



Making sense of the numbers

www.berl.co.nz

“Saving the economy”

COVID-19 and beyond

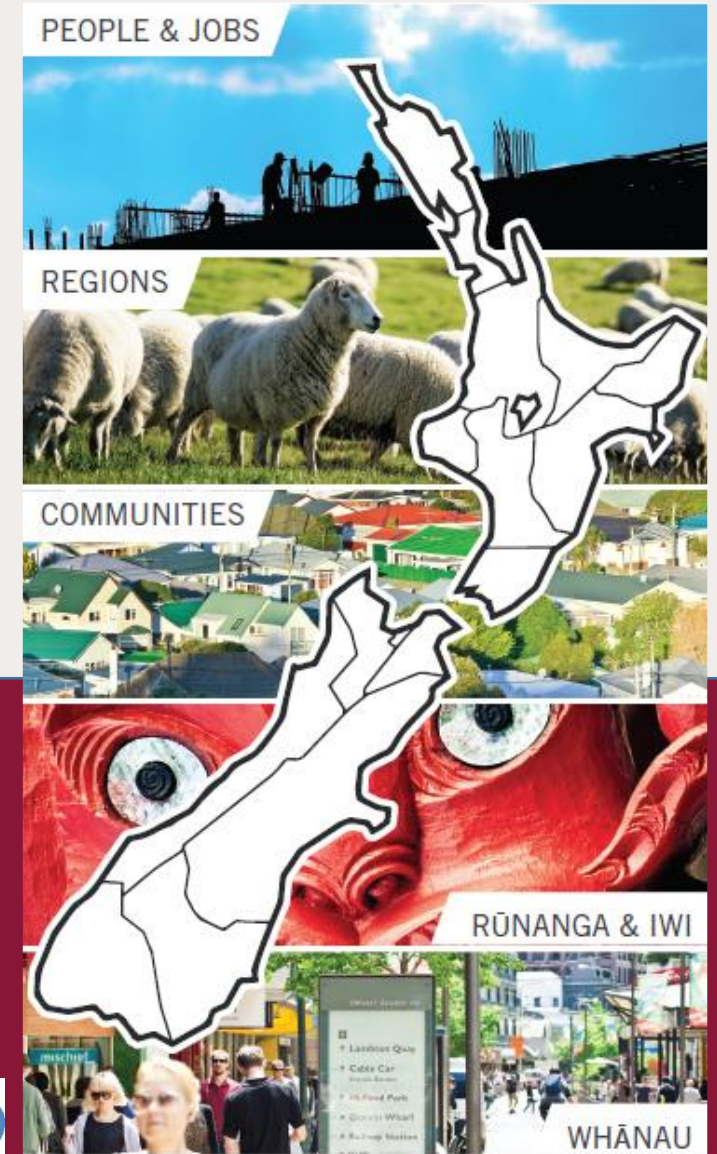
Rau Tipu Rau Ora Summit
Tairāwhiti

Hōngongoi 2020

Dr Ganesh Nana, Research Director



Making sense of the numbers



Oh shit! The
economy!!

