

# Long-term Insights Briefings a futures perspective

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## Abstract

The Public Service Act 2020 requires departmental chief executives to give a long-term insights briefing (LTIB) to the appropriate minister at least once every three years. In an increasingly uncertain world, there are several ways to explore the future that will unfold over the next decades. At this stage of their development, questions can be asked as to how well the current suite of 19 LTIBs are likely to perform as instruments to help identify implications of probable, possible and preferred futures so that policy responses can be made more anticipatory, adaptable and robust. This article provides a futures-thinking context for considering LTIBs and posits a framework for evaluating (and potentially improving) the full set of LTIB documents once they are all published.

**Keywords** futures thinking, long-term insights briefings, scenarios, evaluation

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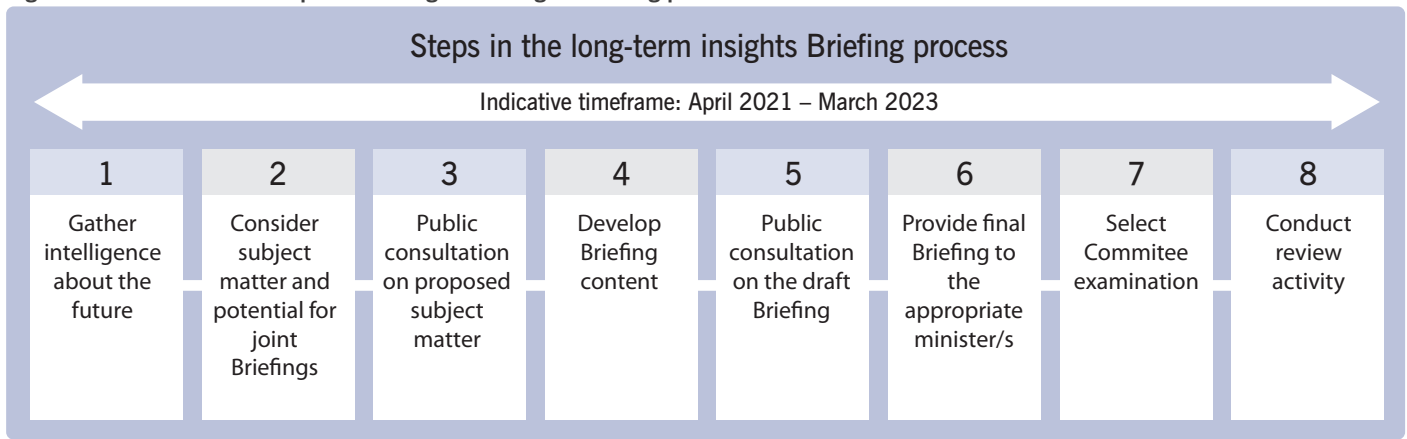
## Futures thinking in Aotearoa

Aotearoa has tried several times to mainstream futures thinking (Menzies, 2018). The latest attempt is embedded in the Public Service Act 2020, which requires departmental chief executives to give a long-term insights briefing (LTIB) to the appropriate minister at least once every three years (schedule 6, clauses 8 and 9). This must be done independently of ministers. The purpose of an LTIB is to make available in the public domain (via the House of Representatives):

- (a) information about medium- and long-term trends, risks, and opportunities that affect or may affect New Zealand and New Zealand society; and
- (b) information and impartial analysis, including policy options for responding to matters in the categories referred to in paragraph (a).

A briefing may set out the strengths and weaknesses of policy options, but without indicating a preference for any option, and two or more chief executives may give a joint briefing. In the words of Brook Barrington, head of the policy profession: 'The Long-term Insights Briefings require the public service to look over the horizon,

Figure 1: Overview of the steps in the long-term insights briefing process



Source: Department of Prime Minister and Cabinet

for the common good’ (Department of the Prime Minister and Cabinet, n.d.-b).

The Department of the Prime Minister and Cabinet (DPMC) has offered guidance, resources and some training to support the LTIB process. No additional funding has been provided to departments, so any additional costs of preparing LTIBs have had to be met from their baselines.

In May 2022, Parliament’s Governance and Administration Committee issued a briefing on progress of the first round of LTIBs and noted that they ‘are intended to enhance public debate on [long-term] issues, and contribute to future decision-making by government, Māori, business, academia, not-for-profit organisations, and the wider public’. The committee noted that there were 18 LTIBs in preparation and one already completed, with most of the others expected to be finished by the end of 2022. It also reported that DPMC ‘will be conducting a system-wide review of the briefings after the first round of briefings is completed’. The department had pointed out to the committee that ‘19 long-term insights briefings is a large number, particularly when public engagement is required for all of them. The department will be examining the number and sequence of briefings as part of its review’ (McKelvie, 2022, pp.5, 6).

