



THE ECONOMY

Our 2010
Priorities

National seeks a step-change in economic performance. In 2010 we will focus on growing the economy and creating sustainable new jobs.

A GROWTH-ENHANCING TAX SYSTEM

We agree with the Tax Working Group that our tax system has major problems with integrity, fairness, and incentives. We want to fix it. In Budget 2010 we will start reforming taxes.

Our aims for tax reform

- Create incentives for people to work hard, improve their skills, and get ahead.
- Encourage savings and boost productivity.
- Be fair to all New Zealanders.

We have ruled out:

- A land tax.
- A comprehensive capital gains tax.
- A risk-free return method for residential property.

We are committed to:

- Changing the way property is taxed.
- Reducing personal tax rates.
- No major changes to Working For Families.
- Compensating low to middle income earners if GST is raised.

BETTER PUBLIC SERVICES

Driving better performance across the public sector.

- Continue to move resources from the back office to improve frontline services.
- Lifting the quality of public services.

ENCOURAGING INNOVATION

Helping firms grow by connecting them with our best scientists, and improving access to capital and world markets.

Science, Research, and Technology

- Invest in more science and business research.
- Fully roll out the Primary Growth Partnership.
- Drive domestic and international research into agricultural greenhouse gas emissions.
- Fund open-access food development facilities.
- Reform Crown Research Institutes.

Trade

- Work towards Free Trade Agreements with the United States, India, and Korea.
- Strive for conclusion of the WTO Doha Round.
- Push the Single Economic Market with Australia.

REFORMING REGULATIONS

Reducing red tape to make it easier for businesses to grow, invest, and create jobs, while protecting the environment.

Employment

- Amend the Holidays Act.
- Seek public submissions on grievance procedures.

Environment and Resources

- Drive the second phase of RMA reforms.
- Take action to unlock our oil resources.
- Seek public submissions on extending mining on Crown-owned land.
- Remove regulatory roadblocks to irrigation.
- Improve aquaculture regulations.

Capital Markets

- Act on the report from the Capital Markets Development Taskforce.
- Progress the Securities Act Review.
- Investigate developing a hub for financial services.

BOOSTING INFRASTRUCTURE

Unlogging the growth arteries with better roads, broadband, electricity, and other infrastructure

- Start large new State Highway projects in Christchurch, Waikato, and Auckland's western ring route, and continue other work around the country.
- Progress electrification of Auckland's rail network.
- Lay the first fibre in our \$1.5 billion ultra-fast broadband initiative.
- Complete reforms to Auckland's governance.
- Make the most of the Rugby World Cup.

OTHER PRIORITIES

Foreign Affairs and Defence

- Work with Pacific nations to grow their economies.
- Complete the Defence Review and White Paper.