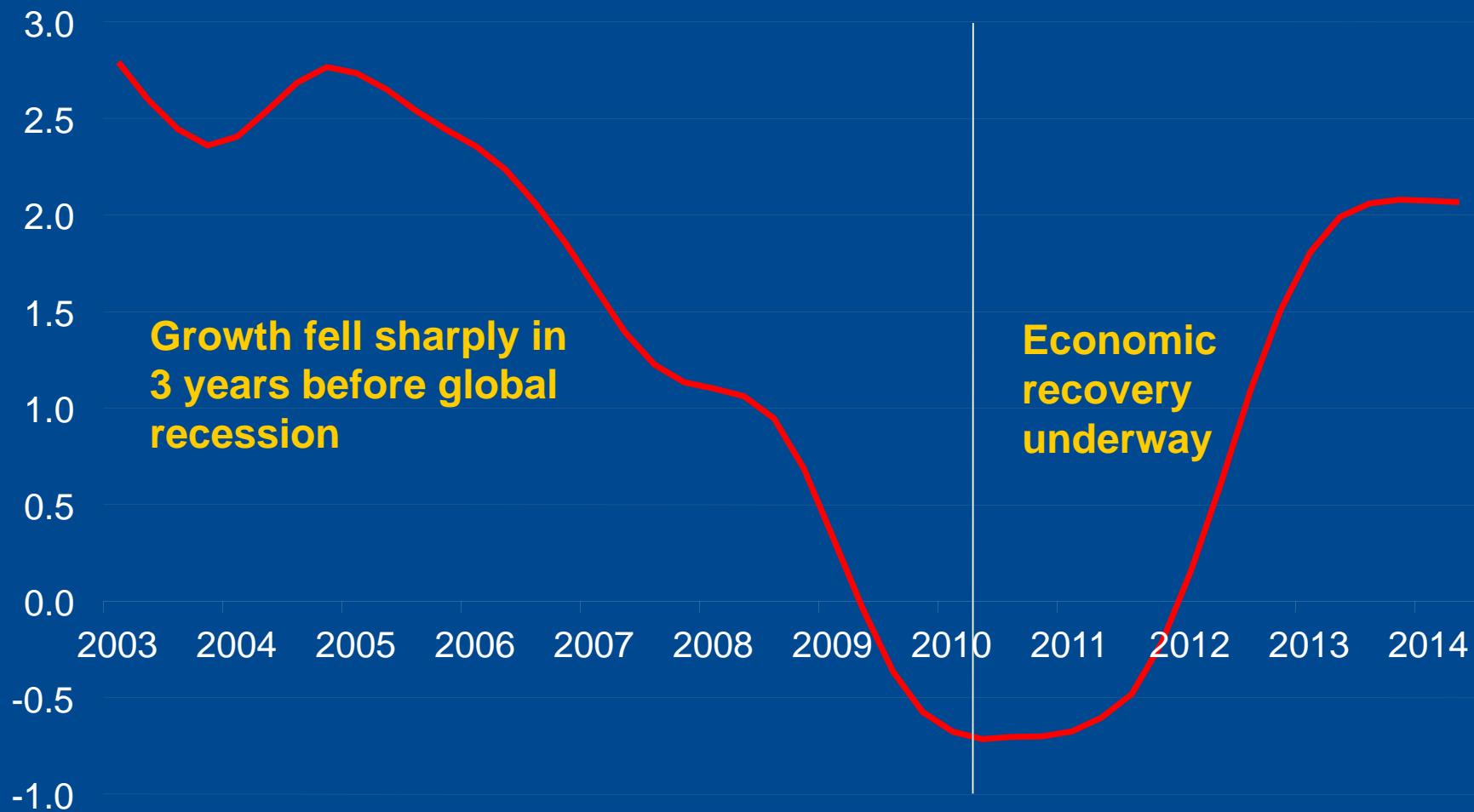


Building the Recovery in New Zealand

Hon Bill English, Minister of Finance

Fact: we need faster economic growth

Real GDP per capita growth (3 yr average)