The Governance and Administration Committee intends to produce a final report once other select committees have had the opportunity to report back to the House of Representatives on the first round of LTIBs. Presumably the final report will include consideration of both the process and whether the LTIBs have met their collective and individual objectives.

Given that the 2021–23 LTIB process is at its midpoint, the following discussion

places the LTIBs in a futures-thinking context and provides a preliminary overview of the extent to which they are on track to achieving the aims of the Public Service Act. Suggestions are also offered for future evaluation of the LTIBs and ways to improve them (setting the scene for a possible follow-up paper in 2023).

**The purpose of futures thinking**

Given the number of current challenges society is facing, it is legitimate for New Zealanders to ask: ‘why futures thinking?’ or, ‘what’s it for?’ For the public service, it’s to promote stewardship:

The New Zealand public service has a duty of stewardship, to look ahead and provide advice on future challenges and opportunities. Achieving this requires organisational commitment to develop the capacity and capability to not only respond to the issues of the day, but also take a long-term stewardship role. It requires a public service that values foresight – to think, anticipate and act with the future interests of people in New Zealand front and centre. (Department of the Prime Minister and Cabinet, n.d.-b)

However, in a world of policy and decision making that aspires to draw on advice that is evidence based, the absence of evidence coming from the future presents a major challenge.

It is widely accepted that it is not possible to predict the future with any certainty, and history provides many humorous examples of predictions that have been wide of the mark. Prophets have had a rough time of it. In Greek mythology,

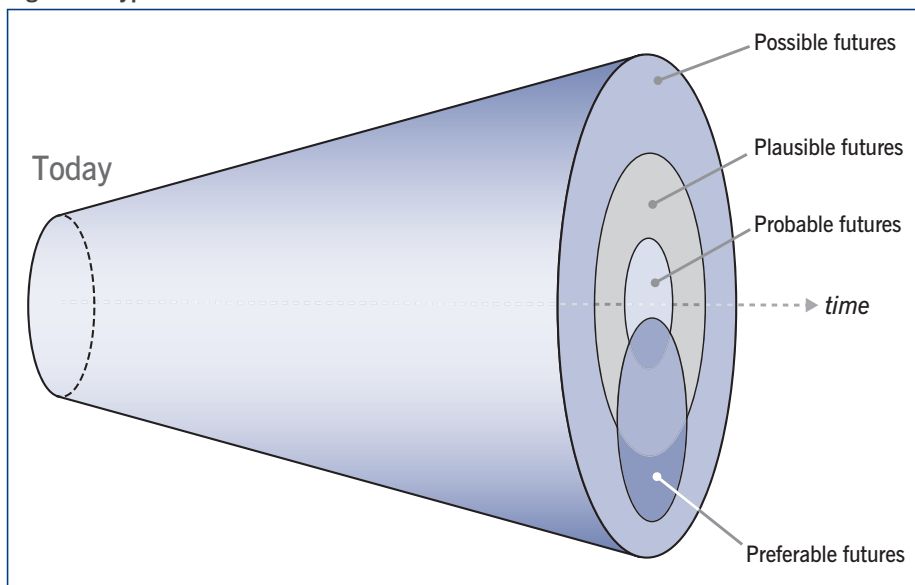
Cassandra was given the gift of foretelling the future, along with a curse that no one would understand or believe her. The Biblical Jeremiah was known as the ‘weeping prophet’ who foretold a dismal future. No one listened to him either, although things didn’t turn out so badly for Jeremiah in the end. However, futurists are still often regarded as doomsayers, which is a little unfair, as they can also find scope for optimism about the future.

Some things can be extrapolated from past and present trends, and preparations made for a *probable* future. For example, projections can be made of the likely costs of New Zealand Superannuation in the 2060s based on analyses of demographic trends. Such trends indicate that the number of people aged 65 years and over will grow from around 0.8 million in 2020 to between 1.65 and 2.06 million by 2073, or from around 16% of the population to a possible 32% (at the high end of projections) (Statistics New Zealand, 2022). As a policy response, the New Zealand Superannuation Fund has been set up to help smooth the future fiscal costs.

Probable futures are the realms of forecasting (say, with a five-year horizon), projections (beyond five years) and risk assessment (a variable time frame, depending on context). Simply extrapolating from past trends is fraught with its own set of risks. For example, the Muldoon era ‘think big’ projects assumed continual increases in fuel and energy prices, and these didn’t come to pass. Neither did 410,000 new jobs.

But there are also *possible* futures, which can be difficult to imagine without some prompting or deep reflection. Some of these futures may seem ridiculous to us

Figure 2: Types of futures



Source: International Transport Forum, 2021

now but become more *plausible* as time goes on.

Looking back can illuminate the scale and rate of possible change. For example, in 1977 Carmen Rupe, a transgender woman, campaigned for the mayoralty of Wellington on a platform that included the legalisation of same-sex marriage and other policies that seemed impossible at the time. Yet within a decade homosexuality was decriminalised, and nearly 20 years after that the Civil Union Act was passed into law. Carmen wasn't claiming to be a futurist, but she was a harbinger of change.