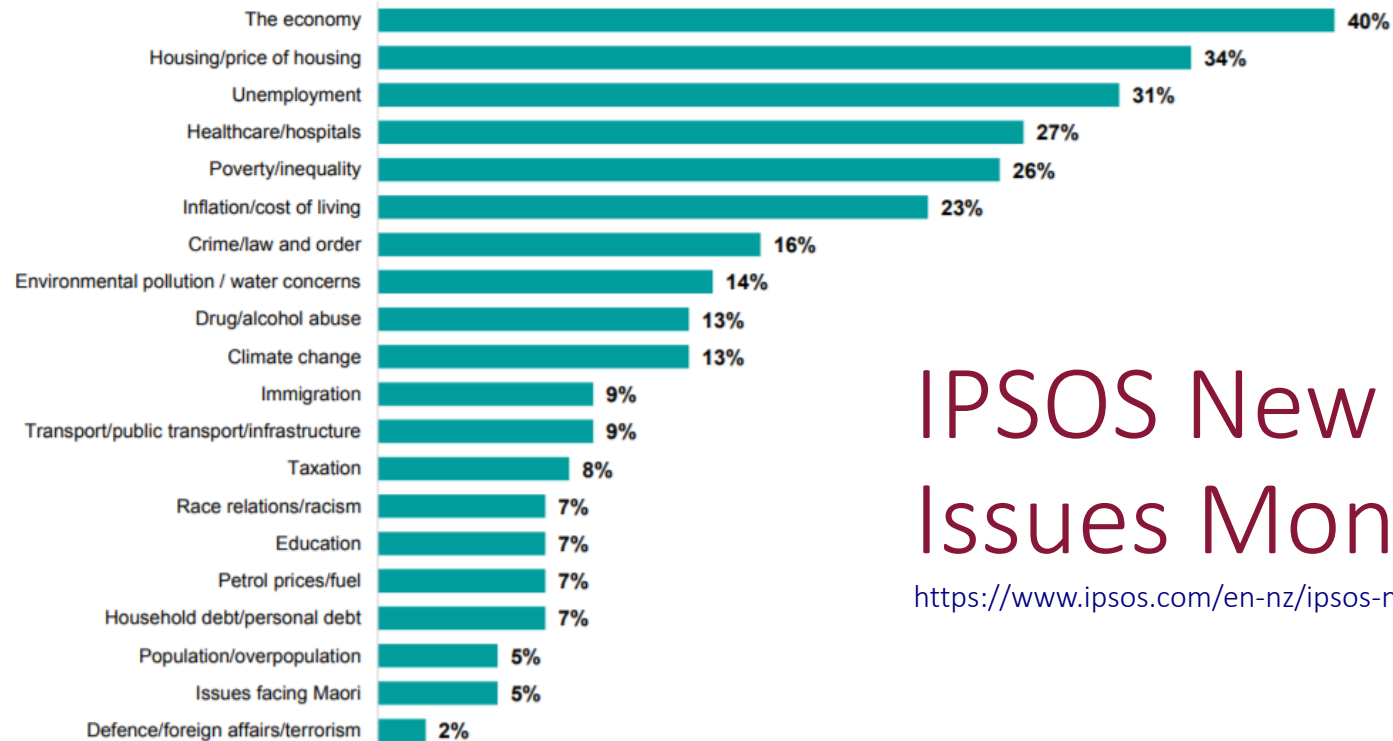


THE MOST IMPORTANT ISSUES FACING NEW ZEALAND (July '20)



The Economy (40%) maintains its spot as the top issue facing New Zealand today.

The price of housing (34%) is the second most important issue, followed by unemployment (31%), healthcare / hospitals (27%), and poverty / inequality (26%).

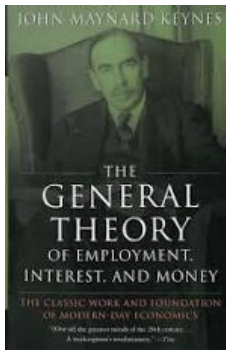
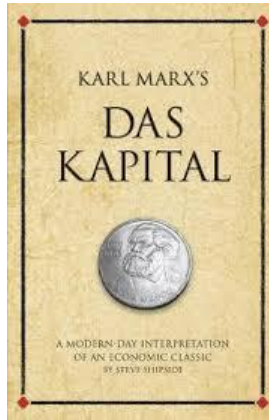
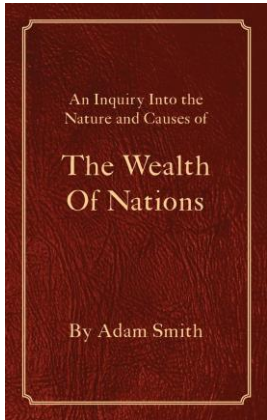


IPSOS New Zealand Issues Monitor

<https://www.ipsos.com/en-nz/ipsos-nz-issues-monitor-july-2020>

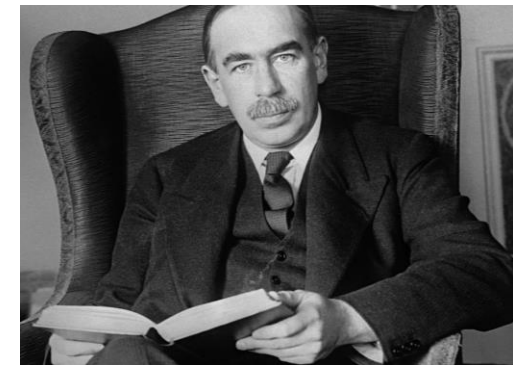
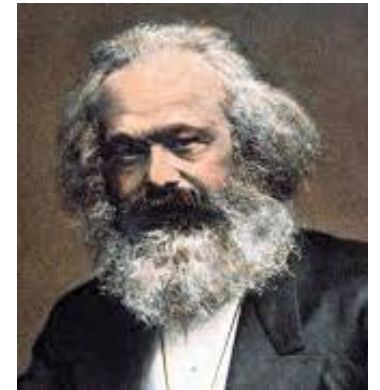
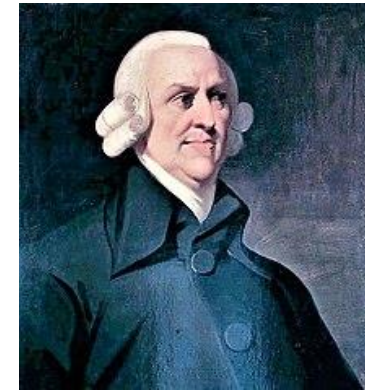
Q: What would you say are the three most important issues facing New Zealand today?
Base: July '20 (n=1,000)

What is “the economy”?



