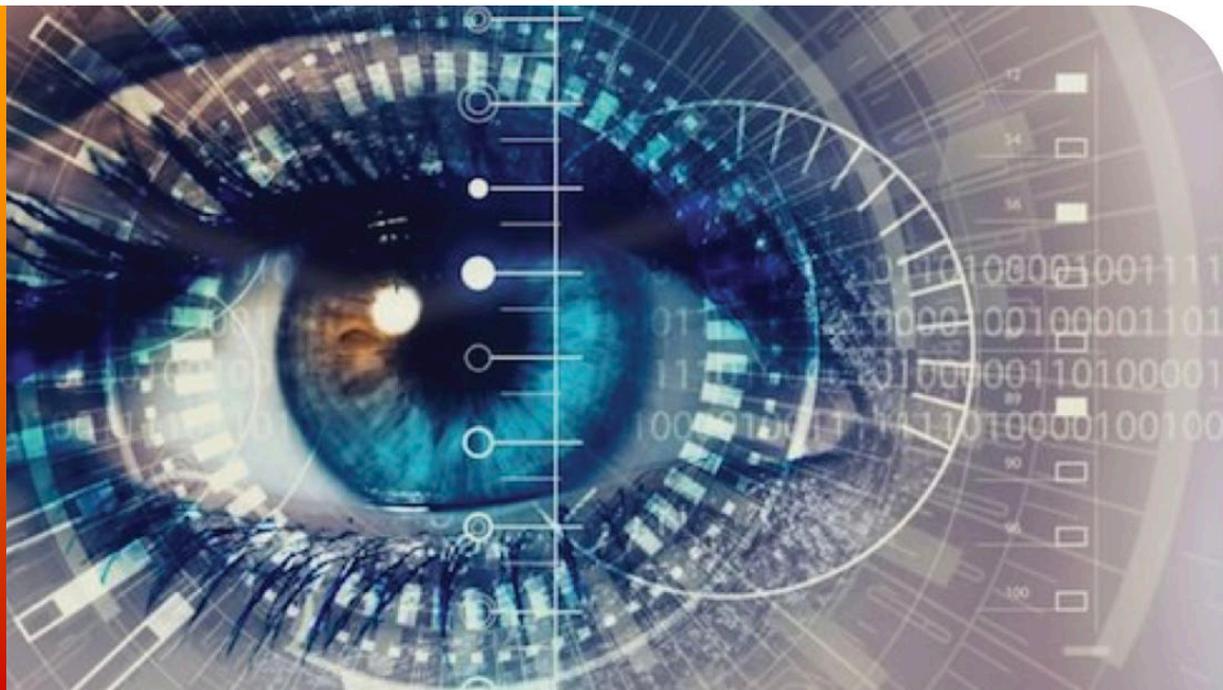


# Disruptor Scan

March 2026



# Political



## Social wellbeing policy

Social media ban for under-16s has moved closer, with a select committee strongly backing age restrictions, tighter algorithm control, and a new online safety regulator. Evidence is mounting that JobSeeker sanctions have limited impact where suitable jobs are scarce, increasing concern about lasting harm. MSD debt recovery and rising living costs heighten stress, while mental health workforce growth still lags rising demand.

## Evolution of Treaty Partnership

Coalition Treaty policies are strengthening pan-Māori unity and mana motuhake strategies, with iwi investing more in independent political, legal, and economic capability. Engagement between iwi leaders and government has resumed but remains cautious, while UN scrutiny and related complaints processes continue..

## Governance and regulation

State of Public Service report and new Digital Public Service strategy underline fragmentation, leadership gaps and slow AI/digital uptake, with pressure building for fewer, larger ministries and shared platforms. Emergency Management Bill (No 2) is now in select committee, with enactment expected later in 2026. Online Casino Gambling Bill expected to become law in May, locking in community and sport funding streams of \$10-\$20m per annum.