In addition, futures thinking must also allow for the possibility of 'black swan' events or 'bifurcations', which take things in an entirely different, unexpected direction. Barack Obama in 2016 may have opined that 'now' is the best time in the course of human history to be alive (Obama, 2016), but just six years later the times have become more turbulent and the future is increasingly uncertain. Climate change is starting to have an impact in ways that have been predicted by scientists for at least 30 years, and there have been shocks – a murderous terrorist attack in Aotearoa, a new war in Europe, a pandemic, and a protracted occupation of our Parliament grounds with a violent end – that were previously unimaginable to most of us.

Despite the inherent unreliability of predictions, many futures-thinking techniques still boil down to attempts at these, which often then become fuel for competitive, noisy debate. By contrast, used

well, *scenarios* instead promote conversation through development of a shared language, while at the same time challenging prevailing mental models and sensitising participants to signals of the emergent future. They provide hypotheses which are either substantiated or falsified as evidence of the actual future emerges (Menzies and Middleton, 2019).

The actual future may or may not map onto a particular scenario. More likely, it will contain elements of several scenarios. It is a common mistake to make one scenario *preferred* and effectively convert it into a *vision* of the future. But 'visioning' is a different process, incorporating values and purpose, and the first step in creating an imagined future (Mäntysalo et al., 2022; Menzies, 2000). The corollary of this kind of normative approach is 'backcasting': working back from a preferred future state to see what must be done to get there.

Space does not allow for discussion here of other futures-thinking techniques and tools, such as horizon scanning or cross-impact analysis, but a comprehensive set of these can be found on the DPMC website (Department of the Prime Minister and Cabinet, n.d.-a). Figure two shows the relationship between different types of futures.

A comprehensive purpose for futures thinking, rather than trying to predict the future, may be defined as:

To identify key trends and uncertainties and probable, possible and preferred

futures and their implications for the present, so that strategies, policies and plans can be made more anticipatory, adaptable and robust in the future that eventually emerges.

This definition makes a distinction between futures thinking and planning, which are often treated as if they are the same. In addition, although the LTIBs' horizons are national, there is an increasing focus on futures thinking at the regional, city and local level (Dixon et al., 2022; Mäntysalo et al., 2022).<sup>1</sup>

The above definition resonates with the view of the Centre for Strategic Futures in Singapore, a country which has a history of systematic, applied futures thinking:

The Centre for Strategic Futures (CFS) produces a compendium of 'driving forces' (DFs) – key forces of change that will shape the operating context in the next 20 years, and the ways in which they might play out – every three to five years. These explorations are not predictions and are not intended to be exhaustive. Rather, they offer alternative ways to think about the future. *The objective is to spark conversations around navigating a turbulent world and preparing for an uncertain future.* (Centre for Strategic Futures, 2021, emphasis added)

And the OECD's International Transport Forum (2021) has this to say:

- deep uncertainty requires a new way of thinking as well as doing;
- there is need for an open-mindedness to different futures and appetite to shape a preferred future;
- formal and informal institutional frameworks can hold back progress;
- the challenge is to develop target-oriented transformative governance processes, even in fragmented institutional contexts.

The late director general of health, George Salmond, wrote that:

whereas scenarios are 'futures for the head,' visions are 'futures for the heart'. To be effective, visions must touch and move us. Scenarios provide flexibility in the face of uncertainty. Visions

inspire us, commit us and give us energy and something to work for. For a vision to be effective two conditions must be met. First, it must be developed with and owned by the principal stakeholders. They must be willing to stretch themselves and their organisations to make the vision happen. Second, those involved must believe that, by their own efforts, they can make it happen; a shared vision can become a palpable force for change when people truly believe that they can shape the future. (Menzies, Newell and Peren, 1997, p.43)

### The context for futures thinking in 2022

A recent *Policy Quarterly* editorial described some of the contextual issues for 'looking over the horizon' towards the next 40 years (Boston, 2022). They include:

- Changing demands on government (from changing demographics, other social and cultural changes, scientific, technological and environmental changes, and different economic and geopolitical systems).
- A legacy of significantly increased public debt, higher rates of poverty, greater socio-economic inequality, disrupted educational opportunities, and heightened pressures on healthcare systems. Fiscal stresses, too, will be exacerbated in most countries for many years, if not decades, especially as interest rates on public debt begin to rise. Inevitably, this will reduce the public resources available for long-term investments, whether for public infrastructure, environmental protection and conservation, climate change mitigation and adaptation, or research and development.
- Prudent long-term governance, both global and local, faces numerous other challenges: the rise of nationalist, populist and illiberal movements; increasing political polarisation, dysfunction and gridlock; declining societal trust; the mounting economic and social impacts of climate change, pollution, and biodiversity loss; the growth of surveillance capitalism; the distorting echo-chambers of social media; the fraudulent manufacturers of 'alternative facts' and 'fake news'; and

## BOX 1 Definitions

The futures thinking terms used in this article are open to differing definitions and interpretations. The discussion herein assumes the following:

*Vision* describes how the world (or part of it) will be in the future. Organisations might add: "as a result of our work" (Collins and Porras, 1994). Vision is a desired (aspirational) outcome or set of outcomes, describing a preferred future. It might or might not be achieved in the end, but that's not necessarily the point. A vision provides direction and motivates action.

