

The Royal Australasian College of Physicians' submission to the Finance and Expenditure Committee on the Regulatory Standards Bill

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Introduction

The Royal Australasian College of Physicians (RACP) welcomes the opportunity to submit feedback to the Finance and Expenditure Committee on the <u>Regulatory Standards Bill</u>. We also welcome the opportunity of engaging further with the committee on these issues.

The RACP works across more than 40 medical specialties to educate, innovate and advocate for excellence in health and medical care. Working with our senior members, the RACP trains the next generation of specialists, while playing a lead role in developing world best practice models of care. We also draw on the skills of our members, to develop policies that promote a healthier society. By working together, our members advance the interest of our profession, our patients and the broader community.

RACP position on the Regulatory Standards Bill

The RACP opposes the Regulatory Standards Bill ("the Bill"), highlighting the potential for adverse impacts on public health, health outcomes for Māori and the Treaty of Waitangi / Te Tiriti o Waitangi 1 presented by the provisions of the Bill.

- 1. Impact on public health: The Bill's principles fail to address the promotion of public health, human wellbeing or environmental protection. Instead, the Bill aims to limit the government's ability to implement regulations that protect public welfare, including health and environmental protections. The Bill seeks to prioritise property rights over community health and wellbeing as well as environmental standards. If enacted, these principles could also allow commercial interests to seek public compensation for any adverse effect of public health regulations, thereby weakening essential public health measures.
- 2. *Impact on Māori Health and Well-being*: The Bill does not address systemic inequalities that disproportionately affect Māori, potentially exacerbating existing disparities and leading to poorer health outcomes for Māori. This could hinder efforts to address health inequities impacting Māori communities.
- 3. **Disregard for Te Tiriti o Waitangi**: The Bill fails to reference Te Tiriti o Waitangi, ignoring the Treaty principles and obligations. It fails to recognise the constitutional relationship established by Te Tiriti, and the rights of Māori to Tino Rangatiratanga (self-determination), weakening trust between Māori and the Crown. This omission risks undermining Māori rights and interests protected under the Treaty. The consultation process for the Bill has been limited, including insufficient engagement with Māori stakeholders. This approach fails to meet the Crown's responsibilities under Te Tiriti and the UN Declaration on the Rights of Indigenous Peoples (UNDRIP)².

Impact on Public Health

The concept of "light-handed" regulation to improve productivity is a key element in this Bill and assumes that as regulation involves cost it is therefore bad, and society will be advanced by widespread de-regulation. The proposed principles prioritise non-regulatory options, corporation

¹ Te Kawanatanga o Aotearoa | New Zealand Government. Treaty of Waitangi Act 1975 No. 114, Public Act. Te Kawanatanga o Aotearoa | New Zealand Government, 1975. Available from: https://www.legislation.govt.nz/act/public/1975/0114/latest/whole.html

² United Nations. United Nations Declaration on the Rights of Indigenous Peoples. United Nations, 13 September 2007. Available from: https://www.un.org/development/desa/indigenouspeoples/wp-content/uploads/sites/19/2018/11/UNDRIP_E_web.pdf

rights, relying on self-regulation, disclosure, or co-regulation. This perspective inherently assumes that

- it is not the role of government to protect against harms to human health, work towards achieving equity or mitigate the impact of climate change and
- businesses can be relied on to regulate themselves, prioritise human health concerns before profit and report accurately on their compliance.

The Bill represents a narrow set of values. There is no attempt to balance economic goals with wider considerations to protect against health harm, achieve equity/honour te Tiriti and protect the environment.

Yet the health risks of light-handed regulation are manifest, for example, in the

- silicosis epidemic in Australia (noting that evidence from Australia suggests that about one in four of this group of workers already have silicosis in Aotearoa NZ, even though some do not yet show symptoms)³
- large stock of damp, leaky and uninsulated housing (a key contributor to respiratory disease and health inequities in Aotearoa)⁴ and
- rapid emergence of a generation of vapers among young "never" smokers getting hooked on nicotine⁵.

