



WORKING FOR NEW ZEALAND

One year into its third term, the National-led Government continues to deliver on four priorities to help build a stronger, more prosperous country, with more jobs and higher incomes, and more opportunities for families to get ahead.

1. RESPONSIBLY MANAGING THE GOVERNMENT'S FINANCES

- ✓ Reduced the government's deficit from \$2.9 billion last year to near balance – turning around the \$18.4 billion deficit of four years ago.
- ✓ Maintained new spending at \$1 billion a year.
- ✓ Limited Crown debt to 26% of GDP. This compares with government debt of 87% of GDP in the United States, 78% in the United Kingdom, and 72% in the OECD on average.

Next steps:

- Return the government's books to surplus.
- Reduce Crown debt to 20% of GDP by 2020.
- Further reduce ACC levies.
- Begin reducing income tax from 2017 subject to fiscal conditions.
- Use any further surpluses to pay down debt.

2. BUILDING A MORE PRODUCTIVE AND COMPETITIVE ECONOMY

GROWING JOBS AND INCOMES

- ✓ Signed a free trade agreement with Korea.
- ✓ Lifted research and development support for innovative companies to more than \$160 million a year.
- ✓ Completed the Tauranga Eastern Link highway, future-proofed a Waitemata Harbour Second crossing, began upgrading the airport motorway in Auckland, and announced \$333 million for urban cycleways.
- ✓ Released regional growth studies in Northland, Bay of Plenty, and Manawatu-Whanganui to identify regional opportunities for investment, growth, and more jobs.
- ✓ Held job fairs in Australia to encourage skilled Kiwis to come home and skilled Australians to work here.
- ✓ Launched a 30-year infrastructure plan that includes 145 initiatives to strengthen asset management.
- ✓ Reached the half-way mark in the Ultra-Fast Broadband (UFB) rollout. 720,000 homes and businesses can now connect. Eleven towns and cities are fully fibred and 2300 schools are connected.
- ✓ Continued our rural broadband upgrade. 270,000 homes and businesses can now access faster broadband.
- ✓ Extended the Telecommunications Development Levy to fix mobile blackspots and fund more rural broadband.
- ✓ Joined the WTO's Government Procurement Agreement allowing Kiwi companies to bid for \$1.7 trillion in overseas government contracts
- ✓ Welcomed three million visitors in one year for the first time as a result of increased tourism marketing and the Tourism Growth Partnership.

- ✓ Continued to grow international education to an industry worth \$2.85 billion that supports 30,000 jobs.
- ✓ Reformed health and safety to make workplaces safer and launched the Safer Farms programme.

Next steps:

Update and expand the Business Growth Agenda:

- Expand export markets in South-East Asia and South America. Complete negotiations for the Trans Pacific Partnership and a China FTA "upgrade".
- Boost innovation through R&D grants, regional research institutes, and 3 new ICT graduate schools.
- Develop practical initiatives to boost land productivity. Continue to invest \$400 million in water storage and irrigation across regional New Zealand.
- Support regional growth through the Regional Investment Attraction Programme, Regional Business Partner Network, and Regional Business Hubs.
- Further improve regional infrastructure and transport:
 - Start building the Puhoi-to-Wellsford Highway, Transmission Gully, and regional state highway projects. Complete construction on the Waterview Connection and the Kapiti Expressway.
 - Extend ultra-fast broadband to at least 80% of homes by rolling it out to smaller towns.
- Work to make sure all young people have the skills and qualifications for success in life, and tertiary education and training delivers the skills industry needs.
- Reduce red tape through the Rules Reduction Taskforce.

MAKING HOMES MORE AFFORDABLE

- ✓ Signed further Housing Accords. Councils are freeing up land with the potential for 51,000 new homes.
- ✓ Started to constrain building materials and compliance costs and rein in development charges.

Next steps:

- Progress a second phase of RMA reforms to help address long-term housing supply issues.
- Introduce new tax measures from 1 October to ensure housing investors pay their fair share of tax.

3. DELIVERING BETTER PUBLIC SERVICES

HELPING FAMILIES GET AHEAD

- ✓ Provided free GP visits and prescriptions to children aged under 13.
- ✓ Increased paid parental leave from 14 to 16 weeks and increased parental tax credits.
- ✓ Introduced KiwiSaver HomeStart grants to provide up to \$20,000 for couples towards their first home.
- ✓ Reduced ACC levies so that vehicle owners are better off on average by \$135 a year.
- ✓ Fully immunised 94% of eight-month-olds.
- ✓ Insulated 14,000 more homes. Over 300,000 homes have been insulated by the National-led Government.

Next steps:

- Further increase paid parental leave to 18 weeks and extend it to more people on 1 April 2016.
- Further reduce ACC levies to put around \$500 million into the pockets of families and businesses.

IMPROVING HEALTHCARE

- ✓ Increased elective operations by 5000 to a record 167,000 in 2014/15 – 50,000 more than in 2007/08.
- ✓ Boosted hospice and palliative care funding by \$13 million a year.
- ✓ Increased rest home bed subsidies by 5%.
- ✓ Invested an extra \$400 million in Health. The health budget is a record \$15.9 billion this year.

