

行政院所屬各機關因公出國人員出國報告書
(出國類別：其他)

出席 APEC 財政部長系列會議
財政政策工作坊視訊會議
會議報告

服務機關：財政部國庫署

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摘要

亞太經濟合作組織(APEC)於2021年7月6日及7日召開視訊會議，邀請彼得森國際經濟研究所(Peterson Institute for International Economics, PIIIE)與國際貨幣基金(International Monetary Fund, IMF)等專家及中國大陸、印尼、新加坡、澳大利亞、韓國、泰國、紐西蘭、加拿大及智利等財金官員代表討論「因應COVID-19所採取之財政政策」、「財政政策未來扮演之角色」、「管理財政風險」及「財政政策與包容性、永續性成長」，我國由財政部國庫署代表出席。

我國代表積極發言說明我國因應疫情之施政實務經驗及財政狀況，獲正面肯定，藉由參與本次會議強化與 APEC 各經濟體合作，並汲取他國經驗作為我國未來政策改革之參考。

出席2021年亞太經濟合作（APEC）

財長程序－財政政策工作坊視訊會議報告

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壹、 背景說明

本次「財長程序－財政政策工作坊」係由2021年APEC主辦經濟體紐西蘭規劃辦理，於同年7月6日及7日召開視訊會議，我國由財政部國庫署張科長宗惠、徐科長振文、梁專員雅潔及王科員惠瑩等4人與會。

本次會議著重於新冠肺炎（COVID-19）疫情引發前所未見之健康與經濟危機，及財政政策於疫情期間扮演至關重要之角色，為有效因應未來挑戰，各經濟體須攜手合作，就實務經驗交換意見，共同分享及討論，期藉各經濟體分享因應疫情所採取之措施、財政政策角色之變化及未來財政政策之方向，供各經濟體未來施政方向之參考。

本工作坊係延續2021年3月APEC財政次長暨央行副總裁會議(FCBDM)之討論，盼透過各經濟體經驗分享有效解決財政政策相關問題，並將討論成果提報2021年10月財政部長會議(Finance Ministers' Meeting)及納入當年度財長聯合宣言。

貳、 會議情形

一、 議題一：因應 COVID-19 所採取之財政政策

由彼得森國際經濟研究所(Peterson Institute for International Economics, PIIE)代表Adam Posen擔任主講人，中國大陸、印尼、新加坡等經濟體代表擔任與談人進行政策經驗分享。

(一) PIIE 代表說明於新冠肺炎疫情期間的發現

因應新冠肺炎疫情所帶來的經濟及社會層面的影響，許多經濟體皆採取擴張性財政政策，而相關政策於本次疫情期間的優異表現包括：1.反應迅速且規模相稱。2.財政乘數高且僅少數延遲。3.全球財政政策與貨幣政策協調合作。4.債券市場接受了此種激進的財政措施。5.匯率及通膨較預期穩定。6.多數新興市場及低收入經濟體皆展現出具有穩定局勢的宏觀經濟空間。7.於疫苗的公共投資成功誘發私人投資。8.自動穩定因子表現得相當成功。

由於上述優異的表現，該代表說明據其觀察，財政空間遠比 10 年前各經濟學家所預測來得大，且多數 APEC 經濟體長時間處於經濟成長率(G)高於政府國債利率(R)狀態(即 $R-G < 0$)。

PIIE 代表引用 Olivier Blanchard 於 2019 年及 2021 年提出之理論，指出當一經濟體能長期維持經濟成長率高於政府國債利率($R-G < 0$)，意味著該經濟體能採行赤字財政(primary deficit)措施且仍穩定其債務比率，亦表示該經濟體得增加其債務比率，而無須增加稅收，長期債務占 GDP 比率仍自行穩定。

以 Moody's 及 IMF 統計圖表說明，多數經濟體公共債務自 1970 年後持續增加，雖新興市場自 2000 年起有短期下降趨勢，隨即於 2008 年起先進經濟體及新興市場債務占 GDP 比率又逐漸上升，2019 年起該比率上升幅度更是顯著，指出即使不考慮 2020 年及 2021 年新冠肺炎疫情對全球經濟影響的因素，公共債務長期趨勢仍持續上升。

觀察特定的高收入出口經濟體(美國、澳大利亞、俄羅斯、加拿大、紐西蘭)中利率及經濟成長率差異(R-G)，R-G 於 2008 年至 2009 年間達峰值，但很快即恢復正常，2020 年渠等 R-G 再度飆升，原因係經濟成長率大幅下降，隨著 2021 年經濟成長復甦後，R-G 應恢復為負數；而觀諸東亞地區高收入經濟體(中國大陸、我國、日本、韓國、新加坡)，除日本於 2009 年因國債因素相對不穩定外，皆可見非常強勁的 $R-G < 0$ 訊號，尤其中國大陸；資料統計 APEC 經濟體之中低收入經濟體 (LMIEs) 較高收入經濟體容易發生 $R-G < 0$ 的情形，而南非於疫情前已發生 R-G 為正數的情況，顯示該國債務占 GDP 比率正急遽上升。

統計疫情前 2000 年至 2019 年期間 APEC 經濟體公共債務占 GDP 比率變化對利率及經濟成長率間(R-G)差異發現，發展中經濟體儘管處於 $R-G < 0$ 的情況下，於管理債務方面一直較先進經濟體謹慎。

(二) 與談人經驗分享

1. 中國大陸

2020 年全球疫情大流行，為解決疫情所帶來的衛生、社會及經濟影響，中國大陸採取一系列積極財政措施，2020 年經濟成長 2.3%，2021 年預計該成長率將逾 6%，且為實現該經濟成長目標，未來政策導向將朝：1.適度增加政府支出，保持宏觀經濟穩定，以促進財政永續。2.促進包容性的復甦與創新發展。3.加速開發新格局、促進擴大對外發展。

2. 印尼

為因應疫情，印尼近 2 年稅收及財政收支(primary balance)占 GDP 比率呈下降趨勢，赤字及債務占 GDP 比率呈上升趨勢，2021 年債務比率雖高達 41.1%，仍遠低於該國債限 60%，強調提高稅率及支出效率係維持債務比率於可控範圍內的主要關鍵因素，且債務比率仍是未來財政政策非常重要的判斷依據。

印尼因應疫情的財政政策規劃如下：

➤ 2020 年：專注於非常態性的擴張性財政政策及重新開放政策

透過修改國家預算，投入經費刺激經濟復甦，致該國 2020 年赤字占 GDP 比率高達 6.34%(於正常情況下該比率低於 3%)。

➤ 2021 年－2022 年：加速經濟復甦及改革政策

推動國家經濟復甦（Pemulihan Ekonomi Nasional, PEN）計畫支撐印尼經濟，並進行結構改革及經濟轉型等策略。

➤ 2023 年以後：財政重整

以降低財政赤字至疫情前水準（3%以下）及維持債務於可控範圍內為目標，致力於維持財政紀律，以確保長期財政可持續性。

3. 新加坡

新加坡因採擴張性財政刺激措施，致 2020 年產生自獨立以來最大的財政赤字。未來財政方向，該國代表呼籲應：1.把握因疫情帶來的成長領域及機會（如數位化及人力資本開發等領域），為後續復甦奠定堅強的基礎。2.朝長期財政可持續性目標前進。3.對當前支出需求排列優先順序，淘汰過時計畫，重新分配資源於最急迫的優先事項。最後該代表提醒各經濟體仍應考量各自特殊情況，設計並實施財政政策，以實現強勁、可持續和包容性的復甦。

二、 議題二：財政政策未來扮演之角色

由彼得森國際經濟研究所(Peterson Institute for International Economics, PIIE)代表Adam Posen擔任主講人介紹該主題後，由澳大利亞及韓國等經濟體代表擔任與談人進行政策經驗分享。

(一)澳大利亞

財政政策於該國過去 40 餘年中一直扮演穩定聯邦政府財政收支(primary balance)的重要角色，而其未來扮演的角色，該國認仍須考量當時屬於「危機發生當下」、「復甦階段」或僅係「正常商業週期的微調」，以及須考量事件發生的類型，以選擇適當的財政政策工具。有關該國財政政策制度及架構如下：

1. 1990 年代即制訂以財政政策作為穩定經濟的工具。
2. 設立中央銀行，以管理通膨為任務。
3. 為確保財政永續、健全財政紀律及財政資訊透明度，於 1998 年頒行「預算誠實法案」(Charter of Budget Honesty)。
4. 發布「跨世代報告」(Intergenerational Report)推估人口、經濟成長與現行政策對未來 40 年之經濟影響，供政策參考指引。

為因應疫情衝擊，澳大利亞政府將財政戰略分為兩個階段：

➤ 第一階段：以經濟狀況為條件的經濟復甦計畫

澳國政府以失業率為指標，經濟復甦階段將持續到失業率下降至疫情前水準。

➤ 第二階段：專注於中期可持續性的財政政策

澳國代表指出該國仍處於第一階段，意味著債務比率在未來一段時間內仍有可能繼續上升，期待於進入第二階段實施可持續性財政政策後，能使中期債務比率穩定維持在 50%左右，並於長期逐漸下降。

(二)韓國

韓國代表同意 IMF、OECD 於他場會議曾提出之論點，債務可持續性取決於經濟成長率與政府債務政策利率間差異，如經濟成長率高於政府債務利率，則長期債務可持續性獲得改善，並指出該等國際金融機構皆曾建議韓國應維持擴張性財政政策直至進入復甦階段，且政府應繼續對嚴重受影響的家庭及企業提供協助，直至經濟回到穩健成長的軌道。

韓國代表亦說明，有鑑於擴張性財政政策使國家債務與財政赤字快速增加，就中長期性而言，財政情況並不樂觀，該國政府為因應財政環境之變化，兼顧財政永續發展，修訂韓國式財政規則，限制債務占 GDP 比率不得超過 60%，財政赤字占 GDP 不得超過 3%，預計於 2025 年執行。

三、 議題三：管理財政風險

由國際貨幣基金(International Monetary Fund, IMF)代表 Vitor Gaspar 擔任主講人，泰國及紐西蘭等經濟體代表擔任與談人進行政策經驗分享。

(一)IMF 主題報告

IMF 代表強調疫苗政策之重要性，指出高收入經濟體疫苗接種率遠較中低收入經濟體高，且差距甚大，當務之急是加速中低收入經濟體的接種率，該代表呼籲執行一項 500 億美元的擴大疫苗支出計畫，該計畫目標係於 2021 年底前為全球至少 40%人口接種疫苗，並於 2022 年上半年，達成全球 60%以上人口接種疫苗。IMF 估計該計畫能在 2025 年前為已開發經濟體創造累積 9 兆美元經濟利益及 1 兆美元的稅收，該計畫已獲世界銀行(World Bank, WB)、世界衛生組織(World Health Organization, WHO)、世界貿易組織(World Trade Organization, WTO)等共同背書。

該代表以簡報說明，IMF 2021 年 4 月全球經濟展望(World Economic Outlook)，各經濟體有不同程度的復甦，其中新冠肺炎疫情對中國大陸及越南的經濟明顯留下較少的傷疤，而低風險經濟體預測將會較其他中高風險經濟體更快復甦，其原因係中高風險經濟體較不易取得融資資金。

因應疫情，美國、日本及新興經濟體(除中國大陸外)等，公共債務預測較疫情前皆大幅擴張，惟該等經濟體於 IMF 2021 年 4 月財政監督報告(Fiscal Monitor)中，皆較 2020 年 10 月之預測有下修的情況，原因係經濟成長率與政府債務政策利率之間差異有所改善的緣故；對於財政透明度評估，IMF 訂有一套財政透明度準則，內容包括審視「財政報告」、「財政預測與預算」、「財政風險分析與管理」及「資源收入管理」，該代表強調財政透明的重要性。

據 IMF 2021 年 4 月財政監督報告(Fiscal Monitor)提出公共投資於高度不確定的狀況下財政支出乘數較高，係因於高度不確定狀況下，公共投資不但沒有發生排擠效果，反而有擠入效果能誘發民間投資。該代表認為因 COVID-19 對經濟帶來的是高度不確定性的變革性衝擊，因此，投資於包容性、可持續性及有韌性的增長，聚焦於數位化及綠色經濟，是相當重要的。

(二)與談人經驗分享

1. 泰國

➤ 未來的財政政策調整與財政重整的觸發因素：

經濟體將須為基礎建設發展、醫療、教育及人口等挑戰創造更多財政空間，並進行結構改革以確立新的增長途徑，惟重整時機仍須視各經濟體具體情況。

➤ 管理財政風險和財政可持續性的工具：

泰國財政預警系統中設有 15 個危機先行指標，評估未來 2 年發生財政危機的可能性，若其顯示有發生財政危機的可能性，政府應嚴格避免擴張性財政政策，然而實際上，政策制定者往往對經濟增長過於樂觀，導致財政政策過於激進，泰國代表認管理財政風險及財政永續性方面，更完善且綜合的宏觀經濟分析框架、納入獨立專家意見及創建分析特定風險（如養老金、金融部門）的工具是必須的。

➤ 避免過早撤銷財政支持所帶來之風險

政府通常使用中期財政框架(medium term fiscal framework, MTFF)規劃財政、預算、公共債務計畫，惟泰國代表強調該框架於危機期間要發揮作用，靈活性是關鍵，如泰國 2018 年的財政責任法案允許以召開會議、不修改法律的情況下調整財政規則，以因應經濟情勢，確保財政可持續性。

➤ 收入槓桿在重建財政狀況方面扮演的角色

發展中經濟體稅收長期較高收入經濟體低，確有財政重整的需要，雖可以藉由提高稅率、擴大稅基或減少稅式支出等來提高收入，惟於危機期間提高稅收可能帶來反效果，泰國代表建議可藉由提高政府支出效能，以增進納稅人納稅道德，提高納稅意願，達增加稅收之目的。

2. 紐西蘭

紐國債務比率至 2023 年預計達 48%，較疫情前 19%高出許多，惟該國財政部認該比率仍屬保守，因利率仍低，尚有舉債空間，且公共債務亦較其他國家低，

故尚無須積極降低債務比率，未來將致力維持債務比率於適當水準，為未來衝擊預留緩衝空間。紐國考慮調整年金制度、管理醫療支出增長及增加稅收(如提高個人所得稅率)等，以因應人口老化及不斷上升的醫療支出等長期財政挑戰。

3. 我國分享實務施政經驗及財政狀況

我國過去幾年，財政狀況逐步改善，雖因應疫情 3 次增編特別預算，2021 年 1 年以上公共債務未償餘額占當年度名目生產毛額(GDP)比率上升至 29.4%，尚在可控制範圍，具足夠財政韌性以支應政府重大緊急政務支出及後續經濟復甦等需求。

未來將持續推動開源節流措施，嚴格管控年度歲入歲出差短及債務規模，落實財政紀律，俾於疫情危機中，維持財政穩健。

四、 議題四：財政政策與包容性、永續性成長

由國際貨幣基金(International Monetary Fund, IMF)代表 Vitor Gaspar 擔任主講人介紹該主題後，由加拿大及智利等經濟體代表擔任與談人進行政策經驗分享。

