

**A REVIEW OF LOTTERY RESPONSIVENESS TO
PACIFIC COMMUNITY GROUPS:
A CULTURAL AUDIT OF THE LOTTERY GRANTS
BOARD**

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**The Family Centre Social Policy Research Unit
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Summary of Findings and Recommendations

The Literature Review

The literature review outlined certain key aspects of the historical background to the settlement of Pacific people in New Zealand and the demographic characteristics of the Pacific population here. The context of networks of colonial, political and economic relationships between New Zealand and the Pacific nations which extend back to the middle of the nineteenth century were noted. The large-scale migration of Pacific people to New Zealand in the latter half of the twentieth century occurred differently for the various Pacific cultural groups. However, the restructuring of the New Zealand economy and society has left Pacific people very vulnerable and seriously undermined their economic and social well-being, because they were concentrated in the manufacturing and service industries most affected by the New Zealand economic crisis.

The Pacific population is currently concentrated in the younger age groups. It is expected to grow from 5.5% of the population today to 12% by 2051. The socio-economic status statistics in terms of employment, income levels, health and education are generally negative. Thus, the Pacific population in New Zealand at this time is young, growing at a rate well in excess of the general New Zealand population, largely low income and suffering high rates of unemployment, amongst the youthful population particularly.

The Lottery Grants Board Strategic Direction and Priorities document in its Mission Statements and Guiding Principles offers the basis of a framework for equitable and responsive cultural relationships with the Pacific community. Key words are referred to like *empowered communities, community well-being, community self-determination, grants are distributed equitably, responsiveness to Pacific communities, and improving customer access to information and services*. These indicate the Lottery Grants Board has already given some thought to these matters and has signalled its intentions.

Apart from the Pacific Island Consultation and Advisory Group (PICAG) report, none of the others reviewed here directly addressed the relationship between Pacific applicants for Lottery Grants Board funding and the Lottery Grants Board. However, in many cases the results and recommendations of these surveys and reports were consistent with the findings of this audit, which are detailed later in this report.

The Pacific Island Consultation and Advisory Group report reviewed the policies, practices and performance of the Lottery Grants Board and its associated structures in relation to the requirements of Pacific people as stakeholders, customers and employees. The review covered issues associated with: staffing and servicing; communication; committee representation; policy on church groups; accountability;

and cultural awareness training. Fundamental direction changes were recommended in all these areas to increase Lottery Grants Board responsiveness to Pacific people.

Legislation as it Relates to Pacific People and the Lottery Grants Board

The Gaming and Lotteries Act 1977 is derived from earlier legislation, and embodies former assumptions about the nature of New Zealand society and its culture. The earlier legislation was developed within a cultural and historical milieu, in which New Zealand society was considered to be homogenous and moral. The present legislation, while being firmly embedded in these earlier notions, is now required to address the needs of a pluralistic society, a society that privileges the Treaty of Waitangi and a society that should honour its obligations to the people of the Pacific.

This cultural review and audit has established that the Gaming and Lotteries Act 1977 does answer in part some of the legal issues raised in relation to Pacific People and their groups. One of the key findings of this legal review is that lottery Grants are made for charitable purposes only. A charitable purpose includes trusts for the advancement of religion. The advancement of religion means the promotion and spreading of spiritual teaching, religious messages as well as pastoral and or missionary activities, so long as these activities are among the public or sections of it and that the activities do not benefit the participants solely. Therefore the Pacific churches, which are the providers of religious, social and cultural services, pursue charitable purposes and are eligible for Lottery Grants Funding for those purposes which meet funding committee criteria.

The New Zealand Government's colonial designs on the Pacific and the consequent mandated territories arrangements, as well as New Zealand's own internal development, have meant that the people from the mandated territories were directly recruited to work in New Zealand and now extend their habitation to New Zealand. The South Pacific work schemes also directly recruited people both from the mandates and other nations of the Pacific. The New Zealand Government, as a signatory to the United Nations Charter, accepted as a sacred trust the obligation to ensure the political, social, economic and educational well-being of these people. Further, the New Zealand Government accepted the obligation that Pacific people would be treated justly and that they would be protected against abuses.

This review has established that the Lottery Grants Board has a duty to distribute Lottery profits for charitable purposes including cultural purposes and any purposes beneficial to the community or a significant section of it. In pursuit of this the Board is able to develop and implement policies aimed at ensuring that Pacific people receive funding at levels consistent with their representation in the New Zealand population. The fulfilment of the Crown's fiduciary obligations are specifically relevant to the Lottery Grants Board and its role as an entity which has been mandated by parliament to distribute the Lottery profits for charitable purposes.

This review has also established that while the Gaming and Lotteries Act 1977, which provides the legislative framework for the Lottery Grants Board and the Lottery Network as well as the administration of the Lottery Grants, is not over-ridden by the requirements of domestic law such as the Bill of Rights Act and the Human Rights

Act, it is required to treat all applicants in a fair and transparent manner. This requires that the Lottery Grants Board ensures that its policies and procedures have not and do not exclude Pacific people by reason of ethnicity or race.

Further, under the following Acts: the Human Rights Act 1993; and the New Zealand Bill of Rights Act 1990; the Lottery Grants Board must ensure that it is not discriminating against, precluding or inhibiting the Pacific people in any of the facets of its structure, policies, funding allocations and distributions as well as its administration.

These findings strongly suggest that the Pacific People should receive lottery funding on an equitable basis with other New Zealanders, and that the Lottery Grants Board, at all levels of the Committees and the administrative arm should accommodate Pacific cultures and values including language.

This review has further established that while the Human Rights Act, and the New Zealand Bill of Rights provide a basis for the Lottery Grants Board to provide a targeted Pacific people funding policy, the Gaming and Lotteries Act of 1997 does not specifically allow for policies of affirmative action and the targeting of groups for funding. However, through the legitimate avenues of achieving population-based equity in funding allocations by all committees and the establishment of a funding Committee to deal specifically with the allocation of development funds to Pacific people it will be possible for the Lottery Grants Board to meet the legitimate funding needs of Pacific people in New Zealand.

Developing Policy Responses

Strategic responsiveness plan

The development of this plan is based upon the results of the:

1. Review of Lottery Grants Board funding for 1997 and 1998;
2. the focus groups; and
3. the internal cultural audit.

in the light of the literature and legal reviews set out in this Report.

The key findings from those audit processes are outlined below.

Review of Lottery Grants Board funding for the years 1996 to 1998

This review shows clearly that Pacific people in New Zealand are considerably under-represented among those receiving funding from the Lottery Grants Board. In comparison with the general population they:

- make fewer applications;
- apply for smaller amounts of money;
- apply to a smaller range of distribution committees;
- receive a much smaller proportion of the funds they apply for;
- receive 2.7 times less than their proportion in the New Zealand population; and
- receive proportionately less in every distribution committee.

It was clear that these key factors would need to be addressed in order for Pacific people to benefit from lottery funding on an equal basis with the general population. The key recommendations developed from this review of funding are:

- the implementation of a strategy to ensure that funding to Pacific people is at least consistent with their representation in the population, but
- with the goal of funding them at a higher level in order to provide for the particularly high level of deprivation they experience and allow for past under-funding.

A key feature in this strategy is:

- the establishment of a specific Provider Development Fund designed to:
 - increase the capacity of Pacific groups to access lottery funds; and
 - fund the direct provision of services by Pacific groups to their people.

Focus groups

Analysis of the focus group discussions showed clearly that the under-representation of Pacific people among applicants was due, largely, to factors associated with the application process and communication between Pacific people and the Lottery Grants Board, namely:

- an unduly complicated application process;
- length of the application form;
- difficult English language used in the application form;
- lack of information about the application process and funding available in Pacific languages.

These problems were compounded by the:

- lack of personal contact between Lottery Grants Board Pacific staff members and Pacific applicants;
- low representation of Pacific people on the staff, Board and Committees of the Lottery Grants Board;
- incompatibility of Pacific cultural frameworks and the dominant Palagi cultural framework informing the work and functioning of the Lottery Grants Board;
- incompatibility of some Lottery Grants Board funding criteria and the funding needs of Pacific communities;

- the lottery committees' low levels of understanding of the needs and values of Pacific people in New Zealand;
- the disproportionately low level of lottery funding going to Pacific groups.

The aspects of lottery funding processes that participants considered were working well were:

- the Pacific funding clinics set up by Pacific workers;
- regional successes such as Christchurch and Wellington, where Pacific groups had been more successful in gaining funds than Pacific groups elsewhere;
- well trained and motivated Pacific lottery staff members who had a high level of personal contact with Pacific groups,
- Pakeha staff who went out of their way to help Pacific groups.

The following were identified as essential elements in any plan for overcoming the difficulties noted above:

- modifying the application process and providing research and administrative support for Pacific applicants;
- increasing the level of Pacific representation at all levels of the Lottery Network. This was considered to be crucial to improving communication between Pacific groups and the Board, committees and staff;
- active involvement of Pacific grass roots groups in defining their funding needs and priorities;
- funding developmental education and capacity building for Pacific groups;
- funding the development of administrative skills and physical facilities;
- the committees develop a holistic approach to support services based upon the whole self;
- developing an ongoing process of accountability;
- funding services based upon Pacific cultural frameworks,
- funding equitably.

Internal Cultural Audit

The interviews with nine Community Development Group staff, two presiding lottery committee members, and two Lottery General Committee members, conducted for the internal cultural audit revealed that the Community Development Group staff were aware of the problems faced by Pacific applicants, and were able themselves to identify issues of language, culture, values, and criteria as key issues affecting their ability to obtain equitable funding.

Specifically, the interviews with Community Development Group staff indicated that:

- the Lottery Grants Board has no overall policy regarding its responsiveness to Pacific people;

- the individual lottery funding committees, with the exception of the Lottery Community Facilities Committee, have no specific policies relating to Pacific people;
- much policy making is carried out on an ad hoc basis;
- policy is made by funding committees and their composition is crucial to outcomes;
- Pacific input into policy formulation and analysis is very limited.

In terms of what they felt was not working well for Pacific applicants, Community Development Group staff considered that:

- Pacific applicants were doing badly out of the Lottery Grants Board;
- the Lottery Grants Board was culturally and philosophically unhelpful to Pacific people;
- the application process was daunting for them;
- Pacific people needed information provided in appropriate languages and formats; and
- that the process of making political appointments to funding committees had excluded Pacific participation and representation at that crucial policy making level.
- Pacific people were under-represented on regional and national decision-making bodies.

In terms of what they felt was working in favour of Pacific applicants, Community Development Group staff considered positive developments to have been:

- allowing funding up to \$5,000 without legal status;
- the establishment of the Pacific Island Consultation and Advisory Group;
- employment of effective Pacific workers in key regions.

The Maori cultural audit was valued for:

- highlighting the differences between Maori cultural frameworks and the Pakeha frameworks informing the work of the lottery committees;
- forcing the Lottery Grants Board and committees to take a hard look at their policies and processes, as they affected Maori;
- establishing that different criteria were required when it came to dealing with funding issues for Maori, a precedent that could be extended to Pacific people.

Strategic Plan

It is clear that the problems facing Pacific applicants which have been identified in this audit are such that they require action to be taken at all levels of Lottery Grants Board functioning if they are to be resolved. However, in order to be manageable and

achievable, it is important that action be carefully considered, planned and directed. This strategic plan has been developed with that consideration firmly in mind.

The most crucial factor identified by the focus group fono was representation. It was considered that the presence of Pacific people on the staff, committees, and the Lottery Grants Board, on the one hand, and effective forums for the expression of grass roots needs, on the other, were fundamental to enabling full and equitable access to Lottery Grants Board funding by Pacific groups. The importance of this factor is reflected in the plan which has been developed.

Policy Development

The audit has made clear the crucial role of funding committees in developing policies relating to their areas of funding. At the same time, the representation of Pacific people on these committees has been negligible, something widely attributed to the political nature of their appointment.

If the responsibility for policy development is to remain with the funding committees, it is essential that their Pacific representation be increased to a level sufficient to ensure the development of funding policies appropriate to the needs of Pacific people, by ensuring at least one place for a Pacific person on each sector committee and requiring sector committees to convene advisory groups of Pacific people to advise them about the funding needs of Pacific people in their regions, as detailed in Chapter 4. However, it is important that the development of policies by the funding committees be carried out under a set of general, national directives to be established by the Board, as allowed in the Gaming and Lotteries Act, in consultation with the Pacific Island Consultation and Advisory Group and with reference to the strategic plan. This is particularly important because the present autonomy of the committees in the area of policy development and implementation means that any overall change to funding policy would have to be negotiated with each sector committee for each funding category on an individual basis. It should also be recognised that the costs associated with the delivery of national policy initiatives will be borne, at the local and regional levels, by local and regional budgets. In order to support regional staff in implementing such policy, it is important that the extra costs are anticipated at the national level and incorporated into local and regional budget levels.

The central place of churches in the life of Pacific communities in New Zealand was frequently likened to that of Marae for Maori communities, and there is a real need to find acceptable ways of granting funds to Pacific churches in the same way that funds are granted to Marae. The legal review shows that the funding of churches is clearly permitted in the Gaming and Lotteries Act 1977. The establishment of specific development fund, similar to the Marae Heritage Fund, as detailed in Chapters 2 and 3, would enable greater flexibility in the use of Lottery funding for meeting the needs of Pacific people, including the funding of development activities and programmes run by Pacific Island churches.

Pacific Representation

It was considered that a key to improving the level and effectiveness of communication between the Lottery Grants Board and Pacific applicants was increased Pacific representation in the Lottery Grants Board, at all levels. This was considered necessary to ensure that consultation between the Lottery Grants Board and Pacific groups was accompanied by understanding of Pacific cultural frameworks, norms and values on the part of the Lottery Grants Board. Participants wanted to see Pacific representatives on all national and regional distribution committees, the Lottery Grants Board and national and regional staffing. Detailed recommendations covering this were developed in Chapters 3, 4, and 5.

Communication and Information

The process of communication and information transfer should recognise the oral basis of Pacific cultures and provide forums for this to take place between grass roots Pacific organisations, formal Pacific organisations such as the Pacific Island Consultation and Advisory Group, the funding committees; the Lottery Grants Board and the staff. These forums need to allow the voices of Pacific people to inform the decisions made by the Lottery Grants Board with regard to funding Pacific projects, and allow the Lottery Grants Board and the committees to communicate their policies and requirements clearly to Pacific applicants. In addition to this the value of well run funding clinics was emphasised and it was seen to be important that conducting these clinics be built into the job descriptions of appropriate Community Development Group or lottery staff.

Application Process

This was the area of most immediate concern to those who were or had been involved in applying for Lottery Grants Board funds, and was considered to be a major factor in the low numbers of applications received from Pacific applicants. The application form and process were unduly long and complicated, and the English language used in the form was difficult for Pacific applicants to understand. In addition, applicants came to the application process with limited information about, and understanding of, the funding process.

The changes recommended in the area of communication and information, above, are aimed at ensuring that applicants are as well informed as possible about the funding process. In addition to this, the forms themselves, or at least explanatory material, should be made available in Pacific languages, as specified in the recommendations. However, the provision of appropriate written material will not, by itself, be sufficient to significantly increase Pacific participation in applying for Lottery Grants Board funding. Providing direct assistance with developing and submitting applications was called for in the focus group fono and will be essential to increasing both participation and application approval rates for Pacific applicants.

Administrative Support

Provision should be made for Pacific groups to maximise their ability to participate in the application process, by allowing for them to receive funding to pay for administrative support in the form of staffing, staff development, and equipment. As well as providing direct assistance, this support should be aimed at building capacity in this area, in order for increased Pacific participation to be sustainable. This need can be addressed through the proposed Provider Development Fund.

Equitable Funding

The disproportionately low amount of funding (see Chapter 3 for details) in every distribution committee being directed to Pacific groups is a very serious problem revealed in this audit and identified by focus group participants and those taking part in the internal cultural audit. The Lottery Grants Board is open to various accusations of neglect, discrimination and inefficiency on account of this. The problem needs to be remedied urgently and a careful and well intentioned effective response should build goodwill quickly with the Pacific communities. Clearly the Lottery Grants Board has a will to address these issues, as the setting up of the Pacific Island Consultation and Advisory Group and this Audit Review testifies. The task now is to set up the infrastructure through personnel and processes within the context of a well thought-out strategic plan that is independently and transparently monitored on a regular basis as outlined in this report.

Monitoring Measurement Tool

Goals of the Strategic Plan

The purpose of the measurement tool which is described in detail in Chapter 6 is to monitor and measure the extent to which the goals of the Strategic Plan are implemented and achieved. The goals of the Strategic Plan, which are detailed in Chapter 6, are based upon the detailed recommendations developed in Chapters 2, 3, 4, and 5, and drawn together in Chapter 6.

Implementation and monitoring of the Strategic Plan

It is recommended that:

1. a two year plan be developed to implement the recommendations set out to achieve the goals of the Strategic Plan;
2. priority be given to establishing the Provider Development Fund, particularly those elements of it aimed at increasing the capacity of Pacific groups and people to access lottery funds and provide direct services to their people;

3. the plan and the targets for the achievement of these goals be set by the Lottery Grants Board in full participation with the Pacific Island Consultation and Advisory Group;
4. targets be set for achievement within six monthly cycles;
5. the achievement of targets be subject to quantitative measurement six monthly, by an independent Pacific led socio-cultural audit organisation and an annual funding audit;
6. qualitative measurement of the effectiveness of Lottery Grants Board responsiveness to Pacific people, through focus groups, be undertaken annually, by an independent Pacific led socio-cultural audit organisation;
7. the focus group fono take place with Pacific culturally based groups, the Pacific Island Consultation and Advisory Group and staff along the same lines as occurred in this review and with the same question line;
8. an annual report be produced detailing progress towards achieving the goals and recommendations developed in the Pacific Cultural Audit of the Lottery Grants Board, and made easily accessible to the public.

Measurement

As indicated above, measuring the extent to which the goals of the strategic plan are implemented and achieved will require a combination of quantitative and qualitative measures. While all goals can be measured quantitatively, the extent to which their achievement is actually working for Pacific people can best be measured using qualitative methods.

It is recommended that focus groups be convened annually, comprised of people from Pacific organisations involved or potentially involved in applying for funding, Community Development Group staff, and Lottery staff.

Quantitative data will be obtained every six months through: (1) report forms to be completed by specified officials for the Board, committees and staff, and (2) an annual funding audit using the proposed new funding database. By drawing together qualitative and quantitative data in this way, a comprehensive assessment of progress toward achieving the plan will be possible.

Where necessary, data will be obtained from other sources, such as, for example, population data from Statistics New Zealand.

In the following table, the recommendations developed in this audit are listed beside the method(s) of monitoring to be applied to them.

Representation of Pacific people	<i>Monitoring method(s)</i>
I. Advising the Minister of Internal Affairs to adopt a transparent method of appointing members of National funding	6 monthly report form

committees by:	
<ul style="list-style-type: none"> calling for public nominations and appointing members from among those nominated, which is the method already used to appoint regional sub-committee members; and 	6 monthly report form
<ul style="list-style-type: none"> requesting the Minister of Internal Affairs to ensure that the Pacific membership and representation on each committee has the confidence of the Pacific community. 	6 monthly report form and annual Focus group
II. Increase Pacific representation on the Lottery Grants Board by:	
<ul style="list-style-type: none"> advising the Minister of Internal Affairs of the need for this; and 	6 monthly report form
<ul style="list-style-type: none"> ensuring that the Government and Opposition have available a list of qualified Pacific people who have been nominated by Pacific groups for service on the Board 	6 monthly report form and annual Focus group
III. Increase Pacific representation on regional lottery funding sub-committees by:	
<ul style="list-style-type: none"> ensuring at least one place for a Pacific person on each regional sub-committee; 	6 monthly report form
<ul style="list-style-type: none"> requiring regional sub-committees to convene advisory groups of Pacific people to advise them about the funding needs of Pacific people in their regions; and 	6 monthly report form and annual Focus group
<ul style="list-style-type: none"> provide assistance in the evaluation of applications either from Pacific people, or from others, for providing services to Pacific people. 	6 monthly report form and annual Focus group
IV. Increase Pacific representation on national and regional Lottery Grants Board staffing:	
<ul style="list-style-type: none"> to a level that gives the Pacific community confidence that their interests are adequately catered for at all levels of the Lottery Grants Board. 	6 monthly report form and annual Focus group
Application process	<i>Monitoring method(s)</i>
I. Providing, and making widely available, application materials in the Samoan, Niuean, Cook Island, Tongan, Tokelauan, and Fijian languages.	6 monthly report form and annual Focus group

II. Providing direct assistance with developing and submitting applications.	6 monthly report form and annual Focus group
III. Simplifying the application process through a process of:	
<ul style="list-style-type: none"> consultation with the Pacific Island Consultation and Advisory Group (PICAG). 	6 monthly report form and annual Focus group
IV. Simplifying the language used in application forms	
<ul style="list-style-type: none"> in consultation with the Pacific Island Consultation and Advisory Group. 	6 monthly report form and annual Focus group
V. Holding annual funding clinics with Pacific groups throughout New Zealand, but concentrating	6 monthly report form and annual Focus group
<ul style="list-style-type: none"> particularly on the Auckland and Waikato Regions while 	6 monthly report form and annual Focus group
<ul style="list-style-type: none"> further developing them in Wellington, Christchurch and the rest of New Zealand. 	6 monthly report form and annual Focus group
VI. Providing, and disseminating widely, information materials in the	
<ul style="list-style-type: none"> Samoan, Niuean, Cook Island, Tongan, Tokelauan, and Fijian languages, and through Pacific media outlets. 	6 monthly report form and annual Focus group
VII. Increasing Lottery Grants Board responsiveness to the funding needs of Pacific people by:	
<ul style="list-style-type: none"> establishing consultation forums to encourage the voices of Pacific people to inform Lottery Grants Board funding criteria, policy and priorities at regional and national levels; 	6 monthly report form and annual Focus group
<ul style="list-style-type: none"> providing Pacific cultural awareness training for all Lottery Grants Board staff and committee members; and 	6 monthly report form and annual Focus group
<ul style="list-style-type: none"> including in staff job descriptions the requirement to allocate time for dealing with Pacific funding issues, including holding funding clinics and consultation with Pacific groups and applicants. 	6 monthly report form
Funding policy	<i>Monitoring method(s)</i>
I. Funding support services aimed at building and maintaining administrative capacity in Pacific groups.	Annual Funding Audit, 6 monthly report form and annual Focus group

