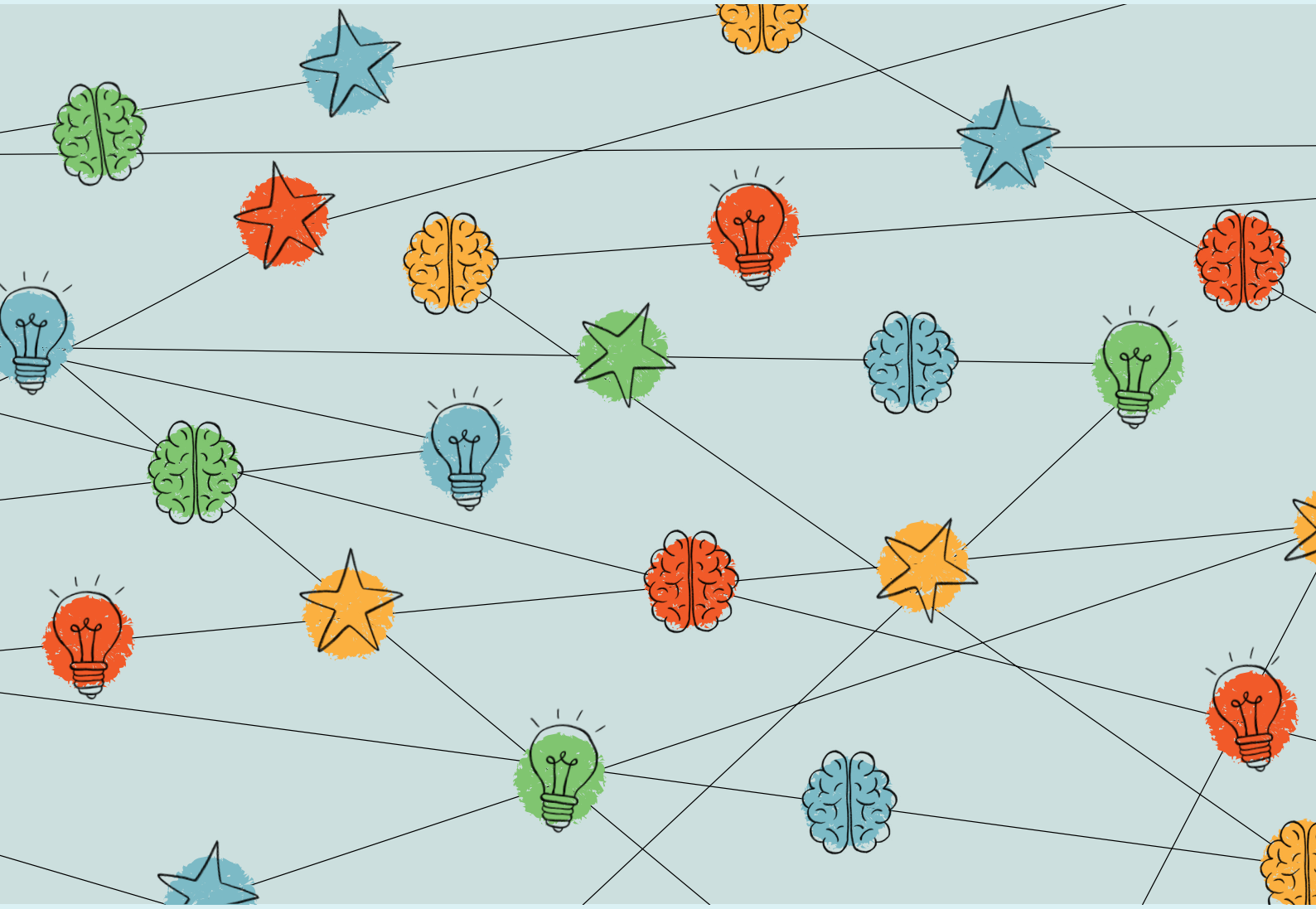
BIG Ideas

Brief to the Incoming Government (B.I.G.)

SHORT READ



MCGUINNESS INSTITUTE
TE HONONGA WAKA

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Note: This version of *BIG Ideas: Brief to the Incoming Government (B.I.G.)* is the short read and does not include references. For a more detailed report and a full list of references and endnotes, please see the long read, *Discussion Paper 2023/01 – BIG IDEAS: Brief to the Incoming Government (B.I.G.)*.

Draft

Version: 23 February 2023

Preface

> "Expecting the unexpected" is part of my philosophy … As we find ourselves confined today [due to the pandemic], all of us, from Nigeria to New Zealand, must realise that our destinies are intertwined whether we like it or not. This is the time for us to reconnect with our humanism. If we do not see humanity as a community with a shared destiny, we cannot exert pressure on our governments to take effective, innovative action.
>
> – Edgar Morin (b. 1921), September 2020

In 2020, at the age of 99, French philosopher Edgar Morin hoped the COVID-19 pandemic might improve our understanding of science and teach us how to live with uncertainty and how to prepare for disasters, particularly those caused by biosphere degradation. He added, 'I have also observed that unbridled technical-economic development, driven by an insatiable thirst for profit and fostered by a global neo-liberal political climate, has become toxic, triggering all manner of crises.'

Morin coined the term 'polycrisis', which is now in popular use. The World Economic Forum's *Global Risks Report 2023* described a polycrisis as 'a cluster of related global risks with compounding effects, such that the overall impact exceeds the sum of each part'. When a challenge becomes a crisis it is defined by scale, but when a crisis becomes a polycrisis it is defined by complexity. The ability to solve any one of the crises in a polycrisis is difficult, as a polycrisis is a connected mass of crises all impacting and amplifying each other. (e.g. enduring issues such as the housing supply, cost of living, poverty and health are amplified by changes in climate).

As we write this, our country is facing a crisis. The Auckland floods, followed shortly afterwards by Cyclone Gabrielle, have led to New Zealand's third ever national state of emergency under the Civil Defence Emergency Management Act 2002. The previous two were in March 2020 at the onset of the COVID-19 pandemic, and in February 2011 after the Christchurch earthquake.

We question whether New Zealand is in the midst of a polycrisis, and, if so, what can we do about it. We are seeing systems stress and policy lag at a level we have not seen before. For example, in December 2020, New Zealand declared a climate emergency, but the latest cyclone has created a climate urgency. Minister of Climate Change James Shaw noted during the cyclone that the country is entering a 'period of consequences' and decades of under delivery and policy failure by successive governments is the root cause of the issue – we agree. A lack of a national resilience strategy, climate strategy and coherent macro system thinking means that we are still discounting the future in our decision making processes (see, for example, the PCE report on discount rates). We would argue that local government did not have the 'reduction' or 'readiness' capabilities to cope with climate events (of scale) because central government had, over many years, failed to support local communities. The 'response' and 'recovery' capabilities are yet to be tested, given events are still evolving.

Our only way forward is to do something significant.

We suggest doing something in the form of a polysolution – a package of BIG policy actions that have scale and together are able to 'shock' the emerging polycrisis with a diverse range of skills, tools and actions designed to slow, control and ideally reverse the mass of crises we face. In this context, 'BIG' is a play on both the phrase Brief to the Incoming Government (B.I.G) and the term 'BIG' (i.e. scale).

This discussion paper found that Government should urgently focus all public policy on the year 2040 – because climate change impacts are expected by the IPCC to significantly impact our way of life around this time, and Te Tiriti bicentennial celebrations provide a time to reflect and create an enduring way forward. We need to ensure our assets and resources are well maintained and fit for purpose, and our mokopuna have the necessary skills and traits to become the stewards of Aotearoa New Zealand in the year 2040.

This paper focused on collecting ideas, not testing them. The aim was to design a package of BIG policy actions for analysis by government and others that put people and the planet at the centre. The ideas are for consideration and debate, in the hope of contributing to a wider conversation about Aotearoa New Zealand's long-term future. We acknowledge others will have their own ideas and solutions, have different perspectives on the scale and pace of change and have different views on the extent the current public service systems is designed to cope. For example, the patrons do not agree with every idea, proposal or perspective and that is the beauty of this process. The funnel process, illustrated in Figure 2, enables ideas to come to the surface for discussion. It encourages critical thinking, a systems approach, design solutions, strategy mapping and open-ended conversations. Importantly, ideas should be collected well before they are assessed, analysed and costed and decisions over funding and institutions are made.

The McGuinness Institute is a non-partisan think tank working towards a sustainable future for New Zealand. The aim is to contribute foresight through evidence-based research and policy analysis (see Figure 1). This means our protocol is not to publish material in the vicinity of an election. For this reason, although the next incoming government is likely to be in October 2023 (eight months away), we are releasing this paper in February to invite feedback and have some distance from the election process. We hope it contributes to the important discussion on what next for public policy.

