

# A plan for a productive economy



Fabians Seminar - Ellen Melville Hall  
April 21

Let's take control  
of our relations with the  
world and grow our  
nation

# A cartoon

SO WHAT DO YOU  
THINK OF THESE AUSSIE  
GANGS COMING HERE  
AND TAKING EVERYTHING  
OVER?

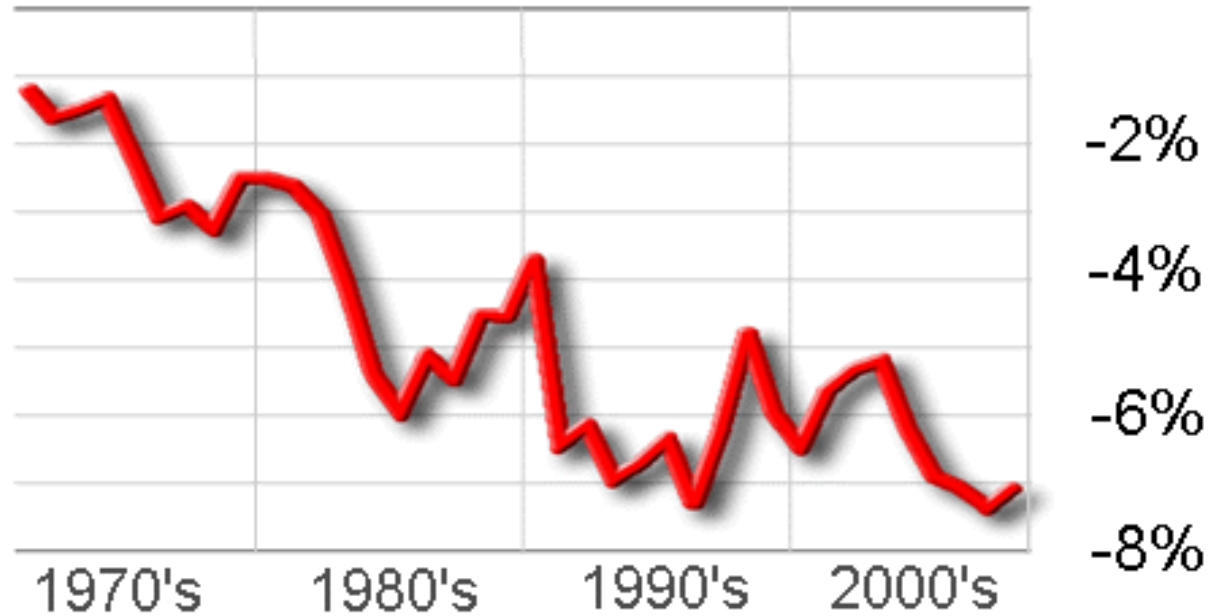


- Case for controls
- Case for balance
- Budget and c/a
- A dirty float
- Capital controls
- Export focus

