

17 May 2016

Prime Minister  
Freepost Parliament  
Private Bag 18 888  
Parliament Buildings  
Wellington 6160

Dear Prime Minister,

### Update from the McGuinness Institute

Every year we prepare a comprehensive update to let you know what we have achieved in the past year and what we aspire to achieve in the coming one. We provide all members of parliament with this update in the hope that you will be interested in following our work and joining us at some of our events.

To this end, we have attached our 2016 work programme and our latest think pieces, booklets and articles, as well as a catalogue of our reports and publications for your office. Please share these with your team or anyone you think may be interested. To learn more about these projects and publications, please see our website – [www.mcguinnessinstitute.org](http://www.mcguinnessinstitute.org). Alternatively, I welcome the opportunity to meet with you to discuss any of the following in greater detail.

Key upcoming events:

- 14 July 2016 [StrategyNZ: Strengthening strategy stewardship one-day workshop](#)
- 14 July 2016 [NZAYC: Exploring the Antarctic Treaty in 2056 panel session](#)
- 19 August 2016 [TacklingPovertyNZ Rotorua one-day workshop](#)
- Dates for [TacklingPovertyNZ one-day workshops](#) in [Gisborne](#), [Manawatu](#) and the [Far North](#) are to be confirmed (see the [TacklingPovertyNZ](#) website – [www.tacklingpovertynz.org](http://www.tacklingpovertynz.org) – for updates)

You can follow our work through our newsletters:

- Register for the [TacklingPovertyNZ](#) two-monthly newsletter at [www.tacklingpovertynz.org](http://www.tacklingpovertynz.org).
- Register for the [TalentNZ](#) two-monthly newsletter at [www.talentnz.org](http://www.talentnz.org).
- Register for the McGuinness Institute six-monthly newsletter at [www.mcguinnessinstitute.org](http://www.mcguinnessinstitute.org).

### Background

The Institute is a non-partisan think tank working towards a sustainable future, contributing strategic foresight through evidence-based research and policy analysis. We have become what is popularly known in Europe as a ‘think-and-do tank’. The ‘think’ part of our work is to prepare non-partisan research and policy advice on New Zealand’s long-term future. The ‘do’ part of our work is building public policy capability in 18- to 25-year-olds.

We believe the public sphere does not engage with this age group as much as it ought to. Society tends to focus its energy on raising our young people to 18 years of age and then expecting these young people to think, act and navigate life as confidently as an experienced 26-year-old. In contrast, our interest is in building public policy capability in 18- to 25-year-olds so that together they are able to engage, connect and develop solutions to policy problems in a dynamic, creative and ambitious manner. It has been a privilege to watch as these young New Zealanders tackle policy problems with such vigour. What I am learning is that there is a desire for more of these types of problem-solving workshops and that we have a wide range of issues worth exploring.

Over the past six months we have hosted three workshops: [The Civics and Media Project's third workshop](#) (co-hosted with the Royal Society), the [TacklingPovertyNZ workshop](#) and the [ForesightNZ workshop](#) (the latter two in collaboration with the New Zealand Treasury). All three workshops will shape our work programme this year, but what drives our work is the sheer passion of these young people to build a better and stronger New Zealand. Their focus is not on political parties; instead it is on the big issues and what they can do to address them.

After a ten-week sabbatical – which included exploring and engaging with think tanks in Barcelona, St Petersburg and London – I developed three reflections that have also influenced our work programme this year:

1. Focus on providing citizens with choice rather than independence or freedom (as a focus on choice will, over time, deliver independence and freedom).
2. Focus on being fair rather than being equal (as working on being fair is likely to lead to a more equitable and cohesive society).
3. Focus on strengthening families (inter- and intragenerationally) rather than individuals (as this will make society more resilient to shocks).

These reflections have become the three guiding principles for our [2016 work programme](#).

### **Work Programme over 2015 and 2016**

The Institute's main projects, and the work carried out over the past 12 months for each of these, are described in the following pages. We see these projects as significant levers for change in New Zealand. We have also included details about our upcoming work on these projects in 2016. On the next page is an illustrative diagram of our 2016 work programme.