This paper could not have been prepared without the Institute's patrons, Roger Dennis, Sue Elliott, Dr Bronwyn Hayward, Professor Mark Henaghan, Dr Carwyn Jones, Dr Girol Karacaoglu, Hon Nikki Kaye, Elaina Lauaki-Vea, Dr Ella Lawton, Trevor Moeke, Bill Moran, Dame Dr Claudia Orange, James Palmer, Michelle Pawson, Neville Peat, Jessica Prendergast, Mike Reid, Lachlan Rule, Dame Diane Robertson, Conal Smith, and Dr Morgan Williams. Please note a number of patrons were unable to provide feedback given recent weather events or work-related situations. In a few cases we sought advice on some specific policy actions, including David Ermen on the ecological corridors. The authors would like to thank all the contributors for sharing their ideas and insights, however we take full responsibility for its contents and any errors within.

Thank you for your interest in this paper and the work of the Institute.

Ngā mihi

Girol Karacaoglu
Patron

Wendy McGuinness
Chief Executive

Figure 1: The cone of plausibility

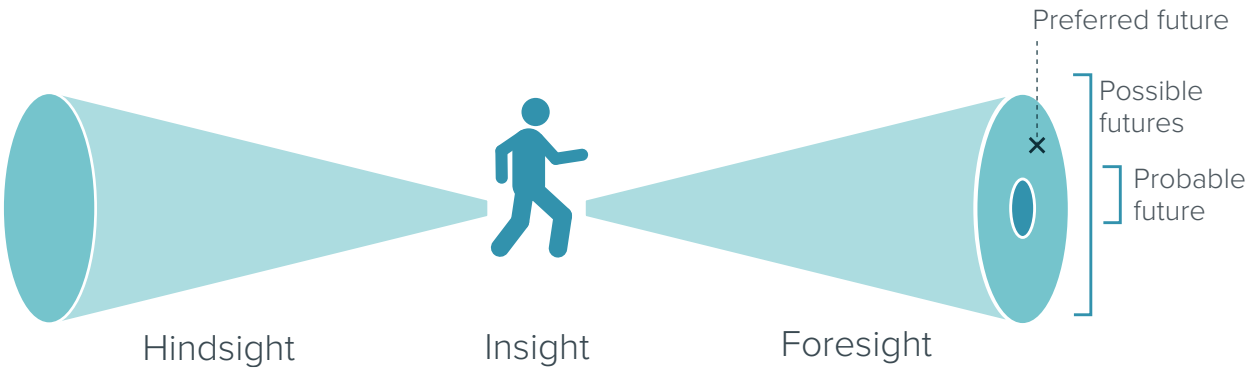
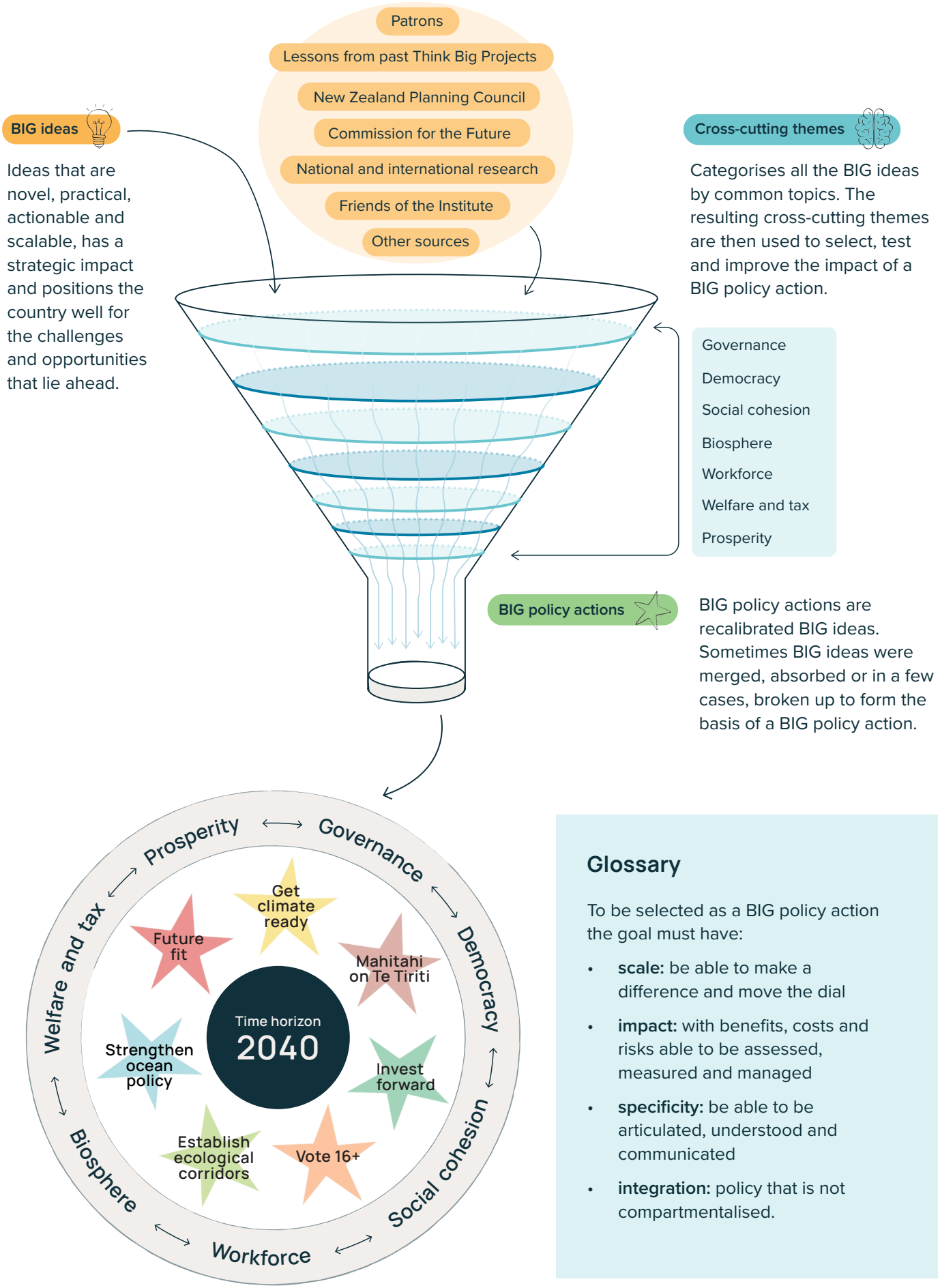


Figure 2: Our method: the funnel



Glossary

To be selected as a BIG policy action the goal must have:

- **scale:** be able to make a difference and move the dial
- **impact:** with benefits, costs and risks able to be assessed, measured and managed
- **specificity:** be able to be articulated, understood and communicated
- **integration:** policy that is not compartmentalised.

BIG Policy Action #1: Get climate ready

We want to strengthen the understanding of, proactivity toward, and response to the impacts of climate change. We want to get New Zealand and New Zealanders ready for a major systemic change in the way we live.

Being 'climate ready' recognises that government and business are not solely responsible for adapting all of society to the impacts of climate change. The idea of being 'climate ready' aims to communicate that climate resilience is a shared responsibility which requires equal focus across government, business, local council, community and individual levels.

BROADER CONTEXT

The central government 'sets the direction so that New Zealand's people, environmental, economy and national infrastructure, are more resilient to the impacts of climate change'. Specifically, this is achieved by:

- providing the legislative and policy framework,
- providing information and guidance to support local government and business to make effective adaptation decisions,
- funding research on climate change impacts, and
- preparing for and responding to major natural hazard events.

As part of the Institute's most recent analysis of Government Department Strategies (GDSs), researchers analysed each GDS with regard to implicit and explicit mentions of climate change. GDSs are important strategy documents as they provide citizens with a window into the workings of government and act as critical instruments for policy-makers in bringing about change.

The research found that not enough is being done across the whole of government. For example, Treasury is taking climate change into consideration in its GDSs, but the Ministry of Health and the Ministry of Social Development are yet to do so in a meaningful way. This provides an interesting yet unsettling observation as the impacts of climate change will be felt more by those vulnerable with health issues and/or financial constraints (e.g. difficulty in relocating or inability to purchase an electric car).

The fact that vulnerable communities are likely to be hit hardest reinforces the need for such individuals and communities to be supported to adapt to the impacts of climate change.

The concept of being 'climate ready' considers the above, in that the systems and services (which are heavily relied upon in such situations) may not always perform as expected/desired. In a wider sense, 'climate ready' aims to communicate that climate preparedness and resilience is a shared responsibility across many layers.