We are already  
indentured servants in  
our own land

# The national drain

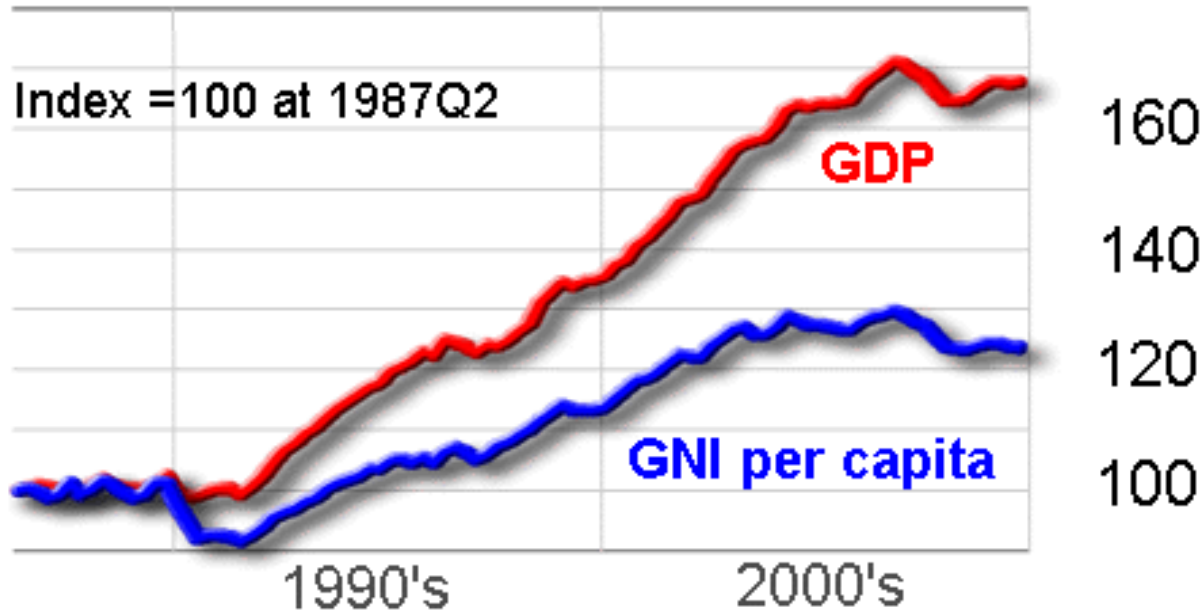
## GDP going to foreigners



SOURCE: Stats NZ

# Less income per NZer

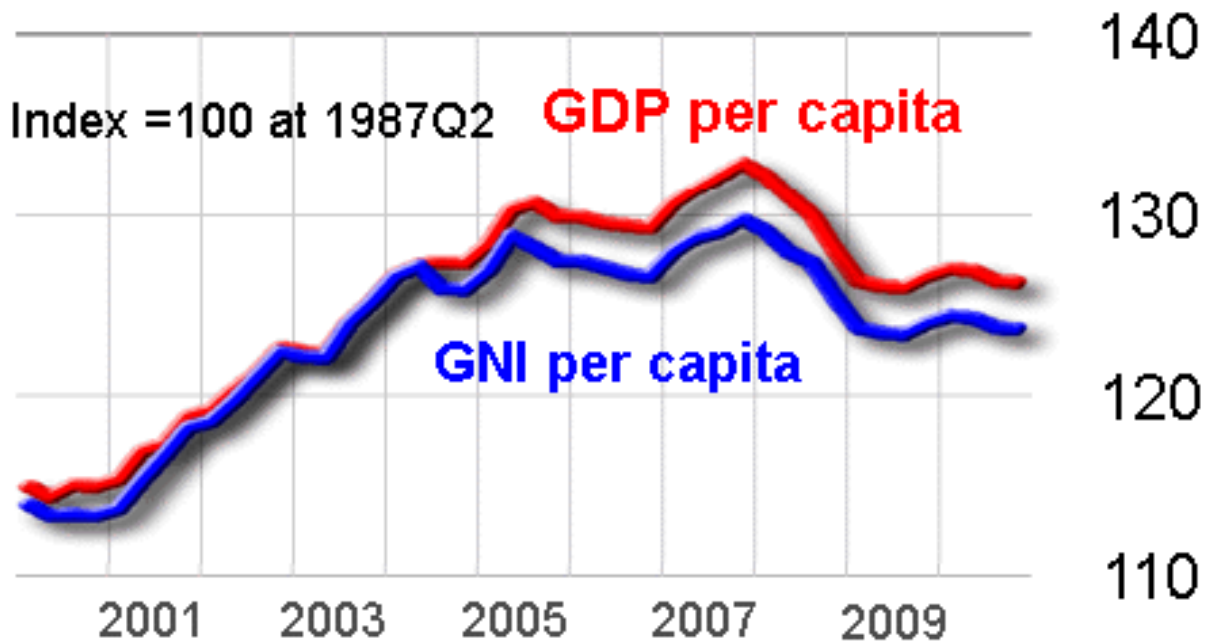
## Getting poorer since 2003



SOURCE: Stats NZ

# Less income per NZer

Growth leaking offshore



SOURCE: Stats NZ

# More debt no fix

## Total Govt securities on issue

NZ\$ mil.