II. Establishing a Provider Development Fund, similar to the Marae Heritage Fund, with substantial Pacific representation on the committee administering this fund, to build the capacity of Pacific communities and groups to:	Annual Funding Audit, 6 monthly report form
<ul style="list-style-type: none"> provide direct, culturally appropriate, and holistic social services to Pacific people in the areas detailed elsewhere in this report: 	Annual Funding Audit, 6 monthly report form and annual Focus group
III. Setting funding targets or target bands for Pacific groups in each distribution committee. These targets will be determined by:	
<ul style="list-style-type: none"> the total amount of money available to each committee and the size of the Pacific population the committee services; 	Annual Funding Audit, 6 monthly report form and annual Focus group
<ul style="list-style-type: none"> the total amount of money available to each committee; 	Annual Funding Audit, 6 monthly report form
<ul style="list-style-type: none"> the size of the Pacific population the committee services; 	Annual Funding Audit, 6 monthly report form
<ul style="list-style-type: none"> historical disadvantage; 	Annual Funding Audit, 6 monthly report form and annual Focus group
<ul style="list-style-type: none"> past underfunding; and 	Annual Funding Audit, 6 monthly report form
<ul style="list-style-type: none"> the need to enable the further development of Pacific provider services. 	Annual Funding Audit, 6 monthly report form and annual Focus group
IV. Establishing national and regional funding policy guidelines, objectives and goals to be implemented by National and Regional Funding Committees. These guidelines will specify:	
<ul style="list-style-type: none"> the formula to be used by each committee to determine the level of funding to be allocated for Pacific people in New Zealand that ensures they will not continue to be underfunded; 	6 monthly report form
<ul style="list-style-type: none"> the requirements regarding holding funding clinics for Pacific people; 	6 monthly report form and annual Focus group
<ul style="list-style-type: none"> full details of funding policies which are specific to Pacific people; and 	6 monthly report form

<ul style="list-style-type: none"> • funding Pacific churches on the same basis as Marae through the establishment of a special fund. 	Annual Funding Audit, 6 monthly report form and annual Focus group
V. Mandating all funding committees to consider the level of need of applicants (as Lottery Welfare and Lottery Aged are able), to enable them to set goals that:	6 monthly report form
<ul style="list-style-type: none"> • ensure disadvantaged cultural groups receive at least a reasonable proportion of funding that relates to both their population percentage and level of need, without in any way compromising the relative merit of individual applications. 	Annual Funding Audit, and Focus group
VI. Funding support services aimed at building and maintaining administrative capacity in Pacific groups.	Annual Funding Audit, 6 monthly report form and annual Focus group
VII. Establishing outputs for national and regional funding committees to ensure the achievement of these recommended initiatives, through a process of consultation:	
<ul style="list-style-type: none"> • between the Lottery Grants Board and the National Committees; and 	6 monthly report form
<ul style="list-style-type: none"> • between the National Committees and their Regional Committees. 	6 monthly report form
VIII. Conduct an annual funding audit, as part of the monitoring process, using the proposed new funding database, and covering the following aspects of funding: <ul style="list-style-type: none"> • funds requested; • applications declined; • applications approved; • funds granted; • regional emphases and differences; • distribution committee emphases and differences; • the funding rate proportional to population rate; and • comparison between Pacific applicants and the rest of the population. 	Annual Funding Audit
Legal changes	<i>Monitoring method(s)</i>
1. Amend the Gaming and Lotteries Act to enable any of these recommendations which are not presently permitted by law, or for which the law is unclear, to be implemented.	6 monthly report form

Funding database structure	<i>Monitoring method(s)</i>
I. modifying the funding application forms to:	
<ul style="list-style-type: none"> • allow the ethnic or cultural affiliation(s) of applicants to be recorded in addition to the ethnicity of the funding's intended beneficiaries; 	6 monthly report form
<ul style="list-style-type: none"> • give a clear indication of the cultural groups which will primarily benefit from the funding of particular projects, by asking an open question inviting applicants to name the cultural group or groups that will primarily benefit from the proposed project; and 	6 monthly report form
<ul style="list-style-type: none"> • move the section which asks about ethnic affiliation to the end of the application and make it clear that it does not form part of the application. 	6 monthly report form

Introduction

This review of the Lottery Grants Board's responsiveness to Pacific groups was commissioned by the Department of Internal Affairs on behalf of the Lottery Grants Board as it attempts to address the issues of equity for Pacific people within its responsibilities. The terms of reference were set out as follows:

- 1. To describe the current basis and responsibilities of the relationship between the Lottery Grants Board and Pacific Peoples communities with particular reference to the literature on government obligations to provide accessible and equitable services to all communities.*
- 2. To develop a measurement tool that can be used to gauge the level of responsiveness being achieved.*
- 3. To review the Operational and Funding policies of the Lottery Grants Board, the Lottery Distribution Committees and the Lottery Grants Secretariat, in order to develop a strategic responsiveness plan to strengthen responsiveness to Pacific Peoples' community groups and to better meet the needs of Pacific Island communities.*

These objectives are further defined by the specification for the final report which makes up the deliverable component of the review. This states that the report must:

- 1. Review all funding policies and procedures and provide advice on the discretionary funding needs of Pacific Island Groups (particularly the scope for amending policies on funding church groups);*
- 2. Review all staffing, training and servicing policies from a Pacific cultural perspective;*
- 3. Advise on ways to improve policies, processes and procedures from a Pacific perspective.*
- 4. Examine, and provide advice on improving information dissemination to Pacific Island Communities*
- 5. Examine connections and differences between responsiveness strategies for Maori and Pacific Peoples.*

The work carried out on this audit review was completed in February 2000.

This report contains six chapters which cover: a review of relevant literature; an analysis of legislation as it relates to the Lottery Grants Board and Pacific people; a review of Lottery funding; report of focus group fono; report of the internal cultural audit; and developing, implementing and measuring policy responses.

Each chapter, except the literature review, is prefaced with a summary of findings and concludes with detailed recommendations for actions to be taken in response to issues raised in the chapters. In some cases the same recommendation applies to several chapters and is repeated. *It is hoped the repetition does not irritate the reader, but the authors were asked to include in each chapter recommendations pertinent to it so that chapters could be removed for community discussion with a full complement of*

analysis and recommendations. In the final chapter, the recommendations are listed without repetition.

Chapter 1: Policies and Practices Relating to the Relationship Between the Lottery Network and Pacific People in New Zealand

A Review of the Literature

Introduction

This review aims to create a picture, firstly of the place that Pacific people historically and contemporaneously occupy in Aotearoa/New Zealand and, secondly, of the parameters under which the lottery network operates. To this end, a brief overview of the nature of relationships between this country and Pacific nations is provided. This is followed by a profile of the current situation of Pacific people resident in Aotearoa/New Zealand.

The review then examines the parameters of the lottery network, its statutory obligations, strategic direction and indices of policy and performance. The emphasis is on the current situation, although the role that the lottery network plays in a changing society, where government has greatly reduced its involvement in direct provision of community and social services, is also highlighted.

Finally, the role that the Lottery Network has played in relation to Pacific groups is examined. This examination includes an overview of the findings of previous reviews of the relationship between the lottery network and cultural minorities (specifically Maori and Pacific groups), and an examination of current policies and practices in relation to funding, and to funding of Pacific groups in particular.

Pacific People In The New Zealand Context

The relationship between successive New Zealand Governments and the Pacific nations, which covers much of the twentieth century and extends well back into the nineteenth century, has been described in terms of a 'Polynesian empire' (Krishnan, 1994). For example, in 1848, just eight years after the signing of the Treaty of Waitangi, New Zealand sought approval from the Home Office in London to take over Samoa. Approval for this was not granted, but New Zealand continued to pressure Britain for permission to annexe Samoa until the matter was settled by the partition of Samoa between Germany and the USA in 1899. Since the late 1840's, the successive governments of Grey, Vogel, Stout and Seddon had entertained expansionist dreams with respect to the Pacific (Macdonald, 1982). New Zealand's formal acquisition of its Polynesian empire began in 1901 when New Zealand assumed responsibility for the Cook Islands and Niue, followed by Tokelau in 1925. Western Samoa became a mandated territory under New Zealand administration in

1921, following the seizure of the islands from Germany in the early stages of WWI (Krishnan, 1994). The mandate over Western Samoa was gained during the term of Massey as Prime Minister of New Zealand, whose support for obtaining the mandate has been linked to his primary aim of participating in the control of Nauruan phosphate which was so important for New Zealand's pastoral economy (Macdonald, 1982).

Migration

Following WWII a flow of Pacific people to New Zealand began to emerge. The flow included Tongan and Fijian people, as well as other Pacific people with established relationships with the New Zealand Government. By the 1950's increasing industrialisation was beginning to create a demand for an expanded workforce in the manufacturing and service industries. Initially, this demand was met by the rural to urban migration and urbanisation of Maori. As the demand increased during the 1960's and early 1970's New Zealand looked increasingly to the Pacific as a convenient and accessible labour pool to meet its demands through the provision of the South Pacific Work Schemes. The schemes were specifically implemented for the recruitment of Pacific people from Samoa, Fiji, Tonga, Tuvalu and Kiribati. A special scheme was implemented for Tongans in 1975, for the Samoans and Fijians in 1976 and for people of Tuvalu and Kiribati by the end of the 1970's. The schemes provided easy entry to, and employment in, New Zealand in exchange for the low cost and unskilled labour force.

Pacific people thus provided a source of labour needed to contribute to New Zealand's continued development. However, the extent to which Pacific migration was enabled by this demand for labour varied among Island groups due to their different relationships with New Zealand. For example, people from the Cook Islands, Tokelau and Niue had the absolute right to reside in New Zealand, irrespective of whether or not they had jobs to come to. For people from Tonga and Fiji, on the other hand, who had no automatic right of residence, the demand for labour was an important factor in allowing them to move to New Zealand. For people from Samoa, the significance of the demand for labour is less clear, because they had some residence rights in New Zealand due to the pre-independence colonial relationship which had existed between New Zealand and Western Samoa.

At the same time a desire to access New Zealand educational institutions and economic opportunities, and, more recently, population pressures, further encouraged the migration of Pacific people to New Zealand. The economic development options available to the people of the Pacific Islands were limited by the distance of markets for their primary produce. By the 1970's, Pacific people living in New Zealand were making a significant contribution to the New Zealand economy through their participation in the workforce, while their remittances were making major contributions to Pacific economies.

The New Zealand economic crises of the 1980's seriously undermined the economic and social well-being of Pacific people in New Zealand. Pacific people were concentrated in the manufacturing and service industries, the industries most affected by the economic crises and the subsequent restructuring carried out in the late 1980's

and through the 1990's. Due to their concentration in the manufacturing and service industries, Pacific people were disproportionately affected by the job losses in these industries. This was accompanied by a decline in living conditions for Pacific people in New Zealand and a reduced ability to maintain the level of remittances on which the economies of Pacific nations had become increasingly dependent.

New Zealand's Pacific Populations

1996 census data tells us that Pacific people made up approximately 5.5% (202,236) of the resident New Zealand population at that time. Of the Pacific population living in New Zealand 47% are Samoan, 21.7% are Cook Island, 14.5% Tongan, 8.5% Niuean, 3.6% Fijian, 2.3% Tokelauan, and other Pacific people 2.5%. The Pacific population in New Zealand is growing at over four times the rate of the New Zealand population generally. Between 1986 and 1996 the resident Pacific population grew by 55%, compared to an increase of 11% for the total New Zealand population. While the Pacific population in New Zealand tends to be young (median age 20.4 years compared with a median age for the total New Zealand population of 32.3 years), the proportion of older Pacific residents grew from 3% to 4.6% of the population from 1986 to 1996. This compares with a growth in older residents in the total New Zealand population from 14.7% to 15.4% over the same period.

One can trace a steady growth of the New Zealand Pacific resident population from 1945, when there were only 2,159 Pacific New Zealand residents to 1981 when there were 93,941 to 1996 when there were 202,236 Pacific New Zealand residents. Pacific people presently make up 5.5% (202,236) of the total New Zealand resident population. (1996 Census of Pacific Island population and dwellings).

By the year 2051, the Pacific population is projected to increase to 599,000. Because of its higher rate of growth, the Pacific share of the population is expected to double from 5.5% to 12 % by 2051. The number of Pacific children is projected to almost double by 2051, when they will make up 20% of all New Zealand children compared with 10% in 1996 (Cook, 1999).

Table 1. shows the actual and projected numbers of Pacific people in New Zealand for the years 1945 to 2051. For the years 1945 to 1976, only people who specified themselves as being of solely Pacific Polynesian origin or mixed Pacific Polynesian origin were included. The remaining years include people who stated a Pacific ethnic group as either their sole ethnic group, or as one of several ethnic groups.

The majority of the Pacific population of New Zealand live in Auckland, with 65% of the total number of Pacific people resident in the Auckland Regional Council area in 1996. The majority of Samoan, Tongan and Niuean people live in southern and central Auckland. Tokelauans are the only group more likely to live outside of Auckland, with 53% living in the combined Wellington urban areas.

Table 1. Actual and projected Pacific populations 1945 to 2051

Year	Pacific Population
1945	2,159
1956	8,103
1966	26,271
1976	65,694
1986	127,906
1996	202,236
2011	300,000
2031	450,000
2051	599,000

Source: Krishnan (1994) and Cook (1999)

In 1996, 58% of the Pacific population resident in New Zealand were New Zealand born, with 87.5% of them being young people and children under 15 years of age. Those of Cook Island Maori descent were most likely to be New Zealand born, with 70% of the Cook Island Maori population resident in New Zealand being born here. Of other Pacific groups, 66% of Niueans, 60% of Tokelauans; 57% of Samoans, 52% of Tongans, and 47% of the Fijians resident in New Zealand were born here (Statistics New Zealand, 1998a, b, c, d, e, and f).

Education levels, employment and income data vary amongst Pacific people. Fijians resident in New Zealand are most likely to have gained a post-secondary school qualification, to be employed and to have higher incomes. In 1996, 66% of the Pacific portion of the New Zealand labour force worked in full time employment, 18% were employed part-time and 17% were unemployed. The rate of unemployment amongst Pacific youth aged 15 to 19 was 33% compared to 20% for the general population aged 15 to 19. In 1996, the median annual income for all Pacific people aged 15 years and over was \$12,400, compared to \$15,603 for the general population. The median income for Pacific men was \$14,987 compared to \$10,725 for Pacific women. Government benefits were received by 32% of Pacific people aged 15 and over. The median annual income for unemployed men and women respectively was \$6,700 and \$6,000.

In 1996, 91% of Pacific Island census respondents reported having a religious affiliation. The single largest group of denominations to which Pacific people claimed affiliation were the Presbyterian, Congregational and Reform Churches, followed by the Catholic Church, Methodist, Latter Day Saints, and Christian with no denomination specified.

In summary the Pacific population in New Zealand at this time is young, growing at a rate well in excess of the general New Zealand population, largely low income and suffering high rates of unemployment amongst the youthful population particularly.

The Lottery Network

The Lottery Network consists of the Lottery Grants Board, Lottery Distribution Committees and sub-committees and the Community Development Group.

The New Zealand Lottery Grants Board

The New Zealand Lottery Grants Board comprises the Minister of Internal Affairs, the Prime Minister (or appointed representative), the Leader of the Opposition (or appointed representative), and three members appointed by the Governor General for periods of up to three years. Members of the Lottery Grants Board are the Hon Mark Burton (Minister of Internal Affairs and Presiding Member), Ann Hartley MP, Lindsay Tisch MP, Elizabeth Batchelor, Colin Harman and Gina Rudland.

The Board operates in accordance with its legislative parameters as defined in the Gaming and Lotteries Act (1977) Part VII: 116A-116ZC, with amendments incorporated to 1994 (New Zealand Government, 1994). The Board does not make grants but it does determine the grant allocations to the nine distribution committees, as well as determining any overarching policy for the committees that may be required.

The Board is charged, in conjunction with the Distribution Committees, with ensuring that the profits of New Zealand Lotteries are distributed for charitable purposes only, except as otherwise provided for in the Act.

In the 1999/00 Strategic Plan (LGB, 1999), the LGB identified its primary mission as being to ensure:

- empowered communities;
- community well-being and a sense of nationhood; and
- fulfilment of Treaty of Waitangi obligations.

There are four agencies that receive an annual allocation out of the annual income of the New Zealand Lottery Grants Board. Three of these were provided for in the Act, and one, which is a client of Lottery Environment and Heritage and not specified in the Act are provided for as follows:

Hillary Commission for Sport, Fitness and Leisure	20.0%
Arts Council of New Zealand Toi Aotearoa	15.0%
New Zealand Film Commission	6.5%
New Zealand Film Archive	0.5%

The Lottery Distribution Committees

The number of Distribution Committees is at the discretion of the Minister. Each Distribution Committee must contain no fewer than three and no more than five

persons. The members of Distribution Committees are appointed by the Minister for terms not exceeding three years.

In 1998/99 the Lottery Grants Board allocated profits in ten areas. These were:

- **Lottery Aged**
Aim: to enhance the well-being of older people
- **Lottery Community Facilities**
Aim: to increase and improve opportunities for and access to community, recreational, sporting and cultural facilities
- **Lottery Environment and Heritage**
Aim: to promote, protect and conserve New Zealand's natural, physical, and cultural heritage
- **Lottery General**
Aim: to help New Zealanders to achieve their national and community goals by funding sectors and projects of national, regional or local significance, with the help of a sub-committee: the Lottery General Millennium Sub-committee.
- **Lottery Health Research**
Aim: to improve the quality of New Zealand health care through research
- **Lottery Marae Heritage and Facilities**
Aim: to develop and conserve marae facilities
- **Lottery Welfare**
Aim: to enhance the well-being of New Zealanders and their communities
- **Lottery Welfare Individuals with Disabilities Sub-Committee**
Aim: to empower individuals with disabilities to access and participate within the community
- **Lottery Youth**
Aim: to develop the life skills of young people and to enhance their quality of life
- **Minister of Internal Affairs**
Aim: to distribute for charitable purposes

The mission/outcomes expressed by each committee for the 1999/2000 Strategic Plan are essentially the same as those for the 1998/99 Strategic Plan, differing only slightly in their wording (LGB, 1999).

Each Distribution Committee may develop its own vision and mission statements, and identify its own required outputs within the purposes prescribed by the Minister of Internal Affairs. For example, the Lottery Youth committee has as its vision and its mission:

- To be an effective source of discretionary funding for youth and
- To actively support young people to enable them to develop their potential

Amongst its outputs, Lottery Youth decided, in 1998/99 to allocate its \$5.6 million (in 1999/2000 its allocation was \$5.22 million), to fund projects which:

- develop young people to reach their potential through skills development, personal development, interaction and contribution to their community, and learning development outside of the school environment;
- meet at-risk/disadvantaged youth needs to increase the quality of life of young people through the provision of support and development programmes, and
- develop young people's awareness of their cultural identity

Distribution Committees are accountable, in the first instance to the Lottery Grants Board, and in the second instance through the Lottery Grants Board to Parliament.

In 1998/99 none of the Distribution Committees referred explicitly to the needs of Pacific People in their vision, mission statements or output requirements.

However, in the 1999/2000 Strategic Plan, improved responsiveness to Pacific communities is listed as a policy priority.

The Lottery Aged Committee was granted for 1998/99, \$3.35 million and in 1999/2000, \$3.12 million to fund social services for at-risk or disadvantaged older people, disability support services for older people, and social and educational activities for older people. In 1998/99, an additional \$0.25 million was allocated to fund community projects celebrating the International Year of Older Persons.

The Lottery Community Facilities Distribution Committee was granted, for 1998/99, \$11.4 million and for 1999/2000, \$10.62 million, to assist with the costs of building projects, other capital works and feasibility studies for community facilities, arts facilities and recreational or sporting facilities.

Lottery Environment and Heritage was allocated \$9.925 million for 1998/99 and \$9.377 million for 1999/2000, to distribute in order to fund cultural heritage projects along with natural and physical heritage projects.

In 1998/99 the Lottery Grants Board allocated Lottery General \$700,000, and \$400,000 in 1999/2000, to distribute with a view to promoting and fostering healthy lifestyle choices, and in particular to fund drug and alcohol education programmes. In 1998/99 it allocated \$800,000, and in 1999/2000, \$953,000, to go towards the purchase of compulsive gambling services. In addition, in 1998/99, \$2 million was allocated to the Lottery General Millennium Sub-Committee to distribute (with other existing funds) for a variety of millennium related projects including significant community events which:

- celebrate our cultural diversity and
- encourage the development of a Pacific vision for the Third Millennium.

In 1999/2000 its allocation was \$4.0 million.

Lottery Health Research was allocated \$3.45 million in 1998/99 and \$3.22 million in 1999/2000 for: research into the cause, prevention and treatment of conditions affecting the health of New Zealanders; research that will lead to advances in health and bio-medical science for the ultimate benefit of all New Zealanders; and the development, maintenance and retention of a workforce of well-trained and experienced health and bio-medical researchers in New Zealand.

Lottery Marae Heritage and Facilities was allocated \$6.0 million in both the 1998/99 and 1999/2000 periods to fund the development of Marae facilities and the conservation of Marae facilities.

Lottery Welfare was allocated \$11.9 million in 1998/99 and \$11.08 million in 1999/2000 to fund: services promoting the welfare of parents and families; disability and health support services; welfare services providing information and support which increases community and social participation; generic community welfare services; and developmental initiatives.

Lottery Welfare Individuals with Disabilities Sub-Committee was allocated \$3.2 million in both the 1998/99 and 1999/2000 periods to fund individuals with disabilities (who are not eligible for assistance from other sources) to fund the purchase of: vehicles, scooters and other mobility equipment to increase or maintain participation, fulfilment, enjoyment and achievement in the community; and faxes and other disability equipment to facilitate communication.

Lottery Youth was allocated \$5.6 million in 1998/99 and \$5.22 million in 1999/2000 to fund projects which: develop young people to reach their potential through skills development, personal development, interaction and contribution to their community, and learning development outside of the school environment; meet at-risk/disadvantaged youth needs to increase the quality of life of young people through the provision of support and development programs; and develop young people's awareness of their cultural identity.

In both the 1998/99 and 1999/2000 periods the Minister of Internal Affairs was allocated \$280,000 to distribute with his other funds for charitable purposes outside the scope of a lottery distribution committee.

Significant changes in recent years include an overall reduction in the value of allocations from 1996/97 (\$140.198m) to 1997/98 (\$134.797m), and a further drop in 1998/99 (\$132.161m). A number of Distribution Committees experienced drops in funding allocation over the period from 1997/98 to 1998/99, these included; Lottery General (from \$16.260m to \$14m), Lottery Science Research (\$1m to \$0) and Lottery Community Facilities (from \$12m to 11.4m). Lottery Welfare funding for 1998/99, at \$11.9m, was at its lowest level in 6 years. A new allocation of \$6m for Lottery Marae Heritage and Facilities commenced in 1997/98, for an initial period of three years. In addition, allocations to the Creative New Zealand, the Hillary Commission, NZLGB Sports 2000 Fund and New Zealand Film Commission showed increases in the period from 1993/94 to 1998/99, although their percentages of total funding were not increased.