An example is Waka Kotahi's vision of zero deaths and serious injuries on New Zealand roads. "It might sound impossible, but Aotearoa has a plan to get there. It's called Road to Zero" <https://nzta.govt.nz/safety/what-waka-kotahi-is-doing/nz-road-safety-strategy/>

*Scenarios* are plausible stories about possible futures (what ifs). They are "focused descriptions of fundamentally different futures presented in coherent script-like or narrative fashion" (Schoemaker, 1993) or "a set of hypothetical events set in the future constructed to clarify a possible chain of causal events as well as their

decision points" (Amer, Daim and Jetter, 2013). This definition and use of scenarios differs from another that is common in the public and private sectors, wherein different scenarios are created through changes in parameters, such as demographic projections, that underly a model of a system.

*Risk\** is defined as the effect of uncertainty on objectives, often characterized by reference to potential events (probabilities) and consequences (impacts) or a combination of these. There are many different types of risk (such as financial, health and safety, and environmental goals) and risk can apply at different levels (such as strategic, organisation-wide, project, product, and process). Risks are commonly viewed as negative, but there can also be "upside risks" or opportunities, such as in new markets.

*Uncertainty\** is the state, even partial, of deficiency of information related to, understanding or knowledge of, an event, its consequence, or likelihood.

Source: abridged from International Organization for Standardization, 2009  
\* As defined by the International Organization for Standardization

deliberate efforts by autocratic regimes to undermine democratic institutions and processes in various parts of the world. In some countries, the threats to democracy are at least as great from within as without.

This is a sobering list, but not one that exists in isolation. The World Economic Forum compiles an annual report on global risks (World Economic Forum, 2022) and the New Zealand government has produced a national climate change risk assessment (Ministry for the Environment, 2020). There have been, and are still, many other futures-thinking exercises carried out within Aotearoa New Zealand and across the world by individual governments, international bodies, non-governmental organisations and universities. Space does not allow for them to be covered here, but

there is much scope for Aotearoa New Zealand to share with and learn from these initiatives and the knowledge base on futures thinking, built up over many decades.<sup>2</sup>

Various forms of futures literature also paint a big picture. For example, McRae (2022) describes themes that he believes will shape the world over the next 30 years and identifies a core tension between the forces of globalisation and nationalism. McRae's work is interesting for another reason: in 1990 he wrote a similar book about how the world might look in 2020, and he is now able to reflect on what he missed seeing 30 years ago and what he got 'right' – a reflection on the efficacy of futures thinking, albeit suffused with predictions. A similar look forward to 2020

## BOX 2: Other initiatives

Some Crown entities have already been producing futures-oriented documents in advance of, or parallel to, the LTIB process. For example, Te Waihanga, the New Zealand Infrastructure Commission, has produced a strategy which sets out a path for a thriving New Zealand. The vision for this strategy is: 'Infrastructure lays a foundation for the people, places and businesses of Aotearoa New Zealand to thrive for generations' (New Zealand Infrastructure Commission, n.d.).

In 2020 the Ministry for the Environment published the first *National Climate Change Risk Assessment for New Zealand: Arotakenga Tūraru mō te Huringa Āhuarangi o Aotearoa* (Ministry for the Environment, 2020). This report identifies a set of 48 priority risks with extreme or major consequence ratings in at least one of three assessment timeframes (now; by 2050; by 2100). It identifies:

- where early action would avoid being locked into a current pathway;
- actions needing long lead times; and
- actions with long-term implications.

Two responses in 2022 have been:

1. The Emissions Reduction Plan, which sets out the direction for climate action for the next 15 years, including targets and actions to meet those targets across every part of government and every sector of the economy, from transport, energy, building and construction, waste, agriculture and forestry (Ministry for the Environment, 2022b);
2. The National Adaptation Plan, which looks at the impacts of climate change now and into the future and sets out how Aotearoa New Zealand can adapt (Ministry for the Environment, 2022a).

