



Love New Zealand

The Green Party's fully costed plan for a cleaner economy, a healthy environment, and a fairer society



GREEN PARTY ELECTION PRIORITY

Goals for a Green government

Voters have every right to be sceptical about the hope and inspiration their political leaders sell them at election time. If that is you, then this document is for you.

Here is our fully costed plan to deliver on our bold goals that we have committed to for New Zealand's future:

1. To make New Zealand a world leader in the global fight against climate change.
2. To restore and replenish our forests, our birds and our rivers.
3. To end poverty and create an inclusive Aotearoa.

Not only does this document bring together all our policy proposals into one coherent plan, but it also outlines all of the cost projections and revenue requirements needed to deliver on our plan and the fiscal impact it will have on the Government's finances. We then asked an independent economic consultancy to audit our fiscal plan.

The promise of a cleaner economy, a healthy environment, and a fairer society is 100 percent possible. This fully-costed plan shows how. As such, it represents change you can believe in.

I want to thank each and every person who has helped build this credible plan, especially the Green Party caucus. I look forward to the opportunity to lead the Greens into government, so we can finally deliver on the promise of a New Zealand we can all truly love.



James Shaw, MP

Green Party Co-leader

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Summary

Good fiscal management is not an end in itself — but it is a core part of what it means to be an effective government. We cannot achieve our long-term goals if we are living beyond our means today.

The Green Party in government will:

1. Deliver on our election priorities — cleaning up our rivers, ending child poverty, and tackling climate change — while running sustainable operating surpluses over the economic cycle;
2. Reduce debt to responsible levels, taking core Crown debt to below 20 percent of GDP by 2021;
3. Raise a new tax on capital gains, excluding the family home.
4. Use the current fiscal headroom to restore health and education funding and run a \$600 million annual operating allowance;
5. Restart payments to the New Zealand Superannuation Fund immediately.

On the following pages, we outline a fully-costed plan to help achieve our goals.

Infometrics — an independent economic consultancy — has independently audited and verified our fiscal plan in conjunction with Treasury's Fiscal Strategy Model. Infometrics also confirmed that we can achieve all our priorities this election while living within our own self-imposed *Budget Responsibility Rules*.¹ Infometrics' report is attached as an appendix.

What we plan to do

The Green Party has a fully-costed plan to achieve a zero carbon economy by 2050, clean up our rivers and lakes, and end child poverty.²

Here is that plan:

SECTION 1 | CLEAN ECONOMY

The zero carbon economy by 2050

1.1 | Climate Protection Plan

We're the first generation that will feel the effects of climate change, and the last that can stop it. We have a responsibility to act. Climate change is not just the biggest challenge of our time, it's also a once-in-a-generation opportunity to transform our economy and society for the better.

The Green Party will:

1. Pass a Zero Carbon Act, putting into law the goal of net zero emissions by 2050.
2. Establish an independent Climate Commission to guide government decisions.
3. Establish a Kiwi Climate Fund to replace the failed Emissions Trading Scheme. This will put a charge on climate pollution, including from agriculture; provide a guaranteed payment for people who plant trees, and recycle all surplus revenue back to New Zealanders via a dividend pay-out (\$250 per person in 2020).
4. Support the planting of 1.2 billion trees over 1.1 million hectares of erosion-prone land and provide \$40 million for native forest regeneration.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Carbon tax ¹		1,188	1,723	1,723
Climate Commission ²		(7)	(7)	(7)
Cost of NZU buy-back		(106)	(106)	(106)
Climate Dividend		(617)	(988)	(988)
Afforestation Grant		(471)	(629)	(630)
Expansion of Afforestation Grant Scheme		(13)	(13)	(13)

1. \$30/tonne in 2018/19 rising to \$40 in 2019/20.

2. Generation Zero costing.

1.2 | 100% renewable electricity

The Green Party will make electricity more affordable with winter energy payments for more than 500,000 lower-income households, to smooth out spikes in winter power bills. These will cover 75 percent of the average extra cost of power in winter.

We will help combat climate change and embrace the 21st century with solar, electric vehicles, large batteries, and other new technologies. We'll enable people to use data and technology to get a better deal for themselves and the planet.

We'll ban dirty new power plants, replace the old ones with renewable energy, and set a goal of 100% clean renewable electricity by 2030.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Winter energy payments		(112)	(112)	(112)

1.3 | Green Infrastructure Fund

The Green Infrastructure Fund is a government-owned, independent, for-profit fund designed to speed up investment in the big projects that will kick-start the green economy and create good jobs.

The Fund will kick-start new clean infrastructure projects like solar and wind power installations, energy efficient buildings, biofuels, and other clean technologies to move New Zealand towards a carbon-neutral economy by 2050.

