

Social wellbeing policy

Government policy is shifting from poverty reduction to broader wellbeing outcomes. However, changes tend to be incremental, with successive governments tending to make relatively minor adjustments. Substantial changes in social policies only occur every few decades. A critical question at the moment is whether the pandemic will prompt such a transformation.

What we're seeing

Major shifts in social policies

Social welfare philosophies & policies run in multi-decadal cycles. Within these cycles relatively minor, rather than fundamental, changes tend to occur when there is a change in government.¹ The subordination of social policy to economic growth is now starting to break down. Internationally, major changes in social policies and social policy agencies have occurred in the last few decades.²

A shift from poverty reduction to improving wellbeing

There are moves away from a narrow focus on poverty reduction, although significant further work is still required. The NZ Treasury's Living Standards Framework is an attempt to measure the broader impacts on wellbeing of government policies.³ The extent to which economic policies change remains to be seen. The framework is expected to continue to evolve over successive governments.

Post-pandemic expectations

The pandemic brought to greater attention the precariousness of many peoples lives, even among the middle class. But it also showed that rapid, and generally effective, government actions that support rather than punish citizens are doable and desirable.⁴ The pandemic and the cost of living crisis have also helped align interests across the community, business, and public sector to address underlying socio-economic inequalities.⁵

Trade-offs will persist

Growing financial pressures mean trade-offs are inevitable. More older people and a shrinking working age cohort in NZ mean public spending will probably become more constrained. Especially as rising interest rates make public and private debt less attractive. Trade-off choices will differ between political parties, as will emphasis on what aspects of wellbeing are prioritised, and how inequalities are addressed.⁶

Self-interests still rule

Affordability, sustainability, fairness, and effectiveness of social policies are all critical issues. But so is self-interest. While the public generally support more investment into social programmes, the specifics matter. Increased investments into health and education are widely supported. Increased spending on the unemployed usually isn't. Older people may resist changes to superannuation, while younger people may support child-support policies more.⁷ That means that governments, whatever their philosophy, may have little latitude or appetite to make major changes, except in times of crises or a large shift in public opinion.

A brief window of opportunity?

The pandemic has created the opportunity to reimagine New Zealand. But so far substantive reshaping of social wellbeing policy has not emerged. However, changes may occur over the coming years.

Potential implications

Create

- Opportunities for more holistic support for improving wellbeing

Relate

- Policy trade-offs could lead to greater factionalism
- Transformation comes from a compelling re-imagining of society

Consume

- Inequalities reduce the ability to participate fully in society
- Improving social wellbeing increases participation

Degrade

- Wellbeing declines for some if participation in sport and active recreation and other activities is inhibited by costs & accessibility

Connect

- Reduced connections across society when inequalities persist
- Need to improve communications that lend support to more radical changes

Define

- Increasing need for a shared vision for society and the means to achieve it

More information (links)

¹ [Welfare Policy: Governance History and Political Philosophy](#)

² [New trends and innovations in social policy](#)

³ [The Living Standards Framework 2021](#)

⁴ [Key trends in welfare 2022](#)

⁵ [The scope of social policy](#)

⁶ [He Tirohanga Mokopuna 2021](#)

⁷ [Public opinion on welfare state recalibration in times of austerity](#)