

# New Zealand Firms: Reaching for the Frontier

Focus group/interview evaluation

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## Executive summary

This document records the results of two focus groups and five interviews arranged by the Productivity Commission to get stakeholder views on the Frontier Firms Inquiry.

### What did stakeholders think of the Inquiry?

The majority of interviewees viewed the Inquiry favourably. In particular, the Commission's staff, engagement and process drew almost universally positive comment.

The sizable minority, however, expressed significant misgivings over the Inquiry, focussing in particular on the analysis, findings and recommendations contained in the final report. The Inquiry, they complained, was a "missed opportunity", and a reinforcement of the status quo. The experience had left some bitter and disappointed.

The majority, however, while mostly agreeing the Commission could have been more ambitious, were pleased with where the final report landed, viewing it as a useful contribution to the debate and a step towards better government decision making. Some also pointed to a range of factors inhibiting more ambitious reform, including:

- New Zealand's social, economic and political constraints
- The lack of a silver bullet to boost New Zealand's productivity
- That success depends on many changes coming together, some of which will take some time to lay the necessary foundation to.

The Inquiry's Māori engagement and outputs were, in particular, welcomed. Māori engagement was regarded as appropriate and of a high quality, benefitting the Commission's analysis, findings and recommendations; and promoting goodwill towards the Commission. That said, there was some criticism with respect to some of the more positive findings on Māori firm performance, with greater evidence called for.

The replacement of the Commission's Commissioners did not go unnoticed. Some felt the appointments were not neutral, and risked harming the Commission's reputation. Others felt the changes appropriate, and not inconsistent with retaining a robust and independent Commission. One interviewee complained the Commission remained captured by its "neo-liberal" ideology.

It was apparent there had not been strong engagement with the research papers prepared for the Inquiry. That said, the Skilling report was commented upon favourably a number of times. The NZIER immigration work was not supported, and the work on dairy drew out the suggestion from one interviewee that future research for the Commission should be peer reviewed.

With respect to the analysis contained in the final report, weakness in the data relied on by the Commission was commented upon a number of times, suggesting greater caution in its use.

Interviewees differed on what lessons could be taken from the experience of so called comparable countries overseas. One felt greater caution was needed because of differences relating to access to large markets and transfer payments between EU countries, for example. Another felt more could have been learnt from how governments facilitate access to capital. Another felt overseas lessons on the importance of central government enabling (not leading) regional innovation clusters had been lost on the Commission.

Many interviewees called for greater specificity in the recommendations. However, one person felt this could be a mistake. For example, policy agencies were often better placed to develop

implementation options that met the Commission's policy objectives, which were also acceptable to Ministers.

Many interviewees felt the final report was far larger than it needed to be. This, it was suggested, made it more difficult to engage with, risked a loss of focus on the key issues and made it more difficult to control messaging.

On messaging, a number of interviewees complained the media response to the Inquiry had been unhelpful. It was commented the media had run a narrative which distracted from the more positive aspects of the Inquiry.

### What are the lessons for the Commission?

Interviewees offered a number of suggestions on how the Commission might improve future Inquiries:

- Reduce the number of Commission staff on each Inquiry, replaced by specialist secondments from the government or private sectors as appropriate, from within or outside New Zealand
- Make enhanced Māori engagement a business as usual approach embedded in all future Inquiries
- Build in an additional consultation step prior to finalising the final report, involving key stakeholders, in particular where recommendations and findings are judged as being particularly controversial
- Shorten and provide greater focus (for example, fewer recommendations) in the final report.
- Make the Inquiry recommendations more specific and detailed.

## Context

### The Inquiry

In December 2019 the Government asked the Productivity Commission to inquire into maximising the contribution of New Zealand's frontier firms to aggregate productivity growth through (i) their own performance and (ii) the diffusion of innovations from frontier firms to other firms. The Commission was tasked with producing the final report by 31 March 2021.

