

In Confidence

Office of the Minister of Finance
Office of the Minister for Economic Development

Chair
CABINET ECONOMIC GROWTH AND INFRASTRUCTURE COMMITTEE

THE GOVERNMENT'S BUSINESS GROWTH AGENDA

Proposal

- 1 This paper confirms the Government's agenda for building a stronger economy by creating conditions for firms to be more productive and internationally competitive. It also proposes Ministerial arrangements for driving, monitoring and updating the agenda.

Executive Summary

- 2 We have set four strategic priorities to drive the Government's policy agenda for the next three years as follows: responsibly managing the Government's finances; building a more productive and competitive economy; delivering better public services within tight financial constraints; and rebuilding Christchurch. These four priorities need to be managed so that they reinforce each other.
- 3 Prior to the election we announced a 120-point economic development action plan to address the second strategic priority above, building a stronger, more competitive economy. We propose to reorganise the way in which we further develop and communicate this plan. The overall business growth agenda will now be structured around building the six key inputs required by businesses to succeed, namely: capital markets; innovation; skilled and safe workplaces; resources; infrastructure; and export markets.
- 4 Informal groups of Ministers, co-ordinated by either Hon English or Hon Joyce, will oversee the collation of six sub-agendas to advance each input, covering the 120-point plan and additional actions as Ministers see fit. They will also deliver a co-ordinated series of publications related to each of the above business inputs over the rest of the calendar year. Treasury and the Ministry of Economic Development will co-ordinate economic agencies to support the Ministerial groups. They will ensure a streamlined process that aligns actions across portfolios with minimum bureaucracy.
- 5 This initial agenda will be reviewed and updated in the middle of the year.

Background

- 6 In August 2011 Cabinet invited the Minister of Finance and other Ministers to report to Cabinet Economic Growth and Infrastructure Committee (EGI) in February 2012 with detailed policy actions aimed at lifting New Zealand's international competitiveness [CAB Min (11) 31/11 refers]. This paper responds to that invitation.

Context: The Government's policy priorities

- 7 The Government has announced a set of four strategic priorities that will drive its policy agenda over the next three years. These priorities are:
 - a Responsibly managing the Government's finances;
 - b Building a more productive and competitive economy;
 - c Delivering better public services within tight financial constraints; and
 - d Rebuilding Christchurch.
- 8 These priorities need to be managed to reinforce each other. The efficient delivery of public services is key to managing the Government's finances responsibly; delivering the Government's agreed fiscal and debt track is crucial to making the economy more competitive; rebuilding Christchurch has major implications for the other three priorities.
- 9 Critically, a more productive and competitive economy will make the other priorities substantially easier to achieve. Reducing debt, improving public services and investing in Christchurch in the context of a growing economy will be a quite different proposition from doing so in a flat economy.
- 10 This paper sets out the Government's agenda for priority b above – building a more productive and competitive economy.

Building a more productive and competitive economy

- 11 Lifting the overall productivity and competitiveness of the economy is critical to creating more business opportunities, more jobs and higher wages, and ultimately the higher living standards to which New Zealanders aspire.
- 12 The financial and economic environment in which our businesses are operating is volatile and difficult to forecast to an extent that is historically unprecedented:
 - a World recovery and growth across our trading partners may slow again in 2012, with risks of global recession and crisis in financial markets increasing on the back of the Euro debt crisis.
 - b In New Zealand, private debt has built up to support consumption and inflated asset prices at unsustainable levels over the long term. More recently, public debt has grown in response to slower growth as the Government acted to ease the impact of global recession on New Zealanders and New Zealand firms. While our net international investment position declined to 69% of GDP in 2011, it is projected to increase to 78% of GDP by 2016.¹
 - c Persistently high domestic interest and exchange rates, and cost structures that have increased rapidly relative to our trading partners over the past decade, have placed many New Zealand firms at a competitive

¹ 2011 Pre-Election Economic and Fiscal Update

disadvantage relative to firms who face lower interest rates and more competitive cost structures.