The Fund will have a minimum target rate of return of 7 percent and cost \$110 million over three years, to be initially paid for by raising oil royalty rates from 46 percent to the international average rate of 70 percent.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Green Infrastructure Fund (net)		(10)	(2)	3

1.4 | Clean, fast transport

The Green Party will invest over \$11 billion in clean, safe, rapid transit projects over the next decade, transforming how New Zealanders get around in our largest cities.

By re-prioritising low-quality spending within the existing National Land Transport Fund, the Green Party will:

1. Deliver light rail networks in Auckland and Wellington, and bus rapid transit and regional commuter rail in Christchurch;
2. Offer free buses and trains for everyone under 18 and with disabilities;
3. Give students and apprentices free off-peak bus and train travel;
4. Fully electrify the Main Trunk rail line;
5. Invest in regional rail networks in Manawatu, Northland, and from Auckland to Tauranga and Hamilton;
6. Invest \$1 billion over ten years in new, safe cycling infrastructure.

1.5 | Manufacturing & Innovation

We've previously announced that we would establish a Minister for Manufacturing in Cabinet, to better represent the interests of manufacturers and ensure they thrive. Manufacturing innovation is a critical part of our transition to a clean, low-carbon economy. This policy has no fiscal implications.

We will provide funding for R&D tax credits — matching Labour's plan — to help drive innovation throughout the economy, lifting productivity and incomes.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Minister of Manufacturing				
R&D tax credits ¹		(100)	(200)	(250)

1. Matching Labour's R&D tax credit

1.6 | Repurposing Kiwibank

We'd inject a further \$100 million of capital in Kiwibank to speed its expansion into commercial banking and enable it to become, in time, the Government's banker.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Repurposing Kiwibank ¹				4

1. Cost of capital

1.7 | EV tax breaks

The Green Party will incentivise businesses to purchase electric vehicles by making electric vehicles exempt from fringe benefit tax. Lowering the cost of electric vehicles will stimulate demand for electric cars and their charging infrastructure, and will create a second-hand market for electric cars in a few years' time when businesses begin to replace their fleets.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Electric vehicle tax breaks		(5)	(10)	(14)

SECTION 2 | HEALTHY ENVIRONMENT

Our plan for clean rivers & lakes

2.1 | Clean water, great farming

New Zealanders want rivers we can swim in, and that means tackling the causes of pollution. We will support farmers move to less polluting, more environmentally sustainable and more profitable ways of farming so that our rivers and lakes are safe to swim in and our drinking water from aquifers is protected.

We will put a levy on nitrate pollution from agriculture, starting with intensive dairying, and use the revenue raised to fund a package of support measures that farmers can use to reduce their impact on our environment.

We also plan to implement a 10 cent per litre charge on water bottling and exporting with revenue split between mana whenua and regional councils. As such, that has no fiscal implications for the Crown.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Nitrate pollution levy		137	130	125
Clean Farming package		(137)	(130)	(125)

2.2 | Protecting drinking water

New Zealanders can't take clean drinking water for granted anymore, but the Green Party will fix that. No one should have to worry that the water coming from their taps isn't safe to drink.

Water bottling companies profit from some of our purest and cleanest water, but pay only minimal administration fees for the privilege, while some communities around the country have to boil water before they drink it.

The Green Party will put an immediate 10 cent/litre levy on water bottling and exports. Revenue will go to mana whenua and the wider community through local councils. Local councils will be expected to use it to clean up waterways, and protect drinking water sources and infrastructure.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Water bottling levy				

2.3 | Thriving nature

The Green Party will double the number of rangers working on the front lines to defend nature and double the amount of pest control on conservation land.

Our native birds and wildlife are in serious trouble. One-third of our birds are facing extinction and many could disappear within our lifetimes. To save our native birds and threatened species and see them thrive, we will restore the Department of Conservation's (DOC) role as nature's primary defender by doubling DOC's baseline conservation budget within five years at a cost of \$192 million in 2023.

We will also support community-based conservation and conservation on private land by doubling the government funding they can receive and better co-ordinate the great work of conservation volunteers nationwide.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Double DOC's baseline funding by 2023		(38)	(77)	(115)
Double DOC's predator control by 2020		(27)	(27)	(47)
Double co-funding of private conservation		(6)	(14)	(24)

2.4 | Tourism levy

We will add a new \$20 tourism levy to existing border charges for international visitors. Entry to our national parks and public buildings will continue to remain free.

New revenue will be split 75:25 between conservation (Predator Free 2050) and new tourism infrastructure to help the regions cope with increasing visitor numbers.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Tourism levy		77	80	84
Regional tourism infrastructure		(19)	(20)	(21)
Predator Free 2050 funding		(58)	(60)	(63)

2.5 | Whale sanctuary

The Green Party will create New Zealand's largest marine mammal sanctuary to protect endangered blue whales from destructive mining.