We all have a role to play in understanding how climate change will impact us, not only at a regional and/or national level, but also at an individual and community level.

WHY?

The impacts of climate change will be felt by everyone, but disproportionately so by those people and communities facing disadvantages and/or are vulnerable.

Being 'climate ready' prioritises proactive and anticipatory (rather than reactive) policy and planning around what actions can be taken now, as well as in the future, to ensure a climate-resilient society. While there is growing awareness regarding the risks associated with climate change at individual and community levels, there remains a large knowledge gap regarding the effectiveness of different adaptation measures, for example, how to best prepare for severe weather events and what to do during a severe weather event. Being 'climate ready' will raise awareness, strengthen resilience and place people in safer positions to navigate the impacts of climate change as they occur. Examples of positive outcomes include:

- Increased individual and community awareness about the impacts of climate change and how to best prepare for them.
- Increased individual and community ability to respond to the impacts of climate change when they occur.
- Reduced vulnerability to the impacts of climate change.
- Increased ability for individuals and communities to provide aid and assistance when emergency services are at maximum capacity or are unable to reach the location.
- Reduced demand for emergency services.
- Reduced insurance claims.
- Less deaths and other losses (e.g. financial, vehicles, resources, homes, infrastructure).
- Newly created jobs and skills.

HOW?

At a decision-making level, uncertainty and risk exists in terms of planning for the impacts of climate change. However, at individual and community levels, this should not restrict progress toward being prepared – it should encourage it.

Focus initially on the following actions:

A. Information-led change (equitable, accurate and timely)

1. Develop a set of 2040 climate reference scenarios. These will help inform and shape decisions by government, iwi, business, councils, NGOs and communities, create information equity and align decision making (completed by NIWA). These climate change reference scenarios should have a long-term outlook for the year 2040. To help in this process, the Institute has compiled a table of existing national scenarios on our website.
2. Prioritise the sharing of and access to information. Information gaps exist across different sectors of society. Good planning needs good information, which is why accessible, accurate and relevant research is an essential component of being climate ready (especially for the most vulnerable when managing rapid and uncertain change). There is currently information inequality in New Zealand. This observation simply reinforces the need for stronger, better funded and more connected climate-related research focused on delivering data that can be turned into information and ultimately provide knowledge for the resilience of individuals, council, iwi, business and government in the face of climate change impacts.

   The External Reporting Board's (XRB's) climate-related disclosures (NZ CS 1), should cover a wider range of public and private entities. A robust climate-related disclosure framework should evidence how the entity is 'climate ready' and communicate this information in a timely and accessible manner via a public register of all climate statements. This should consider the double materiality perspective (i.e. the impacts of climate change on the company and the impacts of the company on climate change — often referred to as double materiality).
3. Require all government department strategies and long-term plans to be reviewed against those climate change reference scenarios.
4. Require councils with sea coasts to prepare shoreline management plans backed up by LiDar surveys.
5. Develop a body (or incorporate into an existing body such as the Climate Change Commission) to review significant climate events that occur both domestically and internationally. Ensure that lessons are learned and action is taken.

B. Consumer-led change

6. The House of Representatives should go into 'urgency' to make progress on the Climate Change Adaptation Bill.
7. Shift the lens from production to consumption. In 2017, households were the largest contributor to New Zealand's carbon footprint (at 71 percent). Focusing more on the implications of a nation's consumption and lifestyle choices shifts the spotlight (and cost) on to polluters. Having consumers pay for pollution, ideally through pricing carbon, will directly influence environmentally negative consumption habits, incentivising sustainable decision-making.
8. Promote the concept of being 'climate ready' in order to build climate resilience through a ground-up approach. This could sit alongside or form part of the National Adaptation Plan. Specifically, this action would increase opportunities, raise awareness, strengthen resilience and, in turn, help reduce the adverse consequences of climate change.
9. Help build climate resilience through a ground-up approach. This could sit alongside or form part of the National Adaptation Plan and the Climate Change Adaptation Bill. Specifically, this action would increase opportunities, raise awareness, strengthen resilience and, in turn, help reduce the adverse consequences of climate change.
10. Develop a climate-ready checklist for consumers. While consumers may, generally, be aware that their consumption habits are environmentally degrading, there exists a gap between understanding what the actual impacts are and identifying what behavioural changes are worth making. Developing and distributing a basic checklist for consumers will help fill these knowledge gaps.
11. Here is an example of a checklist adapted from the World Economic Forum:
    - Understand your own carbon footprint.
    - Seek out as much trustworthy information as possible about the products you purchase.
    - Make smarter, more cautious consumer choices with this information.
    - Create demand for higher quality lower emissions products (if you can afford it).
    - Spread the word and help others increase their awareness.

C. Geography-led change

12. Develop accurate and updated risk mapping. The vulnerability of individuals, councils, iwi, business and government to climate change impacts varies greatly depending on location. Furthermore, while some impacts of climate change are certain, others are unpredictable.

Regular and accurate risk maps could be developed annually and used to inform the National Climate Change Risk Assessment for New Zealand (which occurs at least once every six years).

13. Progress the Climate Change Adaptation Bill (in particular managed retreat). Firstly, no new builds should be permitted on flood plains, beach fronts, unstable hillsides and clifftops. Secondly, where houses exist on flood plains, beach fronts, unstable hillsides or clifftops, the houses in these areas should be assessed for their ability to withstand storms and floods. Thirdly, storm water and sewerage drainage systems in these areas should be reviewed and work prioritised. Further, it is clear adaptation and managed retreat at a national scale will be very costly (with managed retreat of vulnerable properties alone estimated to cost $50 billion). This reason alone is enough to progress the Climate Change Adaptation Bill to give effect and traction toward delivering meaningful solutions in the face of severity, complexity and uncertainty. The recent Environmental Defence Society (EDS) report, *Funding Managed Retreat, Designing a Public Compensation Scheme for Private Property Losses: Policy Issues and Option*s, by Jonathan Boston, makes many useful financing suggestions. Lastly, we must provide information (e.g. risk and threat lines need to be put on maps), and have conversations regarding how to administer reactive managed retreat and anticipatory managed retreat.

D. Fire weather ready

14. Review the climate change effects on fire likelihood and impact throughout New Zealand.
15. Prepare for the increased fire weather incidence through data gathering technology (heat sensors, AI modelling etc), forest management and upgraded fire response capability (water bombers, training, international collaboration) to ensure fires are extinguished early.
16. Move fire management from Department of Internal Affairs to MBIE.

E. House and community ready

17. Develop disaster management plans for home and community; building on existing relationships with Civil Defence and Neighbourly (a website that connects neighbours).
18. Provide fire weather guidance (such as types of planting around homes to prevent fires, ensuring fire hydrants are identifiable and water tanks adequate.
19. Ensure water drainage pipes are sufficiently large to cope with storms.
20. Establish a new unit in central government to work closely with local government to prioritise construction of sea defences for long-term protection from sea-level rise (rock rip-rap, pumps, pipes, ponds) – or, ultimately, through managed retreat.
21. Create a programme of financial assistance in collaboration with councils, banks, and the insurance industry to cover adaptation costs, ensuring the least-resourced councils are not left behind and adaptation work is not piecemeal.

F. Water ready

22. Establish a Minister of Water.
23. Modify the existing three waters reform. For example, establish a Water Services Council or even a crown entity (adopting the Scottish model). Either option would remove risk and complexity and increase public trust and community control. Water security is fundamental to New Zealand's productivity and prosperity.

G. Farm ready

24. Encourage local food systems to support resilience in case of disasters. Highlight the need to not rely on technological solutions. The agricultural sector is a good example; we need to 'do more, with less'.
25. Encourage a range of diverse food production systems located throughout the country. As recent events have illustrated, livestock can move themselves or be moved to higher ground while plants and orchards cannot. Sole reliance on plant-based system has risks.
26. Encourage integrated whole-of-farm plans that adopt a systems approach. MBIE (or MPI) could provide detailed guidance for farmers, by type of farm.
27. These whole-of-farm plans could be placed on a public register, enabling good practices to be shared and identify emerging problems. For example, emerging water or disease issues.
28. Explore with farmers incentives to decrease stock numbers.
29. Breed livestock for temperature and drought resilience and ability to cope with flooding.

H. Energy ready

30. Prioritise energy security and decarbonise New Zealand's transport sector in order to decrease vulnerability to international shocks and supply chain issues.

31. ‘Electrify Everything/Rewiring’ New Zealand (following the example of Australia). Electrifying planes and trains are showing promise.

I. Infrastructure ready

32. Establish a Minister of Works and have Te Waihanga New Zealand Infrastructure Commission report to the Minister of Works.

