

August 2020

The Deloitte and Chapman Tripp **Election Survey**

hosted by BusinessNZ



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The Deloitte and Chapman Tripp Election Survey, hosted by BusinessNZ, is the leading survey of opinion on business issues for the 2020 General Election.

Each election year, the surveyed views of businesses are compared with political parties' policies on issues such as tax, trade, investment, and other policies important for business and the economy.

The comparison between business and party responses gives useful insights into the likely landscape for business and the economy after the election.

The survey in 2020 has attracted a high response rate from the business community with clear indications of opinion on important business issues. It has also helped clarify the policy positions of some political parties contesting the election.

The Deloitte and Chapman Tripp Election Survey, hosted by BusinessNZ, provides exclusive information for the business voter not available from other sources.

We hope you find the report informative and of value for your business.



A handwritten signature in black ink, appearing to read 'Kirk Hope'.

Kirk Hope
Chief Executive
BusinessNZ

About the Deloitte and Chapman Tripp Election Survey, hosted by BusinessNZ



The Deloitte and Chapman Tripp Election Survey, hosted by BusinessNZ, consisted of two related questionnaires.

The first surveyed BusinessNZ members and attracted 1193 responses, up from 575 in 2017 and 1147 in 2014. The sample covers a broad range of business sizes, regions and industries.

The second invited the nine political parties contesting this election to describe their policies across six areas of particular interest to business: the economy, investment, innovation and sustainability, infrastructure, trade, skills and human capital, and employment. For reasons of space, their policy statements had to be reasonably short. The responses are as up to date as when we received them.

All percentages have been rounded to the nearest whole number.

Document key

- 1 All questions directed at BusinessNZ members are on a grey background

**Business question and response
from BusinessNZ Survey**

- 2 All questions directed at New Zealand's political parties are on white



ACT New Zealand



Green Party of Aotearoa New Zealand



New Zealand Labour Party



Māori Party



New Zealand National Party



New Conservative Party



New Zealand First



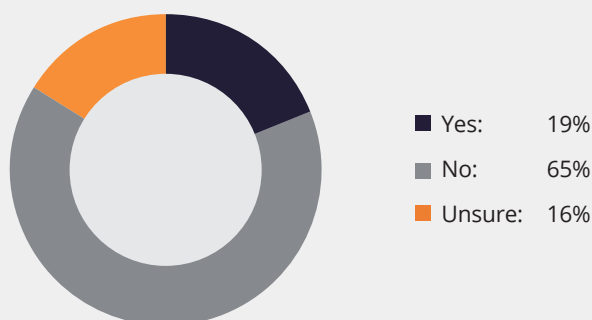
Sustainable New Zealand Party



The Opportunities Party

1 Economic environment

Post COVID-19, do you consider the Government has a coordinated plan of action focused on raising New Zealand's economic performance?



1.1

Post COVID-19, do you consider the Government has a coordinated plan of action focused on raising New Zealand's economic performance?



No. There is no open debate, no pathway on the public health approach or fiscal track, let alone how to capitalize on the opportunity of being an island nation on a pandemic planet.



Yes. The Government has moved swiftly to support businesses, such as with wage subsidies and business loans. The next stage of economic recovery has begun, with stimulatory spending to support the economy.



Yes. Our strong health response gives us an economic head start; the ability to move from responding to COVID-19, to recovering and rebuilding, well ahead of other countries.



No – particularly in regard to Māori.



The Government has no plan aside from spending on an industrial scale and waiting for a vaccine. We need a comprehensive economic plan that focuses all of our country's energy on lifting economic growth, creating jobs and increasing productivity.



No we don't.



Yes, this includes the injection of money into the economy through massive geographically dispersed infrastructure programs. These infrastructure investments coupled with ongoing Provincial Growth Fund investment. Coupled with this is a massive injection into education programs.

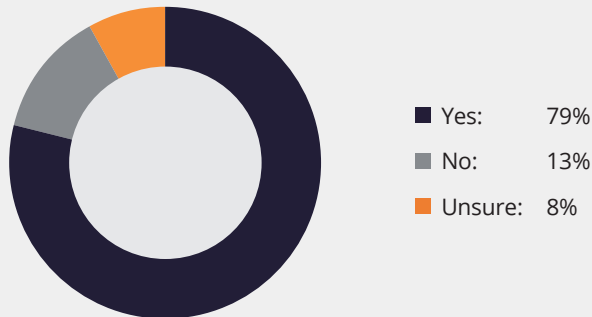


No. For too long now NZ has failed to adapt to a changing world and suffered the consequences. To address these issues we have developed a plan modelled on the most successful innovation policies and practices from around the world.



No. But neither does National.

Do you believe the Government needs to do more regarding reducing regulatory burdens on businesses as part of the ongoing post COVID-19 recovery?



1.2

Are there areas other than economic growth that should be focused on, taking into account the impact of COVID-19, and if so what?



Mental health is going to be a major challenge, and the Government's delivery mechanism is woefully inadequate. ACT's mental health policy would channel the current \$2 billion spend through a single purchaser that specializes in making the mental health dollar go further.



Yes. The economic recovery presents a once in a generation opportunity to rebuild in a way that also advances social and environmental goals.



Number one priority is jobs. Maintaining jobs is the best form of stimulus as it keeps up demand in the economy.



All aspects of political policy have economic impacts.



Of course, every Government should have a focus on improving living standards. As well as advancing NZ's economic prospects, the Government should focus on preparing young people for the future, keeping NZers safe, protecting vulnerable NZers, conserving our natural environment and ensuring NZers are provided the healthcare they deserve.



Yes, business development by reducing complaints and financial literacy in schools to prepare students better for life. Start trade training schools from year nine so that we have the skills we need in the future.



Opportunities to support IT and advanced technology firms to attract high quality staff to NZ right now. We are a highly desirable place in the world, but never has this been clearer than during the COVID-19 pandemic. Also, there is an option of new business attraction to NZ from overseas individuals or entities that commit to start up investment here in NZ in industries that have been identified in our value add focus.

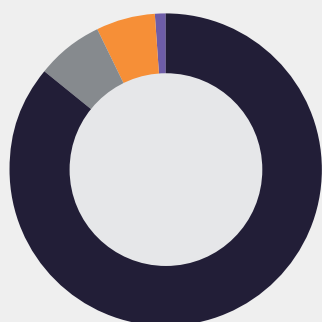


A range of areas, including promoting sustainable economic development (green growth) and fostering innovation (both technical and non-technical).



We have both a housing crisis and a real challenge to meet our emissions reduction targets. While investing in infrastructure makes sense as a means to stimulate the economy, it must be in line with these two issues.

For this next period, which of the Government's current four well-beings do you believe should receive highest priority by the Government?



■ Economic:	86%
■ Social:	7%
■ Environmental:	6%
■ Cultural:	<1%

1.3

Should New Zealand's tax system have a reasonably flat tax structure, with no/few exemptions or tax breaks?



Yes. Our broad based, low rate tax system is one of our best policy assets. We must defend it at all costs against the perennial populist demands to create a leaky tax system by introducing various exemptions.



Yes – endorses a broad tax base. Wealth, especially property, is not taxed fairly and we propose an asset tax on net wealth above \$1 million to address this.



Supports NZ's existing progressive tax system. One of the defining features of the NZ tax system is its broad-base, low-rate structure. Labour supports this on two grounds: efficiency and fairness.



It must be reasonably flat and that includes Property and Capital Gains Tax.



Yes.



Yes.



Yes, although NZ First will look to incentivise exports businesses through a tax break scheme.



Absolutely! In alignment with our vision of creating, in NZ, a place where talent wants to live we believe there are two important aspects of tax policy: competitiveness and neutrality.



Yes. This primarily means closing the tax breaks around housing. If the major parties are not willing to do this we must look at lowering the taxes on other investments in order to ensure housing is not tax favoured.

1.3a

Has the economic impact of COVID-19 resulted in any changes to your tax policy?



Yes, as above. We can no longer feasibly achieve a single rate. We can drop the 30c rate that applies between \$48,001 and \$70,000 down to 17.5%. This would reduce annual revenue by approximately \$3 billion.



Yes. We need to be expanding the tax base beyond income and GST. The lack of a capital gains tax, land tax, or asset tax works to funnel investment into non-productive assets, at a time when we need every dollar to be circulating the economy to support local businesses and sustain employment.



Labour's tax policy will be released in the lead-up to the 2020 general election.



Yes, it will require increasing.



Following COVID-19, we have proposed a \$150,000 instant asset write-off scheme to encourage investment and drive growth. We have kept our existing policies to index tax thresholds to inflation, because it's the right thing to do, as well as our commitment not to introduce any new taxes.



Yes its implementation will be harder with such a huge debt burden.



Depreciation on commercial buildings was an important tax response. We also advocate for small business tax write-offs on capital at \$20,000. Continue to advocate for an accelerated capital depreciation option for massive capital items.



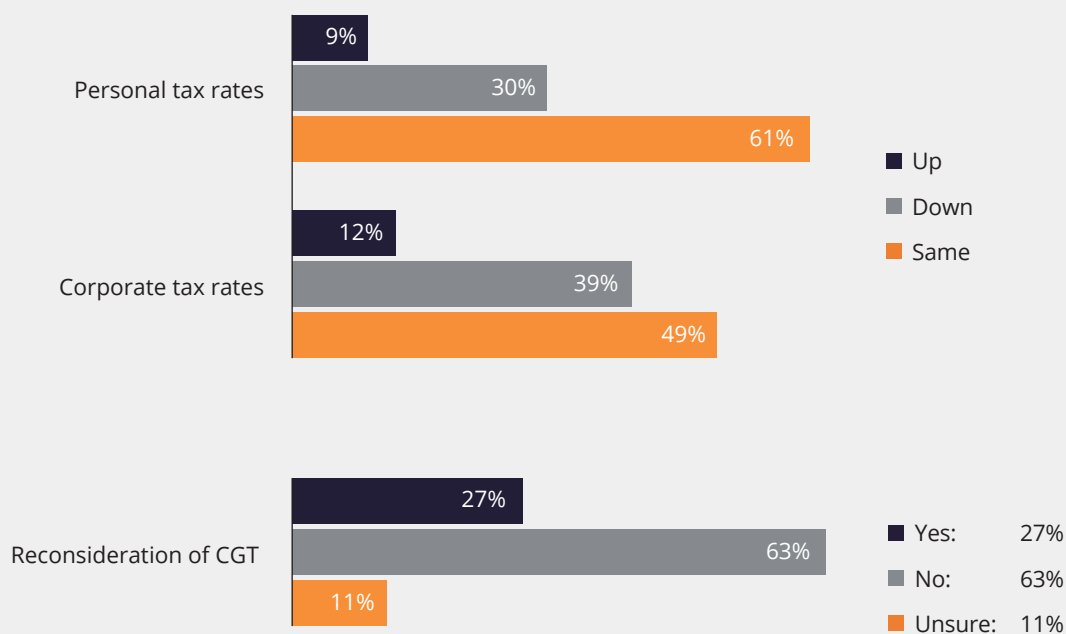
We are exploring the idea of adding a 5% COVID tax on incomes over the minimum wage.



Yes. Abolish provisional tax for small businesses.

What tax policy settings, if any, would you support changing to address the fiscal challenges COVID-19 has caused:

Change in tax policy settings post COVID-19



1.4a

What is your tax policy in relation to: Corporate tax rate



Needs to be lower but there is little fiscal room to do so and further increasing the gap between personal and company income tax rates won't help.



We are not proposing any changes to the corporate tax rate as a priority this election.



Labour's tax policy will be released in the lead-up to the 2020 general election.



33%.



Yet to be announced.



No response.



Same.



Reduced to 20%.



No response.

1.4b

What is your tax policy in relation to: GST



ACT's Alternative budget would reduce GST to 10% for one year as a form of stimulus. The fiscal impulse would be a one-off \$6 billion.



We are not proposing any changes to GST as a priority this election.



Labour's tax policy will be released in the lead-up to the 2020 general election.



15%.



No change.



No response.



Same.



Increased to 20%.



Unchanged.



Before COVID we campaigned on reducing this to 17.5% but this is no longer fiscally feasible.



Trusts would be taxed under our proposed asset tax. Assets in fixed trusts would be apportioned to their beneficiaries for tax purposes. Assets in discretionary trusts would be taxed at 2%, in a similar way to how trust income is taxed at the top income tax rate to minimize opportunities for tax avoidance.



Labour's tax policy will be released in the lead-up to the 2020 general election.



33%.



No change.



No response.



Same.



20%



Unchanged.

1.4d

What is your tax policy in relation to: Alignment of tax rates (top personal, company and trust rates)



Before COVID we campaigned on reducing this to 17.5% but this is no longer fiscally feasible. Obviously alignment is desirable in the medium to long term.



We are not proposing any changes to tax rate alignment as a priority, except as below.



Labour's tax policy will be released in the lead-up to the 2020 general election.



No response.



Agree there should always be a focus on keeping these rates as close together as possible, where possible.



