

25 August 2021

Jo Smith  
Inquiry Director (Acting)  
New Zealand Productivity Commission

Submitted online

### **Persistent Disadvantage Inquiry – Terms of Reference**

Dear Jo

The New Zealand Medical Association (NZMA) wishes to provide feedback on the above consultation. The NZMA is New Zealand's largest medical organisation, with about 5,000 members from all areas of medicine. The NZMA aims to provide leadership of the medical profession, and to promote professional unity and values, and the health of all New Zealanders. We recognise the principles of te Tiriti o Waitangi and the special obligations to Māori, particularly to ensure equity and active protection. Current disparities in health outcomes between Māori and non-Māori are unacceptable. The NZMA is committed to advocating for policies in health and the social and wider determinants of health that urgently address these disparities and contribute to equity of health outcomes. Our submission has been informed by feedback from our Board, Advisory Councils and members.

We welcome this inquiry into persistent disadvantage and note that at this stage, the Productivity Commission is seeking feedback on the proposed scope and focus of the inquiry to inform the development of the Terms of Reference. We agree that persistent disadvantage is a complex, multi-faceted issue and believe the Commission has done a good job in providing some background and context in the consultation document.<sup>1</sup> We are supportive of the Commission's proposed approach to draw on He Ara Wairoa which presents a holistic, intergenerational approach to wellbeing. We note the Commission differentiates between equality of outcomes and equality of opportunity, identifying the latter as the goal. While equality of outcomes for all individuals may not be achievable, equality of outcomes between groups at a population level is a worthy measure of their opportunity.

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<sup>1</sup> New Zealand Productivity Commission. A fair chance for all: Breaking the disadvantage cycle. Scoping the Terms of Reference for an inquiry. Wellington 2021. Available from <https://www.productivity.govt.nz/assets/Documents/Consultation-paper-A-fair-chance-for-all-v2.pdf>

We note the Commission alludes to several areas that are particularly relevant to persistent disadvantage in New Zealand – for example, the costs of housing and the importance of early influences (both during pregnancy and children’s first one thousand days). We agree these are important areas for the inquiry to focus on. However, we are concerned by the absence of even a single reference to climate change in any context whatsoever and consider this to be a glaring omission. Climate change stands to significantly worsen the position of people in persistent disadvantage in excess of other groups, both related to, and causing, direct effects on health and wellbeing.<sup>2</sup> There is no guarantee that the country’s response to climate change will be designed in such a way to improve, rather than exacerbate, social disadvantage in New Zealand. There is a need to focus specifically on the effects of climate change on Te Ao Māori, and how Māori can both lead the response to climate change and simultaneously eliminate the disadvantages they face. This needs to be tied into active decolonisation. We elaborate on our feedback in our responses to the specific consultation questions below.

### **Responses to Consultation Questions**

#### **1. What are the main dimensions of persistent disadvantage that should be included in the Terms of Reference as areas to be investigated?**

We support the Commission’s proposed focus on deep disadvantage – where people or collectives are experiencing multiple facets of disadvantage across one or more mana as set out in He Ara Waiora. We ask the Commission to add sustainability more broadly and climate change specifically including the response to climate change (both mitigation and adaptation) to the inquiry’s Terms of Reference.

#### **2. Where should the Commission focus its research effort?**

We note the Commission identifies the critical gap in terms of longitudinal data which tracks people or households over time. We suggest the Commission explore making full use of the longitudinal data that are available from the Dunedin Multidisciplinary Health and Development Study, the Christchurch Health and Development Study and the Growing Up in New Zealand (GUiNZ) Study. We also ask the Commission to ensure that research is directed at optimising our climate change response to avoid worsening, and to improve, persistent disadvantage, and that the research identifies how best to centralise Te Ao Māori in our response.

#### **3. Where should government focus its effort on finding solutions?**

We take the view that efforts should focus on evidence-informed interventions that are likely to reduce inequality. However, the lack of data alone should not preclude interventions when there are strong grounds to do so. We believe that a key area of focus for interventions should be at the early influences stage where the preconception period and the first one thousand days of life lay the foundations for life-long health. Increased investment in the first one thousand days of life, and a stronger focus on population-based strategies to address the determinants of healthy development, have the potential to result in significant public health gains and reduced social and health inequities throughout the life-course.<sup>3</sup>

Other important areas where the Government should direct its focus include housing, public transport and food security, given the 18% of children who live in an insecure food environment and the impact of poor nutrition on development. We also suggest that it may be useful to promote a culture of valuing education and ensuring children attend school. In addition, we

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<sup>2</sup> NZMA. Health and Climate Change. Position Statement. January 2019. Available from <https://bit.ly/3z2qOox>; Bennett H, et al. Health and equity impacts of climate change in Aotearoa New Zealand, and health gains from climate action. NZMJ 28 November 2014, Vol 127 No 1406; 16-31. Available from <https://bit.ly/3mqjAWG>

<sup>3</sup> NZ College of Public Health Medicine. First 1000 days of life. Policy Statement. November 2017. Available from <https://bit.ly/3D0T7Go>

believe that taxation policy has a key part to play in solutions to persistent disadvantage. While there are a range of views about the merits of, and justification for, specific types of taxation, the tax system supports the wellbeing of New Zealanders in three main ways: as a fair and efficient source of revenue; as a means of redistribution; and as a policy instrument to influence behaviours.<sup>4</sup>

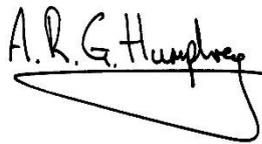
Overall, we believe it is important to focus on solutions to disadvantage that emerge from within the response to climate change, whereby the resulting economic and societal change will entail a massive transition over the next thirty years. As this will be a pan-economic and pan-social transition, our view is that not incorporating it into the Commission's research and response to government would be a serious error.

**4. Is there anything else that you would like to see in the Terms of Reference for this inquiry?**

We reiterate the importance of applying a sustainability lens to this inquiry, including the specific addition of climate change and the response to climate change (both mitigation and adaptation) to the Terms of Reference.

We hope our feedback is helpful and look forward to the opportunity to engage further with the Commission as this inquiry progresses.

Yours sincerely

A handwritten signature in black ink that reads "A. R. G. Humphrey". The signature is written in a cursive style and is underlined with a long, horizontal stroke that extends to the right.

Dr Alistair Humphrey  
NZMA Chair

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<sup>4</sup> Tax Working Group. Future of Tax. Final Report. February 2019. Available from <https://taxworkinggroup.govt.nz/resources/future-tax-final-report-vol-i-html.html>