



NEW ZEALAND

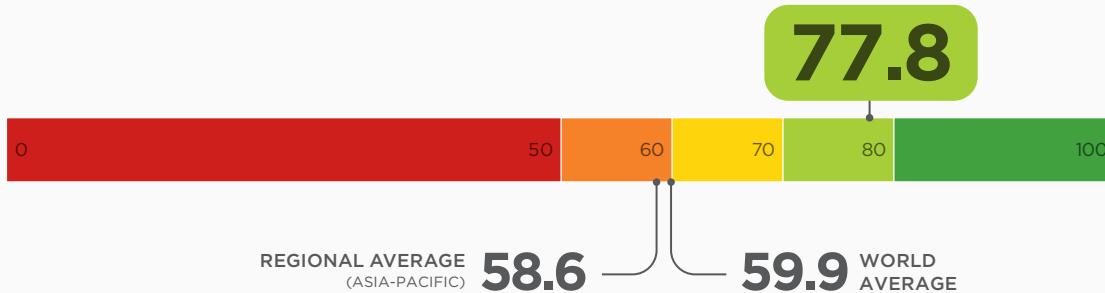
WORLD RANK: **12** | REGIONAL RANK: **4**

ECONOMIC FREEDOM STATUS: **MOSTLY FREE**

New Zealand's economic freedom score is 77.8, making its economy the 12th freest in the 2026 *Index of Economic Freedom*. Its rating has decreased by 0.3 point from last year, and New Zealand is ranked 4th out of 39 countries in the Asia-Pacific region. The country's economic freedom score is higher than the world and regional averages. New Zealand's economy is considered "mostly free" according to the 2026 *Index*.

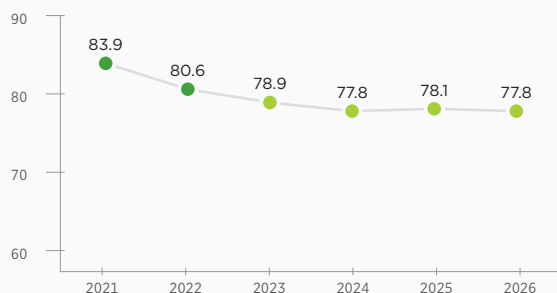
New Zealand's commitment to economic freedom has generally resulted in a policy framework that sustains a high degree of economic resilience. The rule of law and openness to global trade and investment are firmly institutionalized. The investment climate is transparent and stable. Traditionally high business freedom veered in the other direction during the COVID-19 pandemic as the government adopted a more top-down approach. Flexible labor regulations that facilitate a dynamic labor market increase overall productivity. Inflationary pressures persist.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1996): -0.3

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
5.2 million

GDP (PPP):
\$287.5 billion
0.8% growth in 2025
3-year average growth rate: 0.7%
\$55,781 per capita