The Inquiry was undertaken by a team of 5 full-time Commission staff in consultation with 4 Commissioners, with specialist input from New Zealand and overseas. 91 submissions were received and over 120 engagement meetings held with a diverse range of sector participants, including: business groups; firms (Māori and non-Māori); academics; researchers; and organisations funding, facilitating and delivering innovation solutions. Twenty-one presentations, roundtables and workshops were held.

The Inquiry issues paper was released in April 2020, the draft paper December 2020 and the final report April 2021. Other outputs from the Inquiry can be found here <https://www.productivity.govt.nz/inquiries/frontier-firms/>.

The Productivity Commission wants to know what stakeholders think of its performance in undertaking the Frontier Firms Inquiry. This provides an element of accountability of the Commission directly back to the community on how well it has exercised its powers and applied its resources. It also provides an opportunity for the Commission to learn so that the performance of future inquiries might benefit.

### The focus groups and interviews

The Commission originally arranged three focus groups (including one Māori) to get the views of a range of stakeholders on its performance. Challenges related to attendance at the focus groups with Wellington being in level 2 lockdown on the day of the scheduled meetings necessitated a series of one-on-one interviews, concluding on 2 July 2021. This document presents the results of the focus groups and interviews.

In addition to seeking focus group and interview comment on its Inquiry performance, the Commission has undertaken a survey of all parties who registered an interest in the Inquiry and has commissioned an independent expert review of the final Inquiry report. The results can be found here <https://www.productivity.govt.nz/inquiries/frontier-firms/>.

The interviewees were asked to consider the Inquiry performance against the key dimensions of the Commission's performance measures for inquiries:

- The right focus – the relevance and materiality of the final Inquiry report in meeting the Terms of Reference (TOR)
- Good process management – the timeliness and quality of the Inquiry process
- High quality work – the quality of the analysis, findings and recommendations
- Effective engagement – how well the Commission engaged with interested parties
- Clear delivery of messages – how well the work is communicated and presented in the final report
- Overall quality – the overall quality of the Inquiry taking into account all factors.

For the purpose of this review, the performance measures were grouped by inputs; outputs; and expected outcomes (impacts) from the Inquiry.

The participants were selected by the Commission. The Commission sought a representative range of interests and views. The participants were:

Catherine Beard	Export New Zealand
Richard Bentley	New Zealand Product Accelerator
Jason Clarke	Treasury
Selwyn Eathorne	Institute of Directors
Ifor Ffowcs-Williams	Cluster Navigators
Josie Hehir	Export New Zealand
Richard Laverty	Te Puni Kokiri
Gavin Lennox	The Icehouse
Mac McKenna	Zespri
Abby Thompson	Food HQ
Simon Tucker	Fonterra
Simon Wakeman	Ministry of Business Innovation and Employment
Trent Fulcher	New Zealand Trade and Enterprise

A draft of this report was provided to the interviewees to correct and add further thoughts to as they felt appropriate.

The boxed text in the pages that follow is provided by the workshop facilitator/interviewer as an aid to framing the comments provided by interviewees.

## Inputs

Inquiry inputs include, in particular, the people, processes, engagement and research applied to the Inquiry. The mix of inputs are for the most part controlled by the Commission and directly impact on the quality of the Inquiry outputs.

## People

Shortly before and during the Inquiry a number of Commissioners finished their terms and were replaced with “new” Commissioners. This drew significant comment from interviewees. Also, the Inquiry Director left the Commission and was replaced mid-Inquiry.

## Staff

Of interviewees who commented, nearly all were very positive about the Commission’s Inquiry team:

- “The staff were really good. Their interactions were very good, the conversations were constructive and we felt listened to.”
- “The people were of a high calibre – very smart. They engaged well at all levels, and were very collaborative, taking a strong partnership approach. In comparison other government agencies can be a bit patch protectionist.”
- “The people were exceptional to deal with. We appreciated their willingness to engage, openness, and that they were prepared to cut through more formal channels.”
- “At the beginning of the Inquiry staff accepted they didn’t know much, but they asked the right questions and talked to the right people.”