The 'Record of Grants' for the period October 1 1997 - December 30 1997 for the Auckland region (chosen for illustrative purposes here because of its high Pacific population) records eleven grants to Pacific groups. This is out of a total of two hundred and forty grants in this region for this period. Grants included several to Pacific Church groups and were allocated from the Community Facilities, Welfare and Youth Distribution Committees. These figures are consistent with the under-representation of Pacific groups among those receiving funding from the Lottery Grants Board. This under-representation is further substantiated in the Review of Lottery Grants Board Funding for 1997 and 1998 in the next section of this report.

The Distribution Committees are able to establish sub-committees to consider specific areas within their general area of interest. The sub-committees are accountable to their parent Distribution Committee.

The Community Development Group (CDG)

The Community Development Group is a business unit of the Department of Internal Affairs. Staff are employees of the Secretary for Internal Affairs in accordance with the State Sector Act, their function is to service the Lottery Grants Board and the distribution committees.

Legislative Requirements

Apart from the Gaming and Lotteries Act through which the Lottery Network is constituted and is primarily accountable, the Department of Internal Affairs is subject to the provisions of the State Sector Act 1988 (New Zealand Government, 1998). Part V of the act relates to personnel provisions, and Section 56 of Part V relates specifically to the principle of being a good employer.

The 'Good Employer' principle is outlined in Part V, Section 56 of the Act. The relevant articles are:

1. The chief executive of a department shall operate a personnel policy that complies with the principle of being a good employer.
 2. For the purposes of this section, a 'good employer' is an employer who operates personnel policy containing provisions generally accepted as necessary for the fair and proper treatment of employees in all aspects of their employment, including provisions requiring:
 - “....
 - An equal opportunities programme; and
 - The impartial selection of suitably qualified persons for appointment...
 - Opportunities for the enhancement of the abilities of individual employees.
- and
- Recognition of the aims and aspirations, and the cultural differences of ethnic or minority groups...”

Section 58; Article 3, of the State Sector Act 1988 (Part V: Personnel Provisions) defines an equal opportunities programme as:

"a programme that is aimed at the identification and elimination of all aspects of policies, procedures and other institutional barriers that cause or perpetuate, or tend to cause or perpetuate, inequality in respect to the employment of any persons or group of persons."

Section 58 of the State Sector Act 1988 (Part V: Personnel Provisions) also identifies the responsibilities of chief executives in regard to:

1. developing and publishing an equal employment opportunities programme for the Department; and
2. ensuring that the equal employment opportunities programme is complied with each year and throughout the Department.

Also under this section of the Act, chief executives are charged with summarising the programme each year and accounting for the extent to which the Department was able to meet the equal employment opportunities programme each year.

Section 59 (Article 1(a)) of the Act provides for the chief executive of a Department to:

"appoint such employees...as the chief executive thinks necessary for the efficient exercise of the functions, duties, and powers of the Department..." Section 60 provides for a chief executive, in making an appointment under the Act to give preference to the person who is best suited to the position.

This provides a legislative basis for ensuring that the cultural knowledge of Pacific employees servicing the Lottery Grants Board is fostered and used, a need for this cultural knowledge to be fostered and used was clearly identified in the focus groups and interviews conducted as part of this cultural audit. The audit has also identified the need for more Pacific staff to be employed by the Lottery Grants Board and makes specific recommendations concerning it.

The Public Finance Act

The Board is a Crown entity for the purposes of the Public Finance Act.

The Lottery Network: Strategic Direction and Priorities

Vision:

In its 1998/99 Strategic Plan (LGB, 1998a), the Lottery Grants Board defined its vision as:

- Making a positive difference in New Zealand Communities

Primary Mission:

Also in the 1998/99 Strategic Plan (LGB, 1998a), the Lottery Grants Board identified its primary mission as being to ensure:

- empowered communities;
- community well-being and a sense of nationhood; and
- fulfilment of Treaty of Waitangi obligations.

Mission Drivers:

Primary 'Mission Drivers' identified in the 1998/99 Strategic Plan (LGB, 1998a) included the allocation of lottery profits to the various Distribution Committees and:

- ensuring lottery grants, distributions and practices;
- encourage community self-determination of priorities and aspirations; and
- enhance the capacity of the voluntary sector to meet locally identified needs.

An additional 'mission driver' concerns Treaty of Waitangi obligations and ensuring that lottery grants and distributions:

- are responsive to the aspirations and priorities of iwi, hapu and Maori communities generally.

Guiding Principles:

The Guiding Principles identified in the 1998/99 Strategic Plan (LGB, 1998a), and which lottery grants and distribution processes are required to demonstrate a commitment to, are:

Investing in the future

Treasuring New Zealand's heritage and environment

Enhancing community well-being

Making a measurable and sustainable impact

Creating opportunities

Adding value

Developing strategic alliances

Facilitating joint funding

Stakeholders:

Key stakeholders in the Lottery Network are identified as: New Zealand communities; applicants and grant recipients; lottery distribution bodies; Parliament; and the Department of Internal Affairs.

Success Factors:

In identifying the critical success factors, the Strategic Plan requires that stakeholders are satisfied about a number of aspects of lottery policies and practices. These include, that:

- lottery funding policies complement government policy objectives and the policies of other funders

- lottery grants are distributed equitably across geographic and demographic boundaries
- distribution policies and processes are appropriate and timely
- the distribution process is administered fairly and efficiently

Policy Priorities:

Amongst the 'policy priorities' identified in the 1998/99 Strategic Plan (LGB, 1998a) is a focus on policy development in the areas of:

- improving responsiveness to Pacific communities; and
- improving responsiveness to Ethnic Communities.

In regard to priorities in the area of 'operational development,' the following was identified as a priority:

- improving customer access to information and services

The NZLGB also made a commitment to commissioning independent surveys to report on stakeholder satisfaction with lottery grants administrative services, distribution, policies, processes and practices.

Funding Policies

Decisions pertaining to the proportions of funds allocated to the various areas represented by the Distribution Committees are made by the Lottery Grants Board, while the establishment and areas of responsibility of the Distribution Committees, are determined by the Minister of Internal Affairs. The Lottery Grants Board also determines any overarching policy to which Distribution Committees and the Community Development Group are required to take account of and, in some cases, adhere to. Lottery Grants Board funding policies cover areas such as legal status, ineligible purposes, accountability and compliance.

Under Lottery Grants Board funding policies applications for over \$5,000 or for salaries or vehicles, are accepted only from legally structured non-profit or charitable organisations. Distribution Committees may add additional detailed policies to the broad policy frameworks set by the Lottery Grants Board, provided that they are not in conflict with any mandatory overarching Lottery Grants Board policies.

Also under Lottery Grants Board funding policy guidelines a number of groups or types of organisations are considered ineligible to receive Lottery Grants Board funds. These include:

- projects which are considered to be the responsibility of central or local government or some other funding body;
- projects seeking to promote political, commercial or religious objectives
- overseas travel;
- overseas aid and disaster relief;
- medical expenses;

- employment or business initiatives; and
- alcohol and drug treatment services.

Committees may also identify additional ineligible purposes; for instance, Lottery Youth excludes sporting activities and applications from associations and bodies for purposes which are not viewed as providing a direct benefit to young people. This latter exclusion in particular may prejudice applications which are based on an assumption that the family/aiga or Church is the main source of strength and sustenance for young people, and those based on an assumption that the parts of a family/aiga or community (such as the youth) cannot be considered in isolation from the whole.

These areas of ineligibility may well come under scrutiny as the social policies of Government continue to lead to the devolution of welfare and social service provision to community groups. It is possible that the NZLGB may need to review some of these areas of exclusion as the community need for funding in areas such as health and training initiatives become seen as less clearly the responsibility of central or local government. As examples of areas of ineligibility which has already been reviewed, in 1998/99 the NZLGB General allocation targeted alcohol and drug education (although not treatment) programmes.

Although applications are accepted from churches, the exclusion of projects with a religious purpose is of concern because of the centrality of churches in Pacific communities. The report of the Pacific Island Consultation and Advisory Group (PICAG), for example, states that:

Churches need to be acknowledged as the focal point for a Pacific Island community as well as the developing role they play in the provision of social services to its community. (PICAG, n.d.)

The accountability procedures required by the Lottery Grants Board were also described by the Pacific Island Consultation and Advisory Group as "onerous and difficult to understand." In addition to the Lottery Grants Board requirements, Committees may identify additional accountability and compliance requirements.

Funding Allocations

Significant changes in recent years include; a drop in funding since 1996/97 (when, as noted earlier, funding allocations totalled \$140.198 million) to a 1998/99 level of \$132.161 million. Significant drops in the allocation of funds allocated to Lottery Community Facilities, Environment and Heritage, General, and Science Research Distribution Committees occurred over this period. However Creative New Zealand, the Hillary Commission, NZLGB Sports 2000 Fund, and the New Zealand Film Commission all experienced increases in funding allocations in accordance with Board policy. In addition, grants of \$6 million p.a. have been allocated to the Marae Heritage and Facilities Distribution Committee since 1997/98, and an allocation of \$1 million was made to the Arts Foundation of New Zealand in 1998/99.

At the same time as government spending on community and social services was reduced, the Lottery Community Facilities Distribution Committee recorded a 29% increase in the amount of funding sought by community groups in 1998, compared with 1997. In its 1997 report, the presiding member of the Lottery Community Facilities Distribution Committee also noted that the demand on funds was stronger than ever, with a marked increase in requests for major facilities (LGB, 1997). This echoed the 1996 Report (LGB, 1996), which also noted a 15% increase in applications from Pacific Church related groups and commented about "the pivotal role of church based facilities in meeting the social and cultural needs of Pacific Island people." Thus, it would appear that the demand for funds for community purposes has been growing over the past several years and is continuing to increase.

In 1996, the Report of the Presiding Member for the Lottery Aged Distribution Committee (LGB, 1996) commented on certain trends related to Government spending and community need.

“The Committee has observed the following trends during the year:

- an increase in the level of expectation from organisations, particularly large social service clients...
- the level of government funding for social service organisations providing welfare services does not appear to have increased during the past year. Organisations which have contracts with government agencies such as Regional Health Authorities are continuing to seek significant funding from Lottery Aged to meet any shortfall in the cost of running their programmes...
- a static number of applications are being received from small organisations...The committee feels there may be a need to review the application form as its length and complexity may be acting as a barrier to some eligible group's making applications.”

Similar comments were made in the Presiding Member's 1997 and 1998 reports (LGB, 1997 and 1998). In 1998, it was also noted that the number of applications self-identifying as primarily benefiting Pacific people was increasing, with 9 applications received in 1996/97 and 16 in 1997/98, 11 of which received some funding.

The role of the Lottery Grants Board in a changing society

A study by McKinlay Douglas (McKinlay Douglas, 1998) looking at the role of Government and voluntary agencies in New Zealand society may have particular relevance for the role that the Lottery Grants Board and the Committees are required to play in respect of funding social and community services and facilities.

As a Crown entity, the New Zealand Lottery Grants Board and the committees have an important role to play as a source of funding and support for the voluntary sector and community services. The report notes a general transformation in government management, in this country and in an international context, which has seen a major shift in relationships among central government, local government, the voluntary

sector, communities and business. This has a number of potential ramifications for the Lottery Network in terms of the type and range of services and organisations likely to be seeking funding, in terms of the areas of need in the community that may be identified by the NZLGB and thus the areas in which distribution of funds is sought and/or allocated. NZLGB involvement in the funding of some services traditionally associated with central Government is already apparent in a number of areas, including health and welfare grant allocations, and the focus on drug and alcohol education programmes, and compulsive gambling programmes apparent in the 1998/99 Strategic Plan (LGB, 1998a).

This report sees the adoption, by the New Zealand Government, of 'government by contract' as fundamentally concerned with:

"Reducing the size of the public sector, relying on external 'markets' to supply the goods and services government needs to implement its policies" Redefining and rearranging how government works, at the same time redefining and rearranging what happens and what is possible in the relationship between government and other sectors."

McKinlay Douglas note that the consistent themes expressed by the present Government in relation to the direction of social policy indicate:

- a concentration of expenditure on essential, targeted services;
- an emphasis on efficient service delivery through central and local government;
- an increasing emphasis being given to co-ordination through cross-sector and inter-agency initiatives.

The report also notes the possibility of further devolution of services currently provided by central government. This would likely lead to a further increase in the contracted funding of voluntary agencies and service providers. Projected advantages of the contract approach to funding voluntary social services include:

- the growth of a 'market' of providers with greater diversity in services and greater client choice
- more responsive services
- greater public accountability
- greater efficiency in the organisation of the delivery of services

Potential problems with this approach include the likely effect of contracting on client choice. There may be a tendency to fund established and 'preferred' providers without addressing the barriers facing small and emergent services. The dominant culture in the contract environment is one of compliance and risk avoidance. This mitigates against the introduction of new, unfamiliar (to funders) and innovative approaches in both policy and service delivery and the absence of a sense of 'relationship' between funder and provider.

The central premise of relationship contracting is that it is trust based and requires both trust and respect between the parties, commitment to common goals, open communication and information sharing, flexibility in the contract and how it is managed - with the contract seen as a learning, rather than a specification process.

The McKinlay Douglas report suggests that the performance of the Lottery Grants Board, the Committees and the Community Development Group may be examined from three general perspectives. These are:

1. From the perspective of general operation and governance as these pertain to the role of the Lottery Grants Board in the machinery of State;
2. From a customer satisfaction perspective; and
3. From a more specific focus on cultural aspects of policy, practice and satisfactory delivery of services.

This shift, as identified by McKinlay Douglas, in the provision of services, from the public sector to the voluntary sector has immense implications for the need to develop administrative infrastructure for Pacific groups and service providers. This issue is discussed further in the section of this report dealing with the results of the focus groups and the internal cultural audit.

Governance Issues

A review of governance issues pertaining to the Lottery Grants Board, carried out by Terry Kilmister, identified a number of issues that required some addressing. The Kilmister Review (Kilmister, n.d) concluded that the part of the Act relating to the Lottery Grants Board was fundamentally flawed in that it is not designed to facilitate a high level of organisational effectiveness and efficiency. The report considers that the relationship of the Board with the Crown is not well articulated in the law, that the Minister, under the current Act has extraordinary powers and that the Board has insufficient scope to effectively and efficiently manage the Committees and infrastructure that services it. The Kilmister Report recommends that relationships between the Minister, the Board, Committees and the Community Development Group be reconfigured through legislative change to bring it more into line with Crown and Crown entities relationships. These are recommendations and observations that are also forthcoming from the Gardiner and Parata Report (1997). This cultural audit makes the same observations and offers the same recommendations.

Customer Satisfaction

Colmar Brunton Customer Satisfaction Research on administrative services provided by the Community Development Group (Colmar Brunton, 1998) does not analyse Pacific applicant responses separately from other non-Maori responses. This may be because of the low percentage of Pacific participants in the research. In 1997, 1% of the sample were identified as belonging to a Pacific ethnic group, in 1998 this had risen to 3%. However, while this represents a 200% increase, the percentage of the research sample identifying as Pacific people was very small. However, it is likely that the preferences expressed by Maori in the survey apply also to Pacific people because they are consistent with the views expressed by the Pacific focus group fono conducted as part of this audit. The same views were also expressed in the PICAG (n.d.) report.

The results of the 1998 Colmar Brunton customer satisfaction survey indicated that customer satisfaction is related to the proportion of funding approved, that is, the greater the proportion of the total dollar value of their applications which was approved, the more likely applicants were to express satisfaction in the services they received. The main suggestions for improvement from applicants involved streamlining the procedures involved in the application; particularly the forms, the guidelines for criteria, the process time and feedback on outcome. The survey found two-thirds of applicants preferred some type of face-to-face contact with staff, and that Maori applicants were more likely than non-Maori applicants to seek face-to-face contact with staff. The closure of Link centres was seen as potentially problematic as this reduced opportunities for face-to-face contact. Maori were more likely to call into these offices to collect application forms, and were more likely to express 'delight' about service delivery (relating to staff contact) and overall satisfaction.

Applicants for Lottery Grants Board funding were asked how they first became aware that Lottery Grants provides funding for worthy causes. The largest single group of applicant responses (40%) indicated that they had known about Lottery Grants for many years, and/or couldn't remember how they had come to know about them. This represented 7% more than the previous year. It is possible that this is an indication that established organisations with experienced applicants are increasingly likely to be aware of and to apply for Lottery funding. In 1998, 23% of the sample group of applicants indicated that they became aware of Lottery Grants Board as a source of funding through word of mouth in the community, this was comparable with the 21% who heard from this source in 1997. In 1998 15% became aware of lottery grants through lottery promotional material (compared with 13% in 1997). In 1998, 10% (up 4%, from 6% in 1997) became aware of lottery grants through television. In 1998 7% of applicants found out about lottery grants from other government agencies, 6% from newspapers, 4% from advice received from lottery staff, and 1% each from funding hui/seminars and radio. These figures are comparable with 1997 figures.

Maori applicants were found to have similar sources of awareness as those from other groups. No specific breakdown of Pacific applicants' responses are included, although it is generally noted that television was the primary source of awareness among applicants from community groups (20%), and that applicants from groups with a low income (less than \$15,000) were less likely to have known about lottery grants for many years. Results of focus group discussions carried out for this cultural audit indicate that television cannot be relied upon as a primary medium of awareness because focus group members had not been aware of the Lottery Grants Board publicity which had been carried on television.

1997 Cultural Audit and Review of the Lottery Network

A 1997 *Cultural Audit and Review of the Lottery Network Responsiveness to Maori and Recognition of the principles of the Treaty of Waitangi* (Gardiner and Parata, 1997) identified a number of areas in which the Lottery Network could improve its performance in regard to meeting its obligations under the Treaty of Waitangi, and in responsiveness to Maori. The review involved an examination of the six key areas of;

the policy process, applications process, grant profile, committees, consultation, and staffing. The report is largely focused on the role of the Lottery Network in reflecting the principles of the Treaty of Waitangi, however, for the purposes of this review, areas pertaining to the responsiveness objective only are highlighted here. The same areas were covered earlier in relation to the Lottery Grants Board responsiveness to Pacific people in the Pacific Island Consultation and Advisory Group report.

The cultural audit and review found that: (Passages drawn directly from the audit report are reproduced in italic type)

- *there is no clear, transparent accountability framework between the Board, the Distribution Committees, the staff of the Lottery Grants and Trusts Group, the Department of Internal Affairs and the Minister, which would ensure Treaty imperatives and responsiveness to Maori were reflected throughout the lottery network*
- *the applicant form is long, complicated and difficult*
- *the application process is committee centred rather than client centred*
- *the data management system does not allow for a reliable data set on Maori*
- *the information that is available on the grant profile indicates that Maori... stakeholders were inequitably funded*
- *Maori representation on Committees is very low*
- *there are no documented models of consultation, and consultation with Maori and iwi stakeholders was uneven and ad hoc*
- *staff generally bear the brunt of...Maori and iwi stakeholder dissatisfaction.*

As a result of these findings, a number of recommendations were made to the Minister and to management. The recommendations were provided with a view to achieving two aims, consistent with the parameters of the review and audit. Thus the focus was on giving effect to the principles of the Treaty of Waitangi and to achieving stakeholder satisfaction with the distribution policies and processes. As previously noted, the report identified a problem with communication and accountability between various parts of the Lottery Network. This meant that a commitment to responsiveness to Maori at one level of the network was not necessarily reflected in other levels or arms of the network. In order to resolve accountability issues, the reviewers advocated the adoption of a number of features of the Crown entity models that were then being developed. In particular, it was recommended that a 'Statement of Intent' be developed by the Board, with the agreement of the Minister, and that Committees be required to adhere to this. In addition, the development of a 'Memorandum of Understanding' covering the range of protocols needed to manage relationships between the Minister, Board, Committees and Community Development Group was recommended.

In order to achieve an equitable distribution of funds to Maori and iwi stakeholders (and in recognition of Treaty relationships) the reviewers noted that the allocation of a guaranteed minimum annual percentage of total funds to Maori might be required, which took into account past inequities and the size of the Maori population. It was recommended that the allocation be made through existing Distribution Committees on a proportionate or targeted basis, or that a separate committee be established for this purpose.

Gardiner and Parata (1997) also made recommendations designed to combat the low levels of Maori representation in all parts of the Lottery Network. In particular, they provided recommendations designed to increase Maori representation on the Board, Distribution Committees and staff, recommending that Maori be targeted for current and future vacancies, including those at management level. In addition it was suggested that the appointment of a poutakawaenga to the LTGT be considered.

Specific overview recommendations that the reviewers recommended management should seek from the Minister included:

1. approval of a Purchase Plan between the Minister and the Distribution Committees, for the Financial Year 97/98, that specifies the results the Minister expects in respect of all Committee business, and in particular, in respect of increased responsiveness to Maori;
2. the approval of a funding formula for Financial Year 97/98 that redresses the inequitable funding to Maori, based on the Maori population at the 1996 Census plus a top-up amount for past under-funding;
3. approval of the allocation of this funding across Committees in proportion to past demands by Maori;
4. agreement to establish in Financial Year 97/98 a separate committee and fund it for the development of marae facilities;
5. agreement to appoint competent Maori to vacancies on the Board and Committees as they arise;
6. agreement to establish Director's agreements with each Committee member that sets out their accountabilities and the Minister's expectations for Financial Year 97/98, in respect of all committee business, and in particular, in respect of increased responsiveness to Maori.

Cultural aspects of Policy, Practice and Satisfactory Delivery of Services.

