

Summary of Election 2017 policy costings as at 10 September 2017



Fiscal objectives

New Zealanders are benefiting from our strong economic plan with rising wages and solid job growth. Real after-tax wages increased by nineteen percent in the last nine years and we now have more than 2.5 million people employed.

The announcements we have made since 12 August have a total effect on the Government's operating budget of \$295 million in 2018/19 rising to \$330 million in out years.

This compares with an annual operating allowance of \$1.7 billion available in Budget 2018. Or in short, we have allocated a total of 17-19 per cent of the available Budget 2018 allowance, and nothing from subsequent years.

The National Party has four fiscal objectives:

1. Delivering better public services for a growing country – providing all New Zealanders with the opportunity to lead successful independent lives.
2. Building the infrastructure we need in growing a modern economy.
3. Paying down debt as a percentage of GDP.
4. Further reducing the tax burden on lower and middle income earners, when we have the room to do so.

Operating expenditure

Policy	Announcement date	2018/19	2019/20	2020/21	2021/22	Total over four years
Revenue						
Great Walk fees for international visitors	25 August	4	4	4	4	16
Revenue Total		4	4	4	4	16
Operating Expenditure						
Parents & Newborns Package	29 August	57	88	90	92	325
Education Package	27 August	89	89	89	89	354
Cheap GP visits for 600,000	21 August	95	95	95	95	380
Increasing elective surgery	5 September	30	60	90	120	300
Serious young offenders	13 August	15	15	15	15	60
Extra investment into DOC	25 August	4	4	4	4	16
Community conservation programmes	25 August	5	5	5	5	22
Electric vehicles target	12 August	-	-	-	-	-
Freedom camping	26 August	-	-	-	-	-
Trade policy	22 August	-	-	-	-	-
National Infrastructure Commission	1 September	2.5	2.5	2.5	2.5	10
Boosting Predator Free 2050	2 September	17.3	17.3	17.3	17.3	69
Tackling methamphetamine and gangs	3 September	10.5	10.5	10.5	10.5	42
Support for first home buyers	10 September	74	74	74	74	296
Unemployed youth support	6 September	18	18	18	18	72
Regional Culture & Heritage Fund	9 September	7.5	7.5	7.5	7.5	30
Operating Total		424	485	518	549	1,976
Budget 2018 operating allowance		1,700	1,700	1,700	1,700	
Budget 2019 operating allowance			1,734	1,734	1,734	
Budget 2020 operating allowance				1,769	1,769	
Budget 2021 operating allowance					1,804	
Total operating allowances		1,700	3,434	5,203	7,007	17,343
Total net operating allowances available		1,280	2,953	4,689	6,462	15,383

The Elective surgery increases will be taken out of each year's budget allowance.

The electric vehicles target, freedom camping, and trade policies do not have an additional fiscal cost.

Capital expenditure

The National Party has also made a number of capital commitments so we can keep building the infrastructure we need for our growing country.

Education package:

- National's package requires additional capital investment of \$25 million. This funding will come from the \$3.9 billion of unallocated capital available from Budget 2017.

Christchurch Metro Stadium:

- \$120 million for building a new stadium in Christchurch. This funding will come from the unallocated capital in Budget 2017.

Auckland & Wellington commuter rail:

- \$267 million for upgrades to Auckland and Wellington's urban commuter rail networks. This funding will come from the unallocated capital in Budget 2017.

Roads of National Significance:

- National has announced the next generation of Roads of National Significance. These new roads are

expected to cost around \$10.5 billion over the next ten years. They will be funded from the separate National Land Transport Fund ('NLTF') and the use of public-private partnerships. It should be noted the NLTF's annual budget is around \$4 billion per year.

Nelson Southern Link:

- The new road is expected to cost up to \$135 million. Funding will come primarily from the National Land Transport Fund and some Crown funding could be used to accelerate the project if required from the unallocated capital in Budget 2017.

Whanganui velodrome:

- National will invest up to \$6 million from the existing Regional Growth Programme in the Whanganui Regional Velodrome redevelopment project. Through the Regional Growth Programme, National is helping regions realise their economic potential.

Government announcements

- The Government has also made some announcements subsequent to the publication of the PREFU. The funding for each of these Government announcements is included in Budget 2017 and the pre-election fiscal update, with the exception of the Dunedin Hospital rebuild which is intended to be constructed using a public-private partnership.