

THE PUBLIC FINANCE DEBATES

A series of four debates around some prominent NZ public finance issues brought to you by the Chair of Public Finance (VUW) and the Head of the Government Economics Network (GEN).

DEBATE 4: “A discount rate of 8% for public sector projects is too high”

When: 3:00pm – 4:30pm, 23 November 2012. Drinks and canapés, 4:30pm - 5:30pm

Where: Lecture Theatre 1, Old Government buildings, 15 Lambton Quay
(Circular Building, Law School Courtyard)

RSVP by Thursday 22 November to cpf-info@vuw.ac.nz

Proponent



John Yeabsley is a Senior Fellow at NZIER with an extensive background as policy advisor and practitioner. His long career includes policy research, teaching, writing and consulting projects

Commentator



Bronwyn Croxson is Chief Economist for the Ministry of Health. She has previously held positions in the NZ Ministry of Justice and in the Treasury.

Opponent



Martin Lally is Associate Professor in the School of Economics and Finance at Victoria University, Wellington, specialising in the Cost of Capital. He has acted as adviser to regulatory bodies in Australasia in this field.

With many public spending decisions involving major long-term investments such as for infrastructure or healthcare, the choice of discount rate can have far reaching consequences for such choices as ‘roads versus hospitals’ as well as ‘hospitals versus home-care services’.

With different government departments in New Zealand using different discount rates (8% is a common choice), this debate will seek to clarify the merits of different approaches to setting those rates, and debate the case for high versus low discount rates.

Please come along to the last of our series of four Public Finance Debates. Suggestions for a future series would be most welcome to Norman.Gemmell@vuw.ac.nz

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