No response.



Willing to explore, not a priority in the next term.



All set at 20%.



Ideally they should be aligned.



The priority should be lowering the rate rather than increasing the threshold. We want all taxpayers to be unified by paying the same rate instead of predate on each other at the ballot box.



We are proposing two new top income tax rates: 37% on income over \$100,000 and 42% on income over \$150,000.



Labour's tax policy will be released in the lead-up to the 2020 general election.



33% at \$80k.



As incomes grow the top rate will kick in at reasonably modest income levels, which isn't appropriate. National will index tax thresholds to inflation to prevent middle income earners from reaching the top tax bracket so soon.



No response.



Same. Wanting to address bracket creep.

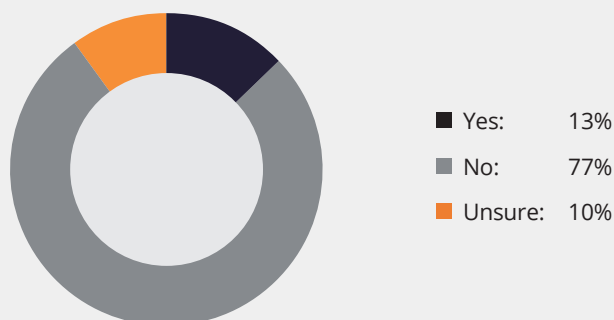


All set at 20%.



Flat tax rate of 33%. This proposed tax reform is designed to work alongside a UBI of \$250 per person per week. Ideally if we can tax housing the same as other assets then there is room to align tax rates across corporate tax also.

If there were to be additional taxes or levies introduced, should they be targeted at those that have claimed the wage subsidy (e.g. a surcharge to repay the assistance provided – as earnings allow)



1.5

Do you have a plan to repay government debt given the expected material increase as a result of additional spending requirements due to COVID-9 support?



Yes, ACT's Alternative Budget shows we could reduce expenditure by \$7 billion per year without reducing health or education spending.



Committed to responsible fiscal management, as well as supporting the immediate wellbeing of NZers and encouraging the rapid transition to a low emissions economy. Right now, government spending is important to keep the economy buoyant. Government borrowing costs are very low. Our proposed asset tax would generate more revenue to fund priorities, potentially freeing up other revenue for debt repayments.



Will be running operating deficits and allowing Crown debt to increase in the short term; this is because that is the responsible thing to do. In time, we will need to return to a more sustainable fiscal path.



Yes. Funded by tax increases and efficiencies and reviewing the Provincial Slush Fund.



Begin by reducing the size of the debt mountain, to reduce the pain for future generations. Will do this by identifying and eliminating wasteful spending; encouraging growth in the private sector so tax revenues rise and welfare payments fall; and, by temporarily forgoing some 'nice to have' spending.



Repaying Government debt will be about using our resources rather than importing. This includes mining and hydrocarbon exploration. It also involves reducing government expenditure which provides no benefits such as the ETS.



As any good business owner will know, debt is not the problem. There is good debt and bad debt. It is what debt we take on and for what purposes. The government debt to date has been about necessary infrastructure investment. We will be paying down debt, and need to ensure we have capacity for another 'rainy day.'

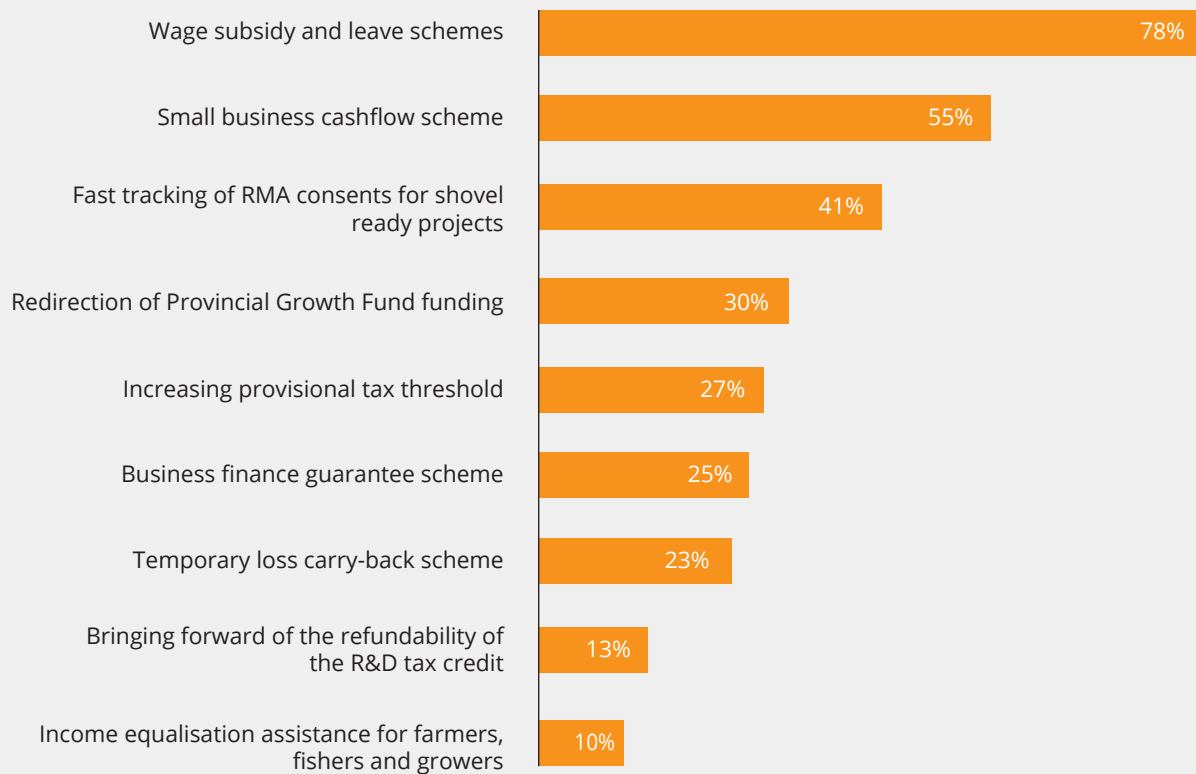


We are exploring the idea of adding a 5% COVID tax on incomes over the minimum wage.



The first priority is to restart the economy. If needed longer term sources of revenue could come from closing the tax loophole around housing, applying GST to financial services and environmental levies such as Emissions Trading Scheme and the Waste Levy.

Please choose the top three Government COVID-19 led initiatives in terms of their effectiveness on the business community



1.6

What changes/additions regarding COVID-19 led economic initiatives in terms of their effectiveness on the business community do you propose?



Please see above.



We would support greater focus and investment on upgrading to clean energy in industrial businesses.



The best economic response to COVID-19 was a strong health approach. But we've also invested heavily in a direct economic response that has cushioned the blow of the virus on our economy. Where necessary, we've made changes to ensure support was getting where it was needed.



Proper costs benefit analysis on all Government funded projects.



While in lockdown level 4, we proposed a GST refund scheme that would allow businesses to claim up to \$100,000 in direct cash grants based on their previous GST receipts. We note the ineffectiveness of the Governments' response in regard to business overheads, such as rents. Despite promising in April they would find a solution to commercial rents, nothing has happened to date.



Reduced restriction around employment termination, reduced compliance costs and an RMA that is clear and predictable with less room for personal interpretation.



There will be an impetus to explore investment tools for start ups. With a desire to support and encourage innovation and entrepreneurship NZ First will look to micro financing type tools as part of the Provincial Growth Fund.

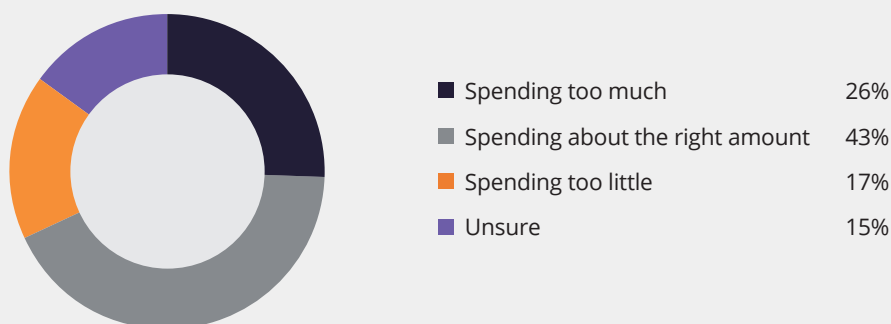


Apart from creating a high level of collaboration and comprehensive value creating stimulus across government, the private sector, educational & research centers and individual entrepreneurs who aspire to produce innovative products/solutions, our Innovation Policy also provides extensive business diagnosis, advice and consultancy support through the following two initiatives, namely high growth support and an early warning program.



Abolish provisional tax for small businesses, remove Fringe Benefit Tax for low emissions vehicles, and grants of up to \$10,000 to help small businesses uptake digital technology and improve energy and resource efficiency.

Regarding business support due to COVID-19, is the Government:



1.7

What changes (if any) do you propose to the Provincial Growth Fund?



It should end. The role of Government in provincial NZ is to provide infrastructure according to a long term plan with proper cost benefit analysis on each project in each region. NZ should never have a policy where 'political visibility' is a spending criteria.



The PGF has supported some good projects and gone some way to reversing decades of neglect that Governments have shown to regional NZ. However, it should be reoriented to fund activities that will help transition to a more sustainable, low emissions economy.



Our Provincial Growth Fund has been a game-changer for NZ's long-neglected regions. As we recover from COVID-19, we will continue to support growth in our regions through job-rich programmes.



Apply it to pay down debt.



Propose a much more rigorous approach to investing in the regions. Instead of cash handouts to a few lucky businesses, we propose focusing Government investment in infrastructure that improves the opportunities for entire communities.



The PGF is top heavy and result light. We would like to see more regional autonomy with locals choosing what their communities need. Therefore take the PGF out of central government and allocate to local councils.



Practically focusing on the further digitization of rural NZ. COVID showed us how vital this is. We must take a more collaborative effort on new industry growth (i.e. ocean marine farming). There is a need to continue upgrading our marine infrastructure in order to grow our "Blue Highway." Water storage will be an important focus. Productivity investments in traditional industries such as wood processing.

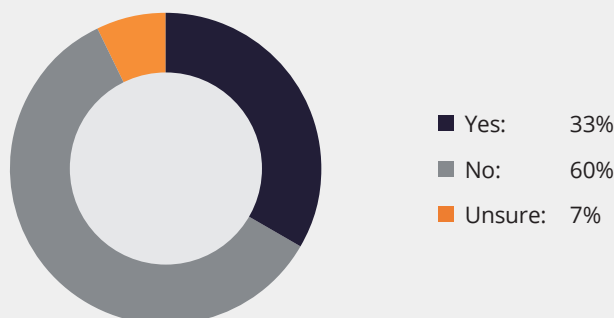


We would cancel it. Our Innovation Policy is comprehensive enough to address the need for the development in the regions and to render it redundant.



Scrap it. If it is to continue it should be focussed on transitioning regional NZ to a low carbon economy.

Principally because of COVID-19, Government debt levels are projected to go from 19% of GDP in 2020 to 53.6% of GDP by 2023. Overall, are you comfortable with this?



1.8

What changes (if any) do you propose to eligibility for New Zealand Superannuation?



The age of eligibility should be raised by 2 months per year for the next 12 years.



None, although we are open to a conversation about superannuation. NZ Super contributes to NZ having among the lowest rates of poverty among older people in the developed world, so to support any changes we'd need to be convinced that the changes wouldn't put that at risk.



Labour is committed to keeping the age of eligibility for NZ Superannuation at 65.



Increase to 68.



We propose to progressively increase the age of NZ Superannuation to 67, starting in 2037.



Must make changes to how we save for retirement with every worker having a retirement savings account with minimum yearly contributions. Government top ups should only be available to those whose income means their contribution does not meet the minimum threshold. Retirement age gradually lifting.



Will ensure that neither of the major parties will be able to touch superannuation to 'pay' for the recovery. It is critical that our seniors are looked after. The net benefit to our economy is a positive one. \$35 billion of transfers vs \$88 billion in spending by our seniors.

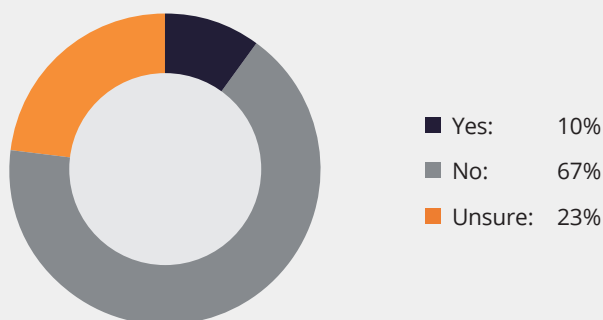


Raise the retirement age. Starting in 2023 we will raise the age of entitlement to superannuation from 65 to 67, at a rate of two months per year, finishing in 2035.



