

Youth are angry: they want action on our long-term fiscal position

A 2012 Youth Statement on New Zealand's Long-term Fiscal Position is launched today

Twenty-seven young people came together before Christmas to write a youth statement on New Zealand's long-term fiscal position. At the *LongTermNZ* workshop, participants voiced their concerns: 'I feel robbed'; 'Unless we act, we'll inherit serious ecological and economic debt'; 'The future is not one generation's to take'; 'We're selling the Kiwi dream to build a retirement home'.

The *LongTermNZ* workshop is a McGuinness Institute initiative. The workshop was jointly sponsored by Treasury and Victoria University, and was designed to follow on directly after their *Affording our Future* conference. Wendy McGuinness, Chief Executive of the McGuinness Institute, says, 'No one will be more affected by current fiscal decision-making than today's youth, so it is important that they participate in the discussion.' The young people stated clearly that they want action and involvement: 'We'll make a better future, but only if you let us.'

McGuinness describes the resulting *2012 Youth Statement* as 'a lively, informative and well-considered document.' Three key challenges are identified: costs are growing; risks and shocks are inevitable, and opportunities exist. The participants' perspective on the superannuation challenge was portrayed in a cartoon they called 'the Auntie Gertrude Challenge' (attached). They also developed a comprehensive policy tool in the form of a pocket knife (image attached). Within the *2012 Youth Statement*, the participants outline five key messages:

1. Youth need to participate in the debate; we will inherit the consequences of this debate.
2. We have the opportunity to act early; we need to respond pre-emptively to demographic changes and rising health costs.
3. Building consensus around the hard decisions is important; generations need to work together on this issue.
4. The future requires active investment in smart long-term options; e.g. a low-carbon economy, lower imprisonment rates and decreased child poverty.
5. There is no silver bullet, but we do have solutions and choices; everything should be on the table as we look forward.

The Treasury is required to produce a statement on New Zealand's long-term fiscal position at least every four years; the next one is due mid-2013. Such statements are required to look forward at least forty years.

The *2012 Youth Statement* is now available on the [LongTermNZ](#) website. A final report on the *LongTermNZ* workshop will be published later this year. McGuinness says, ‘We wanted to create a fun and interesting document that appealed to the youth of New Zealand. These are the people whose future will be affected by the decisions made in response to Treasury’s *Statement of New Zealand’s Long-term Fiscal Position*.’

‘We believe youth need to enter the conversation and have their voices heard. This is particularly important in view of the fact that the NEET rate (youth aged 15–24 who are not in employment, education or training), announced by Statistics NZ today, has risen to 14.2%. It is our hope that the students who took part in the *LongTermNZ* workshop, who came from all over New Zealand, will return to their universities and their wider communities more informed about the fiscal pressures New Zealand might experience in the next forty years, and therefore more able to contribute to those challenges and opportunities in a more practical way.’

McGuinness adds, ‘Although this workshop was for youth, this is a conversation that needs to be had by all societal groups in New Zealand: we need to develop consensus not only on the possible challenges and opportunities that lie ahead, but also on how best we can position New Zealand so we are able to respond quickly and positively to all eventualities. Youth want New Zealand to work harder at thinking strategically about how to position ourselves for the inevitable uncertainties that lie ahead; they want to be part of the solution.’

Links of interest:

McGuinness Institute: www.mcguinnessinstitute.org

2012 Youth Statement: www.longtermnz.org/workshop-2012/youth-statement-2012

LongTermNZ website: www.longtermnz.org

About Treasury’s 2009 *Statement of Long-term Fiscal Position*:

www.treasury.govt.nz/government/longterm/fiscalposition/2009

About the *Affording our Future* conference: www.victoria.ac.nz/sacl/about/chair-in-public-finance/events/affording-our-future-conference-2012

NEET Rate: http://www.stats.govt.nz/browse_for_stats/income-and-work/employment_and_unemployment/HouseholdLabourForceSurvey_HOTPDdec12qtr/Commentary.aspx

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