

Submission to the Finance and Expenditure Committee: Budget Policy Statement 2025



"People are trying to give their kids a better future, yet living expenses are getting in the way." - Mokopuna

As the independent advocate working for and with mokopuna (children and young people), Mana Mokopuna – Children and Young People's Commission (Mana Mokopuna)² makes the following submission on the Budget Policy Statement (BPS) for Budget 2025. Additionally, in our independent capacity, we are available to provide specialist children's rights focused advice to the Government, the Treasury and the Finance and Expenditure Committee in relation to Budget 2025.

Introduction and position

- 1. Mana Mokopuna has specific statutory responsibilities to promote and advance children's rights. These responsibilities include advocating for, and monitoring, the application of the United Nations Convention on the Rights of the Child (the Children's Convention)³ by government departments and other instruments of the Crown.⁴ We recognise mokopuna in the context of their family, whānau, hapū, iwi and communities.
- 2. Although it may not be immediately obvious, the decisions that governments make each year through the Budget process about how public money is spent have a direct and significant impact on our country's approximately 1.2 million mokopuna, and on their families and whānau. This is because many Budget initiatives and Governmental expenditures ultimately determine whether mokopuna, their families, and the communities they grow up in receive the support they need to thrive.,
- 3. The decisions made as part of Budget 2025 under each of the Government's overarching Budget goals will impact mokopuna, both directly and indirectly. In particular, we highlight the following points that relate to the areas that the BPS focuses on:
 - a. Having a strong economy can help to ensure that all mokopuna have an adequate standard of living in practice, which is one of the substantive rights of all mokopuna under the Children's Convention, as well as opportunities in their lives.



¹ You need to get in early report: page 12

² Mana Mokopuna – Children and young people's Commission is the independent Crown entity with the statutory responsibility to advocate for the rights, interests, participation and well-being of all children and young people (mokopuna) under 18 years old in Aotearoa New Zealand, including young persons aged over 18 but under 25 years if they are, or have been, in care or custody.

³ Convention on the Rights of the Child | OHCHR

⁴ Children and Young People's Commission Act 2022, s 21.



- How mokopuna experience these things in childhood impacts their daily experiences, as well as their outcomes over their life-course.
- b. Public services need to be efficient, effective, and responsive to mokopuna and their families and whānau, upholding the holistic rights of mokopuna and meeting their needs. This is crucial if health outcomes and educational achievement are to be improved, and law and order restored.
- c. Care must be taken to ensure mokopuna do not bear the brunt of changes in public spending, particularly reductions in resources and services that support them and their families and whānau. Because mokopuna lack a political voice, their rights—and the Government's duties and obligations to uphold them should be a priority in public finance decision-making.
- The Government states in the BPS that its Budget goals guide its decisions and serve as 4. its wellbeing objectives, describing them as "the most important contribution the Government can make to the long-term social, economic, environmental and cultural wellbeing of New Zealanders." Recognising this focus and commitment, Mana Mokopuna advocates for the rights, interests, and wellbeing of mokopuna to be more explicitly considered and prioritised in the annual budget process, including the current process for Budget '25. With approximately 1.2 million mokopuna in Aotearoa, it is essential that the Budget provides them with the investment they need to thrive.
- 5. Consistent with the right of all mokopuna under Article 12 of the Children's Convention, we strongly recommend that the Government provides opportunities for mokopuna themselves to have a say in the Budget process. This should help to shape Budget decisions that will support the outcomes of mokopuna. Additionally, the process of being involved in this process would provide an excellent opportunity for civic education and in turn support mokopuna being active citizens in our country and ensure they feel empowered and valued.⁵
- In this submission, we also highlight the authoritative guidance and recommendations 6. of the UN Committee on the Rights of the Child in relation to public budgeting. This guidance can help New Zealand better fulfil its duties and obligations under the Children's Convention. A key point is that the Children's Convention serves as a vital tool for shaping public budgeting decisions that affect mokopuna, ensuring their rights are fully upheld.