The allocation of scarce resources

what, where, how, and for whom, are resources being used?



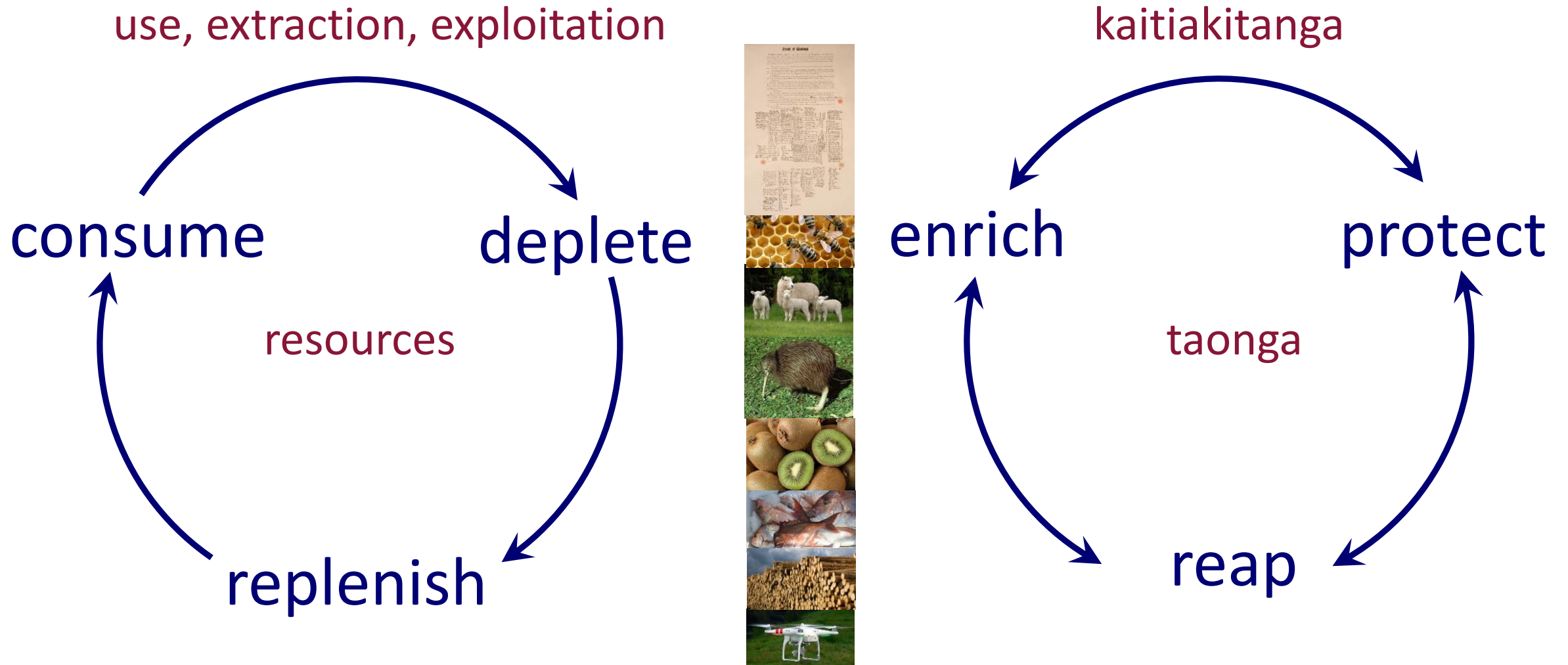
What is “the economy”?

Kaitiakitanga o taonga

the **guardianship** of resources
enriching, protecting, reaping



What is “the economy”?



Message – language matters

- Be specific (not generic) re “the economy”
 - be explicit
 - our kaupapa is to protect and enrich our taonga
 - taonga are what we value and are source of our wellbeing
- Be explicit – identify/agree our taonga
 - community
 - mokopuna
 - tīpuna
 - wairua
 - respect for rules
 - mutual obligations
 - whakapapa
 - heritage and legacy