- 13 These factors place particular importance on returning the Government's accounts to surplus by 2014/15 and reducing net debt to 20% of GDP or less by the early 2020s. An internationally-credible fiscal strategy and debt track is critical to reducing the ongoing costs faced by New Zealand firms. Getting our accounts back into surplus is also the most direct contribution that the Government can make to lifting national saving and reducing upwards pressure on interest and exchange rates.
- 14 The New Zealand economy has some significant opportunities that we need to be in a position to capitalise on:
 - a *Markets*: Growth in emerging markets in Asia – notwithstanding the recent slowdown – constitutes a major opportunity for New Zealand exporters;
 - b *Terms of trade*: High commodity prices have underpinned recent growth and are forecast to remain high – assisting a more externally-oriented growth path;
 - c *Christchurch*: The rebuild in Christchurch is set to deliver a significant boost in domestic demand;
 - d *Public debt*: Our low level of public debt in international terms positions us favourably to attract firms and investment – provided we stabilise debt and restore the buffers that can cushion further shocks.
- 15 However, these opportunities need to be seen in relation to a number of formidable challenges:
 - a *Static or decreasing competitiveness*: Poor productivity growth over 10 years, high cost pressures and a persistently high exchange rate that has also been highly variable but not uniquely so, have reduced the international competitiveness of the economy;
 - b *Low trend growth*: Real per-capita GDP growth has flatlined since the mid-2000s;
 - c *Growth has been unbalanced*: Growth has been concentrated in the non-tradable side of the economy, while sectors that compete internationally – including exports – have tended to stagnate.
- 16 At the firm level, there is a very broad range of policies that impact on the ability of firms to compete internationally and be more productive. As a number of international bodies have also observed, our analysis suggests that we need to make improvements across this broad range – it's not a case of a few critical policy failures that need attention.
- 17 In our first term, we focussed on six drivers of economic growth. Much has been achieved, including the following:
 - a *Public sector*: Over three budgets, we managed through the global financial crisis, reprioritised over \$9 billion to front-line services, and have set a fiscal track to return to surplus by 2014/15;

- b *Regulatory reform:* Since the Government took office we have completed thirteen major regulatory reviews – including such areas as the Resource Management Act, Employment Relations Act, and Holidays Act that impact directly on how firms behave and the costs they face. Seven reviews are currently on the Review Programme – and Cabinet will have a chance to refresh this agenda in March 2012;
 - c *Tax:* The 2010 tax package was the biggest tax reform in New Zealand in 25 years, and included reductions in top personal and company tax rates, and a shift in the tax burden from income to consumption taxes;
 - d *Infrastructure:* Major developments included the ultra-fast and rural broadband initiatives, investments in roads of national significance and the electrification of Auckland rail, the first public-private partnerships, and significant restoration of Christchurch infrastructure, including schools;
 - e *Skills:* We introduced National Standards, completed phase 1 of the Youth Guarantee, and undertook a range of reforms in tertiary education aimed at improving the performance and efficiency of tertiary institutions;
 - f *Science-innovation-trade:* We concluded Free Trade Agreements with China, Malaysia and Hong Kong, entered discussions with India, the Gulf States and the Trans-Pacific Partnership, established the Primary Growth Partnership and Food Innovation Network, and substantially increased funding for science and innovation, including technology development grants for firms that invest significantly in research and development.
- 18 In August 2011, Cabinet noted that a long run decline in New Zealand's international competitiveness was hindering growth, and agreed to refresh the Government's growth strategy with the overarching goal of making New Zealand's economy more competitive [CAB Min (11)31/11 refers].
- 19 Prior to the election, the National Party announced its 120-point economic development action plan, aimed at building a stronger, more competitive economy. The 120-point plan draws together and summarises the key economic policy actions across portfolios that were completed, in progress, or committed to prior to the election (see Annex 1). The plan's underlying proposition is that lifting New Zealand's trend growth is about a series of good policy decisions and reforms applied consistently over an extended period – there is no "big bang" or short-term solution that will overcome the challenges noted in paragraph 15.
- 20 Since the election, we have developed a new way of organising our business growth agenda to make it simpler to explain and more manageable to deliver than the former "six-drivers" growth agenda. It also reflects that public sector reform and fiscal strategy have been lifted into its own strategic priorities. The new approach will respond to claims that our current strategy has not been sufficiently coherent or easy to understand by businesses, the media and the public. It does not constitute a major shift in direction – rather it is about communicating our priorities better.
- 21 The new organisation of our business growth agenda reflects:
- a The Government has direct influence over six key inputs that shape how productive and competitive our firms can be, both domestically and internationally;

