

Submission | State Sector Management Bill

15 October 2010

State Sector Management Bill
Committee Secretariat
Education and Science
Parliament Buildings
Wellington 6140

To whom it may concern,

Please find attached the Sustainable Future Institute's submission on the proposed amendments to the State Sector Management (SSM) Bill. The Institute has significant concerns over the proposed amendments.

The Institute is concerned that the integration of the National Library, Archives New Zealand and Department of Internal Affairs will impact negatively on New Zealand's long-term future. Our Institute is committed to ensuring government pursues integrated, long-term thinking, and that decision-making processes are transparent and decision-makers can be held accountable.

The Institute also wishes to appear before the committee to speak to this submission. Our contact details are provided below.

Kind regards,

Wendy McGuinness
Chief Executive

Jessica Prendergast
Research Analyst

About Sustainable Future Institute

The Sustainable Future Institute, founded in 2004, is an independent think tank specialising in research and policy analysis. Our purpose is to produce timely, complete and well researched information focused on New Zealand's long-term future.

Contact Details:

Wendy McGuinness, Chief Executive
Sustainable Future Institute
l: Level 2, 5 Cable Street
p: PO Box 24222, Wellington
6142, New Zealand
t: +64 4 499 8888
f: +64 4 385 9884
e: wmcg@sustainablefuture.info
w: www.sustainablefuture.info

Appendix 1 Think Piece 12, October 2009: New Zealand is No Longer New

Introduction

The New Zealand government, as owner of valuable national historical documents, has a responsibility to provide accessible, thorough and timely information to all New Zealanders, both in their role as (i) owner/occupier and as (ii) the representative of the public good for current and future generations of New Zealanders. Undertaking both roles places an additional onus on government to deliver high levels of transparency and accountability. Of particular concern in the proposed amendments to the SSM Bill is the desire to streamline operations and find cost-savings across the three current government agencies.

We believe all three agencies undertake separate functions, two of which should be pursued independently of the day-to-day operations of Government. In our view, combining entities with separate functions only adds an additional layer of management. Therefore, we consider cost-savings are unlikely to exist under the proposed re-structuring. Taking on board the known costs of re-structuring, we suspect the net effect is higher costs for the public and/or lower benefits to consumers, today and in the future. Importantly we consider the economic, social and cultural costs and benefits need to be considered. Therefore we ask that a thorough analysis of the risks, costs and benefits associated with the proposed amendments to the SSM Bill be undertaken. Pivotal to such an assessment is the need for comprehensive engagement with a wide range of stakeholders.

What follows is a discussion of (i) our general concerns and (ii) our specific concerns. Where possible, we have made suggestions as to how the process and outcomes could be improved.

(i) General Concerns

1. Archives New Zealand

The merger of our national archives with the DIA represents a threat to the democratic process of this country. Archives New Zealand has a significant role to play in protecting and promoting access to information regarding the actions of Government. This extends to monitoring the performance of our representatives by ensuring accountability-of-action through records both created and maintained. Under proposed legislation, the Chief Archivist would be sub-ordinate to the Chief Executive Officer of the DIA, placing their requirement for independence in potential conflict with some of the DIA's censorship functions.

2. National Library of New Zealand

The National Library Act 2003 (s7) states that the '...purpose of the National Library is to enrich the cultural and economic life of New Zealand and its interchanges with other nations.'

- (i) The National Library plays a key leadership role in the library and information community of this country. To continue in this directive function, it must have influence and direct access to the Minister. Under the proposed amendments to the legislation, the placement of the National Librarian at Tier 3 reduces the ability to advocate for the information sector. A weakened role would reduce the National Librarian's influence at a strategic level. As a result, responsibilities relating to the development of national information-related policies would be compromised.
- (ii) The library provides leadership and support in goals of literacy and life-long learning and is relied upon by the information sector to provide knowledge and systems for accessing information. Its ability to continue to do this effectively would be compromised through the dispersion of its core functions.

As a result we make the following suggestions:

1. The National Library and Archives New Zealand remain separate institutions

We recommend that the merger of the National Library, Archives New Zealand and the Department of Internal Affairs does not go ahead in the current proposed form. The rationale for re-organisation is efficiency and cost-saving. However, the short-term savings outlined are not sufficient to justify the risks to our democratic processes, and our cultural preservation and leadership.