The South Taranaki Bight is an important feeding ground for critically endangered Antarctic blue whales and is a habitat for 37 other species of whales, dolphins, and porpoises. Their existence is under threat from destructive seabed iron sands mining and other exploration for fossil fuels and minerals.

The sanctuary would be New Zealand's largest at around 30,000 square km, to cover the area where blue whales have most commonly been sighted. The exact boundaries would be confirmed following negotiation with iwi and affected communities, and advice from the Department of Conservation.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
South Taranaki marine sanctuary				

2.6 | Turning trash into cash

We have a plan to clean up our beaches, create jobs, and transform trash to cash.

By 2050, oceans will carry more plastic mass than they do fish, and an estimated 99 per cent of seabirds will have ingested plastic. Because Kiwis love the beach and most of us live close to the ocean, we increase the risk of single use plastics ending up in the marine environment, even by mistake. Our plan will introduce refunds on drink containers, ban plastic bags, phase out unnecessary plastic packaging and commit to a zero-waste New Zealand. Administrative funding for implementation of the plan will come from Ministry for the Environment baselines.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Turning trash into cash				

SECTION 3 | FAIRER SOCIETY

Ending child poverty

3.1 | Mending the Safety Net

No one in New Zealand should live in poverty. Whether they are working or on a benefit, everyone has different life circumstances and everyone is entitled to support for as long as they need it.

The Green Party will repair the holes that have been torn in New Zealand's social safety net by making major changes to income support – changes that will bring people out of poverty and provide independence, dignity, and choice. These changes constitute the biggest reform of our tax and welfare system in a generation, lifting more than 200,000 children out of poverty.

We will:

1. Increase all core benefits and student allowances by 20 percent;
2. Increase the amount people can earn before their benefit is cut;
3. Increase the value of Working For Families for all families;
4. Create a Working For Families Children's Credit of \$72 a week;
5. Remove financial penalties and excessive sanctions for people receiving benefits;
6. Reduce the bottom tax rate from 10.5 percent to 9 percent on income under \$14,000;
7. Introduce a new top tax rate of 40 percent on income over \$150,000 per year;
8. Raise the minimum wage to \$17.75 in the first year and keep raising it until it's 66 percent of the average wage.

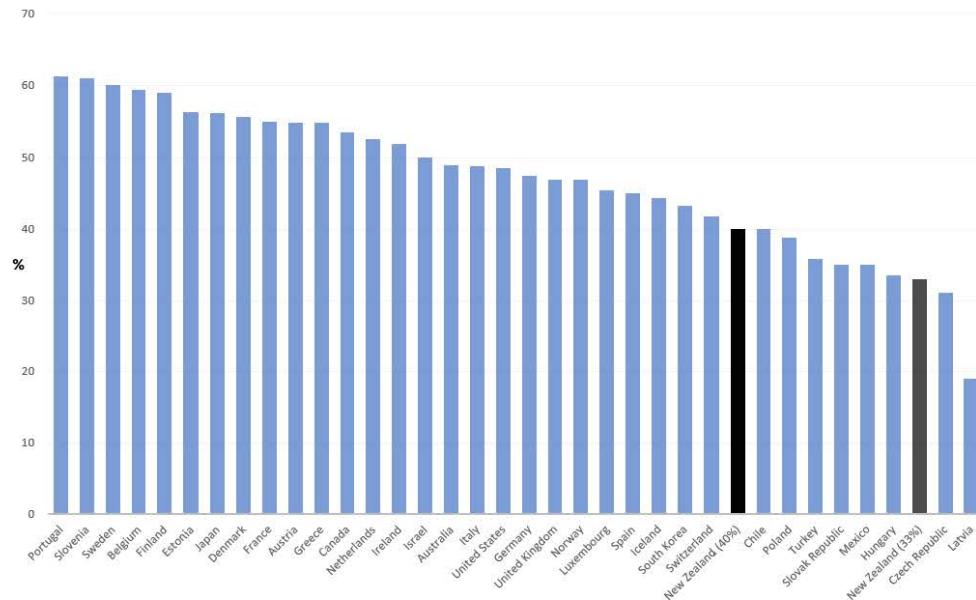
Our welfare system should provide effective support for people who need it, while they need it. The social safety net should stop families from falling into poverty and guarantee a basic, liveable income. That's what it means to live in a decent, compassionate society.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Benefit increases and abatement changes ¹		(935)	(912)	(888)
Working For Families changes ²		(1,178)	(1,203)	(1,228)
Reinstate Training Incentive Allowance		(35)	(35)	(35)
Removing benefit sanctions (net)		26	26	26
Income tax changes (net)		163	163	163
Progressively raising the minimum wage ³		(148)	(290)	(290)

1. All figures costed by BERL unless stated.

2. Revised by BERL since initial estimates.
3. Parliamentary Library costings.

Even with a new top tax rate of 40 percent, New Zealand will still have one of the lowest top tax rates in the OECD.



