

Labour policies and business

Policies advocated by Labour for the 2020 General Election form the basis of the new Government’s intentions towards economic management, infrastructure plans, and workplace relations.

Key Messages:

The new Government has an opportunity to work constructively and collaboratively with business to execute a recovery plan which underpins economic growth in a challenging environment.

The Government has the opportunity, mandate and money to create and start to execute a programme of transformative world class infrastructure that can serve NZ for at least the next 50 years. This will make communities more accessible, sustainable, and resilient, underpin jobs and training in areas we have deficits (such as STEM areas), unlock private sector investment and help improve our productivity.

It will be important for the Government to engage with business over the border. The priority issue is getting critical workers across the border to start the pipeline of private sector projects that are ready, and which will help keep New Zealanders working.

Care will need to be taken around implementing policies and regulations that impose costs on businesses as the recovery gets underway.

The BusinessNZ Network has worked constructively with the Government over the past three years, including on many working groups such as tax, small business and trade, and we look forward to continuing to work with the Government as a trusted, rational and reasonable partner.

Policies for business & the economy – Labour

Business comment

Covid support		
Fiscal	<ul style="list-style-type: none"> • Expansionary spending policy, running operating deficits, allowing Crown debt to increase in the short term 	<ul style="list-style-type: none"> • Covid support measures will continue to ease business transition through Covid-19 impacts • Expansionary spending will assist new business development
Tax	<ul style="list-style-type: none"> • Increased tax on higher incomes 39% for \$180k+ • Small business tax write-offs on capital \$20k+ • Temporarily lift new capital investment write-off to \$150k 	<ul style="list-style-type: none"> • Higher tax levels will reduce effects of fiscal stimulus • Tax write-offs, GST refunds, & depreciation changes helpful for business investment

	<ul style="list-style-type: none"> • GST refund for small business, up to \$100k • Raise GST threshold from \$60k to \$75k • Fully expense an asset once depreciated value below \$3k 	<ul style="list-style-type: none"> • Digital services tax could bring tax retribution on large NZ exporters
Infrastructure, transport, housing	<ul style="list-style-type: none"> • \$6.8 billion of transport projects • Rail development including Penlink, Auckland Third Main Line, Tauranga Northern Link • Light rail linking CBD, Mt Eden, Mt Roskill, Mangere & West Auckland • Funding 8000 new public and transitional homes • PPPs for building transport infrastructure but not hospitals or schools • Broadband rollout to 84,000 rural homes & farms by 2023 • \$200m Regional Strategic Partnership Fund for regional economic development 	<ul style="list-style-type: none"> • Infrastructure development will create opportunities for business growth
Planning, resource management	<ul style="list-style-type: none"> • Repeal RMA, replace with Natural & Built Environments Act & Strategic Planning Act • Develop a separate planning framework for all farm compliance requirements 	<ul style="list-style-type: none"> • RMA replacement (Randerson report) may continue prioritisation of environmental standards over development needs • Separate planning framework for farming complicates requirements overall
Environment, energy, climate change	<ul style="list-style-type: none"> • 100% renewable electricity 2030 • Net zero carbon economy 2050 • Farmers join Emissions Trading Scheme 2025 • 50-hectare limit on forestry on high-productivity land • Disallow new industrial coal boilers & require electric alternatives • \$70m to support firms replace fossil fuel boilers with low emission alternatives • Only zero-emissions buses purchased from 2035 • \$50m for regional councils to decarbonise public transport bus fleets • More funding for low emissions vehicles contestable fund • Extend road user charge exemption for heavy electric vehicles after 2025 	<ul style="list-style-type: none"> • Broad focus on several environmental pressure points • Funding for carbon reduction, pumped hydro investigation, plastics, pest control, EVs, energy projects will create opportunities for new green business • Mandatory requirements re EST, forestry, energy efficiency, plastics, product stewardship, recycling will aid certainty for pathway to sustainability • Transition to lower carbon future will incur trade-offs, costs & competitiveness issues;

	<ul style="list-style-type: none"> • More funding for greenhouse gas research programmes • \$100m to investigate pumped hydro at Lake Onslow • Phase out single use & hard to recycle plastics • \$50m Plastics Innovation Fund to develop alternatives to plastic • Mandatory product stewardship schemes • Standardise kerbside collection of recycling and food waste • National Pest Management Plan extra \$32m over 5 years • Extra \$5m per year for Just Transitions • Extend Just Transitions to other regions • Aim to extend the life of Tiwai Point Aluminium Smelter by 3-5 years • Aim to level playing field between large gentailers & independent retailers • Mandatory energy efficiency certificate for new homes • Energy efficiency standards for appliances & machinery • Increase funding for EECA business support programmes 	<p>costs & benefits will need to be clarified</p>
Trade, foreign investment, immigration	<ul style="list-style-type: none"> • 10% quota for critical workers allocated to managed isolation places • Immigration settings to be reviewed to enable a broader range of workers into the country • New Investment Attraction strategy 	<ul style="list-style-type: none"> • Higher quota than 10% critical workers needed • MIQ capacity should be maximised for entry of workers, investors, international students • Border exemptions should include criteria that maximise positive economic impact
Skills	<ul style="list-style-type: none"> • Free access to all apprenticeships & some trades training courses for next 2 years • 1,000 more Trades Academy places • 30,000 places in Digital Training courses • Training Incentive Allowance for sole parents, disabled & their carers in tertiary study 	<ul style="list-style-type: none"> • Skills initiatives & funding well-targeted at apprenticeships & trades • Digital training funding addresses key business need • Given vocational reforms, care will be needed to ensure businesses are supported to deliver quality apprenticeships & training