Te Puna Whakaaronui is described as a fully independent, New Zealand government-funded think tank. It has high-level private sector representation and is tasked to provide insights and thought leadership to support the Ministry for Primary Industries to transform the food and fibre sector. One of its programmes is Fit for a Better World (see <https://fitforabetterworld.org.nz/>), a programme of work towards 2030 committed to meeting some of the sector's greatest challenges. The ten-year time frame is relatively short-term, but some high-quality futures thinking is involved – for example, about the prospects for entirely different food production systems.

Other examples of futures-thinking work include Koi Tū: the Centre for Informed Futures (based at the University of Auckland), the McGuinness Institute, and the Strategic Futures Group, a network of public servants coordinated by Inland Revenue.

was carried out in Aotearoa New Zealand in 1997 (Menzies, Newell and Peren, 1997).<sup>3</sup>

Boston (2022) poses the question of the LTIB process: are the big long-term challenges facing the international community – whether social, economic, ecological, technological or geopolitical – receiving the attention they deserve? A supplementary question might be: given the context described above, how well are the

LTIBs performing as instruments to help people in Aotearoa New Zealand prepare for probable, possible and preferred futures?

Box 2 outlines some other futures-oriented initiatives in Aotearoa New Zealand. The LTIBs can thus be seen as part of a broader tapestry of futures thinking (and planning) and the diversity of effort must be viewed in a positive light. However, the LTIBs remain as a significant, explicit

process of futures thinking and it is vital that they continue to be fostered as such.

### The list of LTIBs

As of 23 June 2022, 18 LTIBs were either completed or due to be completed by the end of the calendar year, and there was one other whose completion date was still to be determined (see Table 1). Four are joint briefings, involving between two and seven agencies (Department of the Prime Minister and Cabinet, 2022). At the time this article was written, two had been published on the Public Service Commission's website (the commission's own and that of the Treasury).

### What the LTIBs should do

Evaluative questions that might be asked of each LTIB, and of the collective set, include several points raised by Boston (2022), along with some others.

### Content

- Does the LTIB look across many years, beyond the realms of forecasting and projections, to where uncertainty abounds?
- Does it take account of other relevant national and international futures assessments?
- Does it take a broad, sector-wide view, or is it narrowly focused?
- Have the right issues been identified?
- Are assumptions and prevailing mental models rigorously tested so that key uncertainties, and their potential implications for us in the present, are identified?
- Or are assumptions already embedded, and the implications of future challenges and opportunities predetermined in the objectives and areas of improvement?
- Has the full range of critical long-term policy challenges been tackled, or, instead, has the LTIB played 'safe' and avoided politically sensitive topics (e.g., are the documents bland, cautious and innocuous, or rigorous, candid and forthright)?
- Are various policy options outlined with proper analysis of their respective advantages and disadvantages?
- Boston (2022) poses this question of the LTIB process: are the big long-term challenges facing the international community – whether social, economic,

**Table 1: Long-Term Insights Briefings Topics as at 23 June 2022**

Agencies	LTIB Title/Topic
The Treasury	<i>He Tirohanga Mokopuna 2021: The Treasury's combined Statement on the Long-term Fiscal Position and Long-term Insights Briefing</i>
Public Service Commission*	How can we better support public participation in government in the future?
Inland Revenue Department	Tax, investment and productivity
Ministry of Transport	The impact of (sic) autonomous vehicles operating on New Zealand roads
Department of Internal Affairs	How can community participation and decision-making be enabled by technology?
Ministry of Business, Innovation and Employment (MBIE)	<i>The future of business for Aotearoa New Zealand: an exploration of two trends influencing productivity and wellbeing – purpose-led business and use of blockchain technology</i>
Department of Conservation; Land Information New Zealand (Joint)	How can we help biodiversity thrive through the innovative use of information and emerging technologies?
MBIE; Ministry of Education; Ministry of Social Development; Ministry for Women (Joint)	Youth at risk of limited employment: Preparing all young people for satisfying and rewarding working lives
Ministry of Housing and Urban Development	The long-term implications of our ageing population on the future of housing and urban development in Aotearoa New Zealand
Department of the Prime Minister and Cabinet; Ministry of Foreign Affairs and Trade; Government Communications Security Bureau; Ministry of Business, Innovation and Employment; Ministry of Defence; New Zealand Customs Service; New Zealand Security Intelligence Service (Joint)	Engaging an increasingly diverse Aotearoa New Zealand on national security risks, challenges and opportunities
Ministry of Justice; Department of Corrections; Crown Law Office; Serious Fraud Office; Oranga Tamariki (Joint)	Long-term insights about imprisonment and what these tell us about future risks and opportunities
Ministry for Culture and Heritage	Into the future, what are some of the key areas that will influence the vibrancy and resilience of the cultural sector ecosystem?
Statistics NZ	Data as a driver of economic growth and improved wellbeing
Te Puni Kōkiri	Thriving Whānau 2040
Ministry for Pacific Peoples	Improving Pacific Data Equity: Opportunities to enhance the future of Pacific wellbeing
Education Review Office	Embracing Diverse Cultures: School Practices
Ministry for the Environment	People and place: Ensuring the wellbeing of every generation
Ministry for Primary Industries	The future of New Zealand's Food and Fibre Sector: Exploring new demand opportunities for the sector in the year 2050
Ministry of Health	Considering subject matter options for the Briefing before going out for public consultation Ministry of Health

Source: From McKelvie (2022)

\* The writer of this article made a joint submission on this LTIB and participated in two related webinars.