J. Business and innovation ready

33. Ask businesses and BusinessNZ to suggest ways to support climate innovation

34. Establish a systemic investment fund to fund and co-fund the innovation and response to climate change that is needed.

35. Create an government verified carbon-offset registration system. Charge registrants an annual percentage of their fees to clients and use those funds to create climate innovation prizes to communities (using a similar funding model to organisations like Lotto and Forest and Bird). This would provide businesses reputable ways to offset carbon, while contributing money back to New Zealand communities.

K. Education ready

36. Raise awareness by improving climate change education in schools (e.g. a work programme for 14-and 15-year-olds – something similar to the NIWA Climate Change Adaptation Toolbox and Enviroschools (an environmental action based programme where young people are empowered to design and lead sustainability projects in their schools).

37. Develop a set of guidance documents toward becoming ‘climate ready’ at multiple levels (e.g. individual, council, iwi and business). Ideally, the Ministry for the Environment (MfE) would hold this responsibility and it could follow a similar structure to MfE’s Coastal Hazards and Climate Change Guidance for Local Government (2017).

WHO?

Led by MBIE, with support from the Ministry of Primary Industry, the Ministry for the Environment, Education, Social Development and Health Ministries, as well as local government and iwi.

BIG Policy Action #2: Mahitahi on Te Tiriti

Putting time and effort into the relationship that exists between Māori and Pākehā is critical; it shows respect for our past and confidence in our future.

BROADER CONTEXT

There exists two different but interconnected conversations; a conversation that reflects where we are today (e.g. updated our constitutional documents to reflect where we are today) as well as a conversation about what our constitutional arrangements might look like in say, 2040 or 2100.

The New Zealand constitution increasingly reflects the fact that Te Tiriti o Waitangi is regarded as a founding document of the government of New Zealand. In this way, Te Tiriti is for everyone in our society. Today, many families are a living testament to the relationship of the parties to Te Tiriti, as they include both Māori and Pākehā. There is also increasing engagement with te ao Māori, particularly in speaking te reo, practicing kaitiakitanga and pursuing mātauranga. However, at another level, we have significant work to do; the Crown and iwi must find better ways to create a more positive, trusted and durable working relationship. It is in all our interests that these relationships are trusted and enduring, that different viewpoints are sought, complex and difficult issues are discussed, and both the Crown and iwi share responsibility for delivering mutually beneficial outcomes.

It is noticeable that success in the past has come about by focusing on the importance of an effective and long-term working relationship between iwi and the Crown. For example, the late Dr Apirana Mahuika (past Chairman of Te Rūnanga o Ngāti Porou) noted that relationships are forward looking whereas partnerships are backward looking – hence why he focused on developing a long-term working relationship with the Crown.

Hon Christopher Finlayson’s, previous Minister for Treaty of Waitangi Negotiations, noted on the third reading of the Tūhoe Claims Settlement Bill and Te Urewera Bill, that: ‘From the day this legislation comes into force, Tūhoe will play the leading role in the future of their homeland, Te Urewera. More than that, what this House does today will provide the foundation for a new relationship between the Crown and Ngāi Tūhoe—a relationship in which I hope we will together walk and work for our mutual honour, dignity, advantage, and progress.’ Finlayson also acknowledged Tāmati Kruger for his hard work and commitment in the interests of Ngāi Tūhoe. Kruger spoke at a 2019 event the Institute hosted at the National Library where he emphasised the importance of relationships and connections with everything around him, including his past and his future. He closed by defining success in 2040 as our children’s children deciding to call themselves tangata whenua (people of this land).

Lastly, there exists an opportunity to explore and build on a diverse range of wisdom and ideas, as well as values

and assumptions in the public management system to better reflect te ao Maori or indigenous values, such as interconnection, belonging and the importance of considering the rights and responsibilities we have today to future generations. There are a number of publicly available reports that are starting to explore this space.

WHY?

'Building a nation that is robust, yet sufficiently flexible to manage risks and pursue opportunities, depends on the ability of all its peoples to live and work together with a high level of harmony.' – Project 2058 *Report 8: Effective Māori Representation in Parliament – Working towards a National Sustainable Development Strategy.*

HOW?

We could initially focus on the following actions:

1. Build on the mana of the Waitangi Tribunal.

   The Waitangi Tribunal has now become a major repository of New Zealand history and as such it could be curated to provide a public library of settlements (including evidence and decisions and/or archive online.

2. Find new ways to better acknowledge Ngā Pakanga o Aotearoa (the New Zealand wars).

   A few examples include a permanent exhibition at Te Papa or a separate museum.

3. Explore the implications and opportunities for Te Tiriti of New Zealand becoming a republic.

   Engage early with this idea; try and understand the legal nuances. For example, can New Zealand have a treaty without the British Crown? When did the treaty obligations switch from the British Crown to the New Zealand Crown? If not, what would need to happen to make that full and final? Is it possible to have a treaty where you represent both parties?

4. Redefine co-governance in the 21st century.

   Try and create a deeper understanding of the different interpretations and types of co-governance. If the goal is to deliver mutually beneficial outcomes, the Crown and iwi will need to explore and test new funding and accountability models. At the local level, many iwi are hamstrung by limited finances, human resources and time constraints. Being transparent regarding rights and responsibilities and developing regular reporting systems is likely to help gain wider public support for some types of co-governance models. Ultimately, we must develop models that deliver, as failure is not in anyone's interest.

5. Reimagine how better public policy outcomes (e.g. education, health, prisons etc) might be better delivered to Māori.

   We must find a way to change the statistics. We wonder how policies affecting Māori could be better embedded and debated inside political parties. For example, could we replace the Māori roll with a Māori MP representation roll? To make this work, MPs of Māori descent would need to register as a Māori MP. Each political party would also create their own Māori MP list. Every New Zealander would then be able to cast a vote on the general roll for their party of preference and their local MP, as well as cast a vote in the Māori MP representation roll (for more Māori representation). Naturally, the results from the Māori MP representation roll would determine the minimum number of Māori MPs in the House. This would also indirectly create dialogue between MPs across parties and ensure Māori MPs pursue the needs of Māori (ensuring the issues of Māori are heard and acted upon in Parliament). This idea may enable Māori policy and ideas to be better integrated into political priorities. This is one idea, but there may be other ways this could be achieved.

6. Establish a working group to reimagine and reconsider what a successful bicentennial celebration in 2040 might look and feel like. Engaging with and listening to youth will be key.

   For example, is a new public building appropriate (e.g. a national marae)? Could we create a bicentennial currency? What institutions and/or policy instruments could be established? What would success look like?

7. Explore Tāmati Kruger's idea that all New Zealanders become 'tangata whenua'.

   Given it is both inclusive (for all New Zealanders) and exclusive (unique internationally). This could be acknowledged in law.

WHO?

Act of Parliament – following a referendum (if supported by the electorate).

BIG Policy Action #3: Invest forward

A strong platform for sustainable wellbeing has to be founded on shared prosperity.

BROADER CONTEXT

To that end, there is an urgent need to enhance intergenerational equity. This needs to be achieved effectively and efficiently, through integrated and

coordinated welfare and tax reforms. There is no better place to start than the newly born, so that their futures are less limited by their circumstances.

WHY?

Economist Paul Krugman said in 1994 that '[p]roductivity isn't everything, but, in the long run, it is almost everything. A country's ability to improve its standard of living over time depends almost entirely on its ability to raise its output per worker.' Productivity Commission Chair Dr Ganesh Nana emphasises that productivity matters – how productive we are as a country impacts our daily lives and overall wellbeing.

The Productivity Commission 2021 report, *Productivity by the Numbers*, notes that New Zealand's productivity growth has declined. This finding has significant implications for wellbeing. This means New Zealanders are working hard but producing less. New Zealanders work longer hours (i.e. 34.2 hours per week compared with 31.9 hours per week in other OECD countries) and New Zealanders produce less (i.e. $68 of output per hour, compared with $85 of output per hour in other OECD countries). Commission Chair Dr Ganesh Nana noted that 'New Zealanders are working harder rather than smarter, this makes improving living standards even more difficult'. The Commission concluded innovation is the key to lifting productivity.

'Invest forward' means investing in and for all New Zealanders. By the year 2040, the demographics of the country will have significantly changed. We need to invest forward today in order for New Zealanders in 2040 to have sufficient skills and resources. 'In the median projection, the 'European or Other' ethnic group will reduce its population share from 70 percent in 2018 to 64 percent in 2043. All other ethnic groups are projected to increase their population share. The broad Asian ethnic group will have the largest rise, increasing from 16 percent of the population in 2018 to 26 percent (about 1 in 4 residents) by 2043.'.