- **Project TacklingPovertyNZ (new)**

This project developed out of a workshop we hosted (in collaboration with The New Zealand Treasury) in December 2015. In 2016 this initiative expanded into a series of [one-day workshops](#) throughout New Zealand. The aim of the [TacklingPovertyNZ](#) initiative is to contribute to a national conversation about how New Zealand might tackle poverty.

- **TacklingPovertyNZ: Exploring ways to reduce poverty in New Zealand workshop (December 2015)**

In December 2015, 36 young New Zealanders took part in [TacklingPovertyNZ](#), a three-day workshop in collaboration with the New Zealand Treasury. Aged 18 to 25, participants represented New Zealand from the Far North to Southland. The workshop culminated in a presentation by the participants at Parliament, where they articulated a youth perspective on poverty in New Zealand and how we might, as a country, go about tackling it.

There were a number of outputs from this workshop, including [YouTube videos](#) of the finale presentation and workshop speakers and a [workshop booklet](#) (attached). The booklet was presented by participants to Treasury officials on 3 March 2016. In addition to the national one-day workshops discussed below, there has been a strong interest in the baby box initiative (see the Institute's [blog](#) to learn more). I would like to extend a special thank you to those who attended the MP dinner and the finale presentation at Parliament; it was excellent to see such a large number of MPs from a range of political parties in attendance.

- **TacklingPovertyNZ national one-day workshops (2016)**

On 29 March 2016 we began our [TacklingPovertyNZ tour in Queenstown](#) with a group of local participants. This provided us with an opportunity to trial a one-day *TacklingPovertyNZ* workshop with a local community. We were really pleased with the depth and breadth of the discussion.

Later this year we will continue the tour with more one-day workshops around the country. We are now working with [Rotorua Lakes Regional Council](#), [The Far North District Council](#), [Gisborne Regional Council](#) and [Manawatu District Council](#) to host one-day workshops later this year. The next stop on the *TacklingPovertyNZ* tour is tentatively booked for Rotorua on 19 August 2016. After each workshop we will prepare a discussion paper to map local issues and to explore ideas developed by participants throughout the day. In addition to being made public, each discussion paper will be given to the Chief Economist of the New Zealand Treasury to form an insight into how better living standards might be achieved for all New Zealanders.

If you are interested in being involved in your constituency’s local tour workshop, or in nominating local participants, please contact us at [tacklingpovertynz@mcguinnessinstitute.org](mailto:tacklingpovertynz@mcguinnessinstitute.org) or follow us by registering for our two-monthly [newsletter](#).

McGuinness Institute work programme as at 17 May 2016



- **Project LivestockNZ (new)**

This project is in its very early stages. After speaking with Chatham House in the UK, the Institute felt it was critical that New Zealand should explore a new narrative for livestock farming. This narrative should move towards a more robust and ethically sound way of doing business in one of New Zealand's primary industries, while at the same time delivering better environmental and social outcomes for all. See the website – [www.livestocknz.org](http://www.livestocknz.org) – for more information. Shortly we will start working on a discussion paper with the working title *How can we reduce the size of the national dairy herd and retain value in the dairy sector?* with a view to undertaking a major piece of work in 2017.

- **Project One Integrated Report**

In 2010 the Institute undertook a survey of the Deloitte Top 200 companies, exploring responses from Chief Financial Officers on emerging reporting issues (the January 2011 [Integrated Annual Report Survey of New Zealand's Top 200 Companies](#) can be found on our website). Later this year we are looking at undertaking a similar survey, six years on. This time around we are particularly interested in assessing the state of non-financial reporting and what obstacles or incentives currently exist to improve reporting practices.

- **Project One Ocean**

[One Ocean](#) aims to explore New Zealand's public policy landscape in order to contribute to a wider discussion on how we might best manage our oceans. We will continue to make [submissions](#) in this area and explore public policy solutions around this important long-term issue for New Zealand.

- ***Report 10: One Ocean: Principles for the stewardship of a healthy and productive ocean launched in Wellington and Auckland (March 2015)***

[Report 10](#) explores the seascape of New Zealand in the past, the present and the future. It identifies the need for change in the way New Zealand governs its ocean spaces, and the upcoming opportunities and challenges for doing so. The report discusses the role of oceans in New Zealand's culture, economy and natural environment. It also explores possible solutions to the challenges we currently face regarding the management of human activities in New Zealand's marine spaces, and recommends pragmatic steps towards the wise use and conservation of our seas. A copy of this report was sent to you in May 2015.