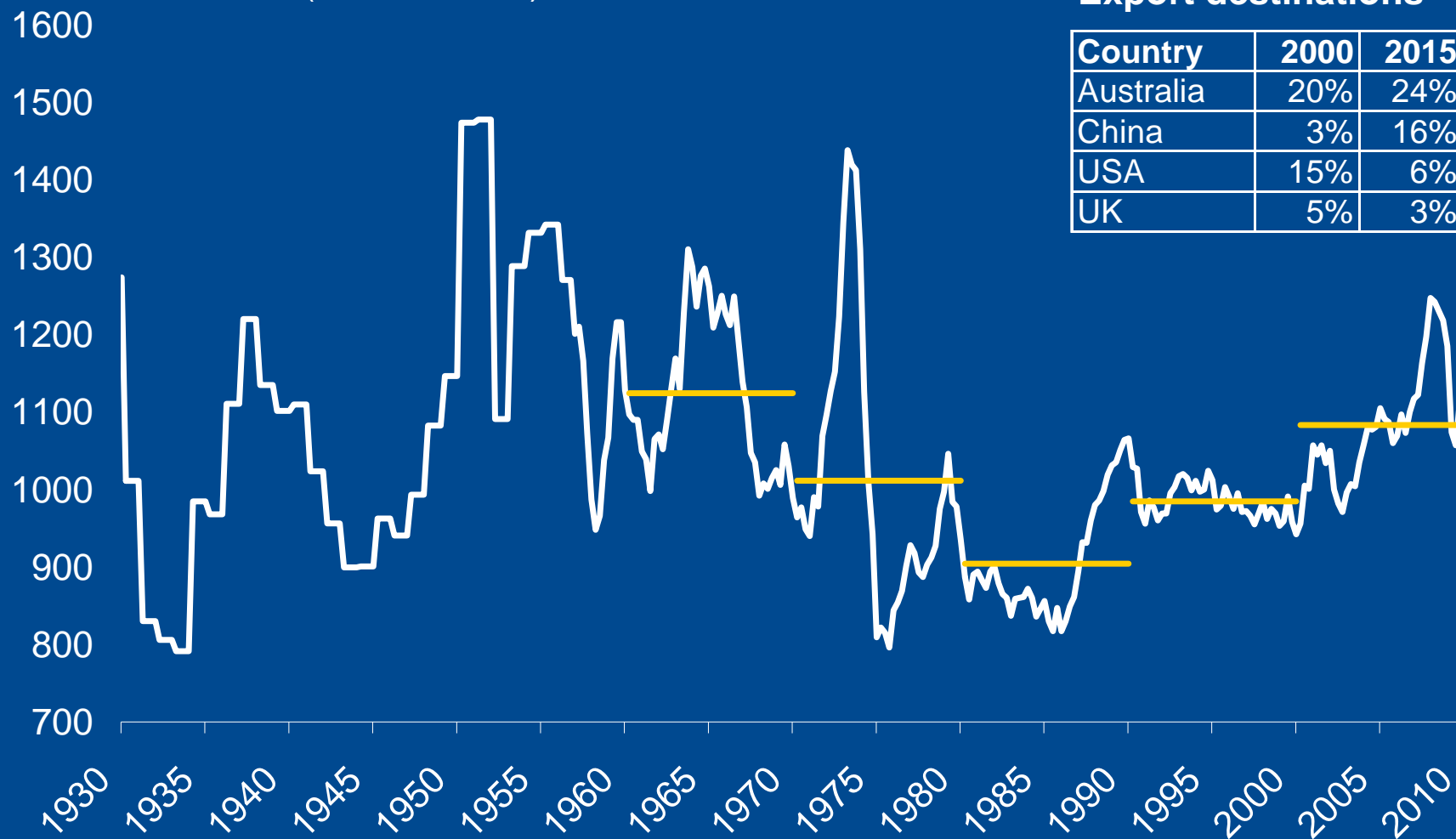


Growth fell sharply in 3 years before global recession

Economic recovery underway

Despite improving terms of trade ...