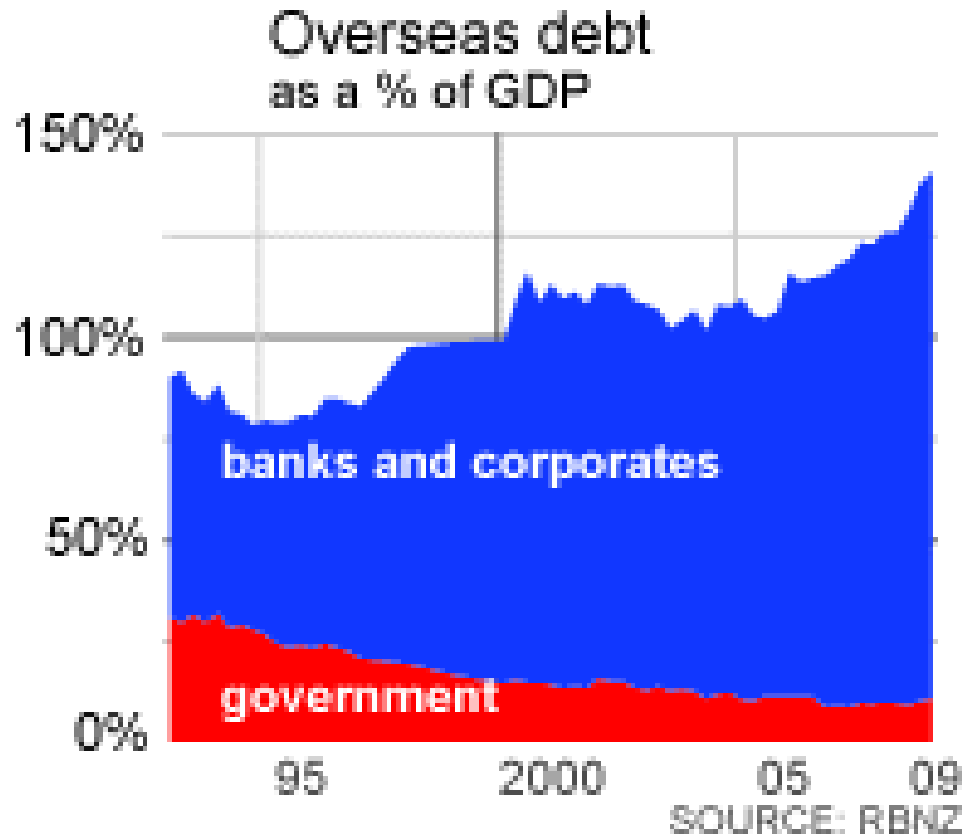
# Just a higher NZ\$

## Daily exchange rate

