

# Mixed ownership

## More savings opportunities



### BUILDING OUR FUTURE

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National is working hard to lift national savings, give New Zealanders more investment opportunities, and grow our assets.

The Government owns about \$220 billion of assets, and we're expecting to invest another \$34 billion into assets over the next five years. Rather than borrow more money to pay for this, we're proposing to extend the mixed-ownership model, where the Government owns most of a company but offers a minority stake to shareholders.

### OUR POLICY



Extend the mixed-ownership model to four state-owned energy companies – Mighty River Power, Meridian, Genesis, and Solid Energy.



Reduce the Government's majority shareholding in Air New Zealand, which is already under a mixed-ownership model.

### Our guarantees



**Government as majority shareholder:** The Government will maintain a majority shareholding stake by owning more than 51% of each company.



**Priority for Kiwi investors:** New Zealanders will be at the front of the queue for shareholdings.



**Good investment opportunities:** The companies involved will provide good opportunities for investors.



**New public assets:** The capital freed up will be used to fund new assets, such as broadband, schools, and hospitals, without borrowing more.



**Protection for consumers:** Industry-specific regulations will protect consumers.

### Benefits of mixed ownership

#### ✓ More capital, less debt

Freeing up \$5-7 billion to invest in high-priority assets such as schools, hospitals, and broadband - reducing our need for extra debt.

#### ✓ Greater investment opportunities

Giving Kiwi investors, including "mums and dads", the chance to invest in large and proven companies.

#### ✓ Better performing companies

Allowing companies to access capital and grow without depending entirely on the Government, and placing sharper discipline and more transparency on their performance through external oversight.

*We want to give New Zealanders good investment opportunities, while freeing up capital to build the assets we need for the future.*



### Letting you decide

There will be no changes before the election. If National is re-elected, these changes would happen in the three-to-five years from 2012.