

AI in New Zealand's Interests Action Plan



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Protect what matters, unlock our potential, and lead on our terms.

AI is developing quickly and is already part of New Zealanders' daily lives. It offers huge opportunities to lift productivity, improve public services and help businesses compete. But we cannot leave it to a handful of big technology companies to decide how it shapes our future.

Change is happening. The question is how, and who benefits.

Now is the time to decide how AI works for New Zealand.

A Labour Government will take an active role in shaping how AI develops in New Zealand. That means protecting what matters, investing in the benefits, and making sure New Zealand sets the rules on its own terms.

This action plan sets out that direction and the areas where we believe the government needs to act. AI will keep changing, so we will work with experts, businesses, iwi, educators, researchers, creators and communities to get the details right.

Our plan will include clear standards for the use of AI, a dedicated Office of AI, strong environmental protections, robust copyright and intellectual property rules, safeguards for working people and children, support for businesses to lift productivity, and stronger protection of New Zealand data and data sovereignty.

A Labour Government will make AI work for New Zealanders, not just the companies that build and own it.

Our goals

Labour's AI Action Plan is based on three core goals:

1 **Protect what matters.**

Protect people's rights, safety and privacy, protect creative work, and ensure government decisions that affect people's lives remain accountable to people.

2 **Unlock our potential.**

Help New Zealanders and businesses build the skills and capability to use AI productively and share in the benefits.

3 **Lead on New Zealand's terms.**

Provide clear government leadership and oversight, protect New Zealand's control over our data and our choices.

The challenge

New Zealanders can see both the opportunities and risks of AI. Many are already using AI to save time and get more done, while also worrying about its wider effects.

The benefits will not be shared fairly - and the risks will not be managed in everyone's interests - by chance. **The Government has a responsibility to make sure AI works for everyone.**

National is taking a light-touch approach that relies too much on existing law and decisions made by overseas technology companies. It has failed to provide a clear plan for addressing the issues New Zealanders are worried about, or ensure the benefits are shared beyond the biggest companies.

National is also planning to replace public service jobs with AI without answering basic questions about accountability or what it could cost taxpayers over time.

AI is not a one-off purchase. Agencies will have to pay ongoing licence and usage fees that could rise over time. If public services become too dependent on a small number of overseas technology companies, New Zealand could face significant and growing costs.

There must also be safeguards to ensure AI is not making decisions about people's lives on its own.

We can't turn back the clock or press pause on AI. Nor should we. But accepting that AI is changing how we do things does not mean that New Zealand has no say in how that change happens.

Our approach

A Labour Government will:

- ▶ **Provide leadership and coordination across government** on the development, adoption and governance of AI.
- ▶ **Back investment and responsible adoption**, helping New Zealand businesses to safely take advantage of AI.
- ▶ **Protect New Zealand's interests**, including our data, creative work, iwi/Māori and public services.
- ▶ **Ensure AI is used safely and accountably**, particularly in government decisions that affect people's lives.
- ▶ **Take a proportionate approach to regulation** that addresses real risks without creating unnecessary barriers to innovation.
- ▶ **Work with Australia and other partners** on shared standards and challenges

Five tests will guide the decisions a Labour Government makes:

- ▶ Are the gains shared beyond those who own the technology?
- ▶ Do people have a real say in how AI is used in their workplaces?
- ▶ Does a human still have meaningful oversight and accountability for government decisions that affect people's lives?
- ▶ Are AI companies using energy, water and land responsibly and carrying their fair share of the costs?
- ▶ Do New Zealanders retain control over our data, creative work and infrastructure?

Protect, Unlock, Lead

1. Protect what matters

Trust is essential to the responsible use of AI. We will strengthen protections where AI can cause serious harm or erode trust.

A Labour Government will establish an online safety regulator with responsibility for ensuring online safety across platforms. We will expand the scope of the current Government's planned regulator, so it has a mandate beyond the under 16s social media ban. And we could look to establish it as an independent regulator, outside of DIA, given the significance of the issues involved.

We will also expand the AI Expert Advisory Panel to bring together technical and legal experts, small business, unions, the arts, and iwi Māori and report directly to Ministers as the technology develops.

The group will advise the Government on emerging issues and help make sure we seize the opportunities from AI while

managing the risks and protecting what matters to New Zealanders.

Creative work

Not everything produced in New Zealand is up for grabs. Writers, musicians, artists, journalists and other creators should retain meaningful control over how their work is used and should be properly recognised and rewarded for its value.

We will develop a framework for the use of copyright material by AI, including how creators can control and be remunerated for the use of their work. We will work with creators, publishers, technology companies and others to get those settings and their enforcement right.

Safety and accountability

AI-enabled scams, deepfakes, non-consensual images and threats to children are growing.

We will identify gaps in New Zealand law and strengthen protections where needed, rather than only relying on technology companies to regulate themselves. These protections will include banning non-consensual deepfake pornography.

We will also establish clear standards around the use of private information, such as health data.