RACP has a long history of supporting the multiple benefits of public health regulatory measures, including reduced pressure on the already overstretched healthcare system. It is well understood that 80% of the drivers of healthcare lie outside of the healthcare system, the social determinants of health⁶⁷. The College has supported regulatory measures aimed at healthier housing, reduced consumption of tobacco, alcohol and unhealthy foods through warning labels among many other initiatives. These pro-health regulatory measures can result in broader social, equity and cost benefits. For example, regulating through the Building Code to improve insulation standards in housing has resulted in:

- a 18.6% decrease in all-cause hospitalisations per person
- 5% reduction in school absence for illness for children
- slight but persistent increase in wages and less need for benefits for adults

³ Royal Australasian College of Physicians (RACP). The Royal Australasian College of Physicians' submission to the Ministry of Business, Innovation and Employment – Work with engineered stone and materials containing crystalline silica. RACP,2025. Available from: racp-submission-work-with-engineered-stone-and-materials-containing-crystalline-silica

submission-work-with-engineered-stone-and-materials-containing-crystalline-silica

4 Royal Australasian College of Physicians (RACP). The Royal Australasian College of Physicians' Somewhere to Live: Make Healthy Housing the Norm. RACP,2023. Available from: make-it-the-norm-healthy-housing-housing-conditions

5 Royal Australasian College of Physicians (RACP). The Royal Australasian College of Physicians submission to the Health Committee -

⁵ Royal Australasian College of Physicians (RACP). The Royal Australasian College of Physicians submission to the Health Committee – Smokefree Environments and the Regulated Products Amendment Bill (No 2). RACP, 2024. Available from: the-racp-submission-to-the-health-committee-on-the-smokefree-environments-and-regulated-products-amendment-bill-no-2

⁶ Royal Australasian College of Physicians (RACP). The Royal Australasian College of Physicians' submission to the Pae Ora Legislation Committee – Pae Ora (Healthy Futures) Bill. RACP,2021. Available from: racp-submission-on-the-pae-ora-healthy-futures-bill

⁷ Magnan S. Social Determinants of Health 101 for Health Care: Five Plus Five. Available from: Social Determinants of Health 101 for Health Care: Five Plus Five. Accessed 10 June 2025.

• the benefits of the Health Homes Initiative exceeded the cost to Health NZ after one year with a five-year return on investment of 507%, that for every one dollar spent by Health NZ, there was \$5.07 in health savings over the following five years⁸.

Steps to protect against health harms and achieve equity/honour te Tiriti are being eroded with this Bill, potentially giving industry increased power to object to regulations and demand more profit friendly arrangements, weakening safeguards relating to pro-health regulations and worker protections.

Impact on Māori Health and Well-being

The mechanisms proposed in the Bill would be a profound step backwards in achieving health equity between Māori and non- Māori. They risk deepening the systematic inequalities that already exist, further marginalising Māori communities.

Systemic barriers continue to lead to poorer health outcomes for Māori, including a significant life expectancy gap with Māori women living on average seven years less than non-Māori women, and Māori men eight years less than non-Māori men⁹. These barriers risk being amplified by the Bill, which prioritises property rights over health and environmental protections. By reducing regulatory oversight, the Bill will fail to protect Māori interests. The Bill fails to acknowledge, let alone address, systemic inequalities in health, economic, and social outcomes for Māori. By prioritising property rights and reducing regulatory oversight, the Bill will fail to protect Māori interests and exacerbate existing health disparities. This would lead to further breaches of Te Tiriti and negatively impact Māori communities¹⁰. The RACP believes the Bill will exacerbate existing inequalities, leading to poorer health outcomes for Māori individuals, communities and whānau. Ethnicity, especially targetting Māori is one of the best, most cost effective and targetted methods for health equity that the government could do. This needs to be remembered with regards to this bill.¹¹

The RACP is concerned that the Bill seeks to restrict the government's capacity to enact regulations safeguarding public welfare, including health and environmental protections. This limitation would worsen existing health disparities for Māori by failing to address systemic inequalities. Factors such as historical trauma and social determinants of health, including poverty and inadequate housing, contribute to poorer health outcomes for Māori. Māori communities are often at the frontline of the health impacts of light-handed regulation, for example more likely to be exposed to workplace health hazards¹², live in poorer quality housing¹³ and living in unhealthy food environments¹⁴.