The National Library, Archives New Zealand and the DIA have separate functions, values and roles. Therefore, we consider it is inappropriate for this country's library and archives to lose their independence through the proposed amalgamation with internal affairs. In the case of the National Archives, their objectives of preservation and protecting access to information are clearly at cultural odds with those of a government department with censorship responsibilities. Whilst the National Library and New Zealand Archives share many founding principles it must be recognised that they diverge on a number of positions and require different practices and technologies to capably fulfill these.

In principle, the Institute does not oppose the consolidation of some services where overlap exists between organisations' roles and functions. However, we consider it vital that this be the result of a wide public consultative process that includes, among others, representatives from National Archives and the National Library along with other key stakeholders. Further, the merger of such selected services with those in potentially more strategically aligned government departments should not be discounted.

2. Higher level of public engagement

The proposed amendments to the Act have been met with strong resistance from key stakeholders, such as the Friends of the Turnbull Library. In part, opposition focuses on the limited amount of consultation. For example, the Library and Information Association of Aotearoa (LIANZA) complained that their request for information, pursuant to the Official Information Act, was turned down and they were not listed as a consulting group at the Bill's first reading. Improvements need to be made to consultation process to minimise the negative impact of any changes to the organisation of this country's two central information- management institutions.

(ii) Specific Concerns

The Institute has three specific concerns:

1. Ensure the purpose is broader than just economic

The focus on economic savings implies only the economic impacts will be assessed. We are a strong advocate of a social and cultural impact assessment sitting alongside any economic impact assessment. Further, for a thorough assessment of all associated impacts the government needs to investigate the costs, times, and outcomes within each stage of the assessment, amendment and implementation process. Analysts should look closely at the outcomes in terms of benefits to New Zealand in the long-term. If cost - savings are not being placed back into public good initiatives and there is minimal benefit for New Zealanders, these amendments should not be pursued.

2. Provide more clarity over the decision making process

This leads us to the following suggestions:

(i) Consider the long-term view

We ask government to consider the long-term view. Future governments may want to regulate for greater access to our national historical assets, so there is a real opportunity to make the purpose broader and more useful for future generations –in terms of improving public accessibility, cultural identity, autonomy and limiting any undue influence.

(ii) Regular reporting back on the impacts of the amalgamation

If government wishes to pursue changes to regulations based solely upon economic savings and the streamlining of operations, there must be significant clarity concerning why the government sees this investment as worthwhile at the expense of public accessibility, identity, autonomy and undue influence. Regular public reporting on the amalgamation of the National Library and New Zealand Archives with the DIA should be undertaken so that progress can be monitored and assessed by all New Zealanders.

(iii) Independence of those advocating for changes to regulations governing New Zealand's valuable historical assets

To prevent possible conflicts of interest occurring, information collectors and information users must be different organisations. In other words there must be no vested interests, otherwise the independence of the information, and any subsequent decisions based on this information, could be called into question.

3. Provide more information to the public on the risks, costs, benefits and Information, Process and Decision Making

We discuss each in turn:

A: Risks

Economic, social and cultural risks have been inadequately assessed and insufficiently understood to ensure a robust decision on an issue of high national importance. Limitations and controls to manage any risks for both current and future New Zealanders have not been comprehensively explored.

B: Costs

The costs of loss in public accessibility and in other areas such as cultural identity, independence and influence have not been identified and valued. The cost to the integrity of New Zealand's historical collections and the public's ability to view these valuable resources has not been assessed. Long-term costs associated with diminished capacity for safe-guarding government accountability and the loss of strong strategic leadership in the information sector have not been quantified.

C: Benefits

We believe the benefits have not been sufficiently identified, quantified or explored over substantial time frames in order to adequately assess the impacts of the proposed amendments to the SSM Bill. Potential cost-savings and who they will benefit have not been adequately stated. The extent to which these cost-savings will be placed back into public good initiatives, of benefit to all New Zealanders, needs to be clearly stated. Benefits should be assessed over longer time frames to ensure decisions are being made with future generations in mind. Non economic benefits to our country also need to be assessed and given due weight.

D: Information, Process and Decision Making

Of high concern is the transparency of information made publicly available throughout the consultation process. Questions around conflicts of interest, independence of information providers and the quality and purpose of the information provided need to be openly addressed to ensure stakeholders are accurately informed; as well as to encourage engagement and satisfaction in the standard of consultation and resulting decisions. New Zealanders need to be informed to enable them to choose whether or not to be involved in the policy process.