A flat income tax of 33% would act as a surcharge on people earning over and above NZ Super, making it affordable without raising the age.

Do you believe the Provincial Growth Fund that has a budget of \$1b per annum has been an effective spend?



1.9

What changes (if any) do you propose for KiwiSaver, Working for Families and interest free student loans?



KiwiSaver subsidies should be suspended while the Government is borrowing funds at the margin. Working for Families should be reduced in line with tax cuts when they become fiscally feasible. Abatement rates can be increased without increasing effective marginal tax rates if income tax rates are lower. Reintroduce interest for student loans at the Government's borrowing rate plus a small risk premium.



No changes to Kiwisaver. Our Poverty Action Plan contains significant improvements to Working for Families. Student loan changes are not a priority for us this election, however the Green Party has a longstanding policy of investigating ways to write-off debt for graduates who stay in NZ.



Labour's policy will be released in the lead-up to the 2020 general election.



KiwiSaver increased to 5% matched.



No announced changes so far to any of these.



Kiwisaver as per above. Working for Families reassessed after our tax policy has been reviewed once implemented, interest free loans aimed at courses with realistic opportunity of employment at the end. Free tertiary should be for last year only if every year passed.



Have made KiwiSaver more responsive and transparent, and less costly to use for NZers whilst it has been in government. Will look to introduce a "Children's Allowance". Would seek to remove the disparate entitlements and WFF tax entitlement and unify them into one entitlement. This would be paid to the first child and subsequent 3 children after that (maximum of \$500 per week). No changes to the student loan scheme.

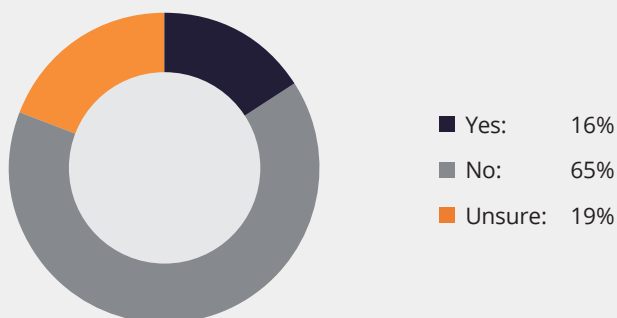


None.



With a Universal Basic Income (UBI) we can get rid of Working for Families and Interest Free Student Loans. With respect to Kiwisaver, TOP believes that all investments need to be treated equally. If the major political parties aren't willing to tax housing, then we need to reduce the tax on Kiwisaver to achieve equal treatment.

Overall, do you believe the Government's processes for developing regulatory changes are satisfactory?



1.10

Should local government be restricted to the provision of local public goods and services that businesses, individuals or voluntary groups cannot provide more efficiently?



Yes absolutely.



Broadly, the Green Party's focus is on making sure adequate and affordable services and public goods are provided – not so much about who provides them.



No. Efficiency is an important metric for service provision, but there are several other [metrics] local government should account for as well. Two of those are effectiveness and inclusion.



Yes.



We agree that Councils should look to provide the basic services will before they start branching out into areas beyond their remit.



Not necessarily. Sometimes council services can be provided at an extra cost but providing work for those who otherwise would be uneconomic to employ. The social benefits of these people being in full time work outweigh the extra cost of the work so it is not just a question of efficiency.



I think a good council can justify all of their spending and its contribution to community.



We think this is too restrictive a view of the role of local government. Local government should be more focused on their environmental and resource use responsibilities and we would re-examine the current split of responsibilities between district and city councils and regional councils.



We support localism, which means giving more say to local communities over the services that affect them. However, this should include devolution of government funding so that ratepayers don't have to bear the cost.

Should water, wastewater and roading services be subject to greater commercial discipline and user charges?



1.11

Should water, wastewater and roading services be subject to greater commercial discipline and user charges?



Yes certainly. More accurate pricing is one of the most important principles for better environmental and economic performance.



In some cases, yes, but not in all cases. We would support congestion charging, for example. But we are unconvinced that greater user-pays approaches are necessary for residential water and wastewater – when the country's biggest users of water are industrial firms and irrigation.



Financial discipline is important across all areas of public investment. However, financial discipline does not necessarily require user charges. On water and wastewater, many of these services are governed by local government rather than central government, and Labour is mindful of their democratic autonomy.



Yes.



It is important that all public assets are managed in a very disciplined way and, where possible, the costs of funding such assets are recouped by those who use them, in the form of user charges.



Our roading costs are far too high and inefficient. Internationally we are paying too much for often sub standard work. Government contracts must be tight and not allow for vast over reach in costs. Water should only be charged for the supply, not a price put on water.



Recently passed the Infrastructure Finance Bill, that gives private entities the ability to invest directly into necessary infrastructure requirements themselves, in cooperation with the local council with the intent of the council taking control of those assets once constructed. This along with RMA changes should make housing development less prohibitive and costly.

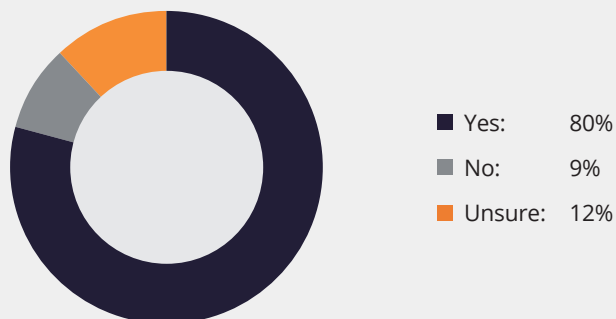


Yes. We are particularly keen on congestion pricing in the cities, especially Auckland. The money raised should be hypothecated to the development of public transport to provide a fast and reliable alternative to private car use for commuting.



User charges encourage thoughtful use of precious natural resources. If by roading user charges you mean congestion charging, then yes.

Do you believe the recently proposed changes to the Resource Management Act (RMA) that involve a temporary 2-year fast tracking of eligible development and infrastructure projects highlight the need for a full overhaul of the Act?



1.12

Which, if any, major central government assets would your party seek to sell/part-privatise?



There should be a full review of the SOE portfolio with a view to privatising any that are subject to private competition.



None.



None.



None.



The previous National Government Mixed Ownership Model was a great success. We will look for opportunities to build on that.



None at this stage.



None.

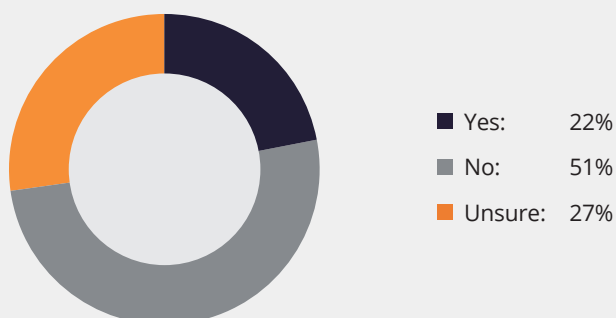


None in this cycle.



TOP would like to see greater involvement from community and voluntary providers in social housing.

Do you think that the Government is doing enough to attract foreign direct investment into New Zealand?



1.13

What changes, if any, would you make to the current Resource Management Act?



It is time to replace it. We would start with the Productivity Commission's report Better Urban Planning as a base policy. It should be the role of Councils to set an infrastructure plan and provide high level rules but not micromanage every development.



At time of writing we are yet to see the recommendations of the Randerson review into the RMA. The Green Party's view is that the original principles of the RMA are sound, but after three decades there are clearly things that aren't working well.



Will ensure that the RMA is fit for purpose, and performing properly for our natural and urban environments. We've already improved the existing RMA by repealing changes made by the previous Government, improving enforcement powers, providing for better and faster freshwater planning processes, and aligning the Act with the Zero Carbon Act.



Increase dramatically penalties for vexatious litigation, particularly that taken by Councils.



The RMA has come to the end of its useful life, and will fully consider the Resource Management Review Panel's recommendations. Pending the result of the report our current thinking is to repeal the RMA and separate planning and environment into two separate pieces of legislation.



The RMA needs to be made transparent so that those applying for consent know exactly what is required beforehand. It should not be open to individual interpretation and control. It is a necessary mechanism but is unwieldy and inefficient. Those responsible for its administration need to be trained to assist those applying.



Current fast track RMA provisions would be extended to 5 years to give more certainty to applicants and time to come forward. This would then allow for meaningful RMA changes so as to remove unnecessary barriers and costs to applicants and necessary projects.

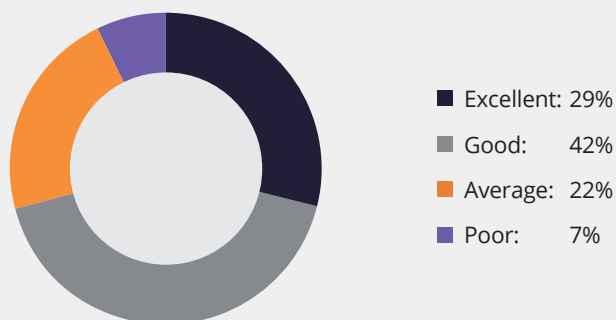


Needs to be revised. Our first step would be to split the areas currently covered by the RMA into two Acts. One to deal with urban and housing development and another for environmental protection.



In cities we would like to see a new Urban Development Act that encourages more coordinated planning, allows greater density around public and active transport networks and reduces the power of NIMBYs to block development.

Please rank the overall effectiveness of the Government in handling the COVID-19 outbreak



1.14

Which, if any, major business assets would your party seek to purchase?



None.



None. However, if an economically essential major business was facing collapse in the wake of COVID-19, the Government should consider taking an equity stake.



The answer to this question depends in part on how strategic NZ businesses fare in the post-COVID economic recovery.



A major investment in Kiwi Bank to upsize and scale against Australian banks.



None.



Government should be trading with its own banks rather than paying massive profit offshore. The government is generally very poor at running businesses, however some labour intensive businesses should be government owned to allow for social employment as per above.



None.



No response.



None.



The quality of regulation. This should have been the first question. ACT's Regulatory Constitution would allow the courts to issue a declaration if a Minister fails to complete and publish adequate and accurate Regulatory Impact Analysis on a statute or regulation.



Ensuring the transition to a low emissions economy happens rapidly, and in a just way that takes people, communities, and businesses along.



The single most important issue facing the Government is the COVID-19 recovery. Our strong health response gives us an economic head start, the ability to move from responding to COVID-19, to recovering and rebuilding, well ahead of other countries.



Efficiency/effectiveness of Government bureaucracy.



Getting NZ through the economic crisis and ensuring the private sector is confident enough to deliver economic growth, create jobs and raise NZers living standards.



Governments' continued support of policies that disincentivise families is now costing us billions of dollars in social costs. We need to understand the value of a strong family not just in physical and mental health but also economic benefits.



The RMA needs modernising. We have committed to this undertaking.



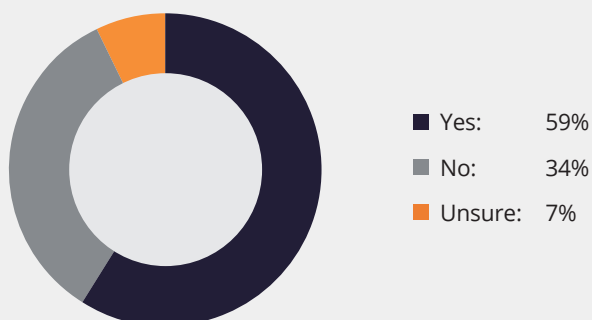
NZ needs to be able to harness its capacity for ingenuity to break its dependence on the sale of resource intensive commodities to which it adds relatively little or no value. The Government needs to intervene and put in place a plan to facilitate the development of a world leading innovation eco-system.



Housing affordability. It is choking business investment, increasing the cost of living and making life much harder for those on low incomes.

2 Investment, innovation and sustainability

Do you believe the Government should reverse the current ban on new offshore oil and gas exploration in light of current events?



2.1 What changes (if any) would you make to the current ban on new offshore oil and gas exploration?



It should be reversed. That is the easy part. The hard part is rebuilding the trust that this Government has destroyed.



None. However, if an economically essential major business was facing collapse in the wake of COVID-19, the Government should consider taking an equity stake.



None.



None.



We would reverse the ban.



Reverse the ban, but also change the revenue structure around royalties.



Recognise that gas is our transition energy source as we move to renewables, so cannot let the cost of energy rise so that businesses close up shop or no one seeks to invest commercially into NZ industry because of prohibitive costs. We would insist that the intent of our coalition negotiations would be operable. The main issue referred to here is the ratcheting closure of permits. We agreed to keep existing permits available, as the industry needs to know with certainty that these will remain in place.



We would not move independently to rescind the ban, but would be open to discussions on replacing it with price-based supply-side climate policy, such as a production or exploration tax on fossil fuels and very strict environmental controls.



Bans can cause unintended consequences. A higher carbon price is a much better approach.

Have consumer demands for evidence of sustainable business practices impacted on how your business operates?