We want every single Kiwi kid to have a great start in life – regardless of what their parents earn or whether they work or not. To make that a reality, their parents need more time, more financial support, and more flexible work arrangements. Well-supported kids turn into happy and healthy adults.

3.2 | A budget for all mothers

The Green Party wants to help parents when they need it the most, by ensuring they have time and money to focus on raising happy, healthy kids.

We will support parents further by:

1. Making the \$220 per week Parental Tax Credit available to all families who don't get paid parental leave. This ensures every baby born in New Zealand gets the same support and makes the system simpler;
2. Extending sick leave to a minimum of 10 days a year, so that parents and whānau have time to look after sick kids;
3. Ensuring the OSCAR subsidy for after school and holiday programmes is available to all kids from low-income families;
4. Giving every new born baby a Wahakura (baby pod) which includes a safe sleeping place, clothes, nappies, and bedding.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
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Parental Tax Credit	(43)	(43)	(43)
OSCAR subsidy	(30)	(30)	(30)
Wahakura	(12)	(12)	(12)

3.3 | Affordable homes

We have a suite of new measures to make homes more affordable and rental homes warm and secure.

Our Home for Life plan will help New Zealanders get into their own homes by establishing a rent-to-buy programme and by creating new opportunities for community housing providers to play a bigger part in solving the housing crisis.

This will give more New Zealanders a fair shot at owning their own home – even when the market is stacked against them – and make sure the community housing sector has the financial and political support to help solve the housing crisis.

For much of Aotearoa New Zealand’s history, governments used their low cost of borrowing to finance affordable homes for New Zealanders. It is time for government to pick up its tools again.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Home for Life		(81)	(94)	(115)
Home for Life \$50M housing bond issue			(2)	(2)
Insulation fund		(100)	(200)	(200)
Affordable Housing Authority set up ¹		(100)		

1. Labour's costing

3.4 | Removing tax-free capital gains

New Zealand is unusual in that we do not have a comprehensive tax on capital gains. As a result, our tax structure encourages a disproportionate level of investment into non-productive assets like housing, which enjoy tax-free capital gains, instead of investment into the productive sector, which creates jobs. This has helped fuel rising house prices, while exacerbating inequality as greater wealth enables greater access to tax-free capital gains. The OECD summarises the inequality argument well:

The tax benefits [of property investment] increase with income and are thus regressive. House price increases redistribute income from new entrants in the housing markets to existing homeowners and lead to a growing market segment that cannot afford to buy a

home. Indeed, widening inequalities in the distribution of net worth have been observed across New Zealand households. Estimates by Le et al...suggest that the wealthiest 20% of the population owns 70% of the total net worth (of which property is the most important component), while the poorest 30% have almost no net wealth.³

A tax on capital gains (excluding the family home) is the fairest, most effective way to dampen speculation in the housing market and encourage private savings and investment to flow into the productive sector.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Capital gains tax (excluding the family home) ¹		216	437	671

1. BERL estimates, 2017.

3.5 | Restoring funding levels for health & education

National's funding of health and education has not kept up with real world cost drivers including population growth, aging, and inflation. We will begin to restore real levels of funding to these critical sectors at the same rate as Labour has promised.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Restoring core health funding ¹		(846)	(1,535)	(2,361)
Restoring core education funding ¹		(887)	(1,275)	(1,585)

1. Labour's costing

Youth mental health plan

New Zealand has some of the worst rates of youth suicide in the world, with serious impacts on people, families, schools, and communities. There is an urgent need to help build strong mental health in our young people. The Green Party will:

1. Introduce free counselling for under 25s, and work towards extending this to all adults;
2. Increase funding for youth mental health services;
3. Fund more community initiatives in the health and education sector;
4. Begin a mental health inquiry and re-establish the Mental Health Commission.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
New mental health services ¹		(263)	(263)	(263)

1. Met from within our commitment to increase the health budget

Inclusive education plan

The Green Party is passionate about improving inclusive education services so that every Kiwi kid gets to fully participate in school life.

In government, the Green Party will increase education funding by \$315 million to build a more inclusive education system.

We will:

1. Properly fund a full-time Children's Champion for every 400 children to coordinate support for children with high needs;
2. Create a \$5 million annual School Camp fund to support students with additional learning needs to attend camps and other activities that should be enjoyed by all kids;
3. Double funding for the Ongoing Resourcing Scheme and the Early Intervention Service to increase the number of students who can access these services;
4. Invest \$25 million over three years in targeted learning support professional development for teachers.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Inclusive education package ¹		(315)	(315)	(315)

1. Met from within our commitment to increase the education budget

Supporting Students

Students are the only group in society expected to borrow just to get by. We believe that students should be supported so that they can focus on learning the skills they need to contribute to a smart, innovative economy and a fairer society. It's difficult to do that when you are constantly worried about making ends meet. Tertiary study should be a way out of poverty, not a way into it.