Kaupapa

wellbeing

- access to opportunities
- ability to participate
- capacity to contribute

outcomes

- shared prosperity
- sense of belonging



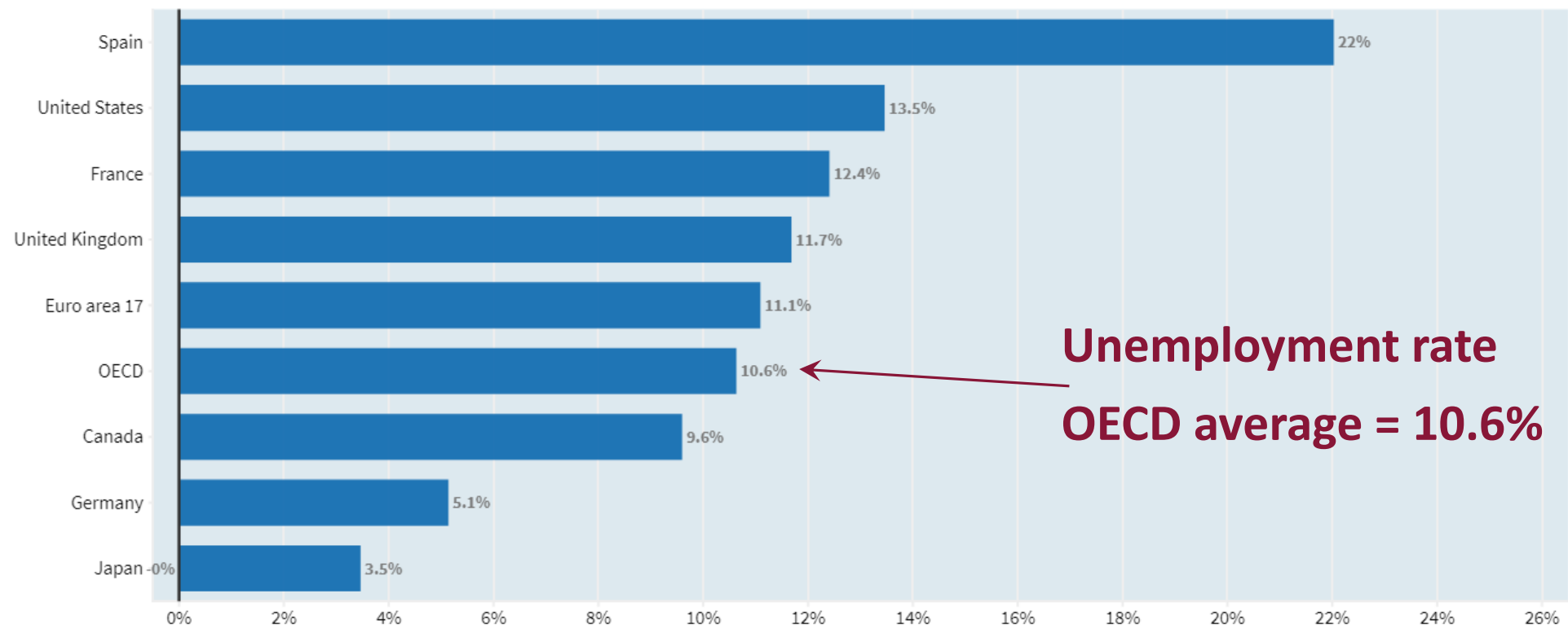
Context - the world is a mess



Unemployment still increasing in 2020-Q3

Unemployment rate, % of labour force

■ Single-hit scenario ■ Additional impact from double-hit scenario



Unemployment rate
OECD average = 10.6%

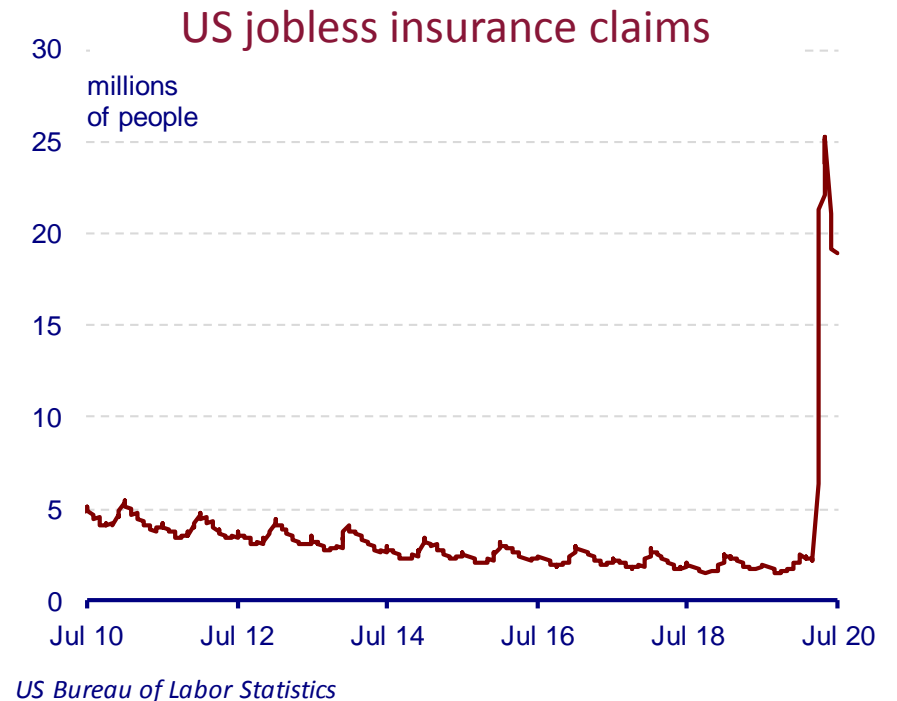
Context – the world is a mess (II)