- Yes, currently having an impact: 21%
- No, but most likely will in the future: 53%
- No likely impact now or in the future: 26%

2.2

What are your party's policies towards encouraging (or limiting) foreign direct investment into New Zealand, and has the economic impact of COVID-19 had any impact on this policy?



We should have Green Lanes for Democratic OECD countries. If an investment originates from a democratic OECD country then the OIO tests should not apply.



We'd like to see stronger environmental benefits tests applied to overseas investment applications.



Labour's policies will be released in the lead-up to the 2020 general election. However, in our first term, we banned offshore speculators from our housing market to make it easier for first home buyers to get a place of their own.



Ban freehold sale of NZ land. Apply a Property Vacancy Tax.



NZ has a low level of capital investment relative to labour, known as capital shallowness. Increasing the level of foreign direct investment is pivotal in creating a stronger economy with more jobs, higher productivity and higher wages. We will look to reduce barriers to direct investment.



Allow foreign investment but not foreign ownership of NZ land. Buying NZ land to plant pine trees to take advantage of our ETS is not really investment and means we lose land and finance.



Will always encourage meaningful investment into NZ, not wholesale buy-ups or buyouts. Want to encourage investment that meaningfully creates jobs and works with NZers to empower our future as a nation. For NZ First this must be a journey from Volume to Value.



Overseas investors should be neither subsidised nor discriminated against compared to local investors. This implies eliminating from the Act hurdles, such as tests of business acumen, financial commitment, net benefit and the provision of walkways, that discriminate against overseas investors. Government should protect the freedom of NZers to sell their assets to anyone of their choosing, be it a foreign or local buyer.



The country needs foreign direct investment to develop, provided it is contributing new investment rather than simply buying existing assets. The main structural issue is encouraging more Kiwis to invest in their own economy. This requires fixing the tax system which favours investment in housing compared to the likes of Kiwisaver.



It should be abolished.



None as a priority, though once it's been in place for a reasonable amount of time, it'd be worth reviewing it to make sure it's having the desired outcomes.



R&D is vital to grow the economy and create new jobs as NZ recovers from COVID-19. The R&D tax incentive is part of our plan to encourage entrepreneurship and risk-taking, leaving it to businesses to choose what to invest in, rather than have the Government try to pick winners.



Increase the rate but have a claw back on success.



None, but we will continue to assess the effectiveness of the scheme.



We would encourage more R&D.



NZ First was the party that introduced the scheme, as per the coalition agreement. We would want to see that bed-in, but we will engage with users to discuss refinements and improvements over the next parliamentary term.

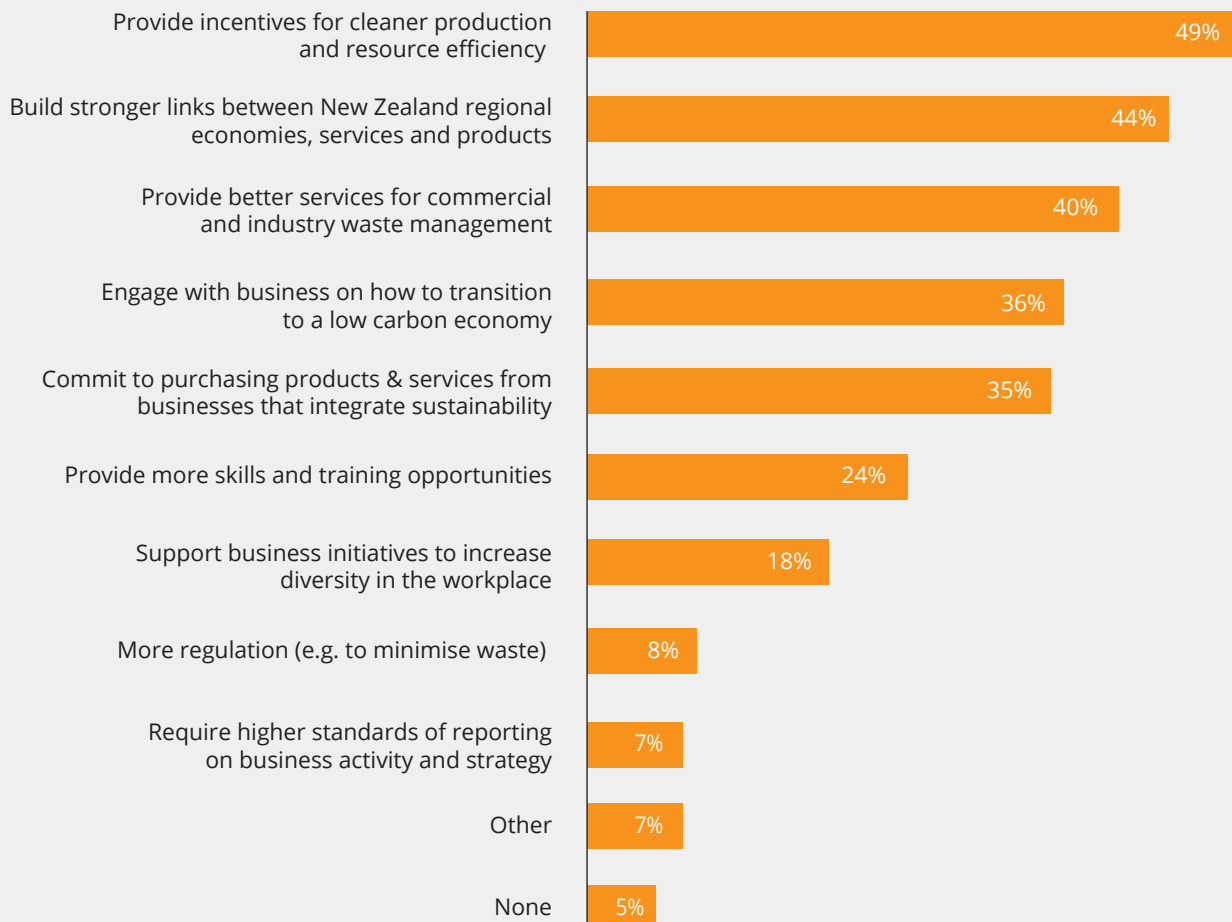


In alignment with our innovation focused strategy, the current scheme would be overhauled to align with the considerably more generous scheme in Australia.



Let's see if it is actually working. We would evaluate it and amend accordingly.

**What should Government do to support sustainable business practice in New Zealand?
(Tick the three you most agree with):**





Many things, but this is not the role of Government, it is the role of business. The role of Government is to provide quality stable regulation, and a competitive fiscal environment.



Scaling up EECA's various business support programmes can assist more businesses to reduce carbon emissions. Ending the FBT exemption for double cab utes would incentivise businesses to make more sustainable transport fleet decisions.



Overarching objectives are to build a productive, sustainable and inclusive economy. Labour will continue to work with industries and businesses to ensure more sustainable and responsible practices.



Tax those not embarking on the journey.



The best thing Government can do to enhance sustainable business practices is to provide business with certainty. Clear and stable policy settings are essential. A sensible, long term framework for environmental rules gives business the incentive to invest and innovate.



Investing in R&D does provide opportunities for more sustainable business at realistic price points. The current practice of taxing businesses and sending that revenue offshore as carbon tax has very little positive effect on the environment.



NZ First has always supported sustainable business practices. We acknowledge that efforts in this regard are stymied by the absence of meaningful waste management and recycling facilities of scale in NZ. This will be rectified. Further investigations will be undertaken to develop incentives to facilitate wood bio mass to energy outcomes.

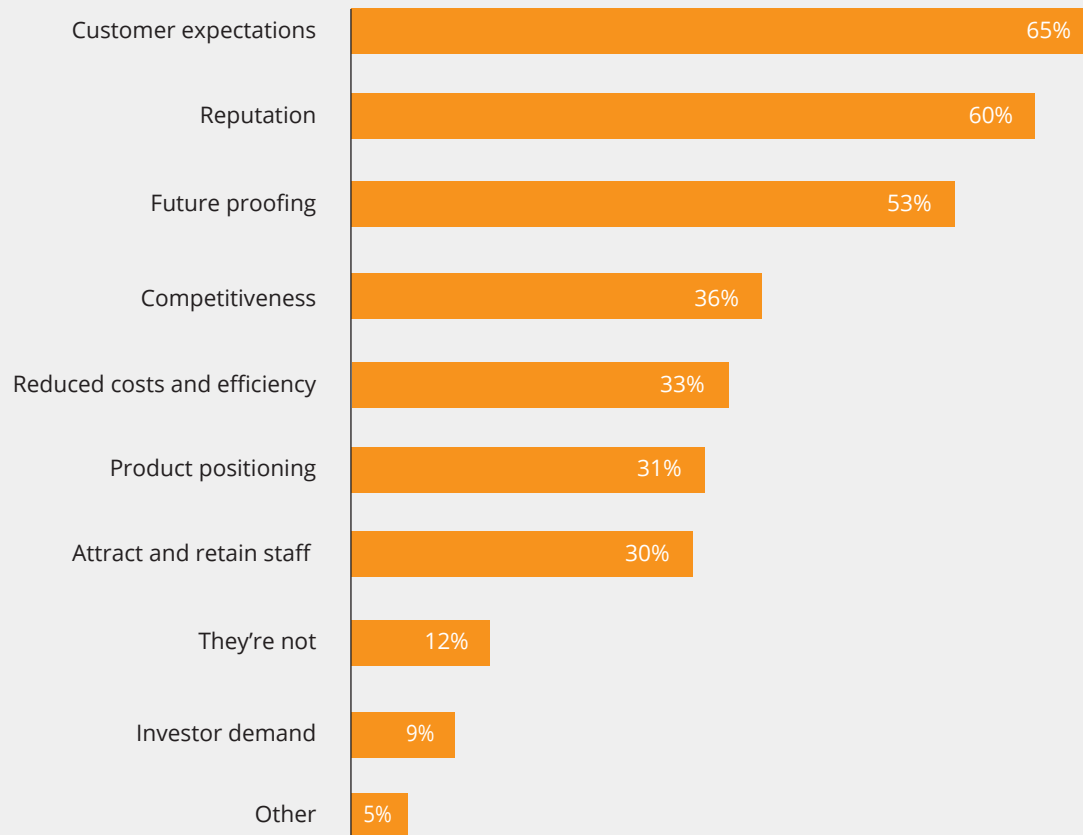


The fostering of 'green growth' through the effective fostering of innovation as detailed in our Innovation Policy.



A higher carbon price is front and centre, along with removing FBT off low emission vehicles to encourage uptake. There would also be free assessments and grants for businesses to uptake digital technology, and improve their energy and resource efficiency.

Why are sustainability issues important for your business? (Tick all that apply)





The Zero Carbon Act is a mistake. It politicises climate policy by making the Minister for Climate Change all powerful. The power the MfCC will have is analogous to the power to issue import licences in the 1970s. ACT's no-nonsense climate policy means NZ will have a carbon price under the ETS set at the weighted average cost of carbon that our top five trading partners pay.



The Government has made more progress on climate change this term than in the previous 30 years combined, but we need to move faster. For example, we would expand current government support for businesses to upgrade their energy efficiency and switch away from fossil fuels for process heat. In particular, action to rapidly electrify the transport fleet is essential.



We have worked hard to tackle climate change and provide NZers with clean energy. Climate change mitigation and adaptation are at the forefront of Labour's decision making, this includes developing emissions budgets, emissions reduction plans and a national adaptation plan.



Tax those not changing their business models.



A range of changes including a target for biological methane reduction as recommended by the independent Climate Change Commission, amending the Act to make clear the stated aim of the Paris Agreement is for greenhouse gas reduction to occur in a manner that does not threaten food production, and strengthen provisions that consider the level of action being taken by other countries and allow targets to be adjusted.



Current government policy is applying more costs to NZ businesses already at a disadvantage due to our isolation. This increases costs to all NZers. The carbon scheme also incentivises international ownership of NZ land for pine forests not based on the value of the timber. None of this is good governance.



The extraction industry is a net positive to this country. We have high standards that operators must adhere to and we note that most of NZ's extraction is done at a higher standard compared to the rest of the world. We are committed to Carbon Zero.



We would work to double the amount of renewable electricity generated before 2050 rather than setting an arbitrary target of 100% renewable by a certain date. We will phase out the use of coal for industrial process heating.



As per our response on sustainable business practices, plus the Emissions Trading Scheme needs a total rethink when it comes to land use. Offsets for forestry need to be limited to ag emissions. Farmers should be rewarded for existing forest and planting trees, regardless of whether it meets Kyoto standards.

How is climate change impacting your business? (Tick all that apply)





As above.



The Green Party would expand current government support for businesses to upgrade their energy efficiency and switch away from fossil fuels for process heat.



Lowering NZ's emissions will require innovation and action from all sectors. We've already delivered a Green Investment Fund, helping business with cash and know-how. We've overhauled NZ's ETS to send effective price signals for reducing emissions. We'll continue to partner with business to build a clean, sustainable economy that has both lower emissions and profitable enterprises.



Tax them more increasing over time.



