

Finance and Expenditure Committee's

Submission on Public Finance (Wellbeing) Amendment Bill

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Submitter Details

1. Nelson Marlborough District Health Board (NMDHB) (NMH) is a key organisation involved in the health and wellbeing of the people within Te Tau Ihu. NMH has a duty to reduce of adverse environmental effects on the health of people and communities and to improve, promote and protect their health pursuant under the New Zealand Public Health and Disability Act 2000 and the Health Act 1956. NMH welcomes the opportunity to comment from a public health perspective on the Public Finance (Wellbeing) Amendment Bill.

General Comments

- 2. NMH supports the new requirements for the Government to report annually on its wellbeing objectives in the Budget and that the Treasury reports periodically on the state of wellbeing in New Zealand.
- 3. A wellbeing approach encourages government agencies to think more holistically about how residents experience their lives and work out ways for different communities to flourish. Wellbeing is dependent on the manner in which social, cultural, economic and environmental resources are distributed in the community.¹ By including wellbeing objectives, elected governments are able to consider the wider impact of their decisions on the health and wellbeing of communities. The introduction of wellbeing objectives into the Act will give government agencies the potential to improve outcomes for all residents and reduce inequalities as a result. Inequalities impact not just individuals but communities as a whole. Reducing inequalities will benefit society in many ways. It will have economic benefits in reducing losses from illness associated with health inequalities² as well as increased expenditure.
- 4. The current approach focused on economic wellbeing uses market prices to value goods and services, excluding the value of activity outside of markets³ and therefore does not adequately measure overall social, cultural and environmental wellbeing. NMH supports the approach that this Bill has taken to reporting on wellbeing.
- 5. Whilst NMH understands that each elected government will have a different approach to wellbeing, it is important that there is a level of consistency reporting on specific wellbeing measures in order to assess trends and make improvements.

² Marmot, M. (2010) Fair Society, Healthy Lives: Strategic Review of Health Inequalities in England post 2010, http://www.hauora.co.nz/assets/files/Global/Marmot%20Exec%20-%20Fair%20Society,%20Healty%20Lives.pdf

¹ Local Government Improvement and Development (2010) *The role of local government in promoting wellbeing*. http://b.3cdn.net/nefoundation/bb8366694aa033e578_vvm6bfv3t.pdf

³ https://medium.com/@Inflab/is-gdp-a-good-measure-of-economic-well-being-7ad449ded139

- 6. *Recommendation*: that the Wellbeing Report includes methods that monitor trends over time.
- 7. In addition, NMH recommends that the Wellbeing Report includes methods to model and analyse how the various domains of wellbeing interact with and complement each other. This information can used to guide public sector investments and decision making.⁴

Conclusion

8. NMH thanks the Finance and Expenditure Committee for the opportunity to comment on the Public Finance (Wellbeing) Amendment Bill.

Yours sincerely

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⁴ Au, J., Karacaoglu, G. (2018) Beyond GDP: Measuring New Zealand's wellbeing progress, State of the State New Zealand 2018 <u>https://www2.deloitte.com/content/dam/Deloitte/nz/Documents/public-sector/Deloitte-NZ-SotS-2018-Article-2.pdf</u>