

Disruptor Scan

October 2024



Political



Social wellbeing policy

The Social Wellbeing Agency has been replaced by the Social Investment Agency. A traffic light system has been introduced for those receiving the Jobseeker Support benefit to better communicate obligations.



Status of public funding

Public funding remains highly constrained, with the government focussed on reducing debt while providing tax cuts and improving productivity.



Evolution of Treaty Partnership

Crown relations remain tense as the Treaty Principles Bill progresses, and the government is repealing, removing or reversing what some Ministers call "race-based policies". The new Māori Queen, Nga wai hono i te po, signals a generational change in leadership and is expected to strengthen unity against some of the coalition government's policies.



Other policy issues

Fast Track Approvals Bill progresses with 149 projects to be assessed, prioritising economic benefits. Growing community frustration with access to timely healthcare, highlighted by the large protest against scaling back new Dunedin hospital.



Governance and regulation

The government is pulling back from pre-election support for more local decision-making. Concerns about the "low quality" of many people standing for (and being elected to) councils. New capabilities required for governments.



Geopolitical events

Increasing concern about a Middle East war. Far right parties in Europe have increased political power in some countries or local elections, driven by growing opposition to immigration and poor economic conditions.



Strengthening



Weakening



No change

Social



Increasing diversity

Latest NZ Census results show nearly 5% of the population identify as LGBTIQ+, and 0.7% of adults identify as transgender. There has been a 12.5% increase in people identifying as Māori since the previous Census.



Social and community resilience

Extreme weather, and the closure of major employers in some rural regions, are putting some communities under significant stress. The NZ Emergency Management system to be overhauled.



Wellbeing

More nuanced discussions emerging about the impact on school children being online. European and US studies suggest a generational "health drift", where younger generations can have worse health than previous generations at the same age.



Changing nature of work

The government has called for public servants to return to the office, and some private sector companies are too, despite limited evidence that working from home reduces productivity. A recent NZ survey found that 45% of employees would consider leaving an organisation if flexible working was reduced.



Changing leisure patterns

In NZ running clubs are growing in popularity, partly due to their being seen as a better way to meet romantic partners, or just new friends, than online options.



Strengthening



Weakening



No change

Economic



National outlook

The government deficit is greater than expected. However, in September two surveys indicated marked improvements in business confidence. Interest rates are coming down which may add to optimism over the short term. Many households still struggling.



Socio-economic inequality

ANZ's NZ CEO, and some other business leaders, have indicated support for a serious discussion about a capital gains tax. A former Labour minister is suggesting a Capital Income Tax. Food banks closing due to lack of funding, despite demand.



Māori economy

A Māori-owned sovereign wealth fund has been proposed by the National Iwi Chairs Forum. This is intended to remove the need for Māori businesses to rely on Crown funding and to support investments that align with Māori values.



Disposable income

Stats NZ report that in 2023 36.1% of households perceived their income as either 'not enough' or 'only just enough', an increase of 3.7% from 2022. Recent tax changes are not expected to offset higher costs of living for most lower and middle-income workers.



Changing business patterns

A recent NZ AI Forum report found 67% of surveyed organisations were using AI, often for marketing and administrative tasks.



Strengthening



Weakening



No change

Technological



Gaming and interactive

On-going developments in gaming that provide physical feedback for online experiences, such as motorised wheels for VR games and activities. Holographic capabilities are being added to ordinary glasses to make augmented reality more satisfying and accessible. The perceived value (and so popularity) of an online game has been found to grow in proportion to the number of friends that you can connect to.



Human augmentation

A Google spin out company has developed an exoskeleton to make outdoor hiking easier. They have partnered with the clothing company Arc'teryx to make them into "mountain goat" hiking pants.



Digital and surveillance

A hack of Meta's Ray Ban smart glasses allows them to identify strangers and access online personal information. AI-enabled misinformation is spreading rapidly, along with scams.



Automation

An analysis by Accenture found that many organisations are struggling to scale AI.



Health and medical

Significant advances in dementia and cancer treatments continue. A mouse study found that a protein could potentially reverse Alzheimer's symptoms. Vaccines that appear effective against pancreatic and brain cancers have been developed, although further clinical studies are needed. A NZ researcher has developed a wearable device that can detect and relieve some asthma attacks by stimulating dilation of small airways in the lungs.



Strengthening



Weakening



No change

Environmental



Climate change consequences

Low and medium altitude mountain areas in Europe are seeing declining snowfalls, leading to some ski resorts to close if they can't provide year-round activities. Scientists consider we are in a critical and unpredictable new phase of the climate crisis, with 25 of 35 "planetary vital signs" at record levels. The changing climate is expected to strain many of the basic government functions underpinning society.



Climate change response

Strengthening scientific and UN calls for decisive and fast action to address rising CO2 levels. Insurance premiums in NZ have increased 30% in the last 18 months as flood risks increase. NZ government's Finance and Expenditure Committee has called for a national adaptation framework to ensure consistency for moving housing away from flood-prone areas. On the other hand, government policies are unlikely to reduce greenhouse gas emissions.



Environmental outlook

A UN report forecasts increasing use of natural resources over the next few decades. The latest Living Planet report estimates that global wildlife populations have declined by an average of 73% over the last 50 years. In NZ there are concerns some Fast-track approval projects will have significant adverse environmental effects.



Space and place dynamics

The NZ Ministry of Transport has criticised disconnected investment decisions and poor strategic planning. Critics argue the gov't's focus on road projects to boost productivity lacks evidence, suggesting funds could be better allocated to public transport, healthcare, and education.



Active Transport

Growing social polarisation, driven by some media, in relation to safety and active transport options. E.g., Speed limits and safety measures around schools, and roads vs cycleways. This is despite cycleways representing only 1% of the government's transport budget



Strengthening



Weakening



No change



Social licence for sport and recreation

AI could be used to accurately identify athletes who may be doping. The NZOC still lacks a sustainability strategy, as do most federated members and non-Olympic professional sporting organisations. Policies against transgender athletes at the Olympics appear to be growing, as part of broader anti-trans campaigns in some countries. ARL commissioned report alleges fraud and criminal issues.



Athlete and participant wellbeing

The first Enhanced Games (where performance enhancing drugs are used) are scheduled for next year. Sport NZ's Guiding Principles for the Inclusion of Transgender People in Community Sport to be reviewed after some sporting figures concerned that safety and fairness may be compromised. A study of head knock impacts in junior rugby (under 8's) is underway in Christchurch.



Workforce (including volunteers)

Wimbledon is replacing its line judges with AI-enabled electronic line calling from next year. Volunteering NZ's latest survey finds that while the numbers volunteering has increased more volunteers are performing 'casual volunteering' of a few hours a month, and fewer are doing over 20 hours a month. The report didn't look specifically at sport and recreation volunteers.



International travel

Toyota, and others, have stopped sponsoring the Olympic Games, although they will support teams or athletes. Corruption associated with the Games may be one factor influencing the decision. A Middle East war and an expanded Russian-Ukrainian war could create significant travel disruptions.



Strengthening



Weakening



No change