UNEMPLOYMENT:
4.9%

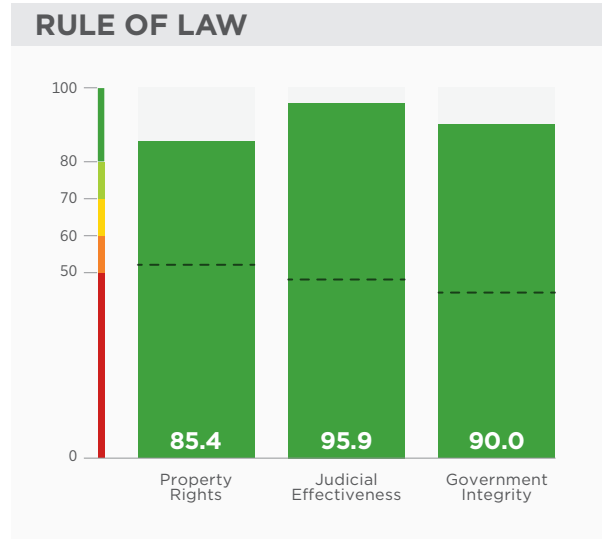
INFLATION (CPI):
2.9%

TRADE AS % OF GDP: 50.4%

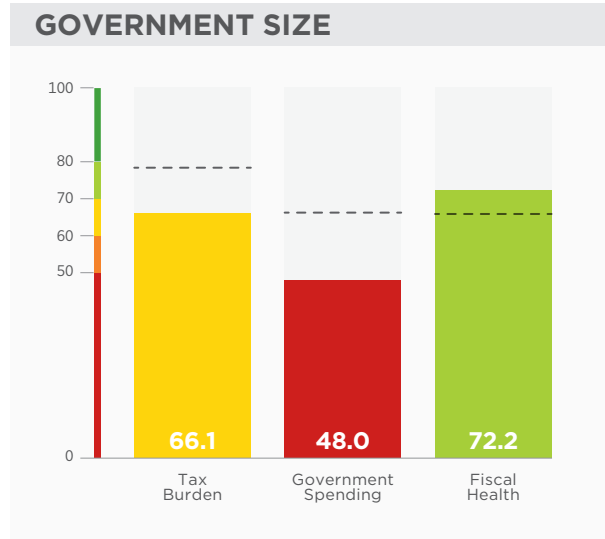
PUBLIC DEBT:
50.2% of GDP

2025 data unless otherwise noted. Data compiled as of January 2026.

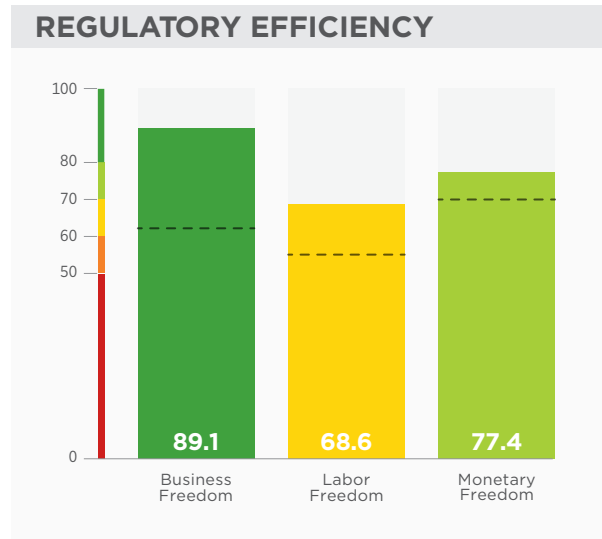
12 ECONOMIC FREEDOMS | NEW ZEALAND



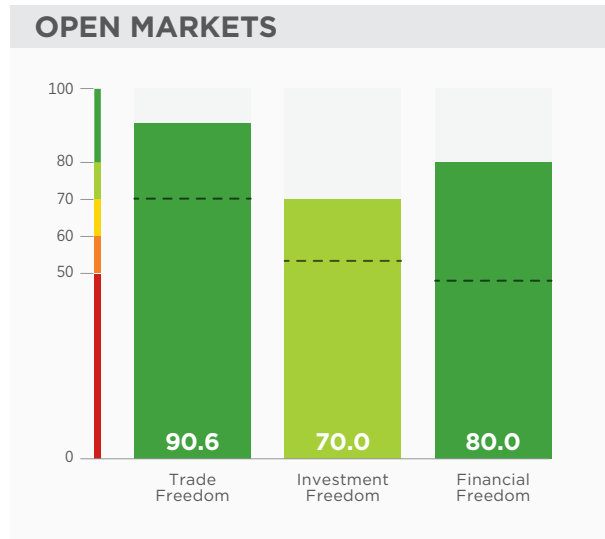
The overall rule of law is very well respected in New Zealand. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.



The top individual income tax rate is 39 percent, and the top corporate tax rate is 28 percent. The tax burden equals 32.9 percent of GDP. Three-year government spending and budget balance averages are, respectively, 41.6 percent and -3.8 percent of GDP. Public debt amounts to 50.2 percent of GDP.



New Zealand's overall regulatory environment is well institutionalized and relatively efficient. The country's business freedom score is far above the world average; its labor freedom score is above the world average; and its monetary freedom score is well above the world average.



The trade-weighted average tariff rate is 2.2 percent, and more than 200 nontariff measures are in force. Openness to global trade and investment is firmly institutionalized. The financial sector is well developed and offers a wide range of services. Banking is well established and competitive.