The Pacific Island Consultation and Advisory Group reviewed the policies, practices and performance of the Lottery Grants Board and its associated structures in light of the requirements of Pacific people as stakeholders, customers and employees and the following vision and outcome statements of the Lottery Grants Board:

- **Vision of the LGB:** "To support and encourage community initiative"
- **Outcome sought:** "The profits of New Zealand lotteries are distributed to enhance the well-being of New Zealanders and their communities"

The Advisory group held a number of Pacific Island Fono Groups around the country, to ascertain the effectiveness of the Lottery Grants Board in meeting the needs and aspirations of Pacific communities in Aotearoa/New Zealand. In its report, the Advisory group concluded that Pacific communities lacked access to Lottery profits via grants. This lack of access was related to six main areas of concern. These were: (In the following summary, passages drawn directly from the Pacific Island Consultation and Advisory Group report are set in italics)

1. Staffing and Servicing

2. Communication
3. Committee Representation
4. Policy on Church Groups
5. Accountability
6. Cultural Awareness training

Specific issues of concern identified by the Advisory Group, and recommendations in regard to these were:

Staffing and servicing issues:

- *Lack of PI staff to deliver services*
- *Lack of face to face contact* (this was also commented upon in the Colmar Brunton survey)
- *Application forms too long and complicated*
- *Lack of training for communities*

Recommendations

- *Increase the number of PI staff to service PI communities*
- *There should be a relational number of field staff in the regions based on the PI populations for that region, eg. Auckland should have at least 3 field staff; Wellington 2 and Christchurch 2 to adequately service the PI populations*
- *Lottery to facilitate and provide resource training*

Communication

Issues identified included:

- *Lack of information disseminated back to PI communities*
- *Literature is in English and Maori*
- *Language barrier*

Recommendations

- *Information should be disseminated through Pacific Island communication networks such as local radio stations, churches and Pacific Island newspapers*
- *A brochure with various Pacific Island translations should be developed*

Committee Representation

The key issue was:

- *Lack of Pacific Island representation on all Lottery Grants Committees*

Recommendations

- *Statutory appointments, job descriptions for committee members and selection process for committee members needs to be restructured*
"the appointment process should be open and should involve the whole community rather than the current political appointments" (Christchurch Fono Group)

- *That the Lottery Grants Board allocate a minimum of 1 position specifically designated for a Pacific Island member on all Lottery Grants Board committees, including the Board.*

Policy on Church groups

Issues identified were that there was

- *lack of clear understanding about the practice notes for specific groups (Lottery Community Facilities policy) by both committees and Community leading to:*
 - *inconsistent decisions*
 - *lack of understanding by the Pacific Island Communities*

Recommendations

- *There needs to be a greater and appropriate dissemination of this practice ... to the Pacific Island communities*
- *Churches need to be acknowledged as the focal point for a Pacific Island community as well as the developing role they play in the provision of social services to its community*
- *The voluntary labour component of a Lottery Community Facilities project as part of the 40% pre-requisite funds needs to be re-instated.*

Accountability

Issues

- *Auditing processes are onerous and difficult to understand*
- *Lack of apparent accountability of the Lottery Grants Board back to the community*

Recommendations

- *Accountability system needs to be simplified*
- *Field staff spending time with community organisation would be a better way of evaluating the effect of service and project*
- *Lottery Grants Board should provide training for Pacific Island groups on how to account for grants.*

Cultural awareness Training

Issues

- *Lack of understanding about Pacific People, their various cultural groups and their context within New Zealand.*

Recommendations

- *All Committee members and staff should undergo Pacific Island cultural awareness training.*

"The LGB needs to acknowledge the oral culture of Pacific Island people in their procedures, particularly the different values, beliefs, and ways of life of each (individual) Island group." (Auckland Fono Group)

Summary

This literature review has outlined certain key aspects of the historical background to the settlement of Pacific people in New Zealand and the demographic characteristics of the Pacific population here. The responsibilities of the Lottery Grants Board have been described, and the results of several reports, surveys and a cultural audit discussed.

The historical and demographic review revealed that:

- The large-scale migration of Pacific people to New Zealand in the latter half of the twentieth century has occurred in the context of networks of colonial, political and economic relationships between New Zealand and the Pacific nations which extend back to the middle of the nineteenth century.
- Pacific residents in New Zealand have contributed significantly to the economies of New Zealand and the Pacific nations.
- While in New Zealand, Pacific people have built their own communities and community facilities largely through their own efforts.
- The restructuring of the New Zealand economy and society has left Pacific people very vulnerable and seriously undermined their economic and social well-being, because they were concentrated in the manufacturing and service industries which were most affected by the New Zealand economic crisis.
- The Pacific population is currently concentrated in the younger age groups. It is expected to grow from 5.5% of the population today to 12% by 2051.

The Lottery Grants Board Strategic Direction and Priorities document, in its Mission Statements and Guiding Principles offers the basis of a framework for equitable and responsive cultural relationships with the Pacific community. Key words are referred to like *empowered communities, community well-being, community self-determination, grants are distributed equitably, responsiveness to Pacific communities, and improving customer access to information and services*. These indicate the Lottery Grants Board has already given some thought to these matters and has signalled its intentions.

Apart from the Pacific Island Consultation and Advisory Group report, none of the others reviewed here directly addressed the relationship between Pacific applicants for Lottery Grants Board funding and the Lottery Grants Board. However, in many cases the results and recommendations of these surveys and reports were consistent with the findings of this audit, which are detailed later in this report.

In their scoping study, McKinlay Douglas (1998) identified a shift in the provision of services from the public sector to the voluntary sector. This devolution of services was seen as having the potential to provide greater diversity, responsiveness, public accountability, and efficiency in service provision. However, in the dominant culture of the contract environment, significant barriers have emerged, not the least of which is the funders' reluctance to allocate to services or facilities with which they are unfamiliar. This finding is consistent with the Pacific Island Consultation and Advisory Group report which identified differences between the dominant culture underlying the Lottery Grants Board and Pacific cultural frameworks.

The Colmar Brunton Customer Satisfaction Survey (Colmar Brunton, 1998) and this cultural audit have identified the application process as one of the main area of lottery process needing to be changed in order to increase access to Lottery Grants Board funding. Respondents suggested that the process be streamlined, with two thirds of them preferring face-to-face contact with Lottery Grants Board staff during the application process.

In their cultural audit and review of the lottery network responsiveness to Maori, Gardiner and Parata (1997) identified similar problems with the application process to those identified by the Colmar Brunton (1998) survey, the Pacific Island Consultation and Advisory Group report, and this cultural audit. Also identified as a problem for Maori applicants was the low Maori representation on funding Committees, another problem which has emerged, in this cultural audit, as a key issue for Pacific applicants as well.

The Pacific Island Consultation and Advisory Group report reviewed the policies, practices and performance of the Lottery Grants Board and committees in relation to the requirements of Pacific people as stakeholders, customers and employees. The review covered issues associated with: staffing and servicing; communication; committee representation; policy on church groups; accountability; and cultural awareness training. The issues raised and recommendations made are summarised below.

- The review of staffing and servicing issues identified problems in the areas of application process, Pacific staffing, and community training. The review recommended increasing numbers of Pacific staff and providing resource training to Pacific groups.
- In the area of communication, the review identified a lack of information being disseminated to Pacific communities and a language barrier associated with the provision of information in English. Alternative methods of information dissemination were recommended, including the translation of material into Pacific languages.
- A lack of Pacific representation on funding committees was identified, and recommendations made for the statutory appointment of a minimum number of Pacific members to all committees and the Board.
- A lack of clear understanding about the Lottery Grants Board policy of not funding church groups for religious purposes was identified in funding practice

and among the Pacific communities. It was recommended that information about this policy be more effectively disseminated, and that the application of the policy recognise the role of churches as focal points of Pacific communities.

- On the issue of accountability, the Lottery Grants Board's auditing processes were found to be onerous and hard to understand, and a lack of accountability by the Lottery Grants Board back to the community was identified. It was recommended that the accountability system be simplified, and that Lottery Grants Board staff evaluate the effect of funding on community organisations by spending time with them. Another recommendation was that Pacific groups receive training on how to account for their grants.
- The review of cultural awareness training indicated a lack of understanding about Pacific people and their context in New Zealand. Pacific cultural awareness training was recommended for all committee members and staff in order to enable the Lottery Grants Board to acknowledge, in its procedures, the culture, values, beliefs and ways of life of each Pacific group.

The findings and recommendations of the Pacific Island Consultation and Advisory Group report in these areas were all consistent with the findings of this cultural audit in those areas.

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Chapter 2: Legislation as it Relates to Pacific People and the Lottery Grants Board

Summary of Findings

This review of legislation has established that:

- The Lottery Grants Board has a duty to distribute Lottery profits for charitable purposes including cultural purposes and any purposes beneficial to the community or a significant section of it. In pursuit of this the Board is able to develop and implement policies aimed at ensuring that Pacific people receive funding at levels consistent with their representation in the New Zealand population, and be represented at all levels of the Lottery Network.
- The fulfilment of the Crown's fiduciary obligations are specifically relevant to the Lottery Grants Board and its role as an entity which has been mandated by parliament to distribute the Lottery profits for charitable purposes.

This review has also established that:

- While the Gaming and Lotteries Act 1977, which provides the legislative framework for the Lottery Grants Board and the Lottery Network as well as the administration of the Lottery Grants, is not over-ridden by the requirements of domestic law such as the Bill of Rights Act and the Human Rights Act, it is required to treat all applicants in a fair and transparent manner. This requires that the Lottery Grants Board ensures that its policies and procedures have not and do not exclude Pacific people by reason of ethnicity or race.

Further, under the following Acts:

- The Human Rights Act 1993
- The New Zealand Bill of Rights Act 1990

The Lottery Grants Board must ensure:

- that it is not discriminating against, excluding or inhibiting the Pacific people in any of the facets of its structure, policies, funding allocations and distributions as well as its administration.

These strongly suggest:

- that Pacific people should receive lottery funding on an equitable basis with other New Zealanders and be well represented at all levels of the Lottery network.; and

- that the Lottery Grants Board, at all levels of the Committees and the administrative arm accommodate Pacific cultures and values including language.

This review has further established that:

- The Human Rights Act and the New Zealand Bill of Rights Act, provide a basis for the Lottery Grants Board to provide a targeted funding policy for Pacific people;

that

- the Gaming and Lotteries Act of 1977 does not preclude policies of affirmative action and the targeting of groups for funding in the Board's exercise of its powers and fulfilment of the Crown's public statutory duty

and that:

- through the avenues of achieving population-based equity in funding allocations from each Funding Committee and the establishment of a funding Committee to deal specifically with the allocation of development funds to Pacific people it will be possible for the Lottery Grants Board to meet the legitimate funding needs of Pacific people in New Zealand.

while recognising that:

- the achievement of population based funding equity is likely to require the commitment of additional funding in order to develop the capacity of Pacific groups to access lottery funds to a level consistent with their population.

An Analysis of Relevant Legislation

Introduction

This section of the report identifies the basis of the relationship between the Lottery Grants Board and Pacific People. It involves naming and examining relevant legislation pertaining to the Lottery Grants Board's relationship to Pacific People and their communities, and elucidating what Pacific People are entitled to in light of it.

The Gaming and Lotteries Act will be reviewed, focusing on the relevant sections governing the Lottery Grants Board and its activities as they relate to Pacific People. Further relevant legislation and charters will also be included in this review. They are the United Nations Charter on Mandated Territories, the Citizenship Act 1977, the Human Rights Act 1993 and the New Zealand Bill of Rights Act 1990.

The Act that Governs

The Lottery Grants Board, the Lottery Network, the administration of the New Zealand Lotteries and the allocation of their profits, are directly legislated under part VII of the Gaming and Lotteries Act 1977. This Act also provides the legislative framework for the Lotteries Commission.

The New Zealand Lotteries Commission promote, organise and conduct New Zealand Lotteries. The profits from these are paid into an account operated by the Secretary for Internal Affairs.

The Lottery Grants Board allocates these lottery profits to:

- Distribution Committees
- Minister's Discretionary Fund
- Creative New Zealand
- New Zealand Film Commission
- Hillary Commission (for sport)

The Distribution Committees distribute their funding allocation in compliance with the Board's general policy guidelines and directives.

The Lottery Grants Board, the Minister's Discretionary Fund and the Distribution Committees are all serviced by the Community Development Group.

There are at present nine Distribution Committees:

- Lottery Aged
- Lottery Community Facilities
- Lottery Environment and Heritage
- Lottery General
- Lottery Health Research

- Lottery Marae Heritage and Facilities
- Lottery Science Research
- Lottery Welfare
- Lottery Youth

and two National Subcommittees:

- Lottery Welfare Individuals with Disabilities
- Lottery General Millennium Subcommittee

The Committees distribute their funding allocations through grants to successful applicants for charitable purposes. The decisions about whether or not particular applicants are funded are made by members of the Distribution Committees.

As has been pointed out, the Grants are made for charitable purposes only. A charitable purpose is defined as follows under s.71 of the Act:

Any charitable, philanthropic or cultural purpose, and includes every other purpose that is beneficial to the community or any significant section of the community.

The explanation of charitable purpose contained in a legal opinion submitted by A. Munro (Munro, 1991), Chief Legal Adviser, Legal Services, Internal Affairs Department, points to the common law meaning of charitable purpose as including the four classes

- Trusts for the relief of poverty
Poverty is given a common law definition. “Poverty does not mean destitution. It is a word of wide and somewhat indefinite import and paraphrased for present purposes as meaning persons who have to go short in the ordinary acceptance of the term, due regard being had for their status in life and so forth”.
- Trusts for the advancement of religion
Advancement of Religion means the promotion and spreading of spiritual teaching, religious messages as well as pastoral and/or missionary activities. In order to fulfil the Charitable purpose of the Act the advancement of religion must be among the public or a section of it. It is not adequate for the participants to be the sole beneficiaries.
- Trusts for the advancement of education
Advancement of Education includes support to universities, research, payment of administrative staff, establishment of scholarships and prizes and donations to learned society.

and

- Trusts for other purposes beneficial to the community
- Other Purposes Beneficial to the Community covers all the other areas that are contained in the spirit of the Statute of Elizabeth, 1601. These areas include:

1. The relief of the aged

2. The relief of impotent and poor people
3. The maintenance of maimed soldiers and mariners
4. The maintenance of schools of learning
5. The maintenance of free schools
6. The maintenance of scholars in Universities
7. The repairs of bridges, ports, havens, causeways, churches, sea banks and highways
8. The education and preferment of orphans
9. The marriage of poor maids
10. The aid and help of young tradesmen, handicraftsmen and persons decayed
11. The relief or redemption of prisoners and captives

The categories named above point to the antiquated nature of the statute. They do, however, remain the basis of modern law on charities. For a purpose to be beneficial to the community it must show that it is within the spirit and intent of the Statute of Elizabeth.

Further, a charitable purpose must also satisfy three other requirements. These are:

- The trust must be for a public purpose. A trust cannot be charitable in the legal sense unless it is for the benefit of the public or sections of it.
- The trust must be for a public benefit. It must be established that a trust benefits the public. It is presumed that trusts for the relief of poverty, advancement of education and religion, do benefit the public.
- The trust must be capable of being controlled by the courts.

The inclusion of the words philanthropic and cultural ensures that a purpose which may generally be thought to be charitable but may not strictly conform with the common law understanding of the term, are eligible for lottery funding.

Historical Roots

The Gaming and Lotteries Act 1977 has its roots back in the nineteenth century when the European settlers arriving in Aotearoa/New Zealand formed a microcosm of the societies they left behind, bringing with them their gambling proclivities. Gambling was illegal in their homelands, and was also illegal in New Zealand until the latter part of the nineteenth century. For example, in 1859 gambling in the provinces was still illegal, but by the 1880's anti-gambling ordinances were retained by only some provinces and these were haphazardly enforced (Grant, 1994). Gambling, however in the form of raffles was organised and operated by the newly created Art Unions who were provided with permits by the Colonial Secretariat. Since then, and throughout the twentieth century there have been numerous regulations and various Acts of Parliament to regulate gambling in New Zealand, including raffles, racing and lotteries. Throughout this time there have been various emphases in the direction of the profits of gambling. Consistently though, the regulations during this whole period have endeavoured to place controls on gambling behaviour and distribute profits to charitable, artistic or other worthy causes.

The basic structure of the Lottery Grants Board was established in the Gaming and Lotteries Act of 1962 but the Distribution Committees were administered by different Departments until 1987. Lottery General and Lottery Youth were with the Department of Internal Affairs, Lottery Aged and Health Research were with the Health Department, Lottery Science was with the State Services Commission and Lottery Welfare was with the Department of Social Welfare. Other committees under the Lottery Grants Board which did not exist at that time are: Lottery Community Facilities; Lottery Environment and Heritage; Lottery Marae Heritage and Facilities; Lottery Welfare Individuals with Disabilities; and Lottery General Millennium.

The present legislation is built upon earlier legislation, and it has inherited earlier assumptions about the nature and culture of New Zealand society. This raises certain issues when the legislation has to address itself to a new context of a pluralistic society, a society that privileges the Treaty of Waitangi and a society that should honour its obligations to the People of the Pacific.

New Zealand's Relationship with the Pacific Nations and the Consequent Responsibilities

The Crown Law Office in its opinion to the New Zealand Lottery Grants Board on 17 March 1999 (Doogan, 1999) concerning the relationship between the Lottery Grants Board and Pacific People stated that:

If there are concerns about the responsiveness of the lottery distribution network to applications made by or on behalf of Pacific Island communities within New Zealand then these matters can be addressed by the Board as part of its general administrative law obligation to act with fidelity to the statute and in accordance with relevant criteria. Addressing issues that arise out of evidence of lack of responsiveness or discrimination in the grants network to Pacific Island communities within New Zealand derives from general administrative law obligations

In the following sections of this review the issues noted above, concerning the obligation “to act with fidelity” and not to act with a “lack of responsiveness or discrimination”, are addressed.

The Mandates

Chapter 1 of this report sets out clearly the colonial desire of New Zealand to extend its Pacific Empire further into the Central and North Pacific. This included Pacific nations like Samoa, Cook Islands, Tokelau and Niue. The extension of the Pacific Empire began to be formalised by 1901 with New Zealand assuming administration of the Cook Islands and Niue. In 1921 New Zealand claimed Western Samoa as a mandated territory and later, in 1926, it assumed the administration of Tokelau.

New Zealand is a member of the United Nations and is therefore bound by the obligations set out in the United Nations Charter. The relevant portion of that Charter

is in Article 73 of Chapter XI ‘Declaration Regarding Non-Self-Governing Territories’ and is set out as follows:

Members of the United Nations which have or assume responsibilities for the administration of territories whose peoples have not yet attained a full measure of self-government recognise the principle that the interests of the inhabitants of these territories are paramount, and accept as a sacred trust the obligation to promote to the utmost, within the system of international peace and security established by the present Charter, the well-being of the inhabitants of these territories, and, to this end:

- a. *to ensure, with due respect for the culture of the peoples concerned, their political, economic, social, and educational advancement, their just treatment, and their protection against abuses;*

The Charter and the obligations it confers on the signatory countries, in this case New Zealand, is unequivocal in its letter and intention. The Charter holds the interests of the inhabitants paramount. The signatory country accepts “as a sacred trust the obligation to promote to the utmost..... the social, political, economic and educational well-being of the people from these territories”. The signatory also accepts the obligation to give “due respect for the culture of the peoples concerned, their political, their economic, social and educational advancement”.

The inhabitants of these mandated territories, in this case Pacific people, became New Zealand citizens during the period of the mandates. Further, the New Zealand geographic and territorial boundaries in legal terms extended to include countries that were mandated.

In connection with these factors, New Zealand as the signatory country administering the mandates was intent on its own development and as such directly recruited people from the mandated territories and other parts of the Pacific to settle in New Zealand cities like Auckland, Wellington, Christchurch, Tokoroa and Dunedin, thus encouraging their urbanisation. Consequently, the “New Zealand citizens” who had been living in the Mandated Territories in the Pacific now are “New Zealand citizens” living in New Zealand.

The obligation to respect the culture and advance the political, economic, social and educational attainment of these people, and the sacred obligation to promote their interest to the utmost as set out in the Charter, is incumbent upon the New Zealand Government. This obligation is fulfilled through its legislative and governance bodies of which the Lottery Grants Board is a part. The responsibility of the Lottery Grants Board in this regard is stressed in a legal opinion (Williams and McLeod, 1998) supplied at the request of the Community Development Group to address issues raised by Gardiner and Parata (1997) in their cultural audit. In their report, Williams and McLeod (1998) argued that:

the [Lottery Grants] Board has been established by Parliament to carry out a governance function, namely the distribution of the profits of state lotteries. As such the Board is in a position to discharge the fiduciary obligations of the Crown.

The ability of the Lottery Grants Board to discharge the Crown's fiduciary obligations to Maori is also applicable to others, such as Pacific people for whom the Crown has fiduciary obligations.

The South Pacific Work Schemes

Fiji, Tonga, Tuvalu, Kiribati and Samoa were targeted by the Government of New Zealand for its South Pacific Work Schemes, which were specifically implemented for the recruitment of Pacific people from these countries. A special scheme was implemented for Tonga in 1975, for Samoa and Fiji in 1976 and for the people of Tuvalu and Kiribati by the end of the 1970's.

The schemes were a response to a demand for a workforce to fulfil labour shortages in the manufacturing sector of the New Zealand economy at the time. This meant that Pacific people were actively recruited by the manufacturing industry, the meat industry, agriculture and forestry and were encouraged to migrate to New Zealand. The mass migration and settlement of Pacific people in New Zealand in the 1960's and 1970's was not accidental. It was a labour migration planned by the New Zealand government to meet acute labour demands.

The schemes could be seen in the light of an arrangement of mutuality between the government and the Pacific people who were recruited. The New Zealand government was to provide employment and consequently economic and social benefits while the Pacific people were recruited to provide the low cost labour that was required.

Although in 1999 some Pacific people have entered other sectors of the economy, the majority have remained in the manufacturing and servicing sectors. The descendants of those first recruited workers are continuing the economic contribution and the expectations remain the same. The economic crisis of the late 1970's, and the restructuring that took place in the 1980's and 1990's, seriously undermined the economic and social well-being of Pacific people because they were concentrated in those manufacturing and service industries that were most affected by the crisis. The resulting negative socio-economic statistics show that this partnership between the New Zealand Government and Pacific people has not been characterised by equality and fairness.

The Mandated Territories Arrangement, as well as the subsequent South Pacific Work Schemes, have resulted in the people of the Pacific Nations now making up a significant section of the New Zealand community, to many of whom the charter has direct relevance. The Charter imposes a fiduciary duty (i.e., a trusteeship) on the Government of New Zealand to ensure the well-being of these people. The fiduciary obligations of the New Zealand Government, as clearly spelt out in this Charter, include the development and progress of the people politically, economically, socially and in education. Further fiduciary obligations on the Government of New Zealand include ensuring that the people are treated justly and that the Government takes active steps to protect these people and their interests against abuses.

Because the Lottery Grants Board carries out a governance function, these obligations are relevant to it because the Lottery Grants Board is in a position to help fulfil the fiduciary obligations of the New Zealand Government. The establishment of a policy by the Lottery Grants Board, for example, to increase the participation of Pacific People in the benefits of the Lottery funding would be consistent with fulfilling the New Zealand Government's fiduciary obligation.

Citizenship

The historical relationship between the Pacific nations and New Zealand either through the Mandated Territories Arrangement or through the South Pacific Work Schemes has now resulted in a significant number of Pacific people being New Zealand citizens. The British Nationality and Status of Aliens Act 1928 reflects the way the Mandated Territories Arrangement staked out territory and conferred citizenship. s.7(1) reads as follows:

Subject to the provisions of this section, this Act shall apply to the Cook Islands and to Western Samoa in the same manner and in all respects as if those territories were for all purposes part of New Zealand, and the term "New Zealand" as used in this Act, shall, both in New Zealand and in the said territories respectively, be construed accordingly as including the Cook Islands and Western Samoa.