The Green Party will:

1. Make all post-graduate students eligible for student allowances, as a step towards a truly universal student allowance;
2. Increase all student allowances by 20 percent (costed as part of our Mending the Safety Net package).

The Green Party will make all post-graduate students eligible for a student allowance, as a first step towards making all students eligible. Making all post-graduate students eligible for allowances is estimated to cost \$300 million a year.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Universal allowance for post grads ¹		(300)	(300)	(300)
Improving student disability support		(1)	(1)	(1)

1. Met from within our commitment to increase the education budget

3.6 | Prefunding superannuation

We'll restart payments to the New Zealand Superannuation Fund immediately as part of our commitment to maintaining the superannuation age at 65. This matches Labour's commitment.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
NZ Super Fund contributions	(500)	(1000)	(1500)	(2200)

3.7 | Pay equity

New Zealand was the first country where women won the right to vote, and now we can be the first country to have pay equity for women. The Green Party has a plan to ensure that women and their families are treated fairly and paid better than they are now.

We will:

1. Introduce pay transparency, by requiring employers to collect data on what they pay men and women;
2. Make public sector chief executives responsible for achieving equal pay for employees of core government departments;
3. Amend the equal pay laws, to include agreed principles and an onus on employers to prove they are paying women fairly;
4. Fund an expert body to assist women so all pay equity claims are progressed efficiently. Cost: \$5 million per year;
5. Double the funding for the Ministry for Women to get a better deal for women. Cost: \$5 million per year;
6. Fund social marketing and education aimed at eliminating bias in employment. Cost: \$5 million per year;
7. Ensure the Minister for Women sits in Cabinet, not outside it, and ensure gender balance amongst Green Party ministers.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Ministry for Women extra baseline funding		(5)	(5)	(5)
Expert body to assist pay equity claims		(5)	(5)	(5)
Social marketing and education		(5)	(5)	(5)

3.8 | Honouring te Tiriti o Waitangi

Te Tiriti o Waitangi is the basis of peace and justice in Aotearoa.

Honouring Te Tiriti o Waitangi means making New Zealand a fairer place for everyone who lives here.

We will:

1. Entrench the Māori electorates;
2. Fix the Treaty settlement process;
3. Enable all New Zealand school children to learn te reo Māori at school by 2030.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Te reo Māori in schools ¹		(23)	(23)	(23)

1. Met from within our commitment to increase the education budget

3.9 | Public journalism funding

Reading, hearing, and watching stories about New Zealanders, by New Zealanders, is critical to our democracy and our national identity.

Traditional media are facing financial and technological disruption.

There's a lot of great journalism in New Zealand, however, recent years have seen a cut to staff numbers and proposed mergers.

The Government needs to step-up to ensure the future of public interest journalism on paper, on our screens, and on the radio. To help make that happen, the Green Party will:

1. Establish a \$3 million New Zealand Public Journalism Fund to support public interest journalism and help tell New Zealand stories across a range of platforms.
2. Restore Radio New Zealand's funding, which has been frozen since 2008.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Public journalism funding		(6)	(6)	(6)

3.10 | Welcoming more refugees

New Zealanders want to do more to help people around the world affected by the global refugee crisis.

The Green Party will:

1. Progressively increase New Zealand's refugee quota to 4,000 people per year after six years, and properly fund asylum seeker and refugee services;

2. Establish a programme for church and community groups to sponsor an additional 1,000 refugees per year;
3. Create a new humanitarian visa for people displaced by climate change in the Pacific.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Refugees		(66)	(150)	(250)

SECTION 4 | FISCAL MEASURES

4.1 | Other tax changes

The Green Party will increase funding for tax enforcement and reduce multinational tax avoidance (matching Labour's commitment). We will also align the trust tax rate with the new top tax rate to help prevent tax avoidance. We plan to raise our low oil royalty rates to international averages to help pay for new, clean energy alternatives.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Increased tax enforcement (net)	85	260	350	350
Trust tax rate aligned with 40% top tax rate ¹		455	455	455
Raising oil royalties		100	95	90

1. Likely to be towards the top end of estimates.

4.2 | Policy Costing Unit

New Zealanders deserve more transparency from their politicians so they can better engage in the political system. Having party policies independently costed will help to cut through the noise of political party promises and deliver unbiased information to the electorate.

We will establish an independent Policy Costing Unit (PCU) within the Treasury and available to all parliamentary parties. It will be exempt from reporting to the Minister to maintain confidentiality of party policies. The PCU will be a permanent fixture in the Treasury with extra resources added during election years to meet demand.

YEAR (\$M)	2017/18	2018/19	2019/20	2020/21
Policy Costing Unit		(2)	(2)	(3)



A responsible budget

The Green Party is promising to address child poverty, make our rivers swimmable again, and tackle climate change, all in a fiscally responsible manner.

