The Challenges of a Growing Economy

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How have we been doing?

GDP per capita growth rate

- NEW ZEALAND
- OECD Average
GDP Growth

Annual average % change

Quarterly Real GDP

Forecast
Governments’ Challenges

- Sustainable fiscal policy
- Expectation for services
Tertiary Education Expenditure
1998/99 – 2008/09

Actual
Forecast

$ billion

1998/99
1999/2000
2000/01
2001/02
2002/03
2003/04
2004/05
2005/06
2006/07
2007/08
2008/09
Governments’ Challenges

- Sustainable fiscal policy
- Expectations for services
- A long term focus
Joint Challenges

• Labour
17. Labour Force Participation and Unemployment

![Graph showing Labour Force Participation and Unemployment rates from March 1988 to March 2003. The graph displays the participation rate (LHS) and the unemployment rate (RHS) over time.](image)
Joint Challenges

• Labour
• Productivity
Capital per Hour Worked (2002)

OECD Countries

Capital/Total Hours Worked
Joint Challenges

- Labour
- Productivity
- Infrastructure
Joint Challenges

- Labour
- Productivity
- Infrastructure
- Environment
So, in summary…

- The necessities of a successful modern economy
- Looking forward, not backward
- Discussion time