The British Nationality and New Zealand Citizenship Act, which repealed the 1928 Act and came into force in 1949, declared that persons born in Western Samoa between 13 May 1924 and 1 January 1949 would be treated thereafter as New Zealand Citizens. The upholding of this amendment by the Privy Council in 1982 resulted in the New Zealand Government taking a number of actions, one of which was the passing of the Western Samoan Citizenship Act 1982 which identified citizenship with certain categories of Samoans. Another action was the establishment of a Protocol to the Treaty of Friendship signed in 1962, which provided that New Zealand and Western Samoan relations be governed by a "spirit of close friendship".

The Protocol imposes an explicit obligation upon the New Zealand Government to grant New Zealand citizenship to certain categories of citizens of Western Samoa. The Protocol touches upon citizenship in specific terms:

Recognising further the ties of history, friendship and law between New Zealand and Western Samoa are such as to give the citizens of Western Samoa a claim to special treatment under the New Zealand Law governing citizenship.

Essentially the same sentiments are expressed in section 6 of the Cook Islands Constitution Act 1964 which states:

Nothing in this Act or in the Constitution shall affect the status of any person as a British subject or a New Zealand citizen by virtue of the British nationality and the New Zealand Citizenship Act 1948.

Likewise the Niue Constitution Act 1974 states that nothing in the Act or in Niue's Constitution will affect Niueans' New Zealand citizenship.

The advice from the Ministry of Foreign Affairs and Trade states that Tokelau remains a non self governing territory of New Zealand and therefore Tokelau residents are New Zealand citizens.

The Crown Law Office memorandum of 17 March 1999 (Doogan, 1999) (in response to this cultural audit's question) on whether there is a link between the New Zealand Government's past responsibilities for administering New Zealand's former dependencies and the department's servicing and administration role under the Gaming and Lotteries Act was clear. Crown Law contended that Pacific Island communities resident in New Zealand have no particular "justifiable expectations" of the Board and neither does the Board have any residual "obligations" to such Pacific Island communities deriving from the Government's past responsibilities to its Pacific Island dependencies or mandates. It then went on to point out that Tokelau through the Tokelau Act 1948 forms a part of New Zealand. The Cook Islands Constitution Act 1964 provided a basis for its self government. Niue through its Niue Constitution Act 1974 is also self governing.

However, the Citizenship Act 1977 of New Zealand is consistent with the Cook Islands Constitution Act 1964, the Niue Constitution Act 1974 and the Tokelau Act 1948 in conferring and confirming New Zealand citizenship guaranteeing rights and privileges. In fact the Citizenship Act 1977 goes further and in section 29 defines New Zealand as including the Cook Islands, Niue and Tokelau.

In another memorandum (France and Doogan, 1999) (prepared in response to issues raised by the 1997 cultural audit and review of the lottery network (Gardiner and Parata, 1997)), dated 21 April 1999, concerning Lottery Grants Board obligations under the Treaty of Waitangi, Crown Law states that administrative law and the Gaming and Lotteries Act effectively prevent the Board or a committee from giving preference to any group of applicants as all applications have to be considered on their merits and in a fair and transparent manner. However the memorandum recognised that the Board might need to take special steps to ensure fairness when allocating funds to Maori applicants and to that end included the following advice in paragraph 2.2:

Lottery profits must be distributed for charitable purposes. That term encompasses cultural purposes and any purposes beneficial to the community or a significant section of it. Maori are a significant section of the New Zealand community and we think it would be implied that the Board's policy should address the desirability of ensuring Maori receive a fair allocation. This could include development of a policy objective to that effect.

In paragraph 21 the memorandum advises that the Board could adopt as such a policy objective:

the desirability of Maori receiving a fair allocation in terms of (say) their percentage of the population.

This advice is also applicable to Pacific people.

In another opinion, Williams and McLeod (1998) go further than the Crown Law Office and argue that:

the fiduciary duty of the Crown is not merely passive, but extends to the active protection of Maori interests under the Treaty to the fullest extent reasonably practicable.

While there is no similar treaty relationship between the Crown and Pacific people, the Crown's fiduciary duty to Pacific people is well founded and, in view of Pacific people's history of disadvantage and underfunding, in need of being carried out.

In addition to this, the requirement to consider all applicants in a fair and transparent manner applies within a decision making body. Thus, the Lottery Marae Heritage and Facilities committee can adopt fair and reasonable practices which are appropriate to its clients and which might be quite different from the fair and reasonable practices adopted by another committee. In view of this, the establishment of a Pacific Island committee, similar to the Lottery Marae Heritage and Facilities committee, could ensure more favourable consideration of Pacific Island applications within this legal framework.

Human Rights Act 1993

The Human Rights Act 1993 is based on an assumption that any inequality has necessarily been produced by past systemic discrimination. Thus it specifically provides for measures taken in good faith to redress past inequalities. Under Section 73 of the Human Rights Act

- (1) *Anything done or omitted which would otherwise constitute a breach of any of the provisions of this part of this Act shall not constitute such a breach if -*
 - (a) *It is done or omitted in good faith for the purpose of assisting or advancing persons or groups of persons being in each case persons against whom discrimination is unlawful by virtue of this part of this Act; and*
 - (b) *Those person or groups need or may reasonably be supposed to need assistance of advancement in order to achieve an equal place with other members of the community.*

Further it is important to note that any decisions made in relation to Section 73 must be based on the following:

- (a) The action was done in good faith; and
- (b) It was done for the purpose of assisting or advancing persons or a group of persons of a particular race; and
- (c) Those persons or groups of persons needed, or may reasonably be supposed to need, assistance to achieve an equal place in the community."

As such the Human Rights Act provides a basis on which the Lottery Grants Board can develop a range of responses including the targeting of specific funds to ensure that Pacific People achieve an equal place in both the access to funds and to the New Zealand community in general.

New Zealand Bill of Rights Act 1990

The New Zealand Bill of Rights in Section 19 prohibits discrimination by public bodies on the grounds of race and ethnicity. As such the Lottery Grants Board needs to pay special attention to its structure, policies, allocations, services and decision-making processes to ensure that it does not exclude any groups.

The Bill of Rights Act on the other hand provides a basis for the Lottery Grants Board to adopt policies of 'positive discrimination' to assist Pacific Communities as disadvantaged groups of persons. In fact, Section 19 of the Act states:

Measures taken in good faith for the purpose of assisting or advancing persons or groups of persons disadvantaged because of discrimination that is unlawful by virtue of Part II of the Human Rights Act 1993¹ do not constitute discrimination.

Although Crown Law advice suggests that the Gaming and Lotteries Act does not authorise the Lottery Grants Board to undertake affirmative action, it is clear that it must take steps to ensure fairness and transparency in their consideration of all applications. In situations where significant sections of the community are demonstrably under-represented among funding recipients, it seems clear, on the basis of Crown Law advice, that the Board may develop and implement policy objectives designed to increase the funding allocated to that section of the population to a level consistent with their representation within the general population.

Conclusion

The Gaming and Lotteries Act 1977 is derived from earlier legislation, and embodies former assumptions about the nature of New Zealand society and its culture. The earlier legislation was developed within a cultural and historical milieu, in which New Zealand society was considered to be homogenous and moral, and the marginalised sections of society were considered to include impotent, poor maids, young tradesman and the decayed. While these categorisation of persons are antiquated, what strongly underlined the legislation was its concern that charitable purposes were fulfilled in relation to the marginalised.

The present legislation, while being firmly embedded in these earlier notions, is now required to address the needs of a pluralistic society in which certain groups of people, such as Tangata Whenua and Pacific people in New Zealand, are accorded particular statuses. However, even within the present legal constraints, it is possible for the

¹ These grounds include colour; race, and ethnic or national origins.

Lottery Grants Board to rectify the present unequal distribution of funding among the groups comprising New Zealand's plural society through the implementation of policy objectives designed to ensure fair allocation to all sections of New Zealand society, including Pacific people.

This cultural review and audit has established that the Gaming and Lotteries Act 1977 does answer in part some of the legal issues raised in relation to Pacific people and their groups. One of the key findings of this legal review is:

Lottery Grants are made for charitable purposes only. A charitable purpose includes trusts for the advancement of religion. The advancement of religion means the promotion and spreading of spiritual teaching, religious messages as well as pastoral and or missionary activities, so long as these activities are among the public or sections of it and that the activities do not benefit the participants solely.

Therefore the Pacific churches, which are the providers of religious, social and cultural services, pursue charitable purposes and are eligible for Lottery Grants Funding for those purposes which meet funding committee criteria.

The New Zealand Government's colonial designs on the Pacific, and the consequent mandated territories arrangements as well as New Zealand's own internal development, have meant that the people from the mandated territories were directly recruited and now extend their habitation to New Zealand. The South Pacific work schemes also directly recruited people both from the mandates and other nations of the Pacific .

The New Zealand Government, as a signatory to the United Nations Charter, accepted as a sacred trust the obligation to ensure the political, social, economic and educational well-being of these people. Further, the New Zealand Government accepted the obligation, that Pacific people would be treated justly and that they would be protected against abuses.

This review has established that:

- *The Lottery Grants Board has a duty to distribute Lottery profits for charitable purposes including cultural purposes and any purposes beneficial to the community or a significant section of it. In pursuit of this the Board is able to develop and implement policies aimed at ensuring that Pacific people receive funding at levels consistent with their representation in the New Zealand population, and be represented at all levels of the Lottery Network.*
- *The fulfilment of the Crown's fiduciary obligations are specifically relevant to the Lottery Grants Board and its role as an entity which has been mandated by parliament to distribute the Lottery profits for charitable purposes.*

This review has also established that:

- *While the Gaming and Lotteries Act 1977, which provides the legislative framework for the Lottery Grants Board and the Lottery Network as well as the administration of the Lottery Grants, is not over-ridden by the requirements of*

domestic law such as the Bill of Rights Act and the Human Rights Act, it is required to treat all applicants in a fair and transparent manner. This requires that the Lottery Grants Board ensures that its policies and procedures have not and do not exclude Pacific people by reason of ethnicity or race.

Further, under the following Acts:

- *The Human Rights Act 1993*
- *The New Zealand Bill of Rights Act 1990*

The Lottery Grants Board must ensure:

- *that it is not discriminating against, excluding or inhibiting the Pacific people in any of the facets of its structure, policies, funding allocations and distributions as well as its administration.*

These strongly suggest:

- *That the Pacific people should receive lottery funding on an equitable basis with other New Zealanders and be well represented at all levels of the Lottery network.*
- *That the Lottery Grants Board, at all levels of the Committees and the administrative arm accommodate Pacific cultures and values including language.*

This review has further established that:

- *The Human Rights Act and the New Zealand Bill of Rights Act, provide a basis for the Lottery Grants Board to provide a targeted funding policy for Pacific people.*

that

- *the Gaming and Lotteries Act of 1977 does not preclude policies of affirmative action and the targeting of groups for funding in the Board's exercise of its powers and fulfilment of the Crown's public statutory duty*
-

and that:

- *through the avenues of achieving population-based equity in funding allocations from each Funding Committee and the establishment of a funding Committee to deal specifically with the allocation of development funds to Pacific people it will be possible for the Lottery Grants Board to meet the legitimate funding needs of Pacific people in New Zealand.*

while recognising that:

- *the achievement of population based funding equity is likely to require the commitment of additional funding in order to develop the capacity of Pacific groups to access lottery funds to a level consistent with their population.*

Recommendations

Crown Law advice (France and Doogan, 1999) stated, in relation to Maori, that the Lottery Grants Board can “adopt as a policy objective, the desirability of Maori receiving a fair allocation in terms of (say) their percentage of the population.” This advice is also applicable to Pacific people.

It can be expected that in order for Pacific people to achieve a level of funding consistent with their population, funding will need to be allocated to developing their capacity to access the available funds and the capacity of the Lottery Grants Board and committees to recognise and meet the funding needs of Pacific people.

In order to give effect to this it is recommended that the Lottery Grants Board:

Implement a strategy aimed at ensuring that the funding awarded to Pacific people is at least consistent with their representation in the population, but with the goal of funding them at a higher level in order to provide for the particularly high level of deprivation they experience, and catch up for past underfunding. This strategy will be implemented by:

- I. Establishing a specific development fund for Pacific people similar to the Marae Heritage Fund already established for Maori, with substantial Pacific representation on the committee administering this fund.
- II. Setting funding targets or target bands for Pacific groups in each distribution committee. These targets will be determined by:
 - the total amount of money available to each committee;
 - the size of the Pacific population the committee services;
 - historical disadvantage;
 - past underfunding; and
 - the need to enable the further development of Pacific provider services.
- III. Establishing national and regional funding policy guidelines, objectives and goals to be implemented by National and Regional Funding Committees. These guidelines will specify:
 - the formula to be used by each committee to determine the level of funding to be allocated for Pacific people in New Zealand that ensures they will not continue to be underfunded;
 - the requirements regarding holding funding clinics for Pacific people; and
 - full details of funding policies which are specific to Pacific people;
 - funding Pacific churches on the same basis as Marae through the establishment of a special fund.
- IV. Mandating all funding committees to consider the level of need of applicants (as Lottery Welfare and Lottery Aged can), to enable them to set goals that:
 - ensure disadvantaged cultural groups receive at least a reasonable proportion of funding that relates to both their population percentage and

level of need, without in any way compromising the relative merit of individual applications.

V. Funding support services aimed at building and maintaining administrative capacity in Pacific groups.

VI. Establishing a Provider Development Fund to build the capacity of Pacific communities and groups to

- provide direct social services to Pacific people.

VII. Establishing outputs for national and regional funding committees, to ensure the achievement of these recommended initiatives, through a process of consultation:

- between the Lottery Grants Board and the National Committees; and
- between the National Committees and their Regional Committees.

VIII. On the strength of the arguments advanced in this chapter, there is sufficient legal basis for these recommendations to be implemented. However, if this proves difficult under the law, then it is recommended that:

- The Gaming and Lotteries Act be amended to enable any of these recommendations which are not presently permitted by law, or for which the law is unclear, to be implemented.

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Chapter 3: Review of Lottery Grants Board Funding for the two years 1996 to 1998

Main points of the analysis

1. Pacific groups make substantially fewer applications for Lottery Grants Board funding than non-Pacific groups.
2. The rates of approval for Pacific applicants are much less than the rates of approval for non-Pacific applicants.
3. Many more applications for funding per head of population are made in the Christchurch and Wellington than in Waikato and Auckland.
4. There is a regional variation in the number of applications approved per 1000 Pacific persons. Pacific groups fare best in Christchurch and Wellington and worst in Waikato and Auckland on this basis.
5. The dollar value per 1000 persons of grants to Pacific groups is highest in Christchurch and lowest in Auckland and Waikato.
6. Despite Pacific groups in Auckland having a lower number of applications approved, per 1000 Pacific persons, than Christchurch and Wellington, the average amount received by Auckland applicants was much higher than was received in Wellington and Christchurch.
7. Non-Pacific groups received a significantly greater percentage of the funds they applied for than did Pacific people.
8. On a population basis, Pacific groups apply for less funds than non-Pacific groups.
9. On a population basis, Pacific groups were granted a little over one third the amounts granted to non-Pacific groups.
10. Pacific people's groups make relatively few applications to committees other than Welfare and Youth committees.
11. Pacific people would receive 2.7 times more funding if their funding was proportional to their percentage of the New Zealand population.
12. In every distribution committee, Pacific groups received less funding than their proportion of the New Zealand population, while the non-Pacific group consistently received more.

Purpose of the Analysis

The Lottery Grants Board has a primary purpose of overseeing the fair and responsible distribution of lottery profits for charitable purposes in accordance with the Gaming and Lotteries Act (1977). The Board also determines some broad overarching policies for the lottery committees. In this audit it is therefore important to review the grant trail with regard to Pacific groups to identify what funds are being accessed by them, the dollar amounts and their proportion in relation to non-Pacific applicants for Lottery funding.

To explore these questions, the funding application and approval data for the two financial years to 30 June 1997 and 30 June 1998 were analysed. In particular the focus concerned:

- funds requested;
- applications declined
- applications approved, and
- funds granted.

Further analysis was carried out to explore:

- regional emphases and differences;
- distribution committee emphases and differences;
- the funding rate proportional to population rate; and
- comparison between Pacific applicants and the rest of the population.

All the figures in this chapter have been sourced from the data supplied by the Department of Internal Affairs. They consisted of records for the two years to 30 June 1997 and 30 June 1998. Funds allocated by the Health Research and Science Research Committees, and Individuals with Disabilities Sub-Committee were not included in the data supplied. The research funding has been excluded for several reasons. Firstly, the bulk of this funding is awarded to Universities and other research institutions to fund research intended to benefit the public in general, rather than one ethnic group. Secondly, the ethnicities of those engaged in carrying out the research are not identified in the database, which records only the institutions and research leaders. The funds allocated by the Individuals with Disabilities Committee have not been included because the ethnicity data for these allocations was unreliable.

This Lottery Grants Board funding database identifies the ethnicity of those whom the funding is intended to benefit, but does not identify the ethnicity of those applying for the funding. It was quite straightforward, therefore, to identify applicants, both Pacific and non-Pacific groups, who applied for funding for projects that stated the benefit was intended for Pacific people.

However, it was discovered that there were other Pacific groups benefiting from the Lottery Grants Board funding without identifying this in the direction of the funding. This is because applicants in cultural organisations when applying for funds for this

group, often claim the benefit of their project is for “all people”, when in fact it is primarily for their own group. They frequently do this in the belief that the Lottery Grants Board is more likely to fund a “general” application rather than a culturally specific one.

To remedy this problem, it was necessary for the Department of Internal Affairs staff to work through the database to identify Pacific applicants wishing to fund projects that were primarily for their own people.

The result of this work was a subset of the main database which contained details of:

- non-Pacific applicants who had applied for funding for projects intended to benefit Pacific people;
- Pacific applicants who had applied for funding for projects intended to benefit Pacific people; and
- Pacific applicants who had applied for funding for projects intended to benefit all people but in fact were primarily intended for Pacific people.

In the tables and analysis that follow, applications associated with “Pacific people” refers to the three categories above which have formed the new (sub-set) Pacific people database. This data does not include funds allocated by the Health Research and Science Research Committees, and Individuals with Disabilities Sub-Committee, as noted above. Applications associated with Non-Pacific people are all other applications, with the exception of funds allocated by the Health Research and Science Research Committees, and Individuals with Disabilities Sub-Committee.²

The Analysis

The Numbers of Applications

Applications for the purposes of this analysis can be assigned three different statuses “declined”, “approved” and “granted”. Applications which are declined are removed from the process at that stage. Applications which are “approved” may be approved for funding in full or in part, and “granted” refers to the amounts of funding actually granted to successful applicants. The amount granted is often less than the amount requested.

Table 2 shows the total numbers of applications declined and approved for Pacific and non-Pacific people. The table also shows the total populations of each group and the rate of applications declined and approved for every 1000 people in each group’s population.

² It was originally planned to highlight particular funding distinctions, like comparing funding allocated to Pacific groups dealing with Pacific people with funding allocated to Pacific groups dealing with others and funds allocated to non-Pacific groups dealing with Pacific people. It was agreed between the Department of Internal Affairs and the researchers that the database was simply not adequate to carry out such an analysis. For example, some so-called non-Pacific groups had Pacific workers who were applying for the funds and, as we have noted, many applications that were stated to benefit “all people” were actually for Pacific groups.

The use of a rate per 1,000 population is common in comparing countries, genders or ethnic groups. It enables groups of differing populations to be compared on the same basis.

Table 2. Numbers of applications approved and declined

Group	Population	Applications Declined	Rate per 1000 population	Applications Approved	Rate per 1000 population
Pacific People	202,233	81	0.401	270	1.335
Non-Pacific	3,511,867	1794	0.511	7891	2.247
Total	3,714,100	1875	0.505	8161	2.197

The figures in column 6 of Table 2, showing the rate of applications approved for every 1000 people in each population, indicate that:

- the rates of decline for Pacific people applicants are slightly less (0.401), but generally on a par with non-Pacific applicants (0.511).
- however, the rates of approval for Pacific people applicants (1.335) are much lower than the rate of approval for non-Pacific applicants (2.247).
- This indicates a noticeable disparity for Pacific Island applicants when compared with the rest of the population.

When a regional analysis is applied to the number of applications, the approvals, the declines, and the actual grants made, variations in the rates become apparent.

Table 3 highlights:

- Pacific groups apply to the Lottery Grants Board for funding less often (1.74 per 1000 population) than non-Pacific groups (2.176 per 1000 population);
- a very high proportion, per head of population, of applications in the Christchurch Region and to a lesser extent in the Wellington Region;
- by contrast, the proportion of applications in both the Waikato and Auckland Regions is low.
- There is a greater regional consistency of applications among the non-Pacific population.

Table 3. Numbers of applications and populations by ethnic group and region

Group	Auckland Regional Council	Waikato Regional Council	Wellington Regional Council	Christchurch Regional Council	Rest of New Zealand ³	Total
<i>Pacific People</i>						
Applications	131	4	104	48	64	351
Population	131,844	9,597	29,280	7,752	23,760	202,233
Applications per 1000 population	0.99	0.42	3.55	6.19	2.69	1.74
<i>Non-Pacific</i>						
Applications	1,393	990	1,193	1,246	4,863	9,685
Population	977,356	348,403	395,620	470,848	1,319,640	3,511,867
Applications per 1000 population	1.43	2.84	3.02	2.65	3.69	2.76

Table 4 shows the raw numbers of applications approved by ethnicity and region, with the populations of Pacific and non-Pacific people in each region. The Waikato Regional Council category has been included despite the fact that they only received two approvals, because the Pacific population of that region was greater than Christchurch.

Table 4. Numbers of applications approved and populations, by ethnic group and region

Group	Auckland Regional Council	Waikato Regional Council	Wellington Regional Council	Christchurch Regional Council	Rest of New Zealand	Total
<i>Pacific People</i>						
Applications	87	2	88	42	51	270
Population	131,844	9,597	29,280	7,752	23,760	202,233
<i>Non-Pacific</i>						
Applications	1,070	816	1,010	959	4,036	7,891
Population	977,356	348,403	395,620	470,848	1,319,640	3,511,867

Table 5 expresses those figures as rates of approval per 1000 members of the population. It shows:

³ This category also includes applications from groups with a national as opposed to a regional constituency. This is likely to distort the “Rest of New Zealand” figures somewhat because of the substantial proportion of the funding allocated to national groups.

- that Pacific people in the Christchurch and Wellington Regions received many more approvals per head of population than people in the Auckland and Waikato Regions;
- that regional approvals were more variable among Pacific applicants than they were among non-Pacific applicants.
- In Christchurch and, to a lesser extent, Wellington, the approval rates for Pacific People are higher than for the non-Pacific group, while
- in Waikato, the approval rate is much lower than that for the non-Pacific group;
- lower approval rates for Pacific People are seen in Waikato, Auckland and the rest of New Zealand.