We have produced a fully-costed and independently-audited plan to ensure we can deliver on our election priorities, while running strong surpluses and reducing debt to prudent levels.

We are offering more detail and greater transparency into our spending and revenue raising plans than ever before.

Infometrics — an independent economic consultancy — has provided this information in conjunction with Treasury's Fiscal Strategy Model. The Infometrics report is attached as an appendix.

Infometrics has found that the Green Party will run surpluses over the next three years, slightly smaller than those outlined in the Pre-election Economic and Fiscal Update 2017 (PREFU). We will do this while also taking significant steps to advance our election priorities: addressing child poverty, making our rivers and lakes safe enough to swim in again, and tackling climate change.⁴

We can meet these challenges while being fiscally responsible by raising some new revenues, for example through a new, comprehensive capital gains tax (excluding the family home), and by finding savings from low-value government spending.

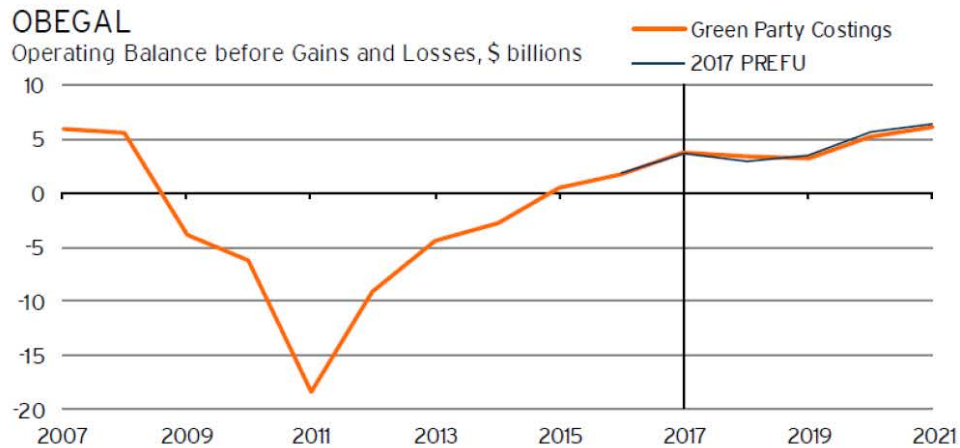
National has had nine years to address our most pressing challenges. They have failed to address our high rates of poverty and homelessness. Our rivers and lakes have become more polluted under their watch. And today, New Zealand's net carbon emissions are 21 percent higher now than when they took office.

We're going to fix that *while* ensuring we live within our means and invest wisely.

The big picture

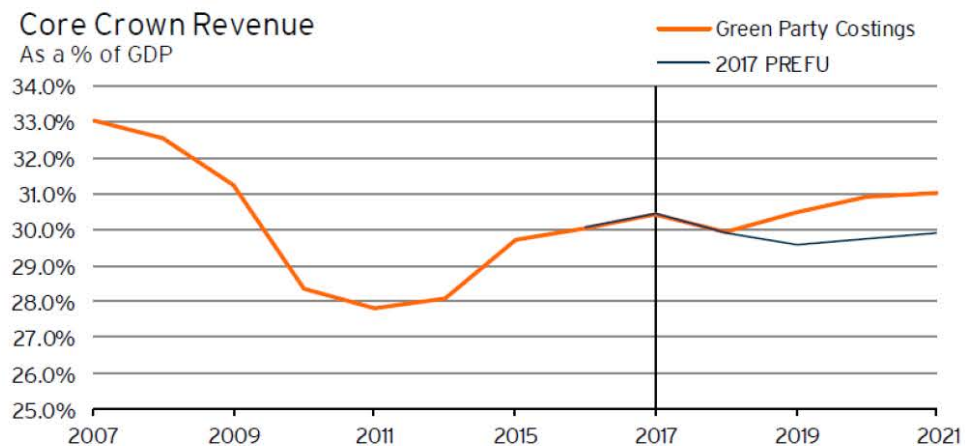
The Green Party will run smaller surpluses than PREFU:

Marginally lower OBEGAL surplus in 2021



New taxes, like a capital gains tax, mean higher revenues than PREFU...

