MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT
HĪKINA WHAKATUTUKI

NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

Submission form for feedback

New Zealand's productivity in a changing world

How can we accelerate the growth of high productivity activities in the New Zealand economy?

The Ministry of Business, Innovation and Employment (MBIE) and the Ministry of Foreign Affairs and Trade (MFAT) are inviting feedback on the draft of our Long-term Insights Briefing.

Please provide any feedback by **5pm, 17 November 2025.**

When completing this submission form, please provide comments and supporting explanations where relevant. We appreciate your time and effort taken to respond to this consultation.

Instructions

To make a submission you will need to:

1. Fill out your name, email address, and organisation. If you are representing an organisation, please provide a brief description of your organisation and its aims, and ensure you have the authority to represent its views.
2. Fill out your responses to the consultation questions that follow. You can answer any or all of these questions in the consultation document. You are welcome to provide any additional supporting information, either in this form or as an attachment.
3. Submit your feedback:
    i. as a Microsoft Word document by email to LTIB@mbie.govt.nz with the subject line: Topic consultation
    ii. by mailing your submission to:

        Economic Strategy and Insights - LTIB
        Ministry of Business, Innovation and Employment
        PO Box 1473, Wellington 6140
        New Zealand

Privacy Act 2020

MBIE and MFAT intend to publish a summary of submissions received, plus the names of organisations/individuals that made a submission.

Please check if you do not wish your personal information to be published

☐ The Privacy Act 2020 applies to submissions. Please tick the box if you do not wish your name or other personal information to be included in any information about submissions that MBIE and MFAT may publish.

Please check if your submission contains confidential information

☐ I would like my submission (or identifiable parts of my submission) to be kept confidential and **have stated** my reasons and ground under Section 9 of the Official Information Act that I believe apply, for consideration by MBIE and MFAT.

Note on the use of AI

To help us process and understand submissions, we may use artificial intelligence (AI) tools such as Microsoft Copilot to support our manual review (for example, to summarise key points). Before any AI analysis, all names and other personally identifying information (eg email addresses, phone numbers, office addresses and employment information) will be removed.

Submitter information

MBIE and MFAT would appreciate if you would provide some information about yourself. Any information you provide will be stored securely.

Your name, email address and organisation

Name:	Graeme Muller, CEO, NZTech
Email address:	graeme.muller@nztech.org.nz

Are you making this submission on behalf of a business or organisation?

☒ Yes ☐ No

If yes, please tell us the name of your business or organisation and some brief details about its purpose:

NZTech is a member-funded, not-for-profit, non-governmental organisation that has multiple tech communities, associations and national initiatives that help bring together the national tech ecosystem and connect it to the world. We work to enhance New Zealand's ability to benefit from technology and to promote New Zealand tech to the world, while supporting collaboration to develop policy that enables good tech.

Our vision is a prosperous, equitable, sustainable and safe Aotearoa, enabled by good technology.

NZTech is made up of 16 tech communities (such as AI Forum and AgriTechNZ), with more than 2,500 members who together employ 10 percent of the New Zealand workforce.

The tech sector is a significant and growing part of the New Zealand economy, employing 119,000 people and contributing around $24b in GDP. It is also one of the fastest-growing export sectors – New Zealand's 3rd largest – with export receipts of $11.4b in 2024. Software exports, for example, are growing at more than 20% p.a. (Sources: StatsNZ, 2025)

We note that "tech" includes physically manufactured products with a significant digital/knowledge-intensive component (e.g. Rakon, Tait Communications, F&P Healthcare), as well as weightless "digital" exports such as software, AI or gaming (e.g. Datacom, Xero, Orion Health, RocketWerkz).

Consultation on the draft Long-term Insights Briefing

We would like to hear your views to help us finalise the Long-term Insights Briefing. Your feedback is welcome and appreciated.

To help guide your reflections, here are a few questions to consider:

Question 1: Do you have feedback on any of the insights presented in this Briefing? A summary of the insights is on page 49 of the Briefing, and more detailed insights are presented throughout the draft – look for the 'lightbulb' icon.

NZTech supports the insights presented in the Briefing and notes that areas of the tech sector already meet the focus criteria identified—it is innovation-intensive, productivity-enhancing, export-oriented, and aligned with global sustainability goals.

However, the insights are missing a key feature that seems to underpin successful SAEs. Namely, they all have a high level of consistency in their long-term planning, especially related to enabling infrastructure, education and investment, that stretches beyond political cycles.

This is also evident across larger economies that have also managed to transition to a more productive digital or tech-focused economy – their successful transition being the result of consistent long-term plans.