Table 5. Rates of approval per 1000 members of population by ethnic group and region

Group	Auckland Regional Council	Waikato Regional Council	Wellington Regional Council	Christchurch Regional Council	Rest of New Zealand	Total
Pacific People	0.660	0.208	3.006	5.418	2.147	1.335
Non-Pacific	1.095	2.342	2.553	2.037	3.058	2.247
Total	1.043	2.285	2.584	2.092	3.042	2.197

However, although Christchurch and Wellington have the highest approval rates, the average value of amounts actually granted is highest in Auckland, as shown in Table 6.

Table 6. Average value of amounts granted in dollars by ethnic group and region

Group	Auckland Regional Council	Waikato Regional Council	Wellington Regional Council	Christchurch Regional Council	Rest of New Zealand	Total
	\$	\$	\$	\$	\$	\$
Pacific People	15,600	5,000	7,700	8,100	8,200	10,400
Non-Pacific	20,600	10,900	10,800	19,400	17,800	16,800
Total	20,200	10,900	10,500	18,900	17,700	16,600

Table 6 shows the average value of amounts actually granted to successful applicants by ethnicity and region.

- the average value of grants to Pacific applicants in Auckland was around twice the average value of grants to Pacific applicants in Christchurch and Wellington.
- the Waikato region, which is very low in applications, also received the lowest average grant
- in every region the average grant for non-Pacific people was substantially higher than for Pacific people.
- in Wellington, Christchurch and the rest of New Zealand, the average grant for non-Pacific people was more than twice that for Pacific people

The Dollar Amounts

In Table 7, the values of the applications that were declined, the value of the applications that were approved and the amounts of money actually granted to the approved projects are set out in millions of dollars. After each amount the rate per 1,000 population is set out. The figures in column 8 of Table 7, show the value of applications approved, in millions of dollars, for every 1000 people in each population.

Table 7. Dollar amounts applied for and actually granted, in millions of dollars, by ethnic group

Group	Population	\$m Declined	\$m per 1000 population	\$m Applied for and approved for funding in full or in part	\$m per 1000 population	\$m Actually Granted	\$m per 1000 population
Pacific Island	202,233	2.28	0.0113	7.31	0.0361	2.81	0.0139
Non-Pacific	3,511,867	78.09	0.0222	328.02	0.0934	132.40	0.0377
Total	3,714,100	80.37	0.0216	335.33	0.0903	135.21	0.0364

The table indicates a number of disparities:

- On a population basis Pacific groups apply for less funds than non-Pacific groups (see columns 4 and 6);
- Pacific applicants were granted a little over one third (37%) the amount granted to non-Pacific applicants for every 1000 members of their respective populations.
- When the amounts actually granted are compared with the amounts applied for (both approved and declined), overall, Pacific Island applicants received 29.3% of the total value of their original applications, whereas,
- overall, non-Pacific applicants received 32.7% of the total value of their original applications.

A comparison of columns 3 and 5 of Table 7 shows that for both Pacific people and non-Pacific applicants, the value of applications which were approved for funding (column 5) was greater than the value of applications which were declined (column 3);

- for Pacific people, the value of approved applications was about 3.2 times the value of declined applications, but
- for non-Pacific applicants, the value of approved applications was 4.2 times the value of declined applications;
- the amount actually granted to Pacific people was 1.3 times the value of declined applications, for Pacific People; but
- for non-Pacific applicants, the amount actually granted was 1.7 times the value of declined applications.

Table 8 shows the regional distribution of amounts granted in millions of dollars per 1,000 members of population in the three ethnic groups.

Table 8. Amounts granted, in dollars per 1000 members of population by ethnic group and region

Group	Auckland Regional Council	Waikato Regional Council	Wellington Regional Council	Christchurch Regional Council	Rest of New Zealand	Total
	\$	\$	\$	\$	\$	\$
Pacific Island	10,300	1,400	23,300	44,300	17,500	13,900
Non-Pacific	22,500	25,500	27,500	39,400	54,600	37,700
Total	21,100	24,900	27,200	39,500	53,900	36,400

- In the Waikato region, grants to Pacific People were less than \$1,500 per 1000 members of population.
- in all regions, except Christchurch, non-Pacific applicants received from 1.2 to 18.2 times more per 1000 of their populations, than Pacific People.
- in Christchurch Pacific applicants received 1.1 times more, per 1000 of population, than the non-Pacific population.

Section Summary

- Pacific groups in essence, make substantially fewer applications for smaller amounts of money and gain lower rates of approval than non-Pacific groups.
- The Christchurch and Wellington Regions make substantially more applications and receive substantially more approvals than the Auckland and Waikato Regions.
- A further summary is set out at the beginning of the chapter under “Main points of the analysis” 1 to 9.

Emphases in the Distribution Committees and Funding in Proportion to Population

Emphases in the Distribution Committees

The applications and allocations can also be analysed from the perspective of each distribution committee. Table 9 presents the numbers of applications declined and approved in each distribution committee for Pacific and non-Pacific groups. It also shows the actual values in millions of dollars of approved applications and of grants made by each committee. The Marae Heritage Committee has been included in the tables and the analysis, even though it is specific to Maori applicants, and was only operating for second half of the two years covered by this audit. This is because it is a specific culturally-based fund that enhances Maori access to funding significantly. By contrast, at present, Pacific people have no such fund.

- Table 9 expands on the information given in the totals in Table 7. We know from Table 7 that the rate of dollars per 1,000 population for Pacific people (0.0139) is much less than that for the rest of the population (0.0377).
- This may be explained in part by the fact, that for Pacific people, the majority of applications are to the Youth and Welfare Committees.
- Pacific people were significantly less likely than non-Pacific applicants to apply for funding from the Lottery
 - Aged Committee
 - Community Facilities Committee
 - Environmental and Heritage Committee
 - General Committee and
 - Minister of Internal Affairs Discretionary Fund

This, perhaps, partly reflects the purposes of some of these particular committees, whose various outputs involve funding community of interest providers which are not ethnic-specific. For example, the Community Facilities Committee funds recreational facilities which are usually provided by organisations such as local authorities, schools and sports clubs, which usually represent a geographical area or particular interest group, and are less likely to be ethnic specific than welfare and youth groups. The Environment and Heritage Committee, for its part, awards most of its cultural heritage money to museums which are principally run by local authorities. In the same way, the General Committee funds major facilities, such as stadiums being built by Councils, or Trusts, for the whole community.

However, there is, arguably, a limit to which the distinctive characteristics of Pacific cultures can be maintained in New Zealand through community resources and facilities aimed at the New Zealand cultural mainstream. In view of this, one could argue that Pacific communities are comprised of considerable numbers of elderly people, have their own sports clubs, and need places to express their unique cultural heritages. It is possible that more of these facilities and organisations don't exist because the community lacks the financial resources to create them. These Committee Funds could be used to address such a need.

As noted earlier, the funding allocations of the Health Research and Science Research Committees and the Individuals with Disabilities Sub-Committee were not included in

the data and therefore do not form part of this analysis. However, the allocations of all these committees are relevant to the needs of Pacific people, and could become responsive to Pacific requests if such requests were encouraged and subsequently granted.

In the case of the Health Research Committee, for example, there is a growing group of Pacific people engaging in health research. This is particularly the case with research focusing on the social, cultural and economic factors associated with people's health. Some of this work is funded by the Health Research Council. The Lottery Health Research Committee, however, has tended to favour biomedical research over sociological research.

In the area of scientific research, a growing number of Pacific people are working in the sciences and this should be acknowledged by the Science Research Committee, should this committee continue, through initiatives designed to encourage applications from Pacific scientists.

In the area of disability, there are, undoubtedly, many disabled Pacific people and it is important that they are able to enjoy access to facilities, programmes and care tailored to their physical and cultural needs, in addition to the access they presently have to mainstream facilities.

While these areas have not been able to be included in the financial analysis, they are important and will be the subject of recommendations at the end of this chapter.

Table 9. Numbers and values of applications declined, approved for full or partial funding and value of applications actually granted, in millions of dollars, by ethnicity and granting committee (including funds granted directly by the Minister of Internal Affairs)

Group	Committee	Number requested and approved	Number requested and declined	Value (\$m) of applications requested and approved for funding in full or in part	Value (\$m) of applications actually granted
Pacific	Lottery Aged	17	14	0.350	0.107
Island	Lottery Community Facilities	19	4	1.205	0.499
	Lottery Environment and Heritage	1	1	0.005	0.005
	Lottery General	3	1	1.210	0.530
	Lottery Marae Heritage ⁴	0	0	0.000	0.000
	Lottery Welfare	109	32	2.945	1.072
	Lottery Youth	120	28	1.551	0.580
	Minister of Internal Affairs	1	1	0.025	0.015
	Total	270	81	4.872	2.808
Non					
Pacific	Lottery Aged	769	140	14.450	7.149
	Lottery Community Facilities	1299	221	71.797	24.248
	Lottery Environment and Heritage	600	124	49.276	21.591
	Lottery General	178	115	89.262	36.556
	Lottery Marae Heritage	135	6	6.454	5.025
	Lottery Welfare	2769	472	68.269	25.734
	Lottery Youth	2112	675	27.801	11.632
	Minister of Internal Affairs	29	41	0.706	0.465
	Total	7891	1794	328.015	132.400

Funding in Proportion to Population

It could be argued that a fair and equitable allocation of lottery profits to Pacific groups should be roughly in proportion to their percentage of the New Zealand population. This does not mean that it needs to be exactly in proportion regardless of merit, but that if the system operated effectively for Pacific people, allocations to their groups could be expected to be roughly congruent with their proportion of the population.

However, Pacific New Zealanders comprise 5.5 % of the population, but were only allocated 2.1 % of the funds awarded by the Lottery Grants Board during 1996 to

⁴ As was explained earlier, the Marae Heritage Committee has been included because it is a specific culturally-based fund that enhances Maori access to funding significantly, whereas Pacific people have no such fund at present.

1998. Table 10 has been constructed to compare the amount of money actually received by Pacific People with the amount they would have received, if they had been awarded 5.5 % of the total funds granted by each funding committee.

Specifically, Table 10 shows, by granting committee, the value of all applications approved for full or partial funding and the value of all applications actually granted. The last column, Column 5 shows the amounts of money that would have been received by Pacific People if they had received 5.5 % of the total funding awarded by each committee.

The differences are clear. The figures show that, with funding proportional to population, Pacific Island People would receive, in total, 2.7 times as much they presently do, and they would receive significantly more in each funding committee.

Table 10. Values of actual grants to Pacific Island applicants by awarding committee

Committee	All Funding		Pacific Island Funding	
	Value (\$m) of all applications approved for funding in full or in part	Value (\$m) of all applications actually granted	Value (\$m) of all applications actually granted to Pacific Island groups	Value (\$m) of all applications granted to Pacific Island groups if funding awarded was proportional to population (5.5%)
Lottery Aged	14.557	7.499	0.107	0.412
Lottery Community Facilities	73.002	24.747	0.499	1.361
Lottery Environment and Heritage	49.281	21.596	0.005	1.188
Lottery General	90.472	37.086	0.530	2.040
Lottery Marae Heritage ⁵	6.454	5.025	0	0.276
Lottery Welfare	71.214	26.806	1.072	1.474
Lottery Youth	29.352	12.212	0.580	0.672
Minister of Internal Affairs	0.731	0.480	0.015	0.026
Total	332.887	135.208	2.808	7.450

The amounts by which the projected funding would exceed present funding range from 1.2 times for Lottery Youth funding to 237.6 times for Lottery Environment and Heritage funding. The funding from other committees would exceed present funding by from 1.4 times for Lottery Welfare and 1.7 times for Minister of Internal Affairs, to 3.8 times for Lottery Aged and Lottery General.

Not surprisingly, the committees which Pacific applicants have benefited most from, Lottery Youth and Lottery Welfare, are those they have made the majority of their applications to.

⁵ Please refer to previous footnote.

Table 11 sets out the value of allocations granted, and compares it to that which would have been received had the grants been proportional to population as in Table 10, but this time for the non-Pacific population .

The table shows that if funding was allocated in proportion to population, the non-Pacific population would receive less than they did.

Table 11. Values of actual grants to non-Pacific applicants by awarding committee with potential values of grants to them if they were funded in proportion to their populations

Committee	All Funding		Non-Pacific Island Funding	
	Value (\$m) of all applications approved for funding in full or in part	Value (\$m) of all applications actually granted	Value (\$m) of all applications actually granted to Non-Pacific Island groups	Value (\$m) of all applications granted to Pacific Island groups if funding awarded was proportional to population (94.5%)
Lottery Aged	14.557	7.499	7.149	7.087
Lottery Community Facilities	73.002	24.747	24.248	23.386
Lottery Environment and Heritage	49.281	21.596	21.591	20.408
Lottery General	90.472	37.086	36.556	35.046
Lottery Marae Heritage	6.454	5.025	5.025	4.749
Lottery Welfare	71.214	26.806	25.734	25.332
Lottery Youth	29.352	12.212	11.632	11.540
Minister of Internal Affairs	0.731	0.480	0.465	0.454
Total	332.887	135.208	132.400	127.772

Section Summary

- Pacific people's groups make relatively few applications to committees other than Welfare and Youth committees.
- Pacific people would receive 2.7 times more funding if their funding was proportional to their percentage of the New Zealand population.
- In every distribution committee, Pacific groups received less funding than their proportion of the New Zealand population, while the non-Pacific group consistently received more.

Considerations for Addressing Disparities

1. This review has highlighted a disparity between Pacific People and the rest of the non-Pacific population with regard to the allocation of Lottery Board funds during the financial years to 30 June 1997 and 30 June 1998. It is beyond the scope of

this study to investigate earlier years, but it is highly likely that these disparities have existed in previous years too. The disparity has been illustrated by expressing the amounts awarded to the two broad groupings of Pacific Island and non-Pacific groups on a per 1000 people basis, in order that they may be compared. In other words, in relation to their percentage within the population.

2. There are a number of ways in which the task of removing the disparity may be approached. Most of these will be addressed in the later chapters of this Report, because those chapters will describe the analysis and suggestions of Pacific people in the community and within the Lottery Board staff, Board members and Committee members. They will suggest ways of encouraging more successful applications, more culturally specific practices and good monitoring processes. It is clear from this analysis though, that applications could well be encouraged from a wider range of distribution committees than are currently being applied to and individual applications could be for larger amounts.

Applications to the Aged, Community Facilities, Environmental and Heritage, and General Committees, and the Minister of Internal Affairs discretionary fund, in particular should be encouraged, and their mandates and funding criteria broadened, to enable smaller projects, which are aimed at specific cultural needs, to be funded by them alongside the large scale projects these committees have specialised in funding so far.

3. While it is unlikely that the allocation of funding would be agreed to on the basis of a strict ratio of cultural proportions, the Lottery Grants Board and the public are likely to consider the disproportional funding for Pacific groups as also unacceptable, in view of their commitment as responsible and fair overseers of policy. It could be argued that if the community development and well-being goals of the Board were being met efficiently, the groups most in need in the society, would be benefiting a little more than their proportional numbers in the society.

However, at present most lottery funding committees are required to consider all groups on the same basis. Only the Aged and Welfare committees are mandated to target need. of different applicants. If all funding committees were mandated to target socioeconomic need, it would be possible to set goals that ensure disadvantaged cultural groups receive at least a reasonable proportion of funding that relates to both their population percentage and level of need, without in any way compromising the relative merit of individual applications. If the current system is favouring non-Pacific applicants over Pacific applicants disproportionately on a consistent basis, then fairness requires the system adapt to enable a more equitable approach. The success or failure of that would surely involve among other things, meeting some sort of improved proportional target.

The Crown Law Office has expressed some reservations, however. If the law is considered to be either unclear or inadequate to encourage the sort of equity described here, then the Gaming and Lotteries Act should be amended to enable it.

4. When setting broad proportional targets of this type, organisations can take into account two factors, the group's proportion of the population and their level of need. The following offer three approaches which may be considered:

- Aim for an equal per capita allocation of funds among groups, i.e. in relation to Pacific people's percentage of the population.

- In view of the disadvantage and negative statistics associated with Pacific Island People across the political spectrum, coupled with long-standing under-funding (from a per capita perspective) from the Lottery Grants Board, it is, arguably, not enough to just aim for per capita equity, and a case could be considered for meeting the priority needs of Pacific People by getting greater amounts of community funding to greater numbers of them. As such the Lottery Grants Board could consider aiming to go beyond an equal per capita distribution of funds. This would be carried out with a view to resourcing these communities to gain parity over time.

- An alternative or additional approach could also be taken up. In recognition of previous under-funding, the Lottery Grants Board could go beyond an equal per capita and special need distribution of funds by providing additional “catch up” funding for a period of years, for example 5 to 10 years.

Main Points of the Analysis

1. Pacific groups make substantially fewer applications for Lottery Grants Board funding than non-Pacific groups.
2. The rates of approval for Pacific applicants are much less than the rates of approval for non-Pacific applicants.
3. Many more applications for funding per head of population are made in the Christchurch and Wellington than in Waikato and Auckland.
4. There is a regional variation in the number of applications approved per 1000 Pacific persons. Pacific groups fare best in Christchurch and Wellington and worst in Waikato and Auckland on this basis.
5. The dollar value per 1000 persons of grants to Pacific groups is highest in Christchurch and lowest in Auckland and Waikato.
6. Despite Pacific groups in Auckland having a lower number of applications approved, per 1000 Pacific persons, than Christchurch and Wellington, the average amount received by Auckland applicants was much higher than was received in Wellington and Christchurch.
7. Non-Pacific, groups received a significantly greater percentage of the funds they applied for than did Pacific people.
8. On a population basis, Pacific groups apply for less funds than non-Pacific groups.
9. On a population basis, Pacific groups were granted a little over one third the amounts granted to non-Pacific groups.
10. Pacific people's groups make relatively few applications to committees other than Welfare and Youth committees.
11. Pacific people would receive 2.7 times more funding if their funding was proportional to their percentage of the New Zealand population.
12. In every distribution committee, Pacific groups received less funding than their proportion of the New Zealand population, while the non-Pacific group consistently received more.

Recommendations

On the basis of this analysis of funding patterns, the following initiatives are recommended (recommendation section 3 is also found in Chapter 2, to which it also applies):

1. Implement a promotional and educational strategy designed to encourage and enable Pacific people to apply for funding from all Funding Committees. This strategy will be implemented by:
 - I. Providing, and making widely available, application materials in the Samoan, Niuean, Cook Island, Tongan, Tokelauan, and Fijian languages.
 - II. Providing direct assistance with developing and submitting applications.
 - III. Simplifying the application process through a process of:
 - consultation with the Pacific Island Consultation and Advisory Group (PICAG).
 - IV. Simplifying the language used in application forms
 - in consultation with the Pacific Island Consultation and Advisory Group.
 - V. Holding annual funding clinics with Pacific groups throughout New Zealand, but concentrating
 - particularly on the Auckland and Waikato Regions while
 - further developing them in Wellington, Christchurch and the rest of New Zealand.
 - VI. Providing, and disseminating widely, information materials in the
 - Samoan, Niuean, Cook Island, Tongan, Tokelauan, and Fijian languages, and through Pacific media outlets.
 - VII. Increasing Lottery Grants Board responsiveness to the funding needs of Pacific people by:
 - establishing consultation forums to encourage the voices of Pacific people to inform Lottery Grants Board funding policy and priorities at regional and national levels, and
 - providing Pacific cultural awareness training for all Lottery Grants Board staff and committee members
2. Ensure that funding committee memberships include sufficient Pacific representation to enable the needs of Pacific applicants to be understood and taken seriously by:
 - I. Advising the Minister of Internal Affairs to adopt a transparent method of appointing members of National funding committees by:

- calling for public nominations and appointing members from among those nominated, which is the method already used to appoint regional sub-committee members; and
 - requesting the Minister of Internal Affairs to ensure that the Pacific membership and representation on each committee has the confidence of the Pacific community.
- II. Increase Pacific representation on the Lottery Grants Board and National Committees by:
- advising the Minister of Internal Affairs of the need for this and
 - ensuring that the Government and Opposition have available a list of qualified Pacific people who have been nominated by Pacific groups for service on the Board.
- III. Increase Pacific representation on regional lottery funding committees by:
- ensuring at least one place for a Pacific person on each regional sub-committee and
 - requiring regional sub-committees to convene advisory groups of Pacific people to advise them about the funding needs of Pacific people in their regions and
 - provide assistance in the evaluation of applications either from Pacific people, or from others, for providing services to Pacific people.
- IV. Increase Pacific representation on national and regional Lottery Grants Board staffing:
- to a level that gives the Pacific community confidence that their interests are adequately catered for at all levels of the Lottery Grants Board.
3. Implement a strategy aimed at ensuring that the funding awarded to Pacific people is at least consistent with their representation in the population, but with the goal of funding them at a higher level in order to provide for the particularly high level of deprivation they experience, and catch up for past underfunding. This strategy will be implemented by:
- I. Establishing a specific development fund for Pacific people similar to the Marae Heritage Fund already established for Maori, with substantial Pacific representation on the committee administering this fund.
- II. Setting funding targets or target bands for Pacific groups in each distribution committee. These targets will be determined by:
- the total amount of money available to each committee;
 - the size of the Pacific population the committee services;
 - historical disadvantage;
 - past underfunding; and
 - the need to enable the further development of Pacific provider services.

- III. Establishing national and regional funding policy guidelines, objectives and goals to be implemented by National and Regional Funding Committees. These guidelines will specify:
- the formula to be used by each committee to determine the level of funding to be allocated for Pacific people in New Zealand that ensures they will not continue to be underfunded;
 - the requirements regarding holding funding clinics for Pacific people; and
 - full details of funding policies which are specific to Pacific people;
 - funding Pacific churches on the same basis as Marae through the establishment of a special fund.
- IV. Mandating all funding committees to consider the level of need of applicants (as Lottery Welfare and Lottery Aged can), to enable them to set goals that:
- ensure disadvantaged cultural groups receive at least a reasonable proportion of funding that relates to both their population percentage and level of need, without in any way compromising the relative merit of individual applications.
- V. Funding support services aimed at building and maintaining administrative capacity in Pacific groups.
- VI. Establishing a Provider Development Fund to build the capacity of Pacific communities and groups to
- provide direct social services to Pacific people.
- VII. Establishing outputs for national and regional funding committees, to ensure the achievement of these recommended initiatives, through a process of consultation:
- between the Lottery Grants Board and the National Committees; and
 - between the National Committees and their Regional Committees.
4. Conduct an annual funding audit, as part of the monitoring process, using the proposed new funding database, and covering the following aspects of funding:
- funds requested;
 - applications declined;
 - applications approved;
 - funds granted;
 - regional emphases and differences;
 - distribution committee emphases and differences;
 - the funding rate proportional to population rate; and
 - comparison between Pacific applicants and the rest of the population.
5. Improve the ability of the funding database to capture ethnic data by:
- I. modifying the funding application forms to:

- allow the ethnic or cultural affiliation(s) of applicants to be recorded in addition to the ethnicity of the funding's intended beneficiaries;
 - give a clear indication of the cultural groups which will primarily benefit from the funding of particular projects, by asking an open question inviting applicants to name the cultural group or groups that will primarily benefit from the proposed project; and
 - move the section which asks about ethnic affiliation to the end of the application and make it clear that it does not form part of the application.
6. Amend the Gaming and Lotteries Act to enable any of these recommendations which are not presently permitted by law, or for which the law is unclear, to be implemented.

