

(National Party &
New Zealand First, 2023)

Coalition Agreement

○ New Zealand National Party
& New Zealand First

54thParliament



Coalition Agreement between the National Party and the New Zealand First Party

This agreement should be read in conjunction with the Coalition Agreement between the National Party and the ACT Party (the National and ACT Coalition Agreement).

Preamble

1. New Zealand faces significant long-term economic, social, and environmental challenges – and at the 2023 General Election New Zealanders voted for change, and a new government with policies to seriously address these challenges.
2. The National and New Zealand First Parties commit to forming a Coalition Government with the ACT Party that will provide stability, grow economic prosperity, restore national unity, and boost social cohesiveness, alongside the rights and responsibilities of being a New Zealand Citizen.
3. The Coalition Government's priorities for this term include rebuilding the economy, improving the quality of Government spending and regulation, lowering the cost of living, dealing to rising crime by restoring law and order and personal responsibility, enforcing consequences for criminals, ending race based policies, introducing more choice and competition into social service provision, delivering better health and education, defending freedom and democracy, providing opportunity for all in education, health, employment, and infrastructure, and improving the lives of seniors.
4. The Coalition Government policies have as a key objective restoring New Zealand's former reputation as being a world economic and social leader. All Parties wish to lay the foundations for the immediate, medium, and long-term return of New Zealand to prosperity.
5. All Parties wish to work towards New Zealand again becoming an export powerhouse, by focusing on an economy that enables wealth creation, maximises added value before exporting, invests in IT to promote economic growth and employment, and ensure high educational achievement which will lead to high value employment opportunities.
6. This agreement sets out the arrangements between the National, and New Zealand First Parties to establish a constructive and enduring working relationship in the best interests of New Zealand, while strengthening public confidence in the integrity of Parliament and our democracy. This agreement should be read in conjunction with the National and ACT Coalition Agreement.

Nature of Agreement

7. The National and New Zealand First Parties commit to delivering a stable and effective coalition government, alongside the ACT Party.
8. The Parties will do this whilst recognising the importance in a democracy of maintaining independent political identities arising from the voting public's choice.
9. The Parties recognise that the Coalition Government involves different political parties with different manifestos. Although many policies may overlap, New Zealand First's policies outlined in this agreement will be promoted and acknowledged as New Zealand First's policy and contribution to the Coalition Government. For the avoidance of doubt, where policies overlap with the Policy Programme of the ACT Party in the National and ACT Coalition Agreement, they may also be promoted as ACT's policy and contribution to the Coalition Government.

Policy Programme

10. The National and New Zealand First Parties agree to progress in this term the policies set out in National's Fiscal Plan, Tax Plan, 100 day plan and 100 point economic plan, except for the specific exemptions which have been agreed between the Parties and set out in this Coalition Agreement document.
11. The Parties will also progress the following additional policies which are a priority for the National Party:
 - A. Lower inflation and grow the economy to ease the cost of living and create better paying jobs.
 - B. Let Kiwis keep more of what they earn with tax relief of up to \$100 per fortnight for an average income household and a FamilyBoost childcare tax credit of up to \$150 per fortnight.
 - C. Build infrastructure with 13 new Roads of National Significant and four major public transport upgrades.
 - D. Restore law and order by backing Police to tackle gangs, boot camps for serious young offenders, and stronger sentencing so New Zealanders can feel safe.
 - E. Lift school achievement by teaching kids an hour each of reading, writing and maths every day, banning cell phone use at school, and regular assessment and reporting to parents.
 - F. Cut health waiting times by training more doctors, nurses, and midwives, and giving Kiwis access to 13 more cancer treatments.
 - G. Support seniors by maintaining the Winter Energy Payment, increasing Super every year and boosting it with our tax relief plan, which will see a superannuitant couple get over \$600 extra each year.
 - H. Deliver Net Zero by 2050 including by doubling New Zealand's renewable electricity and supporting new technology to reduce agricultural emissions.