▲ Strengthening ▼ Weakening ● No change

## Status of public funding

Budget surplus now expected to be small and late in the decade, with ministers signaling little scope to ease tight operating allowances. Ongoing restructures and job cuts reinforce a leaner public service, with pressure on non-core programmes and arm's-length agencies. Proposed nationwide rates cap tightens councils' fiscal room, accelerating service rationalisation, asset sales and shifting facilities to community providers.

## Other policy issues

National Infrastructure Plan now emphasises urgent catch-up on hospitals, water and flood-risk assets, alongside spatial planning and up-zoning around transport corridors, with likely boundary and governance changes over time. Education reforms proceed, shifting standards and greater control to the Ministry and new 2026 teaching standards. Election debate is sharpening around KiwiSaver, retirement age and health service performance, with proposals to lift default contributions to 12% over time.

## Geopolitical events

US–Israel strikes on Iran and Iranian retaliation have widened into a sustained regional conflict, disrupting energy supplies, spiking oil prices and driving global market volatility. The Trump administration is withdrawing from dozens of UN and related bodies, further weakening multilateral governance. Flight cancellations and rerouting across the Gulf are delaying or relocating events, stranding athletes and raising insurance and security costs.

# Social



## ● Increasing diversity

Net migration has slid to a decade low, with a large net loss of New Zealand citizens to Australia, sharpening concerns about talent and community renewal. Public concern about immigration remains low overall, but online discourse shows rising racist and anti-Indian sentiment as parties' position for the election. International research highlights intensifying transphobia and its mental-health impacts, alongside stubborn resistance to gender equality among some young men.

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## ▲ Social and community resilience

February's North Island storms again revealed coordination and communication failures between councils, emergency services, infrastructure providers and insurers, with communities warned to expect long repair delays. New analysis reinforces that landslides are New Zealand's deadliest and still-under-managed hazard. Data shows a significant share of critical transmission assets exposed to flooding, prompting early resilience planning and underpinning the Emergency Management Bill's push for clearer regional structures and sector response plans.

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## ● Wellbeing

Salvation Army's State of the Nation 2026 highlights rising child poverty, material hardship and family violence, with Māori, Pasifika and disabled children most affected. Major lawsuits against Meta, TikTok and YouTube over deliberately addictive design signal growing legal and political pressure on platforms. VR tools are being trialed to reduce loneliness among older adults, with early evidence of improved social connection.

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## ▲ Changing nature of work

AI adoption is shifting from experiments to enterprise-wide use, with sanctioned tools now available to most workers but job and role design lagging behind. Coding and other routine knowledge roles are under pressure, with some layoffs driven by expectations of AI rather than realised gains, intensifying worker anxiety. Global surveys suggest around a third of organisations are truly redesigning work around AI, while most prioritise basic upskilling and bolt-on productivity uses.

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## ▼ Changing leisure patterns

Leisure trends since December remain broadly stable, with multi-generational, solo, wellness and spiritually oriented trips still growing, often framed as "reset" or purpose-driven escapes. Cost-of-living pressure appears to be shifting behaviour at the margin – shorter, cheaper, more domestic trips and fewer family holidays – rather than creating clearly new patterns.

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# Economic



## National outlook

Slow, uneven recovery continues, led by high agricultural export incomes and a stabilising housing market, but business and consumer confidence remain cautious. Regional divides are still marked, with southern regions generally outperforming Wellington and several North Island centres. The Iran conflict now poses a clear external shock risk via higher fuel costs, inflation pressure and weaker global demand, potentially stalling gains.



## Māori economy

Iwi and Māori-owned enterprises are leaning further into collective strategies, pooling balance sheets and forming larger joint ventures with multinational and indigenous partners to reduce Crown dependence and expand into energy, infrastructure and housing. Confidence among Māori business leaders remains relatively high, although exposure to volatile export markets and climate risk is sharpening focus on diversification, regenerative land use and long-term resilience.