(一)加拿大

加國代表籲各經濟體應思考能提高生活品質的包容性成長，並同時考量其對長期經濟、社會及環境的影響，加國 2021 年於預算中導入生活品質框架，該框架協助權衡及評估投資的經濟與非經濟面報酬，如該國 2021 年預算提案，預計於 5 年內投入高達 300 億加元(239 億美元)建立「早期學習及兒童照護計畫」，該計畫預計能保障於經濟復甦階段的女性就業機會，且於當前低利率環境下，融資成本處於歷史低位，進行兒童照護等代際投資計畫，預計將能在未來幾十年內獲得回報。另加國近期高溫破紀錄，強調對應氣候變遷的急迫性。

加國代表強調，建立更強壯、更具彈性、包容性的經濟增長是財政可持續的關鍵，其中期財政目標朝降低債務占 GDP 比率及消除因疫情衍生之財政赤字邁進。

(二)智利

因應疫情，智利財政部制定了一項財政應對措施，花費總金額近 650 億美元建立社會保護網絡，以直接給付方式給予該國人民協助，該國 2020 年中央政府總債務比率占 GDP 達 32.5%，預計該比率於 2021 年將上升至 33%，並於 2024 年穩定維持於 39.5%左右，該國認其政策皆遵守可持續性及負責的架構，故債務比率方面仍有空間因應未來疫情發展。

為因應氣候變遷，該國政府已採取具體措施將綠色、可持續性及包容性標準納入財政政策決策中，如通過發行綠色債券及社會責任債券(social bonds)等，致力於達成巴黎協議的減碳承諾。

參、心得與建議

一、積極參與 APEC 會議，深化國際合作與交流能量

疫情對全球社會及經濟等各方面影響甚鉅，各經濟體均認同財政政策在支持經濟方面發揮非常重要之作用，全球財政與貨幣政策應協調合作。本次會議透過各國代表意見交流，有助深入瞭解亞太區域經濟體因應疫情所採取之措施、政策挑戰及未來財政政策方向等，有助深化國際合作與交流，我國應持續積極參與相關系列研討會，汲取其他經濟體及國際組織經驗，持續分享我國財政政策之執行成果。

二、藉由國際經驗分享，借鏡國內政策規劃

(一)強化債務管控

2020 年及 2021 年 APEC 經濟體為因應 COVID-19 全球大流行對經濟之影響，皆採取擴張性財政政策，致使財政赤字及債務大幅增加，各國均思考維持財政永續之方法；各經濟體及國際金融組織咸認於規劃未來財政政策方面，債務占 GDP 比率仍是非常重要的參考指標。為財政永續發展，印尼代表表示已計畫於 2023 年起啟動財政重整措施，韓國代表說明該國近期修訂韓國式財政規則，預計於 2025 年執行，部分其他經濟體則表示將致力於維持中期財政赤字及債務於可控範圍內。

我國受惠近年財政改善措施成效，財政體質相對穩健，依據惠譽「受評主權資料庫(Sovereign Data Comparator)」2021 年 6 月 30 日數據顯示，其就 2020 年及 2021 年對我國各級政府債務比率估計數分別為 37.5%及 38.2%；全球 AA 群組經濟體近 2 年債務比率之中位數值分別為 44%及 43.6%；亞太經濟體近 2 年債務比率中位數值則分別為 48.8%及 53.2%，不論與 AA 評等經濟體中位數相比，或與亞太經濟體相較，我國各級政府債務比率皆相對為低。

面對我國長期以來歲出需求難減，且受肺炎疫情影響下，整體歲入增加幅度趨緩，中央政府除積極透過落實開源節流措施，增裕財源及節制支出，以減少債務舉借外，並持續精進債務管理；近年為反映稅收結構及經濟景氣，稅課收入預算數業逐年提高，編列或執行之債務還本金額亦逐年隨同增加，自 2009 年度 650 億元成長至 2021 年度 850 億元。2018 年度至 2020 年度總預算分別編列債務舉借數 1,267 億元、889 億元及 555 億元，惟因歲入執行良好均未舉借債務，並執行債務還本 792 億元、885 億元及 850 億元，其中 2019 年度更較預算數增加還本 50 億元，達到實質減債效果。

我國與其他多數經濟體同樣面臨人口結構、氣候變遷及其他長期結構性等挑戰，應預留未來緊急支用之財政緩衝空間，建議可效仿其他經濟體於經濟確立於復甦階段後，適時減少債務舉借或增加債務還本，以減緩債務積累及加速債務償還，同時能確保長期債務可持續性。

(二)落實財政紀律

在管理財政風險部分，泰國代表分享該國為避免財政政策過度擴張，設計財政預警機制，訂定 15 個先行指標，評估未來 2 年發生財政危機的可能性，若其顯示有發生財政危機的可能性，政府應嚴格避免擴張性財政政策。

我國原於預算法及公共債務法已有相關財政及債務之管控規定，為使政府更重視財政責任及紀律，於 2019 年 4 月 10 日制定公布「財政紀律法」，在財政收支方面，明定行政院主計總處於發布正式總資源供需估測前，應邀集民間機構、專家與學者進行外部評估，若評估結果差異達 20%時，該總處應提出差異說明，有助維持適度支出規模及控制預算歲入歲出差短。在債務管控方面，明定債務預警機制及分級管理，規範各級政府債務主管機關應按月公布公共債務報表、債務改善及償債計畫，並應按季公布向特種基金調度周轉情形等，以強化債務管控；財政紀律法對於各級政府債務資訊透明化管控密度更高，期發揮

各界共同監督政府財政狀況，促使各級政府落實財政紀律。

三、廣續財政議題研究，精進資料論述深度

APEC 經濟體成員涵蓋的地理範圍包括東北亞、東亞、東南亞、大洋洲、北美及中南美地區共 21 個全球重要經濟體，有著非常不同的經濟及人口結構，各國預算及財政管理之權責單位亦不同，本次會議財政政策涵括範圍廣，包括利率政策、各項紓困政策之規劃、永續性及包容性成長政策等，非僅侷限財政部主管範圍，未來將廣續財政議題之研究，並建議就跨機關業務整合，精進資料論述深度，俾利參與國際會議交流。

Fiscal Policy Dialogue – Annotated Agenda

We take this opportunity to once again welcome our colleagues from across the APEC region, including partner International Organisations. This Fiscal Policy Dialogue provides an opportunity for economies to share their insights regarding the current and future role of fiscal policy, how to manage fiscal risks, and how to support strong and inclusive economic growth. This discussion will also provide a link to the Economic Committee’s mandate to promote structural policy reform within APEC.

We are pleased to welcome our keynote speakers, Dr Adam Posen and Dr Vitor Gaspar, who will each introduce one day of this Dialogue. We look forward to discussing their valuable insights during the plenary sessions.

Economies are asked to limit their interventions on each day to three minutes in order to facilitate free-flowing discussion. Requests for intervention in all sessions should be made by writing your economy name in the chat box; the Chair will then call economies in order. In the plenary discussion, we request that participants only make one intervention per session.

Day One: 6 July 2:00pm – 5:00pm (NZT)

Time (NZT)	Agenda
2:00pm - 2:10pm	<p><u>Welcome and Introduction</u></p> <p>Dr Caralee McLiesh, Secretary and Chief Executive of the Treasury, will welcome attendees to the session. Dr McLiesh will deliver brief opening remarks about the importance of APEC economy collaboration, outline the objectives for the session and agenda, and then will open the session with a <i>mihi</i>.¹</p> <p>Dr McLiesh will then introduce and hand over to Mr Bryan Chapple, Deputy Secretary, New Zealand Treasury, who will chair the remainder of the Dialogue.</p> <p>This session will include a family photo</p>
2:10pm – 2:40pm	<p><u>Keynote Speech: Adam Posen, Peterson Institute for International Economics</u></p> <p>Mr Chapple will introduce Dr Adam Posen, Peterson Institute for International Economics, as the keynote speaker for Day One (20 minutes).</p> <p>Following the presentation, Mr Chapple will ask Dr Posen a few questions about his presentation (10 minutes).</p> <p>At end of the Q&A, Mr Chapple will thank Dr Posen and transition the meeting to Session One.</p>
2:40pm – 3:45pm	<p><u>Session One: Fiscal Policy in Response to COVID-19</u></p>

¹ A mihi is a Māori greeting which pays tribute to you our guests and welcomes you to the session. An English translation will be provided.

	<p>Fiscal policy has shouldered an unprecedented portion of the burden in responding to the COVID-19 pandemic. This has resulted in large increases in deficits and public debt in many APEC economies, leaving policy-makers faced with a range of challenging policy trade-offs. These include how to balance the risks of providing too much support and overheating the economy against not providing enough support or withdrawing support pre-emptively and exacerbating economic scarring.</p> <p>Where the pandemic is more controlled, policy choices include how fiscal policy can support the transition from crisis-focussed responses to COVID-19 aimed at preserving jobs and livelihoods, to more targeted approaches that support a strong, sustainable, green and inclusive recovery.</p> <p>These discussions could include consideration of the current and future trajectory of key economic metrics such as growth, public debt and interest rates, and the longer-term structural challenges APEC economies face on climate change, productivity, and inclusive growth.</p> <p><u>Format</u></p> <p>The discussion will be moderated by the Chair. The Chair will provide a brief introduction to the topic and note the questions for discussion, before inviting the first lead discussant to provide their remarks.</p> <p><i>Questions for discussion:</i></p> <ol style="list-style-type: none"> 1) <i>What are the key considerations for economies currently as we determine our fiscal responses to COVID-19, recognising the wide range of different circumstances?</i> 2) <i>How do you assess the balance of risks regarding whether to maintain, increase or recalibrate fiscal stimulus, or to consolidate?</i> 3) <i>How does the interest rate outlook affect your decisions?</i> 4) <i>What fiscal and economic indicators should inform our judgements about the future direction of fiscal policy (does debt-to-GDP still matter)?</i> <p>After the final lead speaker, the Chair will invite participants to register their interest in speaking via the chat function.</p>
3:45pm – 3:50pm	BREAK 5 minutes
3:50pm – 4:55pm	<p><u>Session Two: Future Role of Fiscal Policy</u></p> <p>In the past two global economic shocks, fiscal policy has played a crucial role in stabilising economic activity and achieving full employment. This is mainly due to some combination of limited monetary policy space, low debt financing costs in some economies, and fiscal policy’s ability to better address the distributional impacts of a shock than monetary policy.</p> <p>In light of experience over these two episodes, economies may be reflecting on whether current fiscal frameworks and strategies (such as limits for sustainable public debt) and the current assignment of roles between fiscal and monetary policy are fit-for-purpose in</p>

	<p>light of future challenges. These future challenges include reduced fiscal space (although the level of sustainable debt may have increased), the sustainability of debt if interest rates increase, the risk of future shocks, and political economy constraints.</p> <p><u>Format</u></p> <p>The discussion will be moderated by the Chair. The Chair will provide a brief introduction to the topic and note the questions for discussion, before inviting the first lead discussant to provide their remarks.</p> <p><i>Questions for discussion:</i></p> <ol style="list-style-type: none"> 1) <i>What is the role of fiscal policy in macro-stabilisation? Has COVID-19 (and other shocks such as the global financial crisis) changed your view of fiscal policy's role in macro-stabilisation?</i> 2) <i>What are the institutions and frameworks that would enable us to promote fiscal sustainability in the medium term? How have your views changed as a result of current experience?</i> 3) <i>What currently are the key considerations for economies in determining the appropriate mix of fiscal and monetary policy?</i> 4) <i>How are fiscal strategies and frameworks aiming to address future challenges?</i> <p>After the final lead speaker, the Chair will invite participants to register their interest in speaking via the chat function.</p>
<p>4:55pm – 5:00pm</p>	<p><u>Wrap up and close</u></p> <p>Mr Chapple will summarise the discussion for the first day, introduce the topics for second day, and thank attendees for their contributions.</p>

Day Two: 7 July 2:00pm – 5:00pm (NZT)

Time (NZT)	Agenda
2:00pm-2:05pm	<p><u>Welcome to Day Two</u></p> <p>Mr Bryan Chapple will continue to chair the Dialogue. Mr Chapple will welcome attendees to the session and outline the agenda and objectives for the meeting.</p>
2:05pm – 2:35pm	<p><u>Keynote Speech: Vitor Gaspar, International Monetary Fund (IMF)</u></p> <p>Mr Chapple will introduce Dr Vitor Gaspar, International Monetary Fund, as the keynote speaker for Day Two (20 minutes).</p> <p>Following the presentation, Mr Chapple will ask Dr Gaspar a few questions about his presentation (10 minutes).</p> <p>At end of the Q&A, Mr Chapple will thank Dr Gaspar and transition the meeting to the next session.</p>
2:35pm – 3:40pm	<p><u>Session Three: Managing Fiscal Risks</u></p> <p>During the COVID-19 pandemic, public debt has increased at an unprecedented pace in many APEC economies. Average public debt worldwide reached 97% of GDP in 2020 and the IMF projects it to stabilise at around 99% of GDP in 2021. In some economies, while the COVID-19 impact has raised debt temporarily, population and health spending pose long-term challenges to fiscal sustainability.</p> <p>This is particularly challenging for economies who face a sharp trade-off between fiscal support and debt sustainability. Fiscal frameworks should be identified that can help balance and manage the risk of premature support withdrawal with the goal of rebuilding fiscal buffers to address future shocks. New tools may be needed to assess the forward-looking risks to sustainability of public debt, improve the transparency of fiscal accounts, adjust fiscal frameworks to support credibility, and raise the awareness of responses to longer-term pressures from demographic change.</p> <p><u>Format</u></p> <p>The discussion will be moderated by the Chair. The Chair will provide a brief introduction to the topic and note the questions for discussion, before inviting the first lead discussant to provide their remarks.</p> <p><i>Questions for discussion:</i></p> <ol style="list-style-type: none"> 1) <i>How are economies intending to approach future adjustments in fiscal policy? What are the triggers for consolidation?</i> 2) <i>How do we manage fiscal risks and fiscal sustainability? What tools may be needed?</i> 3) <i>How can fiscal frameworks help balance and manage the risk of premature withdrawal of fiscal support with the goal of rebuilding fiscal buffers to address future shocks?</i>

	<p>4) <i>What role should revenue levers play in rebuilding fiscal positions?</i></p> <p>After the final lead speaker, the Chair will invite participants to register their interest in speaking via the chat function.</p>
3:40pm – 3:45pm	<u>BREAK</u> 5 minutes
3:45pm – 4:50pm	<p><u>Session Four: Fiscal Policy and Inclusive, Sustainable Growth</u></p> <p>While economies' management of the pandemic and subsequent recoveries will progress at different speeds, all economies will be considering what role fiscal policy plays in responding to existing challenges, some of which have been exacerbated by the pandemic. For example, the pandemic exposed gaps in policies supporting vulnerable households and population groups, and emphasised the importance of social safety nets and access to health and education.</p> <p>Economies will need to consider economic impacts, progressivity and economic equality as they raise revenue to respond to the pandemic. Economies will also need to consider how fiscal policy can support long-term objectives, such as meeting Paris Agreement climate targets and strengthening productivity growth, to ensure growth is sustainable and inclusive into the future.</p> <p><u>Format</u> The discussion will be moderated by the Chair. The Chair will provide a brief introduction to the topic and note the questions for discussion, before inviting the first lead discussant to provide their remarks.</p> <p><i>Questions for discussion:</i></p> <ol style="list-style-type: none"> 1) <i>How can fiscal policy support inclusive and sustainable growth?</i> 2) <i>What role do revenue levers play in promoting inclusive growth and meeting other long-term challenges such as climate change?</i> 3) <i>What are the benefits and trade-offs when considering the role fiscal policy plays in promoting inclusive and sustainable growth?</i> 4) <i>What policies promote a green recovery and combat climate change, while also enhancing fiscal sustainability?</i> <p>After the final lead speaker, the Chair will invite participants to register their interest in speaking via the chat function.</p>
4:50pm – 5:00pm	<p><u>Wrap up and close</u></p> <p>Mr Chapple will summarise the discussion for Day Two and thank attendees for their contributions.</p>

Economy Time Zones

Economy	Local time for 2:00pm NZT ²
Australia	12:00pm
Brunei Darussalam	10:00am
Canada	10:00pm*
Chile	10:00pm*
China	10:00am
Hong Kong, China	10:00am
Indonesia	9:00am
Japan	11:00am
Korea	11:00am
Malaysia	10:00am
Mexico	9:00pm*
New Zealand	2:00pm
Papua New Guinea	12:00pm
Peru	9:00pm*
The Philippines	10:00am
Russia	5:00am
Singapore	10:00am
Chinese Taipei	10:00am
Thailand	9:00am
USA	10:00pm*
Viet Nam	9:00am

² Please note: all times with asterisks are the day before. New Zealand has finished daylight savings, taking us to New Zealand Time (NZT).