12. Tax relief will be progressed as set out in National's Tax Plan, but will not include a repeal of the foreign buyer's residential property ban, with income tax reductions coming into force from 1 July 2024.
13. The New Zealand First Party agrees to support the ACT Party initiatives as outlined in the Coalition Agreement between National and ACT.
14. The Parties will also progress the following additional policies which are a priority for the New Zealand First Party:

Rebuilding the Economy and Improving Productivity

To lift New Zealand's productivity and economic growth to increase opportunities and prosperity for all New Zealanders, the Parties will:

Economy

- Provide the ways and means of fulfilling the objectives laid out above in this agreement.
- Recognise that expenditure on wealth creation and infrastructure is prioritised over expenditure on consumption.
- Reduce Core Crown expenditure as a proportion of the overall economy.
- Establish a select committee inquiry into banking competition with broad and deep criteria to focus on competitiveness, customer services, and profitability.
- Explore options to strengthen the powers of the Grocery Commissioner, to improve competitiveness, and to address the lack of a third entrant to remove the market power of a duopoly.
- Assess and respond to the impact that energy prices have on inflation including consumer led institutional improvements.
- By or before 2026, assess the impact inflation has had on the average tax rates faced by income earners.
- As an export dependent nation, prioritise free and fair trade agreements, including with India.
- The Coalition Government will increase funding for IRD tax audits to urgently expand the IRD tax audit capacity, minimise taxation losses due to insufficient IRD oversight, and to ensure greater integrity and fairness in our tax system.

Employment and Immigration

- Strengthen obligations on Jobseeker work ready beneficiaries to find work and make use of sanctions for non-compliance with work obligations, and consider time limits for under 25s.
- Improve the Accredited Employer Work Visa to focus the immigration system on attracting the workers and skills New Zealand needs.
- Commit to moderate increases to the minimum wage every year.
- Ensure Immigration New Zealand is engaged in proper risk management and verification to ensure migrants are filling genuine workforce needs.

- Investigate the establishment of an “Essential Worker” workforce planning mechanism to better plan for skill or labour shortages in the long term.
- Commit to enforcement and action to ensure those found responsible for the abuse of migrant workers face appropriate consequences.
- Address and provide solutions for the long-expressed concern of the OECD into the lack of focus in New Zealand Immigration Policy.

Infrastructure, Energy, and Natural Resources

- Establish a National Infrastructure Agency under the direction of relevant Ministers, to coordinate government funding, connect investors with New Zealand infrastructure, and improve funding, procurement, and delivery to:
 - o Prioritise regional and national projects of significance.
 - o Facilitate or procure funding for regional and national projects of significance.
 - o Procure from government agencies for appropriate Crown projects.
 - o Oversee procurement from the private sector.
- Prioritise strategic infrastructure to improve the resilience of heavy industry in New Zealand.
- Establish a Regional Infrastructure Fund with \$1.2 billion in capital funding over the Parliamentary term.
- Repeal the Natural and Built Environment Act 2023 and the Spatial Planning Act 2023.
- Amend the Resource Management Act 1991 to:
 - o Make it easier to consent new infrastructure including renewable energy, allow farmers to farm, get more houses built, and enhance primary sector including fish and aquaculture, forestry, pastoral, horticulture and mining.
 - o Streamline the plan preparation process in Schedule 1 of the RMA.
 - o Simplify the planning system and related statutes including the Public Works Act and the Reserves Act.
 - o The Parties commit to establish a fast-track one-stop-shop consenting and permitting process for regional and national projects of significance. The process will include a referral by Ministers for suitable projects. A Bill to introduce this process and make other essential statutory amendments will have its first reading as part of the government’s 100 day plan.