- b These six key inputs also lend themselves to straightforward groupings of Ministers who will be best-placed to drive the agenda forward;
- c Better public services, responsible fiscal management and rebuilding Christchurch have been elevated to their own high-level priorities – while all three will have significant effects on business growth, they will be managed as complements to the business growth agenda.

Organising the new business growth agenda

22 We propose to organise the government's business growth agenda around the following six key inputs and associated policy issues.

23 Common to all six areas is the need to ensure that microeconomic settings are optimal – prices are right, markets are operating efficiently, competition is effective, and regulation and institutional arrangements are sound:

a Capital markets:

Capital markets, cost of capital, business tax policy, foreign investment, Australian investment, and SOEs;

b Innovation:

Entrepreneurial culture, public and private research, research institutions, competition policy, intellectual property rights, and business & sector development;

c Skilled and safe workplaces:

Tertiary education, vocational education, youth guarantee, labour, immigration, skills demand (employment), education, and ACC;

d Resources:

Primary industries, energy and resources, land use, water, environment (including climate change), local government, and conservation;

e Infrastructure:

Transport, broadband, electricity transmission, building and construction;

f Export markets:

Trade policy, trade agreements, country strategies, global footprint, in-market support (NZTE), tourism, international education, and border control.

24 To advance the government's overall business growth agenda in each of these key inputs, we propose to establish six informal groups of Ministers, co-ordinated by either Hon English or Hon Joyce, who will confirm their sub-agendas for advancing each input as follows:

a Actions in the 120-point plan take top priority – these must be delivered;

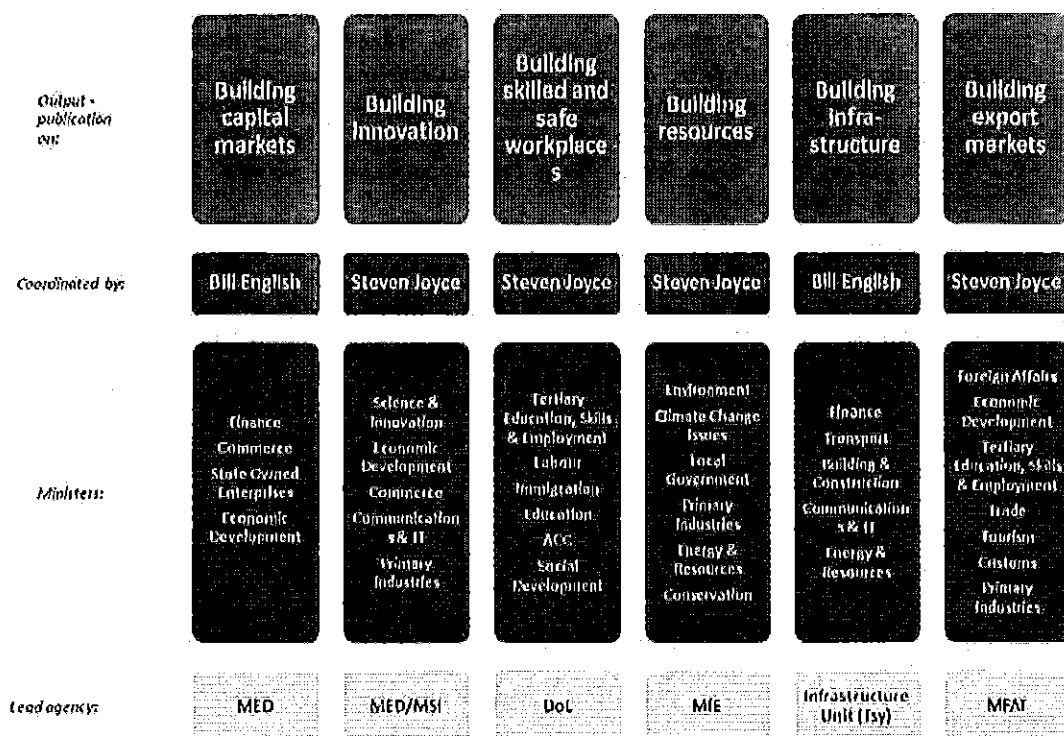
b We invite Ministers to consider adding to their sub-agendas relevant initiatives that will significantly lift firm and national competitiveness. This may involve proposals from officials. Ministers might like to use suggested