OECD: "After the lockdown, a tightrope walk toward recovery"

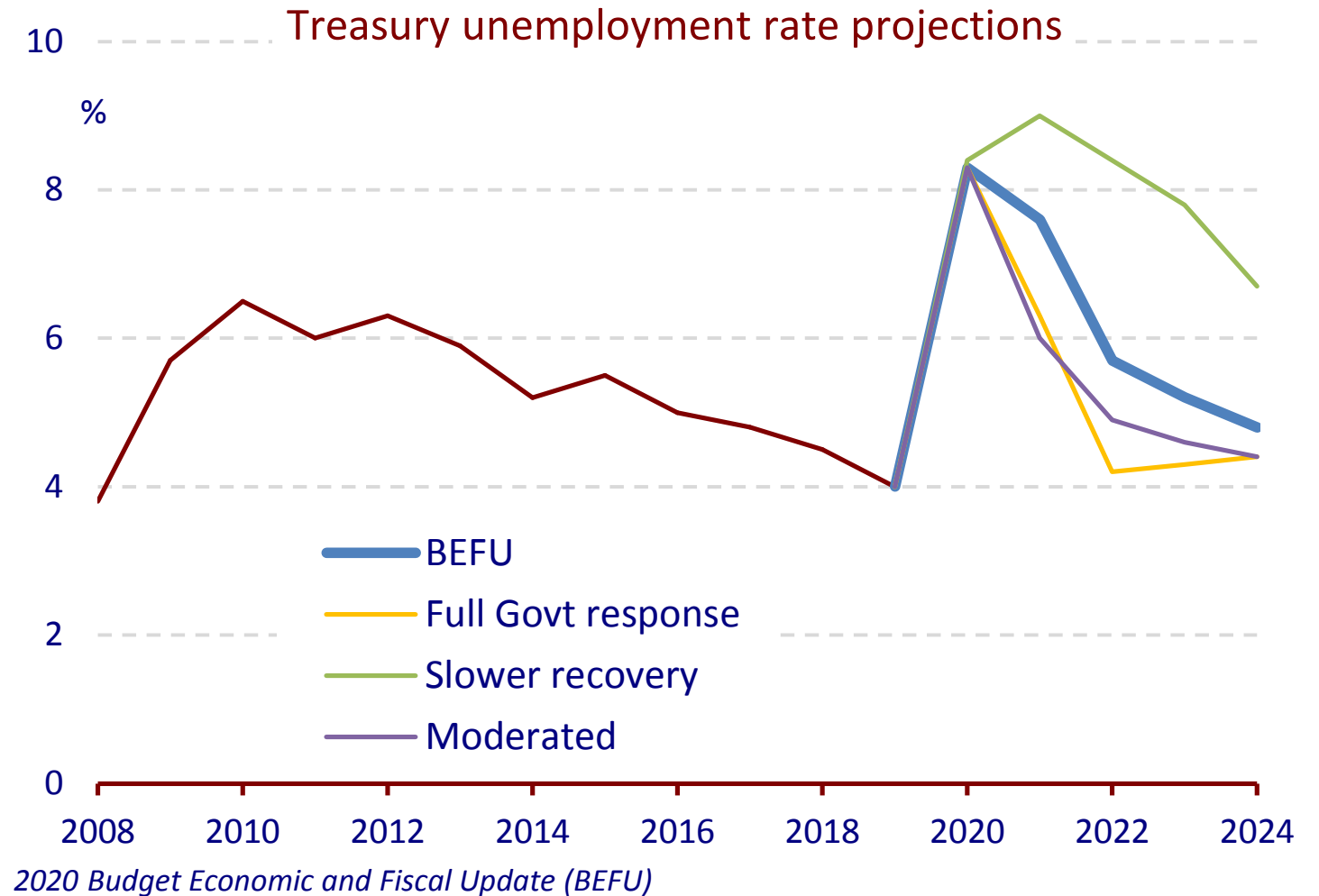


IMF: "A Crisis Like No Other, An Uncertain Recovery"