Crown revenue increases to over 31.1% by 2020/21

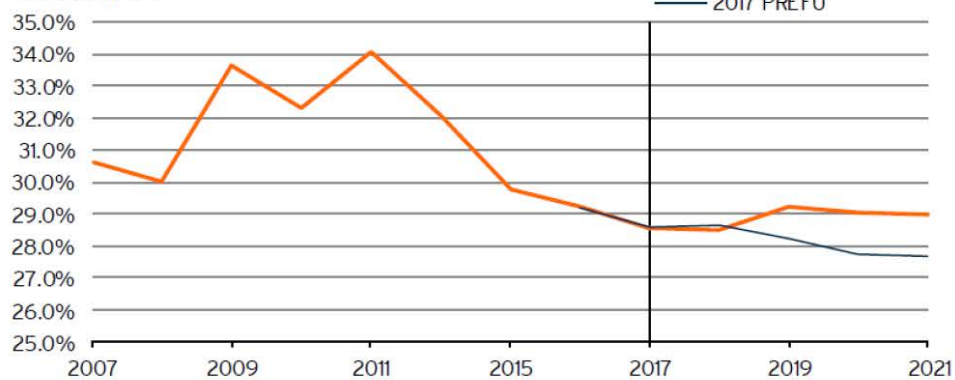


...and will enable higher levels of government spending to lift more than 200,000 children out of poverty, clean up our rivers, and tackle climate change.

Crown expenses remain below 30% of GDP

Core Crown Expenses

As a % of GDP



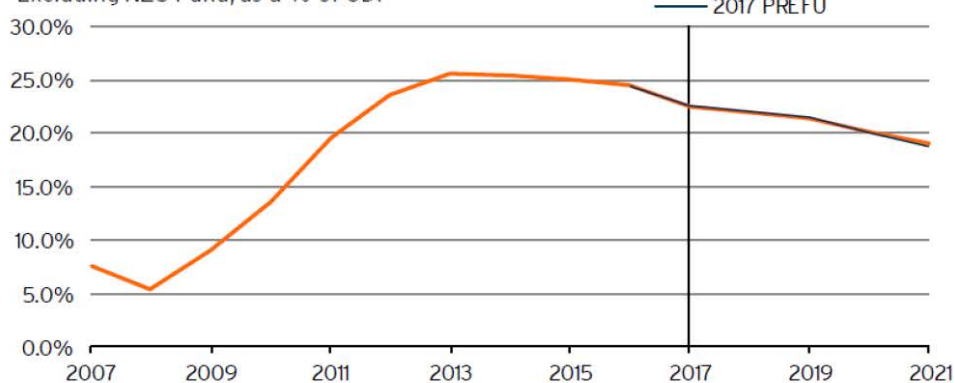
Core Crown expenses stay within responsible limits, as promised in our *Budget Responsibility Rules*.

Debt continues to track downwards through the forecast period, similar to PREFU.

Net Core Crown debt decreases to \$62b in 2021 - 19.1% of GDP

Net Core Crown debt

Excluding NZS Fund, as a % of GDP

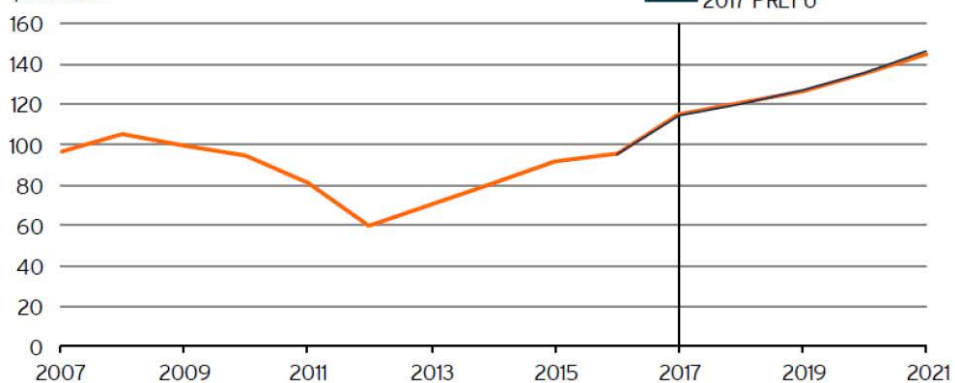


And net worth grows broadly comparable to PREFU.

Net Crown total worth increases to \$146b to be at 45.0% of GDP in 2021

Crown total net worth

\$ billions



Infometrics has found that the Green Party will run surpluses totalling \$17.9 billion over the forecast period, \$700 million lower than PREFU. Gross Sovereign-issued debt will be \$815 million higher than PREFU while total Crown net worth will be \$638 million lower.