areas that officials from across economic agencies proposed and provided to their Ministers in December 2011;

c In addition, Ministers may add further actions as opportunities arise.

- 25 The output from these groups will be a co-ordinated series of publications over the rest of the calendar year, one for each area, with themes of "Building Capital Markets, "Building Innovation", etc. These publications will detail our actions and progress for the business community in particular, to encourage investor confidence through better communication between government and businesses.
- 26 The ministerial groups are deliberately informal in nature, and their role is limited to being a vehicle for co-ordination between ministers, plus the preparation of the agenda lists in each area, and the "Building" publications. Responsibility for each initiative remains clearly with the relevant portfolio minister, and all initiatives remain subject to the normal cabinet process.
- 27 The Chief Executives of the Ministry of Economic Development and The Treasury will support the development of the six sub-agendas and the preparation of publications, and monitor overall consistency across them. They will co-ordinate the inputs of different agencies to minimise bureaucracy and ensure alignment across the different portfolios. They will ensure a streamlined process that only involves agencies which have a core role in advancing a given action plan.
- 28 Lead agencies will not be required to provide significant resource to support the informal ministerial groups. Any secretarial support will be met as part of 'business as usual' and arranged by ministerial offices. Agency work will continue to be directed at the development and implementation of each individual portfolio initiative.

29 The diagram below illustrates the organisation of our business growth agenda:



Monitoring and updating the agenda

- 30 The Ministerial groups above will be responsible for monitoring the delivery of the six sub-agendas and adjusting actions as they see fit to maximise gains to competition and productivity.
- 31 Hon English and Hon Joyce will review the six initial action plans in the middle of this year with a view to taking stock of progress, adding additional initiatives as they are developed and curtailing others as they are completed.
- 32 In addition, the Prime Minister will periodically chair meetings to review the overall effectiveness and strategic direction of the business growth agenda.

Relationship with Maori Economic Development Panel and Green Growth Report

- 33 There are two cross-cutting agendas that intersect with the wider business growth agenda. These are the work of the Maori Economic Development panel, and the Green Growth Advisory Group. It is anticipated that the work of those groups will result in initiatives that feed into the work programmes of individual ministers and through those ministers into the wider business growth agenda and the six action plans. That approach will avoid unnecessary duplication of the workstreams amongst the informal ministerial groups.

Other reports

- 34 To compete successfully, businesses need relevant information. While businesses themselves must take responsibility for staying informed of the immediate developments in their particular markets, government can assist with broader information about the economy at national and regional levels. We propose that the Ministry of Economic Development prepare an annual sectoral report for publication that provides up-to-date factual information on the GDP contribution of each major industry, and discusses the challenges and opportunities that they face. This report will help inform public debate on economic development.
- 35 With a similar goal in mind, we also propose that the Ministry of Economic Development prepare regional activity reports that provide up-to-date factual information on the economy of each region for use by economic Ministers.

