

<p style="text-align: center;">STRIPPED OF TARIFFS NZ MAYBE A LONE ECONOMIC NUDIST</p>
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Once again Trade Minister Lockwood Smith is beating his old repetitious drum. This time in Sydney, to the attention of the 22,500 or more Kiwis who have permanently emigrated to Australia in the past year, about the benefits New Zealanders have received through tariff reductions by being able to buy cheaper imported cars, shoes, clothes and so on.

Yes, we know this, and we are mostly all very grateful for these imported goodies, some of which are being "dumped" here. However, all good things have a cost and the unanswered question is, how much longer can we go on spending up large on imported goods and not doing anything to generate enough exports to pay for them?

Personally, I would have been quite willing to pay a little more for all those items that could have been manufactured in New Zealand to have continued, as this would have increased tax revenue, kept production and people productively employed and the economy reasonably buoyant. But we weren't asked.

Therefore it's reasonable to assume the government will need to have additional taxes (or charges) to make up their income shortfall, or reduce the services and standards it provides.

It is all very well shortly removing all our clothing tariff-protection shortly but this sort of "economic nudism" will only work if the rest of the world wants to join a nudist club. At present they are being a bit more discreet (or sensible) than Dr Smith wants to be. One question though, perhaps they have more to show?

I certainly hope Dr Smith's claims for the trade benefits that New Zealand will eventually get from the policies he is advocating will not be a case of the "emperor's new clothes"!

Another party member claims that simple economic law dictates that we, as a nation, must find out what the world wants and then deliver it, and this is reasonably true.

Another question - Is this the world inhabited by hundreds of thousands of children dying every day of easily treatable diseases? Or are we in

the world of wealthy Westerners desiring such essentials as a refrigerator door that opens both ways?

Simple Business Round Table theories and economic law does not tell us what the world wants, but it does tend to dictate that the goal of production be greater luxuries for the wealthy and a few basic necessities for the many.

Green Party co-leader Rod Donald recently quoted the NZ Business Economic Research study:

“For every one million dollars worth of consumer good imports, 20 New Zealanders lose their jobs”.

Currently in Australia their government recognizes the value of productive employment and a study shows that, for every \$1 paid to a productive employee in manufacturing, \$3-4 of downstream benefits are derived from this initial payroll payment.

With the advent of future free global trade (our NZ politicians seem in a frenzy to take the leadership role), it is the NZ governments' **first &**

foremost priority to ensure that the people that are displaced from local business are given fair **future employment opportunities.**

It is obvious that manufactured export products or services should be a high priority in this policy planning programme.

No amount of BIZ network groups producing 'talkfests' concerts, jazz festivals, coffee shops etc will offset the growing and serious imbalance of NZ's overseas trade, and our already staggering overseas trade deficit.

It has now been identified that one of the greatest problems in NZ is, the 'brain drain' of our qualified and skilled people, especially for the R&D that is required to be done to achieve higher levels of product efficiency and technology. So it is to be applauded that some APEC countries are now willing to have the inclusion of "Industries" added to future WTO negotiations, to add some value for the smaller member countries - eg: PNG & NZ.

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