

Chris Boxall  
1/3 Camelot Place  
Glenfield  
Auckland

Productivity Commission  
Via upload

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**Re: New Zealand Firms – Reaching for the Frontier**

Dear Sir / Madam,

I am a director, manager and citizen of NZ. This submission argues that a comparative advantage analysis of risks and opportunities is required, and that policies and interventions need to extend to operationalising those comparative advantages (and mitigating any risks).

The Commission is urged to have regard for dynamic temporal first principles, not just a static snapshot. Key points:

- If only today's 'frontier firms' are analysed, then the report will be out of date as soon as it is written because of the constant disruption in business.
- Frontier firms may not have been created yet. To work out what these futureholder frontier firms might be, a comparative advantage analysis is required which:
  - a) Identifies areas of opportunity for New Zealand in a COVID-rebuild world and in a transition to (and end-game of) a net zero carbon world, and
  - b) Identifies areas of risk for New Zealand (vis-à-vis current 'frontier firms') assuming that the world will do a) above even if we don't.
- What is the point in increasing productivity of today's leading firm/s if they're a "Kodak" and the world is changing around them?
- The Terms of Reference actually requires "policies and interventions that could maximise [productivity from] ... frontier firms". This is written linguistically in the present continuous tense, not the present perfect, which means future frontier firms are within scope.

The future New Zealand economy and the future wellbeing<sup>1</sup> of current and future New Zealanders depends in part on the Commission and others realising that there is no square to think outside of. The work should not just be viewed as an opportunity to "catch-up", but also to "forge ahead".

I propose that the Commission democratises an analysis of comparative advantage as a subset of the next phase of its consultation process. That'll allow our team of five million to participate in the direction of New Zealand in the coming decades.

Yours sincerely

*Chris Boxall*

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<sup>1</sup> Which is generally coupled with economic progress.