APEC 財政政策對話 (Fiscal Policy Dialogue)

談參資料

【議程】

110 年 7 月 6 日

10:00~10:10	開幕式 Welcome and Introduction <ul style="list-style-type: none"> ● Dr. Caralee McLiesh (Secretary and Chief Executive of the Treasury) 致歡迎詞 ● Mr. Bryan Chapple (Deputy Secretary, Macroeconomics and Growth) 擔任主席 ● 拍攝團體照
10:10~10:40	主題演講：Adam Posen, Peterson Institute for International Economics (演講 20 分鐘；Q&A 10 分鐘)
10:40~11:45	議程一：因應 COVID-19 之財政政策 Fiscal Policy in Response to COVID-19
11:45~11:50	休息
11:50~12:55	議程二：財政政策未來角色 Future Role of Fiscal Policy
12:55~13:00	總結

110 年 7 月 7 日

10:00~10:05	歡迎詞
10:05~10:35	主題演講：Vitor Gaspar, International Monetary Fund (演講 20 分鐘；Q&A 10 分鐘)
10:35~11:40	議程三：管理財政風險 Managing Fiscal Risks
11:40~11:45	休息
11:45~12:50	議程四：財政政策及包容永續成長 Fiscal Policy and Inclusive, Sustainable Growth
12:50~13:00	總結

- 發言規則：各經濟體每項議程僅發言 1 次，每日共計 3 分鐘

議程一：因應 COVID-19 之財政政策

(Fiscal Policy in Response to COVID-19)

資料來源：國家發展委員會、本部國庫署

討論問題：

1. 認知不同情況之廣泛差異，各經濟體決定因應疫情採行財政政策之當前主要考量為何？
2. 就是否維持、增加、重新調整財政刺激方案或財政重整，各經濟體如何評估風險平衡？
3. 利率趨勢如何影響財政政策之決定？
4. 哪些財政及經濟指標有助財政政策未來方向之判斷？(債務對 GDP 比率仍重要嗎？)

背景說明

- 一、2020 年嚴重特殊傳染性肺炎(COVID-19)疫情爆發初期，我國為有效防治疫情，迅速完成 COVID-19 防治及紓困振興特別條例立法，並提出特別預算，經辦理 2 次追加，總經費達 150 億美元(新臺幣 4,199 億元)，以舉借債務 139 億美元(新臺幣 3,899 億元)及移用以前年度歲計賸餘 11 億美元(新臺幣 300 億元)支應。
- 二、因應近期國內疫情變化，為防堵疫情擴散，並持續協助艱困產業及個人，2021 年 5 月 31 日修正公布特別條例，將經費上限由 150 億美元(新臺幣 4,200 億元)提高至 300 億美元(新臺幣 8,400 億元)，並延長施行期間至 2022 年 6 月 30 日；另增編第 3 次追加預算 93 億美元(新臺幣 2,595 億元)，併計前已編列部分，預算規模擴大至 243 億美元(新臺幣 6,794 億元)，尚有 57 億美元(新台幣 1,600 億元)空間，得視疫情情況增編第 4 次追加預算。

三、加計本次肺炎第3次追加特別預算案，整體預算規模占2021年度GDP比率3.2%，較主要國家為低，期以最小預算，減緩疫情衝擊有效維持經濟動能，加速後續復甦。

談話要點

因應疫情帶來重大負面影響，我國與多數經濟體相同，採行擴張性財政政策，迅速完成肺炎特別條例立法作業，提出肺炎特別預算，實施紓困及振興等措施，2021年迄今相關預算規模已達243億美元，占GDP之3.2%，並預留57億美元空間，得視疫情情況增編追加預算，以為因應。

另外，我國採取「精準投放」紓困政策，將資源集中在協助弱勢與受疫情影響嚴重之企業，而非全民普發現金。如此能直接提供資源予具需求者，且不致造成政府財政過度負擔。

Facing the severely negative impacts resulting from the pandemic, we, like most economies, have been adopting expansionary fiscal policies. In the beginning of the pandemic outbreak, we soon went through all the legislative process and funded a special budget for implementing relevant prevention, relief, and revitalization measures. To date, the total amount of this special budget is US\$24.3 billion, which is equivalent to 3.2% of our GDP. We have an additional US\$5.7 billion reserved to respond to future wave.

In addition, we adopted a “micro-targeting” strategy for the relief measure. It means that we distribute our resources to targeted people and businesses which are seriously affected by the pandemic rather than offering cash payments to the general public. This will provide resources directly to those in need without placing an undue burden on government finances.

議程二：財政政策未來角色 (Future Role of Fiscal Policy)

資料來源：國家發展委員會、本部國庫署

討論問題：

1. 財政政策在總體經濟穩定扮演角色為何？疫情(及其他如全球金融危機等衝擊)是否改變我們對上述角色之觀點？
2. 何種制度及架構有助我們推動中期財政永續性？當前經驗如何改變我們觀點？
3. 經濟體決定有關財政及貨幣政策組合之當前主要考量為何？
4. 如何設計財政策略及架構以解決未來挑戰(如縮減的財政空間、利率上升之債務永續性、未來經濟衝擊之風險、政治經濟限制等)？

背景說明

- 一、政府財政易受總體經濟景氣及國內外重大情事影響變動，我國財政政策原則以維持財政穩健為目標，惟為因應各項衝擊，亦應發揮支援施政需要之功能，以支持國家發展，並兼顧財政健全。
- 二、2020 年度起為國家安全與因應 COVID-19 疫情衝擊，分別編列戰機及肺炎特別預算，並為提振經濟，採取擴張性財政政策，賡續編列前瞻基礎建設特別預算第 3 期(2021 年度至 2022 年度)歲出 82 億美元(新臺幣 2,298 億元)；未來期藉由擴大公共建設及振興等措施，刺激民間消費及投資動能，提振經濟發展，並帶動未來歲入(稅收、規費等)自然成長，發揮財政改善之良性循環，培養財政永續資本。

談話要點

我國財政政策原則以維持財政穩健為目標，惟為因應各項衝擊，亦應發揮支援施政需要之功能；2020 年度起為因應肺炎疫情衝擊，編列肺炎特別預算，並為刺激經濟發展，賡續編列前瞻基礎建設特別預算第 3 期(2021 年度至 2022 年度)歲出 82 億美元(新臺幣 2,298 億元)。此外，近年我國政府投注大量財政支出在「數位轉型」、「能源及減碳」、「生技醫藥」及「弱勢與青年補助」等相關議題，同時也引導資本市場及資金投入上述領域產業發展，以確保轉型成功。

支持性財政政策與貨幣政策是推升景氣循環、支持經濟成長重要工具，但更重要的是要完成何種政策任務。期藉由擴大公共建設及振興等措施，提振經濟動能，並帶動未來歲入自然成長，發揮財政改善之良性循環，培養財政永續資本。

The goal of our fiscal policy is to maintain fiscal stability; however, in response to various shocks brought by the pandemic and supporting the needs of government policy, we funded special budgets for implementing relevant prevention, relief, and revitalization measures and for promoting the third term of our “Forward-Looking Infrastructure Development Program.” This program started in 2017 with a total amount of US\$30 billion over the entire four terms; it is now undergoing the third term. The third term (2021-2022) budget is US\$8.2 billion. In addition, our government has recently put a lot of funding resources into sectors related to digital transformation, energy and carbon reduction, biotechnology and medicine, and subsidies to teenagers and disadvantaged group. At the same time, we led private investors to be involved in the development of industries in these fields, so that we can expect to have a successful industrial reform.

We consider that supportive fiscal and monetary policies are main tools to be used to promote business cycle and economic growth. Above that, the key point is what policy goals we would like to achieve by using these tools. Through expanding public infrastructure expenditure and implementing revitalization measures, we look forward to boosting the economy and driving the natural growth of taxation to form a virtuous fiscal circle and further achieve the goal of fiscal sustainability.

議程三：管理財政風險 (Managing Fiscal Risks)

資料來源：本部國庫署

討論問題：

1. 經濟體如何規劃調整未來財政政策？觸發財政重整之關鍵為何？
2. 經濟體如何管理財政風險及財政永續性？需要何種工具？
3. 財政架構如何協助平衡及管理提早撤回為因應未來經濟衝擊，重建財政緩衝所為財政支援之風險？
4. 稅收槓桿扮演重建財政狀況之角色為何？

背景說明

- 一、過去幾年中央政府財政狀況持續改善，1 年以上公共債務未償餘額占當年度名目生產毛額(GDP)比率由 2012 年底高峰 34% 逐年下降至 2020 年底 28%，2021 年因應疫情，多次增編特別預算，導致債務比率上升至 29.4%，仍在可控制範圍，具足夠財政韌性支應政府重大緊急政務支出及後續經濟復甦等需求。
(配合國際慣例，使用 1 年以上公共債務未償餘額占當年度 GDP 比率)
- 二、依據國際貨幣基金(IMF)2021 年 4 月發布之 IMF Fiscal Monitor 資料，美國、歐元區、英國及日本自 2019 年底至 2021 年底各級政府債務未償餘額占 GDP 比率分別增加 24.6、14.2、21.9 及 21.6 個百分點，遠較我國僅增加 1.05 個百分點為高。
- 三、2021 年 2 月 24 日穆迪國際信用評等公司發布新聞稿，將臺灣之展望由「穩定」調整為「正向」；同年 4 月 22 日標準普爾信評公司發布新聞稿將我國主權信用評等由「AA-」調升為「AA」，均肯定我國因應疫情之財政表現，有效促進經濟迅速回復常軌，

政府嚴守公共債務法債限相關規定，亦使我國較其他國家更具因應突發衝擊之財政緩衝能力。

四、未來將持續推動開源節流措施，並恪遵預算法、公共債務法及財政紀律法等規定，嚴格管控年度歲入歲出差短及債務規模，落實財政紀律，俾兼顧財政穩健及經濟發展，奠定國家永續發展基礎。

談話要點

過去幾年，我國財政狀況逐步改善，雖因應疫情 3 次增編特別預算，2021 年 1 年以上公共債務未償餘額占當年度名目生產毛額 (GDP) 比率上升至 29.4%，尚在可控制範圍，具足夠財政韌性支應政府重大緊急政務支出及後續經濟復甦等需求。

未來我國將持續推動開源節流措施，嚴格管控年度歲入歲出差短及債務規模，落實財政紀律，俾於疫情危機中，維持財政穩健。

In the past few years, our fiscal condition had been gradually improving. However, in response to COVID-19, we funded a special budget for implementing relevant prevention, relief, and revitalization measures, and the budget has been expanded three times since then. The ratio of outstanding debt with a maturity of 1 year or more incurred by the Central Government to the nominal GDP in 2021 is projected to be 29.4%; nonetheless, it is still under control and showing sufficient fiscal resilience to support the needs of government policy and the future recovery.

In the future, we will continuously implement source-broadening and cost-cutting measures in our revenue strategies and, concurrently, control the growth of debt and deficit in compliance with relevant financial disciplinary provisions so as to maintain financial soundness amid the pandemic.

議程四：財政政策及包容永續成長

Fiscal Policy and Inclusive, Sustainable Growth

資料來源：國發會

討論問題：

1. 財政政策如何支援包容及永續成長？
2. 財政收入槓桿扮演推動永續成長及對抗其他長期挑戰(如氣候變遷等)之角色為何？
3. 財政政策扮演推動包容永續成長角色時，相關利益及權衡為何？
4. 哪些政策可推動綠色復甦及對抗氣候變遷，同時也能提升財政永續性？

背景說明

一、淨零排放(Net Zero Emissions)已是全球重視的共同目標

(一)自歐盟於 2019 年提出於 2050 年達到碳中和明確目標，已經在全球帶起「淨零排放」討論雪球效應；截至 2021 年 3 月底，全球已有 128 個國家宣示或規劃淨零排放目標，包括：英國、瑞典、丹麥等國更已明確將「淨零排放目標」入法，其餘超過 100 個國家亦正推動相關立法，或已將淨零排放納入正式政策討論階段。

(二)為避免實現淨零排放目標，損及產業競爭力，及造成碳洩漏(carbon leakage)問題，歐盟提出碳邊境調整機制(Carbon Border Adjustment Mechanism, CBAM)，歐盟議會已於 2021 年 3 月 10 日以壓倒性票數通過實施 CBAM 決議(444 票贊成、70 票反對)，相關邊境調整機制草案已在研擬中，預計於 2023 年正式實施。

(三)美國貿易代表署(USTR)於 2021 年度報告中，將 CBAM 納入 2021 年貿易政策議題；英國利用今年擔任 G7 主席國機會，凝聚主要國家共識，共同推動 CBAM；日本亦已著手評估推動 CBAM 之可能性，目標於 2021 年底前確立相關政策方針；美國拜登政府更希望和歐盟合作，建立跨大西洋的減碳共識，樹立 CBAM 制度之範本。

(四)CBAM 實施後，預期將對鋼鐵、水泥等碳洩漏程度大且貿易強度高的產品造成重大影響，並加速全球排碳成本內部化；同時亦將成為全球雙邊或多邊貿易談判的重要議題，政府及企業都需要審慎面對。

二、政府積極推升我國綠能科技發展，呼應全球淨零排放目標

(一)根據近期正在研議修法之《溫室氣體減量與管理法》規定，我國溫室氣體長期減量目標是：2050 年溫室氣體排放量需較 2005 年減少 50%，並以 5 年為一期訂定排放量階段管制目標，由能源、製造、運輸、住商、能業及環境等六大部門各別落實減碳策略，每年定期檢討執行成果，積極管理我國溫室氣體排放，以落實環境正義並確保國家永續發展。

(二)目前政府積極推動我國綠能科技產業發展，包括持續提升太陽光電、離岸風電等技術效率及裝置容量；未來發展六大核心戰略產業有關綠能及再生能源產業方面，將建構再生能源產業專區及研發基地、健全綠電參與制度，以及打造離岸風電國家隊，切入亞太風電產業鏈，打造臺灣成為亞洲綠能發展中胡謫心。

Fiscal Success During COVID Says Believe the Good News

>>Turn your attention to how to use fiscal space<<

Adam Posen

PIIE

APEC Finance Ministerial Fiscal Workshop

July 6, 2021

I am grateful to Madi Sarsenbayev for research collaboration, and to him, Olivier Blanchard, Jason Furman, Jacob Kirkegaard, Joseph Gagnon, Maurice Obstfeld, and Peter Orszag for discussion of these issues. The views expressed herein, however, are solely my own, and not necessarily those of any members of the PIIE Board or staff. ©PIIE, 2021

Fiscal policy delivered in the pandemic



- Response was rapid and commensurate in scale
- Multipliers were high and lags were few
- Fiscal-monetary cooperation worked globally
- Bond markets accepted the response
- Exchange rates and inflation expectations were stable
- Most emerging markets and even low-income economies had macro space after April 2020
- Public investment (in vaccines) crowded in private expenditure
- Automatic stabilizers were extended successfully

Overcoming the bias against good news



- Fiscal officials are trained to be skeptical, to see their role as conservatives, to say no to spending
- At some point, we have to trust the accumulation of evidence in favor of fiscal space being larger
 - Pandemic stress tested longer-term trends
 - When public expenditure is put to good use, both markets and citizens can appreciate it
 - The savings glut/shortage of safe assets has persisted and shows no sign of going away
 - The arguments for going the other way – expansionary austerity, crowding out private investment, relative importance of long-term over stabilization goals, inducing structural reform – have been contradicted by experience

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The good news is that $r-g < 0$ for APEC members most of the time. So?



