Up is not available to companies, trusts or organisations. Service fees may apply. Limits apply to phone banking. Download Kiwibank's

Investment Statement for Term Deposits (PDF 657 KB) and Disclosure Statement (PDF 1.5 MB) or pick up copies from your local Kiwibank.

Units in the Kiwibank PIE Term Deposit Fund are distributed by Kiwibank and are issued by Kiwibank Investment Management Limited. Download the

Investment Statement for Kiwibank PIE Term Deposit Fund (PDF 279 KB) or pick up a copy from your local Kiwibank.

History of New Zealand Post

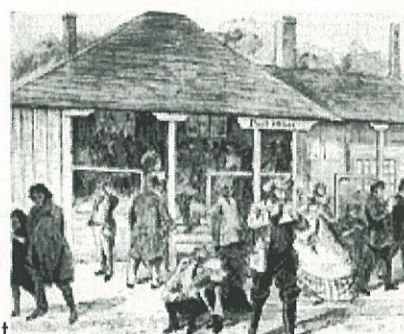
New Zealand Post has a rich history stretching back 170 years. From the early 1830s when whalers, missionaries and traders had to rely on occasional passing ships, to the present as a successful commercial entity competing in local and global markets.

- [The Early Years](#)
- [The Post Office – a Government Department](#)
- [Becoming a State-Owned Enterprise](#)
- [The Arrival of Competition](#)
- [Our Recent History- 1987 to Today](#)

The Early Years

The earliest forms of postal communication within New Zealand and to and from its shores were haphazard at best – the first whalers, missionaries and traders having to rely on occasional passing ships for inwards and outwards communications.

During the 1830s, several Bay of Islands merchants were delegated the responsibility for inward and outward mail by the Postmaster-General of New South Wales. In 1840, the first official Post Office in New Zealand was opened at Kororareka, when Captain Hobson, the newly appointed Lieutenant-Governor, arrived in the Bay of Islands and appointed William Clayton Hayes as Clerk to the Bench of Magistrates and Postmaster. Within six months, Hayes was suspended from duty – the first civil servant to incur this penalty in New Zealand – for neglect of duty and continual inebriety.



Post Office, Auckland, 1864

When New Zealand was established as a Crown Colony independent of New South Wales in 1841, HM Treasury in London, unaware that Captain Hobson had already created a Post Office under his control, issued a Warrant establishing the Post Office in New Zealand under British Post Office control. Change of control did not in fact take place until some 18 months later, and was returned to Colonial control again in 1850.

The establishment of settlements across North and South Islands meant the need for an internal postal service was becoming more and more important, however New Zealand's geography, and ongoing wars between Maori and Europeans and inter-tribal fighting hindered communication. At the time, shipping mail coast-to-coast, although inefficient, was the most reliable means of transporting mail around the country. A monthly shipping service to Sydney, where mail was exchanged with outbound and inbound London ships saw the first regular overseas mail service established.

The Local Posts Act of 1856 and the Post Office Act of 1858 signalled a period of growth for the New Zealand Post Office. The Local Posts Act gave provincial councils the authority to create their own mail services and local Post Offices, while the Government continued to maintain the overland trunk postal routes and the head Post Office in each province. The Post Office Act repealed the Local Posts Act, establishing the Post Office as a separate government department, reporting to the Postmaster General, and providing for its administration.

By the end of the 1860s, 'postie' deliveries and private boxes had been introduced, agency services for other government departments were offered at Post Offices, a money order service was available and the Post Office

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Savings Bank had opened. The discovery of gold in the South Island and the boom of New Zealand's railway, roads and communication infrastructure as part of Julius Vogel's public works and assisted migration programme in the 1870s did much to facilitate the growth of the postal network. By 1880 there were over 850 post offices. The following year, the merger of the Electric Telegraphs Department with the Post Office Department created the enlarged New Zealand Post and Telegraph Department, which later became the New Zealand Post Office.

The Post Office – a Government Department

The New Zealand Post Office entered the 20th century as a burgeoning government department with over 1,700 branches.



Rapid growth of the Post Office continued throughout the century, with its broad role as post office, savings bank and telephone exchange cementing its place in New Zealand society. Public demand for its services, including the growth of private telephones in people's homes, and the introduction of internal and international airmail services in the 1930s, enabling faster, more efficient mail services, ensured its future.