- Cancel Auckland Light Rail and Let's Get Wellington Moving and reduce expenditure on cycleways.
- Commit to building a four-lane highway alternative for the Brynderwyns and investigate the use of private finance to accelerate construction.
- Investigate the threshold at which local lines companies can invest in generation assets.
- Commission a study into New Zealand's fuel security requirements.
- Facilitate the development and efficiency of ports and strengthen international supply networks.
- Commence an urgent review into the implementation of the National Policy Statement on Indigenous Biodiversity before any implementation.
- **Replace the National Policy Statement for Freshwater Management 2020 and the National Environmental Standards for Freshwater to better reflect the interests of all water users.**
- Investigate the reopening of Marsden Point Refinery. This includes establishing a Fuel Security Plan to safeguard our transport and logistics systems and emergency services from any international or domestic disruption.
- Progress further work examining connecting the railway to Marsden Point and Northport from the Northern Main Truck Line.
- Progress the detailed business case for a dry dock at Marsden Point to service domestic and international shipping needs and to support our Navy vessels, with investigation of funding options including commercial partnerships.
- Require the electricity regulator to implement regulations such that there is sufficient electricity infrastructure to ensure security of supply and avoid excessive prices.
- Examine transmission and connection pricing to facilitate cost effective connection of new renewable generation resources, both on-shore and off-shore.
- Plan for transitional low carbon fuels, including the infrastructure needed to increase the use of methanol and hydrogen to achieve sovereign fuel resilience.
- Future-proof the natural gas industry by restarting offshore exploration and supporting development of hydrogen technology to produce hydrogen from natural gas without co-production of CO₂.
- Ensure that climate change policies are aligned and do not undermine national energy security.
- Ensure the government's energy settings allow for the exploration of natural geological hydrogen in New Zealand, to maximise future energy resilience.
- Investigate the strategic opportunities in New Zealand's mineral resources, including vanadium, and develop a plan to develop these opportunities.

Primary Sector

- Stop the current review of the ETS system to restore confidence and certainty to the carbon trading market.
- Progress work to recognise other forms of carbon sequestration, including blue carbon.
- Incentivise the uptake of emissions reduction mitigations, such as low methane genetics, and low methane producing animal feed.
- Support Farm Environment Plans administered by regional councils and targeted at a catchment level.
- Adopt standardised farm level reporting.
- Cut red tape and regulatory blocks on irrigation, water storage, managed aquifer recharge and flood protection schemes.
- Amend the National Environmental Standards for Plantation Forestry (NES-PF) regulations to place a duty upon harvesters to contain and remove post-harvest slash.

- Direct government agencies where practical and appropriate to preference the use of woollen fibres rather than artificial fibres in government buildings.
- Reverse the recent ban on live animal exports while ensuring the highest standards of animal welfare.
- Reform the National Animal Welfare Advisory Committee to ensure its functions, membership and mandate are appropriate.
- Deliver longer durations for marine farming permits and remove regulations that impede the productivity and enormous potential of the seafood sector.
- Liberalise genetic engineering laws while ensuring strong protections for human health and the environment.

Restoring Law and Order and Personal Responsibility

To restore law and order and ensure New Zealanders are safer in their communities, the Parties will:

- Commit to training no fewer than 500 new frontline police within the first two years.
- Increase the number of the trained Youth Aid Officers over the term.
- Adequately resource community policing, including Māori and Pasifika wardens, Community Patrol New Zealand, and Neighbourhood Watch.
- Introduce a suite of measures designed to tackle youth crime including consideration of a Youth Justice Demerit Point system.
- Reform the Fleeing Driver laws to curb the increase in fleeing driver incidents.
- Amend the Sentencing Act 2002 and associated legislation to ensure appropriate consequences for criminals, including:
 - Giving priority to the needs of victims and communities over offenders.
 - Including gang membership as an aggravating factor during sentencing.
 - Ensuring real consequences for lower-level crimes such as shoplifting.
 - Removing concurrent sentences for those who commit offences while on parole, on bail, or whilst in custody.
- Where appropriate, require prisoners to work, including in the construction of new accommodation in prisons or pest control.
- Equip corrections officers with body cameras and protective equipment, where appropriate.
- Seek to make it easier for New Zealanders, including prisoners, to get drivers licences, and better support to existing programmes that are delivering positive outcomes.
- Introduce the Protection for First Responders and Prison Officers legislation which will create a specific offence for assaults on first responders which includes minimum mandatory prison sentences.
- Introduce the Coward Punch legislation which will create a specific offence for anyone who injures or kills someone with a coward punch.
- Investigate the introduction and implementation of Degrees of Murder Sentencing legislation.