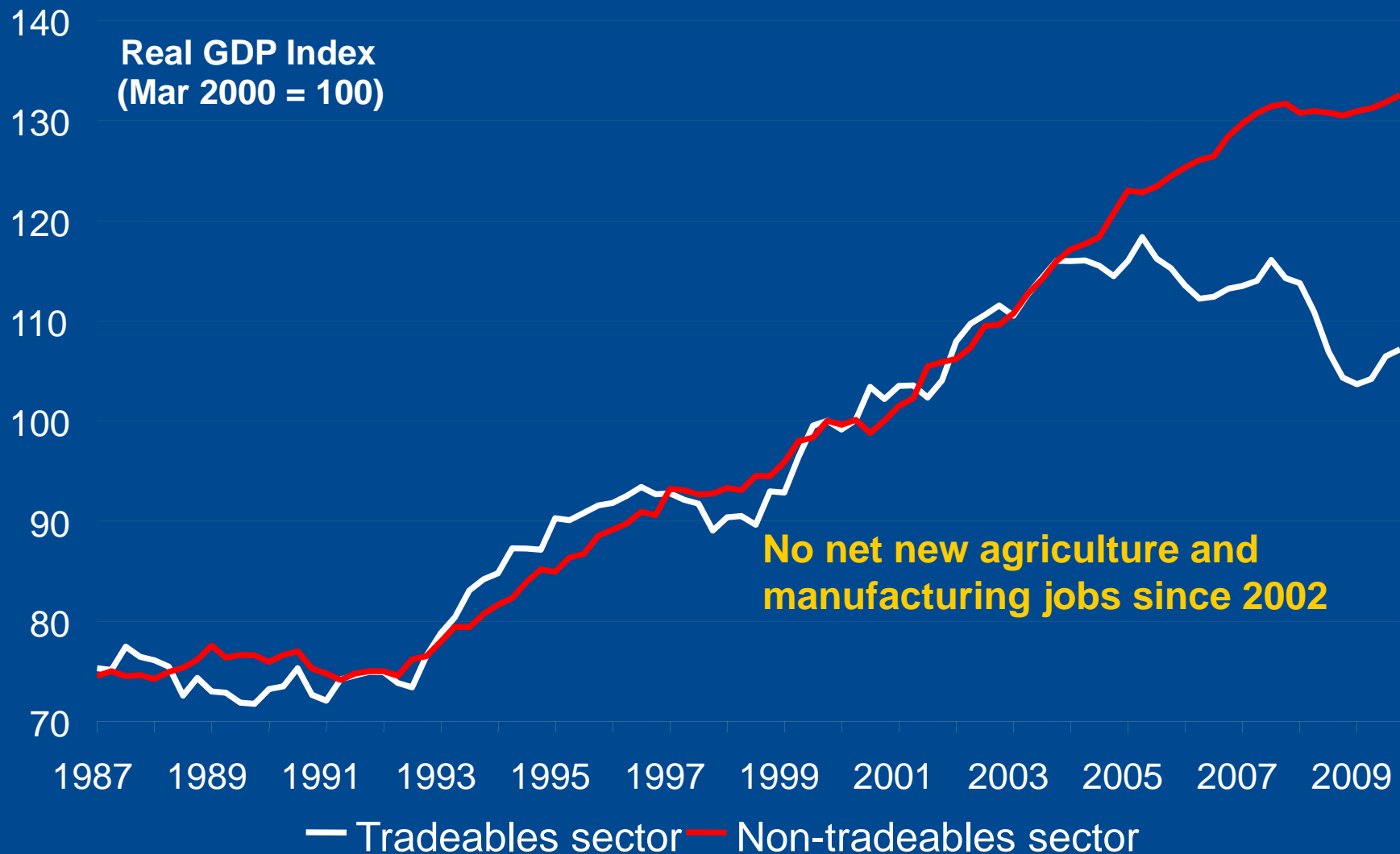
Merchandise TOT (Jun 02=1000)