There are no simple limits, or even robust rules of thumb, for when an economy issues too much public debt. But current fears of reaching such limits are excessively restrictive.

As in Blanchard (2019, 2021), a good starting point is to look at when the safe rate of interest is below the rate of income growth. A sustained negative $r-g$ differential implies that an economy:

- Can run a primary deficit in line with $r-g$ and keep debt/GDP ratio constant
- Can issue additional debt for a one-off (emergency), and never need to raise taxes to pay for it

Fiscal space is particularly valuable when the cost of recessions is high relative to trend growth, and monetary policy is near the Effective Lower Bound for interest rates

- Then the stabilization role of fiscal policy is more meaningful
- Hence Furman and Summers (2020) focus on debt-service ratio to GDP rather than debt levels

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Will nominal and real interest rates stay low?



Reasons to believe in continued low rates:

- Demographics and convergence increase global savings
- Worker bargaining power over wages remains limited
- Pace of technological progress remains slow at frontier
- Diminished risk appetite from private investors raises safe asset demand
- Repeated inflation undershoots anchor inflation expectations
- Rates in the US, and to a lesser degree in China and Euro Area, lower the floor for others
- Stability of government regimes is high if not increasing
- Low levels of taxes and foreign currency debt make consolidation feasible if necessary

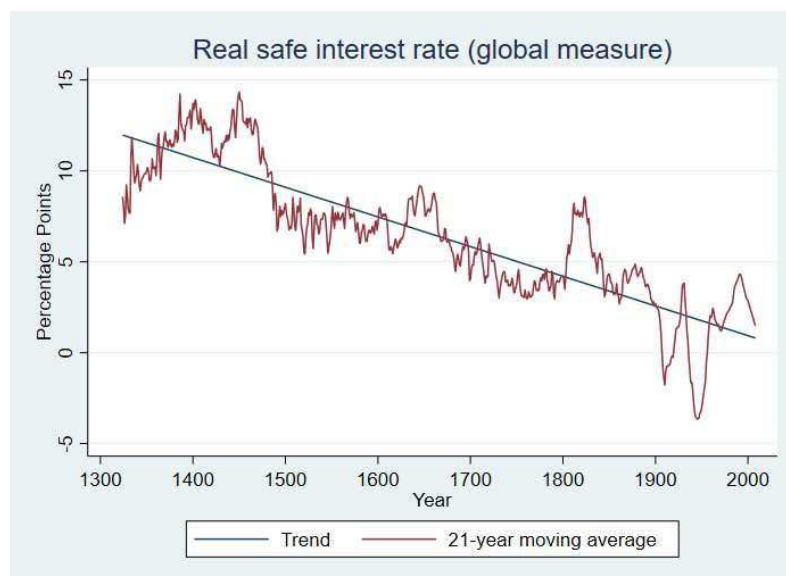
Humility about forecasts for r^* is justified, though – we will come back to that caution

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The global real interest rate decline is not just a recent event



Source: Schmelzing (2020)

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Will this hold for most or just a few APEC Members?

The critical question becomes what could cause r to jump well above g ? If it does for some members, a problem for all – contagion, crises, doubts...

- Will there be an exogenous shock to r ?
- Will spending increases at some level cause r to rise?
- Will public spending drive out private investment and thus shrink g while r rises?

Except for the 1997-99 Crisis, however, interest rates have remained low for most Emerging Markets and some Lower Income Economies

- And remember, one source of anger about the Asian Financial Crisis was the lack of connection between public sector indebtedness and crisis vulnerability
- While financial markets do not ‘remember’ crises very often or long in terms of persistently keeping economies out of public debt issuance
- As BIS (2021) notes, most LMIEs have continued to issue public debt despite COVID

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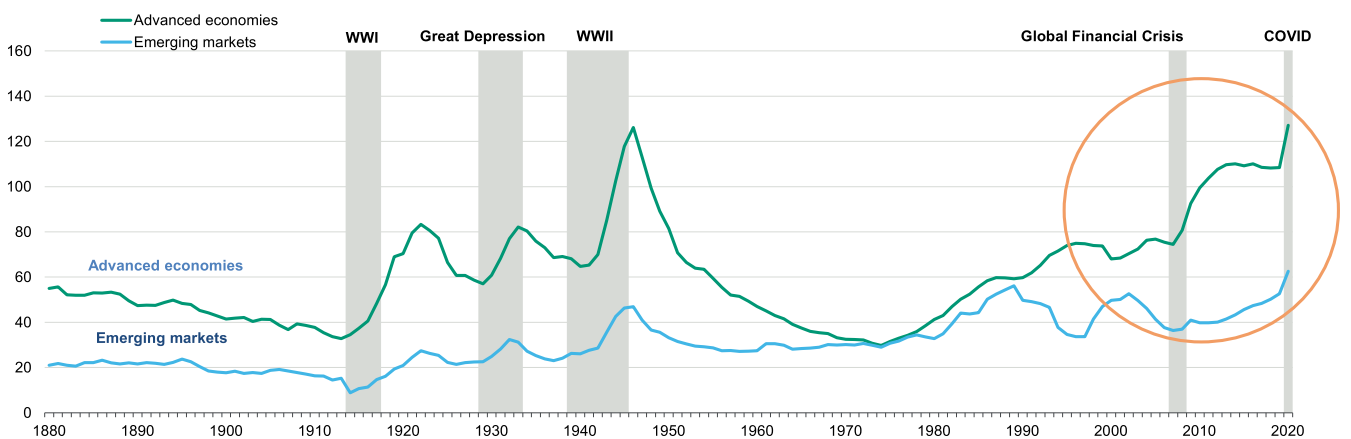
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Sovereign debt demand been rising long-term



General government debt (% of GDP)



Sources: Moody's Investors Service and IMF. See [Moody's Investors Service Debt after COVID – Focus on sovereign debt: unequal debt realities](#), June 2021

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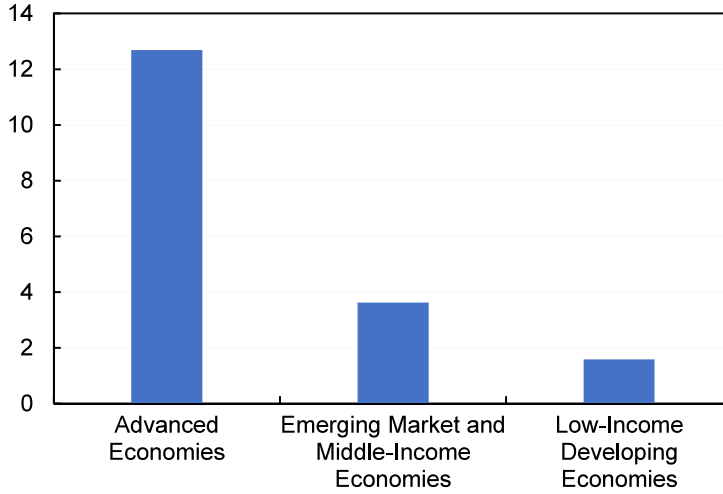
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LMIEs ran counter-cyclical fiscal policy during a global crisis!



Fiscal Policy Response as of end of December 2020

Percent of 2020 GDP



Source: IMF (2021); Furman (2021)

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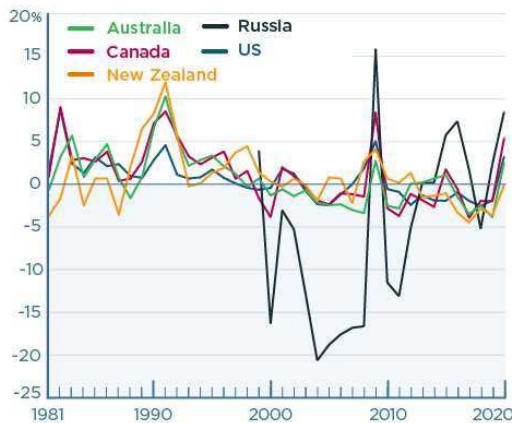
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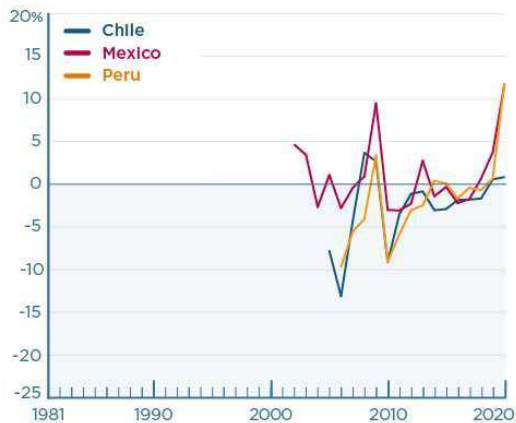
Figure 1a

Interest-growth differentials for select APEC economies

a. High income commodity exporters



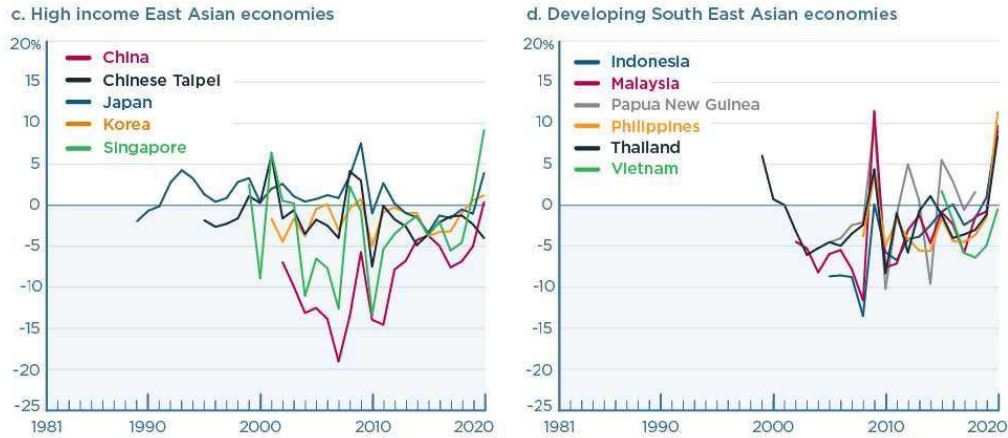
b. Latin American economies



Sources: International Monetary Fund's World Economic Outlook (April 2021) and International Financial Statistics databases; and Organization for Economic Cooperation and Development, Macrobond Financial AB, Indonesia Stock Exchange, Central Bank of Malaysia, Central Reserve Bank of Peru, Philippine Dealing & Exchange Corp., and Chinese Taipei Central Bank via Macrobond.

Figure 1b

Interest-growth differentials for select APEC economies (continued)



Sources: International Monetary Fund's World Economic Outlook (April 2021) and International Financial Statistics databases; and Organization for Economic Cooperation and Development, Macrobond Financial AB, Indonesia Stock Exchange, Central Bank of Malaysia, Central Reserve Bank of Peru, Philippine Dealing & Exchange Corp., and Chinese Taipei Central Bank via Macrobond.

Interest-growth differential is more negative for LMIEs

Large EM key fiscal indicators 2010-2019

Economy	Primary Balance	Interest-growth Differential
Brazil	-0.2	-2.0
India	-2.8	-4.6
Indonesia	-0.5	-3.5
South Africa	-1.4	1.2
Turkey	-0.3	-4.5
United States	-4.1	-1.6

APEC members' interest-growth differentials 2000-2020

APEC Member Group by GDP	Mean	Standard Deviation	Minimum	Maximum
Higher Income	0.1	3.4	-13.4	12.0
Lower/Middle Income	-3.0	6.2	-20.6	15.9

Blanchard, Felman and Subramanian (2021)

Posen and Sarsenbayev (2021 in progress)

What if we take uncertainty about r more seriously?



Orszag, Rubin and Stiglitz (2021):

- Argument from experience, data, and theory to be humble about predicting interest rates
- Call to equip policymakers to face deep uncertainties about future interest rates (which may not remain low forever) as well as hard-to-predict global shocks, and climate risks
- They reject fiscal anchors—simple limits on deficits or debt as a share of GDP—because any attempts to modify such targets for the current period of low interest rates are likely to fail
- Their proposed policy changes instead:
 - make the budget respond more automatically to economic distress (stronger automatic stabilizers)
 - make the budget respond more automatically to long-term fiscal pressures (embed adjustment mechanisms in health care and pension programs, possibly taxes)
 - create a sustained counter-cyclical infrastructure investment program
 - extend debt maturities to insure against interest rate changes

These policies are consistent with a better use of fiscal capacity assuming low r !

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Figure 2

Emerging market economies have been more cautious in managing their public debt, despite negative interest-growth differentials

Change in general government gross debt vs. average interest-growth differentials, select APEC economies, 2000–2019

Change in public gross debt, percent of GDP



Note: Changes in general government gross debt and averages for interest-growth differentials are computed for a period from 2000 to 2019, but sample varies by an economy and is shorter in some cases. Advanced economies are shown in blue and emerging market economies are shown in red. Advanced and emerging market economy designations are based on latest International Monetary Fund classification.

Sources: International Monetary Fund's World Economic Outlook (April 2021) and International Financial Statistics databases; and Organization for Economic Cooperation and Development, Macrobond Financial AB, Indonesia Stock Exchange, Central Bank of Malaysia, Central Reserve Bank of Peru, Philippine Dealing & Exchange Corp., and Chinese Taipei Central Bank via Macrobond.