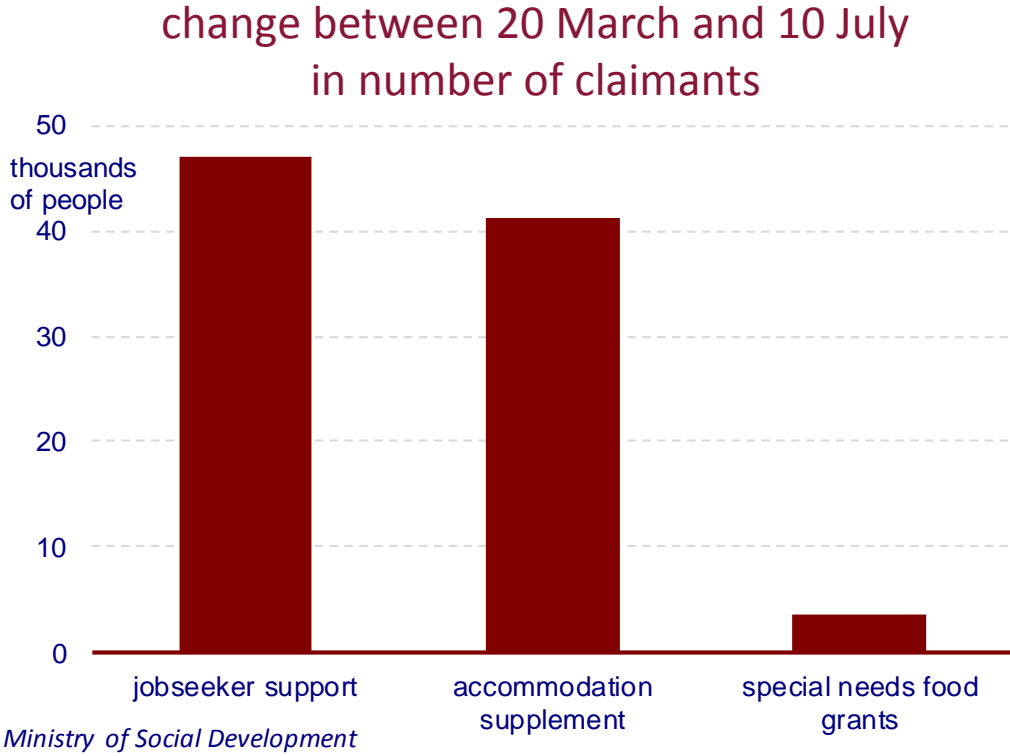
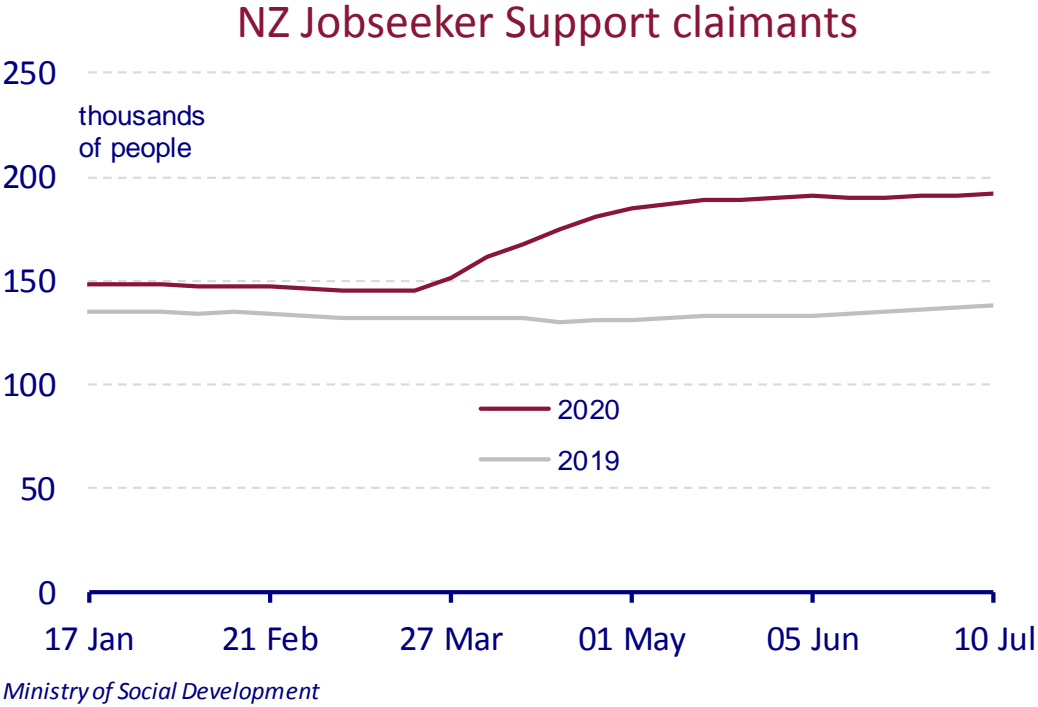
NZ Treasury context provided in May

- BEFU assumes partial response by Govt
 - at Level 1 or 2 until March 2021
- Arguably verges on optimistic side
- Alternatives not much more appetising



