



SocialLink – Tūhono Pāpori *is the umbrella peak body for the social and community sector and represents over 1500 organisations and individuals working in the Western Bay of Plenty*

SocialLink walks alongside social service providers, community and Māori organisations to strengthen their capability as they deliver services to their communities, as well as advocates for the sectors interests, social justice and equity of opportunity for all people living in the WBOP.

www.sociallink.org.nz

Submission on the Public Finance Amendment Bill

July 2025

SocialLink **opposes** the proposed repeal of the requirement to articulate wellbeing objectives in the Public Finance Act 1989. We also oppose the reduction in Treasury's statutory stewardship responsibilities, including the removal of the requirement to produce a Wellbeing Report.

We note that:

- the Bill will repeal 26M (2) (aa), (4) and (5) (Budget Policy Statement) of the Public Finance Act that requires the Minister of Finance to include in the Statement the wellbeing objectives that will guide the Government's Budget decisions.
- The Bill also repeals Clause 21 of Section 26NB requiring the Minister to present a Treasury-prepared Wellbeing report to the House every four years.

Treasury's Rationale is Unconvincing

The Treasury's Regulatory Impact Statement (RIS) notes that:

- The wellbeing requirements add complexity and may not have achieved their full intent.
- It is difficult to distinguish between competing priorities.
- There is overlap with other agencies' work on wellbeing.

These reasons are administrative in nature and insufficient to justify removing a principle as fundamental as wellbeing.

Instead of removing the requirement, Government should invest in, refine and strengthen it – with clearer guidance, better indicators and data collection, and integrated with the broader public service’s reporting.

It is particularly concerning that the Treasury chose repeal over clarification, despite noting strong public support for legislating wellbeing requirements during the 2018 consultation process.

Wellbeing Must Remain Central to Budgeting and Fiscal Policy

The inclusion of ‘wellbeing’ in the Public Finance Act 1989 signals that Governments value wellbeing by considering this as a fundamental element in decision making, a goal for the expenditure of public money.

Inclusion supports a long-term intergenerational perspective which is sorely needed.

Including wellbeing in Public Finance legislation signals to citizens, to public and private institutions and to the Government of the day how vital it is to ensure wellbeing is not undermined by fiscal planning and decisions. Rather, this Amendment Bill sends a strong signal that fiscal policy should return to a narrow economic lens, discounting the wellbeing of people and the environment as secondary. The economy should exist to serve people, planet and enable wellbeing, rather this Bill promotes the economy over and above people and the environment.

International precedents Include wellbeing as a focus

Other jurisdictions have strengthened a wellbeing focus. The **Well-being of Future Generations (Wales) Act 2015** provides a strong legislative model, obligating public bodies to consider the long-term impact of decisions on people’s lives and the planet. This law has improved cross-sector collaboration and citizen engagement, with real outcomes for community wellbeing.¹

Similarly, initiatives like **Guardians of Future Generations** in the UN demonstrate that wellbeing is increasingly seen as an essential component of good governance as we face significant climatic challenges and offers support for jurisdictions in determining this.²

Removing Measurement Reduces Accountability

As the saying goes, *“what gets measured gets managed.”* If wellbeing outcomes are no longer systematically measured and reported on as part of public finance decision-making, how can we effectively manage and improve wellbeing and help meet the challenges ahead?

Without wellbeing statutory reporting obligations as part of our Public Finance Act, future governments may deprioritise areas that are harder to quantify economically – such as child wellbeing, social cohesion or te Taiao (the natural environment).

¹ <https://www.gov.wales/well-being-of-future-generations-wales>

² <https://unu.edu/cpr/blog-post/how-guardian-future-generations-can-transform-global-policymaking>

Summary/Conclusion

SocialLink – Tūhono Pāpori strongly opposes the removal of wellbeing objectives and reporting from the Public Finance Act. We believe that fiscal and economic decisions must remain grounded in their impact on people, whānau, communities, and te Taiao.

Wellbeing is not an optional extra – it is central to the purpose of government and the legitimacy of public finance. This Bill risks reversing progress Aotearoa has made in recognising that a healthy economy depends on healthy people and environments.

Instead of repealing these provisions, we urge the Government to refine, strengthen and better implement them that would align with public expectations and international best practice.

We call on the Select Committee to recommend retaining and enhancing the wellbeing provisions within the Public Finance Act.

I wish to make an oral submission.

Nāku noa, nā

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