Summary

The direction in policy set by the proposed amendments to the SSM Bill to incorporate the National Library and Archives New Zealand into the Department of Internal Affairs will have major impacts on New Zealand's cultural identity and valuable historic assets. Government claims that this merger has the potential to result in large cost-savings to the New Zealand public; it also has the potential to produce highly detrimental effects to the autonomy, independence and influence of our central information-management

institutions. The loss of strategic leadership in the information sector would be widely felt by all New Zealanders, and the absence of an independent record-keeping organisation maintaining Government accountability would undermine democracy.

Good governance requires good processes. Effective public policy is developed with consideration of any possible impacts across all economic, social and cultural sectors. Evidence-based policy assesses all risks, costs and benefits over substantial time frames. An integrated approach is achieved through cross agency interaction, coordinated legislation and regular reporting requirements. Proficient policy and quality decisions are reached by transparent and accountable consultation processes and decision-making. New Zealanders deserve all of the above.

Although we can appreciate the desire to look for ways to save public expenditure (particularly in times of a recession), we consider it is also important to not waste time and energy where systems are delivering quality outcomes at a reasonable cost. The proposal, as it stands, appears to fit into this second category - a costly re-structuring proposal that will deliver higher costs and lower quality outcomes for New Zealanders - now and in the future.

New Zealand is No Longer New

Prepared by Wendy McGuinness and Perrine Gilkison

Think Piece 12
October 2009

Summary

As one of the last landmasses discovered by humans, New Zealand has consistently been viewed as a 'young' nation, but is the idea of our youth hindering our progress? Many New Zealanders have reflected upon, discussed and put forward ideas about this nation's long-term future. Some ideas have been taken up and become mainstream, others have not. However, without a group of New Zealanders working hard to evaluate our history, to analyse current events and to consider future trends, our nation could not have progressed to where it is today. This Think Piece recognises their achievements, in the hope that they will continue to support and inspire New Zealanders now and in the future. It is, after all, our watch, and therefore our time to think hard and solve complex problems. The alternative is to simply pass on our problems to future generations. Such an approach is not ethically acceptable, and it is not in keeping with the spirit of generosity and sacrifice of those who have gone before us. This Think Piece therefore argues that New Zealand is no longer new, and as such, it is time we grew up – which, as any adult will remember, can be a painful process.

Introduction

Our ancestors worked, and often fought, both nationally and internationally for our rights as a people and our place in the world. They understood that 'New Zealand was new', so their focus was on developing a platform on which to build a nation. The pursuit of a robust nation was seldom pursued by government alone, but was often led, cajoled and applauded by individuals and organisations who felt a genuine desire to leave New Zealand in a better position than they had found it. In order to develop foresight into New Zealand's future, it is critical to learn the lessons of our past.

The Big Picture

The very big picture starts with the beginnings of our planet, over 4.5 billion years ago. Only in the last 200,000 years (approximately 0.004% of time to date) have humans lived on the planet. Of this time, humans have only been in New Zealand since Polynesians arrived in about the 13th century,¹ less than 1,000 years ago. So although the land itself has been here for many millions of years, the late arrival of humans means New Zealand is often considered young by world standards. As a nation state, however, we are relatively old, and certainly no longer in our infancy. The birth of our nation-state can be marked by one or more of the six stages listed below:

- i. The 1830s saw the selection of the United Tribes Flag by 25 chiefs from the northern part of New Zealand (see Figure 1), and the signing of a 'Declaration of the Independence of New Zealand' in 1835.
- ii. 1840 saw the signing of the Treaty of Waitangi, which brought with it the adoption of the Union Jack as the official flag of New Zealand.
- iii. 1852 saw the British Government passing the New Zealand Constitution Act.
- iv. 1867 saw Māori adult males winning universal suffrage;² in 1879 the vote was extended to all adult males,³ and in 1893 it was extended to all adult women.⁴
- v. By the 1900s it was generally agreed that New Zealand needed to be seen as a unique country. In response, a new flag was chosen, and approved under the New Zealand Ensign Act 1902; to date this flag remains unchanged. Interestingly, it is possible to see how the United Tribes Flag and the 1840 Union Jack led to the design of the Signalling Flag of 1899 (see Figure 2), which is only a small step away from the flag we have today.
- vi. 1907 saw New Zealand become a Dominion.⁵

These six steps, in effect, encompass the seventy-odd years of New Zealand's development into a nation-state, and consequently quantify the era of the nation's birth.