Delivering Better Public Services

To improve the effectiveness, efficiency and responsiveness of public services, the Parties will:

Education

- Enforce compulsory education and address truancy.
- Focus on doing the basics better through emphasising reading, writing, and maths.
- Refocus the curriculum on academic achievement and not ideology, including the removal and replacement of the gender, sexuality, and relationship-based education guidelines.
- Stop first year Fees Free and replace with a final year Fees Free with no change before 2025.
- Maintain the Apprenticeship Boost scheme.

Health

- Abolish the Māori Health Authority.
- Update Pharmac's decision making model to ensure it appropriately takes "patient's voice" into account and increase funding for Pharmac every year.
- Require Medsafe to approve new pharmaceuticals within 30 days of them being approved by at least two overseas regulatory agencies recognised by New Zealand.
- Better recognise people with overseas medical qualifications and experience for accreditation in New Zealand.
- Progress the adoption of digital technology in harder to staff areas and make greater use of Nurse Practitioners.
- Repeal the Therapeutic Products Act 2023.
- Fund Gumboot Friday/I Am Hope Charity to \$6 million per annum.
- Renegotiate the Crown funding agreement with St John with a view to meeting a greater portion of their annualised budget.
- Ensure Plunket is funded to do their job properly.
- Ensure proper funding for birthing units and maternity care, including providing for a three day stay for new mothers.
- Repeal amendments to the Smokefree Environments and Regulated Products Act 1990 and regulations before March 2024, removing requirements for denicotisation, removing the reduction in retail outlets and the generation ban, while also amending vaping product requirements and taxing smoked products only.
- Reform the regulation of vaping, smokeless tobacco and oral nicotine products while banning disposable vaping products and increasing penalties for illegal sales to those under 18.

Seniors

- Keep the superannuation age at 65.
- Amend the Building Act and the Resource Consent system to make it easier to build granny flats or other small structures up to 60sqm requiring only an engineer's report.
- Progress the review of the Retirement Villages Act.
- Upgrade the Super Gold Card and Veterans Card to maximise its potential benefit for all Super Gold Card and Veteran Card holders.
- Investigate the funding formula for new residential care beds.
- Engage openly and constructively with the aged-care sector.
- Undertake a select committee inquiry into aged care provision to include supporting people with early onset conditions and what asset thresholds are appropriate in 2023/24.
- Explore options to build on the Local Government Rates Rebate Scheme for Super Gold Card holders.
- Work on establishing bipartisan agreement to fund both care and dementia beds that New Zealand needs now and with a focus on the long term needs by 2040.
- Liaise with retirement village owners and occupiers to seek a mutually agreed way forward to safeguard the interests of the 50,000 plus New Zealanders living in retirement villages.

Strengthening Democracy and Freedoms

To uphold the principles of liberal democracy, including equal citizenship and parliamentary sovereignty, the Parties will:

- Commit that in the absence of a referendum, our Government will not change the official name of New Zealand.
- Support to select committee a bill that would enact a binding referendum on a four-year term of parliament.
- Ensure publicly funded sporting bodies support fair competition that is not compromised by rules relating to gender.
- Legislate to make English an official language of New Zealand.
- Ensure all public service departments have their primary name in English, except for those specifically related to Māori.
- Require the public service departments and Crown Entities to communicate primarily in English - except those entities specifically related to Māori.
- Protect freedom of speech by ruling out the introduction of hate speech legislation and stop the Law Commission's work on hate speech legislation.
- End all Covid-19 vaccine mandates still in operation.
- Ensure, as a matter of urgency in establishment and completion, a full scale, wide ranging, independent inquiry conducted publicly with local and international experts, into how the Covid pandemic was handled in New Zealand, including covering:
 - o Use of multiple lockdowns,
 - o Vaccine procurement and efficacy,
 - o The social and economic impacts on both regional and national levels, and
 - o Whether the decisions made, and steps taken, were justified.

- Ensure a ‘National Interest Test’ is undertaken before New Zealand accepts any agreements from the UN and its agencies that limit national decision-making and reconfirm that New Zealand’s domestic law holds primacy over any international agreements.
- As part of the above, by 1 December 2023 reserve against proposed amendments to WHO health regulations to allow the incoming government to consider these against a “National Interest Test”.

