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## Our Plan for a modern and prosperous New Zealand



RT HON JACINDA ARDERN(/MINISTER/RT-HON-JACINDA-ARDERN)

Prime Minister (/portfolio/labour-led-government-2017-2020/prime-minister)

Te whare e tu nei

Te marae e takoto ana

Tena korua

E nga mate maha

Haere, haere, haere

Nga tangata whenua o tenei rohe o Tāmaki Makaurau, tena koutou

Tatou nga kanohi ora e hui mai ana

Tena koutou, tena koutou, tena tatou katoa

After seeing a busy 'show reel' like that, I have a couple of observations.

First, I really do hug people a lot.

But secondly, and much more importantly, that collection of achievements makes me feel incredibly proud.

Next month marks the first anniversary of this Government. Not only have we achieved a huge amount, we've done it as the most pure form of MMP government New Zealand has ever had.

And perhaps it's because we have never had a government quite like ours that we cause a little bit of chat.

It should come as no surprise though, that as three distinct parties, we will have different opinions and ideas. Those didn't begin and nor did they end at the negotiating table.

But ultimately, we make those differences work as much as we make our consensus drive us forward.

Today, I'm here not just to recap on what we've done as a government in the short time we've been in office, but also to share with you what we'll keep doing, what's driving us as a government, and what you can expect.

Today I'm here to share our plan.

That in itself is pretty unique. Other MMP governments have had coalition agreements and confidence and supply agreements that set out specific policies they will progress. But rarely does that capture the big picture. It's a bit like a road trip that tells you who's in the car, where you'll be stopping, but doesn't tell you where you're going.

I can tell you, that as the person driving that car, that wasn't enough for me.

That's why as our 100 Day Plan started to draw to a close, I started to look for phase two. A road map that we, as three distinct parties all agreed on, wanted to track our progress against, and could share with you, the people who put us here and said 'make it work'.

And today, that's exactly what we are doing.

But first – context matters. And as far as context goes, here in New Zealand we are not immune to the challenges that other economies and countries are facing. But nor are we destined to face them in the same way.

After all, we have always been inclined to do things differently. Or to do them first.

Whether it's Kate Sheppard championing the right to vote, Michael Joseph Savage designing the welfare state, or Sir Edmund Hilary reaching brave new heights - we don't mind if no one else has done something before we do.

But we do mind being left behind.

And we do mind when others are left behind too.

That has been a big motivation for this Government. As you will have heard someone say quite recently, for us, the modified status quo wouldn't do. Especially when there were a set of challenges on the horizon that we can't ignore.

It's a whole new world we're moving into, everyone knows that. Digital transformation, the future of work, climate change, social isolation and the long term impacts of poverty.

When you elected us, you didn't just tell us to govern, you asked us to fix existing problems, anticipate emerging ones, and to make sure we weren't caught off guard because we had done neither.

You asked us to make sure New Zealand wasn't left behind.

But there are things that were also a bit unspoken. An undercurrent if you will. Perhaps I picked it up from the next generation of voters, or perhaps it was just the vibe of the thing. But we also decided that we would do things differently.

We decided that there was a place in government for concepts like compassion and kindness. That being active and intervening from time to time was a good thing. And that if there was ever a time to be bold and to use our voice on the world stage, it was now.

In summary we are a government of change.

And people may well say that this is just an expression of good intentions. Where are the specifics?

I think this is the bit where I say hold my beer.

Or, perhaps slightly more realistically these days, hold my lukewarm cup of tea.

Today, I want to share with you Our Plan.

Let me be clear. This is not just something I've generated for a speech. This is our Cabinet mandated, Coalition Government work plan.

This plan represents our shared vision and priorities; Labour, New Zealand First and the Greens.

In February of this year, we started with a first cut of the priorities that we, as three parties, collectively shared.

We designed our cabinet committee structures, the different groups of Ministers who sit under Cabinet, so that they each had an area of responsibility within the plan. They debated it, added and subtracted as only committees can, and came up with a list of what we wanted to achieve, how we would do it, and what kinds of measures would tell us we had succeeded.

What I am sharing with you today, is a shortened version of that work. And an insight into the way we operate, and what is now guiding us as a coalition government.

This is our blueprint for New Zealand.

Our work is split into three key themes.

Firstly, building a productive, sustainable and inclusive economy.

Secondly, improving the wellbeing of New Zealanders and their families

And thirdly, ensuring new leadership by government.

Let me start with our economic theme, after all, so much of what we want to achieve hangs on having a strong economy, and for that, a lot needs to change.

We cannot continue to rely on an economy built on population growth, an overheated housing market and volatile commodity markets. It's not sustainable, and it risks wasting our potential,

**That's why our first priority is to grow and share more fairly New Zealand's prosperity.**



That means being smarter in how we work. It means an economy that produces and exports higher value goods, and one that makes sure that all New Zealanders share in the rewards of economic growth.

So what will we do?

First, we need a concerted effort to lift the prosperity side of the ledger. Working alongside business, we will encourage innovation, productivity and build a skilled workforce better equipped for the 21st century.