However, one interviewee commented “The people were positive and easy to engage with. However, I felt they had a particular slant and I was disappointed they didn’t have a better understanding of the food industry.” It was suggested subject experts could be seconded to the Inquiry team. This would not necessarily mean the team needed to be larger.

Another commented that while their interactions with Commission staff had been very good, personnel change over the course of the Inquiry had been unhelpful. Some of the information presented to earlier members of the team appeared not to have been considered when compiling the report resulting in a “significant omission.”

While critical of the performance of the Inquiry, one interviewee wanted it on record that Geoff Lewis (the third Inquiry director) had been exceptional. “He listened very carefully and made important changes.”

## Commissioners

One interviewee commented that while they had been “big fans” of the Commission over the years, they felt the appointments of new Commissioners had been a shift to the left. It was, they commented, important that the Commission not, in fact or perception, be skewed by political objectives. They went on to comment that there were not many think tanks in New Zealand and quality thought leadership was important. “Their work needs to be fact based and robust.”

In support of their concern, they felt the final report had departed from the earlier Inquiry work in tone and language, and inappropriately expanded into areas such as income redistribution and “social engineering” type topics. “With respect to the appointment of new Commissioners, it could be signalling a move towards unwanted politicisation of the Commission.” To the extent politicisation reduced the Commission’s credibility, they concluded, stakeholder engagement with

future Inquiries could diminish. Finally, they commented, this could put the Commission at risk of being removed by a government of a different political flavour “... which would be a real shame as we think they have done some really good work over the years.”

Another interviewee welcomed the more “holistic” approach apparent to them with the change in Commissioners. “Productivity isn’t everything. Social cohesion and income distribution are important too.”

Another interviewee felt a broader perspective could lead to more people engaging with future Inquiries, and the resulting recommendations could gain wider support. “They are getting better at catering to a wide range of people.” They continued, “Changes at the Commission should be seen as an opportunity rather than a threat. A broader approach doesn’t have to come at the expense of rigour. Rather, the Commission should be seeking both a broader AND more rigorous approach.”

Finally, one interviewee commented they had found their discussions with the Commissioners useful over the course of the Inquiry.

### The overall process

Of those with experience interacting with government, most commented the process was better and more robust than their experiences with other parts of government. Typical comments included:

- “The process was really good. The operating model for Inquiries is good.”
- “The process was really efficient. Enough time was provided and the Commission met their deadlines.”
- “The Inquiry was really useful overall. The process and structure were good and it hit what it needed to hit.”

A number commented on the greater use of Zoom over the course of the inquiry, saying it was more efficient, and supported its greater use going forward.

Some interviewees suggested the final report might have benefited from “a few iterations with stakeholders before the ‘final reveal’”. Another suggested a “debate forum” prior to finalising the final report.

A number of interviewees appreciated the Commission needed more time in the early stages of the inquiry to get up to speed compared to, for example, subject policy agencies.

One interviewee commented that while there was enough time for the Inquiry, the issuing of the draft report pre-Christmas with a deadline early February was “not helpful”.

### Engagement

With a few exceptions, engagement with stakeholders was commented upon favourably:

- “The quality of engagement was good and there was plenty of time for stakeholders to engage.”
- “The Commission (and Commissioners) did really well at plugging into our organisation in the early stage of the process. We were impressed they managed to get up to speed so quickly.”
- “The review process was good. There was lots of engagement and checking in.”

One interviewee, however, expressed dissatisfaction at how their input into the Inquiry had been dealt with. “Having put in significant input, I was not happy at finding the Commission hadn’t valued or used that input. I would have liked a more genuinely collaborative approach, earlier, and where



they listened carefully. No one from NZPC bothered to call us, to ask for further evidence, to debate our conclusions.”

Another commented that the Commission appeared happier to engage on positive aspects of the report, but were less receptive to engage on the negative side.

Finally, one interviewee commented that the large scale of the Inquiry made it difficult to engage with. “It can be difficult to justify the resources required to do it justice, in particular if there is no clear impact coming at the other end.” It was suggested future Inquiry topics needed to be more clearly defined and punchier, with stronger collaboration at the beginning.