Equal Citizenship

- The Coalition Government will defend the principle that New Zealanders are equal before the law, with the same rights and obligations, and with the guarantee of the privileges and responsibilities of equal citizenship in New Zealand.
- The Coalition Government will work to improve outcomes for all New Zealanders, and will not advance policies that seek to ascribe different rights and responsibilities to New Zealanders on the basis of their race or ancestry.
- The Coalition Government will honour the undertakings made by the Crown through past Treaty of Waitangi settlements.
- The Coalition Government will reverse measures taken in recent years which have eroded the principle of equal citizenship, specifically we will:
 - o Remove co-governance from the delivery of public services.
 - o As a matter of urgency, issue a Cabinet Office circular to all central government organisations that it is the Government’s expectation that public services should be prioritised on the basis of need, not race.
 - o Restore the right to local referendum on the establishment or ongoing use of Māori wards, including requiring a referendum on any wards established without referendum at the next Local Body elections.
 - o Stop all work on He Puapua
 - o Confirm that the Coalition Government does not recognise the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) as having any binding legal effect on New Zealand.
 - o Amend section 58 of the Marine and Coastal Area Act to make clear Parliament’s original intent, in light of the judgment of the Court of Appeal in Whakatohea Kotahitanga Waka (Edwards) & Ors v Te Kahui and Whakatohea Maori Trust Board & Ors [2023] NZCA 504.
 - o Amend the Waitangi Tribunal legislation to refocus the scope, purpose, and nature of its inquiries back to the original intent of that legislation.
 - o Conduct a comprehensive review of all legislation (except when it is related to, or substantive to, existing full and final Treaty settlements) that includes “The Principles of the Treaty of Waitangi” and replace all such references with specific words relating to the relevance and application of the Treaty, or repeal the references.

Ongoing Decision-Making Principles

15. The Coalition Government will make decisions that are:

A. Principled – making decisions based on sound public policy principles, including problem definition, rigorous cost benefit analysis and economic efficiency.

B. Focused – driving meaningful improvement in core areas including:

- Lifting New Zealand's productivity and economic growth to increase opportunities and prosperity for all New Zealanders;
- Ensuring New Zealanders are safer from crime;
- Lifting educational achievement so that every child has opportunity to get a world class education;
- Improving housing affordability;
- Improving the efficiency and effectiveness of the public service and of government-funded services;
- Restoring price stability;
- Providing tax relief to income earners.

C. Results-driven – interventions that aren't delivering results will be stopped.

D. People-focussed – public services, whether for New Zealanders or tourists, will be designed around the needs of the people who use them.

E. Accountable – the Government will set clear public service targets and regularly report on progress towards these objectives.

F. Evidence-based – decisions will be based on data and evidence, with programmes regularly assessed to see if they are delivering results.

G. Fiscally responsible – with spending decisions based on rigorous cost-benefit analysis to ensure taxpayer money is treated with respect, and recognising the need to get the public books back in order by reducing the overall fiscal impact of government.

H. Pro-democracy – upholding the principles of liberal democracy, including equal citizenship, parliamentary sovereignty, the rule of law and property rights, especially with respect to interpreting the Treaty of Waitangi.

16. The Parties will work together and in good faith to reach agreement on specific policy and legislative initiatives where not specifically agreed in this coalition agreement, or the National and ACT Coalition Agreement.