Sustained improvements in our aggregate or average productivity as a nation provides a necessary platform for sustained improvements in our collective wellbeing. It is critical that we measure productivity not exclusively as income or output per head of population, but rather overall wellbeing per head of population. Implementing this has its own challenges, but it is a worthy aspiration to pursue.

However, even if achieved, this is not sufficient. We must be equally concerned about the distribution of wellbeing across society and across generations. We cannot have social stability and sustained wellbeing unless we have equity. This means providing everyone with an opportunity to become a stakeholder in our society, by:

- giving everyone access to education, healthcare and housing.
- providing employment opportunities to everyone who is able to be employed.
- ensuring everyone has a minimum level of adequate income.
- looking after those who cannot look after themselves.
- ensuring everyone has a voice in matters that affect them.

As Raghuram Rajan puts it, 'Inequality is a real problem today, but it is the inequality of opportunity, of access to capabilities, of place, not just of incomes and wealth. Higher spending and thus taxes may be necessary, not to punish the rich but to help the left-behind find new opportunity. This requires fresh policies not discredited old ones.'

HOW?

1. Establish a Mokopuna Fund (equivalent of our New Zealand Super Fund).

   We can make a strong case for this on grounds of both fairness and equity (both intra- and intergenerational equity). Each child from a low income/wealth family (it will be means-tested), will be gifted an investment fund at birth, to be accessed when they reach the age of 18, for specific uses, such as education, establishing a business, or buying a home. This would be funded primarily through a land tax levied on the value of unimproved land. As Andrew Coleman carefully explains, a land tax is effective (hard to avoid), efficient (causes minimum distortions in decisions relating to the allocation of economic resources), and intergenerationally equitable (partly through lower house prices, it transfers resources from current to future generations). A land tax may not generate sufficient funding for what we are trying to achieve at a reasonable scale, but it is a useful place to start because it clearly signals what we are trying to enhance – i.e., intergenerational equity. Once this principle is accepted, we can always explore alternative means of contributing to the Mokopuna Fund effectively and efficiently. The equity of the overall tax and welfare system can also be enhanced by introducing means-testing for superannuation payments.

   Access to assets provides a source of opportunities and capabilities. In this vein, Conal Smith argues for asset-based assistance for high-risk children. Having identified children who are at high risk of future poverty (wards of the state), he proposes the state would provide them with a reasonably generous cash endowment at the age of 18, so that they have the foundation for a positive start to their adult lives. We are proposing a general mokopuna fund (for all), as well as a targeted fund for wards of the state. The purposes for which this asset can be used – such as education, upskilling and housing (for first

home buyers), as well as small-business investments supported by mentoring programmes – would be strictly prescribed. The implementation of these programmes would be through public and private sector partnerships.

To generate support for such a tax, we would make it a hypothecated (or ring-fenced or earmarked) tax, dedicating the revenue from it specifically and exclusively to the Mokopuna Fund. Such a proposal may prove to be palatable to the land-owning part of the population if they believe and trust that this will genuinely improve the life-chances of young people from low-income/wealth families.

Establishing such an infrastructure is an example of the deliberate creation of an institution specifically targeted to building trust, through transparency and accountability, for serving a highly desirable social purpose – for the benefit of everyone, wealthy and poor.

2. Improve financial capability training in schools.

   Currently financial capability is a subject in the school curriculum. However it is arguably still underestimated. Financial capability is arguably one of the ways financially challenged people fail to become wealthy. If you do not understand the financial system, in particular the current financial risks and opportunities, the chances of remaining poor are high. Our ability to manage our own assets and debts, and support those of our whanau, and to do so confidently, is a key skill. Examples include: insurance (such as house, car, travel and healthcare), car WOF and drivers license, trusts and wills, bank accounts and loans, differences between invoices and statements, hire purchase, cyder-security and identity theft.

3. Grow, attract, retain and connect talent.

   Immigration processes should be reviewed. Ways to reduce wait times, fast-track skills that are urgently required (e.g. nurses and doctors) and increase dual/multi citizenship opportunities are ideas worth exploring. (See also the Institute's work on talent, based on the work and thinking of Sir Paul Callaghan.)

4. Increase our refugee quota.

   The latest United Nation figures suggest nearly 80 million people were forcibly displaced by conflict (twice the figure ten years ago). New Zealand accepts 1,500 refugees per year (an increase in the previous quota of 1,000), however this only keeps track with population growth since the quota began in 1987.

WHO?

- Establish a task force to investigate the Mokopuna Fund proposal, and report back. If the report is favourable, and is universally supported by all political parties, the Fund needs to be established through an Act of Parliament. The benefits from the Fund would be available to all newly born children who come from families with 'low financial resources' (to be defined in the Act). It would apply everywhere in New Zealand, and to all children who meet the criteria specified in the Act.
- MBIE and MoE should lead initiative 2.
- MBIE should lead 3.
- The Minister of Immigration, with Immigration NZ, should lead initiative 4.

BIG Policy Action #4: Vote 16+

Lowering the overall voting age to 16 would be a step forward in the process of strengthening democracy, pursuing effective future governance and enhancing intergenerational equity.

BROADER CONTEXT

The legal voting age in New Zealand has been lowered twice previously. In 1969, the voting age was lowered from 21 to 20 and again from 20 to 18 in 1974. While both changes occurred under a first-past-the-post electoral system, meaning government majorities were more easily won, the legislation still required a parliamentary supermajority and the support of the opposition was crucial in each instance. Following the Supreme Court's decision in *Make It 16 v Attorney General* in November 2022, the Labour government led by Jacinda Ardern asserted that government legislation would be drafted and presented to the House of Representatives with the aim of lowering the voting age to 16. Importantly, though, this proposed legislation requires the support of the opposition to pass.

It has been noted that the higher bar requiring a 75% parliamentary majority only applies to amending the voting age in general elections. The government, under Ardern, was considering pursuing a change in the voting age from 18 to 16 for local elections – a far more achievable action, and one that seems to have more cross-party support. This would be an important step in moving forward to full enfranchisement for 16- and 17-year-olds.

The 2020 election had an 82.24% turnout of enrolled voters – the highest turnout since 1999. However, this

was possibly due to the two controversial referendums being held: the Cannabis referendum and End of Life Choice referendum. Notably, voters aged 18-24 increased by 18.8%. This illustrates that youth will enrol and turnout if they think the issues are important and that they can make an impact.

WHY?

Fundamentally, this action would systemically strengthen Aotearoa New Zealand's democracy and increase social cohesion through advancing intergenerational equity. Including our young people in the political decisions of today will help ensure our society is better prepared to govern for the future.

Broadly, such action is beneficial in how it aligns with opportunities for education and motivation for our youth. Allowing young people to vote while still in high school opens the classroom to teaching more thorough civics programmes that, importantly, can be readily actioned and applied by students.

In a ripple effect, such educational opportunities can further promote the fundamental skills of informed, critical thinking and productive discourse around often contentious topics. While civics education should be increased regardless, the immediate real-world action of voting demonstrates a ready avenue for students to enact their learning and see the effects of their actions. The general health of democracy can be advanced through increased voter participation, in conjunction with better civics education, as the Scottish case shows.

The 2014 Scottish Independence Referendum included 16- and 17-year-old voters. It was found that this group was positively affected by their enfranchisement, with elevated interest and engagement in politics. When the Westminster Parliament transferred power over franchise to the Scottish Parliament, the voting age was lowered to 16 for all Scottish elections, including the Scottish Parliament, local government, and Scottish referendums, but not general UK-wide elections. It was found that the new voters had an increased sense of empowerment but also growing resentment at their exclusion from other UK elections.

A Royal Commission Report on the Electoral System acknowledged the 'strong case' for lowering the voting age even in 1986. This report traversed many of the current arguments against lowering the voting age, including alleged youth incompetence in making political decisions. It concluded that young people's understanding of the social and political world 'is not very different' to that of mature adults.

It would also be beneficial in terms of social cohesion. Modern issues, notably climate change, will reach breaking point in the years when current youth will be making decisions to combat them. Allowing and encouraging political participation by young people now will enable them to realise and effect the full potential of their autonomy going forward. Further, embracing youth in our political system at a younger age would acknowledge the contributions they already make to society and include them in the democratic process. This is a meaningful action to show youth that society, as a whole, values their input.

The enfranchisement of women in 1893 and changes to voting laws that effectively excluded Māori from voting were other important steps forward in strengthening democracy and social cohesion which we now consider fundamental, but were hard-won battles. Additionally, a voting age of 16 is not new territory internationally. The cases of both Scotland (above) and Austria (below) show positive results following 16- and 17-year-old enfranchisement, with engagement and participation on par with or above that of the rest of the voting population.