Stakeholder engagement with future Commission Inquiries was commented upon a number of times, with most (but not all) saying they would be happy to engage with future Inquiries on the basis of their experience with the Frontier Firms Inquiry.

### Engagement with Māori

Engaging with Māori stakeholders was an important objective of this Inquiry.

Interviewees provided many positive comments on the way the Commission had gone about engaging with Māori.

One interviewee commented that using specialist resources or “pathfinders” to facilitate Māori engagement had been the right approach. Another commented favourably on the Commission’s use of consultants and respected people from the Māori community.

One interviewee commented “I’m not sure how they would have done it differently.” Further, they felt Māori were being listened to. Another interviewee commented that they had received good feedback from both Māori firms that had participated in the Inquiry, and those that had watched from the sidelines.

The cost of engaging with Māori was more than balanced by the benefits, according to one interviewee. The contribution to the analysis, findings and recommendations had been positive, as had the strengthening of Māori goodwill towards the Commission.

One interviewee felt Māori would welcome future engagement with the Commission on the back of their experience with this Inquiry “It has provided a good foundation for going forward.” It was further commented that it would be good for the Commission to make effective engagement with Māori a “business as usual” outcome. This could involve some combination of building in-house expertise, bringing in specialist advice as needed and utilising existing networks such as Te Puni Kokiri, policy agencies’ Māori units and networks.

Finally, it was also suggested the Commission could consider extending the “Co-design engagement model” applied towards the end of the Inquiry to all stages of future Inquiries where appropriate.

### Research

It was notable that, overall, there was not a high degree of engagement with the research pieces commissioned for the Inquiry. Some interviewees commented they did not have the resources to do so, and/or had relied on the Inquiry reports to accurately capture the essence of the research papers.

Of the research pieces that fed into the Inquiry, the David Skilling<sup>1</sup> work was mentioned most often. It was commented upon favourably. “I was excited by the David Skilling work” said one interviewee.

The boards and frontier firms<sup>2</sup> and the BRG Institute<sup>3</sup> work were also identified as being useful.

With respect to the Māori research pieces, the Māori firms report<sup>4</sup> in particular was commented upon favourably “It was useful, accessible, practical, making it real for people.” One interviewee also pointed to the Barr work<sup>5</sup> as being interesting.

Of the research that received negative feedback, the NZIER piece on immigration<sup>6</sup> was mentioned twice.

Finally, one interviewee commented that the report on the dairy industry<sup>7</sup> was disappointing. “It failed to get the Inquiry off to a good start. While the Inquiry got to an ok place in the end, it got there the hard way. This could have been avoided if the Commission had talked to the right people earlier.” It was suggested the Commission’s consultative reports should be peer reviewed.

## Outputs

Outputs are the products produced by the Inquiry and include, in particular, the final report, but also the issues paper, draft report, press releases and summary material. A list of the main Inquiry outputs can be found here <https://www.productivity.govt.nz/inquiries/frontier-firms/>. The quality of the outputs are central to whether an Inquiry will significantly impact decision-making and make a positive difference to outcomes.

## Analysis

### Data quality

A number of interviewees expressed concern at the quality of the data being used by the Commission. While the quality of the data was not identified as the responsibility of the Commission, it did speak to the need for:

- future work streams to collect more robust data
- taking greater care when presenting the data
- caveating conclusions and recommendations based on the data.

As an example, two interviewees were concerned that the productivity data for New Zealand firms did not capture their offshore activity (eg, production outsourced to China or revenue earned in the United States). Unless it was, the data may be creating a misleading impression of New Zealand’s performance.

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<sup>1</sup> Skilling, Frontier firms: An international small advanced economy perspective, Landfall Strategy Group, 2020.

<sup>2</sup> Smith and Garden, New Zealand boards and frontier firms, NZPC Working paper No. 2020/02, 2020

<sup>3</sup> Teece and Brown, New Zealand frontier firms: A capabilities-based perspective, Berkeley Research Group Institute, 2020.

