

30 October 2019

Finance and Expenditure Committee
Select Committee Services
Parliament Buildings
Wellington 6160

Re: Public Finance (Wellbeing) Amendment Bill

Tēnā koe,

Thank you for the opportunity to provide a written submission on this Bill.

Regional Public Health (RPH) serves the greater Wellington region, through its three district health boards (DHBs): Capital & Coast, Hutt Valley and Wairarapa and is service of the Hutt Valley District Health Board.

We work with our community to make it a healthier and safer place to live. We promote good health, prevent diseases, and improve the quality of life for our population, with a particular focus on children, Māori, Pacific Peoples and low income households.

Thank you for the opportunity to make this submission. We do not wish to make an oral submission.

The point of contact for this letter of support is:

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Naku noa, na

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Introduction

Wellbeing is influenced by a broad range of conditions, known as the social determinants of health, in which people are born, grow, live, work, play, and age. These include factors such as the natural and built environment, income, education and housing^{1,2}. By embedding wellbeing into the Budget, the government is making a positive statement that the wellbeing of all is highly valued in our society.

While Aotearoa New Zealand has high levels of reported happiness compared to other countries³, this measure neglects to highlight the inequities that persist in this country, particularly for Māori, Pacific peoples, people of low-income, and people with disabilities. This amendment bill, therefore, presents a key opportunity to make an impact on inequities in New Zealand and to reaffirm the government's obligations to Te Tiriti o Waitangi and community participation, as well as to its international obligations, such as the United Nations Sustainable Development Goals.

RPH's recommendations

RPH **commends** the Public Finance (Wellbeing) Amendment Bill for placing wellbeing at the core of government decision making by requiring the reporting of wellbeing objectives in the Budget. RPH also **commends** the bill for requiring Treasury to report on the state of wellbeing in New Zealand at least every four years.

RPH recommends:

1. Broadening the description of wellbeing

While we understand that flexibility in the current description of wellbeing allows for government to adapt its approach to meet evolving issues, needs and priorities, we also need to ensure that the description of wellbeing in the bill provides sufficient guidance for decision-makers and facilitates accountability.

- The description of wellbeing in subsection (2)(ba) (clause 6(4)) of the Bill) should be expanded to include a more comprehensive, holistic view of wellbeing, beyond the four domains of social, economic, environmental and cultural wellbeing currently listed.
- We recommend that the selected wellbeing objectives and indicators also align with domestic frameworks, such as the Living Standards Framework (LSF). The LSF indicators provide a holistic approach to intergenerational wellbeing and enable comparability with international standards of wellbeing (such as the OECD's wellbeing approach)⁴.

¹ Oishi, S., Kesebir, S., & Diener, E. (2011). Income inequality and happiness. *Psychological science*, 22(9), 1095-1100.

² Marmot, M. (2005). Social determinants of health inequalities. *The lancet*, 365(9464), 1099-1104.

³ <https://s3.amazonaws.com/happiness-report/2019/WHR19.pdf>,

⁴ <https://treasury.govt.nz/publications/tp/living-standards-framework-introducing-dashboard-html>

- We recommend that there be a level of consistency in reporting wellbeing indicators across government. This would allow for government to assess trends in wellbeing across time and sectors, which would facilitate decision making and improvement.

2. Incorporating Te Tiriti o Waitangi into the bill

Te Tiriti o Waitangi should be incorporated into the Public Finance (Wellbeing) Amendment Bill. The government's obligations under Te Tiriti o Waitangi is integral to the wellbeing of the population in Aotearoa. This is particularly relevant considering how a Māori view of wellbeing, and the way in which it is measured, may differ significantly to other groups⁵.

- Wellbeing should be framed in the context of Te Tiriti o Waitangi in the preamble and the bill itself (section 26M).
- We recommend a requirement for Māori leadership and representation in the development of wellbeing objectives, indicators (Section 26M), and in the development of the wellbeing report (section 26NB).

3. Linking equity to wellbeing

An equity focus to wellbeing means acknowledging the ways in which certain groups disproportionately experience negative health, social and wellbeing outcomes (i.e. Māori, Pacific peoples, refugee and migrant communities, low-income households, people living with disabilities, and the elderly). Research has found that in unequal societies the wellbeing of *all* individuals is negatively impacted.⁶ By requiring that the wellbeing objectives have an explicit focus on equity, the government can make significant improvements to the health, social, cultural and economic wellbeing of all, without leaving any group behind.

- The bill's preamble should include an explicit reference to equity as a priority in the wellbeing objectives to ensure that everyone is able to benefit from government decision making.
- In addition to supporting long-term wellbeing (section 26M (5)), the objectives need to include specific reference to eliminating inequities.

4. Requiring community and stakeholder participation in the development of wellbeing objectives and indicators

RPH recognises that Ngā Tūtohu Aotearoa (Indicators Aotearoa New Zealand) and The Living Standards Framework (LSF) have been developed in consultation with the public and key stakeholders, an approach we highly commend. Research shows that public participation in itself contributes to wellbeing, particularly for marginalised communities.⁷

⁵ Durie, M. (2006). Measuring Māori wellbeing. *New Zealand Treasury Guest Lecture Series, 1*, 2007-09.

⁶ Pickett & Wilkinson (2010). The Spirit Level.

⁷ Ricketts (2008). Participation in place-making: enhancing the wellbeing of marginalised communities in Aotearoa/New Zealand. Victoria University of Wellington.

- We suggest that the amendment bill include a requirement for ongoing public consultation and stakeholder input to ensure that the objectives and indicators are reflective of community needs and priorities (section 26M (4)).

5. Opportunity to align with international obligations

The amendment bill should look to international best practice for capturing wellbeing in a population according to a comprehensive, holistic, and balanced set of domains.

- The government should draw on international examples and best practice for the measurement of wellbeing. For instance, Bhutan's nine domains and indicators in the Gross National Happiness (GNH) Index look across the spectrum of individual, community and population determinants of wellbeing and are weighted equally to provide a meaningful measure of wellbeing in the population.^{8,9}
- The government should also align the bill's objectives and indicators with its obligations towards the United Nations Sustainable Development Goals, which have a strong focus on social determinants of wellbeing including poverty reduction, quality education, climate action, and reducing inequities.¹⁰

⁸ <https://ophi.org.uk/policy/national-policy/gross-national-happiness-index/>

⁹ The nine domains of the GNH index include: psychological wellbeing, health, education, time use, cultural diversity and resilience, good governance, community vitality, ecological diversity and resilience, and living standards.

¹⁰ <https://www.mfat.govt.nz/en/peace-rights-and-security/work-with-the-un-and-other-partners/new-zealand-and-the-sustainable-development-goals-sdgs/>