

Disruptor Scan

March 2024



Political

- ↑ **Social wellbeing policy** – Increased scrutiny on benefit eligibility, including disability. Free school lunch policy being reviewed. Changes to Smokefree legislation being reconsidered.
- ↑ **Status of public funding** – Most government agencies being asked to identify savings of 6.5 -7.5%.
- ↑ **Other policy issues** – Tax cuts to be introduced. Reduced focus on public and active transport, climate change and environmental issues. Housing density standards to become optional, probably leading to more urban sprawl. Education curriculum changes.
- ↑ **Governance & regulation** – Cutting “red tape” is a major focus for the coalition government, especially in relation to economic development. Expanded rapid consenting process for significant projects.
- ↑ **Geopolitical events** – Wars in Ukraine and Gaza continue to destabilise the globe. Increase in the number of authoritarian regimes. Prospect of Trump becoming US President is a major concern to other NATO members. NZ is under pressure to move away from an independent foreign policy and become more closely aligned with AUKUS security and defence priorities and may face strategic choice between the US and China if the current trajectory of competition between the two superpowers continues. Russian Friendly Games politicises sport.



Technological

- ↑ **Gaming and interactive** – An Esports World Cup has been established amid Esports tournaments for mobile games rapidly growing. Saudi Arabia is investing significant funds into eSports events. Les Mills International reports in-person workouts more popular now than online sessions.
 - **Human augmentation** – Plans are underway to hold an “Enhanced Games” in the next few years to illustrate performance enhancements using banned drugs. Transcranial electrical stimulation is becoming more common to improve performance and is approved by WADA, but its effectiveness is uncertain.
- ↑ **Digital and surveillance** – School bans for cell phones are coming into force, although evidence for their effectiveness is currently limited. Foodstuffs NZ are proposing trialling AI systems to identify shoplifters and abusive customers, fuelling public concerns about privacy and bias. AI use in gambling is increasing. The US is considering banning/divesting TikTok due to security concerns.
- ↑ **AI/Automation** – Some retailers are rethinking the use of self-checkouts due to costs, theft, and inefficiencies. In NZ uptake of AI applications lags global trend. [Google DeepMind](#) has developed an AI coach (TacticAI) to provide football tactics for set-pieces. This follows AI-powered Judging Support System in gymnastics.
- **Health and medical** – Smart mouthguards are being introduced into some contact sports to reduce concussion risks, but improvements still need to be made on reliability. New weight loss drugs and treatments to slow cognitive decline are becoming available, with more under development.



Environmental

- ↑ **Climate change consequences** – Extreme fires, floods & record temperatures continue to be reported. The European Environment Agency stated that Europe is unprepared for climate change impacts. Fears that tipping points for polar melting and key oceanic current disruptions may occur sooner than predicted.
- ↑ **Climate change response** – The new draft Government Policy Statement on transport does not make climate change a priority, and there is a lack of clarity how the government will reduce emissions generally. Consideration of climate impacts from several consenting processes has been de-prioritised. A NZ activist has won the right to sue seven NZ corporate entities for the alleged impact their emissions have on the climate. If the suit succeeds this will have international implications. The Ski World Cup is being challenged to drop sponsors who are significant polluters, such as Audi.
- ↑ **Environmental outlook** – Growing concern about human health as well as environmental harms caused by microplastics. There is also concern that expanded rapid consenting processes here will lead to greater environmental damage.
- ↑ **Space and place dynamics** – Initiatives that encourage housing densification in NZ have been weakened by the new government. Financial pressures on local governments are preventing or slowing major urban (re)design and service initiatives. Depaving – removing concrete and asphalt and replacing them with earth and plants – is a growing movement in some cities overseas. It aims to improve rainwater management, as well as environmental and mental health.
- ↑ **Active Transport** – Active and public transport initiatives have been given a lower priority by new government.



Sector

- ↑ **Social licence for sport and recreation** – The Integrity Sport & Recreation Bill had its first reading in Parliament. At the Paris Olympics there will be a lab testing for genetic modification, as well as more women commentators. A US college basketball team has voted to unionise to enable them to be treated as employees. Accusations of cheating and overly competitive attitudes have been made against high school rowing in NZ. Concussion remains in focus.
- **Athlete and participant wellbeing** – In the Australian Football League, community players who have a concussion now have a longer non-playing period. Brain damage identified as a factor in the death of a NZ professional rugby player. In Australia, a young professional soccer player as come out as non-binary and received a lot of support from team-mates and others.
- ↑ **Athlete voice** – Growing confidence of NZ athletes and team to use their platforms for political messaging e.g. Hurricanes female team’s use of haka. The ERA ruling that HPSNZ is obligated to enter into collective bargaining with the athlete collective could have implications for sport and other industries. Paris Games will be potential hot sport for athletes expressing personal views that may be contrary to views of NSO and country.
- **Workforce (including volunteers)** – Higher wages and/or better conditions are attracting more New Zealanders to Australia. New training and skills are needed to help the workforce adapt to data analytics and AI opportunities.
- **International travel** – The Paris Olympics is being seen as a test of a new model for mega-events, with a greater focus on reuse of facilities and sustainability. The UK released a major event strategic framework that encourages more innovative approaches to engage sports fans and improve inclusiveness.



Social

- ↑ **Increasing diversity** – In the US diversity and inclusion initiatives are being strongly opposed by conservative groups, with the term “woke” also being increasingly used in NZ by some conservative politicians and groups. Anti-Māori sentiment has been increasing in recent years.
- ↑ **Changing nature of work** – Australia has introduced a “Right to disconnect” law. Only a small fraction of jobs have been replaced by AI, usually data intensive roles. Communication, problem-solving, and time management are among most valuable skills employers now often look for.
- **Social & community resilience** – Flood-damaged Category 3 houses are starting to be bought by NZ Councils, enabling the owners to build/seek new homes. Overseas some insurance companies are providing context-specific community-based disaster recovery policies. NZ rates only 52nd from 71 countries in a [Mental State of the World report](#).
- **Changing leisure patterns** – Last year nearly 2/3 of Kiwis spent two to four hours a day online outside of work. Streaming video remains very popular, with Netflix now also investing in more sports programming.
- **Wellbeing** – Research from the “Growing up in NZ” study found that most 12-year-olds were “highly engaged” in arts, culture and/or recreation activities after school, particularly if they were living in less deprived multi-generational families. Younger Nzers much less happy than older Nzers in latest world happiness Report, where NZ drops one place to 11th.



Economic

- ↑ **National outlook** – NZ GDP forecast to modestly increase this year. Agricultural outlook is worsening due to reduced demand from China. Water and other infrastructure costs are placing increasing financial pressures on many Councils. Economy in recession.
- ↓ **Socio-economic inequality** – Child poverty rates are decreasing, but Māori and Pasifika still have much higher rates of children experiencing material hardships than other ethnic groups.
- **Māori economy** – The Māori economy is anticipated by one assessment to create around 40,000 new jobs by 2050. MFAT has indicated that the reliance of Maori businesses on China as a key market presents risks as the Chinese economy slows down.
- ↑ **Disposable income** – Discretionary spending continues to be reduced as cost of living remains high. Household living costs increased 7% over the last year, a slight decrease from the previous year. Average rates rises are likely to be 15% this year.
- ↑ **Changing business patterns** – local content under pressure given uncertain future of tv industry. Automation-driven growth is anticipated to become an important feature for many companies globally.

↑ Strengthening
↓ Weakening
• No change
New item