It is recommended that

1. a two year plan be developed to achieve these goals.
2. the plan and the targets for the achievement of these goals be set by the Lottery Grants Board in full participation with Pacific Island Consultation and Advisory Group.
3. the target numbers or range of numbers under each bullet point be quantified. It is obviously not the place of the authors of this study to set those target numbers or range of numbers.
4. targets be set for achievement within six monthly cycles.
5. their achievement be subject to quantitative measurement six monthly, also, by an independent Pacific led socio-cultural audit organisation.
6. qualitative measurement of the effectiveness of Lottery Grants Board responsiveness to Pacific people, through focus groups, be undertaken annually.
7. the focus group work be undertaken by an independent Pacific led socio-cultural audit organisation.
8. the focus group fono also take place annually with Pacific Island Consultation and Advisory Group and staff along the same lines as occurred in this review and with the same question line

Chapter 4: Focus Group Fono

Summary of Findings

Introduction

The eight focus group discussions with Pacific groups throughout the country provided numerous insights as to the views and perceptions of Pacific people concerning their experience with the Lottery Grants Board. They also offered numerous suggestions and their hopes for the future.

Lottery Grants Board Process

The focus group discussions indicated that the under-representation of Pacific people among applicants has been due, largely, to factors associated with the application process and communication between Pacific people and the Lottery Grants Board. They also noted that Pacific groups often found the funding criteria to be too inflexible to adequately address Pacific need.

- The application process was found to be unduly complicated. The application form was long and complicated, and the English language used was too difficult for those for whom English was a second language. A related problem was the lack of information about the application process and funding available in Pacific languages.
- These problems were compounded by the lack of personal contact between Lottery Grants Board Pacific staff members and Pacific applicants, and the low representation of Pacific people on the staff, Board and Committees. Access to funding would be greatly assisted by substantial Pacific representation on regional and national distribution committees and the Lottery Grants Board itself.
- In the area of culture, the incompatibility of Pacific cultural frameworks and the dominant Palagi cultural framework informing the work and functioning of the Lottery Grants Board, was a significant block to the participation of Pacific people in the funding process. There was a strong call for the Lottery Grants Board to become informed and sensitive concerning Pacific cultures as Pacific people learn more about Lottery Grants Board processes.
- The important contribution that well trained and motivated Pacific staff can make was demonstrated by the success that Pacific applicants in Christchurch and

Wellington have had in obtaining funding from the Lottery Grants Board, relative to those in other parts of the country. Focus group members from Christchurch and Wellington attributed their success to the dedication, helpfulness, and effectiveness of the Pacific, and some Pakeha, Lottery Grants Board staff in their areas. These are isolated examples that highlighted the need for substantial increases in Pacific staff at national and regional levels.

- The incompatibility of some Lottery Grants Board funding criteria and the funding needs of Pacific communities were identified as significant blocks to Pacific groups obtaining fair funding. Related to this was the Lottery Grants Board's low level of understanding of the needs and values of Pacific people in New Zealand.

Direction of Funding

The focus groups recommended that funding for Pacific groups be directed towards funding projects and services in the areas of: community and culture; education and training; employment; health; administration and infrastructure; and housing. Although a number of the recommendations by the focus group participants were related to primary government responsibilities beyond the scope of the Lottery Grants Board, workshops, programmes and innovations in these areas fall within the Lottery Grants Board criteria.

- The need for assistance to enable Pacific groups develop their administrative capacities in order to increase their ability to obtain funding and to directly deliver programmes was strongly emphasised
- In the area of community and culture, the needs to maintain cultural knowledge and familial relationships were stressed and the importance of the core values associated with culture, language and spirituality emphasised.
- Education and training was strongly identified as a critical area of need, with emphasis upon programmes dealing with vocational, cultural, parenting, and management training. The need for education to be undertaken in a culturally friendly environment was stressed.
- The employment needs were considered to be particularly great for males over 40 years of age and all people under 25 years of age. The funding of projects to help people into employment were recommended and the importance of fostering self-employment and business creation was emphasised.
- Health was an area of high need, with the funding of projects and workshops called for to deal with alcohol and drugs, diet, exercise and lifestyle; and mental health and suicide. The need for health research related to Pacific people was emphasised, including research into traditional medicines and healing.
- Relationships between housing conditions and health and education were recognised and the need for assistance with the provision of suitable housing, for families and for the elderly, emphasised.

Introduction

Part of the cultural audit, and key to the development of policy responses, were a series of eight focus group fono convened in Auckland, Wellington and Christchurch. Five of the groups were comprised of members drawn from single island groups, with one focus group for each of Niue, Tokelau, Tonga, Samoa and Cook Islands. One focus group had a mixed Pacific membership which included a Fijian member. One was comprised of Pacific Island Lottery Grants Board staff, and the membership of one was comprised of Pacific Islands Consultation and Advisory Group (PICAG) members.

It must be emphasised that the comments, suggestions and recommendations contained in this analysis of the focus group discussions represent the views of the focus group participants and not those of the authors of this audit. The recommendations of this audit, which follow from the analysis of the focus group discussions, are contained in a separate “recommendations” section at the end of this chapter.

The Focus Groups

Choice and Justification of Method

The focus group method was chosen for this study for three primary reasons. The first was that collective discussion is the natural forum for discourse concerning issues of import within the Pacific context. This is particularly significant in light of the Pacific practice of consensus formation and ideals of solidarity (Goldsmith,1993). Secondly, focus groups allowed for discussion at a more in-depth level than most research techniques allow (Stewart and Shamdasani, 1990). The data and insights gained would have been less accessible without the interaction found in this method of interviewing (Morgan,1989)

Thirdly, the focus group method facilitated systematic comparisons of an individual’s experience with those in their group (Krueger,1988, Morgan, 1989). The group context provided opportunities for clarification of responses, probing of opinions, and follow up-questions (McLennan, 1992), all of which enabled a full discussion of the topic and an airing of the various points of view.

The focus groups were facilitated by a Pacific researcher using questions developed specifically for this audit.

Role of Facilitator

The facilitator's role was to loosely guide discussion, attempting to gather clear and useful responses, while allowing the participants to contribute their ideas and observations. The tasks undertaken by the facilitator were to:

- make clear that she was not committed to a particular position on the questions introduced;
- encourage the divergence of opinion and make clear that there was no pressure to agree or reach consensus;
- ask open-ended questions;
- actively ensure an equal opportunity of participation;
- make use of probes and pauses to encourage participants to elaborate on initial comments;
- summarise significant points for clarification and agreement on the points made.

Preparation of Information for Focus Groups

A collection of material under the title *Face to Face* was prepared for the focus group participants to provide a context and background information for their discussion. This information covered the historical background to the migration of Pacific people to New Zealand and demographic, economic and social characteristics of New Zealand's Pacific population. Information was included about the work and structure of the Lottery Grants Board; the legal relationship between government departments and Pacific people, and the pattern of financial allocations to Pacific people.

Participants

As outlined above, the non-staff and non-Pacific Island Consultation and Advisory Group focus groups were comprised of members from Niue, Tokelau, Tonga, Samoa and Cook Islands. The organisations they represented were involved in providing a variety of services which are listed below.

- alcohol and drugs programmes; anger control and management; arts and crafts; Bible studies and translation; budgeting; cooking; counselling and therapy; cultural activities; elderly care; food banks; furniture banks; general information and advice services; health education and referral; health referral; homework and life skills programmes; housing assistance and advocacy; immigration advice; language programmes; legal advice and services; life skills; parenting programmes; pre-schools; residential care; sports and exercise; supporting families and family group counselling; violence prevention; violence, domestic; weaving; women's and men's health; youth groups.

Structure of Questions

Each focus group followed a question line which covered the following themes:

1. Services provided by participants
2. Needs of participants' communities
3. Projects that would satisfy those needs
4. Types of Lottery Grants Board assistance that would satisfy those needs
5. Blocks in the present Lottery Grants Board structures, policies and processes that prevent the Lottery Grants Board meeting the needs
6. The sort of plan members would develop for the Lottery Grants Board to be able to meet their communities' needs
7. The sorts of communication that would enable the Lottery committees to work effectively with Pacific applicants
8. Core values and principles upon which Pacific funding decisions should be based
9. Pacific indicators of Lottery Grants Board responsiveness

Analysis

Focus group discussions were audio recorded, the recordings were transcribed and the transcripts entered into a database for analysis. Analysis followed a thematic approach involving the identification of themes within the transcripts and recoding within those themes to identify sub-themes. In the process of this ongoing reading and coding, a cross-sectional and hierarchical picture of the material was developed.

The focus group discussions were approximately equally divided between addressing the areas of addressing lottery process and direction of funding. The analysis produced fifteen sub-themes, six of which were concerned with the direction of funding and nine of which were concerned with lottery process. The sub-themes are listed below under the areas with which they are concerned.

Lottery Grants Board Process

1. Funding
2. Application process
3. Services and support
4. Aspects of the Lottery Grants Board's operations that are working well
5. Role of the Lottery Grants Board and its need to change and adapt
6. Communication and information
7. Representation and advocacy
8. Conflicting value systems
9. Indicators of Lottery Grants Board responsiveness to Pacific applicants

Direction of Funding

1. Community and culture
2. Education and training
3. Employment
4. Health
5. Administration and infrastructure
6. Housing

The findings from the Focus Group Interviews

The findings from the focus group interviews are presented in two sections, Lottery Grants Board Process and Direction of Funding, and discussed under the sub-theme headings listed above, rather than under the initial question line themes. The findings have been presented in this way because the sub-themes ran through all of the question line theme discussions, and to have discussed the sub-themes under each question line theme would have fragmented them. By presenting them in this way, they are kept together and discussed in relation to the question line theme discussions which gave rise to them. The findings are accompanied by direct, illustrative quotes from the transcribed discussions, presented in italic type. An “M#” preceding a quote indicates a focus group member speaking, while an “F#” indicates the facilitator speaking.

Lottery Grants Board Process

Funding Emphases

The blocks identified in the area of funding related to the difficulty Pacific applicants clearly had in obtaining sufficient and equitable funding. Specific blocks referred to covered:

- inadequate information about funding being available;
- insufficient numbers of Pacific representation on Lottery Grants Board staff:

M# ... I think some of the blocks are about not having a rep on the Board and also we need more PI staff in that area. (Wellington Cook Islands)

- insufficient funds being allocated to Pacific applicants:

M# You talk about why is the current practice of the Lottery Board so divisive, well it is because from the start there is not enough to go round. So therefore you design certain mechanisms[to be] put in place, and put criterias so that there is very few that can come through those criterias, so that is why it is very competitive. (Auckland Samoan)

- unavailability of on-going funding, which is essential for Pacific people working in non-traditional funding areas:

M# ... ongoing funding is a must for Pacific Island people because voluntary work is nothing new to Pacific Island people, we do things within our own families, extended families in our villages, so it is nothing new, but when there is drug and alcohol, when there is health, when there is unemployment all in that basket, who suffers most, Pacific Island people. Because nobody give a damn about what happens to them, we're only numbers when it comes to those people up there. (Christchurch mixed Pacific Island)

The following suggestions were made to allow Lottery Grants Board funding to better meet the needs of Pacific applicants:

- provide ongoing funding over a number of years, rather than year by year;
- make Pacific people a priority funding area:

F# To actually identify that as our, as our priority as Pacific groups?

M# Yeah, I don't think they even see us and a disadvantaged community, you know, for their funding programme.

F# Really, excuse me, really?

M# Yeah, I think it is something they need to be, sort of ... given quite a bit of detail about, you know, the different stage of development PI communities are, and following on from that, how we are disadvantaged in terms of location of money's and whatnot and, you know, in light of some of those things. That is just my own opinion out of it. (Staff)

- provide funding for rent and power:

F# So you are wanting them to open the grant up?

M# I feel it could be opened up for the money for rent, power (Auckland Samoan)

- fund projects to meet regional needs:

M# That they can fund projects for Pacific peoples responding to issues on a regional basis, whether that is employment related, like on a regional basis how do you provide accounting support, how can you feed into self employment projects and how on a regional basis we can have funded, like Pacific Housing Networks to address housing needs for Pacific peoples. (PICAG)

- fund more than one salary per applicant group:

M# ... they won't pay salaries because they only pay salaries to one person to one organisation, we have got 10 in our organisation and run different services so, yes we want more than one salary paid to each group, be available to each group and for the full year. (Auckland Samoan)

- support programmes for Pacific youth
- make funding criteria more open or flexible
- the provision of funding to churches for their community programmes
- the provision of bulk funding for different Pacific communities

There was a feeling that Pacific people missed out on funding from the Welfare Committee because there were other sources of welfare funding, but that those other sources did not fund them because of the availability of Lottery Grants Board funds.

To counter some of these blocks it was suggested that funding clinics be run for and by Pacific people, and that developmental funding be allocated to allow Pacific people to get up to speed with the application process and provide direct services to their people in a range of cultural, economic, educational and health areas.

M# I think there's also no focus on the developmental aspect which is quite huge with PI groups, in the sense, they're coming, not actually ready for funding, so there's not even a commitment, I suppose is a word to just put funding into developing these first, because a lot of time they come through the funding system and they fail, because their systems... just simple things like admin, financial systems are not up to scratch, so I feel that the problem is really, there is no focus on developmental, not just to get to the funding stage, where they're able to be fundable, but actually for PI groups and PI people to actually gain those skills for which can be life skills and job skills. (Staff)

Application Process

The application process was identified as a major barrier to Pacific participation in the Lottery Grants Board funding process. It was unanimously agreed that the length of the application form and complexity of its language discouraged Pacific applicants.

M# Probably that is a difficulty in three ways, understanding the language, understanding the accountants' language, and understanding the intentions of the questions, in terms of giving the answer that would be acceptable. Probably those three main things that the form is too complicated to understand, you didn't quite know what the intention of the questions was, and the other issues of the accounting, you know, there are questions that probably you never know the answer to the number one question might be repeated in a different way, see people's intent. (Wellington Tokelauan)

M# The application forms are difficult for us to understand, even the well educated people you still don't know what is meant. I have my own interpretation of what I have, but it is entirely different from how the government interprets them, so I would recommend that this should be clearly defined. Make it easier for people to understand, especially our Pacific Island people. (Auckland Samoan)

M# Applications too long, no islanders, I have already put that to our funding board, why can't you employ Niue persons and paid by Lottery Board to do the work for Niue's, Tongans for Tonga, Samoa for Samoa, Cook Island. (Auckland Niuean)

It was recommended that the Lottery Grants Board could assist greatly by simplifying the English language used in the form, providing the form in Pacific languages, providing for oral applications and providing a research and support team to assist Pacific applicants.

Services and Support

The provision of resource and information centres which could mediate between Pacific applicants and the Lottery Grants Board was suggested. It was noted that Pacific groups often found it more comfortable to use their own resources, despite the low incomes in their communities, than to go through an application process which was foreign to them. The need for services in the following areas was identified:

- community support;
- educational support;
- youth programmes;
- social support;
- health support;
- transport;
- consumer support and mentoring;
- resource and information centres;
- community transport;
- cultural services;
- immigration services.

It was emphasised that services must be based upon Pacific cultural frameworks. The importance of transport funding was emphasised and it was urged that it be retained.

Aspects of the Lottery Grants Board's Operations that are Working Well

Focus group participants stated that the Lottery Grants Board had made some successful attempts to encourage Pacific applications. The value of Pacific funding clinics set up by Pacific workers from the Lottery Grants Board, was clearly acknowledged, and those who had attended them considered that more of them should be held. Funding clinics were considered to be important factors in the success that Pacific applicants in Christchurch and Wellington had in obtaining funding from the Lottery Grants Board.

They noted the important contribution that well trained and motivated Pacific staff can make was demonstrated by the success that Pacific applicants have had in Christchurch and Wellington in obtaining funding from the Lottery Grants Board, relative to those in other parts of the country. Focus group members from Christchurch and Wellington attributed that success to the dedication, helpfulness, and effectiveness of the Pacific Lottery Grants Board staff in their areas. They also noted

that Pakeha staff who went out of their way to help Pacific applicants were appreciated.

Role of Lottery Grants Board and its Need to Change and Adapt

The largest single source of perceived blocks to the Lottery Grants Board meeting the needs of Pacific applicants was in areas associated with the operation and policies of the Lottery Grants Board. These were considered to be based on Palagi culture and to not fit Pacific needs. Lottery Grants Board staff were considered to lack knowledge or understanding of Pacific needs and cultural nuances. It was for this reason that participants considered it so essential that Pacific people be better represented on the Board, funding committees and staff of the Lottery Grants Board, as this would ensure that their needs and concerns were better understood by the Lottery Grants Board.

M# ... But looking at the Christchurch office so much responsibility and so much has been put on [name] to look after the Pacific Island community and the staff in Internal Affairs just naturally put it upon [name] to do it because she is PI. But she is required to work generically, so it sort of goes right back to committee representation of our people, staffing representation and then, I mean if we have more people on staff and more people on committees, then perhaps the processes wouldn't be so bad because then our people could fill in the applications, but they would have those people, those resources to go to in order to get that sort of access for what they require. (Christchurch Pacific Island)

It was also considered important that the Lottery Grants Board become aware of the socioeconomic and changing demographic characteristics of the Pacific population in relation to the funding committees. For example, the focus groups identified specific areas of need in relation to the Lottery Aged, Lottery Welfare, Lottery Health Research and Lottery Youth Funding Committees.

The needs of elderly Pacific people were regularly mentioned in relation to the provision of services, and the elderly were clearly regarded as crucial components of communities for their knowledge and wisdom. It was emphasised that there was a need for funding for Pacific people from Lottery Aged, particularly in the areas of transport and enabling them to participate fully in community life. This need will increase as the Pacific population ages. As indicated in the literature review, the number of Pacific people aged over 65 is projected to increase from 6,000 in 1996, to 66,000 by the year 2051 (Cook, 1999).

The economic and social restructuring which has taken place in New Zealand since 1984 has impacted heavily upon Pacific people and seriously undermined their economic and social well-being. In view of this, focus group participants noted that Pacific people have particular needs that qualify them for funding assistance from the Lottery Welfare committee.

In relation to the Lottery Health Research committee, the health statistics for Pacific people in New Zealand are not good and the health status of Pacific people is poor

compared to most other ethnic groups in New Zealand, except Maori. For this reason it was considered desirable that research be carried out into the health of Pacific people in New Zealand, with an emphasis upon investigating the socio-economic and socio-cultural determinants of health and illness.

The youthfulness of the Pacific population and its projected growth, which have been detailed in the literature review, make it clear that the Lottery Youth committee is very relevant for the Pacific population. The number of Pacific children is projected to almost double by 2051, when they will make up 20% of all New Zealand children compared with 10% in 1996. (Cook, 1999). The need for assistance to be directed to young people in the areas of education, training, employment, and cultural development was clearly identified by the focus groups as being very relevant to the aims of the Lottery Youth committee.

Communication and Information

Closely related to the application process were general issues of communication and dissemination of information between the Lottery Grants Board and Pacific groups. It was emphasised that the Lottery Grants Board should actively consult with Pacific communities, and enable them to become well informed and increase their knowledge of Lottery Grants Board services and funding criteria. It would be desirable that this exchange of information be carried out in Pacific languages.

M# I would like the Lottery Grants [staff] to come and visit us, so we are not working for nothing.

M# They [lottery staff] could come and talk to us and tell us what they are doing, more information to the community and tell us their structure.

M# Communication would be best as one to one or group consultations, either in your own language or ...

M# We need both. (Wellington Cook Islands)

To facilitate and improve communication between the Lottery Grants Board and Pacific groups, the Lottery Grants Board should: carry out effective advertising of its funding criteria and processes in mainstream and Pacific Island media; facilitate face to face communication between itself and Pacific applicants; use Pacific staff to liaise with Pacific groups and communicate to Pacific People in their own languages.

M# ... Also the promotion of such [Lottery Grants Board funding procedures] into the community needs to be, you know they can recommend their own language as such so that they are more accessible not only to the young people, and resources, but as being the main resource that they get that kind of help. I think it's here, I think the Pacific Island community has been, and the Lottery Board has been trying to promote the Lottery Board, to the Pacific Island community, to get everyone in the community to apply for funding. But a number of people get overlooked, but a number of people get

funding too. That means there is a need in the Lottery Board that needs to be assessed, perhaps PICAG could be able to identify that and put it into action.
(Christchurch Pacific Island)

Pacific applicants who had been unsuccessful often felt that the responses they received from the lottery committees did not reflect the amount of effort their applications had required.

Representation and Advocacy

The low representation of Pacific people on the staff, Board and funding committees of the Lottery Grants Board was seen as a significant block to Pacific applicants. The importance of Pacific people being represented throughout the Lottery Grants Board funding structure was stressed, as well as the need to have Pacific liaison people to maintain good contact between the Lottery Grants Board and Pacific groups.

M# The Lottery Board has been very good to us, and it needs to have a Pacific Island people, as has been said to be represented in each centre, main centres. Also in order to do that we have to have some Pacific Island people on the committee around the centres as well that can be contacted with the Lottery Board and to help our own people. If they could be able to translate, for our people in the community. Also the promotion of such [information] into the community needs to be, you know they can recommend [in] their own language as such so that they are more accessible not only to the young people, and resources, but as being the main resource that they get that kind of help. (Christchurch Pacific Island)

It was considered essential that Pacific people at the grass roots be able to define their needs themselves.

Conflicting Value Systems

The differences between Pacific cultures and the dominant Palagi culture informing the operation and functioning of the Lottery Grants Board were often commented on. One crucial difference identified was the contrast between the fragmentation of people and their needs by Lottery Grants Board funding criteria and the holistic view of people and their needs characteristic of Pacific cultural frameworks. It was emphasised that the Lottery Grants Board needed to adopt a more holistic approach to its funding categories, with services based upon the whole self, and greater flexibility in applying them.