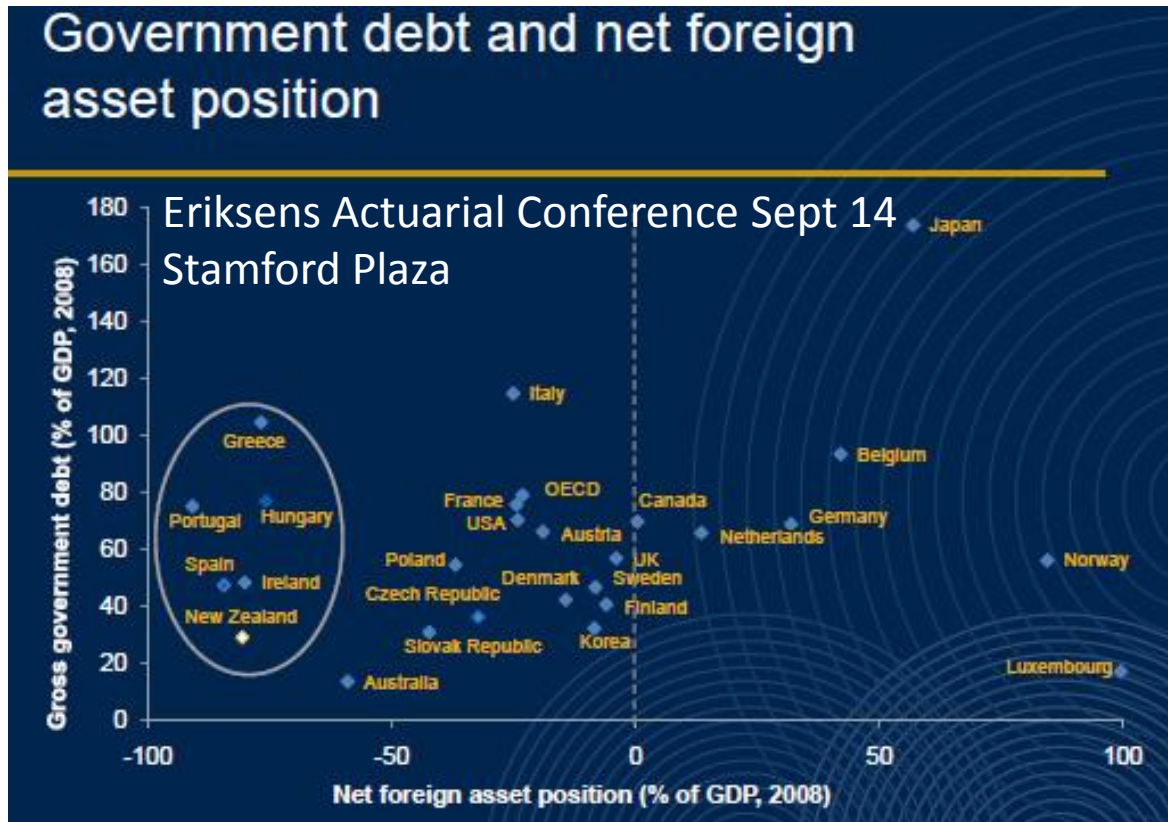
NZ\$1.00 =



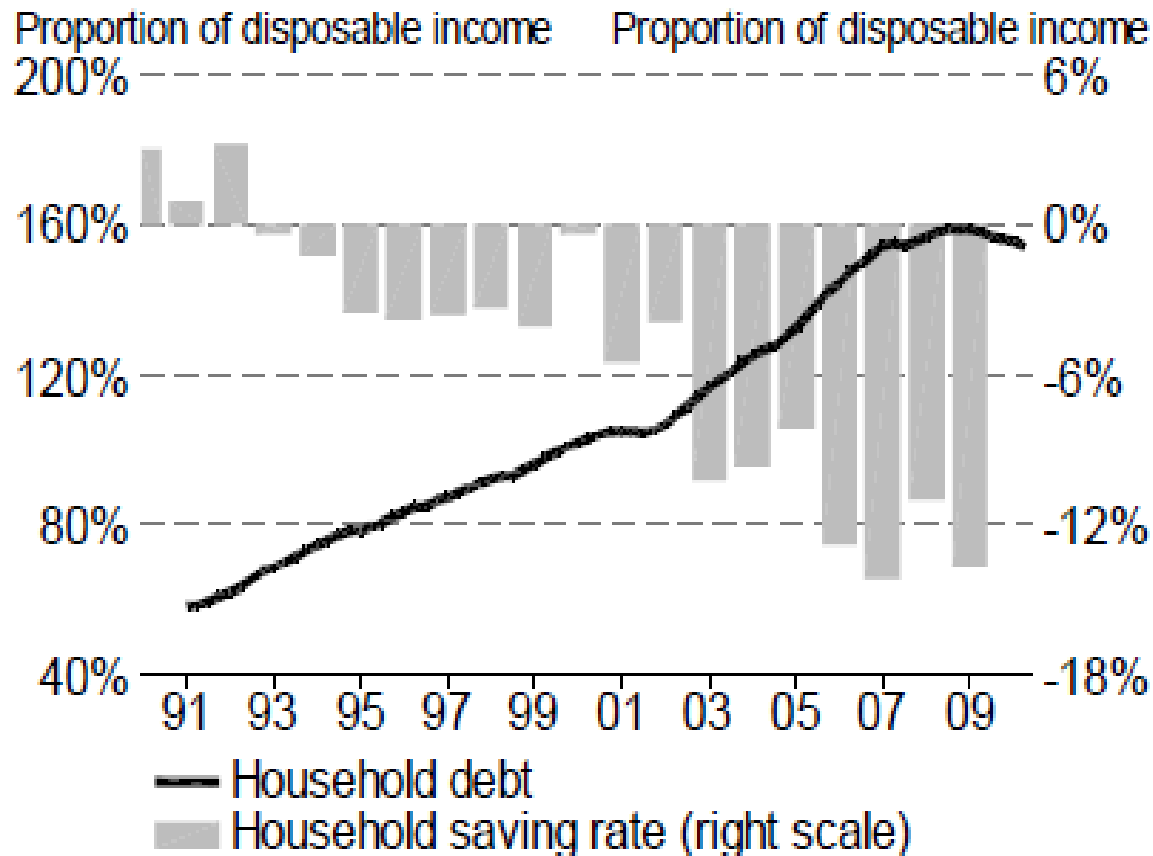
# Fueled by foreign