NZ already has a comprehensive emissions trading scheme, world leading farmers and an 85%+ level of renewable electricity supply. We need to support a faster transition to low carbon transport options. We don't support achieving targets through mass pine afforestation.



Instead of simply charging more tax, invest on TARGETED pollution solutions that can then be introduced with real effect. Simply taxing people is short term, economically harmful and has no long term benefit.



The ETS will be the mechanism for this. NZ First insists that this must match any international ETS schemes so that our local industries can compete evenly with their international competitors. In some industries we have made it clear that the government will assist through R&D incentives and funding.



Our economic plan is centered on transitioning to a prosperous, clean green, low carbon economy through the convergence of technological change and social innovation. Our wish is to see NZers get more value and return from their ingenuity by combining science, innovation and commercialisation in a manner that significantly increases the wellbeing of all NZers.



As per our previous responses – FBT exemption for low emission vehicles, assessments and grants for uptake of digital tech and energy and resource efficiency. This is as per the Business NZ Green Growth report. Higher carbon price is also crucial.



No, we do not need policies to improve innovation and entrepreneurship, Government just needs to stop stopping it. The number one priority is to improve the quality of regulation with ACT's Regulatory Constitution that allows people affected by poorly made regulation to challenge it in court.



We support the return of the R&D tax credit. We'd also like to see more cooperation amongst universities and CRIs.



Yes, many. Our innovators and entrepreneurs are key to creating new jobs and growing NZ's economy, particularly as we rebuild from COVID-19. Feedback from the businesses community and lessons learnt after the Global Financial Crisis show that businesses engaging in R&D are likely to cut investment in the current climate. That's exactly the opposite of what we want to see this time around.



Lift the standard of Education in Decile 1-5 schools.



We will release our final policies in this area prior to the election. However, we have already announced a \$150,000 instant asset write off scheme to encourage firms to invest in new technologies.



Yes. Targeted pollution solution funding.



We introduced the R&D tax credit and have overseen the increased funding and access to the regional partners program. We will continue to support these initiatives and will look to investigate seed funding program for start ups.



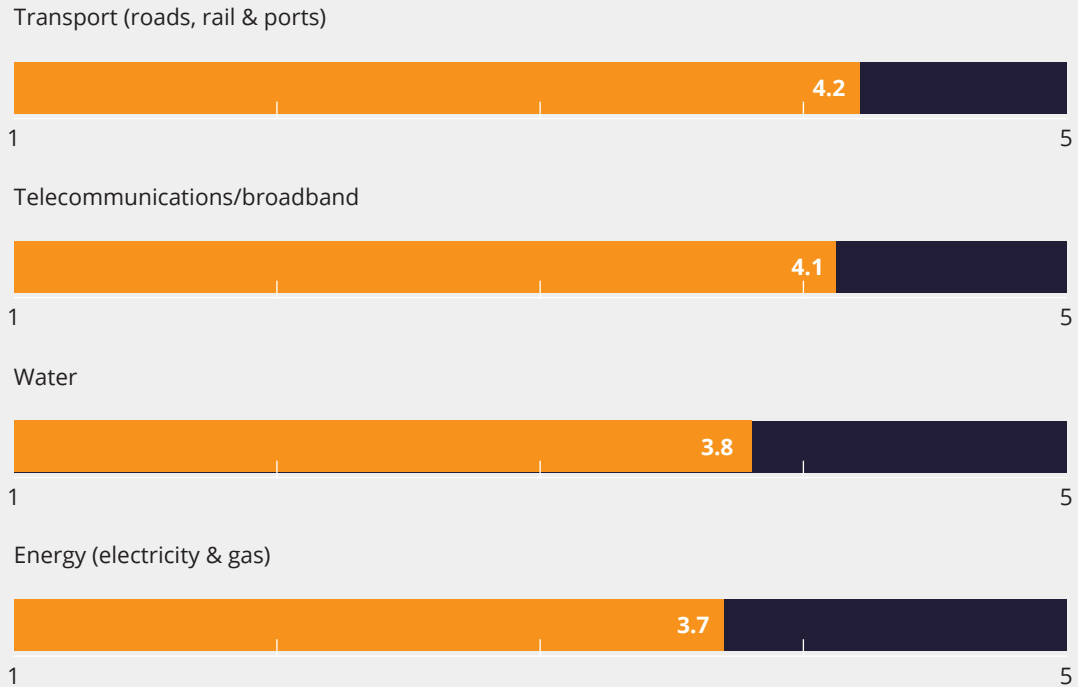
Have developed a full innovation policy.



Various policies, including Innovation funding needs to be broadened to include entrepreneurship & commercialisation of ideas as well as the narrow idea of product innovation, university and polytech funding needs to be shifted to encourage them to work with businesses to solve problems, and we need to better focus our innovation and skills funding on sectors where we can be world class.

3 Infrastructure

Please rank each of the following types of New Zealand's infrastructures in terms of which has the most potential to contribute to New Zealand's business growth:





We need to adopt a policy of city and regional partnerships so that infrastructure investment is long term, coordinated between central and local Government, and subject to adequate cost benefit analysis.



Firstly, ensuring infrastructure investment promotes the transition to a low-emissions economy. That means developing a pipeline of low-emissions infrastructure projects like rapid transport networks and renewable electricity (plus network upgrades), that gives the sector certainty to train people for new careers. Secondly, replacing the country's three waters infrastructure.



Committed to rebuilding neglected roads, rail, schools and hospitals across NZ to help create jobs and fill our infrastructure deficit.



Waste Management/Water Management.



We are focused on delivering the infrastructure NZ needs by developing a long-term pipeline of infrastructure projects that doesn't frequently chop and change, focusing on reducing the cost structure of infrastructure provision so that we can get more for our money, innovating with funding and financing mechanisms so that we are relying less on Crown and council balance sheets and reducing the regulatory burden on infrastructure construction by reforming the RMA.



Transport. Would look at skybuses as a more efficient transport model in regards to our low population density. We would also look at our nationwide distribution corridors so that we can safely and efficiently move product throughout the regions to increase regional growth.



NZ First will strongly focus on water storage. With climate change our rainfall characteristics are changing. Places like the Hawkes Bay, Northland and the Wairarapa for example need water storage solutions and they need them fast. Continually improve marine infrastructure. Support the development of a dry dock facility in Marsden Point, Northland. Develop a specific infrastructure fund to meet the costs of rapidly growing provincial cities including Tauranga. The rail network and enabling roading will continue to be key areas of focus. This must be coordinated and complimentary resulting in cost savings and productivity gains for business.

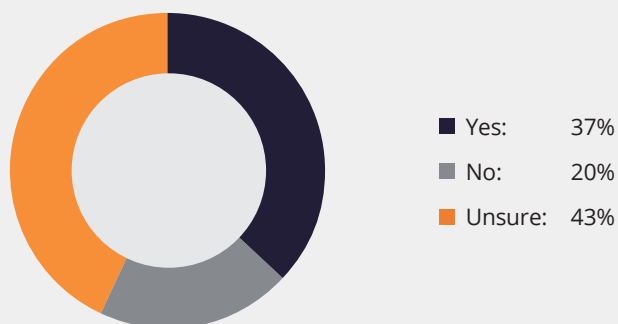


Water and energy. The country's three waters infrastructure is in serious disrepair and local government is often underfunded and lacking the technical expertise to make the investment that is required.



The major problem with infrastructure is political interference. TOP wants to see decisions based on independent, transparent business cases on infrastructure projects, including productivity impacts and reducing emissions.

Will the Government's current infrastructure spending plans, including 'shovel ready' projects, deliver long lasting economic benefit to New Zealand?



3.2

What is your party's policy regarding the future of energy supply in New Zealand?



The Government needs to stop banning sources of energy and introducing populist regulations on the fuel industry, and allow markets to function.



New Zealand can generate 100% of its electricity from renewable sources, in an average hydrological year. We could be "the Saudi Arabia of wind."



Labour is committed to transitioning to a low-carbon economy, moving NZ away from fossil fuels and towards clean, renewable sources of energy like solar and wind. We're working towards our goal of 100 per cent renewable electricity by 2035 and a net zero carbon economy by 2050.



Hydro Electric/Hydrogen.



Most successful countries have helped grow their economy by making use of their natural resources. In order to support this goal we will reverse the Government's ban on offshore drilling and support mining on low-value public land. Also supportive of greater investment in renewable energy that doesn't compromise energy security or raise prices.



Allow more dams where appropriate and financially viable. Build more energy efficient homes to reduce future energy requirements, reassess the long term viability of current clean energy as to whether it does provide true long term benefits.



Every party agrees on the Carbon Zero pathway and renewables target, but how do we get there to ensure market stability, including competitive electricity pricing and an environment in which our nation's carbon emitters are on a level playing field with their international competitors. Must encourage and give gas exploration the room to make investment decisions into local supply. Simply moving extraction industries offshore is not the solution.

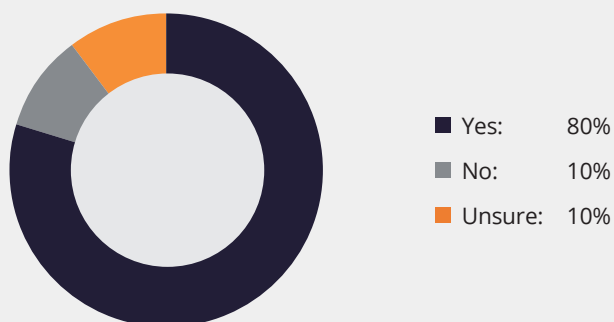


Our goal is to facilitate environmentally sustainable energy technologies through various channels, such as supporting initiatives to build capacity and link participants from the research community, industry, and central and local government, and establishing contestable funds to support the deployment of marine-based electricity generation and low carbon energy technologies.



This is a big, broad and rather vague question. The Electricity Authority does a good job overseeing this, but their role needs to be broadened to include reducing carbon emissions (as well as price and security of supply).

Do you agree that a focus on infrastructure spend is a useful mechanism to help the economy recover from economic shock?



3.3

Do you believe that future energy prices is an issue to be concerned about, and if so, how will you address it?



No. Historical forecasts of future energy prices have always been wrong, and Government interventions premised on these forecasts have typically been disastrous.



Transpower's most recent modelling suggests that electricity prices are likely to fall slightly over the next 10-15 years. Electrification of transport and process heat is likely to lead to cheaper energy costs for businesses and households overall. It also improves the balance of payments, from importing less oil and coal.



Yes, this issue is important for NZ families. Helping Kiwi families meet the cost of living is a long term challenge for NZ that we can't fix overnight, but there are a range of practical things Labour is committed to continuing in the energy sector to take the pressure off.



As above.



In the short term, no, due to global energy prices being low due to the global recession driving down demand. However, in the long term global prices will rise and we need to ensure that we are maximizing the potential value from our natural resources to make NZ more resilient to rising global energy prices. We will address this by supporting greater investment in renewable energy; and reversing the government ban on offshore drilling.



NZers voted overwhelmingly against the privatization of the energy sector as they are concerned about long term energy costs. NZ is well placed to continue to provide cost efficient energy.



NZ First supports the aspirational nature of 100% renewable goal but is very aware that this must be just that. Electricity prices must remain stable or better yet decrease to give our businesses a competitive edge. This means the transition must be about market forces being given the room to move, so gas as a transition energy source will be vital.

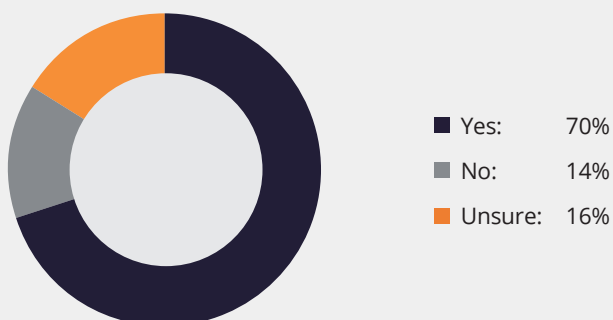


Measures to support consumers through the transition include (among others) considering additional measures to moderate the cost impact of higher electricity prices arising from the introduction of an ETS on low – and modest-income households, and using energy efficiency initiatives such as retrofits and the installation of efficient lighting and appliances to help low income households.



Providing power during dry years or during winter peaks could be expensive with renewable energy. Short term thermal generation has its place. Longer term we need to invest in energy efficiency, energy storage, the ability to switch some large users off, and the use of renewables for peak generation (e.g. waste wood).

Do you think central and local government should borrow to directly fund infrastructure to support business recovery and future growth?



3.4

Do you support supplying major infrastructure services through public-private partnerships?



Yes, but we have to be honest that risk transfer is difficult and they are not the panacea some present them as.



As a general principle, no. International and local experience (e.g. Transmission Gully) shows that PPPs don't usually reduce costs to the Crown and don't actually transfer risk to the private sector. However, we do see a role for Government "crowding in" private finance, such as through NZ Green Investment Finance Ltd.