We are doing that by bringing back significant support for businesses to expand their investment in research and development through the R&D tax incentive, a key component of building a new innovative economy.

Earning more from what we sell to the world will be key to our economic success. We are supporting exporters through progressive free trade agreements like the CPTPP. And we are committed to pursuing and signing new trade deals with the EU and the UK post Brexit.

We're modernising the Reserve Bank so that it works to keep both inflation and unemployment low, and we'll create a better balanced and fairer tax system.

We will face the challenges of rapidly changing technology in the workplace together with business and unions through our Future of Work Tripartite Forum.

But we also need to do better at lifting the incomes of New Zealanders and sharing the gains of economic growth.

We are extending pay equity to new groups of workers, taking the pressure off families by extending paid parental leave, closing the gender pay gap and raising the minimum wage.

And we will also enhance the SuperGold Card.

When fully rolled out our Families Package - which includes changes to Working for Families - will boost the incomes of 384,000 families and lift thousands of children out of poverty.

But we also recognise that people do well, when their town or their region does well. We want our regions to thrive, as much as our cities.

That's why our **second economic priority is supporting thriving and sustainable regions.**

We will help to boost regional economies through the Provincial Growth Fund's \$3 billion investment in new jobs and opportunities. So far we have committed more than a quarter of a billion dollars to projects around the country. I know from visits to the likes of Gisborne and Northland that the difference this investment will make is huge - because the people there told me it would be.

The One Billion Trees programme is another way that we are generating jobs and environmental benefits, and comes with the added benefit of creating an actual live online tree counter.

We're also building critical infrastructure for our regions, and the rest of the country.

Modern transport networks, safer roads and efficient public transport are essential.

We are investing a record \$42 billion in net capital spending over the next five years in rebuilding New Zealand's infrastructure and critical public services.


But none of this matters unless we are also modernising our economy, and preparing for the future.

**That's why our third priority is transitioning to a clean, green carbon neutral New Zealand.**

That means making the transition to a net zero carbon economy, and we want to do that by 2050. Our \$100 million Green Innovation Fund will help business to tap opportunities in smart, low carbon industries.

We also need to bring back some authenticity to our clean green image by better managing the waste we produce, investing to protect our unique biodiversity and ensuring our rivers are swimmable for future generations. We have plans in each of these areas.

**Our fourth priority is doing all of this, while delivering responsible government with a broader measure of success.**


 We will carefully manage the government books, running surpluses, and being prudent with debt so we can cope with future challenges.

We will also measure success, but first we have to ask, what is success?

We don't believe progress as a country should be measured simply by narrow headline economic numbers. For example, we've enjoyed enviable GDP growth in recent years, but what sort of success is that when we have the worst homelessness in the OECD?

That's why we are developing broader measures to better reflect New Zealanders' lives. And we will use these measures to guide our policy work.

The Wellbeing Budget in 2019 will underscore our commitment to this new approach, and will be a world first. It will properly frame the purpose of this Government which is to change the way we view success and look at it through the lens of the wellbeing of all our people today and in the future.

 Which takes me to our second key theme:

**The wellbeing of all New Zealanders and their families.**

This theme sits at the core of this Government – it's a space we all feel motivated by. We want every New Zealander to have access to world-class education and healthcare, live in a home that's healthy and in a community that is safe, and to realise their potential.

**That's why our first priority is to ensure that everyone who is able to, is either earning, learning, caring or volunteering.**

Everyone should have the opportunity to contribute to their community in a way that is meaningful for them. And if you're not, we're probably all losing out.

Removing fees for post school education and training gets rid of a significant barrier for many, and not just for the young. We are entering into a time where digital transformation means a huge number of jobs will be replaced or disappear – our answer is access to training and world class education.



We are modernising our education system, improving the quality of our schools and strengthening NCEA. We have also already provided the first across the board funding increase for early childhood education in a decade and tripled new funding for learning support.

We are investing in innovative training schemes like Mana in Mahi/Strength in Work where employers are supported with the costs of taking on apprentices, and other schemes to tackle youth unemployment.

But we also recognise that study or work isn't the only contribution we make in the communities we live in. That's why we're looking for ways to better value our volunteers and our carers.

None of that counts though if you don't have your basic needs met.

**Our second priority is to support healthier, safer and more connected communities.**

We are improving New Zealanders' access to affordable, quality healthcare, and investing in better health outcomes. That's why we're rebuilding rundown hospitals, expanding our nurse workforce and reducing the cost of doctor visits.

We are also overhauling mental health services. Placing nurses and mental health workers in schools is one step in our plan to intervene early.

We are committed to reducing crime, especially re-offending so there are fewer victims of crime and a smaller prison population. That's why we are recruiting 1800 more police and investing in crime prevention and rehabilitation.

We are also tackling organised crime and working hard to reduce family and sexual violence.

That sense of security though, also needs to extend to the place you call home. Feeling connected to your community is inextricably linked to your ability to put down roots. Which means hanging onto your home. **That's why our third priority area under this theme is ensuring everyone has a warm, dry home.**

That's why we're restoring the Kiwi dream of home ownership through the KiwiBuild programme for affordable homes for first home buyers. And I cannot tell you how exciting it was to open the ballot for those first homes this week, and to know that people will be moving into them before Christmas this year.