debt



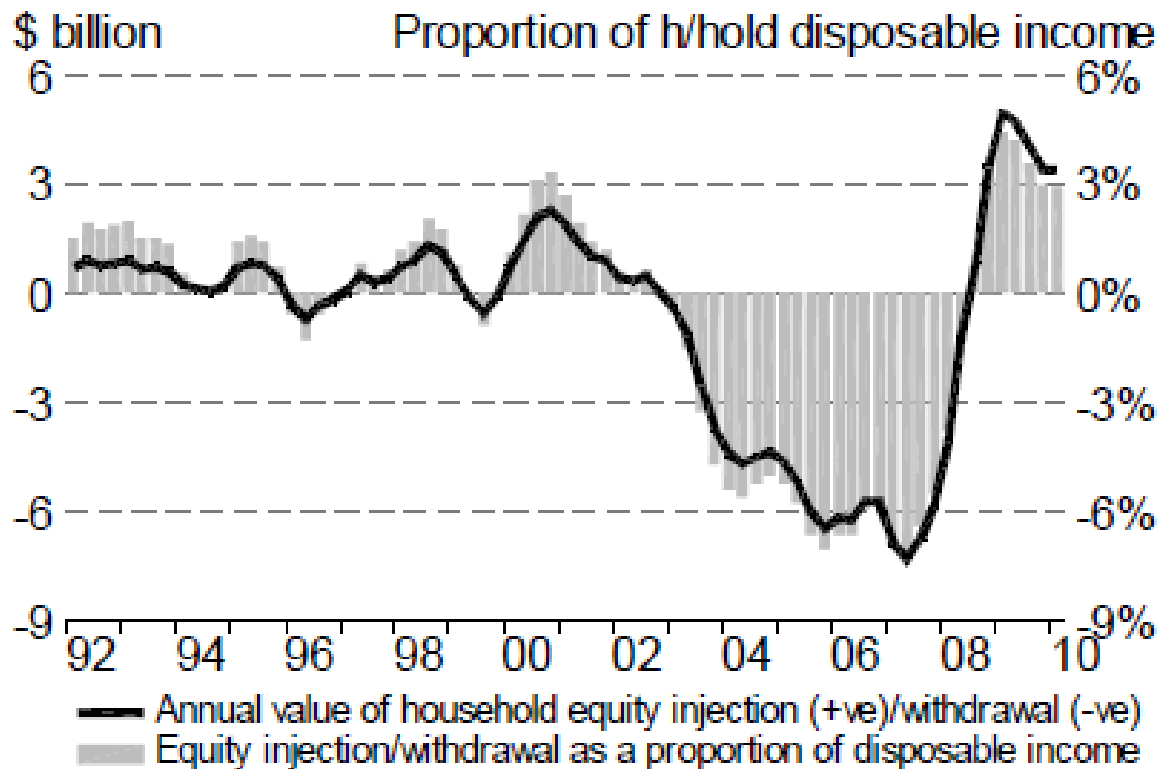
# We should lose the Bledisloe to say thanks



