

Looking to the future

Shaping an enduring policy and research agenda to address Aotearoa New Zealand's productivity challenges

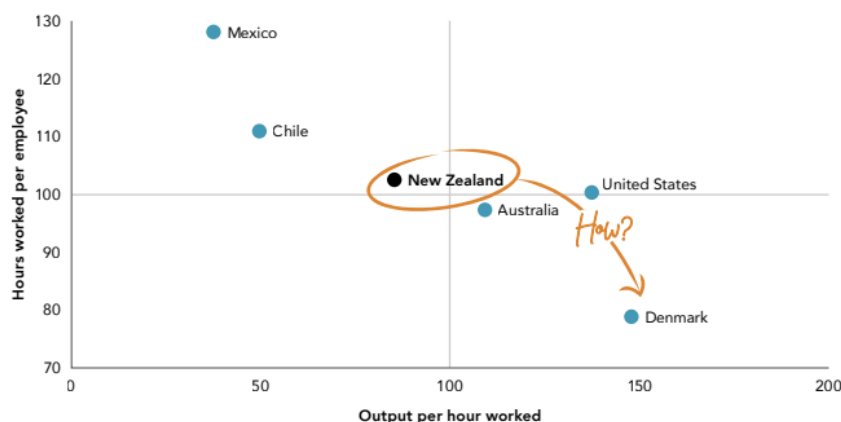


Report available at www.productivity.govt.nz

Productivity matters: A productive economy is essential to Aotearoa New Zealand's people and its future. Improved productivity increases the nation's income and people's ability to produce and afford the goods and services that underpin a happy, healthy life.

Aotearoa New Zealand's productivity is already low

New Zealanders work more hours and produce less than most OECD countries



Global challenges are approaching

A changing climate and environment	Technological innovation	Complex geopolitics
Demographic change	Social cohesion in a changing world	Public health

Focusing in some key areas will enable greater productivity and resilience to change

Innovation and diffusion	Investment, capital and financial markets	Human capability	Institutions	Land use	Te ao Māori
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Action must be rooted in strong foundations

- Stakeholders talked about the importance of:
- Long-term commitment and ambition over the long run.
 - Being willing to make hard choices and manage the costs of change.
 - Strong levels of social cohesion to underpin productivity performance.

... and timing is critical. Work needs to start now

We outline a policy and research agenda that would support productivity improvements now, and for future generations. The key areas recommended for further work are:

1. Focus on the role of innovation – and diffusion of innovation
2. Invest in the basics – a skilled, healthy population
3. Think long-term about Aotearoa New Zealand's approach to land use and infrastructure
4. Look to the potential inherent in te ao Māori and across the Māori economy
5. Continue work to address Aotearoa New Zealand's specific productivity challenges

An all-of-government productivity strategy could focus effort and drive improvement long-term