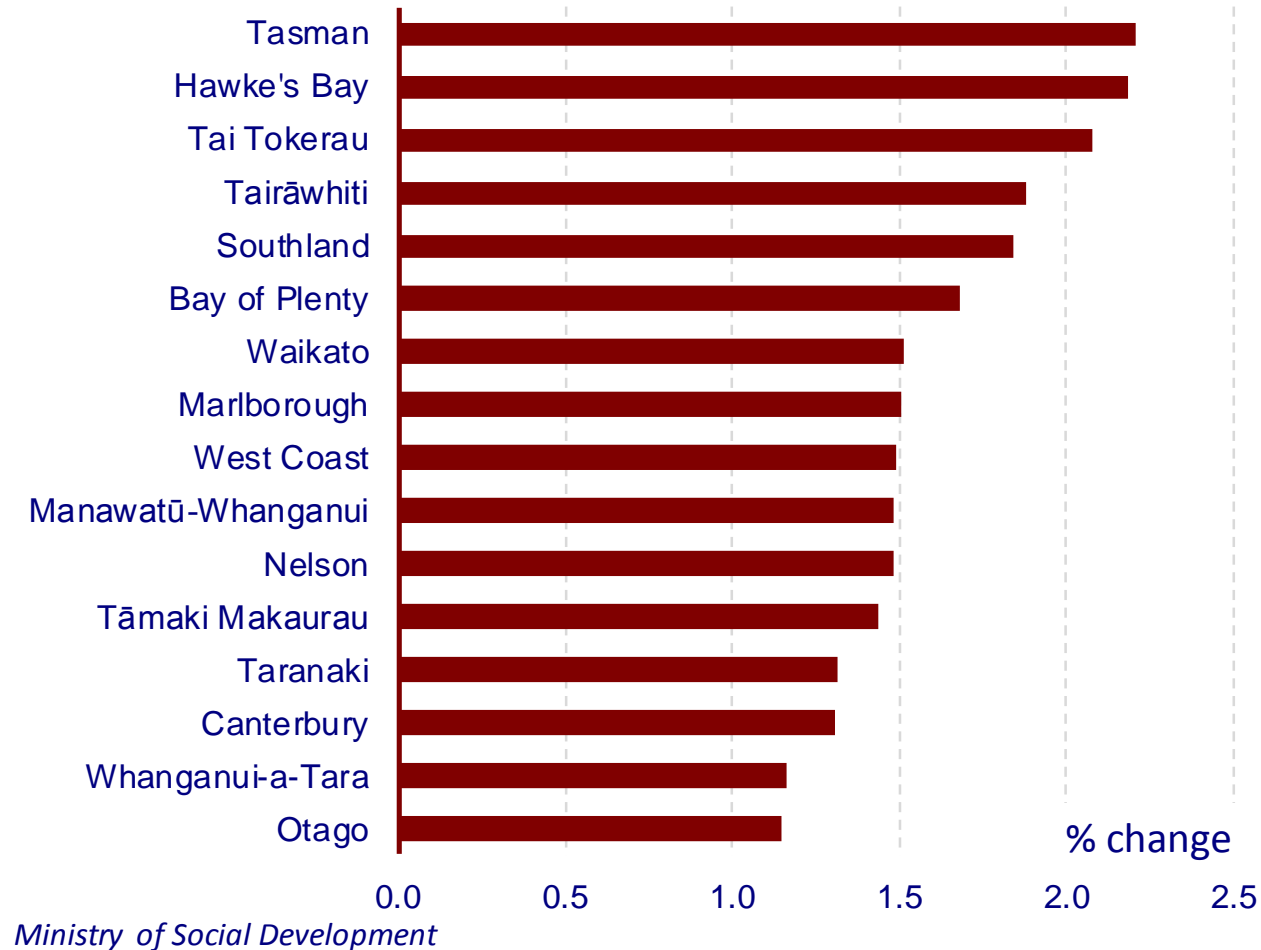
Economic backdrop

Kiwis already hurting

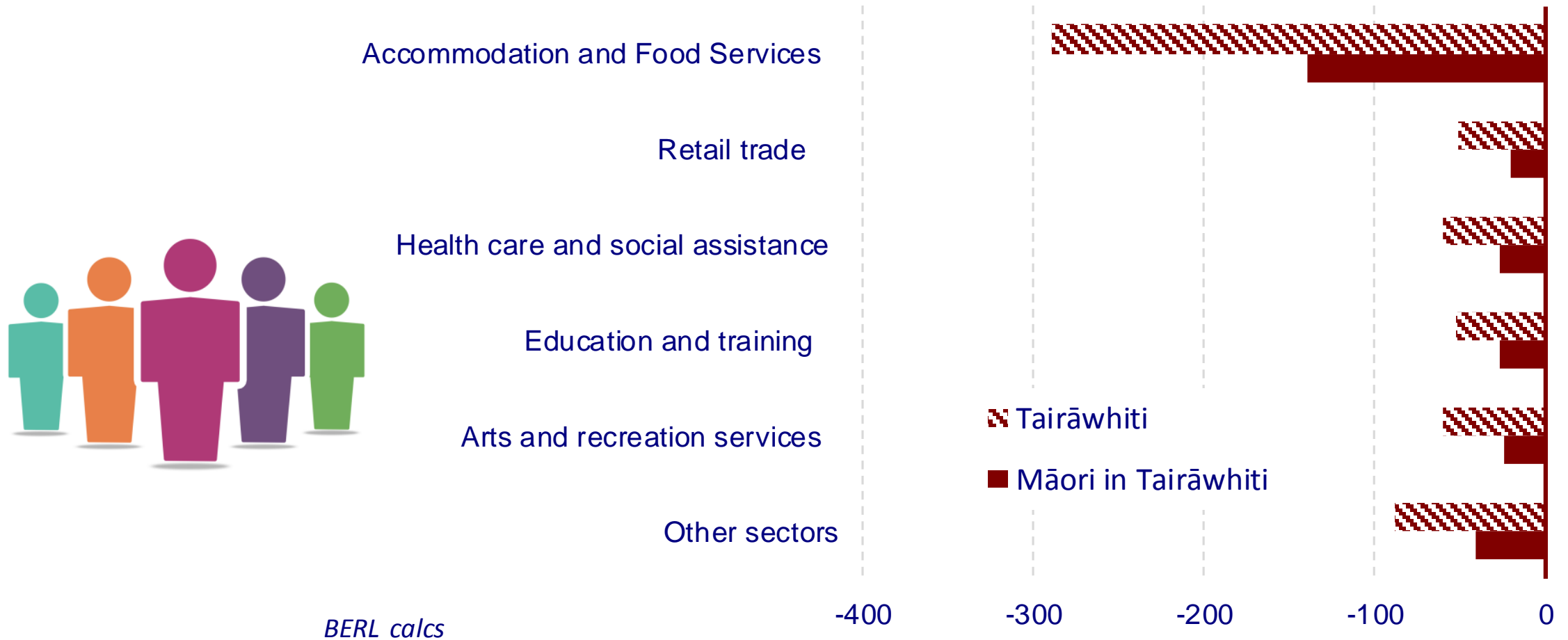


Job losses across Aotearoa (to 10 July)

increase in Jobseeker Support numbers as % of labour force



Job losses in Tairāwhiti (to 10 July)



We cannot return to Business As Usual

that would be continued failure

Too many children were growing up without the basics, housing has been too expensive, many of our waterways are still not swimmable, our emissions have been rising, people are working harder but don't feel they are getting ahead.



The opportunity is there to break our housing shortage once and for all, and give New Zealanders the shot at the Kiwi dream they have been denied.

There are few times in life when the clock is reset. Now is the time we should address these long-term issues. It is a privilege many countries won't have. It's not one we should squander.

Minister of Finance, Speech to Wgtn Chamber of Commerce 07 May 2020

Budget 2020 announcements

Where Māori could/should/must be driving?

- \$1.6bn training and apprenticeship package
 - \$50m Māori Apprenticeship Fund
 - \$121m to expand He Poutama Rangatahi
 - \$19.3m to place 10,000 people into primary sector jobs
 - Workforce Development Councils and Regional Skills Leadership
- \$1.1bn for environment, expected 11,000 jobs
 - Including pest eradication, managing wilding pines and wallabies
 - 4,000 jobs in regions to improve waterways, wetlands, and biodiversity
