



PRESS RELEASE

14 May 2020

Jobs budget to get economy moving again

- \$50 billion COVID-19 Response and Recovery Fund to invest in the economy and jobs
- Economy forecast to grow in 2021
- Return to 4.2 percent unemployment by 2022
- Budget focus on jobs, infrastructure, training and environment

Investments to both save and create jobs in Budget 2020 mean unemployment can be back to pre COVID-19 levels within two years and could see the economy growing again as early as next year.

The centrepiece of Budget 2020, *Rebuilding Together*, is the establishment of a \$50 billion COVID-19 Response and Recovery Fund which will target stimulus investment at protecting existing jobs, creating new ones and provide support for workers to retrain and for business to survive as well as targeting support to those sectors most affected by the virus.

“The Government’s decision to go hard and early to defeat the virus means we are now in a strong position to quickly get our economy moving again,” Prime Minister Jacinda Ardern said.

“We will bring the same determination and focus to jobs and the economic rebuild as we brought to our health response.

“No country will be immune to the global downturn the virus has caused, but we are hopeful our sharp and short lockdown means we are now in a stronger position to rebuild.

“The COVID-19 Response and Recovery Fund will deliver major investments in jobs such as making certain trades training and apprenticeships free, the delivery of 8,000 new public houses and extending the food in schools programme to up to 200,000 children creating jobs up and down the country.

“Treasury budget forecasts suggest our package of jobs stimulus measures could see as many as 138,000 jobs saved in the current economic quarter alone and employment rise by 234,000 jobs over the next two years.

“As a country we saved for a rainy day for exactly this reason. We can now use the strength of the Government’s economic position to carry the load in the short term while businesses and households get back on their feet.

“We united as a team of five million to stop the virus and we will now work together to collectively save jobs,” Jacinda Ardern said.

“New Zealanders have made incredible sacrifices and suffered incredible loss in our collective battle against COVID-19. It is vital that Budget 2020 builds on restoring independence in every sense, to every day New Zealanders by creating jobs for those who have had them stripped away by this viral invasion,” Deputy Prime Minister Winston Peters said.

This means record investment in infrastructure, health care, education, and the regions.

The coalition government is using every tool it has to meet the immediate needs of New Zealanders post-lockdown, while balancing the long-term goal of a vibrant future economy.

By thinking outside the bubble we will supercharge our economy in ways we have never seen before and prove that in times of crisis, as we have time and time again, that New Zealand can be relied on to lead,” Winston Peters said.

“This Budget will support the people most affected by the global downturn,” Green Party Co-leader James Shaw said.

“It will help keep people in work, create new jobs and provide potentially life-changing learning and training opportunities for thousands – all whilst restoring our precious natural environment and providing affordable places for people to live.

“One of the best ways to create good quality, well-paid jobs quickly is by investing in nature. The \$1.1 billion we are providing for nature-based jobs as part the COVID-19 Reponse and Recovery will not only help restore our natural landscapes, native bush, waterways and coast, it will give thousands of people access to well-paid work so they can continue to provide for their families.

“This Budget embodies values of inclusivity and fairness to provide a blueprint for rebuilding the economy. Most of all it will help the families and businesses impacted by the steps we all had to take to keep each other safe and well.”

Media contacts

Jacinda Ardern: Andrew Campbell 021 243 8573

Winston Peters: Alex Masters 021 809 186

James Shaw: Danny Stevens 021 829 206