Fiscal Year	2017/18 2018	2018/19 2019	2019/20 2020	2020/21 2021
<i>OBEGAL (Operating Balance before Gains and Losses), \$ billion</i>				
Green Party Costings	3.347	3.298	5.235	6.053
2017 PREFU	2.869	3.515	5.746	6.440
2017 BEFU	2.858	4.051	6.085	7.168
<i>OBEGAL (Operating Balance before Gains and Losses), % of GDP</i>				
Green Party Costings	1.2%	1.1%	1.7%	1.9%
2017 PREFU	1.0%	1.2%	1.9%	2.0%
2017 BEFU	1.0%	1.4%	2.0%	2.2%
<i>Gross Sovereign-issued Debt (GSID), \$ billion</i>				
Green Party Costings	89.411	90.016	90.265	85.572
2017 PREFU	89.689	90.297	89.950	84.757
2017 BEFU	90.657	91.073	90.494	85.465
<i>Gross Sovereign-issued Debt (GSID), % of GDP</i>				
Green Party Costings	31.6%	30.4%	29.1%	26.5%
2017 PREFU	31.7%	30.4%	29.0%	26.2%
2017 BEFU	32.2%	30.7%	29.0%	26.3%
<i>Net Core Crown debt (excluding NZS Fund), \$ billion</i>				
Green Party Costings	61.961	63.433	62.293	61.622
2017 PREFU	62.239	63.714	61.978	60.807
2017 BEFU	64.111	65.744	64.154	62.824
<i>Net Core Crown debt (excluding NZS Fund), % of GDP</i>				
Green Party Costings	21.9%	21.4%	20.1%	19.1%
2017 PREFU	22.0%	21.5%	20.0%	18.8%
2017 BEFU	22.8%	22.1%	20.6%	19.3%
<i>Crown Total Net Worth, \$ billion</i>				
Green Party Costings	120.828	127.178	135.818	145.554
2017 PREFU	120.350	126.918	136.069	146.192
2017 BEFU	111.442	118.390	127.829	138.671
<i>Crown Total Net Worth, % of GDP</i>				
Green Party Costings	42.8%	42.9%	43.7%	45.0%
2017 PREFU	42.6%	42.8%	43.8%	45.2%
2017 BEFU	39.5%	39.9%	41.0%	42.7%



The Green fiscal plan includes matching Labour's increases in health and education funding.

National's funding of health and education has not kept up with real world cost drivers including population growth, aging, and inflation. We will begin to restore real levels of funding to these critical sectors.

In addition, we consider conservation funding as a core part of government expenditure. Our fiscal plan will not only protect the Department of Conservation's (DOC) core funding, it will restore DOC's role as nature's primary defender, enabling them to double the number of rangers working on the frontlines of conservation and double the amount of predator control they do.

A note about future operating allowances: We have included provision for an additional \$600 million per year of unallocated expenditure that will, in addition to forecast surpluses, enable us to meet unexpected costs or revenue shortfalls.

Summary of new costs & revenues

The Green Party will provide significant new funding for the following election priorities:

Revenue impact (\$M)	2017/18	2018/19	2019/20	2020/21
Carbon zero economy by 2050				
Climate Protection Plan		(1,214)	(1,743)	(1,744)
New Transport Infrastructure ¹		—	—	—
100% Renewable Energy		(112)	(112)	(112)
Green Infrastructure Fund		(10)	(2)	(4)
R&D tax credits		(100)	(200)	(250)
New Tourism Infrastructure		(19)	(20)	(21)
Healthy environment				
Clean Water, Great Farming		(137)	(130)	(125)
Protecting Drinking Water ²		—	—	—
Thriving Nature		(129)	(178)	(249)
Predator Free 2050		(58)	(60)	(63)
Fairer society				
Mending the Safety Net ³		(2,305)	(2,449)	(2,450)
Homes for Life		(281)	(296)	(317)
Budget for All Mothers		(85)	(85)	(85)
Welcoming More Refugees		(66)	(150)	(250)
Other initiatives				
Restoring health funding		(846)	(1,535)	(2,361)
Restoring education funding		(887)	(1,275)	(1,585)
Increased tax enforcement	(15)	(30)	(31)	(32)
Operating allowance	(600)	(1,200)	(1,800)	(2,400)
Depreciation	(8)	(9)	(10)	(11)
Super Fund Contributions ⁴	(500)	(1,000)	(1,500)	(2,200)

Notes:

1. Reprioritised spending within the National Land Transport Fund
2. No fiscal impact for the Crown
3. Revised by BERL since initial estimates.
4. Capital expenditure

And a summary of our new revenue initiatives:

Revenue impact (\$M)	2017/18	2018/19	2019/20	2020/21
New revenues				
Capital gains tax		216	437	671
Income tax changes (net)		163	163	163
Trust tax rate alignment		455	455	455
Increased tax enforcement	100	200	200	200
Climate Protection Plan		1,188	1,723	1,723
Nitrate pollution levy		137	130	125
Raising oil royalties		100	95	90
Tourism levy		77	80	84
Green Infrastructure Fund dividends				7
New savings				
National's Family Package	604	2,075	1,852	2,012
Charter schools		14	14	14
Benefit obligation changes		35	35	35
Social Investment Agency		13	7	7
Defence White Paper Savings		123	122	119

Sources

¹ Read more: <https://www.greens.org.nz/policy/smarter-economy/budget-responsibility-rules>

² All figures costed by the Parliamentary Library, unless stated.

³ OECD (2011), OECD Economic Survey of New Zealand, p75

⁴ Further detail of all our election priorities can be found here: <https://www.greens.org.nz/policy>

www.greens.org.nz/fiscal-plan-2017

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