Consultation

- 36 This paper was prepared jointly by The Treasury and Ministry for Economic Development. The following departments and agencies were informed: The Department of Prime Minister and Cabinet, Ministry of Agriculture and Forestry, Ministry of Education, Ministry for the Environment, Ministry of Foreign Affairs and Trade, Inland Revenue Department, Department of Labour, Ministry of Science and Innovation, Ministry of Transport, and New Zealand Trade and Enterprise.

Financial Implications

- 37 This paper has no direct fiscal implications. New policy actions noted in Annex 1 that have fiscal impacts will require separate Cabinet approval as part of the Budget process.

Human Rights

- 38 This paper has no human rights implications.

Legislative Implications

- 39 Some new policy actions noted in Annex 1 may have legislative implications. Such actions will require separate Cabinet approval.

Regulatory Impact Analysis

- 40 This paper has no direct regulatory impacts. Some new policy actions noted in Annex 1 may have regulatory impacts. Such actions will require separate Cabinet approval. A paper setting out the Government's regulatory priorities for 2012 – including those arising from the business growth agenda – will be considered by Cabinet Economic Growth and Infrastructure Committee in March.

Gender Implications

- 41 This paper has no gender implications.

Disability Perspective

42 This paper has no implications for people with disabilities.

Publicity

43 Following Cabinet's approval of the business growth agenda, it is proposed that the Minister of Finance and the Minister for Economic Development be authorised to develop and approve communications material and a plan aimed at informing the business community, the media and the public about the new agenda. Portfolio Ministers will be expected to refer to this material when discussing their business growth priorities.

Recommendations

44 It is recommended that the Committee:

- 1 Note that the four strategic priorities that will drive the Government's policy priorities over the next three years are:
 - a Responsibly managing the Government's finances;
 - b Building a more productive and competitive economy;
 - c Delivering better public services within tight financial constraints; and
 - d Rebuilding Christchurch.
- 2 Note that the key challenges facing the New Zealand economy, within a highly volatile and uncertain international environment, are:
 - a Historically low productivity growth, compounded by a recent decrease in our international competitiveness;
 - b Slowing of real per-capita GDP growth and export growth;
 - c Growth concentrated in the non-tradable parts of the economy while the competition-exposed sectors have tended to stagnate;
- 3 Note that the objective of the Government's business growth agenda is to build a more productive and competitive economy;
- 4 Note that better public services, responsible fiscal management and rebuilding Christchurch, which impact on business growth, have been escalated to their own high-level priorities and mutually-reinforce the business growth agenda;
- 5 Note that the business growth agenda has been organised around the six key inputs to business that the Government directly influences – replacing the previous six drivers – in order to better communicate and manage the agenda:
 - a Capital markets;
 - b Innovation;
 - c Skilled and safe workplaces;
 - d Resources;

- e Infrastructure; and
 - f Export markets;
- 6 Invite Hon Joyce and Hon English to establish and co-ordinate six informal groups of Ministers holding the following portfolios:
- a Capital markets (Hon English):
 - i Finance;
 - ii Economic Development;
 - iii Commerce; and
 - iv State-Owned Enterprises;
 - b Innovation (Hon Joyce):
 - i Science and Innovation;
 - ii Economic Development;
 - iii Commerce;
 - iv Communications & Information Technology; and
 - v Primary Industries;
 - c Skilled workplaces (Hon Joyce):
 - i Tertiary Education, Skills and Employment;
 - ii Labour;
 - iii Immigration;
 - iv Education;
 - v ACC; and
 - vi Social Development
 - d Resources (Hon Joyce):
 - i Environment;
 - ii Climate Change;
 - iii Local Government;
 - iv Primary Industries;
 - v Energy & Resources; and
 - vi Conservation;
 - e Infrastructure (Hon English):
 - i Finance
 - ii Transport;
 - iii Building & Construction;
 - iv Communications & Information Technology;
 - v Energy & Resources;
 - f Export markets (Hon Joyce):
 - i Foreign Affairs
 - ii Economic development;

- iii Trade;
- iv Tertiary Education, Skills and Employment;
- v Customs;
- vi Tourism; and
- vii Primary Industries