⁵ child.pdf



Recommendations

- 7. This submission includes the following recommendations:
 - a. **Develop mechanisms for mokopuna participation** in the budgeting process, and underpin work relating to Budget '25 in the calls to action from children, outlined in the UN Committee on the Rights of the Child General Comment 19⁶.
 - b. Adopt a broader vision of education, and ensure a holistic approach that incorporates mokopuna voices and prioritises their rights, interests and wellbeing.
 - c. Invest in ALL mokopuna and address disparities: Take urgent measures to address structural discrimination and inequity; Ensure the Social Investment approach balances data-driven targeting with a universal human rights-based framework and prioritises long-term wellbeing outcomes over short-term fiscal drivers; Take steps to ensure a children's rights approach is mainlined into the heart of any social impact approach so that the rights of mokopuna are upheld.
 - d. Prioritise mokopuna in Government investment: Create clear and transparent processes for assessing how spending decisions affect mokopuna - both directly and indirectly, as well as their families, whānau, hapū, iwi, and they communities they live and grow in; Pay particular attention to those mokopuna and their families and whānau who are disproportionately impacted by poverty.
 - e. Consider the impacts of public spending on future generations, including the intergenerational impact of long-term infrastructure investment, and minimising the costs to future generations due to failures to address long-term infrastructure issues.

Budgeting for and with mokopuna

- Ĺ "We, too, are concerned about what goes on in our world, especially our country. What happens now WILL affect our future..." - Mokopuna
- 8. The United Nations Committee on the Rights of the Child has issued authoritative guidance on public budgeting for children – see: General Comment No.19 (2016), which makes recommendations on:
 - "......how to realize all the rights under the Convention, especially those of children in vulnerable situations, through effective, efficient, equitable, transparent and sustainable public budget decision-making."8
- 9. This guidance is directly relevant to the New Zealand Government, as a States Party to the Children's Convention, in relation to its annual Budget process and Budget

⁸ United Nations Committee on the Rights of the Child General Comment No.19 (2016) on public budgeting for the realisation of children's rights, paragraph 1.



⁶ General comment No. 19 (2016) on public budgeting for the realization of children's rights (art. 4) | OHCHR

⁷ You need to get in early report: page 16



decision-making. A key component of budgeting effectively for mokopuna, and for implementing children's rights in general, is their participation in the process. General Comment 19 was developed in consultation with children and young people globally who provided the following advice to those setting public budgets. We urge the Government and the Finance and Expenditure Committee to ground any work relating to Budget '25 in these calls to action from children, which relate directly to public budgeting:

- a. Plan well. There should be enough money in the budget to provide for all rights of
- b. It is impossible for you to invest in us if you do not ask us what to invest in! We know; you should ask;
- c. Do not forget to include children with special needs in your budgets;
- d. Spend money fairly and wisely. Don't spend our money on something that is useless — be efficient, save money;
- e. Investing in children is a long-term investment, and it generates a lot, so remember to think of it;
- f. Investment in our families is also an important way of securing our rights;
- g. Make sure there is no corruption;
- h. Recognize the rights of all citizens, both young and old, by listening to people's opinions on matters of governance;
- i. I would like the Government to be more accountable and transparent;
- j. Publish records of how the money is spent;
- k. Provide budget information to all children in ways that are easily understood and in media that are popular with children, like social media.9

Mokopuna are impacted by and central to the Government's economic decision-making



"I believe the education system is outdated and needs to be updated. Schools only produce workers. I feel most kids leave school without the necessary tools needed to survive or sustain themselves healthily." 10 - Mokopuna

- Budget-setting has significant impacts on the rights of mokopuna such as their rights to be safe, to education, to have an adequate standard of living, to be well and have access to healthcare, and their rights to a healthy environment.
- We note the Government's intention, as stated in the BPS, to lift economic growth through measures to address New Zealand's long-term productivity challenges.