- ecological, technological or geopolitical – receiving the attention they deserve?
- Are the questions posed more akin to simple research questions or has the department configured business as usual to be the LTIB?

#### The process

- Has the public consultation been open-minded?

- Has it been adequately resourced?
- Have MPs, journalists, researchers, political advisers, and a broad range of interested New Zealanders, including those not usually consulted, had an opportunity to pose important questions, and to contribute feedback?
- How are the LTIBs linked together? Are they complementary or are there instances of duplication or gaps?

#### The response

When the time comes, the role of parliamentary select committees in reviewing the briefings will also warrant scrutiny. Under Parliament's standing orders (as revised in 2020), subject committees will have up to 90 working days to report on any briefings referred to them by the Governance and Administration Committee.

- Will the preparation and publication of multiple departmental briefings be worth the effort? For instance, will they affect policy decisions and outcomes?
- Will they influence departmental advice and ministerial priorities?
- Will important issues receive political attention that might otherwise have been ignored?

If not, should a different approach be adopted? This round of LTIBs is the first and there will be lessons learned about where improvements might be made: for example, with a much smaller number of briefings and greater interdepartmental

*Aotearoa New Zealand: an exploration of two trends influencing productivity and wellbeing – purpose-led business and use of blockchain technology* (Ministry of Business, Innovation and Employment, 2022b); and

- *Inland Revenue: Tax, Foreign Investment and Productivity: draft long-term insights briefing* (Inland Revenue, 2022).

In the same business and economics domain, Statistics New Zealand has produced a consultation document on data as a driver of economic growth and improved wellbeing (Statistics New Zealand, 2021), and in mid-2022 the

For the Treasury, long-term fiscal projections represent scenarios which illustrate different possibilities. They ‘are, by their nature, very uncertain, and should be viewed as an illustration of the trajectory of the fiscal position rather than a forecast’ (Treasury, 2021, p.23).

The 2021 combined Treasury document focuses on Aotearoa New Zealand’s long-term fiscal position in the context of demographic change, especially that brought about by an ageing population (although the implications of possible radical changes in the way we age are not canvassed). It also factors in uncertainties and risks arising from the impacts of different interest rates, economic shocks, a major earthquake and climate change. Some future trends affecting long-term revenue sustainability are embedded within the text rather than given a section of their own, such as lower smoking rates reducing tax revenue, globalisation, and the changing nature of work (ibid., p.69).

As required for an LTIB, the Treasury canvasses different options for responding to long-term fiscal trends without favouring any one option or set of options, although the document is not entirely neutral; for example:

The COVID-19 pandemic has also highlighted the importance of managing risks by investing in health protection functions (e.g. public health units), which involve upfront costs but have an impact on fiscal resilience and sustainability over the long term by improving the speed of our response and managing the impacts of any future outbreaks or resurgences. (ibid., p.51)

More generally, readers are counselled that ‘it is important that we as a country are thinking about these changes now. Small and gradual changes in the nearer term could help to minimise the cost of fiscal pressures across generations, preventing higher debt and a larger adjustment in the future’ (ibid., p.7). This is a form of ‘backcasting’.

The document is more circumspect in addressing Aotearoa New Zealand’s future debt levels, healthcare expenditure, retirement income policy and approaches to taxation. However, as seen over the last

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coordination, or with a greater role for independent and autonomous entities and offices with a mandate to look to the future, such as the commissions for climate change, productivity, infrastructure, retirement income policy and the environment, or Te Puna Whakaaronui. Of course, answering such questions will not be easy. Assessing ‘impact’, for example, poses difficult methodological issues, not least establishing appropriate counterfactuals (Boston, 2022).

### Three LTIBS

The number of LTIBs and the unfinished state of most of them precludes a comprehensive assessment at this stage, but it is illustrative to consider three that are well advanced in addressing aspects of Aotearoa’s economic and business futures:

- The Treasury: *He Tirohanga Mokopuna 2021* (already published) (Treasury, 2021);
- Ministry of Business, Innovation and Employment: *The Future of Business for*

Ministry for Primary Industries was preparing for public consultation on the proposed subject matter to be included in their briefing on the future of New Zealand’s food and fibre sector (Ministry for Primary Industries, 2022).