Labour has been clear that we do not believe Public-Private Partnerships have a place in schools and hospitals, but there is a potential for partnerships which can be used to drive productive and sustainable growth where they are appropriate, such as with large-scale transport projects.



Absolutely.



We will actively pursue alternative financing methods for infrastructure projects including public-private partnerships. However, we acknowledge that not all infrastructure projects will be a good fit for PPPs.



Yes. However we need qualified, practical people ensuring that the public are getting protected and not extorted.



As long as we are not socialising the costs and privatizing the profits. Each partnership would have to prove itself on a case by case basis. Further, we believe an inquiry into Transmission Gully will be necessary before we can commit to PPP's.

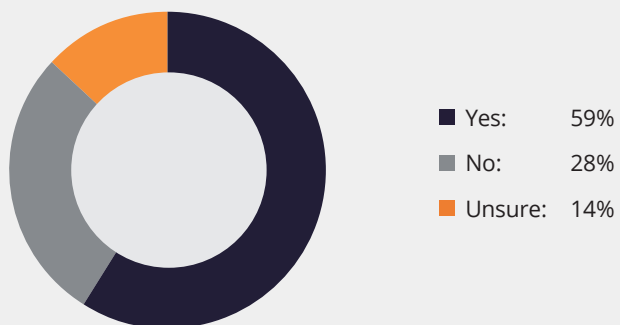


Yes. Inadequate infrastructure is consistently ranked by the investment and business community as the single most problematic factor to doing business. PPPs provide an effective means of closing the funding gap and in a more fiscally disciplined fashion.



Where appropriate. With low interest rates and relatively low debt, it really should only be used to improve the quality of project delivery.

Do you think there should be increased user pays charges to help fund infrastructure build?



3 Trade

Please rank the supportive Government policies and programmes provided to New Zealand businesses in regards to international trade. Please rank each between 1 – 5 where 5 is excellent and 1 is poor (If you are not sure in relation to any, please select “don’t know”).

Trade agreements, via MFAT



Non-trade barriers, via MFAT & MPI



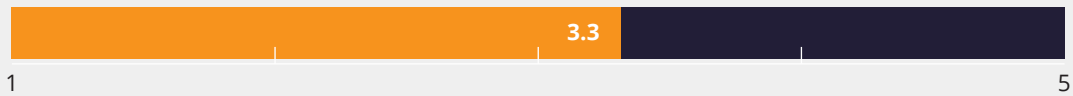
Information, advice and guidance, via NZTE



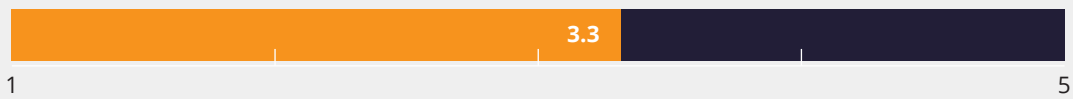
Trade missions, via NZTE



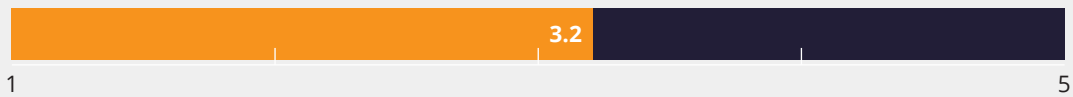
Offshore assistance, via NZTE



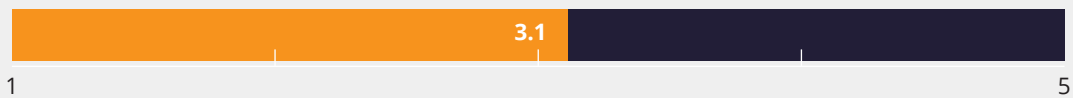
Market intelligence, via NZTE



Funding assistance via NZTE



New Zealand Export Credit Office





A competitive fiscal environment, a stable and high quality regulatory environment, and aggressive pursuit of free trade.



Trade success is about finding and exploiting niche markets for NZ's exports. We need to keep moving up the value chain, and not focus on commodity volume. We want to ensure that future trade deals align economic outcomes with social and environmental outcomes.



Labour is committed to ensuring that trade delivers sustainable and inclusive economic growth for all NZers. At the moment this means a priority for us, is supporting our export sector to get back up and running in the wake of COVID-19.



No response.



Based on four pillars, namely improving market access for goods exports through improving our network of free trade agreements, working to overcome non-tariff barriers that other countries impose on NZ exporters, improving capacity and performance of our services trade, including tourism, education and other high-value services in international markets; and translating market access into market success, by deepening and expanding NZ's exporting base.



We would like to see a greater diversity in trading partners so that NZ businesses are not threatened by trading partners' political situations.



NZ First as a partner in government reinvested into our foreign affairs and trade teams across the world providing almost a second sales team around the world for businesses now stuck at home or previously confounded by costs. We have increased the capacity of NZ Trade and Enterprise and have increased funding to export businesses looking for skills and support in their export endeavours. We have engaged continuously at a political and ministry level on trade negotiations around the world. Signing RCEP, upgrading our China FTA and we continue to pursue our FTA with the EU and now the UK.



The support offered will span the stages of regular Export Awareness seminars for potential exporters, Exploring Export workshops for pre-exporters, building the export skills and capacity of new and currently exporting firms, and supporting new and existing exporters to undertake market research on new export markets.



Would review whether the current trade spend could be better directed to helping businesses go overseas and make their own connections. We would also put greater focus on some key sectors that offer greater potential growth.

Should the Government devote any resources towards achieving a Free Trade Agreement with the United States, given their Administration's sentiments towards free trade?



4.2

Do you believe New Zealand should continue work towards achieving the Trans Pacific Partnership without the United States?



Yes, but it would be better if they joined.



NZ has already signed the Trans Pacific Partnership.



In our first weeks in office we made changes to the CPTPP to make it fairer for NZers, ensuring, for example, our government could protect our property market from offshore property speculators. We then moved to ratify the agreement and remain committed to supporting the CPTPP regardless of the United States involvement.



Yes.



The US is the largest and most successful economy the world has ever seen. Securing a free trade agreement with the US should be a core objective of NZ's trade policy. We support the TPP being implemented, but we must keep the option open for the US to ratify and implement the agreement in the future. Until this time we support aggressively pursuing a bilateral FTA with the US.



We need as many trading partners as possible rather than a restricted access to only certain markets. We would not rule out the US.



Yes, in fact our Party Leader has made great progress in this area.

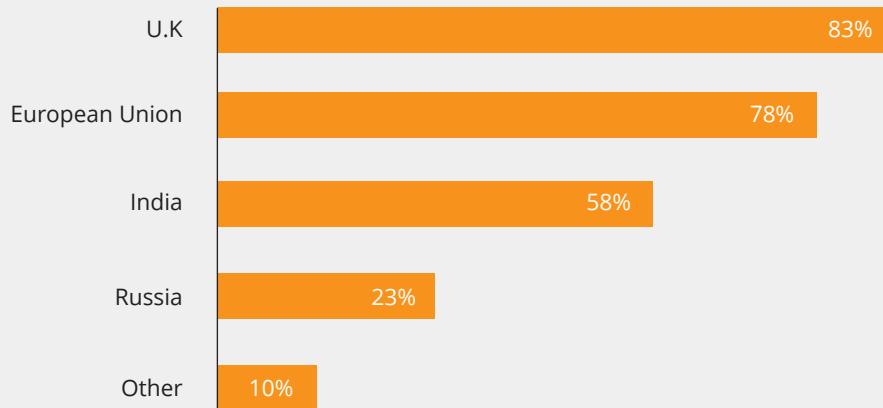


Yes.



The CPTPP has happened.

With which of the following other countries do you think New Zealand should pursue a Free Trade Agreement? (tick any that apply)



4.3

Do you agree that New Zealand should pursue Free Trade Agreements with other countries?



Yes.



We are hopeful that FTAs with the UK and EU, as like-minded jurisdictions, could set a new standard for what fair, mutually beneficial, and environmentally sustainable twenty first century trade agreements should look like.



Committed to pursuing free trade agreements that deliver sustainable and inclusive economic growth.



Yes.



Yes, we believe in aggressively pursuing new FTAs to open new markets for NZ companies, to ensure that our companies can compete on an even playing field.



Yes, but we must also evaluate the trading benefit not just in surplus but also in the quality of products entering the country. Poor quality equals extra waste and therefore more contamination.



Absolutely, we are strong advocates for free and fair trade agreements.



Yes. Further multilateral trade liberalisation would deliver huge benefits to NZ.



Yes.

4.3a

If so, what other countries/regions do you believe should be first priority(ies)?



U.S., India, UK, E.U.



As above.



We have launched free trade agreement talks with the UK and the EU. These are our first priorities as they are large economic partners for NZ, who have similar thinking on human rights, labour and environmental issues.



Indonesia/Great Britain.



In addition to the agreements currently being negotiated, would also want United States, India (either through them rejoining the RCEP agreement or through an alternative agreement), and Mercosur (Argentina, Brazil, Paraguay and Uruguay).



We would like to see increased trade with countries such as Canada, the UK and the US as we can import quality products that provide long term benefits. These nations also appreciate the quality of product that NZ produces. We would definitely explore trade opportunities with developing nations even if just to diversify our exports.



The EU, UK and a continued push to the US need to be our focus at the moment.



United Kingdom, EU, 16 Countries involved in the RCEP, Pacific Alliance (the Latin American regional group made up of Chile, Colombia, Mexico and Peru), and RBK (Russia-Belarus Kazakhstan Customs Union).



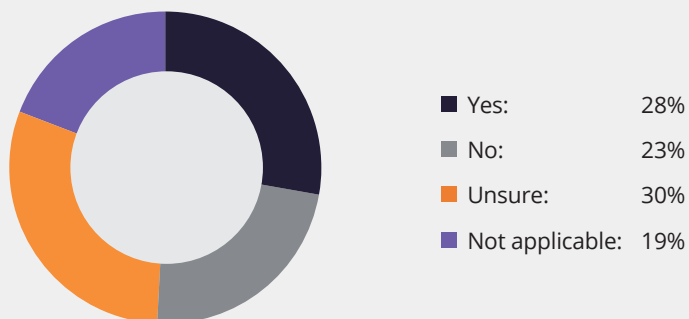
We would trust our experts within MFAT/ Treasury/ MBIE to prioritise on the basis of the likelihood of success and potential gain for NZ Inc.

Should New Zealand continue to seek international trade where possible, or be more domestically focused?

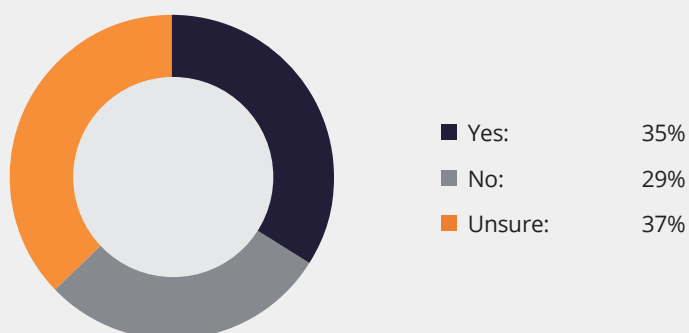


5 Skills and human capital

Do you think the Government's Reform of Vocational Education will result in better skills pipelines for business?



Of those that thought the reforms were applicable:



In the post COVID-19 environment, what would your party do to ensure the education sector is doing enough to deliver the skills – both technical and soft – needed by the business community?



We need to reform education from first principles. Charter schools showed what can be achieved when we introduce real competition and choice to education. ACT's Student Education Account policy would take the \$250,000 per citizen education spending and put parents in charge of it. ACT's policy would create a genuine market place for education, engaging kids who are currently getting nothing from the taxpayer investment in their education.



Sectoral strategies can help achieve more coordination between industry and education providers, such as the industry transformation plans started under the current government. Above all, clear, long-term economic strategy and policy provides the predictability business needs to plan, and people need to support them into careers.



NZ faces skills shortages. We need our vocational education sector to be strong, responsive, and provide certainty to learners, employers, and communities, and we need a system that will work for everyone. The sector is working hard to take forward these important structural changes, and now is not the time to throw that all away. At the secondary education level, we are working to ensure school-leavers are better prepared for life and work. That is why we created the School Leaver's Toolkit and will continue to roll it out.



A greater alignment on need by industry direction is too slow to alter.



Immediate priority is to ensure the education sector remains financially viable. That means Government support where it's needed, and re-starting international education as soon as safely possible, with strict quarantine and testing protocols.



We need trade training to start at year 9 so those with practical skills do not feel worthless and understand their value to the economy. Financial literacy should be taught in schools and tertiary institutes should concentrate on courses with realistic employment outcomes.



We were before COVID-19 passionate about apprenticeships and on the job training and even funding those courses 100% that were identified as having a skills shortage by the industry. Now these types of programs are essential for businesses and of course those people actually looking for jobs and to upskill or re-skill.