By the middle of the century, the Post Office was a complex and financially successful organisation – fulfilling political, social and economic needs. Its role in the community was expansive. Beyond the traditional communication services, the Post Office provided important community services including registering births, marriages, deaths and cars, accepting television and fishing licence fees, enrolling people to vote, and collecting pensions. Post Offices also provided daily weather and temperature checks for the Meteorological Office, and postmasters were able to perform marriage ceremonies.

In the 1960s and 70s steps were taken towards better managing the ever-increasing volumes of national and international mail: the installation of New Zealand's first mechanical mail sorting machine in the Auckland parcel depot, and the introduction of address postal codes to simplify bulk mail sorting. However, increasingly the tension between political and commercial pressures meant the business was not operating efficiently.

By the 1980s, the variety of roles, the sometimes-conflicting needs of three different businesses, and political considerations were major constraints on the Post Office. It was increasingly unable to meet growing consumer demands and the postal side alone was losing over \$20 million a year, with expectations that this would balloon in the future.

In 1985, Jonathan Hunt, Postmaster General, ordered a review of the organisational and management structure of the Post Office. The subsequent Mason-Morris report of 1986 called for sweeping changes, separating the three core businesses to operate as independent State-owned corporations.

Becoming a State-Owned Enterprise

On 1 April 1987 the New Zealand Post Office was 'corporatised' and its core businesses split into three separate companies - Telecom, Post Bank and New Zealand Post. Each company was set up as a State-Owned Enterprise (SOE) and was expected to operate as a commercial entity.

The State-Owned Enterprises Act 1986 required New Zealand Post to operate as a successful business and to be:

- as profitable and efficient as comparable businesses not owned by the Crown
- a good employer
- an organisation that exhibits a sense of social responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when it is able to do so.

The Act also spelled out the broad nature of the Crown's ownership of the company, defining the role of directors and outlining the responsibilities of shareholding Ministers. The reporting requirements for SOEs are also outlined in the Act.

The Act creates an arms-length relationship by distancing management tasks from political control. Under the Act, the Government must fund any non-commercial activities that the Government wants carried out.

Other regulatory instruments include five legal documents shaping New Zealand Post's business charter as a state owned enterprise. They are:

- The Constitution of New Zealand Post
- The Postal Services Act 1998
- The Commerce Act 1986
- The Fair Trading Act 1986
- The Companies Act 1993

One of the major innovations of the State-Owned Enterprise Act was the introduction of a Statement of Corporate Intent for New Zealand Post. This was designed to bring accountability to the new business, accounting policies and performance targets. The Statement of Corporate Intent is updated annually and records the information required for New Zealand Post Limited for the following three years. Performance updates are presented to the shareholding Ministers and Parliament through half-yearly and annual reports.

In 1989 a Deed of Understanding between New Zealand Post and the Government was first established, setting out certain social, price and service undertakings to be met by the company. The Deed was updated in 1998 to reflect the newly competitive environment for postal services. The Deed cements New Zealand Post's position as the provider of a universal postal service for all New Zealanders.

The arrival of competition

On 1 April 1998, the Postal Services Act 1998 was passed, deregulating the New Zealand postal market and opening it to full competition. In all other products and activities New Zealand Post was already operating in a competitive market.

New Zealand Post had been preparing for competition since it became a State-Owned Enterprise in 1987, with the impact of deregulation always being included as a scenario in the company's business plans.

The Act removed New Zealand Post's monopoly on the delivery of the standard letter, resulting for the first time in 150 years, in full competition in postal services.

Under current regulations anyone can now process and deliver mail, at any cost, as long as they register as a postal operator with the Ministry of Economic Development.

Under deregulation New Zealand Post is still required to provide a universal service – delivery throughout New Zealand under the Deed of Understanding.

There are currently more than 25 individual postal operators, including New Zealand Post, registered on the Postal register with the Ministry of Economic Development.