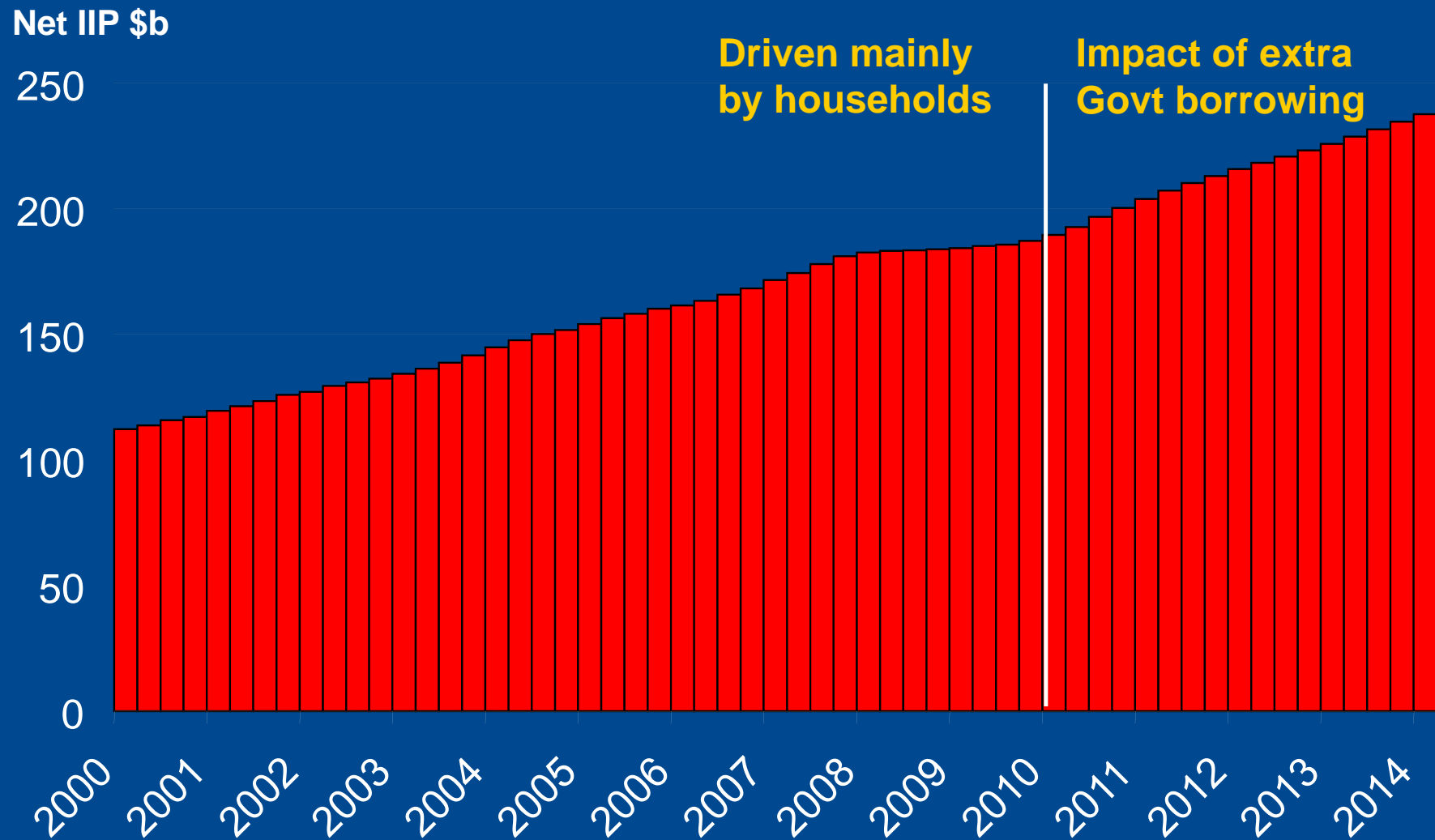
Export destinations

Country	2000	2015
Australia	20%	24%
China	3%	16%
USA	15%	6%
UK	5%	3%

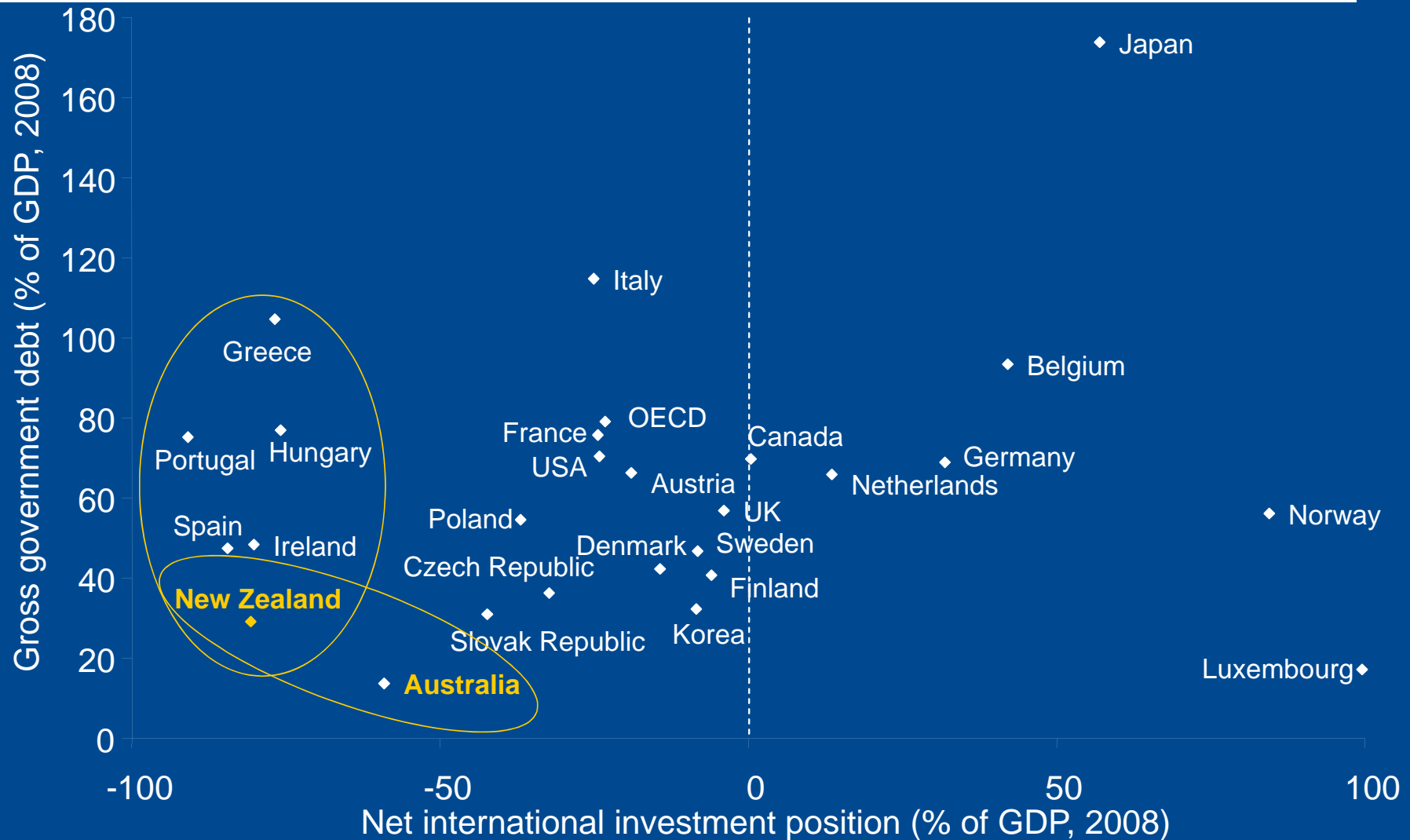
... we've had an export recession



... and our debt to the world has soared



We're keeping interesting company



Budget 2010 was a step forward



- Helps families get ahead, keeps Kiwis in NZ
- Promotes growth - tilted towards savings, exports
- Makes the tax system fairer
- Controls debt and deficits
- Record spending on health, education, boosts science