### *The Treasury*

The Treasury’s was always going to be the first finished, largely because they have conflated their LTIB with the long-term fiscal statement, which has been a three- or four-yearly commitment since 2006. The long-term fiscal statement is required to relate to a period of at least 40 consecutive financial years, commencing with the financial year in which the statement is prepared, and be accompanied by:

- a statement of responsibility signed by the secretary stating that the Treasury has, in preparing the statement, used its best professional judgement about the risks and the outlook; and
- a statement of all significant assumptions underlying any projections included in the statement.

decade, low levels of debt help make the country more resilient, and able to bounce back from shocks such as earthquakes and pandemics.

Left out of the analysis are trends and potential shocks to Aotearoa New Zealand's economy such as from new foods (which may equally provide opportunities), a major biosecurity breach, or permanently disrupted supply chains. But those omissions are reasonable in a document with a fiscal focus and might be expected to be remedied by other economic ministries' LTIBs, particularly those of the Ministry for Business, Innovation and Employment and the Ministry for Primary Industries, not to mention Te Puna Whakaaronui.

#### *Consultation*

The Treasury website<sup>4</sup> describes how submissions were invited over a four-week period on a ten-page consultation document that outlined the proposed subject matter for the 2021 statement. Five written submissions were received, and interviews held with eight subject matter experts in fields such as retirement, productivity, economic forecasting and business. These provided a range of feedback on both the proposed topics of the statement and on possible policy directions government could take.

In the second phase of consultation public feedback was invited on a draft of the combined long-term fiscal statement/LTIB, again over a four-week period. In this phase, 21 submissions were received. In addition, Treasury officials met with a range of stakeholders representing Māori, Pasifika communities and youth interests. They also met with academics, economists and other subject matter experts to get in-depth feedback on key themes, such as demographic change, retirement policy and climate change. Some experts were met individually and some as a group.

#### *Ministry of Business, Innovation and Employment*

MBIE's approach to its LTIB involved an initial ten-page backgrounder (Ministry of Business, Innovation and Employment, 2021a) and a short consultation process. The foreword in the consultation document identifies some high-level global trends,

such as climate change, technology change and demographic change, along with challenges to productivity, inclusion, equity and the environment. It acknowledges the interaction of pae mahara (the past), pae herenga (the present) and pae tawhiti (the future), and proposes some potential case studies for future business models, including stakeholder capitalism, Māori business, Pasifika business, social/purpose-driven enterprises, circular business, and advanced digital businesses. In contrast to Treasury's focus on matters fiscal, MBIE is concerned with possible forms of businesses, how they might operate and what the regulatory environment might be. Questions of the context within which

goes on to focus on the two identified trends:

At a business level, two trends occurring in this context of change are: the growth of purpose-led business and the emerging use of blockchain technology as part of increased digitalisation. Looking into these trends provides long-term insights into how business in Aotearoa New Zealand may change over the next 10 years and beyond. (Ministry of Business Innovation and Employment, 2022b, p.3)

It is not clear how an eventual focus on blockchain technology emerged from the

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business may operate – e.g., the possible future composition of the economy – are not considered.

#### *Consultation*

Feedback on MBIE's consultation document (phase one) from 31 individuals and organisations provided some genuine futures thinking, alongside a mix of predictions (e.g., 'There will likely be a shift towards sustainable finance'), normative statements ('Future KPIs are not going to be about profitability, but cultural capital') and exhortations ('We need to culturalise our commerce, not commercialise our culture') (Ministry of Business Innovation and Employment, 2022a). This LTIB eventually evolved into a 58-page document published in mid-May 2022, incorporating another set of feedback questions to be responded to by 24 June. The opening summary acknowledges that '[g]lobal megatrends, like climate change and technological change, are creating enormous challenges as well as opportunities for societies', then

consultation process. Somewhat paradoxically, the first question to guide feedback is wide-ranging – 'Question one: In what ways are you or your business responding to big challenges, like COVID-19, climate change or technological change?' (p.4) – while the following questions and narrative focus on the LTIB topics of purpose-led business and blockchain technology.

#### *Inland Revenue*

Inland Revenue's LTIB starts with a consultation on tax, investment and productivity (Inland Revenue, 2021). It 'is narrower [than MBIE's] but aims to be complementary to and supportive of other work in this area'. This aim is to be applauded, and time will tell whether it has been achieved.

The 'key question to consider' is: 'Is tax and its impact on investment and productivity a worthwhile subject to investigate further through an LTIB?' It is difficult to argue that this is not an important question that should be



addressed by Inland Revenue, but surely it could be simply reworded as a research question to be addressed as part of business as usual: ‘What is the impact of tax on investment and productivity?’ Indeed, the rest of the consultation document already starts to address this question. On the other hand, perhaps the LTIB has provided Inland Revenue the space to safely address a tricky topic.