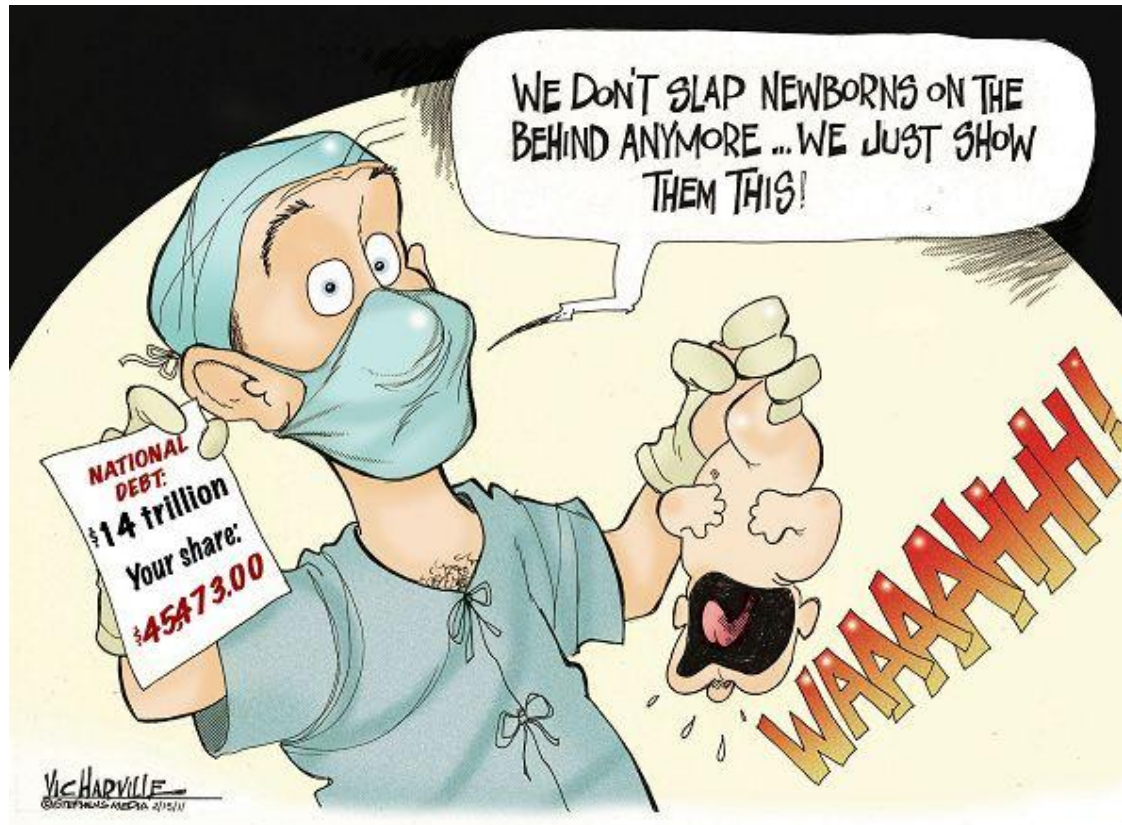
# Work has started



# Money back in the ATM

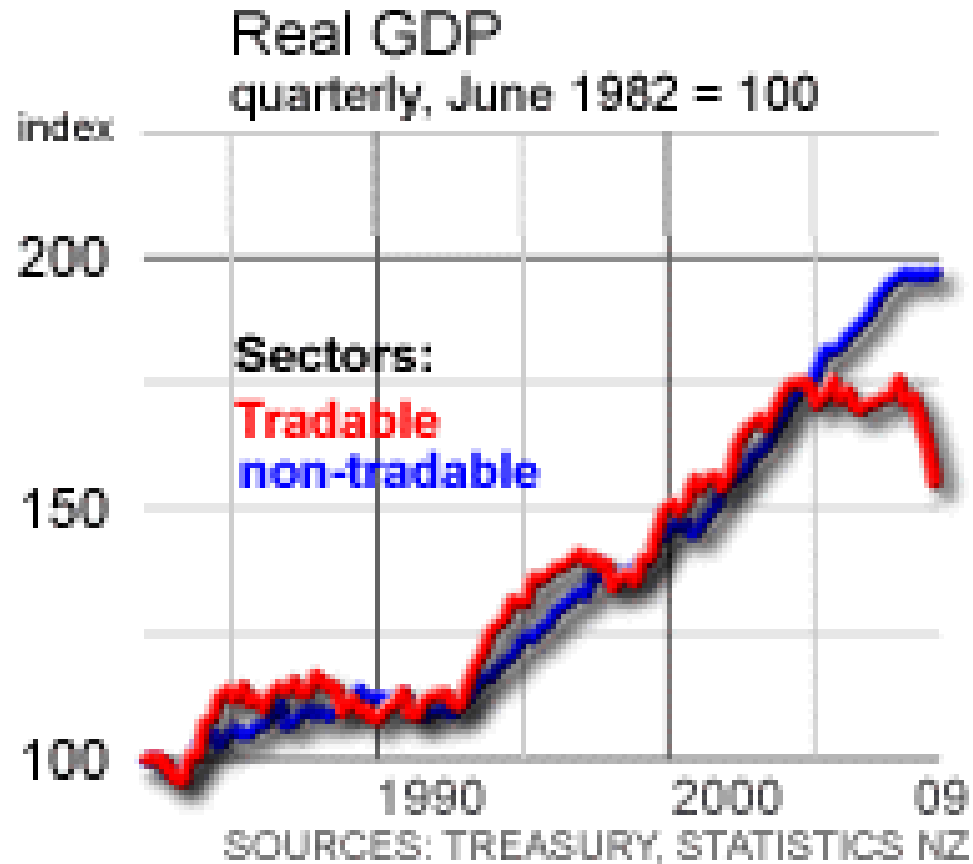


# A cartoon



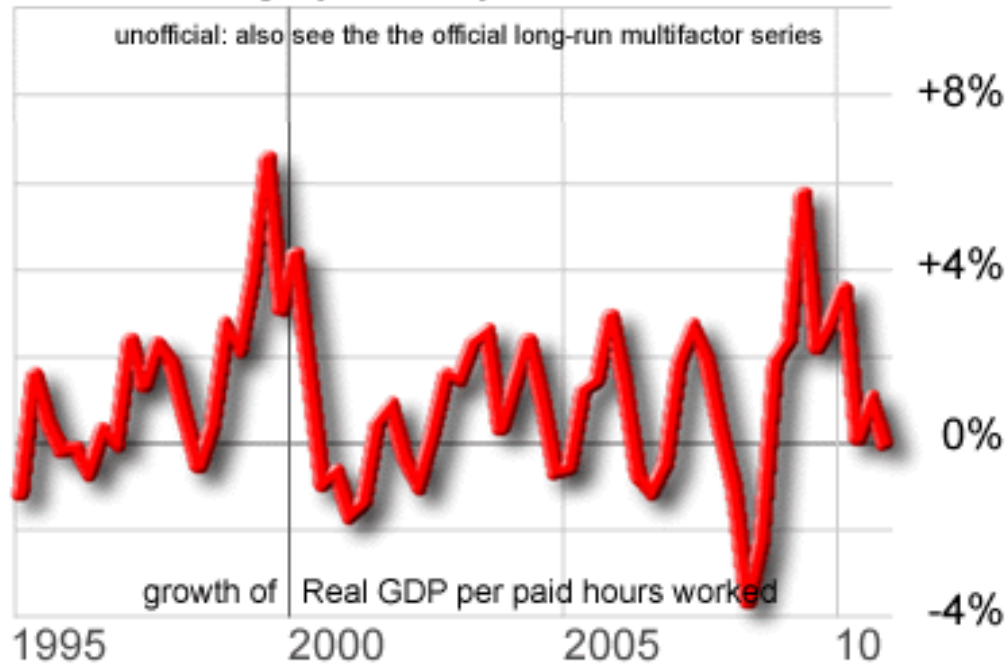
# Rebalancing and localising

# Here's the problem



# Going nowhere

## Productivity % change year-on-year



# A cartoon

ENTERPRISE CULTURE,  
KIWI STYLE —

NOT ONE, NOT TWO,  
BUT THREE  
POWERBALL TICKETS!



- 60% of jobs
- Export led growth?
- High paid jobs?
- Enough jobs?
- Currency reform?
- Bank funding

# Dirty float

## **Definition:**

A floating currency exchange rate system which is not controlled entirely by the market forces of demand and supply. Instead, it is at least partially controlled by government intervention that limits appreciation or depreciation of the currency within a range. Also called managed float.

# Capital controls

Refer: Interest.co.nz [link](#)

# Export focus

Refer: Interest.co.nz [link](#)

# Mind the Gap

## Migration and income appear related

Net outflow of NZ citizens to Australia, GDP per capita