When New Zealand was 'New'

As if to celebrate our birth and affirm our status as a newly born nation, the New Zealand government held a design competition to develop a coat of arms, which would become the official symbol of New Zealand.

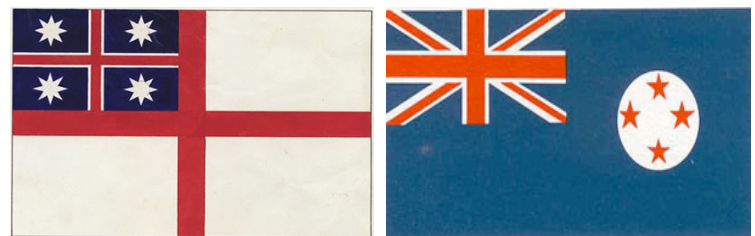


Figure 1 United Tribes Flag 1834⁶ Figure 2 Signalling Flag 1899⁷

The winning entry, conferred in 1911, remains largely unaltered today. The initial coat of arms was granted by King George V on 26 August 1911, and the current version was granted by Queen Elizabeth II in 1956 (see Figure 3).

The central shield has remained unchanged since 1911. The first quarter of the shield contains four stars, representing the Southern Cross constellation (as depicted on New Zealand's flag); the second quarter denotes a golden fleece, representing the farming industry; the third contains a wheat sheaf, representing agriculture; and the fourth depicts two hammers, representing mining and industry. In the middle is a vertical strip with three ships, representing sea trade and the immigrant nature of all New Zealanders. Minor changes to the coat of arms were made in 1956 – the lion at the top became a crown; the wording on the scroll at the shield's base was changed from 'Onward' to 'New Zealand'; and the colour of the female character's hair was changed – but the essence of what it was saying about New Zealand did not change. While our country's economy continues to be based upon farming, agriculture, mining and a population that trades and ventures globally, today it is also so much more. Do these symbols still portray an accurate representation of contemporary New Zealand?

What is significant about the era of New Zealand's birth is that all the changes that took place between 1834 and 1907 were brought about by strong leadership from within the country, and although these changes were at times painful, they occurred over a relatively short period of time and put New Zealand in a position where it was able to face the challenges of the twentieth century. It is significant that very little of importance in our nation's structure has changed in the last hundred years.



Figure 3 The New Zealand coat of arms⁸

When New Zealand Embraced Written History

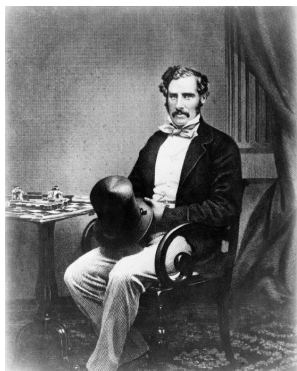
There is further evidence that New Zealand is no longer new on the shelves of our country's many libraries. Three gentlemen – Sir George Grey, Thomas Hocken and Alexander Turnbull, known as the pre-eminent New Zealand trinity of effective promoters of New Zealand history⁹ (see Figure 4) – worked hard to make our past accessible to future generations. All three donated collections to the people of this country, with Turnbull specifically gifting his collection 'as the nucleus of a New Zealand National Collection'.¹⁰ Turnbull insisted on keeping his collection in one place, emphasising that the value of a collection goes beyond that of the individual books, and that the essence of a nation might be captured within the pages of such a collection.

Without the foresight of these three collectors, who purchased, crafted and then gifted their collections to the public, the era of New Zealand's birth and progression through adolescence may have been left largely unrecorded.

Now That We are No Longer 'New'

Are our official emblems – our flag, our national anthems and our coat of arms – going to bind us together, steer us in the same direction and represent us effectively on the global stage? Are our libraries and museums able to set the scene for a population that knows its history, feels secure in its identity and is well-equipped to face its future? If we are no longer 'new', who and what are we, and what do we want to be?