<sup>4</sup> Mill and Millin, He Manukura. Insights from frontier Māori firms, 2021.

<sup>5</sup> Haar, The performance of Māori firms: A strategic management approach, New Zealand Work Research Institute, 2020.

<sup>6</sup> Fry and Wilson, Could do better: Migration and New Zealand’s frontier firms, NZIER, 2020; and Fry and Wilson, Picking cherries: Evidence on the effects of temporary and seasonal migrants on the New Zealand economy, NZIER, 2021,

<sup>7</sup> Barry and Pattullo, The dairy industry in New Zealand: Extending the boundaries, TDB Advisory.

More bluntly, another interviewee commented the Commission was “ ... relying on shonky databases which didn’t make sense. The Commission needs to talk to people in the real world, at the front line.” In support, another interviewee commented that New Zealand frontier firms are extremely innovative. “They are innovating every five minutes”. Yet, they complained, “The Commission came up with the opposite conclusion!”

With respect to the quantitative data on the Māori economy, another interviewee observed it was not as robust as it needed to be.

#### Taking the right lessons from overseas

A number of interviewees felt the Commission had failed to grasp the right lessons from the experience of overseas countries.

One interviewee felt the Commission, informed by overseas experience (in particular in countries such as Denmark and Sweden), needed to have drilled down into the best role of central government in supporting the regions. “What is needed is for capital cities to empower the regions to build around their strengths.” “Innovation,” it was explained, “has a tight geography where suppliers can meet with each other and training sessions co-ordinated, for example. This is an absolute missing link! Also, government agencies are tripping over themselves. There needs to be alignment. And the government needs to endorse(not pick<sup>8</sup>) winners” they commented. Finally, they commented, the “quality of home demand”<sup>9</sup> as a driver of competitiveness needed to have been built into the report.

Another interviewee felt more could have been learned from how overseas firms access capital. For example, the use of regional banks (parts of Europe); export guarantee schemes (New Zealand’s is very narrow); industry strategies/policies and government support for research and development.

In contrast, another interviewee commented they felt too much had been made of how New Zealand firms compared to those in other advanced small economies, without taking adequate account of key differences, for example, access to larger markets and European Union support. “For New Zealand firms to replicate the performance of top firms in these markets,” they explained, “they need deep pockets, which comes from scale and access to larger markets.”

#### Analysis of Māori firms

Of those who commented, nearly all interviewees were supportive of the Inquiry focussing on the performance of Māori firms. Positive comments included:

- “The Māori chapter held together well. It was a really good start for people not involved in the Māori space.”
- “It was pleasing to see other than a “struggling narrative” used to describe the Māori economy.”
- “The Commission clearly appreciates the difficulties and uniqueness of Māori firms.” This comment related mainly to Iwi/Hapu based firms.

One interviewee commented there was more detail on the Māori economy than expected. “The Māori chapter told an interesting qualitative and quantitative story. Māori firms have the potential to be frontier firms – they are prepared to take risks, gamble on innovation. It was important to get

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<sup>8</sup> The market, they explained, was responsible for picking winners.

<sup>9</sup> Note from reviewer: For a fuller explanation of this topic, see any of the extensive writings of Professor Michel E Porter, Harvard Business School, on competitive advantage, or alternatively Albert Hirschman on “Exit, Voice and Loyalty”.

the message out there that Māori firm capability should be focussed on and nurtured. The sector should be much bigger.”

Finally, one interviewee felt the analysis provided by the Commission flagged interesting policy and economic challenges, for example:

- What are the differentiators between Māori and non-Māori firms?
- What impact do these differences make?
- Is enough being done early enough to help Māori firms?
- What needs to be done to accelerate the progress of Māori firms?

In contrast, one interviewee was unsure the Commission had applied the same rigour to the analysis and findings in the Māori firms chapter as the rest of the report. While supportive of the work, they noted it would have been useful to know what criteria and evidence sat beneath the finding that Māori firms had much to teach other firms and that they were some of the most innovative firms.

