LABOUR'S FISCAL PLAN: FACT SHEET

Return to surplus

- Return a $497 million surplus in 2014/15
- 2013/14 is the only year in which Labour reports a larger operating deficit than National.
- Labour will spend $221b over the first term compared to $220b under National - $1b difference
- From 2016/17 Labour's plan returns surpluses larger than forecast under National.

Reducing net debt

- Reduce net debt to zero by 2022, a year ahead of National
- From 2017/18, net debt including NZSF falls faster under Labour.
- The introduction of a capital gains tax generates significant revenue over 16 years - $26 billion.
- Meaningful revenue from the CGT starts to accumulate in the short to medium term. By 2015/16 revenue is expected to reach almost $500 million. It will have risen to over $1 billion by 2018/19.
- In the initial stages of the CGT Labour will borrow an additional $2.6 billion over our first term to invest in capital spending such as hospitals, schools and roads
- The difference in net debt between National and Labour will peak in 2016/17, at $4.0 billion.
- Labour will accumulate an extra $19 billion by 2026 as a result of income from retaining our assets and revenue from a capital gains tax.

National's asset sales programme leaves $1 billion hole

- National has booked the revenue from asset sales but not the foregone returns. When those foregone dividends are accounted for, net debt including the NZSF would be almost $1 billion higher by 2015/16, than appears in the uncorrected PREFU.