⁸ 9 Pierse N, Johnson E, Thakurta E, Chisholm E. Healthy Homes Initiative: Five-year outcomes evaluation. Health New Zealand | Te Whatu Ora, November 2024. Available from: <u>Healthy Homes Initiative: Five-year outcomes evaluation – Health New Zealand | Te Whatu Ora, Accessed 10 June, 2025.</u>

Ora Accessed 10 June 2025

Te Whatu Ora | Health New Zealand, Health Status Report 2023 (February 2024), p70 – available from https://www.tewhatuora.govt.pz/publications/health-status-report (accessed 18 June 2025)

https://www.tewhatuora.govt.nz/publications/health-status-report (accessed 18 June 2025)

Te Kawanatanga o Aotearoa | New Zealand Government. Regulatory Standards Bill, 27-1. Te Kawanatanga o Aotearoa | New Zealand Government, 2021. Available from: https://www.legislation.govt.nz/bill/member/2021/0027/latest/whole.html

¹¹ Loring B, Reid P, Curtis E, McLeod M, Harris R, Jones R. Ethnicity is an evidence-based marker of need (and targeting services is good medical practice). Available from: 1603-editorial.pdf Downloaded on 18 June 2025.

Denison HJ, Eng A, Barnes LA, et al Inequities in exposure to occupational risk factors between Māori and non- Māori workers in Aotearoa New Zealand. *J Epidemiol Community Health*, 2018;72(9):809-816. https://jech.bmj.com/content/72/9/809

¹³ Howden-Chapman P, Fyfe C, Nathan K, Keall M, Riggs L, Pierse N. The Effects of Housing and Well-Being in Aotearoa New Zealand. Available from: Effects of Housing in Health and Wellbeing in Aotearoa New Zealand

¹⁴ Vandevijvere S, Sushil Z, Exeter DJ, et al. 2016. Obesogenic retail food environments around New Zealand schools: a national study. American Journal of Preventive Medicine 51(3): e57–e66. Available from: Obesogenic Retail Food Environments Around New Zealand Schools - American Journal of Preventive Medicine Downloaded on 10 June 2025.

The RACP emphasises the need for a more inclusive and equitable approach to regulation that actively addresses systemic barriers and promotes the health and wellbeing of Māori. Ignoring these barriers and existing disparities contradicts the spirit of active protection and equity enshrined in Te Tiriti o Waitangi, demanding proactive measures to improve outcomes for Māori.

As we have highlighted in the RACP submission opposing the Treaty of Waitangi Principles Bill, in a similar manner, this Bill is a further step in undermining Māori health, following the passing of the Pae Ora (Disestablishment of Māori Health Authority) Amendment Bill under urgency in March 2024¹⁵, and the subsequent disestablishment of Te Aka Whai Ora in June 2024. The RACP strongly supported the establishment of Te Aka Whai Ora to work in tandem with Te Whatu Ora, allowing opportunities for co-governance and giving effect to Te Tiriti o Waitangi¹⁶.

A Breach of Treaty Rights

The RACP expresses significant concerns regarding the Bill's disregard for Te Tiriti o Waitangi, He Whakaputanga o te Rangatiratanga o Niu Tireni¹⁷, and the UNDRIP², all of which are absent from the proposal.

The RACP echoes Professor Emeritus Jane Kelsey's concerns - even if the proposed Principles of the Treaty of Waitangi Bill¹⁸ does not become law, the Regulatory Standards Bill legislation would have a similar impact by removing Te Tiriti from the list of considerations that inform regulation, aside from Treaty settlements¹⁰. This would result in new breaches of Tiriti principles identified by the Waitangi Tribunal.