Further, it was felt that while the positive aspects of Māori firms had been commented upon, more could have been said about the challenges they face. Finally, it was commented that it was misleading to give the impression Māori firms were homogeneous.

### Immigration

One interviewee was disappointed the Commission did not appear to have listened to business on immigration. The narrative contained in the final report was the opposite to that put forward by business and, it was felt, may have adversely impacted the Terms of Reference for the upcoming Productivity Commission Inquiry on Immigration. For example, the wellbeing of migrants and their pathways to residency had been excluded from the Immigration Inquiry Terms of Reference.

Another interviewee commented on the apparent contradiction of holding up Zespri as a “shining light” while seeking to remove one of its advantages – access to short term migrant labour.

### Applying the correct “brand” of economic analysis

One interviewee felt there was a risk that the Commission was moving away from the rigorous, fact based, cost-benefit analysis that had characterised their earlier reports.

In contrast, another interviewee was disappointed at what they felt was a neoliberal bias of the Commission. While they felt they had been listened to carefully, the Commission had resorted back to their brand of economic analysis.

## Findings and recommendations

### Developing the recommendations further

Many interviewees felt the Commission should have developed recommendations that were more specific, giving greater direction for future work. Examples included:

- addressing “fragmentation in the ecosystem”
- pointing to the specific sectors where the government might focus its efforts
- taking the David Skilling work further.

On whether taking the recommendations further was instead the responsibility of policy agencies, one interviewee commented that “If the Commission is not strong enough to provide more developed recommendations, no-one is.”

In contrast, one interviewee felt some recommendations were too specific, for example, to establish an Innovation Council. Instead, they suggested, it would have been more helpful if the Commission had been more general, or offered a range of options for achieving their policy objective. “This makes it more likely the government will be able to choose an option it prefers, while still meeting the Commission’s policy objectives.”

### Useful recommendations

With respect to the Māori recommendations, one interviewee commented “They were great, highlighting the areas that needed to be picked up.”

Another interviewee commented that while the recommendations and findings did not represent a significant shift, there were useful new initiatives such as the Māori Economic Development Conference. It was also acknowledged this was the Commission’s first significant foray into the Māori business space.

One interviewee, commenting on the Māori recommendations, said “In particular it was good to see support for investing in Māori networks, and the importance of those networks connecting to non-Māori networks, for example, Crown Research.”

Another felt progress of Wai 262 had been a gap within government for some time, but the final report would help to fill that gap. Reinforcing government’s existing work streams in this way was welcome, they commented.

One interviewee commented on the recommendation relating to assessment of and performance measures for the NZTE’s performance. “We will look at these in the future and, if nothing is being done, we will look to revisit the Commission’s work.”

### Gaps and unhelpful recommendations

As a general point, one interviewee commented that while there were important themes in the commentary, these themes often did not carry through into the findings and recommendations.

One interviewee felt the Commission needed to seek changes to the way universities were funded, that is, they needed to be rewarded for research that was useful for business. Similarly, funding for students needed to promote their gaining skills useful to business. Finally, they commented it would have also been useful to see something stronger on the importance of a bi-partisan government approach to public/private research.

One interviewee suggested an additional recommendation that officials crystallise what was meant by the “Māori advantage”.

Finally, one interviewee didn’t like the recommendation to establish an Innovation Council. This, they commented, was another example of top down thinking. “The top down implementation plans”, they continued, “provide yet another Wellington distraction to addressing the substance of New Zealand’s productivity paradox.”

## Presentation

### Length

A number of interviewees felt the final report was too long.

- “The final report should have been 25 rather than 250 pages, and more focussed.”
- “While the final report was of a high quality, it did contain a lot of repetition. It could have perhaps been half the size.”

- “It would have been better to focus down on two or three things that will make a real difference rather than “boiling the ocean”. This would have made it easier to manage the messaging and reduced the risk of being distracted by small things.”

With respect to other issues relating to presentation, one interviewee singled out the website as being good. Another identified the A3 summary as being very helpful.