- ***Think Piece 22: Proposal for the Creation of an Oceans Institution published (November 2015)***

As a result of *Report 10*, the Institute sought to further its work on New Zealand ocean management more tangibly. We hosted two round-table discussions in Wellington to explore what a Pacific and Southern Oceans Institution might look like. The institution would serve as both a chronicler and a steward of ocean policy. The result of these discussions and subsequent consultations is [Think Piece 22: Proposal for the Creation of an Oceans Institution](#) (attached).

- **Sea Education Association (SEA) Public Discussion (March 2016)**

On 11 March 2016 the McGuinness Institute hosted a lunchtime [event](#) with academics and students from the Boston University Sea Education Association (SEA) Semester programme, as well as members of the wider Wellington ocean policy community, to discuss ocean conservation in New Zealand. The student presentations were excellent, and were a terrific opportunity to look at New Zealand from the outside in. Over the next few months we hope to make these presentations public on our [YouTube channel](#).

- **Visit to Marlborough Sounds to investigate King Salmon farming (May 2016)**

The Institute has been following The New Zealand King Salmon Co. Limited (NZKS) farming in the Marlborough Sounds since 2012. In 2013 we published [Think Piece 16: New Zealand King Salmon: Was it a good decision for New Zealand?](#) and [Working Paper 2013/01: Notes on the New Zealand King Salmon Decision](#).

We have also been following recent statements in the press by NZKS, which state they are looking at ways to move failing salmon farms currently situated in low flow sites to high flow sites in the Tory Channel where aquaculture is currently banned (see [New Zealand King Salmon says failing farms should be moved to Tory Channel, Stuff, 10 May 2016](#)). On hearing that the Ministry for Primary Industries (MPI) were to speak on the topic to the Marlborough District Council (MDC) Environment Committee on 5 May 2016, we decided to fly down and attend. The committee allowed members of the public to listen. At the meeting MPI stated that they are representing government and are working with the Department of Conservation and the Ministry for the Environment on a range of options to present to Council in the next few months.

The Institute is concerned by the lack of public consultation around creating new farms, that the company is not meeting pre-agreed environmental standards, the poor quality of analysis on benefits to New Zealand (notably over 50% of NZKS is owned by Oregon Group Limited whose three shareholders are registered in Liberia [80%], Singapore [10%] and Hong Kong [10%]), the uncertainty around an increase in water temperatures and the noticeable decrease in dolphin numbers.

Dolphins travel through the Tory Channel into the Sounds and there are concerns that the addition of a third farm in the Tory Channel (established by NZKS late last year) may already be negatively impacting dolphin numbers. This is particularly relevant as the Tory Channel has been the main entry point for the rare Hector's Dolphin, which are particularly susceptible to pollution and boat movements. The Institute has added NZKS's proposal to our research programme.

- **Exploring the Antarctic Treaty in 2056 (July 2016)**

On 14 July 2016 the [New Zealand Antarctic Youth Council \(NZAYC\)](#) will host a panel session event to discuss the future of [the Antarctic Treaty](#) (flyer attached). This event will result in a discussion paper prepared by the Council on the Treaty in 2056. See the NZAYC website – [www.antarcticyouthnz.org](http://www.antarcticyouthnz.org) – for further information.

- **Project Civics**

The purpose of this [project](#) is to inform and encourage public discourse and engagement regarding civics in New Zealand.

- **The Civics and Media Project workshops (2015–2016)**

In 2015 we collaborated with Victoria University of Wellington, the University of Auckland, New Zealand On Air, the Royal Society of New Zealand and the Ministry for Culture and Heritage on [The Civics and Media Project](#). The resulting [workshop booklet](#) (attached) is the output of the three workshops held in 2015 that explored ways to ensure all New Zealanders in 2030 are well-informed about the world they live in and have the ability and skills to bring about change.

We contributed an article, titled *□ vi□ s: Aligning technological and sociological transformation*, to the May 2016 issue of *Policy Quarterly*. The article is dedicated to the late Dr Ranginui Walker, a member of the Constitutional Advisory Panel (CAP) who encouraged constitutional discussion in New Zealand. It explores how New Zealand might work towards developing a national strategy for civics and citizenship education (as recommended by the CAP). This article is one of three written on *The Civics and Media Project*. To learn more about *The Civics and Media Project*, please see the website – [www.civicsandmediaprojectnz.org](http://www.civicsandmediaprojectnz.org).