Our recent History - 1987 to Today

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| 1987 | <ul style="list-style-type: none">• The old New Zealand Post Office splits into three separate state owned enterprises on 1 April – New Zealand Post Limited, Telecom Corporation of New Zealand Limited, and Postbank Limited.• SOE Minister announces that 432 Post Offices are too close with 560 jobs to go (16 October). |
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1988	<ul style="list-style-type: none">• New Zealand Post announces a first year after tax profit of \$72 million and a 25 percent cut in recurring costs (for year ending March 1988).• Mail re-classified by size not weight, with three price steps - medium, large and extra large envelopes (a world first for the postal industry).• FastPost, the overnight mail delivery service, introduced.• Datamail, a 50/50 joint venture direct marketing business established, offering business customers a bulk mail data processing and address labelling service.• Government announces its intention to sell New Zealand Post and deregulate the postal market.
1989	<ul style="list-style-type: none">• Government advises New Zealand Post that it has 'decided not to proceed to full competition in postal services.' Instead, there will be a staged programme of deregulation.• CourierPost and its innovative Tracking technology launched in August.• End of year after tax profit - \$31 million.
1990	<ul style="list-style-type: none">• New Zealand Post establishes its own airline, Airpost, in a joint venture with Airworks (NZ) Limited.• End of year after tax profit - \$53 million.
1991	<ul style="list-style-type: none">• Standard letter price raised from 40 cents to 45 cents.• End of year after tax profit - \$30 million.
1992	<ul style="list-style-type: none">• Rural Delivery fee doubled from \$40 to \$80 per year (1 April).• The first of seven OCR (Optical Character Recognition) machines are installed in Auckland, Wellington and Christchurch Mail Centres.• End of year after tax profit - \$5 million.
1993	<ul style="list-style-type: none">• Elmar Toime appointed chief executive.• National Government pledges that New Zealand Post will not be put up for sale in the foreseeable future.• End of year after tax profit - \$37.4 million.
1994	<ul style="list-style-type: none">• New Zealand Post named 'Company of the Year' in the Deloitte/Management magazine top 200 company awards.• End of year after tax profit - \$66.7 million
1995	<ul style="list-style-type: none">• Rural Delivery fee abolished.• Standard letter price reduced from 45 cents to 40 cents in October.• End of year after tax profit - \$72.4 million.
1996	<ul style="list-style-type: none">• Letter volume growth of 5 percent achieved for the fourth year in a row.• New Zealand Post International Limited set up to develop an international advisory service.• Free Post day results in a record 6.7 million letters posted on 1 July.• End of year after tax profit - \$75.2 million.
1997	<ul style="list-style-type: none">• PostLink II – a revolutionary computerised point of sale system – is rolled out to 296 PostShops. It is the first fully integrated Eftpos system in Australasia (February).• All PostShops gain ISO 9000 accreditation.
1998	<ul style="list-style-type: none">• Acquisition of XP Group (NZ) Ltd in January.• Deregulation of standard letter market from 1 April.• Rural delivery points exceed 150,000 for the first time.• End of year after tax profit - \$18 million.