What the good news about lasting $r-g < 0$ in APEC should mean



- COVID fiscal policy response is not something to emerge from, but is a model going forward
- Stabilization is as important a role for fiscal policy as structural reform efforts are
- Develop means to sustain and evaluate longer-term infrastructure (green) investment and to expand automatic stabilizers
- Lower-income APEC members should use more of their fiscal space in a measured way
- Monetary coordination (swap lines, IMF) can and should play a role to enable fiscal policy
- Fiscal restraint is not its own reward

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Appendix Slides



1. Correlation matrix of APEC ($r-g$)
2. Key References

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Correlation matrix for APEC interest-growth differentials

	AUS	CAN	CHL	CHN	CHT	IDN	JPN	KOR	MYS	MEX	NZL	PNG	PER	PHL	RUS	SGP	THA	USA	VNM	
Australia	1.00																			
Canada	0.82	1.00																		
Chile	0.30	0.39	1.00																	
China	0.64	0.47	0.49	1.00																
Chinese Taipei	0.01	0.20	0.56	-0.04	1.00															
Indonesia	0.60	0.54	0.36	0.87	-0.26	1.00														
Japan	0.14	0.36	0.32	-0.09	0.55	0.00	1.00													
Korea	0.26	0.29	0.33	0.25	0.35	0.19	0.46	1.00												
Malaysia	0.77	0.83	0.41	0.72	0.10	0.82	0.39	0.47	1.00											
Mexico	0.58	0.80	0.56	0.54	0.28	0.61	0.61	0.47	0.78	1.00										
New Zealand	0.65	0.54	0.03	-0.16	0.28	-0.29	0.19	0.31	0.17	0.31	1.00									
Papua New Guinea	0.51	0.70	0.58	0.46	0.56	0.49	0.31	0.26	0.71	0.55	0.14	1.00								
Peru	0.63	0.63	0.66	0.83	0.09	0.85	0.26	0.44	0.78	0.82	-0.07	0.60	1.00							
Philippines	0.56	0.78	0.40	0.51	0.08	0.70	0.62	0.54	0.77	0.85	0.30	0.68	0.82	1.00						
Russia	0.64	0.59	0.57	0.85	0.08	0.84	0.10	0.19	0.82	0.53	-0.07	0.62	0.78	0.50	1.00					
Singapore	0.48	0.52	0.71	0.73	0.50	0.58	0.39	0.50	0.54	0.72	0.17	0.45	0.81	0.67	0.57	1.00				
Thailand	0.65	0.51	0.57	0.61	0.30	0.65	0.50	0.55	0.76	0.74	0.23	0.44	0.86	0.82	0.60	0.63	1.00			
United States	0.63	0.83	0.45	0.16	0.42	0.23	0.55	0.26	0.54	0.74	0.35	0.34	0.43	0.71	0.35	0.49	0.55	1.00		
Vietnam	0.86	0.79	-0.16	0.72	-0.87	0.42	0.02	-0.21	0.48	0.23	0.78	0.91	0.36	0.45	0.79	0.36	0.44	0.46	1.00	

Sources: International Monetary Fund's World Economic Outlook (April 2021) and International Financial Statistics databases; and Organization for Economic Cooperation and Development, Macrobond Financial AB, Indonesia Stock Exchange, Central Bank of Malaysia, Central Reserve Bank of Peru, Philippine Dealing & Exchange Corp., and Chinese Taipei Central Bank via Macrobond.

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APEC 2021

Fiscal Policy Dialogue

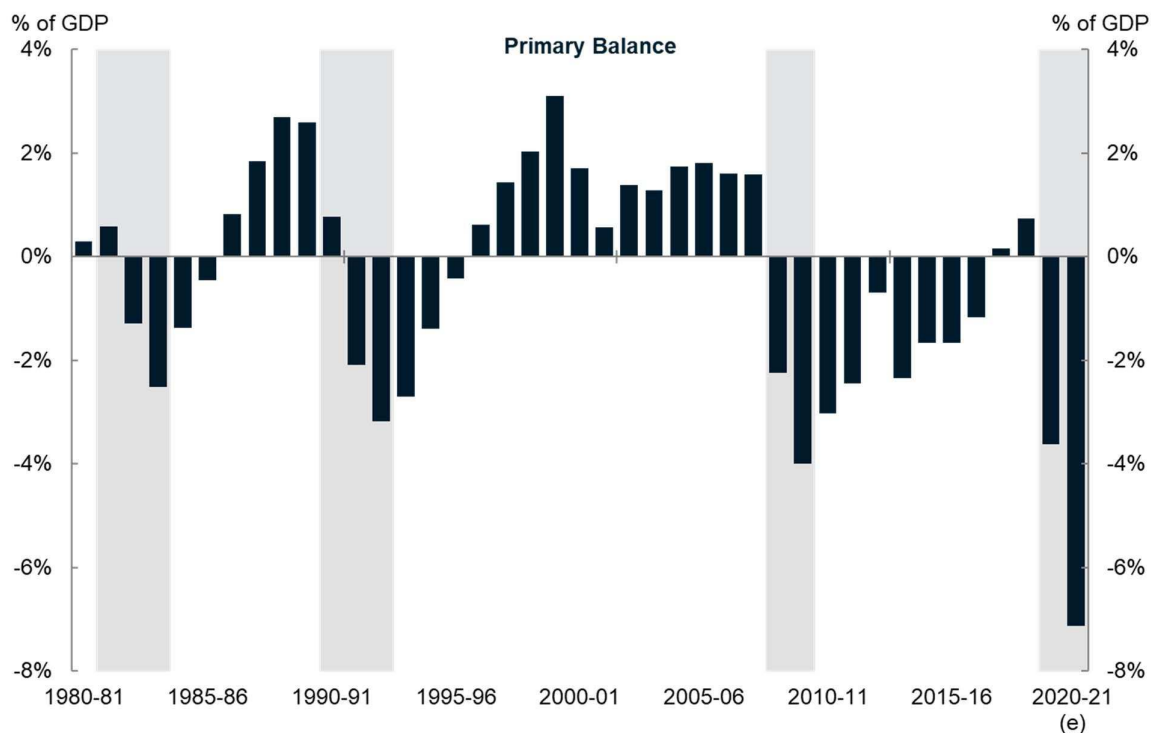
Session Two: Future Role of Fiscal Policy

Patrick D'Arcy
Australian Treasury

Session Two: Future role of fiscal policy

- Role of fiscal policy in macro-stabilisation
- Institutions and frameworks to promote fiscal sustainability
- Considerations in determining the appropriate mix of fiscal and monetary policy
- Fiscal strategies and frameworks to address future challenges

The role of fiscal policy: Australia's experience



Source: Treasury

Note: the shaded areas reflect periods of economic downturn in Australia

Slide 3

The future role of fiscal policy: policy needs to be conditioned on circumstances.

Circumstance	Examples	Fiscal Policy Instruments
Crisis	<ul style="list-style-type: none"> - Financial crisis (GFC) - Public health emergency (Covid) - Natural disaster 	Deposit guarantees; Cash payments to households Economy wide wage subsidy; Households & business cash support
Recovery	<ul style="list-style-type: none"> - Post (major) financial, natural disaster, trade or public health shock 	Business investment incentives; tax and wage subsidies to incentivise and support participation
Business cycle 'fine tuning'	<ul style="list-style-type: none"> - Domestic corporate or housing investment cycle - Terms of trade shock 	Automatic stabilisers; enhanced automatic stabilisers(?)

Slide 4

Institutions and Frameworks

- Australia's current macro economic management framework was developed in the 1990s.
- Independent central bank with inflation targeting mandate.
- Legislated 'Charter of Budget Honesty' and 'Intergenerational Report' to guide fiscal policy.

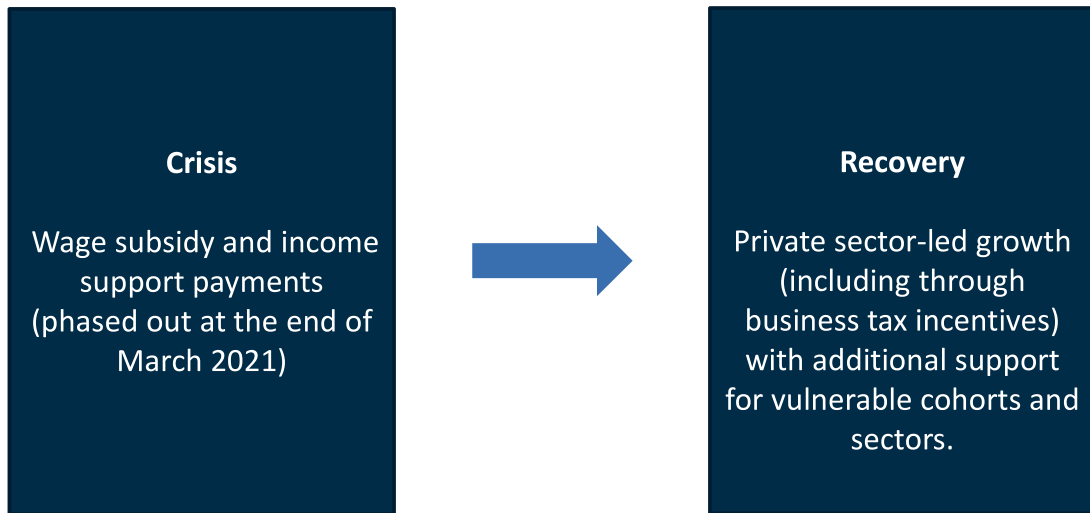
Slide 5

The Government's Fiscal Strategy

- The Government revised its Economic & Fiscal Strategy to respond to the new circumstances as a result of Covid-19.
- Revised fiscal strategy is state-contingent and comprises two phases:
 - Phase 1: Economic Recovery Plan *conditioned on unemployment rate*
 - Phase 2: Medium-term fiscal strategy *directed at fiscal sustainability*

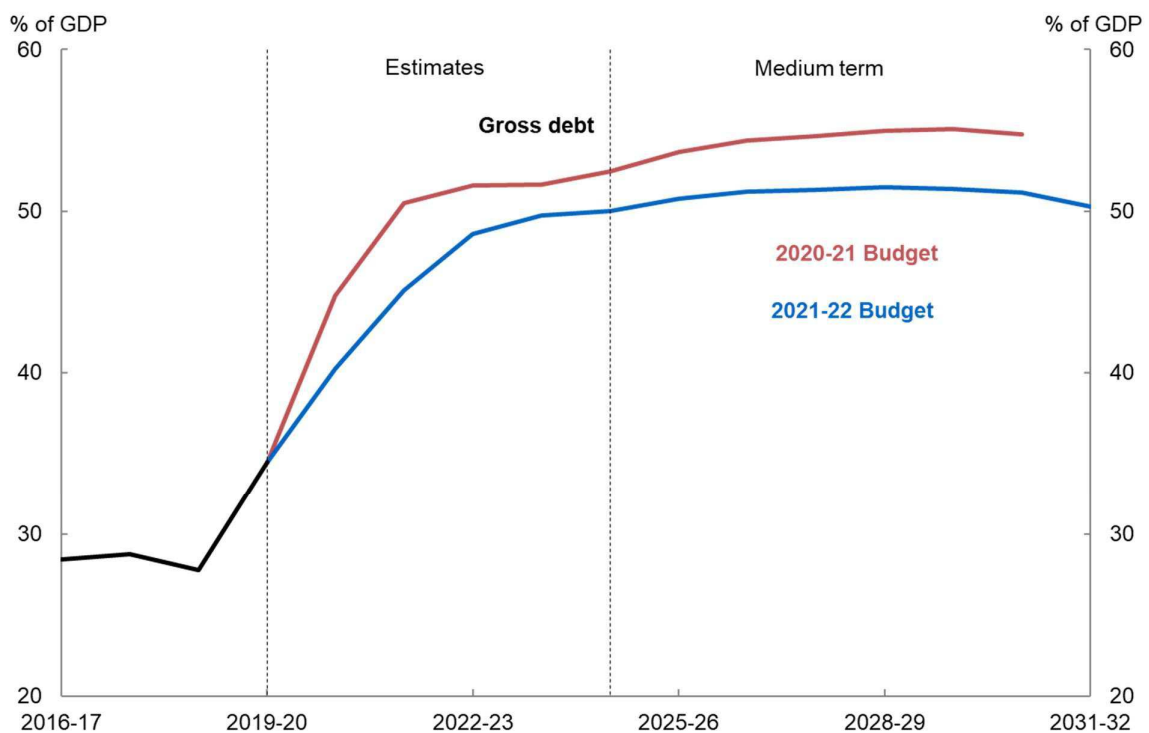
Slide 6

Approach to phase 1 evolving in line with recovery



Slide 7

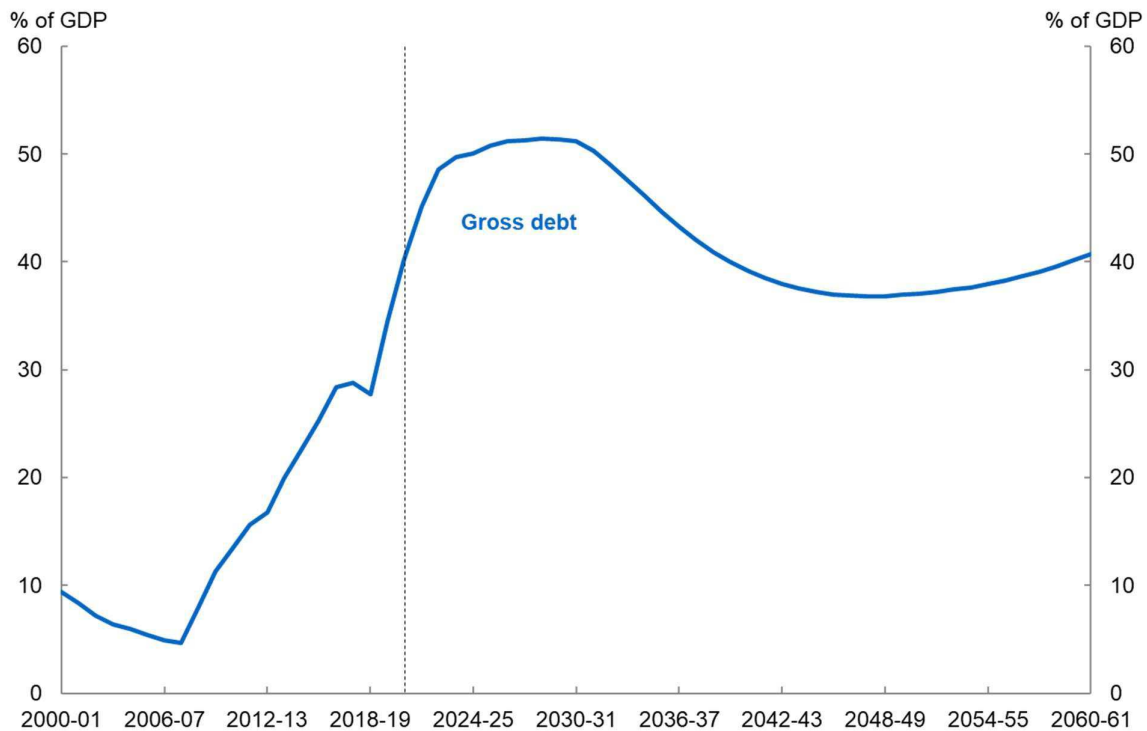
Debt ratio to stabilise in the medium term



Source: 2021-22 Budget, Treasury.