- **Project Foresight**

The aim of this [project](#) is to explore New Zealand's long-term future using futures studies tools such as scenarios, black swan events and projections.

- **Prime Minister's Summer Reading List (December 2015)**

In December 2015 the Institute published the Prime Minister's Summer Reading List on the [McGuinness Institute blog](#). This outlines our seven key observations from 2015, our three guiding principles going forward and recommends six books for the Prime Minister of New Zealand with these in mind.

- **ForesightNZ: Untangling New Zealand's long-term future workshop (April 2016)**

From 27 to 29 April 2016, in collaboration with the New Zealand Treasury, the Institute hosted the [ForesightNZ workshop](#). ForesightNZ saw 36 young New Zealanders explore ways to build public policy that can deal with the increasing complexity and uncertainty in the world around us. After careful consideration, we decided to use this opportunity to create a robust foresight tool in the form of a card game. We will send you a pack of ForesightNZ cards late next month. In addition to the cards, there will also be a number of other outputs including YouTube videos of the finale presentation and workshop speakers, and a workshop booklet.

- **Project Pandemic Management**

The aim of this [project](#) is to learn from past world health crises in order to be more resilient in the future.

- ***Lessons From the West African Ebola Outbreak in Relation to New Zealand's Supply Chain Resilience (May 2015)***

In reaction to the 2014/15 Ebola outbreak in West Africa, the Institute worked with Roger Dennis (Christchurch) and Rick Boven (Auckland) to produce the report [Lessons From the West African Ebola Outbreak in Relation to New Zealand's Supply Chain Resilience](#) in May 2015. This report was sponsored by Z Energy Limited and Foodstuffs (NZ) Limited. This work also led us to contribute to two public consultations in 2015: [the Inquiry into Parliament's legislative response to future national emergencies](#) and the consultation on the [draft revised Guide to the National Civil Defence Emergency Management Plan 2015](#).

- **Project Public Science**

This [project](#) aims to expand the limited dialogue concerning the government-funded science system, in the hope that New Zealand invests its research dollar well and delivers sustainable outcomes for current and future generations.

- ***The Future of Scientific Thought (July 2015)***

The Royal Society of New Zealand asked us to write an article on the intersection of science and public policy. The resulting article, [\*The Future of Scientific Thought\*](#), chiefly examines the relationship between science and society, looking at how this relationship has changed over time in order to better understand how it may be shaped going forward. It was published in the [\*Journal of the Royal Society of New Zealand\*](#) in July 2015.

• **Project StrategyNZ**

This [project](#) has two parts, which together look at how New Zealand can improve long-term strategic thinking and strategy stewardship. Part one explores a national sustainable development strategy for New Zealand, and part two explores strategy stewardship in the New Zealand public service.

- **Launch of Government Department Strategies Index Working Papers (2015–2016)**

Each year the Institute co-ordinates a [Government Department Strategies Index \(GDS Index\)](#). To explain the methodology and set out the data in October 2015 we launched [Working Paper 2015/07](#), [Working Paper 2015/08](#), [Working Paper 2015/09](#) and [Working Paper 2015/10](#). These papers listed, collated, profiled and analysed government department strategies up to 30 June 2015. They were launched at a lunchtime event, which brought together members of the public service in Wellington. Our April 2015 think piece, [Strategy Stewardship Matters: Utilising the Government Department Strategies Index](#) (attached), will continue to influence our work in this area. The next GDS Index will be published in October 2016.

In June 2016 we will publish *Working Paper 2016/01: History of strategy stewardship in the New Zealand public service, 1980–2016*. This working paper will accompany our timeline titled [Strategy stewardship in the New Zealand public service, 1980–2016](#) (attached). The purpose of this working paper is to achieve greater understanding of the current arrangement of strategic instruments by tracing their developments over time.

- **StrategyNZ: Strengthening Strategy Stewardship workshop (July 2016)**

In July 2016 the Institute will host a [StrategyNZ workshop](#) for the public service (flyer attached). This workshop will stress-test the conclusions from our draft *Report 15: Strengthening Strategy Stewardship in the Public Service* with members of the public service, consultants from the private sector and academics to develop a *Guide for Strategy Development in the Public Service*. It will draw on the observations we have gained after compiling the GDS Index for two years running.