⁹ Ibid, paragraph 8

¹⁰ You need to get in early report, page 42



- 12. We also note that the Government has identified a skilled workforce as the foundation of a productive economy and that it is focussed on: delivering a knowledge-rich curriculum; making better use of assessment; improving teacher training; raising attendance; strengthening learning support; ensuring the education system is informed by strong data and evidence; and providing parents with greater choice over their children's education with new charter schools opening from 2025.
- 13. Mokopuna are, therefore, central to the Government's plan to build a skilled workforce and strengthen productivity. It follows that their holistic rights, interests and wellbeing should be a priority in setting Budget 2025, and their views and experiences should be factored into decision making on Government spending. This will help to ensure full information for decision-making and effective spending.
- 14. We remind the Government that it is the right of every child in Aotearoa New Zealand to an education that enables them to grow and develop to their infinite potential.¹¹ This includes the rights of:
 - a. mokopuna Māori to learn in ways that uphold their language and culture;
 - b. mokopuna whaikaha to learn in ways that ensure they have all the accommodations and supports that they need;
 - c. rainbow mokopuna and resettled mokopuna to learn in ways that provide them with safe and inclusive learning environments;
 - d. all mokopuna to be safe and free of all forms of violence, including bullying, in their schill and learning environments.
- 15. Implementing the right to education requires a holistic approach, that views mokopuna as active participants in their own education rather than as passive recipients of knowledge as currently implied by the BPS. We suggest that a holistic approach would support the full development of mokopuna and potentially strengthen creativity and innovation, which are also critical to a productive economy. ¹²
- 16. Holistic education fosters intellectual, social, cultural, and emotional development, all of which are necessary for children and young people to thrive. Narrowly framing Education in relation to workforce productivity risks sidelining broader educational priorities, such as critical thinking, creativity, and cultural learning. We advocate for a broader vision of education that incorporates mokopuna voices and prioritises their rights, interests and wellbeing.
- 17. Mana Mokopuna is available to provide further independent, specialist children's rights information and advice on the right to education to inform the Finance and Expenditure Committee's work in relation to the BPS, and to the Government on the application of children's rights in the budget process more generally.

¹¹ United Nations Convention on the Rights of the Child, articles 4, 28 and 29.

¹² See United Nations Committee on the Rights of the Child General Comment No.1 (2001): the aims of education.



Invest in ALL mokopuna and address disparities



(...services not great: overloaded, not the right workers, and focussed on extreme end of hardship and need, e.g. violence, alcohol."13 - Mokopuna

- Mana Mokopuna advocates for investment in social services that support positive 18. experiences and equitable outcomes for all mokopuna across childhood and adolescence, and for care experienced mokopuna aged up to 25.
- 19. Mokopuna are a diverse group of people, with a wide range of lived experience and circumstances. Our monitoring and reporting on the Children's Convention highlights the inequitable experiences and therefore outcomes being experienced by many mokopuna in Aotearoa New Zealand. We draw the Committee's attention to the 2023 concluding observations of the United Nations Committee on the Rights of the Child, which recommended the Government take urgent measures to address the following recommendation regarding discrimination and inequity:

Taking note of target 10.3 of the Sustainable Development Goals, the Committee urges the State party to address the structural discrimination against children in situations of vulnerability by leveraging its mandate under the child and youth well-being strategy (2019) to prioritize action against racism and discrimination, including by collecting and analysing data on the disparities experienced by such children and developing a strategy to confront the barriers to and measure the progress achieved in respect of improving outcomes for them.....¹⁴

Budget 2025 is an opportunity for Government to address this recommendation, and we urge action in this regard.

- The BPS states that the Social Investment approach aims to drive better results from 20. the Government's investment in social services and thereby improve life outcomes for people with high needs. While we support the intent, we urge care and consideration be given to this approach, to address the following ethical, privacy, and practical concerns:
 - a. over-reliance on economic metrics: leading to underinvestment in services that provide long-term but less easily quantifiable benefits
 - b. potential bias in data analytics: inaccurate conclusions drawn from complex or flawed data could lead to inappropriate interventions that do not address the actual needs of families and whānau with unmet needs, or do not take into account their circumstances or views