- 7 Invite each group of Ministers to produce for consideration of EGI and for publication a sub-agenda of actions for advancing the Government's overall business growth agenda in that group's area of responsibility as follows:
 - a All relevant actions from the 120-point plan should be included;
 - b Additionally, Ministers are invited to consider including selected proposals from proposals suggested by officials in December 2011;
 - c Ministers may also add further actions as opportunities arise;
- 8 Invite the six groups of Ministers to produce a co-ordinated series of publications over the rest of 2012, one publication for each of the six key inputs, according to a rolling schedule of publications to be decided by Hon Joyce and Hon English;
- 9 Direct the Chief Executive of the Ministry of Economic Development and the Chief Executive of The Treasury to co-ordinate officials' support for, and advice to, the six groups of Ministers and to co-ordinate the inputs of the relevant agencies;
- 10 Note that the Minister of Finance and Minister of Economic Development intend to review the six initial sub-agendas and recommend an update to the business growth agenda;
- 11 Note that the Prime Minister will periodically chair meetings to review the overall effectiveness and direction of the business growth agenda;
- 12 Direct the Ministry of Economic Development to prepare an annual report for publication that provides up-to-date factual information on the GDP contribution of each major industry, and discusses the challenges and opportunities that they face, in order to inform public debate on economic development.

- 13 Direct the Ministry of Economic Development to prepare regional activity reports that provide up-to-date factual information on the economy of each region.



Hon Bill English
Minister of Finance

Date: 1/3/2012



Hon Steven Joyce
Minister of Economic Development
Science and Innovation
Tertiary Education, Skills and Employment

Date: 2/3/12

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ANNEX 1: SUMMARY OF 120-POINT ACTION PLAN

	Policy Action	Status
Building Capital Markets		
1	Loan sharks: tougher consumer credit laws to protect unwary consumers	New policy
2	Securities law: Improve financial market conduct and investor confidence	In progress
3	SOEs: Improve accountability and reporting by SOEs	In progress
4	Financial Markets Authority: establish 'super regulator'	Completed
5	Financial service providers: require providers to be registered, meet training requirements and belong to dispute resolution scheme	Completed
6	Investment Fund and KiwiSaver governance: licensing and monitoring regime for corporate trustees and improve governance of KiwiSaver schemes	Completed
7	Venture Capital: provide \$40m to underwrite NZ Venture Investment Fund	Completed
Building Innovation		
8	Advanced Technology Institute: transform IRL into an advanced technology institute	New policy
9	National Science Challenges: Invest \$60m to find innovative solutions	New policy
10	Anti-competitive behaviour: Sanctions to deter hard-core cartel behaviour (price fixing, etc.)	New policy
11	Technology development grants: encourage knowledge-intensive firms to undertake stretching R&D	In progress
12	Government procurement: saving through smarter purchasing	In progress
13	Technology transfer vouchers	In progress
14	National health innovation hub: support for innovative companies to develop products with DHBs	In progress
15	More funding for science: through CRIs, PBRF, Marsden Fund, HRC and business innovation	In progress
16	Reform CRIs: ensure better connect with business	In progress
17	NZ companies: require all NZ companies to have either one resident director or local agent	In progress
18	Consumer law: bring up to date with modern trading practices	In progress
19	Primary Growth Partnership: joint investment in research and innovation	Completed
20	Food Innovation Network: set up network	Completed
21	Centre for Agricultural Greenhouse Gas Research: to promote technologies	Completed
22	Prevent Science and Innovation Waste: remove R&D Tax Credit	Completed
23	Super computers: invest in network of super computers	Completed
24	Science Leadership: establish PM's Chief Science Advisor and PM's Science Prizes	Completed
Building Safe and Skilled Workplaces		
25	Workplace training: embed literacy and numeracy in all funded level 1 and 2 foundation courses	New policy
26	Starting-out wage: new wage to lower barriers for young workers	New policy
27	Collective bargaining: reduce bureaucracy and costs	New policy
28	Constructive dismissal: review how allegations can be better managed	New policy
29	Flexible working arrangements: all employees to request and employers to agree without having to go through a formal process	New policy
30	21st Century Schools: build new schools and modernise existing buildings	New policy
31	Network for Learning: connect schools to dedicated online network	New policy
32	Value for money in industry training: better results for taxpayer investment	In progress
33	Industry training review: ensure system provides good outcomes	In progress
34	ITO mergers: simplify vocational training system and gain efficiencies by encouraging ITOs to merge	In progress
35	Vocational pathways: simplify pathways by reducing competing qualifications at levels 1-6 and set up trade/vocation pathways in schools	In progress
36	Youth guarantee: more skills training options for 16 and 17 year olds	In progress
37	Job Ops: support young people on benefits into training and jobs with employer subsidies through Skills for Growth and Job Ops with training programmes.	In progress
38	Training for the rebuild of Canterbury: up to 4500 places for construction-related training	In progress