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- 1999**
- Profit and letter volumes increase despite first full year of competition.
 - New Zealand Post wins Best Corporate Strategy Award (Management Top 200 Awards 1998) for its deregulation strategy.
 - New Zealand Post International Limited wins five-year management contract for Trinidad and Tobago Post.
 - Acquisition of Ansett Express Ltd in July.
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- 2000**
- Total mail volumes increase 5 percent, driven mainly by strong growth in unaddressed advertising mail, with letter mail volumes static over the same time the previous year.
 - Australian courier business, Couriers Please, purchased in July.
 - The Electoral Enrolment Centre maintains enrolment levels at 91 percent.
 - Tax paid profit of \$30 million, up 31 percent on the previous year.
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- 2001**
- Domestic letter volumes fall by 1.6 percent.
 - Strong growth (4.6 percent) in unaddressed advertising mail.
 - Service performance above target at 95.7 percent of mail delivered on time.
 - Shareholding Ministers approve the provision of equity to establish banking services.
 - New Zealand Post wins Deloitte/Management Top 200 Brookfields Business Ethics Award.
 - Tax paid profit of \$21.0 million.
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- 2002**
- Kiwibank launches successfully with 211 branches open nationwide by 30 June.
 - Transend signs a two-year management services contract with Maltapost and takes a 35 percent equity share.
 - The mail out of 2.6 million enrolment update packs contributes to the highest ever mail volumes in one day with 6.9 million items processed.
 - The Electoral Enrolment Centre increases enrolment levels to 94.2 percent by Election Day.
 - Service performance increases to 96.1 percent mail delivered on time.
 - Tax paid profit of \$21.9 million.
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- 2003**
- John Allen appointed as Chief Executive of New Zealand Post.
 - Kiwibank customer numbers increase to 147,000, with 285 Kiwibank branches nationwide.
 - New Zealand Post's retail network handles close to 19 million financial transactions on behalf of more than 60 of the country's major organisations collecting around \$2.75 billion in payments.
 - In May, Red Tickets sells 26,000 tickets for the Blues v Crusaders Super 12 final at Eden Park, Auckland, in just 80 minutes.
 - Email marketing specialist, MessageMedia, handles 7.5 million client e-mails over 12 months.
 - Tax paid profit of \$27.1 million.
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- 2004**
- Service performance measure of on-time delivery of mail reaches 96.8 percent – one of the best annual results achieved.
 - New Zealand Post acquires WH Smith's 50 percent shareholding in Books & More, making it a wholly-owned subsidiary of New Zealand Post.
 - Datamail acquires a 75 percent shareholding in Australian outsource company, Outsource Australia.
 - The standard postage rate increases from 40 cents to 45 cents in April.
 - The number of Kiwibank branches increases by 16 to 301.
 - Kiwibank customer numbers exceed 250,000 by 30 June.
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- 2005**
- The 50:50 joint venture between New Zealand Post and DHL for Express Couriers Limited (ECL) takes effect from 1 January.
 - Overall mail volumes increase by 1.4 percent.
 - Kiwibank launches business banking aimed at small and medium businesses.
 - Our first coloured coins are released on behalf of the Reserve Bank of New Zealand, to commemorate the 90th anniversary of the first major military action fought by the ANZACs at Gallipoli.
 - The Electoral Enrolment Centre enrolls 95.2 percent of the estimated eligible voting population
 - After tax profit of \$137.2 million reflects the significant contribution of the joint venture through ECL – excluding the gain on sale of the joint venture, net profit after tax of \$58.6 million.
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- 2006**
- New Zealand Post's new four-digit postcode system is launched on 1 June.
 - Kiwibank acquires a 51 percent shareholding in New Zealand Home Loans.
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- New mail processing technology is installed at Te Puni Mail Centre in Wellington, and the Dunedin mail centre as part of an \$80 million investment in future-proofing our postal business.
- After tax profit of \$68.7 million.
- Datamail acquires Moore Gallagher's mailhouse business in April.
- As part of the Year of the Dog stamp issue, a Braille stamp is issued for the first time in New Zealand.
- Mobile banking is launched by Kiwibank – the first of its kind in New Zealand.
- One million postage-included envelopes are provided to more than 4,200 community groups through our Community Post programme.

2007

- Kiwibank is recognised as the Best Value for Money Bank in the Sunday Star-Times Cannex Banking Awards for the second year.
- Datamail launches its direct marketing delivery business, Kinetic121 in February.
- Our new International Economy Courier Service is launched in April.
- Our first mail centre built using sustainable principles opens in Waikato in June.
- CourierPost begins rewarding small and medium business customers with Fly Buys.
- After tax profit of \$70.2 million.
- The price of a full rate domestic letter went from 45 to 50 cents on 1 June – the first rate rise in three years.
- Lost time injuries are down by 46 percent in our Delivery branches.

2008

- Cannex Best Value Bank for Kiwibank three years in a row.
- Six companies come together to form new Express Couriers Australia joint venture with DHL.
- After tax profit of \$110.2 million.
- Our first ever Corporate Responsibility Index was 51 percent.
- 23.3 percent reduction on lost time injury rate across the New Zealand Post Group.
- Datamail won a Vero Excellence Award.
- World Mail Award won by our Retail Group.

2009

- Kiwi Group Holdings established as a holding company owning Kiwibank, Kiwi Insurance Ltd and 76 percent of New Zealand Home Loan Company.
- New Zealand Post Group posts net profit after tax of \$71.8 million.
- Total mail volume falls 6.7 percent.
- Express Couriers Australia joint venture renamed 'Parcel Direct Group'.
- John Allen departs after six years as Group CEO. Kiwibank CE Sam Knowles is acting CEO until Brian Roche's appointment in early 2010.

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www.TeAra.govt.nz/1966/P/PostOffice/en