¹³ You need to get in early report, page 22

¹⁴ CRC/C/NZL/CO/6, paragraph 16



- c. risk of over-surveillance and stigmatisation of at-risk groups: affecting how individuals and groups are perceived by society, potentially leading to discrimination
- d. resource allocation challenges: focusing on identified at-risk groups might divert resources away from other families who also need support but do not fall within the defined 'at-risk' characteristics
- e. *data security:* sensitive information could be vulnerable to breaches, which could expose personal information and/or lead to discrimination
- f. *inadequate attention on broader systemic issues:* including poverty, housing insecurity, and structural discrimination
- g. risk of fragmented services: rather than holistic, community-led solutions
- h. informed consent issues: lack of transparency about how an individual's data is being used or analysed.
- 21. We recommend that the Social Investment approach balances data-driven targeting with a universal human rights-based framework, and prioritises long-term wellbeing outcomes over short-term fiscal drivers. This would involve using data to identify needs while also supporting holistic, strengths-based, community-led services that are flexible enough to provide support based on individual circumstances and the rights, interests and well-being of individual children and their families, whānau, hapū, iwi and communities. We advocate for a children's rights approach to be mainlined into the heart of any social impact approach so that the rights of mokopuna are upheld.

Prioritise mokopuna in government investment

- 22. We recognise the Government's commitment to keeping tight control of government spending while funding a limited number of high priority Government policy commitments, and cost pressures that cannot be met from reprioritisation.
- 23. However, we urge the Government to create clear and transparent processes for assessing how spending decisions affect mokopuna both directly and indirectly, as well as their families, whānau, hapū, iwi, and they communities they live and grow in.
- 24. This includes giving attention to the flow-on effects of the Government's BPS for mokopuna. For example, lower inflation typically results in increased unemployment, with impacts on the standard of living for mokopuna and child poverty rates. Consideration must be given to how best to guard against disproportionate impacts on certain groups of children, such as disabled mokopuna, mokopuna Māori and Pacific mokopuna.
- 25. The Public Finance Act 1989 requires the presentation on Budget Day of a report on child poverty. The report includes whether and, if so, to what extent, measures in or related to the Budget will affect child poverty. While a strong economy with good-

¹⁵ k/child-wellbeing-and-poverty-reduction/reporting.html



- quality jobs plays a role in addressing child poverty, a focus beyond employment is required given the parents of over half of the children currently in material hardship are already in jobs. 16
- Alongside this, significant and enduring commitments across successive 26. governments, underpinned by cross-party consensus – are necessary to lift children and their whanau out of poverty, lifting incomes and providing practical support and investments focused on children's wellbeing. Particular attention should be paid to those mokopuna and their families and whānau who are disproportionately impacted by poverty, as shown in the official child poverty data, including mokopuna Māori, Pacific mokopuna and mokopuna whaikaha.

Consider the impacts of public spending on future generations

- We note the growth strategy outlined in the BPS includes a focus on improving complex regulatory systems such as resource management. We also note and support the focus on developing a sustainable pipeline of long-term infrastructure investments.
- In addition to affecting their daily lives, regulation and the quality of infrastructure has 28. the potential to uphold, and to undermine, the rights of future generations of mokopuna. For example, their right to a healthy environment and clean drinking water. 17 We urge consideration of the intergenerational impact of long-term infrastructure investment, including minimising the costs to future generations due to failures to address long-term infrastructure issues.
- To assist the Committee to consider the inter-generational impacts of the BPS and the implications for children's rights, please see:
 - a. General comment No. 26 (2023)¹⁸ on children's rights and the environment, with a special focus on climate change
 - b. United Nations Pact for the Future (2024)¹⁹ particularly the Declaration for Future Generations (Annex II of the Pact), which New Zealand supported when it was adopted by the UN General Assembly last September.



¹⁶ https://www.msd.govt.nz/documents/about-msd-and-our-work/publicationsresources/research/child-poverty-in-nz/child-poverty-report-2024.pdf p26

¹⁷ Children's Convention, Article 24.2 (c)

¹⁸ General comment No. 26 (2023) on children's rights and the environment, with a special focus on climate change

¹⁹ Pact for the Future - United Nations Summit of the Future | United Nations