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	Policy Action	Status
39	Employee levies: reduce levies for wage and salary earners	In progress
40	Employer levies: reduce levies for employers and the self employed	In progress
41	More choice in ACC: explore choice in ACC Motor Vehicles and Earners Account	In progress
42	A solvent ACC: run surpluses and reduce unfunded liabilities	In progress
43	Experience ratings in ACC: introduce experience rating and no-claim bonuses for employers and self-employed	Completed
44	Adult courses: quadruple number of adult students gaining literacy and numeracy	Completed
45	90 day trial: voluntary 90-day trial for new employees	Completed
46	Personal Grievance reform: reduce delays, costs and vexatious claims	Completed
47	Holidays reform: give employees choice to trade one of four weeks annual leave for cash	Completed
48	Keep the Hobbit	Completed
Building Resources		
49	Six-month processing: 6 month time limit on consenting medium term projects	New policy
50	Natural hazards: address risks posed by natural hazards in the RMA	New policy
51	Simpler plans: simplify planning processes for resource management, transport and local government	New policy
52	Gradual implementation of ETS: slow the phasing-in of the electricity, industrial and transport sectors	New policy
53	Agriculture: review legislated ETS entry date	New policy
54	Offsetting: introduce offsetting for pre-1990 forest land owners and review second tranche of compensation	New policy
55	Regional road networks: develop key projects that enhance economic growth	New policy
56	Water storage and distribution: invest up to \$400m into irrigation and water storage development.	New policy
57	Permits: competitive system for processing permits for oil and gas exploration	New policy
58	Water: progress Land and Water Forum's recommendations	New policy
59	Energy promotion: building petroleum basin knowledge	In progress
60	Food safety: reform regulatory regime	In progress
61	Warm Up New Zealand: Heat Smart: upgrade 188,500 homes with insulation and/or heating	In progress
62	Mining and petroleum industrial safety: establish High Hazards Unit and allocate \$1.5m to fund it	In progress
63	Exclusive Economic Zone Protection	In progress
64	Fishing boats industrial safety: Ministerial inquiry into operation of foreign charter vessels	In progress
65	Streamlining the RMA	Completed
66	Reduce ETS costs: halve costs for businesses and households	Completed
67	Priority consents: 9 month limit for consenting projects of national significance through the Environmental Protection Agency	Completed
68	Faster decisions: require councils to provide a discount for late processing of resource consents	Completed
69	Global Research Alliance: establish global alliance to focus efforts on increasing food production while limiting greenhouse gases	Completed
70	Aquaculture: reform legislation to promote investment, reduce costs and uncertainty	Completed
Building Infrastructure		
71	Regional Networks: develop key roading projects that enhance growth and improve the resilience of key inter-regional freight routes	New policy
72	Upgrade State houses: ensure by 2013 every state house built before 1978 that can be insulated is insulated	New policy
73	Temporary Stadium: underwrite 17,000 capacity stadium in Christchurch	New policy
74	Future Investment Fund: use MoM proceeds to invest in capital projects that grow the economy and improve public services.	New policy
75	New Roads of National Significance: evaluate 4 new RONS for development	New policy
76	Roads of national significance: fast-track work on 7 RONS	In progress
77	Regional road projects: speed up construction on important regional projects	In progress
78	KiwiRail Turnaround Plan: commit \$750m to the \$4.6bn plan	In progress