- **Report 15: Strengthening Strategy Stewardship in the Public Service (late 2016)**

Later in 2016 the Institute will publish *Report 15: Strengthening Strategy Stewardship in the Public Service*. It has been postponed in order to include a more in-depth history of strategy development and suggest a way forward (hence the working paper, timeline and workshop mentioned above). This report will bring together the Institute's findings from its work on the state of strategic management in the public sector. It will set out the ways that strategy stewardship can be strengthened going forward.

• **Project TalentNZ**

[TalentNZ](#) explores how Sir Paul Callaghan's vision for New Zealand to be 'a place where talent wants to live' might be realised. This developed into four themes: *Grow*, *Attract*, *Retain* and *Connect* talent.

Given the December 2015 consultation on the Education Act 1989 and the Productivity Commission's current inquiry into new models of tertiary education, it seemed timely to take a closer

look at the development of New Zealand's education system. This work has led to a [think piece](#) in May 2016 and a working paper – in press (discussed below).

It is our view that education is, at its most fundamental level, about enabling people to develop their talents to their full potential and connect with others to live happy and rewarding lives. In other words, our primary focus should be on educating to live well rather than educating for employment. This means we need a much broader focus on ways to develop character traits and teach skills and ethics that align with the challenges and opportunities ahead. This builds on our understanding of the future of work and how we, by necessity, might need to reassess our education system. We need to find better ways to help young people navigate their future alongside the futures of their family, their iwi, their community and their country.

Later this month we will work with a small team of experts to review and refresh the *TalentNZ* project. To follow this project, please subscribe to the [TalentNZ newsletter](#), which is distributed every two months.

- **TalentNZ worksheets (May 2015)**

In May 2015 we ran two [TalentNZ sessions](#) at the New Zealand Community Boards Conference in the Bay of Islands. Our session discussed the role of strategy and why a focus on creating a place where talent wants to live will deliver optimal outcomes for New Zealand. The [worksheets](#) created for this presentation can be found on the *TalentNZ* website – [www.talentnz.org](http://www.talentnz.org).

- **World Future Society conference (July 2015)**

In July 2015 we attended and presented at the [World Future Society \(WFS\) conference](#) in San Francisco. The conference, titled Making the Future 2015: Envisioning and creating the conditions to drive revolutionary change, had three major streams: 'Technology and Innovation', 'Business of Foresight' and 'Global Issues'. Summarising our observations from the conference, the Institute published [Think Piece 23: The Future of Talent: Reflections from the WFS conference](#) (attached). Attending the WFS conference was an opportunity to hone our skills on foresight and bring them back to New Zealand.

- **TalentNZ promotional video (July 2015)**

During our presentation at the WFS conference we launched a [promotional video for TalentNZ](#). This showcases the journey the *TalentNZ* project has taken since Sir Paul Callaghan first shared his vision at our [StrategyNZ workshop](#) in 2011. The video can be viewed on our [YouTube channel](#).

- **Going Places book launch (March 2016)**

*Going Places* is about the economic contribution of migration to and from New Zealand, and was written by Julie Fry and 2013 [TalentNZ Journal](#) contributor Hayden Glass. The Institute hosted the [launch of this book](#) at our office on 17 March 2016, and the authors discussed the importance of attracting and retaining talent in New Zealand.

- **Think Piece 24: Self-aware cities published (March 2016)**

In March 2016 we published [Self-aware cities](#) by Nick Roberts (attached). This think piece has since been published in the May 2016 edition of [Architecture New Zealand](#). Nick is an architect for UNStudio in Amsterdam, and has previously worked for Athfield Architects in Wellington. While I was on my sabbatical last year I was fortunate to spend some time with Nick in Amsterdam to discuss how to create a talent-based economy and how cities might attract talent.

- ***Think Piece 25: The changing purpose of tertiary education (May 2016)***

We have been working on this think piece over the past 12 months, which explores the changing purpose of the tertiary education system in New Zealand.

We were pleased to see the Productivity Commission's inquiry titled *New Models of tertiary education* and thus wrote this think piece as a contribution to their inquiry. On 13 May 2016 we published [Think Piece 25: The changing purpose of tertiary education](#) (attached) which argues that we need a completely new way of supporting and training our young people.