The Bill's disregard for Te Tiriti o Waitangi as the nation's founding document is evident, making no mention of the Treaty, and additionally ignoring its principles and associated obligations. This omission risks undermining Māori rights and interests constitutionally protected under the Treaty. The Bill also seeks to prioritise property rights over other important considerations, such as environmental standards and community wellbeing, undermining the constitutional balance between the Crown and Māori.

Preliminary analysis by the Ministry for Regulation identifies fundamental failings in the proposal relating to the principles of kāwanatanga, tino rangatiratanga, and equity. The Preliminary Treaty Impact Analysis notes:

"Of significance is that the proposals do not include a principle related to the Treaty/te Tiriti and its role as part of good law-making, meaning that the Bill is effectively silent about how the Crown will meet its duties under the Treaty/te Tiriti in this space. While this does not prohibit the Crown complying with the Bill in a manner consistent with the Treaty/te Tiriti, we anticipate that the absence of this explicit reference may be seen as politically significant for Māori and

¹⁵ Te Kawanatanga o Aotearoa | New Zealand Government. Pae Ora (Disestablishment of Māori Health Authority) Amendment Act 2024 No 5, Public Act. Te Kawanatanga o Aotearoa | New Zealand Government, 2024. Available from: https://www.legislation.govt.nz/act/public/2024/0005/latest/whole.html#LMS939836

¹⁶ Royal Australasian College of Physicians (RACP). General Position Election Statement 2023. RACP, 2023. Available from: general-

position-election-statement-2023.pdf

17 He Whakaputanga – Declaration of Independence, 1835. Available from: https://nzhistory.govt.nz/media/interactive/the-declaration-of- independence

¹⁸ Te Kawanatanga o Aotearoa | New Zealand Government. Principles of the Treaty of Waitangi Bill 94-1. Te Kawanatanga o Aotearoa | New Zealand Government, 2024. Available from: https://www.legislation.govt.nz/bill/government/2024/0094/latest/whole.html

could be perceived as an attempt by the Crown to limit the established role of the Treaty/te Tiriti as part of law-making." ¹⁹

The Bill continues to ignore the Crown's responsibilities under Te Tiriti and UNDRIP to engage with Māori on matters affecting their rights. The consultation process for the Bill has been limited, with insufficient engagement with Māori stakeholders. Introduced under the overwhelming coverage given to the Hīkoi mō te Tiriti and the Principles of the Treaty of Waitangi Bill, the Regulatory Standards Bill has advanced through government processes with limited public awareness, minimal media coverage, and little parliamentary debate. The limited consultation has also been highlighted in articles such as: "The Dangerous Bill Flying Under the Radar" and "Treaty Principles Bill: Smokescreen for sweeping change" The RACP considers this approach fails to meet the Crown's responsibilities under Te Tiriti and the UNDRIP and emphasises the need for a more inclusive and equitable approach to regulation.

Conclusion

The RACP believes that the Regulatory Standards Bill offers no benefits to the health and wellbeing of the New Zealand public. The RACP is deeply concerned that the Bill's progression through Parliament will have negative impacts on the community. Therefore, the RACP strongly opposes the Bill and urges the Finance and Expenditure Committee to reject it.

The RACP thanks the Finance and Expenditure Committee for the opportunity to provide feedback on this consultation.

To discuss this submission further, please contact Tanya Allen, Senior Policy and Advocacy Officer of the RACP's Aotearoa NZ Policy and Advocacy Unit at policy@racp.org.nz or the Hauora Māori Team at HauoraMāori@racp.org.nz

Nā māua noa, nā

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¹⁹ Te Manatū Waeture | Ministry for Regulation. Preliminary Treaty Impact Analysis for the proposed Regulatory Standards Bill. Te Manatū Waeture | Ministry for Regulation, 2024. Available from: https://www.regulation.govt.nz/assets/Publication-Documents/Preliminary-Treaty-Impact-Analysis-for-the-proposed-Regulatory-Standards-Bill.pdf

²⁰ Nelson, M. (n.d.). Treaty Principles Bill: Smokescreen for sweeping economic, environmental and social change? Available from https://melanienelson.co.nz/treaty-principles-bill-smokescreen-for-sweeping-economic-environmental-and-social-change/