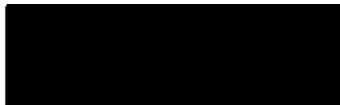


**An enquiry into the nature of economic growth in New Zealand,
1972 - 1982,
using input-output data.**

By Peter E. Robertson.

The research presented in the following pages has been conducted according to accepted academic standards with due acknowledgement to all sources. It has been written in part fulfillment for the degree of Master of Economics and accords, thereby, with the regulations governing the submission of dissertations in the University of New England calendar.

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Peter E. Robertson, July 1989.

"Reason's last step is the recognition that there are an infinite number of things which are beyond it."

(Pascal, *Pensées*.)

Contents.

Page No.

Abstract

Chapter 1

- | | |
|--|----|
| 1.1 Introduction. | 1 |
| 1.2 A sketch of the N.Z. economy, 1972 - 1982. | 3 |
| 1.3 Responses and criticisms. | 12 |

Chapter 2

- | | |
|---|----|
| 2.1 Introduction to the decomposition method. | 1 |
| 2.2 Decomposing changes in value added using two input-output tables. | 4 |
| 2.3 Changes in direct coefficients and first round multiplier effects. | 9 |
| 2.4 Value added constraints and price deflators. | 12 |
| 2.5 Decomposing changes in value added using three input-output tables. | 14 |
| 2.6 Description of N.Z. input-output tables. | 18 |

Chapter 3

- | | |
|---|---|
| 3.1 Interpretation of the technical coefficients. | 1 |
| 3.2 Defining technological change. | 7 |

Chapter 4

4.1 Initial observations on the decomposition results.	1
4.2 Causes of variation in growth rates between industries.	8
4.3 Some Implications for Discretionary Demand Management Policies.	13
4.4 Summary and conclusion.	20

References and select bibliography

Appendix

Definitions of industry groups by NZSIC.	1
Table A1: Changes in value added, final demand and final demand absolute values.	3
Table A2: Index of value added changes	5
Table A3: Index of changes in value added due to coefficient change and changes in value added ratios.	7
Table A4. Percentage changes in primary input shares.	9

Abstract

Input-output tables for the New Zealand economy are used in an analysis of growth in the decade, 1972-1982. This analysis involves decomposing the changes in value added in each sector in order to obtain estimates of the fraction of total value added change which was attributable to the changing level and pattern of final demands. Similarly an estimate of the fraction of value added change attributable to the changes in the input-output coefficients is also obtained. It is shown that coefficient change causes both very high and very low levels of growth in some industries, but these industries account for only a small fraction of the total economy-wide growth. The effects of final demand changes, however, are shown to be more consistent between different industries and is the most important cause of growth, of the two factors, for the majority of industries. Some implications for the effectiveness of demand management policies are then drawn from these results.