- ***Working Paper 2016/02: History of education in New Zealand (June 2016)***

In June 2016 we will publish *Working Paper 2016/02: History of education in New Zealand*. It expands on the accompanying timeline, [Significant Events in the History of Education in New Zealand](#) which was published in April 2016 (attached).

This timeline tracks the history of change across each of the education sectors: early childhood, primary, secondary and tertiary. It is intended to contribute to an informed discussion on the design of New Zealand's education system going forward.

• **Project Nation Dates (the 3<sup>rd</sup> edition of this book is in press)**

[Nation Dates](#) presents a timeline of significant events that have shaped New Zealand. We have begun compiling a list of new dates for the third edition of *Nation Dates*. We already have 109 new events that may be included in the upcoming edition. See our *Nation Dates* website – [www.nationdates.org](http://www.nationdates.org) – for the full list of the potential new additions. If you have any suggestions for events that could be included in the third edition, please contact us before the end of June 2016 (we hope to publish the book in the second half of this year).

• **Project Nation Voices (our new book)**

[Nation Voices: 40 premiers and prime ministers speak to New Zealand](#) will explore the role of New Zealand prime ministers over time and will be the Institute's second book. We have been working on this book since 2013. You can learn more at [www.nationvoicesnz.org](http://www.nationvoicesnz.org).

- **Essay competition (February 2016)**

In February 2016 we announced Martin Holmes as the winner of the [Nation Voices Essay Competition](#), which asked 'What makes a good prime minister of New Zealand?'. Martin received a \$500 cash prize, and will have his essay published in *Nation Voices* as well as an all-expenses paid trip to Wellington to attend the launch of the book early next year. Judges included Dr Bernard Cadogan, author, Oxford-educated policy consultant, political philosopher, historian and poet; and Dame Claudia Orange, author and Head of Research at the Museum of New Zealand Te Papa Tongarewa.

In addition to our projects we continue to respond to invitation's to comment. Since the Institute's last update letter in February 2015, we have completed [13 submissions](#) on various issues across the public sector. To view our submissions, please see the [submissions publications page](#) on our website.

At the Institute we value our non-partisan status and welcome comment and discussion. Given that many of you will be working on developing public policy solutions for the elections next year, we are looking at publishing *Project Policy Statements* for each Institute project at the end of this year – what we are seeing and thinking. Our work programme is a response to the issues that seem most important going forward, based

on our research and conversations. Your feedback would be very much appreciated. If you would like to meet to discuss any of the above in more detail, please do not hesitate to contact me.

Over the next few weeks we will be working on the *ForesightNZ* playing cards and booklet, which we hope to send to you in late June. These cards will represent what 36 young people consider will shape New Zealand's long-term future.

Core funding for the Institute comes from Willis Bond & Co (a property development company), which enables the Institute to undertake key projects with individuals or organisations interested in pursuing similar goals. However, our most critical support comes from people like yourselves, who focus on making New Zealand a better country: one that is cohesive, caring and creative and, as the late Sir Paul Callaghan said, 'a place where talent wants to live'.

Thank you for your continued support and hard work.

Yours sincerely,



Wendy McGuinness  
Chief Executive

**Attachments:**

1. [Project 2058 publication catalogue](#)
  2. Booklets  
[Proceedings of the Civics and Media Project workshops](#)  
[TacklingPovertyNZ: Exploring ways to reduce poverty in New Zealand](#) workshop
  3. Think Pieces  
[Think Piece 21: Strategy Stewardship Matters: Utilising the Government Department Strategies Index](#)  
[Think Piece 22: Proposal for the Creation of an Oceans Institution](#)  
[Think Piece 23: The Future of Talent: Reflections from the WFS conference](#)  
[Think Piece 24: Self-aware cities](#)  
[Think Piece 25: The changing purpose of tertiary education](#)
  4. Timelines  
[Timeline of strategy stewardship in the New Zealand public service, 1980–2016](#)  
[Timeline of significant events in the history of education in New Zealand, 1867–2016](#)
- Upcoming Event Flyers  
[StrategyNZ: Strengthening strategy stewardship one-day workshop](#)  
[NZAYC Exploring the Antarctic Treaty in 2056](#)