In Austria, the voting age for general elections was lowered to 16 in 2007. Since then, several studies focused on the voting behaviour of 16- and 17-year-olds. It was found that this group had the second-highest interest in politics out of all age groups, and that while their general political knowledge was slightly lower than other groups, the difference was insignificant. Voting participation of 16- and 17-year-olds was contrary to 'the general trend that turnout of young voters is far lower than in the overall electorate'. This case shows that not only are young people as interested in politics as the rest of the electorate, they translate that interest into casting their vote.

HOW?

1. Change New Zealand's current electoral laws to make the legal voting age for general elections 16 years.
2. Given the relevant legislative provisions are entrenched – meaning they are subject to special protections – this would require the approval of 75% of Parliament, or, alternatively, a 50% majority in a nationwide referendum.
3. To promote effective results following a change, strengthen and improve civics education in the New Zealand school curriculum.

WHO?

Such a legislative change requires an Act of Parliament to pass, amending existing legislation. This can be effected through either support of 75% of MPs or by the majority support of the electorate in a referendum. Judging from prior changes, this means cross-party support is crucial. Lowering the voting age for local elections would simply require an Act of Parliament supported by a standard majority of MPs.

BIG Policy Action #5: Establish ecological corridors

Indigenous ecosystems and species in Aotearoa New Zealand, like most of the world, are in a state of rapid decline due to a combination of factors, including land use, pollution, resource extraction, the increasing presence of invasive pests and diseases, and increasing climate change and extreme weather effects. This idea aims to help make New Zealand and its flora and fauna more resilient.

BROADER CONTEXT

Ecological corridors, also known as wildlife corridors or habitat corridors, are physical connections that link different areas of habitat to facilitate the movement of species between them. These corridors play a critical role in the conservation of biodiversity by promoting genetic diversity, reducing the risk of extinction of isolated populations, and allowing for the spread of species to new areas. New Zealand is a country with unique flora and fauna, and ecological corridors have been identified as an important tool for conservation efforts.

New Zealand's geographical isolation has resulted in the evolution of a distinct flora and fauna, including many endemic species. However, human activities, such as land use change, fragmentation of habitat, and invasive species, have had a significant impact on the country's biodiversity. In response, conservation organisations have identified the need for ecological corridors to connect fragmented habitats, allowing for the movement of species and the exchange of genetic material.

WHY?

- Establish New Zealand as a world leader in conservation, biodiversity protection and climate change mitigation.
- Enable New Zealand to meet the 30% by 2030 global target agreed to at the December 2022 UN Convention on Biological Diversity agreement for the effective conservation and management of land.
- Build on the intent of Te Tiriti o Waitangi and Te Tiriti principles.
- Mitigate the biodiversity crisis by protecting and restoring the environment. Around 4000 of New Zealand's native species are threatened or at risk of extinction.
- Prevent ecosystem collapse by 'rewilding', protecting native forests and allowing native flora and fauna to thrive.
- Align restoration policy with carbon sinks. Forests have an important role in reducing greenhouse gas emissions. They are often classified as natural forests (30%) or planted forests (7%); however not all natural forests are protected.
- Ensure reforestation targets are met. Climate Change Commission recommendations to Government include creating 300,000ha of new native forest between 2021 and 2035.
- Safeguard public and iwi access. Ecological corridors will improve local and national recreation and amenity. They will help connect people to nature whilst enhancing local utility, community connection and local and national tourism value.
- Protect and mitigate the impacts of climate change and extreme weather. Climate change means our biodiversity will come under growing pressure. Restoring a damaged ecosystem will help make it more resilient to climate change in the future. Sponge cities are an example of how ecology can benefit the surrounding environment.
- Maintain and improve soil, air, and water health. A thriving ecosystem is an essential part of protecting Aotearoa's food security and food quality. Healthy natural environments will also have positive impacts on human health (both mental and physical) and overall societal wellbeing.
- Consider carbon sequestration. Ecological corridors will require new forms of protection and restoration. As such, ecological corridors could be designed to provide income from carbon sequestration. This could also be a way of ensuring local councils and government institutions meet their net zero goals for the future.
- Create jobs, education and skills in regional areas. Examples include tourism, pest control, horticulture and planting.

HOW?

1. Establish ecological corridors connecting national parks and other conservation areas across the country. Options include:
    - Option 1: Start on the West Coast of the South Island as it already has a significant block of interconnected native forest which is home to a substantial amount of indigenous flora and fauna. That would provide an opportunity to invest and test the idea, explore proof of concept and learn lessons on how best to scale the idea.

      DOC's current reclassification programme provides a further opportunity for land to be reclassified as ecological corridors. The Department of Conservation (DOC) is currently

working through a process of reclassifying stewardship land, starting with 504 pieces of land on the West Coast. Stewardship land is a category of conservation land that contained conservation values when it was first assigned to DOC in 1987, but was not classified into a specific category (such as park areas, wildlife and habitat protections or reserves and specially protected areas).

- Option 2: Start from Northland and continuing all the way to Stewart Island.

2. Increase funding for Department of Conservation ecosystems work.
3. Increase funding for the Predator Free NZ 2050 programme.
4. Expedite predator free status for islands such as Rakiura Stewart, Aotea Great Barrier and Resolution Island, which already have head starts and could become models on how to tackle mainland animal pest eradication.
5. Explore ways to create spongy coastlines that are designed to absorb and filter water.

WHO?

Led by DOC and iwi, in collaboration with regional and territorial councils, local communities and NGOs.

BIG Policy Action #6: Strengthen ocean policy

This policy aims to deliver a healthy ocean that sustains marine biodiversity, while optimising the climate change mitigation role of oceans and enabling a high value sustainable blue economy. Interestingly, ocean policy has very much evolved to combine climate and biodiversity rather than treating them separately.

The purpose of this BIG policy action is fourfold: to redesign the intersection between land and ocean policy (e.g. deal with run-off), integrate and align existing ocean policy, rewild our territorial sea (reversing current trends) and protect our exclusive economic zone (EEZ).

BROADER CONTEXT

In late 2020, the Minister of Fisheries became the Minister for Oceans and Fisheries. In June 2021, Cabinet Minister David Parker announced a multi-agency approach to protecting New Zealand's marine ecosystems and fisheries. The newly established Oceans Secretariat, comprising officials from the Department of Conservation, Ministry for Primary Industries and the Ministry for the Environment, would lead the long-term ecosystem-focused project. Other agencies would participate when required.

The Minister for Oceans and Fisheries identified eight initiatives two years ago, of which seven have been started. In July 2022, only one was not underway – the reform of rules around marine protected areas. The Minister has acknowledged that the 'marine management system is fragmented, with difficulty responding to growing pressures in a holistic, timely manner; and management decisions have too often been taken without regard to ecosystem-based management. This has created uncertainty for stakeholders, hindered growth and innovation, limited progress on marine protection, and generally impeded the optimal use and protection of marine space and resources.'

WHY?

New Zealand is a signatory to multiple global commitments, including the UN Law of the Sea, the UN Convention on Biological Diversity and the UN Framework Convention on Climate Change. We have the fourth largest exclusive economic zone (EEZ) in the world, covering approximately 8% of the earths surface. Additionally, there are multiple laws and agencies governing our coasts and oceans, many of which are outdated, conflicting and no longer fit for purpose. There are also significant commitments arising from Te Tiriti obligations, and existing or pending settlements.

New Zealand has lost its place as a global leader in coastal and ocean management and is seen in many quarters as a global laggard in implementing its commitments in areas such as marine protection, climate change, fisheries management and ocean governance.

HOW?

A. Create new institutions

1. Establish an Oceans Research Institute.

   The main purpose would be to build an informed and science-based oceans constituency that includes policy, governance and social research, and identifies limits, targets and solutions. Independence from Government, including funding, will be essential to ensure the Institute is trusted by all stakeholders. The outputs of the Institute could include:

   - a written response to the three yearly Environmental Report on the marine domain (published by MfE and Statistics NZ every three years). The latest report was published 2022 (previously 2019). The response should form a report tabled in the House and should

include observations and suggestions on the way forward.

- a publicly available sensing map of the territorial sea, using remote and direct sensing. Remote sensing is the ability to obtain information from a distance, usually by aircraft or satellites. The aim is to provide an integrated approach to ocean management to better understand place-based impacts. This could include monitoring wave heights, sea-level storm surges, ocean circulation, water temperatures and marine life.
- an annual report on the state of our territorial sea.
- an annual report on the state of the EEZ.
- to lead consultation on a rewilding sea strategy (e.g. kelp forest restoration).
- to identify limits and targets (to align with the proposed resource management reforms).
- collate a research archive.
- collate and identify research gaps.
- for the Minister of Oceans to table a comprehensive annual report in the House.