### Managing media messaging

While some interviewees felt the Commission’s messaging and media coverage were good, the majority who commented felt “unhelpful ideological messages spun in the media” had overshadowed much that was good in the final report. For example, a narrative developed that firm productivity is terrible, firms aren’t investing enough in technology, and they are too reliant on low cost labour. “It was unfortunate that the media had picked up on parts of the report that we were not so keen on.”

Similarly, one interviewee commented that the Inquiry had earlier reached a controversial conclusion on dairy which had had to be managed, taking the focus away from some of the more positive aspects of the Inquiry.

## Outcomes

An Inquiry that is ignored by government and the community is a missed opportunity. The purpose of inquiries is to either confirm the current policy approach or, more likely, to identify changes to that approach likely to benefit the community. There are a number of avenues through which an Inquiry might facilitate positive change, including directly on government decision making, changing the behaviours of relevant stakeholders including the community more widely, and providing a stronger foundation for further debate and decisions in the future.

### Strengthening the foundations for future debate and decision-making

There were divergent views on the impact the Inquiry would have.

It was noticeable that those with a stronger line of sight into government were more positive about the impact the Inquiry would likely have. It was generally felt the Inquiry had lifted the level of debate within government, the recommendations would be looked upon favourably, albeit a number of the recommendations were reinforcing existing work streams. However, nearly all felt the recommendations were not as ambitious as they might have been.

Those commenting on the Māori firms aspect of the Inquiry were particularly positive. For example:

- “The Productivity Commission report has been identified in government as one of the key drivers of policy going forward. We will be using the material produced to strengthen future work in this area.”
- “A number of the recommendations are already in play, and the Commission’s support will help to nudge the government’s work programme in the right direction. While the recommendations are expected to make a positive difference, this will not happen quickly.”

Other interviewees were not so positive. One commented “Frontier firms is a more academic, niche and difficult topic. The Inquiry failed to kick start the debate.”

Another interviewee felt the Inquiry had not substantively lifted the foundation for debate, but noted opportunities to get the right stakeholders talking, and to leverage the outputs of the Inquiry.

“It got the conversation going and provided good food for thought for policy makers.” Also, they had since started working with one of the contractors to the Inquiry to help develop their own thinking.

### Overarching comments

Interviewees provided overarching comments on both the Inquiry, and on the final report. The final report is the most important Inquiry output. For completeness and to avoid repetition, the two summaries of interviewee comments have been brought together in this section.

Overall, views on the final report and Inquiry were positive.

- “The final report was a high quality paper, practical with good insights.”
- “It offers useful, practical and reasonable recommendations. What the Commission says makes sense.”
- “The final report was a professional and robust piece of work.”
- “Overall, the final report was a very well researched and considered piece that moves our thinking and understanding forward.”
- “It was a great piece of work – we’re super keen to get going!”

A sizable minority, however, felt differently.

- “There wasn’t enough thinking about the New Zealand of the future. There was no big vision. It was a missed opportunity. New Zealand is not being positioned to be brave enough.”
- “The report is not even incremental. It is reinforcing the status quo.”
- “It was a missed opportunity to get a significant rethink. I had hoped for something that would be transformative. It is not a report we will be referring back to.”

One interviewee commented that they were bitterly disappointed with what had come through. The Commission, they felt, had approached the Inquiry with a “we know best, we will decide attitude” typical of Wellington. A sledgehammer was applied when what was needed was a more granular and regional approach.

Another interviewee commented they had been told by others in the industry, and they had agreed, that submitting to the Inquiry would be a waste of time. They had thrown the final report out as they knew they would not be referring back to it.

One interviewee, covering the middle ground, commented on what they saw as the Commission’s difficult role. Noting the wide range of submissions and views that had to be taken into account in the final report, they commented “It was like herding cats. But they did well.”

On the amount of ambition in the final report, they commented that New Zealand’s productivity had been a conundrum for decades and solutions would come from many directions. “While they could have been more ambitious, there is no silver bullet. Also, New Zealand’s social/economic/political environment makes radical change difficult.”