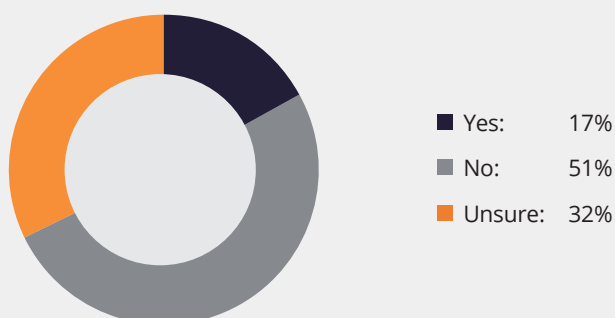


R&D Grants for academic institutions – \$100 million. Designed to support pre-competitive, collaborative R&D projects in areas of cleantech including biotech, nanotech and energy.



Greater investment is needed in ECE as that is the key for soft skills and for reducing the gap between rich and poor. In terms of compulsory education we need to focus on improving teacher quality, reducing workload and summative assessment to free up teachers to focus on teaching. Tertiary education needs to become more responsive to the needs of business and we would reform the PBRF to encourage that.

Is the Government doing enough to support businesses with changing staffing needs?



5.2

What are your party's policies to address changing employment opportunities in a post COVID-19 environment?



Would hold the minimum wage for 3 years, reintroduce 90-day trial periods for all firms, and make health and safety violations a fast track to dismissal.



Our proposed Guaranteed Minimum Income would support people to retrain, and help them through the more unpredictable labour market.



There was no playbook for dealing with COVID-19 but our plan to combat the virus is working. We have the opportunity to rebuild our economy stronger than ever, and we have real momentum. Work has begun to get people working, get NZ moving and to put us on a path back to growth.



Stop the race to the bottom. It's not about a minimum wage. It's about whether you should be in business.



We need more local, business led solutions to employment. We have already spoken publicly about how we want to adopt the successful model of jobs and Skills Hubs that partner businesses with voluntary organisations and local councils to connect people to training and employment opportunities. We also have proposed the JobStart scheme that will pay every business \$10,000 to take on a new member of staff.



Starting trade training at year 9 will provide the tradespeople we need to update our poor infrastructure and housing stock. We need to incentivise Kiwis that we had previously allowed work visas for and make it more seamless to gain support if you have left a benefit for seasonal work.



We have already, in government, funded re-training and re-deployment programs. These must continue.

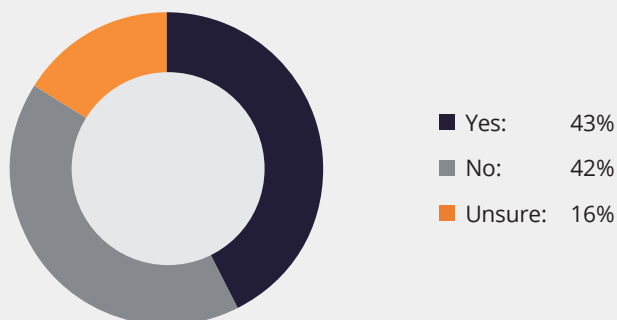


Various policies, including creating an environment that would create more interesting, higher paying jobs through its suite of innovation initiatives, supporting a flourishing network of university and technical institute R&D centres, and establishing a platform for lifelong and flexible education, such as short intensive courses, that inspire a continually improving and well-rewarded workforce.



We favour a Universal Basic Income to remove the welfare trap and ensure that work pays.

Do you have confidence in the getting the skills needed for your business under current migration settings?



5.3

What, if any, changes would you make to ensure the immigration system responds to and meets changing business and industry needs?



The system is sound but ImmigrationNZ is implementing terribly. Presently it is the greatest source of complaints to MPs' offices.



We support regular reviews of skills shortage categories.



We're making changes to the temporary work visa system to ensure that temporary foreign workers are only recruited for genuine shortages, and that employers across NZ can access the skills and labour they need. Also introduced Regional Skills Leadership Groups to consider the skills and labour needs of particular regions along with sector agreements to ensure that particular industries have a pipeline of needed skills that includes increasing numbers of Kiwis where possible.



Stop immigration in terms of exploiting of foreign workers.



There needs to be more certainty for migrants and businesses, and less bureaucracy. Will aim to steadily reduce the average visa processing period, which is currently providing far too much uncertainty for businesses and migrants.



Net Zero immigration until housing is sorted which excludes extra seasonal workers housed on site. Change our immigration requirements to reflect the changing employment landscape.



Immigration was stripped of resource and capacity, so need it back so that immigration can engage with businesses in a more timely way. We need to do this because we do need high level skills and talent in NZ right now. Immigration cannot be an excuse not to invest and train our own people. This must be about gaps and an opportunity particularly now to appeal to people who bring investment and international connections offering NZ a chance to compete in high value industries whatever they might be. Volume to value.



Immigration should be driven by whether the immigrant benefits us. Focus on skilled people that are looking for a more liberal and tolerant society. We must seize this opportunity to make NZ the place where 'talent wants to live'.



TOP would make it easier to bring in skilled talent, but more difficult to bring in low skilled migrants.

**Which of the following skills and human capital issues should Government focus on?
(please rank your top 3 only)**



What are your policies to make vocational education, technical and trades training a more attractive study option?



ACT's Student Education Account policy would put all tertiary options on a level footing. It would end direct subsidies to institutions, giving students the power over their share of education funding.



We supported the Government's free trades training initiatives.



Education and training plays a key role in our recovery. We will continue to provide temporary financial assistance for employers to retain and support their apprentices. NZ needs more apprenticeships, and people training for industry jobs. That's why we're also promoting vocational education in schools, increasing the number of Trades Academy places and funding 343 schools with \$3000 each to run trades-based events.



Tell the story that our most successful wealth creators and innovators came out of the trade sectors.



Key component of making vocational training more attractive is employers. It's one thing to just throw money at the sector, but without a sufficient number of competent, willing and engaged employers committed to mentoring and guiding junior staff, the career options to make vocational training attractive simply won't exist.



By changing the way we approach the trades from our school counselling onwards we can attract people to the opportunity to gain good employment with great future opportunities without a student loan by doing a trade. It is simply a different perception required.



As part of our COVID response we have already made this a focus of the recovery. We will continue to ensure that businesses are given opportunity and assistance to train their own staff for the jobs they have.



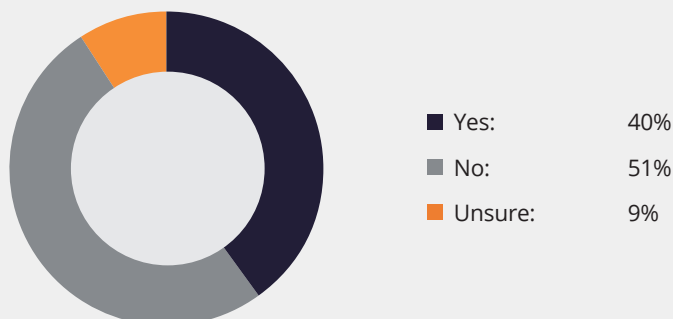
There are six conditions that contribute to making vocational education and training (VET) more attractive to learners, which can be summarised under the following headings: Quality management, Labour market relevance, Progression pathways, Status and image, Information and guidance and VET learning facilitators.



Greater investment in trades is needed. TOP would fund polytechs to work more with businesses. TOP would also invest in cultural change to help people understand the importance of the trades.

6 Employment environment

Over the next 5-10 years, do you believe there will be significant impacts on the size and composition of your workforce as a result of emerging technology (i.e. Artificial Intelligence/Robotics)?



6.1

What major changes, if any, would you introduce to address the possible significant impacts on the size and composition of New Zealand's workforce as a result of COVID-19?



None, there is little Government can do other than provide a stable policy environment.



Our proposed Guaranteed Minimum Income would support people to retrain, and help them through the more unpredictable labour market. A revitalized Buy Kiwi Made programme would lead to job creation in local businesses.



We've already made significant changes to support businesses through the COVID-19 pandemic. We've implemented the wage subsidy scheme, supporting more than 1.6 million jobs, introduced interest free small business loans and have given tax relief to free up money for businesses.



Lift the minimum wage immediately and if hospitality, tourism or agriculture cannot make it, they should not have been in business anyway.



Do whatever possible to make it easy for businesses to take on new staff. Already announced JobStart and an extension of the 90 day trial period to cover all businesses, which will provide employers with greater confidence to hire new staff at this uncertain time.



Likely to be even more SMEs in NZ as we look to create opportunities for ourselves. Therefore, we have to change the amount of compliance that SMEs are forced to meet as this is stifling growth and productivity. This needs to include recognising the difference between small and large businesses with H&S reporting.



Continue with trade training program and job redeployment training. To create jobs we need to make it easier for businesses to get on with business. For example we never supported the 90 day work trials period change and managed to curtail its removal completely. We would offer it back to all employers. Work with industry to meaningfully remove the burden of compliance costs. Make business easier.

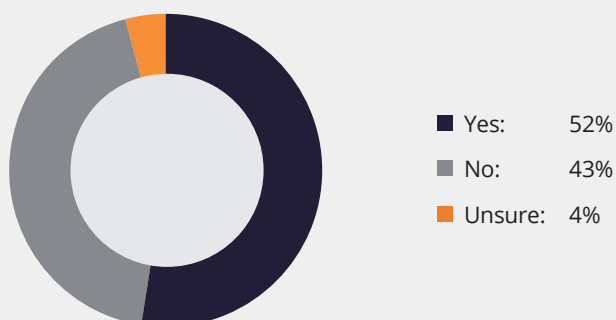


None.



This current environment is a view of the future, with work becoming more disrupted and dynamic. We can't turn back the clock, we accept that greater flexibility is needed. A Universal Basic Income would provide a basic level of support in this increasingly dynamic environment without diluting the incentive to work. It supports people to retrain, take work when it is available and start new businesses.

Have you experienced any difficulty in terminating an unsatisfactory employee's employment?



6.2

What major changes, if any, would your party make to the Employment Relations Act?



We would make Health & Safety violations a fast track to dismissal, and reform the personal grievance regime.



None as a priority.



We believe that everyone deserves a fair day's pay for a fair day's work. We're proud of the changes we have made this term that helped bring back protections for workers, especially vulnerable workers, and restored workers' rights to collective bargaining.



None.



Would repeal the Government's reforms to the ERA and restore 90 day trial in full. National believes that employment rules need to be flexible and cater to the varying circumstances businesses and workers find themselves in and we will seek to ensure that the Act provides for flexibility in working relationships while protecting the rights and needs of both businesses, employees and contractors.



Employment termination needs to be simplified for small business so that they are incentivised to take on more staff and try for growth. The current system which means any employer is better off paying a substantial figure regardless of the circumstances is unfair and daunting to employers.



We have already softened the collective bargaining provision and would ensure that we would not go back to the industrial relations of the 70's.

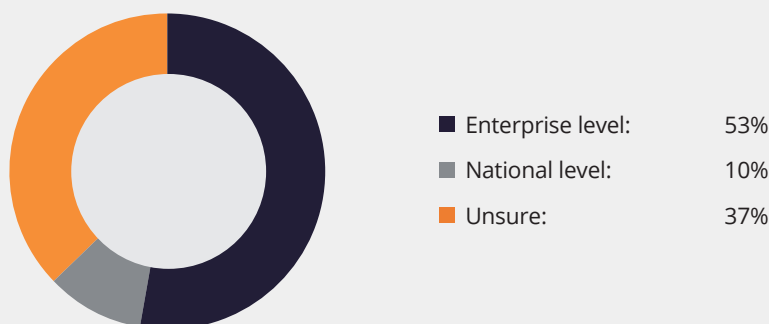


None.



No planned changes.

Should employment relations legislation favour bargaining for collective employment agreements at the enterprise level or the national level?



6.3

Do you agree that the Employment Relations Act's current preference for collective bargaining is the right approach?



No.



Yes. We also strongly support Fair Pay Agreements for sector-wide pay rates. These can prevent businesses from a race to the bottom on labour costs.



We believe that workers should have a say in their working life. That means that they should be able to have an equal conversation with their employers about how their work is structured and how the rewards of their labour are shared. When this does not occur both employers and workers are worse off.



Yes.



Does not support the change to the ERA requiring parties to conclude collective bargaining. The ability of either party to walk away from unconstructive negotiations is an important incentive to encourage the good faith principles enshrined in the Act.



There must be an opportunity for employees to be fairly represented but this must be their personal choice, not forced upon them by any union or employer. Workers must be free to choose whether they want union representation or not.



No.

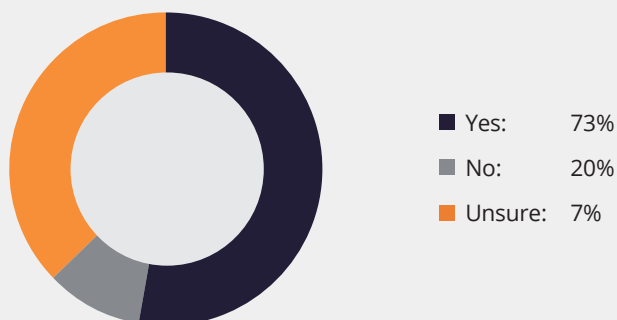


No, Employers are seeking increased flexibility from their employees, in terms of hours and pay, with a view to putting off having to implement wider-scale (and permanent) redundancies.