Figure 4 The trinity of promoters of New Zealand history



Sir George Grey 1812–1898

Soldier, explorer, colonial governor, premier, scholar

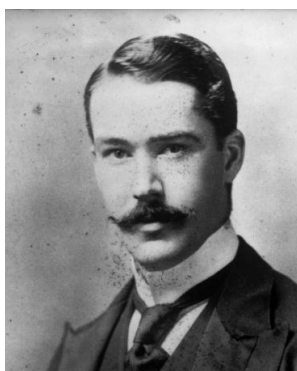
Grey, in addition to being Premier of New Zealand, was an enthusiastic naturalist and collector of manuscripts, incunabula and other rare books.¹¹ He presented two colonial libraries with substantial collections – donating approximately 5200 books to the Public Library in Capetown¹² and 15,000 books to the Auckland Public Library.



Thomas Hocken 1836–1910

Doctor, historian, collector, bibliographer

Hocken's major contribution was his collection of 4,000 books, pamphlets, newspapers, manuscripts, maps, paintings and photographs, from which the Hocken Library was established.¹³ This collection, which was opened to the public in 1910, focused on New Zealand and Pacific material, with a significant collection on the early European voyages, missionaries and the settlement of Otago.



Alexander Turnbull 1868–1918

Merchant, bibliophile, collector

Turnbull's library consisted of some 55,000 volumes of books, pamphlets, periodicals and newspapers, and thousands of maps, paintings, drawings, prints and manuscripts.¹⁴ His mantra for collections: 'Anything whatever relating to this Colony, on its history, flora, fauna, geology & inhabitants, will be fish for my net, from as early a date as possible until now.'¹⁵

Maybe there will be a time when we are no longer able to position our nation as a charming and endearing people at the bottom of the planet. Maybe we are no longer the child able to rely on a young and bountiful mother – the resource rich land of New Zealand – to be our salvation. Perhaps it is timely for New Zealanders to drop the concept of 'new' and endeavour to think more wisely. In other words, perhaps it is time for New Zealand to grow up and consider what a mature New Zealand could look and feel like.

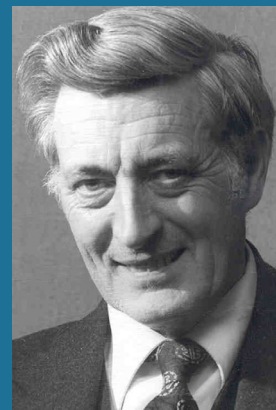
One New Zealander who worked hard to reflect on New Zealand's long-term future was Professor James Duncan – the Chair of the Commission for the Future and founder of the New Zealand Futures Trust. As Professor Duncan wrote in 1984, 'acceptance of a common vision for the future ultimately depends on mutual understanding and tolerance'.¹⁶ New Zealanders must keep talking, listening, thinking and reflecting, with the aim of creating a common vision for a mature nation.

In light of this discussion, it is timely to question whether our country's symbols are in need of a complete makeover. Is it time to consider a new flag, a new coat of arms, and possibly even a change of name (since 'New' Zealand is no longer appropriate)?¹⁷ The symbols discussed are a visual representation of New Zealand's constitutional heart and as such, any constitutional review should include a review of our symbols.

James Duncan 1921–2001

Scientist, educator, futurist

Duncan was a chemistry scholar who was eager to share his knowledge with younger generations. He is described as having a 'very keen, active and enquiring mind'. His enthusiasm for sharing knowledge and research extended to an interest in future studies, and he encouraged public figures to identify and discuss issues that they felt would be important in New Zealand's future.



By 1976 his efforts had contributed to the establishment of the Commission for the Future, a government-funded organisation that looked towards New Zealand's future, of which he became Chair. After the Commission was disbanded in 1982, Duncan was instrumental in establishing the New Zealand Futures Trust (now Futures Thinking Aotearoa) and wrote the book *Options for New Zealand's Future*.

The James Duncan Reference Library

The team at the Sustainable Future Institute have been greatly inspired by James Duncan's vision and methodology, and decided that it was fitting to name the Institute's reference library after a New Zealander who invested so much time and thought in the discussion of our nation's future. On 21 October 2009 the Sustainable Future Institute will officially open the James Duncan Reference Library. This library will be open to the public by appointment, with the intention of providing a space for New Zealanders to browse and reflect on what has been achieved, and to ponder their own visions for a sustainable future.

Find Out More...

This Think Piece was prepared to celebrate the opening of the James Duncan Reference Library. The Think Piece was externally reviewed by Yvonne Curtis of Futures Thinking Aotearoa, who also officially opened the Library on October 21, 2009. For complete references and to find out more, visit our website: www.sustainablefuture.info