B. Protect more ocean space using existing tools and instruments.

2. Establish a Rangitāhua/Kermadec Ocean Sanctuary.
3. Establish a new marine park in the inner Queen Charlotte Sounds (and possibly the Pelorus Sound). The Queen Charlotte Sounds has always been kept relatively clean of commercial enterprises.
4. Establish a new marine mammal sanctuary connecting Clifford and Cloudy Bay Marine mammal sanctuary (Marlborough) and Te Rohe o Te Whānau Puha Whale Sanctuary (Kaikōura). This would then connect the west coast of the north island with the other protections on the east coast of the south island. The lack of protection along that coast may simply be an historical error that could easily be rectified.
5. Implement the South-East Marine Protection Forum recommendations for a network of marine reserves and marine protected areas between Timaru and South Catlins.
6. Ban bottom-trawling. Prevent damage to delicate ecosystems (like seamounts and slow growing corals and sponges) that provide habitat for a diverse range of ocean creatures.

C. Explore and test new tools and instruments.

7. Rewild Auckland Gulf Harbour and develop new types of protection for the Hauraki Gulf Marine Park.
8. Create new marine mammal protections, regulation and monitoring.
9. Establish seabird protections. New Zealand is considered to have a greater diversity of seabirds breeding on its shores and islands and feeding from the sea than any other country in the world.

D. Integrate and connect existing ocean policy.

10. Create a network of national marine protected areas (such as marine reserves, marine mammal sanctuaries and create seabird protections), that contribute to the development of an overall national plan for our territorial sea.
11. Establish a marine spatial plan for Queen Charlotte Sound and Pelorus Sound, including marine protected areas, protections for blue cod, scallops, crayfish, kelp and other important species.

E. Integrate land and ocean policy

12. Consider ways to build the capability within the existing system to implement and enforce regulations to reduce land-based sources of marine pollution. Key areas of focus include agricultural and urban runoff, minimising plastic, fertiliser, sewage and forestry slash (i.e. forestry waste product, debris and logs).

F. Undertake new research

13. Research ways to sequester blue carbon, and encourage the government to include blue carbon in our Nationally Determined Contribution.
14. Support the Sustainable Seas National Science Challenge by researching the extent to which seaweed can be farmed and managed while minimising negative impacts.

G. Reconsider animal welfare issues

15. Apply animal welfare protection more explicitly protect farmed fish from climate change impacts; including setting out standards for euthanasia. The New Zealand Animal Welfare Strategy (2013) should be updated for climate change impacts. The Animal Welfare Act 1999 defines animals broadly to include mammals, birds, reptiles, amphibians, fish, and other aquatic animals.

H. Support global initatives

16. Support the United Nations Environment Assembly to establish a legally binding global plastics treaty to address the whole life cycle of plastic pollution.

17. Work globally to establish a network of ocean sanctuaries across the planet. This idea is being promoted by Greenpeace, which is advocating for a UN Global Ocean Treaty.
18. Consider and ideally support a global moratorium on seabed mining.

WHO?

Minister for Oceans and Fisheries (lead). Government organisations supporting this include regional councils and territorial authorities with coastal boundaries, DOC, the Ministry for Primary Industries (MPI), Land Information New Zealand (LINZ) and the Ministry of Foreign Affairs and Trade (MFAT).

There is also a wide range of business and non-government organisations interested in this space (such as iwi, QEII National Trust, Greenpeace, Fish and Game New Zealand, the Game Animal Council, the Environmental Defence Society and other community groups).

A key tool will be implementing the scope of our national climate commitments and Te Mana o te Taiao (New Zealand Biodiversity Strategy) which sets a strategic direction for the protection, restoration and sustainable use of biodiversity. The strategy was ranked very highly as part of the Institute's Government Department Strategy Index (10 out of 221). In contrast the New Zealand Animal Welfare Strategy, mentioned in 11 above, was ranked 171=/221).

Given their national significance, we suggest starting with the Hauraki Gulf and the Marlborough Sounds.

BIG Policy Action #7: Future fit

This specific policy action directly targets the cross-cutting theme of 'governance', to establish the broader governance ecosystem for all sustainable wellbeing-focused policies to be properly prioritised, funded, implemented, and evaluated.

BROADER CONTEXT

Good governance alone cannot deliver the wellbeing outcomes we are looking for – it needs to be complemented and supported by good government. A trusted, competent, effective, efficient public service with a stewardship ethos provides the crucial buckle which fastens good governance to good government.

What are the BIG changes we need to implement to make our wider governance and government arrangements fit for purpose; balancing the interests of future generations with those of the current generation, taking a systems approach, accounting for the interconnectedness and interdependence of both policy outcomes and policy interventions, while following genuinely collaborative and inclusive decision processes?

At the heart of this reimagined governance and government arrangements is a set of institutions that are deliberately created to be the stewards for the sustainable wellbeing of New Zealanders, current and future, and are protected from the political pressures of the day. It is precisely in this spirit that Parliament previously legislated the Reserve Bank Act and the Public Finance Act, but there is a lot more to be done. The good news is, we can learn a lot from the rest of the world – we do not have to reinvent the wheel.

WHY?

> 'The civil service can't match the pay or training that private consultancies provide. But if it took more responsibility, and paid a little better, it might attract the brightest graduates. "You can actually have a creative and dynamic civil service," says Mazzucato. "By design, we're making it much more interesting to work in the Googles, the Goldman Sachses and the McKinseys. How do you revive the civil service? It's not by the Dominic Cummings 'we need geeks in government'. It's by changing the remit of government. We need to make it really cool."'
>
> – Economist Mariana Mazzucato

How can governance in Aotearoa New Zealand become more conducive to enhancing the citizens' overall wellbeing across generations? If we define sustainable development as 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs' – i.e., that protects and enhances intergenerational wellbeing – our current policies are not delivering this outcome. We are missing the broader governance framework and supporting institutions to pursue the policy objective of intergenerational wellbeing.

There is an urgent need for governments to invest in good public sector capability. With increasing threats of hacking, bad actors, and the challenges of increasingly complex problems, there is urgent need for government to invest in the latest policy tools and technological expertise. Technology can be used to solve some poor performing areas of public service (e.g. housing and

medical waiting-lists) but, more than ever, complex issues such as climate change. There appears to be a capability gap between public sector agencies regarding when consultants are appropriate and needed and when they are not. We should focus on fostering our public service leaders and society.

How can we make the public service attractive and 'cool' to graduates and trained professionals, particularly those interested in resolving both intergenerational and intragenerational challenges? Intergenerational refers to challenges which exist between generations while intragenerational exists between members of a single generation.

How can politicians create an authorising environment so that public sector organisations can deliver on their functions? The public sector has a critical role in creating the right enabling environment, one that aligns funding and finance with resilience goals. This authorising environment is likely to come in different forms and from different sources but it should enable the public service to look ahead into the future, bring the future to the decision making table, and make strategic long-term investments; we need an enabling environment that acknowledges transformative change is needed.

While we reshape and make our governance institutions better fit for purpose, how can we find ways to not discount the future when making public policy decisions? New Zealand currently discounts the future in its policy decision-making; however, this needs to change. There is currently a lot of talk of 'bread and butter' politics, but this overlooks the fact that many of the major challenges we face, such as housing, poverty, climate change and urban flooding, are the result of this 'here and now' short-termism. The pursuit of intergenerational wellbeing (i.e. the wellbeing of both current and future generations) requires institutions that are fit for the purpose of genuine *stewardship*.

HOW?

Below we provide a brief description of the critical institutional transformations that are required, in the New Zealand context, to make our governance arrangements fit for the purpose of stewardship.

A. Investing in basic governance and management skills, and experience

1. Build the literacy of all parliamentarians and political staff in policy development/ commissioning/foresight/future studies.
2. Provide opportunity for more sabbaticals for the public sector. Public sector leaders can get burned out due to events and/or a busy minister/ CEO in portfolios.
3. Provide options for practical work experience to be gained at the coalface in challenged communities for short periods, so that officials gain insights and innovations from members of society, so that they understand underlying drivers and community solutions.
4. Create private sector short-term placements for public servants (and vice versa) in order to cross pollinate the public and private sectors, thus building a team that is better able to work together towards solving complex challenges or optimise opportunities.
5. Review and consider the Singapore approach to building foresight capability in the public service.
6. Provide more guidance on benefits, costs and risks, especially ability to better undertake risk assessments and communicate risks.
7. Prepare a regular and independent assessment of national risks facing the country and table the report in the House. This idea has been an ongoing area of public interest and debate. See, for example, the work of botany Professor Sir Alan Mark, poet Brian Turner and energy expert Associate Professor Bob Lloyd.