Next steps – doing many things well

- Investing in infrastructure
- Reviewing regulations
- Business innovation, trade
- Skills and literacy
- Strong fiscal management
- Better public services
- Competitive tax system



The early signs are promising

Tradeables growth improving

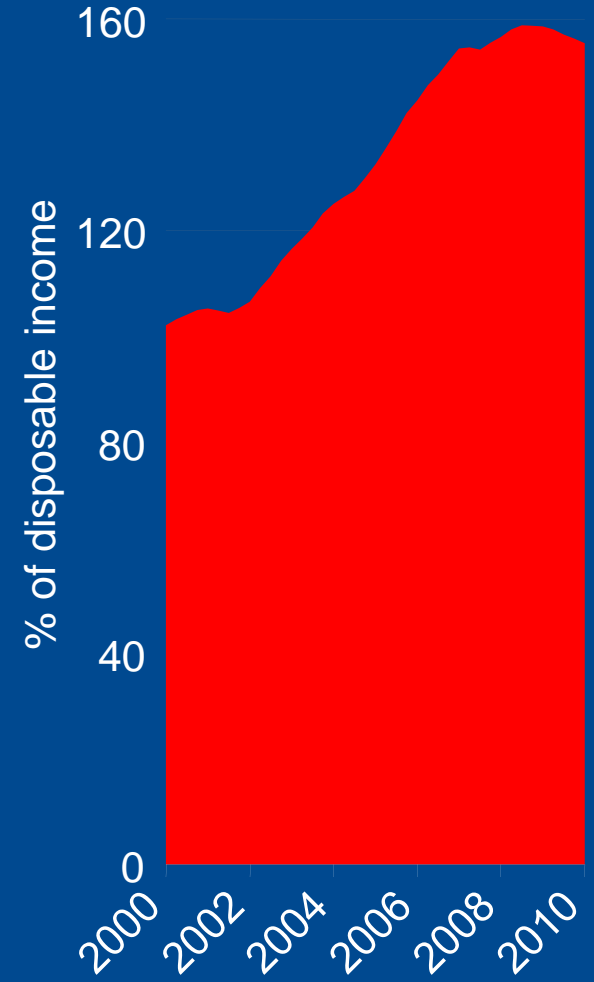