Next steps:

- Speed up cancer treatment so patients are treated within 62 days of a GP suspecting cancer.
- Recruit more nurse specialists and palliative care educators.
- Continue to improve care for people with long-term health conditions
- Expand free drop-in sore throat clinics to target 90,000 children at risk of rheumatic fever.
- Roll out Healthy Families NZ to communities to encourage healthier lifestyles.

LIFTING ACHIEVEMENT IN EDUCATION

- ✓ Increased Early Childhood Education (ECE) participation to 96.2%.
- ✓ Lifted NCEA Level 2 achievement to 81% of 18-year-olds.
- ✓ Started the first Communities of Schools so children will benefit from greater collaboration and shared expertise. 42 communities of schools have been created with over 330 schools and 120,000 children.
- ✓ Continued to connect schools to the Network for Learning. Over 2000 schools are now connected.
- ✓ Raised our Better Public Services tertiary target so 60% of 25-to 34-year-olds will have a qualification at Level 4 or above in 2018 (up from 55% in 2017).
- ✓ Established a new professional body for teachers.
- ✓ Confirmed two new ICT Graduate Schools in Christchurch and Auckland.
- ✓ Expanded Māori and Pasifika Trades Training.
- ✓ Committed \$11.5 million over four years to help support deaf children, their families, and schools.
- ✓ Established a \$10 million contestable fund to increase Asian language teaching in schools.

Next steps:

- Invest \$244 million to build new schools and kura.
- Add an extra 241 classrooms to existing schools.
- Provide \$100 million of modern, multi-purpose, transportable classrooms for schools over 10 years.
- Add 300 extra places in Trades Academies to help students achieve NCEA Level 2 while gaining skills.
- Boost special education by \$62.9 million to help children with special needs.
- Require universities, wānanga, and polytechnics to publish information about the employment status and earnings of graduates by degrees and diplomas.

SUPPORTING VULNERABLE CHILDREN AND FAMILIES

- ✓ Introduced new child safety checks and launched Children's Teams in Hamilton and Marlborough.
- ✓ Set up an expert panel to overhaul CYF and get better outcomes for children in care.
- ✓ Aligned the accommodation benefit for studying sole parents with the accommodation supplement.
- ✓ Raised the minimum wage to \$14.75 an hour.

Next steps:

- Invest \$790 million to help reduce hardship in New Zealand's lowest income families:
 - Increase work obligations for sole parents on a benefit.
 - Provide more childcare assistance for low-income families to help parents work or study.
 - Increase benefits by \$25 a week for families with children – the first lift since 1972.
 - Boost Working For Families for low-income working families by up to \$12.50 a week.
- Extend paid parental leave for parents of pre-term babies.
- Establish a child sex offender register to help manage risks posed by child sex offenders.
- Extend the Youth Service to 19-year-old parents and 18- and 19-year-olds at risk.
- Reduce the number of working-age people dependent on a benefit by 25% by June 2018.
- Require 180,000 rental houses to be insulated and smoke alarms to be installed in 120,000 houses.
- Transfer a number of state houses to be run by registered community housing providers.
- Accelerate Housing NZ's development programme.

PROTECTING OUR ENVIRONMENT

- ✓ Set an ambitious target of reducing greenhouse gas emissions to 30 per cent below 2005 levels by 2030.
- ✓ Recorded record renewable electricity generation.
- ✓ Provided \$11.2 million to arrest the decline in kiwi numbers.
- ✓ Declared war on weeds.

Next steps:

- Review the Emissions Trading Scheme (ETS).
- Exclude cattle from dairy farm waterways by July 2017.
- Help plant 15,000 hectares of new forest over six years through the Afforestation Grant Scheme.

MAKING COMMUNITIES SAFER

- ✓ Crime is at its lowest rate since 1978.
- ✓ Provided \$3.6 million for the National Home Safety Service to help up to 1000 victims a year.
- ✓ Trialled ways to speed up family violence cases through the courts.
- ✓ Brought in Enhanced Extended Supervision Orders to protect victims from violent offenders, and Public Protection Orders to detain released prisoners with a high and imminent risk of sexual or violent offending.
- ✓ Passed a new law to tackle cyber-bullying.

Next steps:

- Introduce a draft victims code and appoint a chief victims advisor.
- Strengthen family violence laws.
- Adopt a multi-agency approach to tackling gangs.
- Allow Police and Corrections to require certain community-based offenders and people on bail to undergo alcohol or drug testing.
- Work with Australia to share more information on deported criminals.

4. REBUILDING CHRISTCHURCH

- ✓ Completed the first Anchor Projects including the Hagley Oval and the \$53 million Bus Interchange.
- ✓ Made further progress on the Justice & Emergency Services Precinct and Avon River Precinct.
- ✓ Repaired infrastructure – three quarters of SCIRT's work to repair and rebuild damaged roads, bridges, and underground services is complete.
- ✓ Continued public engagement on the future use of the Waimakariri Red Zone.
- ✓ Made further progress on the Residential Red Zone. 7400 occupants have now settled with the Crown.

Next steps:

- Introduce a Greater Christchurch Regeneration Bill.
- Establish a new urban development authority (Regenerate Christchurch) to deliver on the government's and city council's objectives for the central city.
- Continue work on the other Anchor Projects including the East and North Frame residential precinct, the Metro Sports Facility, and the Convention Centre.