But not everyone wants to own, or can right now. That's why we are strengthening the rights of renters and ensuring landlords provide adequate insulation, heating and ventilation through the Healthy Homes Guarantee.

And it's why we are committed to building 6400 more public houses and are working to end homelessness by boosting Housing First and other programmes.

Our fourth priority when it comes to the well-being of New Zealanders is one that I feel quite personally connected to. **It's our government's ambition to make New Zealand the best place in the world to be a child.**

I am the Minister for Child Poverty Reduction.

I took that portfolio because of the importance we place on lifting tens of thousands of children out of poverty.

We are determined to make a difference. This year we will pass into law the Child Poverty Reduction Bill so governments can be measured by their progress towards specific targets. But we also know that it's not just about family incomes, but whether a child has all of their needs met, including good health, a roof over their head, a great education, and perhaps the thing that we are too quick to place last on the list – time with their parents or caregivers.

But all of that is the what. We can't ignore the how.

**Our third key theme is all about the type of leadership this Government is committed to providing.**

By default, it is going to be different.

**We have come in with a commitment to deliver transparent, transformative, and compassionate government.** That means talking openly about the challenges we have like criminal justice and learning from the mistakes of the past, through actions like an inquiry into historic abuse of children in state care and re-entering the Pike River drift.

**Another key priority is that, as government, we must build closer partnerships with Maori** as we transition to a post-settlement environment. That's why we have a new portfolio dedicated to the closer relationships we are forging with tangata whenua beyond Treaty negotiations, and into a future where we deliver on our Treaty obligations in all what we do.

**Our third area, is valuing who we are as a country.** It's easy to take for granted the recognition and preservation of our nation's history and heritage, until we don't. That's why we are creating more opportunities for New Zealanders to tell their stories, celebrating our history, and working to secure the future of Te Reo.

**That brings me to our final priority area- creating an international reputation we can be proud of.**

In this uncertain world, where long accepted positions have been met with fresh challenge – our response lies in the approach that we have historically taken. Speaking up for what we believe in, pitching in when our values are challenged and working tirelessly to draw in partners with shared views.

This Government's view is that we can pursue this with more vigor - across the Pacific through the Pacific reset, in disarmament and in climate change, and in our defence of important institutions.

Ultimately though, my hope is that New Zealanders recognise themselves in the approach this Government takes.

We want an international reputation New Zealanders can be proud of. And while we are navigating a level of global uncertainty not seen for some time, I believe in the importance of New Zealand's place in the world.

I also believe in this plan.



It looks beyond the three year electoral cycle and plans for the next 30 years and longer. It will, I hope, prove to be the kind of agenda that out lasts any of us as individual parties and politicians. Because that's the kind of approach some of the big challenges we face, actually need.

Ultimately though, governments are held to account for their successes at every election. That is fair. But that's not quite enough anymore. You need to know how we are tracking, and we do too.

That is why we are changing the way government works. Many of you will never see or hear the way our Cabinet and cabinet committee structure works. You lucky devils. Essentially they are demand driven. Ministers generate papers on their own policy areas and take them to cabinet committees for a decision. They then go up to cabinet. It can be reactionary at worst, and siloed at best. Hardly the way to deal with the difficult challenges in this modern environment.

That's why we have split up this Government plan across our cabinet committees. Each has a new job. They will help make sure budget bids meet our priorities, that our programmes are being delivered, and that we are making a difference. Cabinet will remain however, the ultimate guardian of the priorities.

Some of the measures we will be using already exist, and some are still being developed. Whether it's the gap between rich and poor, the number children lifted out of poverty or the waterways that are now swimmable, over time the measures will be a powerful incentive for us as a government to ensure our policies and work streams are effective. And you will be able to track them with us.

But if you ask me to sum up, overall, what we are trying to collectively achieve with this agenda it is simple.

We want to be the country that we are already pretty proud of. The one that is clean and green, that is fair minded and looks after one another, that is innovative and gives just about anything a go. Including a coalition blueprint.

But if you'll finally indulge me, I want to end where I began.

One year on from entering into government, I wanted to remind myself of what happened the moment this Government started.

The night that I stood in my office and waited as the whole nation did, for the now Deputy Prime Minister to make the announcement as to who New Zealand First would form a government with.

Clarke filmed my face.

It's not the most flattering piece of footage. It's fair to say I'm looking a bit anxious. Almost a bit sweaty.

I'm standing near the couch in the opposition lounge watching the television. There are a group of MPs and staff around me. You can hear on the television the speech that the Deputy Prime Minister is making, as the camera stays fixated on my face. There is a sudden moment of realisation in my expression. It's not the moment where the government is announced, it's before that. It's the moment Winston talks about the things that I believe in too. I smile, and realise that we are going to have the chance to change everything.

We are three parties who agree on fundamental principles. We agree on what has to change, and what we can do better.



We have big goals, but that doesn't make them unachievable.

I know everyone in this room believes in the potential of this country.

None more so than this Coalition Government.

That's why, with this plan, we are going to keep doing this.



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