New Zealand has struggled with this. A recent example of our failure is the three years of collaborative planning between industry and government to develop Industry Transformation Plans, plus initial investments to start transformation programmes, which were shut down following the change of government. This contrasts with the example of Taiwan where AI infrastructure development has been a shared long-term strategic focus through the last four political cycles and political party changes.

Question 2: Reflecting on the framework presented in Section 5 of the Briefing (page 25), do you have any other suggestions for how government could identify and enable high productivity sectors or activities with growth potential? For example, what factors could be taken into account, or what process do you suggest for analysis or engagement?

New Zealand should follow the money when identifying high productivity sectors or activities with growth potential. We need to respond to the signals being sent by global capital markets which could align with our strengths and potential adjacencies. For example: sustainable food production (selling the science and tech that enables it, as well as using it locally to lift our production); or energy resilience (improving our own energy resilience, reducing the cost of energy, as well as being able to attract high-energy industries such as data centres).

The Briefing's overall framework is well presented and covers the usual considerations for economic policy, but lacks a specific acknowledgement of the importance of a clear vision for New Zealand as a unifying feature. For example, Singapore's productivity strategy is part of its Singapore Economy 2030 Vision. Without some form of view of what the end goal could look like there is risk of short-termism and no enduring policy direction.

Also, the framework could probably benefit from a layer above Government Economic Goals that articulates a long-term sustainable vision that ideally can cross political boundaries.

Question 3: Where are the opportunities for New Zealand to better connect and integrate with global and regional markets, value chains and innovation networks, particularly in the Asia Pacific? What role could the expansion of the Single Economic Market to the wider region play in New Zealand business growth and productivity strategies?

New Zealand should increase its focus on digital connectedness within FTAs, especially with regional partners. While we celebrate the Digital Economic Partnership Agreement (DEPA) between Singapore and others, the digital focus is on the digitalisation of traditional processes (like customs, invoicing) to support traditional export industries. This misses the larger opportunity of connected our digital economies – aligning AI strategies, data corridors, digital standards and the like, so that we can benefit from the enormous investment by our partners in the growth of their AI and digital infrastructures. This may require the addition of new capabilities within the MFAT FTA negotiations team to better understand and drive these opportunities.

Another opportunity for regional integration is presented by the global growth in demand for datacentres (and hence sustainable, resilient electricity supply). Datacentres are now critical for all economies, especially those in Asia Pacific. Many are developing massive amounts of capacity demand but lack sustainable energy supplies and have potential resilience/security issues. With long-term planning and positioning – such as increased renewable energy supply, additional deep sea cable connections and regulatory data corridor – New Zealand could become a data infrastructure partner, attracting FDI and improving our global connectedness.

We should also look to educate and incentivise increased use of AI and digital technologies in New Zealand business through subsidised AI education (as in Singapore). An internationally focused approach to AI education may also present an opportunity for regional connection if cross-border digital education can be included in partnership agreements.

Question 4: Do you have any other feedback on how New Zealand can successfully accelerate the growth of high productivity activities, in a changing world? What may be the strategic choices that New Zealand will need to make?

New Zealand should introduce incentives for businesses to use digital solutions and AI. Increasing digital uptake will have a productivity-enhancing benefit across New Zealand's small business landscape and it will also further support the rapid growth of our B2B SaaS export sector.

It appears that this is standard for SAEs with all of them providing substantial grants and subsidies for AI uptake and digital adoption. For example, Singapore has a Productivity Solutions Grant (PSG) that provides up to 50% funding for pre-approved IT solutions. Ireland has a Digital Transition Fund to help businesses use new software, equipment, automation and AI. Finland offers Proof-of-Concept funding for generative AI projects and provides grants and financial incentives to SMEs and larger companies to develop and use AI. Denmark has an SME digital support scheme.

To summarise NZTech's views on the Briefing:

- The key aspect missing is a long-term commitment to "staying the course". We need an overarching vision that goes beyond merely doubling down on things we are already good at (such as food production) to better exploring opportunities in adjacencies such as biopharma and agritech.
- In terms of places to focus to achieve growth, global capital markets provide the best insight into what sectors are expected to take off due to constraints or expected demand.
- More focus is needed on agglomeration – locally around sector hubs, and connecting them globally – as this is a significant driver of tech uptake and productivity.

Question 5: Would you or your organisation like to meet with us directly to share feedback on the Briefing, in addition to submitting written comments?

We're offering the option of online or in-person meetings with the project team during the consultation period, from 23 October to 17 November 2025.

☐ Yes ☐ No ☐ Not sure/No preference

[insert response here]