- \$900m additional for Māori efforts including
 - \$136m for Whānau Ora
 - \$200m for Te Kōhanga Reo & \$200m supporting Māori learners and te reo
 - \$50m Māori Apprenticeship Fund (as above)
- Large-scale house building programme
 - 6,000 public and 2,000 transitional housing
- Warmer Homes initiative boosted
 - 9,000 houses retrofitted
- Expanded school lunch programme: +2,000 jobs



Investment, investment, investment

- training and skills development
- transport and communications networks
- environment restoration and regeneration
- community supports, facilities, and connections
- housing, energy, and food resilience



Tairāwhiti is well endowed with natural resources that would be the envy of many parts of the world – not to mention many parts of Aotearoa.

The ability to plant and harvest a diverse range of products next to farming and forestry activities sets the foundation for a thriving and productive regional economy.



Our wero

the legacy of COVID19

- financial status quo with
 - ill-maintained infrastructure
 - disconnected communities
 - embedded inequities
 - excluded populations
 - significantly reduced ability to re-construct for wellbeing
- a burden of financial debt
 - well-maintained infrastructure
 - a genuine safety net for families, whānau, and businesses
 - communities with a sense of connection and inclusion
 - a strengthened ability to bear burden

**importantly:
consider who is
NOT in the room?**



Papatūānuku