There is no discussion of increasing inequity, the concentration of wealth in fewer hands and the nature of sustainable productivity in a world of constraints, nor of the big questions about the role of

The next two stages comprise a draft LTIB and feedback, and a final draft LTIB. The number and content of submissions on the two draft documents have not been reported, and, at the time of writing, a copy of the final draft is not to be found on Inland Revenue’s website.

#### Discussion

There are many positive elements to build on. The Treasury writes about probable and possible futures for Aotearoa New Zealand as a whole country, and this writer knows that, for example, the Public Service Commission process (second to publish)

briefings is a large number, particularly when public engagement is required for all of them’. The small, relatively narrow response and the committee’s report risks confirmation of the status quo:

The Standing Orders Committee suggested that submissions could focus on people or organisations who contributed to the initial departmental process. Committees could get valuable insights from these people or organisations on how the departments engaged with their ideas and how they interpret the final report. (McKelvie, 2022, pp.6–7)

This would be an extremely disappointing approach, as it would effectively enable the same (limited) number of people to review their own initial input and may open up the whole LTIB process to charges of ‘group think’ or elitism. It would most likely see continued the historic cycle of futures-thinking initiatives which fail to match expectations, leading to yet another fallow period before the next attempt to get things right – a dangerous outcome for Aotearoa New Zealand in the current and emerging global context.

#### Conclusions

In an increasingly uncertain world, Aotearoa New Zealand has a pressing need for sound futures thinking. The requirement in the Public Sector Act 2020 for government departments to prepare long-term insights briefings is a welcome development, and considerable effort has been put into preparing the 2021–23 round of documents. The exercise has undoubtedly contributed to growing futures capability in the public sector. Some departments are ahead of others and, hopefully, learning will continue to be shared.

It bears repetition that the LTIB process is about halfway through its first attempt, and this review is merely preliminary. It is, however, already possible to suggest some changes that would help improve the overall process next time round:

- agreement on the core purpose for futures thinking, the scope of the LTIBs, and a shared language about types of

## The requirement in the Public Sector Act 2020 for government departments to prepare long-term insights briefings is a welcome development, and considerable effort has been put into preparing the 2021–23 round of documents.

taxation in this context. Instead we read: ‘The first part of the LTIB will be aiming to establish the facts. We will benchmark costs of capital and EMTRs [effective marginal tax rates] against other countries drawing on the work of the OECD’: i.e., topic and methodology are already narrowly prescribed. The draft LTIB itself (Inland Revenue, 2022) contains a highly technical discussion about options for tax changes and how these might be implemented.

#### Consultation

Inland Revenue’s consultation went through three stages: first, a scoping document and feedback on that, comprising eight submissions, one from an individual and seven from consultancy firms and other business groups. Perhaps unsurprisingly, submissions received on the initial scoping of the LTIB were mainly supportive of Inland Revenue’s proposal that its 2022 LTIB should focus on tax, investment and productivity.

aimed at a wider, multi-phased and more transparent consultation (Public Service Commission, 2022). There is no doubting the commitment and enthusiasm of many of the officials and respondents involved, and there are clearly examples of futures-thinking capability in many parts of the public service.

However, this interim review indicates that there is no overarching futures narrative within which the LTIBs can be located. Each LTIB has provided its own piece of the story, in its own way. The stewardship purpose for the LTIBs naturally emphasises the role of the public service as intermediary in the process of futures thinking, rather than the spark for national conversations, as in Singapore. Unsurprisingly, the lack of extra resources, short time frame and fragmented approach have resulted in quite limited consultation.

This last point seems to have been recognised by the Department of the Prime Minister and Cabinet in its report to the select committee: ‘19 long-term insights

futures and futures-thinking techniques;

- proper resourcing of future LTIB processes to enable more comprehensive consultation and linkage with other initiatives over a longer time frame;
- specified use of scenarios and other futures methods, particularly ones that systematically identify emerging issues and trends, rather than just focus on obvious, current issues;
- consolidation of the overarching futures-thinking component, including widespread public consultation, within

one coordinating agency reporting through a select committee to Parliament, thus maintaining transparent, high-level independence from the public service and the government of the day;

- departments and ministries writing fewer, combined LTIBs in response to the core futures report (still allowing for a diversity of approaches); and
- embedding the LTIBs in processes to guarantee anticipatory governance (Boston, 2016, 2017a, 2017b; Boston, Bagnall and Barry, 2019).

- 1 An example is the case of the proposed new Nelson public library in the wake of recent severe flooding: see Jones, 2022.
- 2 See <https://www.iffs.se/en/about-us/about-futures-studies/other-institutes/>.
- 3 See also the National Radio Te Papa Debates from 1999: 'Being There in 2021: what will it be like?' (<http://www.futuretimes.co.nz/pdfs/National%20Radio%20Te%20Papa%20Debates%201999.pdf>).
- 4 <https://www.treasury.govt.nz/news-and-events/reviews-consultation/long-term-fiscal-challenges>.

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