Slide 8

Intergenerational Report: Long-term fiscal projections



Source: 2021 Intergenerational Report, Treasury.

Slide 9

Key takeaways and future challenges

- Role of fiscal policy in macro-stabilisation
- Institutions and frameworks to promote fiscal sustainability
- Considerations in determining the appropriate mix of fiscal and monetary policy
- Fiscal strategies and frameworks to address future challenges

Slide 10





FISCAL AFFAIRS

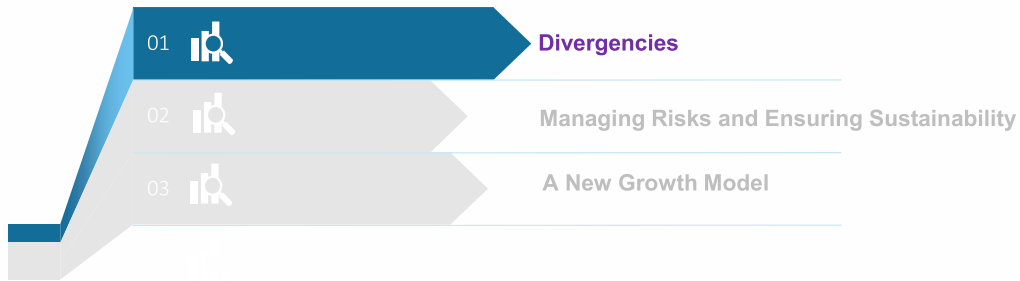
APEC 2021 Fiscal Policy Workshop

JULY 7TH, 2021

Vitor Gaspar
Director
Fiscal Affairs Department

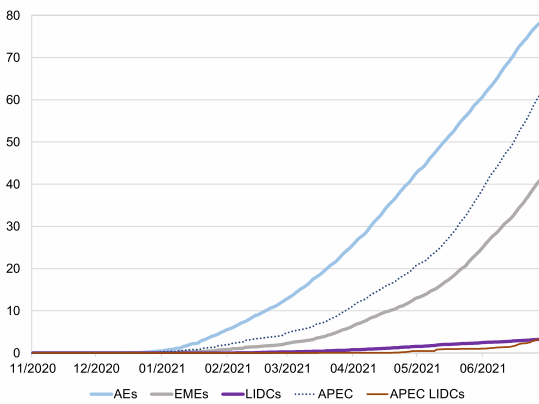
Outline





Controlling the Pandemic is Economic Policy

Vaccination gap
(Total doses per 100 population)

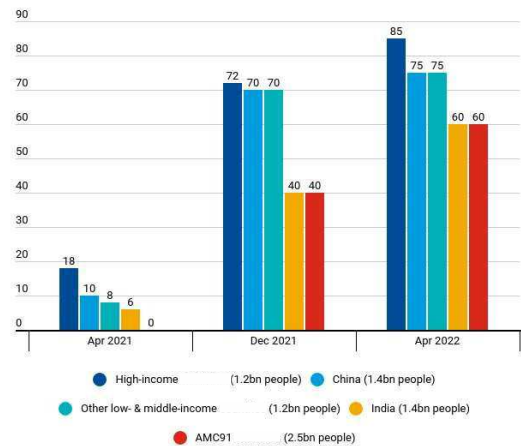


Source: Our World in Data, and IMF staff calculations.

Closing the gap

Grants and donations could ensure that at least 40 percent of people in all economies are vaccinated by year's end, and 60 percent in the first half of 2022.

(scenario with pre-purchases by COVAX+ India and donations by HICs, effective vaccine coverage, percent)



Note: AMC91 stands for the group of 91 low- and middle-income economies (excl. India) that are eligible to access the COVAX AMC facility. Other LMIC refers to the group of low- and middle-income economies excluding India, China, and AMC91 economies. HIC refers to high income economies as per World Bank income classification. The bars report the fraction of population fully vaccinated. The effective rate of vaccination coverage is depicted for April 2021, equivalent to total doses per 100 divided by 2.

A Plan to End the COVID-19 Pandemic

Benefits: 9 trillion additional GDP and 1 trillion additional tax revenues in advanced economies (cumulative by 2025)

Costs: 50 billion

The proposal

- Vaccinate at least **40%** of the population of all economies by end-2021 and **60%** of the population of all economies by the first half of 2022
- Have a contingent plan against risks of adverse health developments (including therapeutics and NPI interventions like testing and tracing)

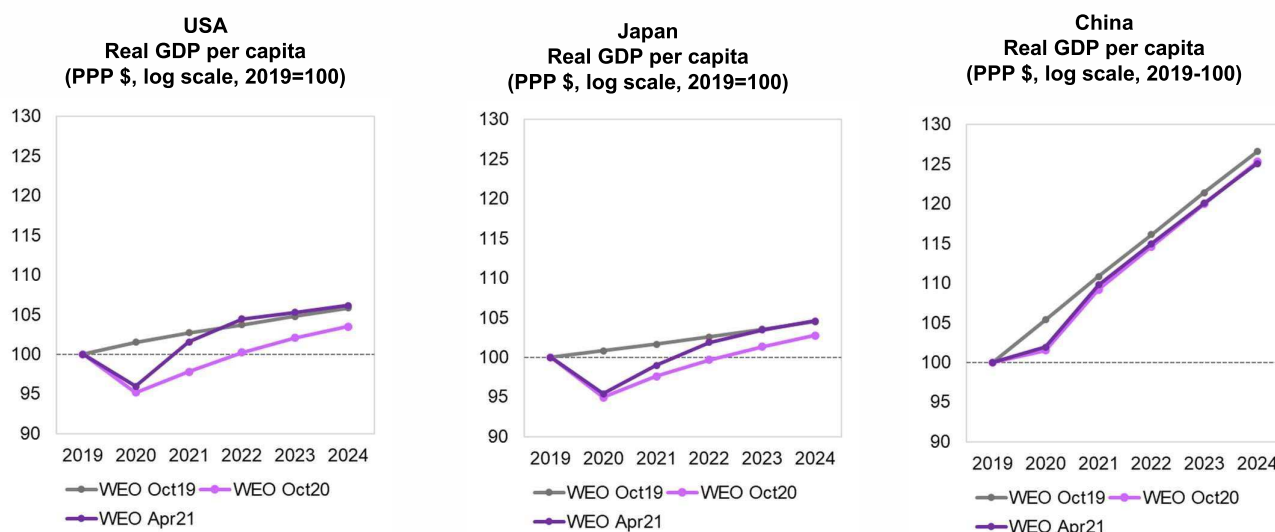
Mobilizing multilateral financing is urgent (for upfront vaccination)

Endorsed by IMF, WB, WHO, and WTO.

Source: Presentation by the MD based on the work of Argawal and Gopinath

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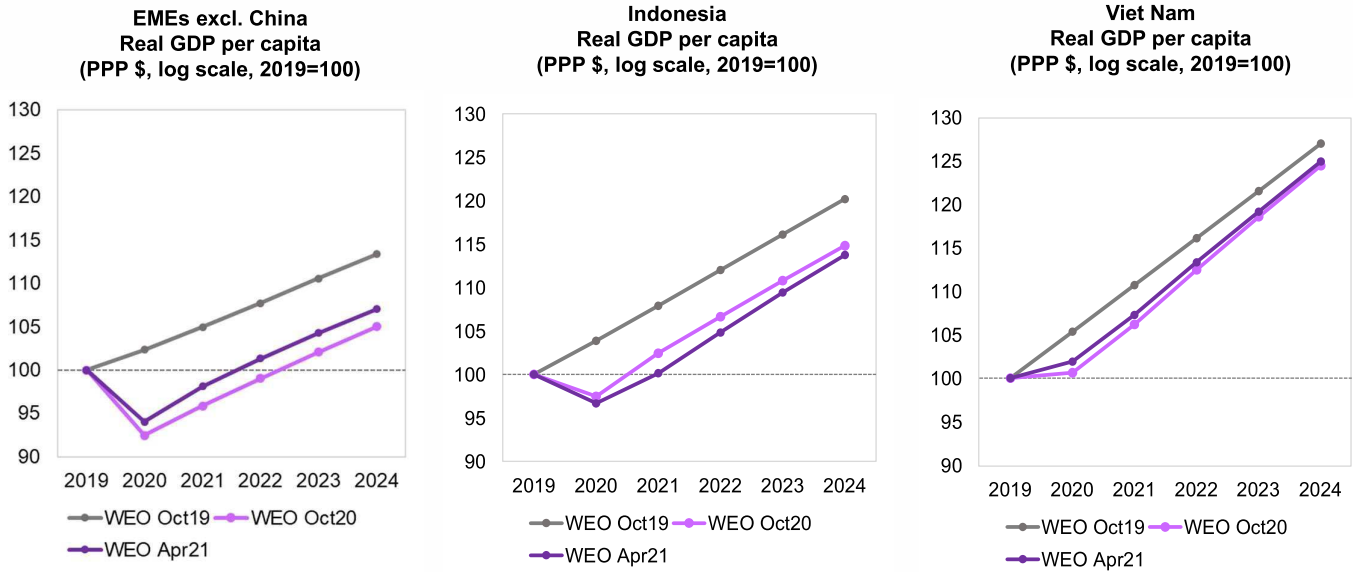
Divergent Recoveries



Source: IMF World Economic Outlook (WEO)

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Divergent Recoveries

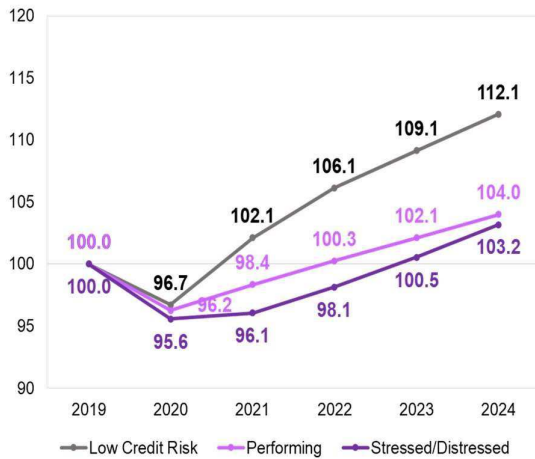


Source: IMF World Economic Outlook (WEO)

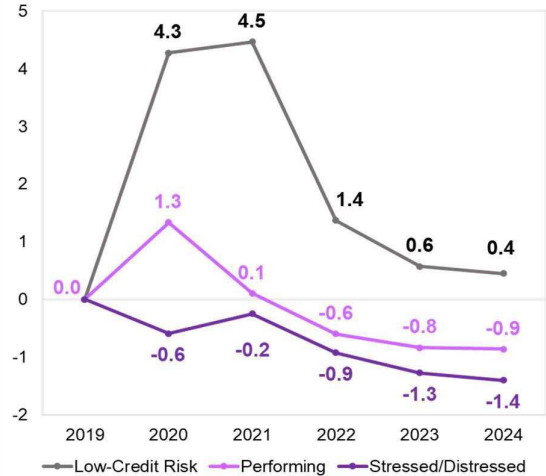
7

The Importance of Finance

GDP per capita, PPP International Dollars
(Indexed values of GDP per capita from FM Apr21, 2019 =100)



Primary Spending as a % of pre-pandemic GDP
(Difference between FM Apr21 & FM Oct19, percentage points)



Source: Bloomberg Back Office (a product of Bloomberg LLC) & the Sovereign Debt Monitor (SDM), IMF World Economic Outlook (WEO), IMF Fiscal Monitor & Staff Estimates.
Note: Economies with weighted average spreads below 200 are classified as low credit risk, those in between 200 and 700 are classified as Performing and those above 700 are classified as Stressed/Distressed. Weighted average values computed for the left chart use population weights and the chart on the right uses fiscal year nominal GDP (in USD) as weights..

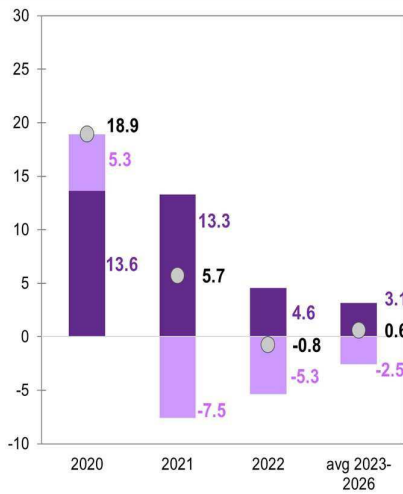


Debt and Deficits in the US

Public Debt (% GDP)



Debt decomposition (FM Apr21)



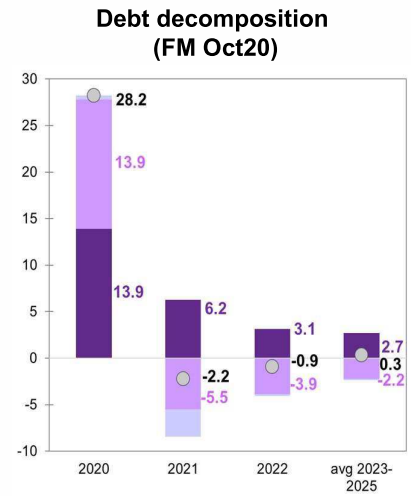
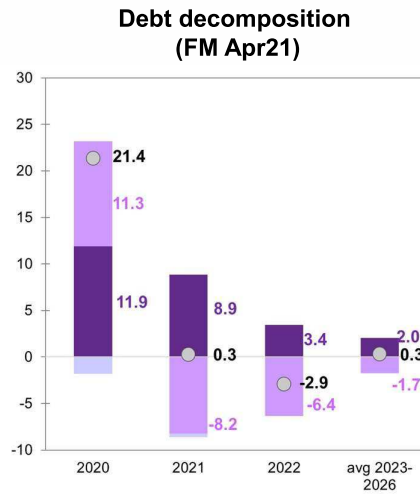
Debt decomposition (FM Oct20)



Source: IMF Fiscal Monitor (FM) & Staff Estimates.

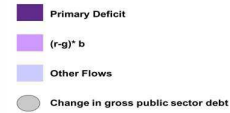
Note: Data labels in the debt decomposition charts in black show the change in debt (in percentage points); labels in pink show (R-G)*b; labels in purple show primary deficit.