Workplace relations	<ul style="list-style-type: none"> • Increase minimum wage to \$20 per hour 2021 • Progressively pay living wage to contractors to state agencies • Sick leave entitlements increased to 10 days per year • Social insurance scheme to fund unemployment insurance • Employment-type protections for contractors • Large collective agreements across industries or occupations (Fair Pay Agreements) • Pay equity settlements to raise pay in female-dominated occupations • Better pay equity records for ethnicity, age, gender • A public holiday on Matariki • Improve the Holidays Act • Recognise security guards as vulnerable workers • Raise age for workers allowed to perform hazardous work • All workers to have the right to elect health and safety reps • Better services at Seafarer Welfare Centres 	<ul style="list-style-type: none"> • Minimum wage increases, more sick leave entitlements & extra public holiday unhelpful for business costs • Living wage requirements in state sector will push up pay claims overall • Fair Pay Agreements will increase focus on mandated pay rates, reduce focus on performance pay, & increase risk of industrial action • Holiday Act improvements will address businesses' compliance difficulties
Income support	<ul style="list-style-type: none"> • Increase abatement thresholds to support part-time work while on a benefit • Expand flexi-wage eligibility 	<ul style="list-style-type: none"> • Higher thresholds will help more workers gain jobs & firms fill jobs
Business requirements	<ul style="list-style-type: none"> • Regulate bank card fees • Market studies into supermarkets and building supplies sectors • Regulate property managers 	<ul style="list-style-type: none"> • Will help small retailers compete • Market studies will impose compliance costs on target industries without providing economically-sufficient information for policy makers

MPs in Parliament 2020 (provisional)

Labour Party	National Party	Act	Green Party	Māori Party
Jacinda Ardern	Judith Collins	David Seymour	Marama Davidson	Rawiri Waititi
Kelvin Davis	Gerry Brownlee	Brooke van Velden - New	James Shaw	- New
Grant Robertson	Paul Goldsmith	Nicole McKee - New	Chloe Swarbrick	
Phil Twyford	Simon Bridges	Chris Baillie - New	Julie Anne Genter	
Megan Woods	Shane Reti	Simon Court - New	Jan Logie	
Chris Hipkins	Todd McClay	James McDowall - New	Eugenie Sage	
Andrew Little	Chris Bishop	Karen Chhour - New	Golriz Ghahraman	
Carmel Sepuloni	Todd Muller	Mark Cameron - New	Teanau Tuiono - New	
David Parker	Louise Upston	Toni Severin - New	Elizabeth Kerekere - New	
Nanaia Mahuta	Scott Simpson	Damien Smith - New	Ricardo Menéndez March - New	
Trevor Mallard	David Bennett			
Stuart Nash	Michael Woodhouse			
Jenny Salesa	Nicola Willis			
Damien O'Connor	Jacqui Dean			
Kris Faafoi	Mark Mitchell			
David Clark	Mark Mitchell			
Ayesha Verrall - New	Melissa Lee			
Peeni Henare	Andrew Bayly			
Willie Jackson	Nick Smith			
William Sio	Maureen Pugh			
Poto Williams	Barbara Kuriger			
Vanushi Walters - New	Matthew Doocey			
Michael Wood	Stuart Smith			
Adrian Rurawhe	Denise Lee			
Kiri Allan	Simon O'Connor			
Kieran McAnulty	Simeon Brown			
Louisa Wall	Ian McKelvie			
Meka Whaitiri	Erica Stanford			
Rino Tirikatene	Matt King			
Camilla Belich - New	Chris Penk			
Priyanca Radhakrishnan	Tim van de Molen			
Jan Tinetti	Nicola Grigg - New			
Deborah Russell	Christopher Luxon - New			
Marja Lubeck	Joseph Mooney - New			
Angie Warren-Clark	Penny Simmonds - New			
Willow-Jean Prime	Simon Watts - New			
Tamati Coffey				
Naisi Chen - New				
Jo Luxton				
Jamie Strange				
Liz Craig				
Ibrahim Omer - New				
Duncan Webb				
Anahila Kanongata'a-Suisuiki				
Ginny Andersen				

<p>Rachel Brooking - New</p> <p>Paul Eagle</p> <p>Helen White - New</p> <p>Barbara Edmonds - New</p> <p>Angela Roberts - New</p> <p>Shanan Halbert - New</p> <p>Neru Leavasa - New</p> <p>Tracey McLellan - New</p> <p>Steph Lewis - New</p> <p>Rachel Boyack - New</p> <p>Arena Williams - New</p> <p>Ingrid Leary - New</p> <p>Sarah Pallett - New</p> <p>Gaurav Sharma - New</p> <p>Terisa Ngobi - New</p> <p>Glen Bennett - New</p> <p>Greg O'Connor</p> <p>Tangi Utikere - New</p> <p>Anna Lorck - New</p>				
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