Relationship Between the Parties

17. The Parties will work together in good faith and cooperate with each other in respect of Executive and Parliamentary activities to advance these shared goals, including any public statements on behalf of the Coalition Government. This includes a commitment to policies and programmes set out in the “Policy Programme” section of this agreement and to ACT’s Policy Programme in the National and ACT Coalition Agreement. This commitment is also made for the benefit of the ACT Party. The Parties will consult closely with each other in a genuine and timely manner on all matters of importance to the Coalition Government. The Parties will work together on processes for effective consultation.
18. A Coalition Committee will be established, which will meet at least once per House sitting block. The Coalition Committee will consist of the Leader and Deputy Leader of National, ACT and NZ First or agreed replacements, and the Leader of the House, and will monitor government progress against each item in the coalition agreements.
19. The Parties agree to work in good faith and undertake best endeavours to achieve consensus on Cabinet decisions with due consideration to the positions of each Party in the Coalition Government, while maintaining commitments made in this agreement.
20. The Parties agree that any concerns will be raised in confidence as soon as possible and in good faith, and will be responded to expeditiously to allow for the speedy resolution of such matters in private. Concerns will be resolved by applying, so far as they are relevant, the principles and terms of this agreement. The following steps will be followed for raising and resolving concerns:
 - A. In the first instance, concerns can be raised with the Chiefs of Staff of the Parties with a view to reaching a speedy resolution.
 - B. If the concerns have not been expeditiously resolved to the satisfaction of the Party raising the concerns – or, if the concerns require urgent resolution, the Party leader of the Party raising the concerns may refer the matter for direct discussion between the Party leaders.
21. The Parties will be guided by the “no surprises” principle and inform each other, confidentially and promptly of matters of significance.

Ministerial and Other Positions

22. New Zealand First will have three Ministers inside Cabinet, one Minister outside Cabinet, and one Parliamentary Undersecretary.
23. Ministerial portfolios have been agreed between the Leaders of New Zealand First and National, and include Rt Hon Winston Peters as Deputy Prime Minister until 31 May 2025.
24. A Minister from New Zealand First will be appointed on the Appointments and Honours Cabinet Committee (APH), with appropriate consultation on proposed appointments.

Cabinet Manual

25. Government Ministers agree to be bound by the Cabinet Manual in the exercise of ministerial responsibilities, and on conduct, public duty, and the personal interests of Ministers.
26. The Parties agree that the present “no surprises” policy needs clarification to better respect the privacy of individuals. This policy will be updated in Government.

Collective Responsibility

27. Government Ministers will operate in accordance with the convention of collective responsibility. Ministers are expected to show careful judgement and recognise distinction when referring to party policy that differs from government policy.
28. As provided for in the Cabinet Manual, the Parties can “agree to disagree” in relation to matters on which the Parties wish to maintain, in public, different positions. Any “agree to disagree” matter must first have been raised and dealt with as a concern under clause 20. The Parties may “agree to disagree” on the matter if it remains unresolved following the clause 20 process. Subject to this “agree to disagree” process, a Minister’s support and responsibility for the collective government position must always be clear.
29. ‘Agree to disagree’ matters, including any matters beyond those set out in this agreement, will be dealt with on a ‘no surprises’ basis.

Confidentiality

30. Government Ministers will be bound by the principle of Cabinet confidentiality, as set out in the Cabinet Manual.

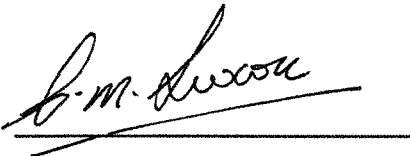
Management of Parliamentary Activities

31. The Parties will vote together on procedural motions in the House and Select Committees, except where one of the Parties has advised the other in advance that such support is not forthcoming. The Parties will operate on a “no surprises” policy in terms of procedural motions to be put before the House or Select Committee.
32. The Leader of the House consult the Parties about the House programme in advance of each sitting session.
33. The Parties agree to a “no surprises” approach to new members’ bills. However, no Party is obliged to support another Party’s Members’ Bills.
34. The Parties undertake to keep full voting numbers present whenever the House is sitting and in Select Committee.

Relationship to Other Agreements

35. The Parties to this agreement recognise the Government is comprised of a Coalition of Three Political Parties – National, ACT, and New Zealand First.
36. The Parties agree that this agreement represents the entire agreement between the parties and agree to not enter into any other relationship agreement which is inconsistent with this agreement.
37. National and New Zealand First acknowledge that National is entering into the National and ACT Coalition Agreement simultaneously with entering into this agreement. The National ACT Coalition Agreement sets out ACT's policy priorities and includes equivalent provisions to this agreement.

Dated: 24 November 2023



Christopher Luxon
National Party Leader



Rt. Hon. Winston Peters
New Zealand First Leader