Debt and Deficits in Japan



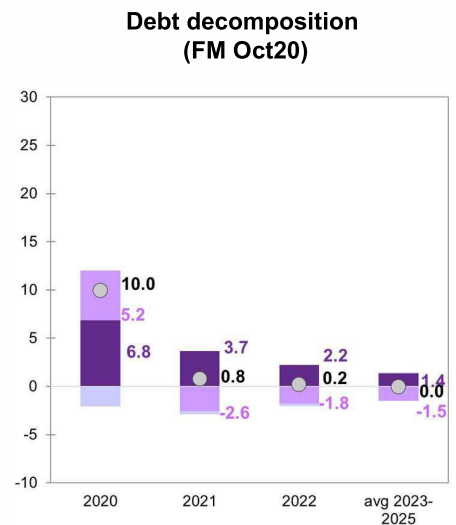
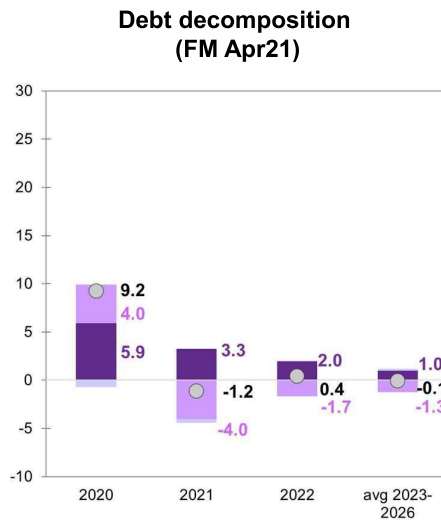
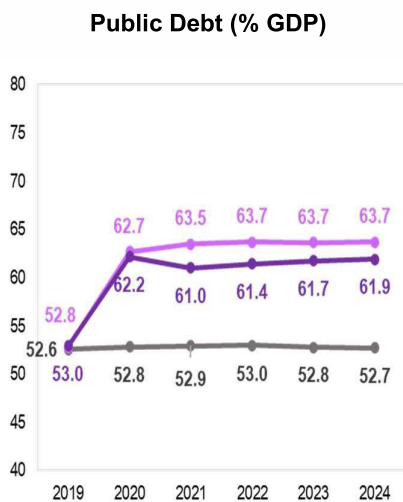
Source: IMF Fiscal Monitor (FM) & Staff Estimates.

Note: Data labels in the debt decomposition charts in black show the change in debt (in percentage points); labels in pink show (R-G)*b; labels in purple show primary deficit.



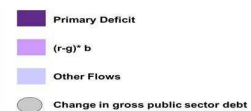
INTERNATIONAL MONETARY FUND

Debt and Deficits in EMEs excl China



Source: IMF Fiscal Monitor (FM) & Staff Estimates.

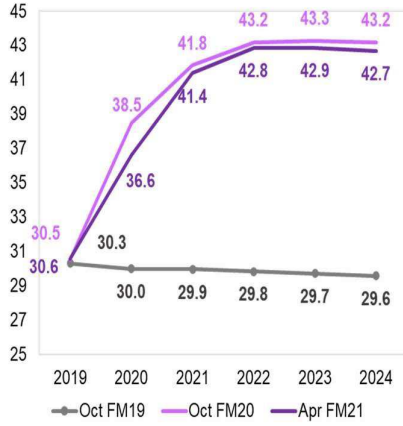
Note: Data labels in the debt decomposition charts in black show the change in debt (in percentage points); labels in pink show (R-G)*b; labels in purple show primary deficit.



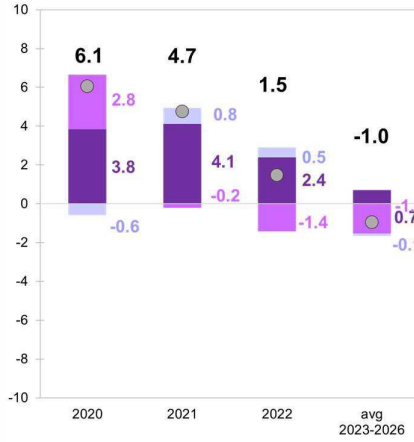
INTERNATIONAL MONETARY FUND

Debt and Deficits in Indonesia

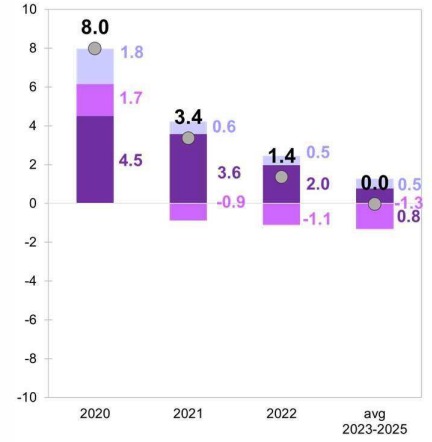
Public Debt (% GDP)



Debt decomposition (FM Apr21)



Debt decomposition (FM Oct20)



Source: IMF Fiscal Monitor (FM) & Staff Estimates.

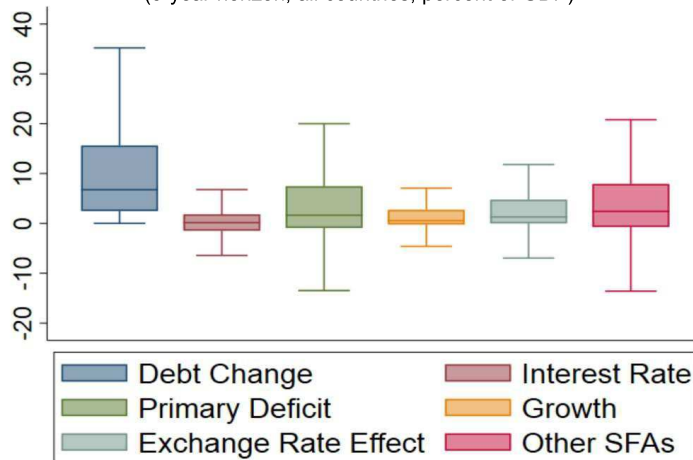
Note: Data labels in the debt decomposition charts in black show the change in debt (in percentage points); labels in pink show (R-G)*b; labels in purple show primary deficit.

INTERNATIONAL MONETARY FUND

Decomposition of debt forecast errors

Contributors to debt increases

(5-year horizon, all countries, percent of GDP)



Source: MACDSA and LICDSF databases; WEO, staff calculations

Note: based on 1944 obs., covering 98 economies since 2005

Box is the p25-p75 interquartile range; line is for the median, and distance between whiskers and box is 1.5 times interquartile range

Some Sources of Fiscal Risks

Categories

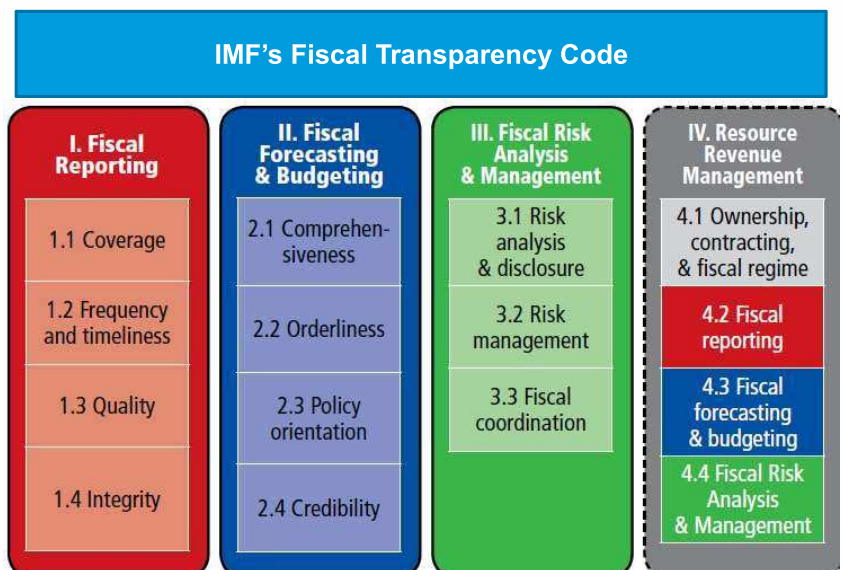
- Macroeconomic
- Specific (including contingent liabilities)
- Institutional



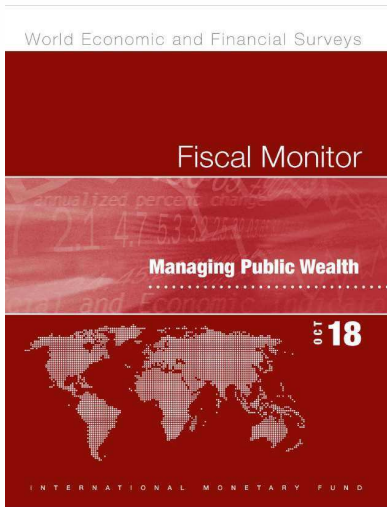
Particularly affected and vulnerable during COVID-19 pandemic

Focus on fiscal transparency

Key aspects of Fiscal Transparency Code
Focus on outputs rather than processes
Take account of different levels of capacity in each economy
Greater emphasis on fiscal risk disclosure and management
Align with recent advances in standards & practices



The IMF and Public Sector Balance Sheets



IMF DATA ACCESS TO MACROECONOMIC & FINANCIAL DATA

Public Sector Balance Sheet (PSBS)

PSBS Home Data Tables Query Documents Metadata

Public Sector Country Snapshot

- Albania
- Armenia
- Australia
- Austria
- Brazil
- Canada
- Colombia
- El Salvador
- Finland
- France
- Gambia, The
- Georgia
- Germany
- Guatemala
- India
- Indonesia
- Japan
- Kazakhstan
- Kenya
- Korea, Republic of
- Lithuania
- Mali
- Mexico
- New Zealand
- North Macedonia

Time Series by Country

- Central Government
- General Government
- Public Sector
 - Financial Public Corporations
 - Of which: Central Bank
 - Nonfinancial Public Corporations

Time Series by Indicator

- Central Government
- General Government
- Public Sector
 - Financial Public Corporations
 - Of which: Central Bank
 - Nonfinancial Public Corporations

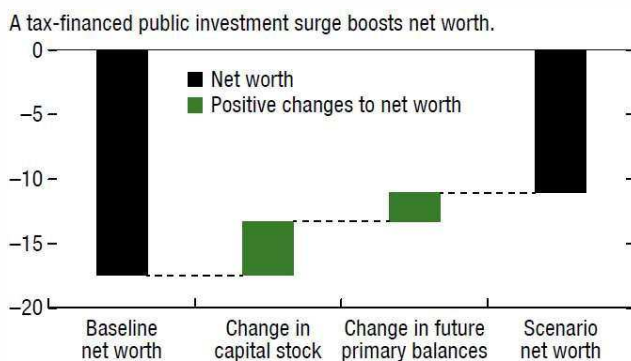
All Country Summary

- By Year
- Data Availability

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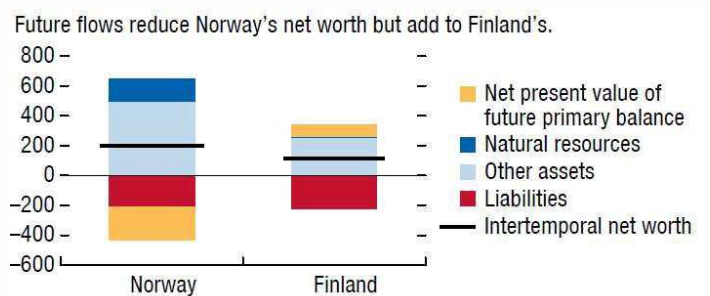
The Analytical Power of PSBS

Indonesia: impact of a public investment surge on intertemporal net worth (percent of 2023 baseline GDP)



Source: IMF, Fiscal Monitor, October 2018

Norway and Finland: intertemporal net worth (percent of GDP)



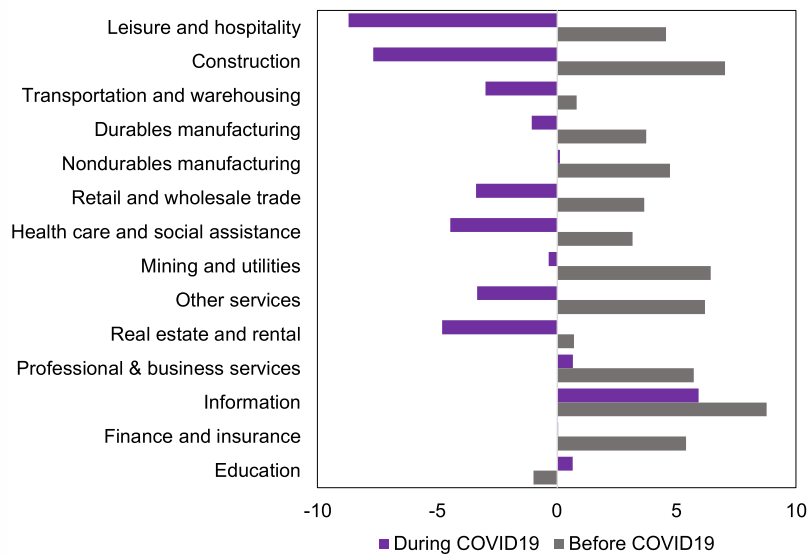
Source: IMF, Fiscal Monitor, October 2018

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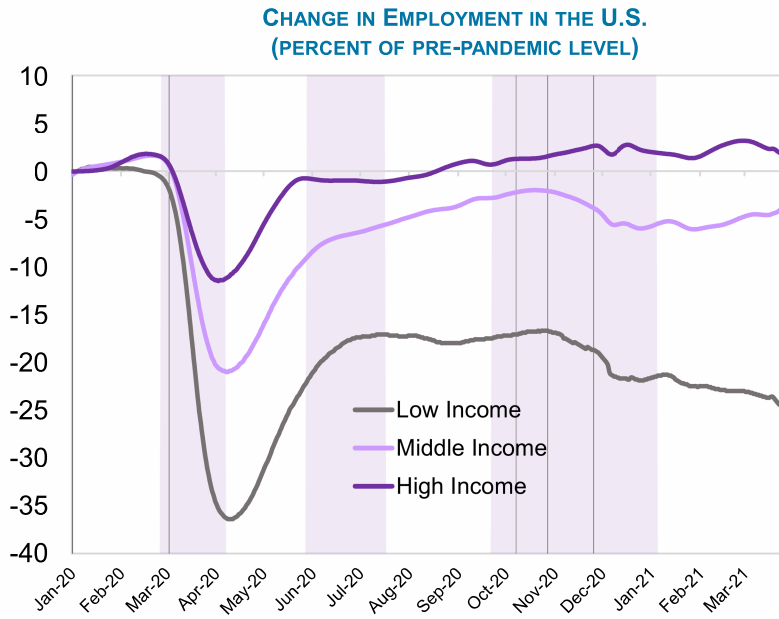
COVID-19 is Transformational

**RELATIVE EMPLOYMENT GROWTH
TRENDS HAVE SHIFTED TOWARDS INDUSTRIES
WITH HIGH WFH CAPACITY**



Source: Barrero and others (2021)

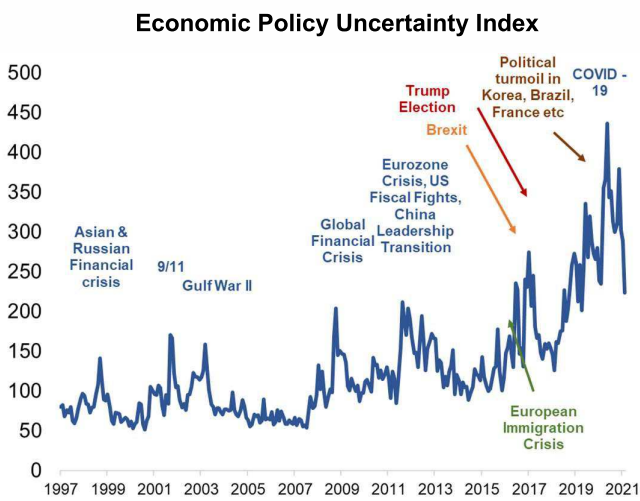
COVID-19 is Transformational



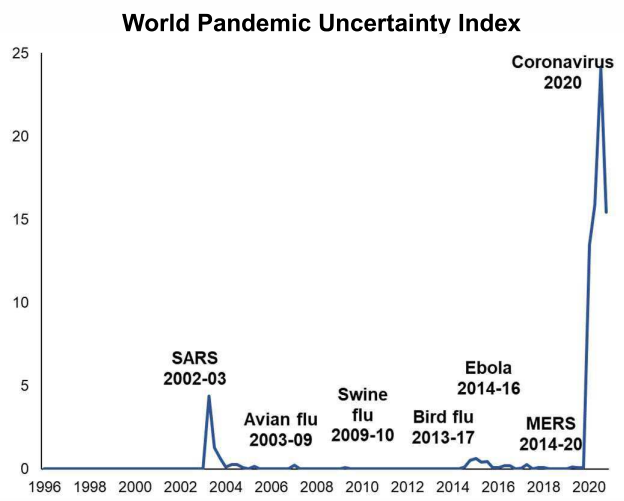
Source: Economic Tracker: Chetty, Friedman, Hendren, Stepner, and the Opportunity Insights Team (2020); Earnin, Intuit, Kronos and Paychex.
 Note: Change in employment is indexed to January 2020.