We have been unconvinced by the arguments for the current Government's changes.

Would reintroducing the 90-day trial period be of benefit to your business operations?



6.4

If not already outlined above, would you support the reintroduction of the 90-day trial period provision?



Yes.



No. The evaluation of 90 day trials did not show that they had supported employers to create jobs by "taking a chance" on new workers, which was their stated intent.



No, because there is no evidence that trial periods create jobs. We are proud of the changes we made to National's 90-day trials, ensuring that we restored protections for working NZers.



Yes.



Yes.



Yes, but with no obligation termination where an employer can terminate within 90 days regardless.



We have done much to retain it and we would support its full reintroduction.

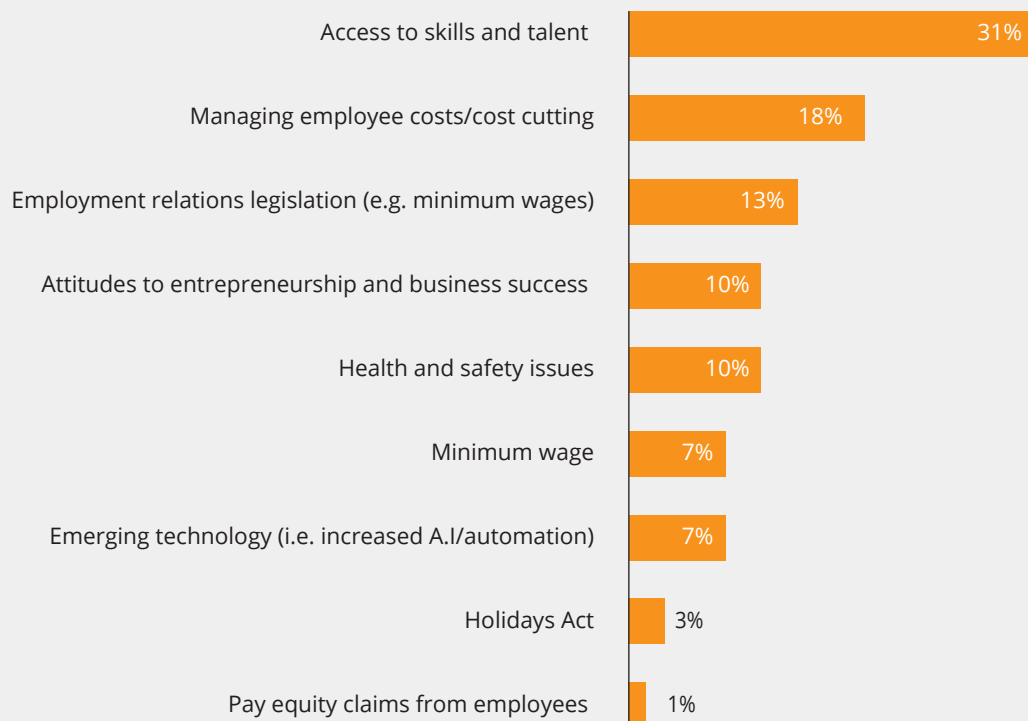


Yes, in times of uncertainty like these it will help create employment opportunities.



Yes.

**Which of the following employment issues is currently of greatest importance to you?
(tick one only)**





ACT recognises the level of frustration it creates. We do not have a solution but in Government would prioritise resolving the current stand offs and going forward with greatly simplified obligations.



Introduce 10 days of employer-funded sick leave, with unlimited top-up through a reformed ACC after that (see our Poverty Action Plan). Progressively shift to 5 weeks' annual leave. We would also create a new midwinter public holiday to celebrate Matariki.



We recognise that with the enormous change to our labour market over recent years it's important to look at the Holidays Act and ensure it is fit for modern workplaces and new working arrangements. That's why we created a tripartite taskforce and plan to reveal the Taskforce's consensus report and our response to it in the near future.



None.



Needs to provide clear guidance for businesses to comply with and for employees to understand their rights. We would take advice on specific changes, but we believe the Act should be less complex, with more clarity for employers, employees, and payroll providers.



We do not support any more holiday allowance and would support more public holidays being non trading days to give workers time with their families.



We would be to try to make it simpler and easier to calculate.

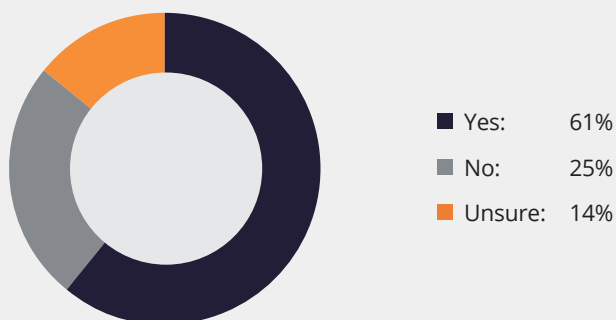


None.



None.

Would you be prepared to pay the living wage as a minimum in your business in the near future?



6.6

What are your policies regarding the minimum wage and the living wage? Has the economic impact of COVID-19 impacted your policy on these issues?



As above, there should be a three year moratorium on increases in the minimum wage.



Minimum wage should be pegged to median wages. The "starting out" rate should be abolished. All state sector employees should be paid the living wage, including contractors to state sector organisations.



We have a stated goal of raising the adult minimum wage to \$20 from 1 April 2021 as economic conditions permit. We will consider the results of the Review in due course. The Living Wage is an important tool for human dignity which we encourage employers to consider.



Stop the curve.



Supportive of the minimum wage and believe that the rate needs to increase to keep up with costs. However, these increases need to be balanced and incremental to allow businesses to keep up with the increased costs to them. Would not have increased the minimum wage in the middle of the COVID-19 pandemic given the dramatic change in economic conditions.



The minimum wage should be inflation indexed and we do not support a living wage.



Supported the minimum wage increases over the previous term of government. We always speak of being a high value economy, this begins by valuing our staff. This must however be offset by a government that is supportive of SMEs and big business alike who want to get on with the job of doing business, not filling in forms and compliance that has no impact on the safety for example of its operations and people.

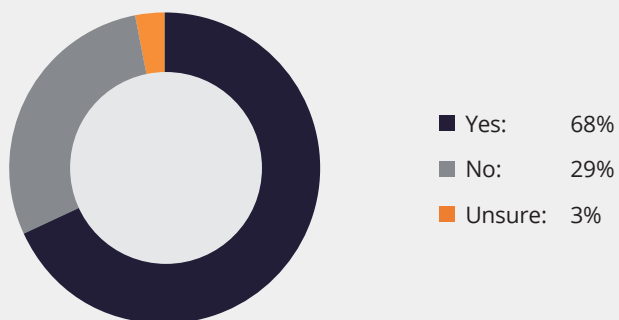


Minimum wage increases should be frozen. They are already the highest in the OECD. Additional costs and conditions are being heaped on employers through multiple changes in employment legislation, that bear no relation to increases in productivity.



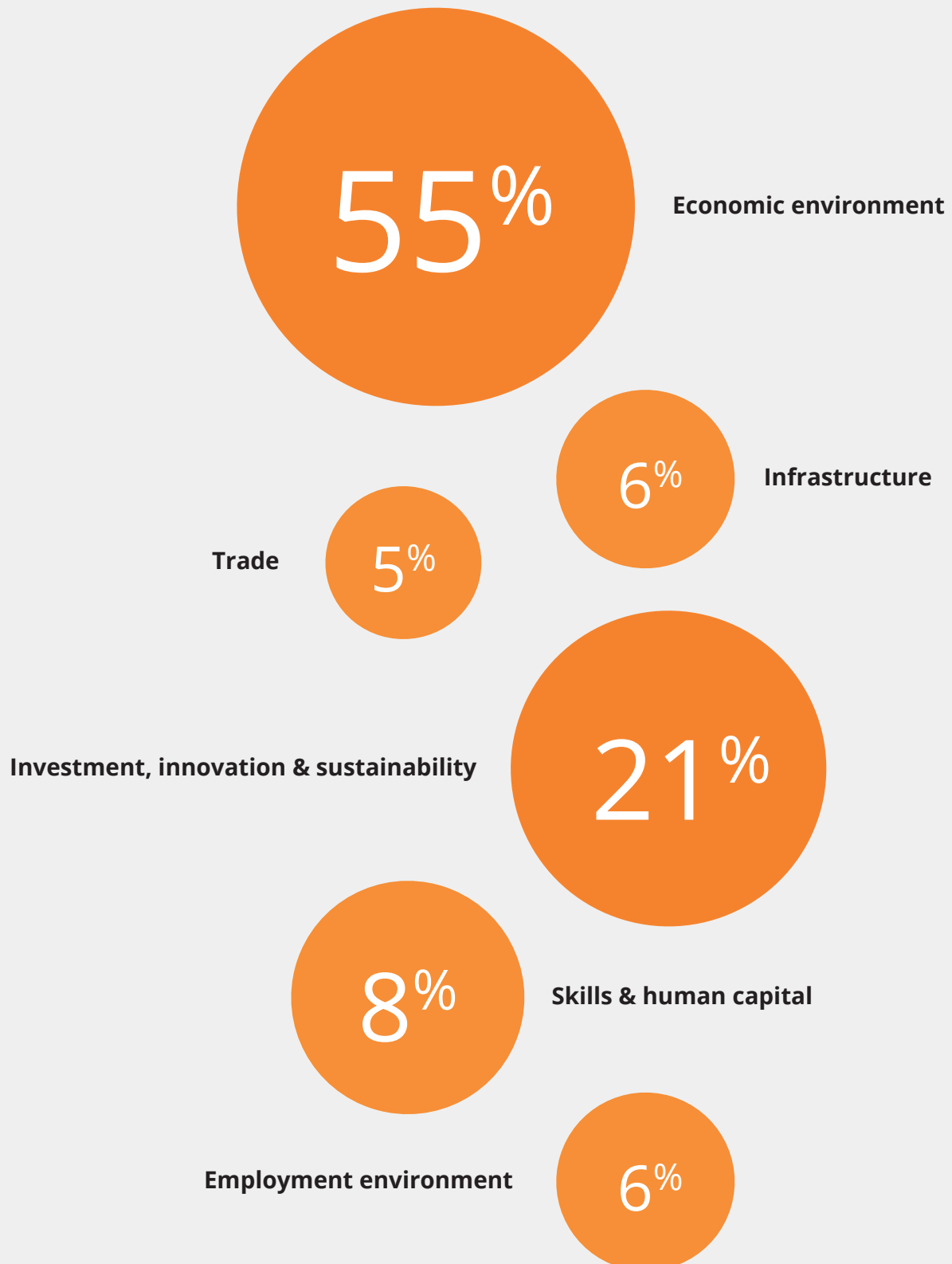
The UBI means that the minimum wage becomes the living wage. We shouldn't expect businesses to pay for the high cost of living, which is largely driven by housing and rent.

**Is the ability to use contractors and other forms of flexible labour
(e.g. casual/temp labour hire) important to your business?**



7 Summary

Of the six topics you have provided responses to, which is currently most important for achieving sustained economic growth?



8 About your business

Please indicate the number of staff employed by your enterprise:

Value	Frequency	Percent
1-5 employees	361	30.3
6-9 employees	198	16.6
10-49 employees	354	29.7
50-99 employees	105	8.8
100-499 employees	111	9.3
500+ employees	64	5.4
Total	1193	100.0

Please indicate the main region your company is based in:

Value	Frequency	Percent
Northland	35	2.9
Auckland	292	24.5
Waikato	63	5.3
Bay of Plenty	40	3.4
Gisborne	5	.4
Hawkes Bay	37	3.1
Taranaki	23	1.9
Manawatu-Wanganui	46	3.9
Wellington	191	16.0
Nelson-Tasman	41	3.4
Marlborough	21	1.8
West Coast	20	1.7
Canterbury	280	23.5
Otago	76	6.4
Southland	23	1.9
Total	1193	100.0

Please indicate the industry sector your enterprise operates in:

Value	Frequency	Percent
Accommodation, cafes & restaurants	262	22.0
Agriculture, forestry & fishing	99	8.3
Communication services	43	3.6
Construction	95	8.0
Cultural & recreational services	67	5.6
Education	30	2.5
Electricity, gas & water supply	10	.8
Finance & insurance	63	5.3
Government administration & defence	26	2.2
Health & community services	25	2.1
Manufacturing	202	16.9
Mining	5	.4
Personal services	73	6.1
Property & business services	60	5.0
Retail trade	38	3.2
Transport & storage	44	3.7
Wholesale trade	51	4.3
Total	1193	100.0

BusinessNZ

Level 6, JacksonStone House
3-11 Hunter Street
Wellington 6011
www.businessnz.org.nz