

2025 Taskforce  
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[www.2025taskforce.govt.nz](http://www.2025taskforce.govt.nz)



## **MEDIA STATEMENT**

*Monday 30 November 2009*

*Embargoed Until 1.30 pm*

### **WORLD'S BEST PRACTICE NEEDED FOR GOVERNMENT REGULATIONS**

Up to a third of the gap between New Zealand and Australian incomes could be bridged by ambitious regulatory reform alone, the 2025 Taskforce said today.

“Contributors to the Taskforce’s work have given us shocking examples of the ways in which current New Zealand regulations have held back their business plans and ideas,” Taskforce Chairman Don Brash said today.

“We certainly do not recommend moving to regulatory open slather, just that New Zealand regulations be brought more into line with best practice as found in countries such as Canada, the United States and the United Kingdom. International evidence suggests this alone could bridge up to a third of the income gap of 35% between our two countries – currently equivalent to \$64,000 for a family of four.”

The centrepiece of the Taskforce’s regulatory recommendations is the passage of a Regulatory Responsibility Bill. Along with other measures, this would ensure that much more rigorous analysis would be undertaken before the powers of central and local government agencies were extended, and that more rigorous and transparent cost-benefit analyses were used to guide decisions on government spending, especially capital spending.

It further recommends that the Resource Management Act must be reviewed from first principles and that a system of tradable water rights be introduced.

Lower house prices for new entrants to the market should be achieved through reforms that require local government to increase the supply of residential-zoned land when land prices rise sharply as they have done in recent years.

In labour law, the Taskforce recommends that the highest-paid New Zealanders should have the benefit only of contract law, with those earning less than \$100,000 continuing to have the protection of specialised flexible employment law. A youth minimum wage would be re-introduced and longer probationary periods be permitted to assist the most vulnerable workers to enter the workforce.

In international trade policy, the Taskforce says New Zealand's last remaining tariffs should be removed and foreign investment restrictions reduced. Fonterra should be encouraged to become a conventional company and Zespri's export monopoly removed.

In addition, the Taskforce recommends that property rights be added to the Bill of Rights Act, the Commerce Act be reviewed and an independent Productivity Commission be established.

**END**

The report will be posted on the 2025 Taskforce's website at 1:30pm:

<http://www.2025taskforce.govt.nz/fromthetaskforce.htm>

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