B. Transforming governance institutions

8. On behalf of the citizens of the country, current and future, Parliament should unanimously specify the pursuit of sustainable intergenerational wellbeing as the core objective of good governance. Although material prosperity is an integral part of wellbeing, also critically important are non-material criteria (i.e. mana-enhancing dimensions of wellbeing: the mana of individuals, whānau, and communities).
9. To give credibility and effect to this commitment, a cross-Parliament Parliamentary Governance Group (PGG) is formed as a steward for intergenerational wellbeing.
10. The PGG is advised by an advisory group that is genuinely diverse (in the broadest sense of that term), representing all the people of the country, including future generations through youth representation.
11. A shared narrative is developed and regularly communicated by the PGG as to why it is imperative that we look after the environmental, social, and economic health of our nation in a coordinated way, for our collective wellbeing now and into the distant future.
12. Every level of government (local, regional, and central) is made accountable to the corresponding governance body in presenting a coherent programme of initiatives to give

effect to this shared narrative, by pursuing policies that aim to achieve sustainable intergenerational wellbeing.

13. Legislation, similar to the Well-being of Future Generations (Wales) Act 2015, is enacted to require the public service to actively consider the long-term security of sustainable intergenerational wellbeing within policy.

14. At an operational level, the new cross-Parliament Parliamentary Governance Group (PGG) could advise an independent Parliamentary Commissioner for Intergenerational Wellbeing (PCIW), emulating Wales or Finland on whether the Government's programme of work is consistent with the pursuit of sustainable intergenerational wellbeing. For example, the current Productivity Commission could be converted to a PCIW for New Zealand. It could also borrow ideas from Singapore's Futures Units, which have a stewardship function within the public service and can facilitate foresight thinking, including developing meta-trends and national scenarios to inform 20–50-year policy pathways.

15. In terms of reflecting the wellbeing of future generations in our current decisions, an option to consider is whether we should be doing away with 'discounting the future', or, at minimum, having lower ecological, climate, and social policy discount rates.

16. Realign the boundaries of governance nationwide so that the same districts apply legally for health, justice, general electorates, education, civil defence emergency management, etc. See for example McGuinness Institute's 2016 infographic *Lines within New Zealand*.

17. Consistent with the Parliamentary Commissioner for the Environment's (PCE) recent report, we need to ensure broader, systemic conversations about public policy, including exploring ways of instituting new substantive commitment devices, along the lines recommended by Jonathan Boston.

18. The PCIW itself is advised by the equivalent of the UK What Works Wellbeing institute (which provides a warehouse for all the policy-informing research in this broad area). The PCIW's reports are made public.

19. The measures of effectiveness, efficiency and equity of the policy programme proposed by the government (to be used by the new PCIW) would be based on the development and operationalisation of metrics of resilience (environmental, social, human, and economic resilience) – assisted by Stats New Zealand.

20. The Productivity Commission and the Auditor General are calling for a first principles review of the accountability settings within the public management system. In line with this development, we have an opportunity here to rethink some of the independent commission functions (e.g. should the Infrastructure Commission be responsible for climate change adaptation and a systemic investment fund?) As we are seeing in Auckland, we need to address systems problems, with systems solutions.

21. The Infrastructure Commission (IC) acts as the governance group for all major infrastructure projects (with 'infrastructure' conceptualised and operationalised to include environmental, social, and economic infrastructure) that require government funding, and reports to the PGG.

22. We could establish a long-term dedicated investment fund (along the lines of the Scottish National Investment Bank) as a transition intermediary to enable public–private sector partnerships at scale, addressing challenges such as energy inequality, climate change adaptation finance and redeveloping our bio-economy. Agencies from every level of governance and government (local, regional, national) can bid for these funds.

23. The assessment and prioritisation of proposed infrastructure projects (properly informed by models that show the interdependencies of various investments in generating wellbeing outcomes) is based not only on cost-benefit analyses in terms of outcomes, but also on the additional criteria of:
    - just and viable transitions, supported by a detailed implementation plan – 'transition engineering'
    - inclusive engagement with all stakeholders in all key decisions
    - appropriate public and private funding arrangements.

24. The Infrastructure Commission (IC) also monitors the health of the infrastructure of the country ('infrastructure' broadly defined), working very closely with the new PCIW**.** Its reports are made public.

25. The 'Ministry of Works', or its equivalent, coordinates and monitors infrastructure investments to ensure that they are delivered effectively, efficiently and on time.

26. Revist and redesign the Provincial Growth Fund (PGF) to help tackle regional inequality in poorer regions. This could build on the 'Levelling Up' idea that has been successful in the UK.

27. Consider councils holding a more significant role in the housing market, particularly social housing.

C. Investing in resilience, anti-fragility, and foresight

Note: The following list of ideas may be something the Productivity Commission might like to consider and recommend in its upcoming report on New Zealand's economic resilience to persistent supply chain disruptions.

28. Consider legislating a Global Catastrophic Risk Management Act. Lawmakers in the United States have recently passed the US Global Catastrophic Risk Management Act, which requires a broad assessment of all such risks within one year and every ten years thereafter. The Act defines global catastrophes as well as existential risks to human civilisation, namely: severe global pandemics, nuclear war, asteroid and comet impacts, supervolcanoes, sudden and severe changes to the climate, and intentional or accidental threats arising from the use and development of emerging technologies.
29. Establish an Office of Supply Chain Resilence (following the Australian Government example) to identify and monitor critical supply chain vulnerabilities. This may be something the Productivity Commission might like to recommend in its upcoming review.
30. Identify critical products, services and skills that are required in the country at all times, and then determine the best ways to ensure they are manufactured or retained in New Zealand.
31. Undertake sensitivity analysis on supply and export risks to understand what is important to watch, horde and/or manage. For example, the additional cost of shipping containers or air transport. Identify when certain types of exports become uneconomic, and what alternative uses/ options exist.
32. Analyse the WHO *Model Lists of Essential Medicines*. The goal is to identify what medicines are not made in New Zealand or Australia and either looks at ways to manufacture those products domestically or secure product/ contracts in advance from trusted suppliers.
33. Seek to join the Supply Chain Resilience Initiative, which is an international collaboration between Australia, India and Japan, whose aim is to promote best practice national supply chain policy and principles in the Indo-Pacific.
34. Build on the climate change reference scenarios discussed in the 'get climate ready' policy action. The reference scenarios should be national in nature and required to illustrate what 2040 might look like with no major change in policy. They are to provide a framework for the reporting of government departments, local authorities, and businesses so that there is an aligned and informed focus on decision making.
35. Align foresight, strategy and reporting between central and local government. Local authorities are required to publish material, such as long-term plans and regional policy statements, that set time horizons for the decision-making and objectives of the council. These are guided by other documents, such as National Policy Statements. However, there appears a lack of alignment in the time horizons set by different types of plans published by local authorities. This is an issue as these documents should be providing the focus for the decisions and activities required to meet objectives and goals. There are three ways to shape the plans: reporting against a time period (e.g. ten years), reporting against a milestone (e.g. achieving a specific event) and reporting against a future period in time (e.g. 2040). We consider the latter is more conducive to improving outcomes - the time stays still (much like a drive to say Auckland), enabling us to refocus on the actions we can take to reach the same designation. Such an approach could aid in the alignment of critical council plans and policies, and improve the shape and decision-making by government departments.
36. Aligned with the above, we consider government departments should be required to provide forward-looking plans of at least 10 years. Such an approach would help align public policy decision making and therefore help central government be fit for the future.
37. Appoint a 'National Risk and Resilience Officer' for government, to mirror the increasingly important role of the Chief Risk Officer undertakes in the private sector.
38. Establish a 'foresight review service', by asking a cohort of department staff under 30 to test public policy from a length of work perspective (e.g. look out 45 years).
39. Establish a Royal Commission on the Cost of Living (similar to 1912).

Implementation checklist for BIG policy actions

- [ ] Shared narrative (including a set of clear goals and objectives)
- [ ] Political commitment
- [ ] Supportive governance arrangements
- [ ] Anticipatory governance arrangements
- [ ] Stakeholder engagement and inclusive processes
- [ ] Financial budgets, financial controls, and a feasibility study
- [ ] Key institutions established and/or strengthened
- [ ] Co-designed investment prioritisation processes
- [ ] Appropriate (co-)funding
- [ ] Clear and transparent accountabilities for delivery
- [ ] Effective and efficient implementation
- [ ] Ongoing independent evaluation
- [ ] Seek out challenge-led policy options (also called purpose- or mission-led policy)
- [ ] Reporting and measuring: regular, milestone and reporting against a year (or time) in the future.

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