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The Case for Public Investment under Uncertainty



Source: 'Measuring Economic Policy Uncertainty' by Scott R. Baker, Nicholas Bloom and Steven J. Davis at www.PolicyUncertainty.com. (2020)

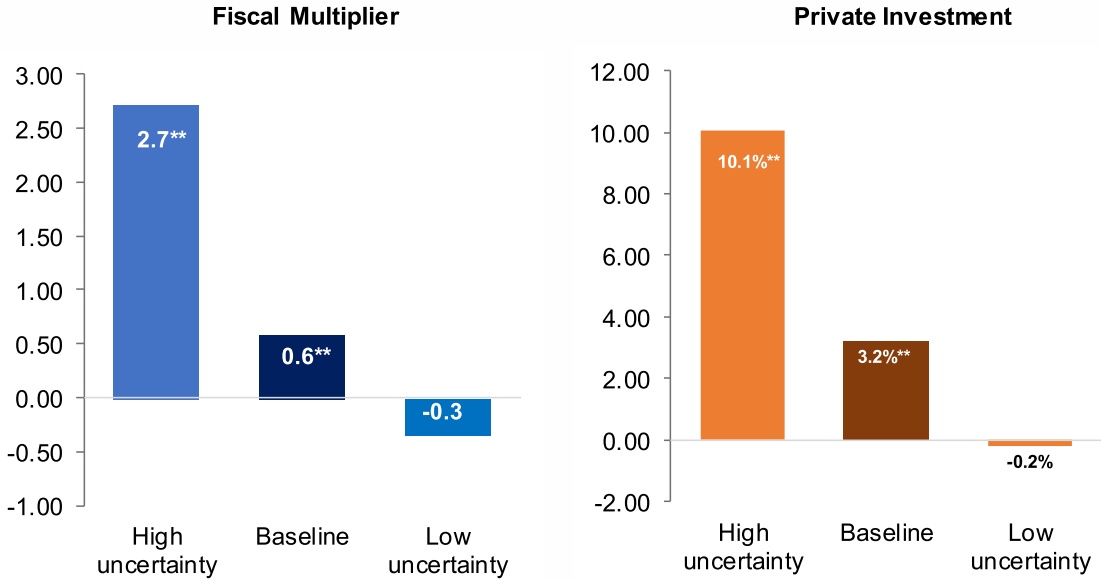


Source: Barrero and Bloom (2020)

Note: Data are from the World Uncertainty Index's website's World Pandemic Uncertainty Index (WPUI) which measures discussions about pandemics at the global and economy level in the Economist Intelligence Unit's approximately 140 reports which are produced quarterly (see Ahir, Bloom and Furceri, 2020)

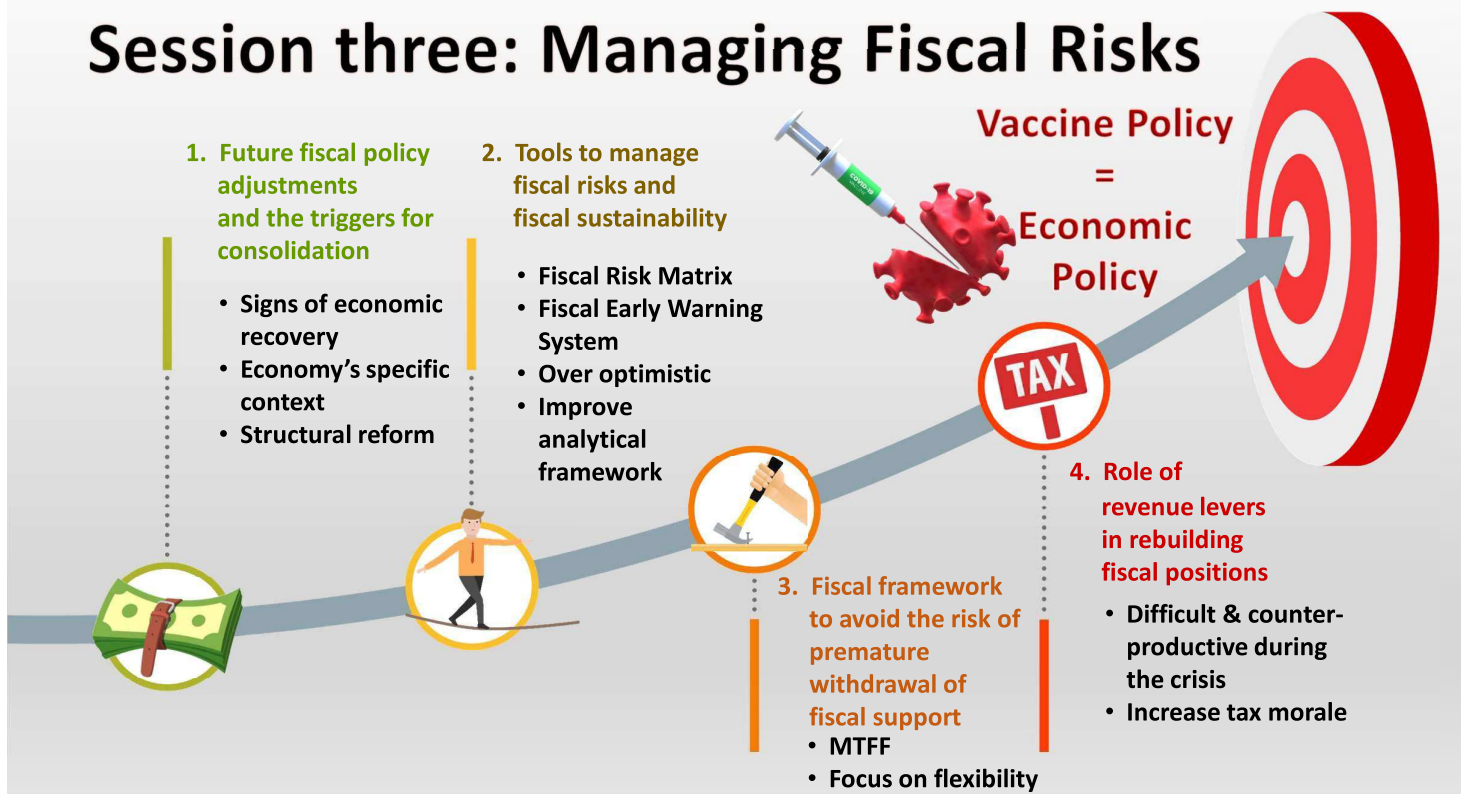
22

The Case for Public Investment under Uncertainty



Source: IMF Staff estimates.
Note: Panel 1: two-year ahead fiscal multipliers of public investment. Panel 2: semi-elasticity of private investment to public investment. ** stands for statistically significant coefficient at two standard deviations confidence interval.

Session three: Managing Fiscal Risks



APEC 2021 Fiscal Policy Workshop

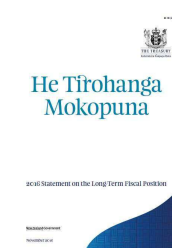
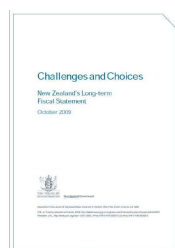
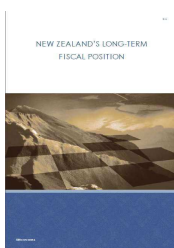
The New Zealand Treasury's Long-term Fiscal Statement and Insights Briefing:
He Tirohanga Mokopuna 2021

Nathan Spence

7 June 2021

The 2021 Long-term Fiscal Statement and Insights Briefing

- The Treasury published its draft analysis of long-term fiscal pressures on Monday (titled *He Tirohanga Mokopuna 2021*).
- *He Tirohanga Mokopuna 2021* (the Statement) is part of a suite of tools relating to transparency around the fiscal position, which help to identify and manage fiscal risks.
- The Statement is different and more complex than previous Statements:
 - **COVID-19:** A major global pandemic is ongoing, which has required a large fiscal response.
 - **Debt sustainability and interest rates:** The starting debt level is much higher, while interest rates are at historical lows.
 - **A new model:** A 'general equilibrium' model illustrates the economic impacts of tax and expenditure changes to stabilise debt levels.
 - **Climate change:** While there is uncertainty around the economic and fiscal impacts of climate change, the possible impact of weather shocks is modelled.
 - **Policy choices** and their broader wellbeing implications are considered by applying the Living Standards Framework and the He Ara Waiora framework

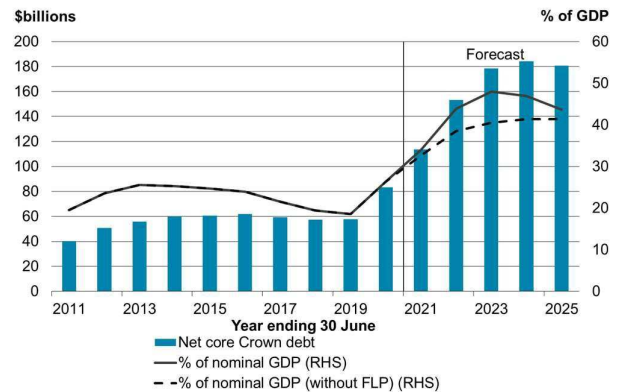


Not Government policy

COVID-19 has shifted debt levels significantly...

- Prior to the pandemic, net debt was 19% of GDP. Net debt is now forecast to reach 48% of GDP in 2023.
- While the fiscal response to the COVID-19 pandemic has caused net debt to increase significantly, **the Treasury views the fiscal response and current debt levels to be prudent.**
- The fiscal response has been crucial to preventing a deeper and longer lasting recession.
- **The Treasury's judgement is that there is currently no need to reduce debt levels as:**
 - Interest rates are low,
 - There is room to borrow further if required, and
 - New Zealand's debt level remains low relative to its peers.
- The Treasury is doing more work on what an appropriate level of debt is for New Zealand going forward. Part of this will be considering what an appropriate debt buffer for future shocks is.

Figure 1: Net core Crown debt



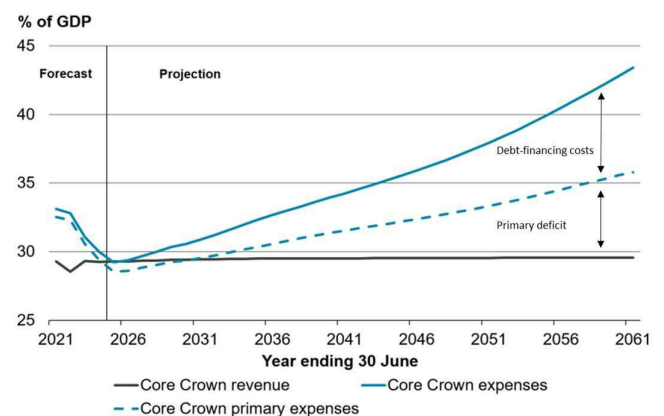
Source: 2021 Budget Economic and Fiscal Update

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... and there are significant long-term fiscal challenges

- In the absence of any offsetting policy action, our projections show a **growing gap between expenditure and revenue over the long-term, if expenditure and revenue follow historical trends.**
- As result, **this will likely put net debt on an unsustainable trajectory.**
- This is being driven by:
 - New Zealand's ageing population, which will significantly increase Superannuation expenditure.
 - Growing healthcare costs as a result of increasing demand, wage growth and population ageing.
- Using a new model, the Statement presents *alternative* scenarios which stabilises net debt at 48% of GDP through illustrative tax and expenditure policies. This helps to illustrate the economic trade-offs of these policies.

Figure 2: Core Crown revenue, expenses and primary expenses



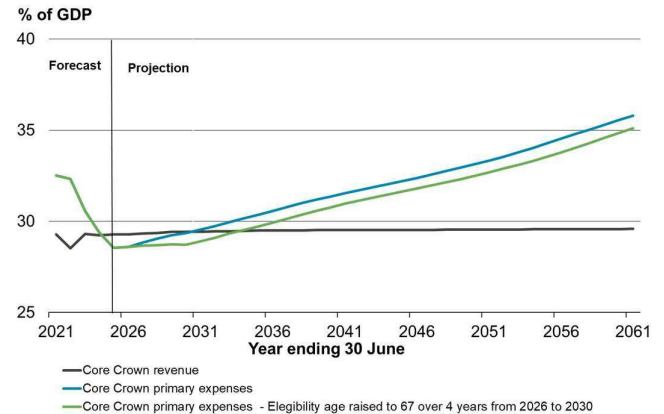
Source: The Treasury's Long-term Fiscal Model

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...but there are options to improve the fiscal position

- **Policy action will be necessary** to achieve and maintain a sustainable debt trajectory over time.
- The Statement considers the following policy options:
 - **Adjusting pension settings**, eg. increasing the age of eligibility.
 - **Managing the growth of health expenditure**, eg. through improved productivity and efficiency savings.
 - **Increasing tax revenue**, eg. increasing personal income rates.
- The Statement analyses the wellbeing implications of these policy options using the following frameworks:
 - **The Treasury's living standards framework**: A framework that recognises environmental, social, human, physical and financial capital need to be developed and sustained to achieve wellbeing.
 - **He Ara Waiora**: A framework that is built on te ao Māori knowledge and perspectives of wellbeing.
- The two frameworks help us to understand more holistically what policy trade-offs mean for New Zealanders.
- **One policy is unlikely to stabilise debt over the long-run, and future government's will likely need to consider a package of options.**

Figure 3: Impact of increasing pension eligibility age to 67



Source: *The Treasury's Long-term Fiscal Model*