## Changing business patterns

AI use is scaling rapidly across firms, but only a minority are redesigning products, services or business models around it; most still bolt tools onto legacy processes. Surveys suggest around a third of leaders expect notable job automation within a year, yet about 80–84% have not redesigned roles, widening the gap between experimentation and real transformation. In Aotearoa, a new Public Service AI Work Programme aims to accelerate safe AI uptake in central government and councils via shared tools, an AI hub and marketplace, and common guidance.



Strengthening



Weakening



No change



## Socio-economic inequality

Billionaire fortunes jumped about 16% in 2025, growing three times faster than in recent years and further concentrating economic and political power globally. In Aotearoa, new data confirms no real progress on child poverty: roughly one in seven children live in material hardship, with Pacific tamariki most affected. Food insecurity and housing stress remain elevated, and signs of rising youth homelessness continue to emerge in local studies and community reports.



## Disposable income

Household budgets remain under heavy strain as utilities outpace wages and families brace for further energy price rises. Real retail spending is flat, with non-essentials cut back. Stagnant incomes, a narrowing gap between minimum and median wages, and falling donations are stretching charities, while affordability is now a record barrier to children's organised physical activity.

# Technological



## Gaming and interactive

Online casinos and sports betting platforms are intensifying targeted advertising to young men and students via influencers, athletes and social media, with growing concern about harm. Consumer VR sales remain flat or declining, reinforcing its niche status, while investor and R&D energy is shifting to lighter, cheaper smart glasses that embed AI assistants and live captioning, especially for people with vision or hearing impairments.



## Digital and surveillance

Home security tech is creating de-facto private surveillance networks, prompting backlash over policing access, hacking and data use. At the same time, governments and firms are buying “intelligence as a service” from commercial satellite and AI providers, blurring public-private surveillance boundaries and raising concerns about rapid spillover into civilian life.



## Health and medical

Childhood obesity projections have worsened, with new estimates suggesting more than 220 million children could be obese by 2040, and over half a billion overweight without major policy shifts. The FDA-approved oral Wegovy pill is now launching, reshaping weight-loss treatment and fuelling rapid growth in GLP-1 use. AI health-advice tools are proliferating, but recent Nature Medicine research finds some triage systems under-prioritise more than half of genuine emergencies, reinforcing concerns about over-reliance by patients with limited health literacy. Early-onset cancers in under-50s continue to rise, with obesity, diet, sedentary lifestyles and emerging evidence on microplastics and other environmental exposures all under investigation but no single cause confirmed.



Strengthening



Weakening



No change



## Human augmentation

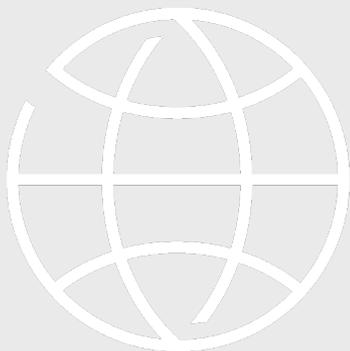
Lightweight consumer exoskeletons are moving mainstream, alongside maturing wearable gait and posture sensors for everyday injury prevention and rehab. Auditory augmentation is expanding beyond hearing aids to mixed-reality and vibrotactile solutions for noisy environments like gyms and stadiums.



## Artificial Intelligence

AI is rapidly shifting from chat assistants to autonomous agents that can run multi-step workflows, including coordinated “teams” for coding, analysis and operations. Cheaper open-weight reasoning models are closing the gap with proprietary systems, expanding access. Emerging “world-model” AI enables system simulation for strategy and scenarios, while researchers warn that easy access may accelerate cognitive off-loading and weaken core skills if treated as a shortcut.

# Environmental



## Climate change consequences

Devastating January-February North Island storms underline a step-change in local climate risk, triggering more than 11,000 landslides on the East Coast and adding to already high recovery costs. Non-earthquake disasters in Aotearoa now average around \$1 billion a year, roughly four times 2016–2020 levels. Globally, climate disasters in 2025 affected over 87 million people, with severe storms alone generating about US\$61 billion in insured losses. January 2026 was the fifth-warmest on record worldwide, combining record marine and land heat with sharp regional contrasts of heat, cold and heavy rain.