AI can help people make better decisions, but it shouldn't make decisions about people's lives on its own. The National Government has changed the law to allow automated decision-making within MSD.

A Labour Government will establish clear expectations for human oversight and accountability in the public service, and review how existing privacy, consumer and employment protections apply to AI.

When the government makes a decision affecting someone's access to a service, a person must remain accountable.

Infrastructure

AI needs land, energy, water and computing power. The impact on our environment and resources needs to be carefully managed.

A Labour Government will set clear rules for large data centres so their growth does not leave households and businesses carrying the cost or put pressure on water and electricity supplies.

We will require data centres to secure their own renewable energy supply, pay for their own connection costs, reduce electricity demand during peak stress periods, and use water efficiently.

Our approach is simple: the right-sized data centre in the right place, with the companies that benefit carrying their fair share of the cost.

2. Unlock our potential

The gains from AI must reach beyond the companies that build it.

Work

AI will change how New Zealanders work. Done well, it can increase productivity and create new jobs. But that won't happen on its own.

We will work with businesses, educators, experts and unions on the skills people will need, and on making sure productivity gains show up in wages and conditions.

We will back accessible training opportunities – including micro credentials – so people stay in work in a world of AI, rather than be displaced by it.

AI should make working people more productive and open up new opportunities, not become an excuse to cut jobs and shift the benefits to those at the top.

Small business and communities

AI has the potential to help small businesses become more productive.

Labour has already committed support for small businesses to adopt AI safely through the AI small business fund, an extension to the AI Advisory Pilot and an increase to the Founder and Startup Support Programme.

We will build on that to make sure reliable information and guidance is easier to access.

Public services

AI has the potential to make public services faster and easier to access.

For example, it can help cut down hospital paperwork so busy doctors and nurses have more time to look after patients. But it

cannot be an excuse for cutting thousands of jobs.

We will use AI where it genuinely improves services while maintaining human oversight and accountability. We will also take steps to understand the full lifetime cost of adopting AI across the public service.

We will bring guidance together, help organisations make informed choices and monitor our success. We will use AI where it genuinely improves services while maintaining human oversight and accountability. We will also take steps to understand the full lifetime cost of adopting AI across the public service.

Education and digital equity

Community organisations, schools and other organisations should not be left to work out the risks and opportunities on their own.

A Labour Government will make sure there is clear and adequate support for schools to ensure AI can be used safely – for teachers and for students. Labour will enable an AI in Education team to support schools, teachers and students.



3. Lead on our terms

AI crosses almost every part of government, but responsibility for responding is currently split across ministers and agencies.

Office of AI

We will establish an Office of AI within the Department of the Prime Minister and Cabinet (DPMC) to coordinate New Zealand's approach. The office will be established from existing resources, not a new layer of bureaucracy.

Its role will include

- ▶ Setting expectations for government procurement
 - ▶ Promoting consistency and transparency across the public service
 - ▶ Identifying emerging risks and opportunities
 - ▶ A senior minister will be responsible for AI, and the whole-of-government programme of work will be published so New Zealanders can see what action is being taken.
- ▶ Coordinating AI policy across government
 - ▶ Developing proportionate standards for responsible AI use
 - ▶ Developing a long-term plan for New Zealand's workforce with working people, employers, unions, and industry

Data sovereignty

This is a huge challenge. However, New Zealanders should have a say over how their data and data collected here is stored, governed and used.

We will look at how to strengthen New Zealand's control over its data rather than simply accepting the rules set by global technology companies. We will also work with iwi and hapū on how Māori data is collected, owned, governed and used.

Working with others

New Zealand cannot address every challenge created by AI alone. We will work closely with Australia to align standards and approaches where doing so benefits New Zealand. We will also work with Pacific countries on shared safety and security challenges.



How we will move forward

This action plan sets the direction a Labour Government will take. Getting the detailed settings right will take time and proper consultation.

- ▶ **Set the direction** - we will take steps early to establish the Office of AI, appoint a lead minister, and publish a coordinated programme of work across government.
- ▶ **Listen and assess** - we will work with those building, using and affected by AI to identify the most urgent risks and the biggest opportunities.
- ▶ **Act where the case is clear** - we will move quickly in the areas where there is the greatest need, while taking time to get complex settings right.
- ▶ **Measure and adapt** - we will use evidence and independent advice to monitor what is working and adapt where necessary.

What success looks like

Success will not be judged by the number of strategies, agencies or regulations we create.

It will mean:

- ▶ New Zealanders can trust that AI is being used safely, transparently and fairly
- ▶ Data centres pay their own way on energy and water without additional costs on households or businesses
- ▶ Government decisions that affect people's lives remain accountable to people
- ▶ Creators retain meaningful control over their work and its value
- ▶ People, small businesses, schools and communities can access and share in the benefits of AI
- ▶ New Zealand sets its own rules, rather than accepting rules set for us somewhere else
- ▶ AI helps Kiwis get ahead

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