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ANNEX 1: SUMMARY OF 120-POINT ACTION PLAN

	Policy Action	Status
79	Commuter rail: Invest \$1.6bn to upgrade Auckland commuter rail and \$485m for Wellington commuter rail.	In progress
80	Clifford Bay Terminal: Investigate use of a new sea freight terminal.	In progress
81	Rural Broadband Initiative: \$300m to roll out faster broadband	In progress
82	Digital Switchover: accelerate television switchover to release 4G wireless spectrum	In progress
83	National Grid: Invest \$3.9bn through Transpower to upgrade the National Grid	In progress
84	Earthquake Recovery Fund: \$5.5bn for government's share of rebuilding Infrastructure and Crown owned assets	In progress
85	Road User Charges: modernise and simplify road user charges system	In progress
86	Transport Licensing: review and simplify land transport legislation	In progress
87	More competition in electricity: encourage consumer switching	In progress
88	Better accountability in building and construction: legislation to improve consumer protections and reduce compliance costs	In progress
89	More investment in roads: Invest \$12bn over 10 years in new state highways and \$1.8bn in new local roads	In progress
90	Ultra-fast broadband: Invest \$1.35bn in PPPs to rollout ultra-fast broadband	In progress
91	Leaky homes: \$1 billion financial package	In progress
92	Health facilities: \$1.75bn of capital spending by DHBs	Completed
93	Less red tape in electricity: remove bans on incandescent light bulbs and new thermal power stations	Completed
94	More competition in electricity: transfer assets between SOEs to encourage competition	Completed
95	Electricity Hedge Market: require major generators to put in place an accessible electricity hedge market	Completed
96	Consumer compensation: compensation in event of conservation campaigns or dry year power cuts	Completed
97	Less electricity bureaucracy: abolish Electricity Commission and replace with Electricity Authority	Completed
98	Fuel tax: defer planned fuel tax rise and cancel Auckland regional tax	Completed
99	Heavy vehicles: allow to operate on specified routes	Completed
100	Mobile terminations: regulate termination rates to improve competition	Completed
101	DIY: allow more do-it-yourself building, make a broader range of minor and low-risk building work consent-free	Completed
102	MultiProof consents: fast-track building consents for standard, multiple-use building designs	Completed
103	More competition in telecommunications	Completed
Building Export Markets		
104	International Convention Centre: negotiate with SkyCity to build international convention centre in Auckland	In progress
105	NZ Cycle trail: develop 18 Great Rides around the country	In progress
106	Education New Zealand: establish new Crown agency	In progress
107	New FTAs: India, Gulf States, Trans-Pacific partnership, Korea, Russia, Belarus, Kazakhstan	In progress
108	NZ Inc: develop country strategies	In progress
109	Air Service Agreements: negotiate agreements with key Asian and South American markets	In progress
110	Export guarantees: \$200m for trade guarantees	In progress
111	Complete FTAs: Malaysia, HK, ASEAN	Completed
112	Export development: focus NZTE on key companies and sectors	Completed
113	More tourism funding	Completed
114	Major events: boost funding to increase number and quality of events	Completed
115	Funds domiciling: change tax rules to make it easier for overseas firms to domicile funds here	Completed
116	SmartGate: faster clearance of trans-Tasman passengers	Completed
117	Aviation levies: reduce International Aviation Security passenger levies	Completed
Overarching Policy		
118	Remove unnecessary legislation: remove 176 unnecessary regulations from the law book and repeal 31 obsolete or redundant Acts	In progress
119	Compliance costs: amend 13 Acts to reduce compliance costs	In progress
120	Productivity Commission: establish Commission and determine first topics of investigation	Completed