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## Environmental outlook

Global assessments warn of “water bankruptcy”, with around 70% of major aquifers in long-term decline and half of large lakes shrinking, pushing 4.4 billion people into seasonal water scarcity. Tipping-point science suggests key Earth systems are nearing irreversible thresholds. In Aotearoa, the Parliamentary Commissioner for the Environment highlights persistent gaps in environmental data, accountability and Treaty-grounded monitoring as reforms progress.

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## Active Transport

International investment in walking and cycling continues (e.g. Ireland committing around €360m for active travel), but Aotearoa’s mode share remains dominated by private vehicles, with only modest active-transport growth. Urban street and low-traffic trials are still provoking strong local backlash, amplified by misinformation about “15-minute cities” and perceived loss of freedom, slowing rollout of safer networks despite clear evidence that better infrastructure is the key enabler.

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Strengthening



Weakening



No change



## Climate change response

Coalition climate policy continues to face strong criticism for cutting or delaying adaptation funding, weakening emissions measures and relying heavily on future technologies. The Emergency Management Bill (No. 2) is progressing, but recent storms show responses remain largely ad hoc and reactive. Some insurers have now stopped writing new policies in high-risk areas, signaling a gradual “withdrawal” from locations exposed to sea-level rise, flooding or seismic risk. Internationally, several affluent countries are back-sliding on climate commitments, slowing collective progress just as impacts intensify.

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## Space and place dynamics

Māori-influenced urbanism is gaining momentum, with marae-centred and papakāinga developments showcasing resilient timber construction, shared green space and everyday community connection. Iwi-led housing continues to grow as intergenerational investment, shaping services and neighbourhood design. Research highlights the value of shaded, meandering, slow streets and informal play spaces over single-destination playgrounds for families with young children.

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# Sector



## Social licence for sport and rec

A meta-analysis of 52 studies suggests transgender and cisgender women show broadly comparable physical fitness 1–3 years after hormone therapy, though evidence quality is low and offers limited insight into elite sport performance. The IOC is developing an early-2026 eligibility policy, balancing protection of the female category with community-level access. In Aotearoa and globally, scrutiny of athlete wellbeing, power imbalances, and fairness versus inclusion is intensifying.

## Workforce (including volunteers)

Club membership is edging up but generally still below pre-Covid levels, with cost-of-living pressures continuing to suppress participation and fee increases. Many clubs rely on a shrinking core of highly committed volunteers, who report mounting burnout and difficulty attracting new helpers. Regional Sports Trusts' Aspiring Leaders programmes are showing encouraging gains in confidence, collaboration and change capability, building a small but growing pipeline of sector leaders. At the same time, international events are leaning harder on volunteer workforces, framing roles as pathways for skills development, CV building and global experience – a narrative likely to spread into domestic volunteering offers.

## Athlete and participant wellbeing

Social and health pressures around bodies, drugs and safety are intensifying for participants, with mixed signals on protection and support. Steroid and other performance/image-enhancing drug use has surged in Australia and is rising in Aotearoa, driven by social media body ideals, easy online supply and a lack of clear clinical guidelines for safe cessation or harm-reduction support. Drug-checking services report more performance-enhancing substances, underscoring growing risks for both community gym-goers and aspiring athletes.

## International travel

War-related disruption in the Middle East has led to widespread flight cancellations and rerouting through and around key Gulf hubs, pushing up fares and freight costs and stranding travelers. New Zealand's new Sport Diplomacy Strategy 2025–2030 is now being actively implemented, using sport to deepen ties and support trade particularly with India, the wider Asia-Pacific and the United States. In the United States, expanded travel bans on citizens from multiple countries include specific exemptions for athletes and accredited personnel at major events, but not for most supporters, creating the risk of fan exclusion, boycotts and complicated logistics for international competitions.