— Tradeables sector
— Non-tradeables sector

Muted private consumption

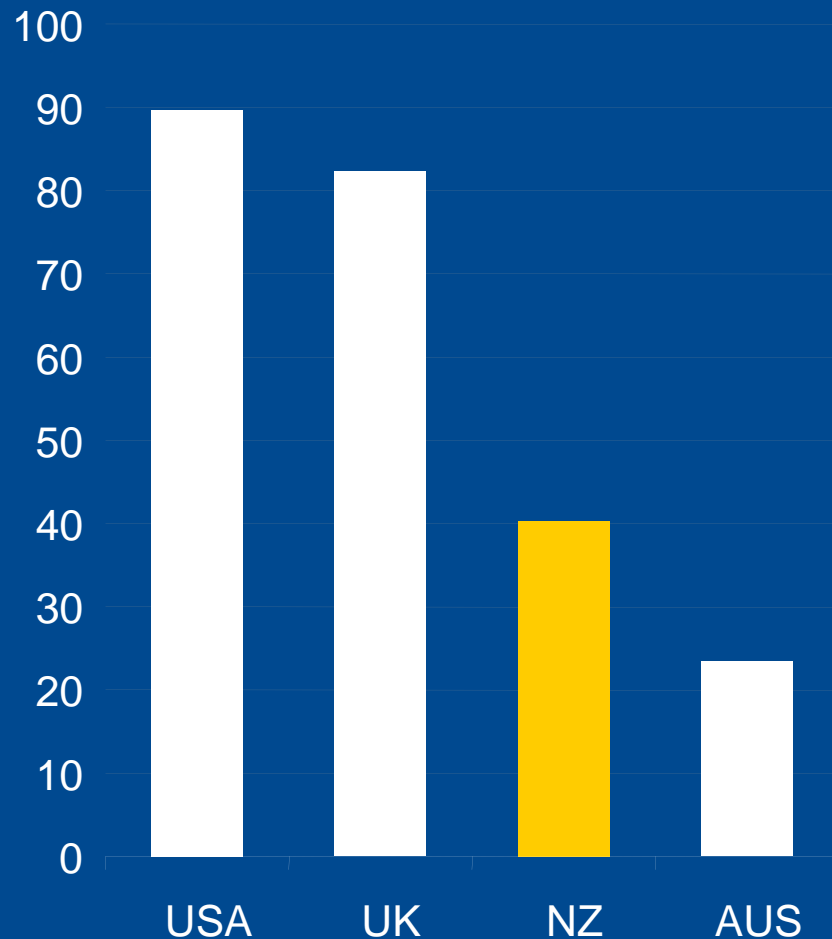


Household debt easing

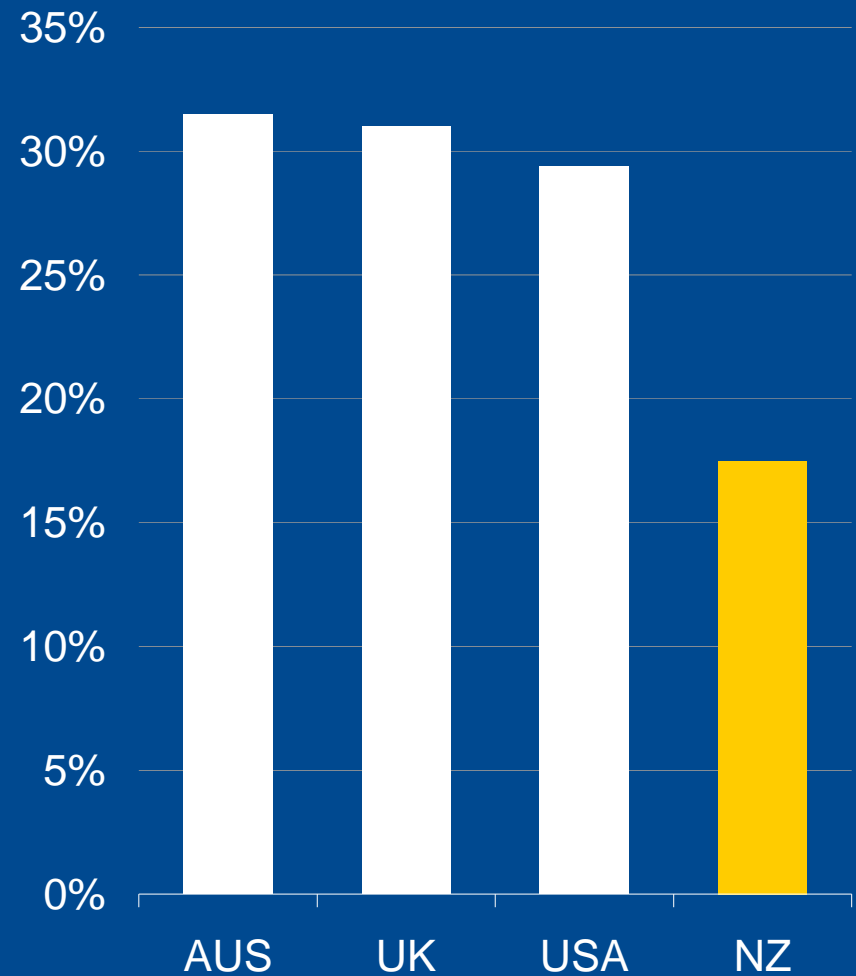


We have an opportunity to stand out

% of GDP
Government gross debt 2010



Tax rate at average wage



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