M# Basically, the way that it is currently structure is, that we are slotted into boxes again, where as in fact it is contrary to the way our structure actually is. Within our Cook Island community we are a whole, with your children,

young people, parents and older people. That is the way that we view our community and the way that it operates, and operates effectively and should operate effectively, whereas in fact when we come to resourcing of that whole, we are expected to say we will only look at youth, we will only look at elders, we will only look at facilities, it is not encompassed as a whole thing, this is actually the way that our community operated respectively. Which happens across the board and I kind of thought that it was Lottery staff job to go through and say you can apply for this bit from here and that bit from there, I know that maybe you can go to CFA for this and that is a huge undertaking. (PICAG)

Pacific Indicators of Lottery Grants Board Responsiveness

An important part of the focus group process was to contribute to the identification and development of indicators of Lottery Grants Board responsiveness to the needs of Pacific applicants. The following indicators of Lottery Grants Board responsiveness to Pacific applicants were suggested during the focus group process.

Funding

- the provision of effective funding information by the Lottery Grants Board
- the provision of Pacific funding clinics
- increasing the funding pool
- the provision of ongoing funding for different Pacific communities
- the provision of funding to churches for their community programmes

Application process

- simplified application forms
- applications able to be made in Pacific languages
- an increase in numbers of Pacific applications to Lottery Grants Board
- an application process that includes oral and face to face applications

Community and culture

- positive feedback from the community through funding clinics
- evidence of Lottery Grants Board respect for Pacific cultures
- evidence that Lottery Grants Board structures and criteria lead to the building of families
- evidence that Lottery Grants Board policies and criteria lead to cultural self-determination for Pacific communities

Role of the Lottery Grants Board and its need to change and adapt

- the Lottery Grants Board being clearly accountable to the Pacific communities
- the Lottery Grants Board keeping Pacific people informed of policy and changes to policy
- the Lottery Grants Board making a demonstrable effort to understand Pacific people's needs and characteristics
- the Lottery Grants Board respond to population growth and changing demographics of Pacific people

- levels of Pacific staff within the Lottery Grants Board

Indicators and accountability

- Pacific specification and ownership of programmes and indicators
- an informed response from the Lottery Grants Board to applicants, whether or not the application is approved
- positive feedback from the community through funding clinics;
- evidence of Lottery Grants Board respect and inclusion of Pacific cultures;
- evidence that Lottery Grants Board structures and criteria lead to the building of families and communities
- evidence that Lottery Grants Board policies and criteria lead to cultural self-determination for Pacific communities
- evidence that Lottery Grants Board policies and criteria enable funding which makes a difference to specific target areas such as youth and unemployment

Representation and advocacy

- substantial increase in Pacific staffing levels at national and regional levels
- representation on the Lottery Grants Board
- representation on national and regional distribution committees

Administration and infrastructure

- evidence that the Lottery Grants Board funds Pacific organisations and the Pacific Voluntary Sector to build a strong administration infrastructures.

The question of monitoring the indicators was discussed, but without resolving clearly who should do that, although a system of external auditing was suggested.

Direction of Funding

Community and Culture

The needs in this area were usually discussed in the context of maintaining community structures and relationships within the social, cultural and economic pressures of the New Zealand environment. The issues discussed covered:

- the support and understanding of children;
- maintaining cultural and language skills;
- maintaining intergenerational dialogue and relationships:

M# I'd like to see some funding for some clinics or some other types of workshops for young people, NZ born Pacific Islanders. Workshops set up and funded to motivate the younger people from 25 and under to do what they want to do. And also bring in a cultural aspect like language because I feel that my generation has lost the language. And the language is the essence of the culture. We didn't get taught it and the majority of my friends never did either. Also I'd like to see more clinics made for Pacific Island people, young people to do with goal setting, because we've lost the focus, we've got no focus 'cause we have no future, because we don't really have a background. We don't have a history. We don't feel we do, because of being NZ born. To be recognised, that is how I feel. (Christchurch Pacific Island)

- maintaining community integrity;
- supporting the elderly in their social activities;
- meeting the needs of New Zealand born Pacific people;
- participation of Pacific women;
- domestic violence;
- motivation and support of youth.

Another problem associated with adjusting to living in New Zealand concerned moving from operating within a family framework to a community framework in New Zealand, where the people with whom one most closely associated and cooperated were not necessarily close family members.

M# I think one of the problems that Tongan people were faced with when they first came to NZ, was being in a community was a new concept. In the islands we go to the fono, but coming to a different culture, we didn't adopt that culture, this is a foreign country we must keep to ourselves and we only go to church and meet other Tongans, or go to the dance or..... Until such a time that the demands from the palagi, you know, who is running the Tongan community. Asking what do you mean Tongan community, that concept in our people [?] oh, here is people asking about a Tongan community, we haven't got one lets form one, see. It is a new thing for the Tongans. (Auckland Tongan)

Core Values

Participants identified a number of values and attributes as core values and principles upon which funding decisions should be made. The values held by Pacific people emanate from Pacific conceptions such as, the self is a relational self, symbolised by the relationship of the self to the land and seas, and to the past and the future through genealogies. The major areas of values identified were related to language and culture, the church, community, and the family. Each of these areas is outlined below.

- It was considered essential that the diversity of Pacific Nations cultures and languages be maintained and reproduced in New Zealand, and that this should be recognised in the Lottery Grants Board funding process. Particular issues needing to be addressed in maintaining Pacific Nations cultures concern maintaining respect for elders and dealing with acculturation issues for Pacific people in New Zealand, and in particular those born in New Zealand.
- Christianity and the Church were identified as the bases of identity and community life and spirituality was strongly identified as a core attribute underlying Pacific people's values. It was argued that churches should be treated like Marae for the purposes of Lottery Grants Board funding because of their central place in community life.
- A strong sense of community emerged from the discussions. This sense of community was underscored by a sense of connectedness between community members, and an ethic of sharing with no one being left out. The need for community development based upon community members working cooperatively for the benefit of the community was stressed.
- The family was identified as a central institution and the close knittedness of the Pacific family was emphasised. The role of the family in loving and caring for the young was crucial to the maintenance of the family and wider community, and for this reason it was important that the Lottery Grants Board fund programmes aimed at strengthening both the community and family.

Projects which the Lottery Grants Board could support to strengthen community and culture were suggested in the following areas by participants:

- building cultural awareness:

M#... And I think that in terms of cultural things that we are talking about, I think that they have a role in putting in resources to support our communities as well as organisations into developing things about our culture. Because often I think that when our groups actually apply, from my experience anyway it is often has to agree whether it is our young people that are going amuck or whether it is an issue to doing with domestic violence and families we often apply to that, but in terms of supporting things that will help me as a woman, my children as young people born in NZ to learn more and to deepen their understanding of who they are as Cook Island people, young people, I think that is also an area that Lotteries can play too because to me there is a lot of negativism about who we are, particularly amongst our young people and I know this particularly among our Cook Island young people. And in terms of actually bridging the gap about who they are as

Pacific people and who they are as young people growing up in this society, I think that Lotteries could put resources into that areas, into helping bridge that gap between who you are as a Cook Island young person and the environment you are growing up in. And I think that is a celebration, a celebration about who we are as people, but also areas that Lotteries can support. (PICAG)

- caring for the elderly and

M# It is not in our nature to palm off our elderly to rest homes. So if we go to work and leave them at home on their own they are better off being in that caring environment where they can all walk around have a chat and be together. It is not our nature to send our people off. (PICAG)

- maintaining extended families:

M# You know how Pacific Island wanted to stay together in ... families, this is exactly the same reason why Pacific Islanders are looking after their senior citizens, their older folk. I can see other families are trying to because they are not able to cope with the fact of financial, the older folk, something like a rest home, but they're either in terms of respect for their care and attention when they were young, they want to return the favour. [name], the way that they want to look after their older folks, this is what I think is an area where we need some form of assistance if we are able to put all our ethnic group in one particular area where they can work and they are more conversant to each other about ... our own type of people, I think it will prolong their life span, I'm sure.

- strengthening families:

M# ... As a Pacific Island family we need to build the family up, bring them together and counsel both of them, but it seems to me the systems don't want our families to be together. Don't go near her or what, what, what. Instead of fixing the problem. They are breaking up the family. Especially with our kids involved so that is my problem with the family court at the moment is to, for those protection orders is not properly, it is not appropriate for our culture. (PICAG)

- fostering intergenerational understanding:

M# About ten years ago, I actually challenged my parents, who are probably the oldest Samoan in my area, and I challenged them about my identity and they rang up the minister, brought him round and made me, and there was two aunties and uncles my parents and the minister, and they actually made me, they said come on then, do what you want to do and I really felt intimidated but at the end of the meeting, they actually understood what I was trying to say to them from the NZ born perspective, and I don't go to church. My parents go to church, I don't and because I still, I'm trying to deal with the fact that the church is part of the colonisation process for me and I have yet to come to terms with that and so they were also saying, you

have to go to church, you have to go and pray, well now that has gone, and mainly as time goes by I'm coming to deal with that but it has taken almost 10 years for that process. I know what they are going through (Christchurch Pacific Island).

- funding language groups:

M# Our people for years and years, our people have been trying to apply for funding so that we can set up language groups, become licensed and what nearly two years now. And a lot of our people are actually working in those areas, aren't getting any money, so if we can get some kind of assistance, we can provide employment for our people. (Wellington Tokelauan)

The area of community and culture was linked to a number of suggested indicators of Lottery Grants Board responsiveness to Pacific people, which covered:

- positive feedback from the community through funding clinics;
- evidence of Lottery Grants Board respect for PI cultures;
- evidence that Lottery Grants Board structures and criteria lead to the building of families;
- evidence that Lottery Grants Board policies and criteria lead to cultural self-determination for PI communities;
- evidence that Lottery Grants Board policies and criteria enable funding which makes a difference to specific target areas such as youth and unemployment.

Education and Training:

Education and training was strongly identified by all groups as a critical area of need. The specific areas of education and training identified by participants covered:

- art:

M# ... Project funding for training and workshops, I feel in this workshop, management skills come in and then health and there's employment, training and all that. Art and so forth. (Wellington Cook Island)

- communication skills;
- DIY maintenance and manufacturing:

M# ... I'd like to see an ongoing workshop for Pacific Islanders or Tokelauans, how to look after their cars. And you know, how to maintain their cars, how to do panel beating for their cars, that's an example... Our people are very creative and I would like to see that, this is an example is someone from the various professions or whatever, to come down and run a workshop on how to start your own vegetable garden, cause this is a New Zealand thing, how to start, what time of day, the times for.. looking at planting your own vegetables for example. (Wellington Tokelauan)

- early childhood:

M# ... we are struggling in early childhood, especially the Pacific Island one, in funding because very few of our centres are licensed, why there is not enough funding is because you have to come up with the criteria to meet the charting of your group, you won't get that until your centre is licensed... (Wellington Cook Island)

- education support;
- employment:

M# I think a lot of the people in our group, they worked in our kitchens and the railways, you know, a lot of them were made redundant and they haven't gone on from there, haven't be able to move on. (Wellington Tokelauan)

- getting out of dependency;
- learning the New Zealand system and life skills;
- maintaining cultural identity;
- management;
- parenting skills;
- study/homework centres;
- traditional culture and crafts:

M# While you're touching on the NZ born Samoans, I am thinking in terms of the mature Samoan people that are here, and I can actually see, take this institute for instance, there would be a lot of areas where they can actually develop programmes like, thinking in terms of the Falelalaga. That is an art, that is really not practised in NZ you know the weaving and I would like to see, say for instance this church, and also with the council of Samoan women to actually bring some of those on board and start looking at developing some of those programmes (Auckland Samoan).

- training for community youth workers;
- vocational skills.

The need for funding to enable people to participate in training and education programmes was emphasised.

While mainstream education was considered important for employment and participation in New Zealand life, considerable emphasis was placed upon the role of education and training in maintaining the varieties of Pacific cultural identity represented in the focus groups.

The need for education to be undertaken in a culturally friendly environment was stressed, as was the need for the learning styles of Pacific people to be identified and recognised. Assistance was called for to fund workshops aimed at the motivation of young people and teaching them language and culture. Any Plan should include

funding for developmental education and capacity building for Pacific groups and training in cultural awareness.

Employment:

The employment needs of Pacific people in New Zealand were seen to be particularly high for males over 40 years of age and for people under 25 years of age.

F# So you see that the need, this high level of unemployment amongst, what age groups?

M# Under twenty five.

F# Men and Women?

M# Yes [general agreement], and then that would go hand in hand with health, so it is education, employment and health the one purpose. (Christchurch Pacific Island)

M# It is our male, talking about 40 years and over, and I'm thinking about there are a large number of our community were employed and a lot of them were over age bracket. I am speaking from Porirua now. And I know that with the Cook Island community a large number of groups are still needing employment. (PICAG)

The high rates of unemployment for Pacific people were recognised and of concern. The need for projects in the following areas was identified:

- assisting the unemployed to gain employment;
- projects fostering business creation;
- increased funding for the community employment group.⁶

F# ... So when you were talking about upskilling are there any specific areas that you could see as possibility for the upskilling of people?

M# Without generalising, I think labour type skills, instead of just coming in at entry level, giving people opportunities to upskill, create, you know, make them go on to the next level. Instead of always being down there at the bottom. I think it obviously increases self esteem and things in people personally as well. (Wellington Tokelauan)

Health

Specific areas of need identified by the focus groups covered: alcohol and drugs; diet; exercise and lifestyle; mental health and suicide. More projects and workshops

⁶ This is part of WINZ and not a target for lottery funding.

dealing with these areas of need were called for. In connection with funding for alcohol and drug programmes, it was suggested that this be available for welfare projects, as well as mental health projects.

M# Can I just add mental health in health, mental health I mean it is an issue for our Cook Island community, and suicide... (PICAG)

It was recommended that Lottery research funding be allocated for research into the health of Pacific people and into traditional Pacific medicine and healing. The need to apply appropriate health models to any consideration of the health of Pacific people was emphasised.

M# It is not so much the policies more on the process. Say for health, how do you define health is it from the medical model or is it from the cultural model or is it from what the Pakeha model and when it comes under health, we are not really sure where the women or the children feature. Whether it is to do with disabilities, or to do with domestic violence, it is just to do with kidney failure problems, dialysis, pregnancies etc. How do you define health for the Pacific Island people and who decides. (Auckland Samoan)

The high costs of doctors and counsellors were identified as barriers to Pacific people obtaining medical treatment.

M# More counseling, health, health subsidies, they also need lower costs to see a doctor. Just because you do not have a community card doesn't necessarily mean that you can afford to go and see a doctor. Things like dental visits, because a lot of our people do not access dentists because of the expense. It is really good that we have free cervical smear things, a long time coming anyway. But the doctors visits etc. these other things that our people need. (Auckland Samoan)

Administration and Infrastructure

The discussion around this area was largely concerned with the need for Pacific groups to have physical facilities to support their activities and programmes. There was considered to be a need for funding levels to be higher and for funding to be provided on an ongoing or longer term basis than at present. It was suggested that such funding could provide employment for some of those currently unemployed. It was strongly argued that facilities linked to churches should also be funded by Lottery Grants Board because of the close relationship between community and church.

Projects were suggested aimed at fostering administrative development and support and; the provision of community facilities, such as buildings, other than churches. Administrative development and physical facilities were considered to be areas for which funding should be planned because Pacific groups need assistance to sustain their administrations.

M# ... I would like to see ongoing funding for our groups, it is very easy for our groups to get kick start money to start something up and get it going, but after two or three years it is extremely difficult to keep the engine room going, i.e. the administration part, where everything has got to come out for your accountability. (Christchurch Pacific Island)

Housing

The discussion in this area noted the links between housing conditions and health and education, and emphasised the need for projects which would assist people to own their homes, and provide housing and associated community facilities for the elderly.

M# In terms of housing, it's a complex issue the housing problems, but umm, I don't know how we're going to, I don't know how we're going to fix that, because like, why do our people live in damp houses. Substandard housing, especially in the Porirua area. Which not only sort of have an impact on their health, it has an impact on education like, you know, living in overcrowded situation, the amount of people living in a three bedrooms, and of course you've got to have children not being able to sleep properly. They turn up at school tired, because of lack of bedrooms, so I'm not really sure how they are going to address the issue...(Wellington Tokelauan)

Funding was recommended for Pacific housing networks to investigate and advocate for Pacific housing needs, including those associated with the cost, design and ownership of housing.

Summary

Lottery Grants Board Process

The focus group discussions indicate that the under-representation of Pacific people among applicants has been due, largely, to factors associated with the application process and communication between Pacific people and the Lottery Grants Board. They also noted that Pacific groups often found the funding criteria to be too inflexible to adequately address Pacific need.

- The application process was found to be unduly complicated. The application form was long and complicated, and the English language used was too difficult for those for whom English was a second language. A related problem was the lack of information about the application process and funding available in Pacific languages.
- These problems were compounded by the lack of personal contact between Lottery Grants Board Pacific staff members and Pacific applicants, and the low representation of Pacific people on the staff, Board and Committees. Access to

funding would be greatly assisted by substantial Pacific representation on regional and national distribution committees and the Lottery Grants Board itself.

- In the area of culture, the incompatibility of Pacific cultural frameworks and the dominant Palagi cultural framework informing the work and functioning of the Lottery Grants Board, was a significant block to the participation of Pacific people in the funding process. There was a strong call for the Lottery Grants Board to become informed and sensitive concerning Pacific cultures as Pacific people learn more about Lottery Grants Board processes.
- The important contribution that well trained and motivated Pacific staff can make was demonstrated by the success that Pacific applicants in Christchurch and Wellington have had in obtaining funding from the Lottery Grants Board, relative to those in other parts of the country. Focus group members from Christchurch and Wellington attributed their success to the dedication, helpfulness, and effectiveness of the Pacific, and some Pakeha, Lottery Grants Board staff in their areas. These are isolated examples that highlighted the need for substantial increases in Pacific staff at national and regional levels.
- The incompatibility of some Lottery Grants Board funding criteria and the funding needs of Pacific communities were identified as significant blocks to Pacific groups obtaining fair funding. Related to this was the Lottery Grants Board's low level of understanding of the needs and values of Pacific people in New Zealand.

Direction of Funding

The focus groups recommended that funding for Pacific groups be directed towards funding projects and services in the areas of: community and culture; education and training; employment; health; administration and infrastructure; and housing.

- The need for assistance to enable Pacific groups develop their administrative capacities in order to increase their ability to obtain funding and to directly deliver programmes was strongly emphasised
- In the area of community and culture, the needs to maintain cultural knowledge and familial relationships were stressed and the importance of the core values associated with culture, language and spirituality emphasised.
- Education and training was strongly identified as a critical area of need, with emphasis upon programmes dealing with vocational, cultural, parenting, and management training. The need for education to be undertaken in a culturally friendly environment was stressed.
- The employment needs were considered to be particularly great for males over 40 years of age and all people under 25 years of age. The funding of projects to help people into employment were recommended and the importance of fostering self-employment and business creation was emphasised.

- Health was an area of high need, with the funding of projects and workshops called for to deal with alcohol and drugs, diet, exercise and lifestyle; and mental health and suicide. The need for health research related to Pacific people was emphasised, including research into traditional medicines and healing.
- Relationships between housing conditions and health and education were recognised and the need for assistance with the provision of suitable housing, for families and for the elderly, emphasised.

Recommendations

On the basis of this analysis of the focus group fono discussions, the following initiatives are recommended (recommendation sections 2, 3, and 4 are also found in Chapter 3, to which they apply as well):

1. A strong theme throughout the focus group fono were recommendations concerning the provision of funding to build the administrative capacity of Pacific groups and organisations to more effectively administer their affairs and equip them financially and administratively to deliver a range of services to their people. This would also help overcome the often noted problem of the inflexibility of funding criteria to match Pacific need.

It is therefore recommended that Pacific groups and communities be empowered to provide direct services to their members which are appropriate to their particular social, cultural and economic needs by:

- I. Funding support services aimed at building and maintaining administrative capacity in Pacific groups.
- II. Establishing a Provider Development Fund to build the capacity of Pacific communities and groups to provide direct, culturally appropriate, and holistic social services to Pacific people in the areas of:
 - community support, development and maintenance covering:
 - the support and understanding of children;
 - the motivation and support of youth;
 - maintaining intergenerational dialogue and relationships;
 - maintaining extended families;
 - maintaining community integrity;
 - supporting the elderly in their social activities;
 - fostering the participation of Pacific women;
 - dealing with domestic violence;
 - meeting the needs of New Zealand born Pacific people;
 - the provision of community transport;
 - housing advocacy services.
 - consumer support and mentoring;
 - resource and information centres;
 - immigration services;
 - cultural development and maintenance covering:
 - building cultural awareness;

- funding language groups;
- fostering intergenerational understanding;
- strengthening families.
- developing cultural services;
- educational support services in the areas of:
 - traditional and mainstream arts;
 - communication skills;
 - DIY maintenance and manufacturing;
 - early childhood education;
 - employment;
 - getting out of dependency;
 - learning the New Zealand system and life skills;
 - maintaining cultural identity;
 - management;
 - parenting;
 - study/homework centres;
 - traditional culture and crafts;
 - training for community youth workers;
 - vocational skills.
- health care services in the areas of:
 - primary health care;
 - drug and alcohol programmes;
 - mental health.
- employment opportunity development and business development through:
 - human capital development;
 - assisting the unemployed to gain employment;
 - developing projects fostering business creation.
- providing long-term and bulk funding to Pacific organisations;
- providing funding for rent, electricity and gas;
- funding more than one salary per organisation.

2. Problems associated with the application process and the responsiveness of the Lottery Grants Board and funding committees to the needs of Pacific people were consistently voiced during the focus group fono.

In order to address these issues it is recommended that there be implemented a promotional and educational strategy designed to encourage and enable Pacific people to apply for funding from all Funding Committees and increase the responsiveness of the Lottery Grants Board, funding committees and staff to the needs of Pacific people. This strategy will be implemented by:

- I. Providing, and making widely available, application materials in the Samoan, Niuean, Cook Island, Tongan, Tokelauan, and Fijian languages.
- II. Providing direct assistance with developing and submitting applications.
- III. Simplifying the application process through a process of:
 - consultation with the Pacific Island Consultation and Advisory Group (PICAG).

IV. Simplifying the language used in application forms

- in consultation with the Pacific Island Consultation and Advisory Group.

V. Holding annual funding clinics with Pacific groups throughout New Zealand, but concentrating

- particularly on the Auckland and Waikato Regions while
- further developing them in Wellington, Christchurch and the rest of New Zealand.

VI. Providing, and disseminating widely, information materials in the

- Samoan, Niuean, Cook Island, Tongan, Tokelauan, and Fijian languages, and through Pacific media outlets.

VII. Increasing Lottery Grants Board responsiveness to the funding needs of Pacific people by:

- establishing consultation forums to encourage the voices of Pacific people to inform Lottery Grants Board funding criteria, policy and priorities at regional and national levels;
- providing Pacific cultural awareness training for all Lottery Grants Board staff and committee members; and
- including in staff job descriptions the requirement to allocate time for dealing with Pacific funding issues, including holding funding clinics and consultation with Pacific groups and applicants.

3. Problems with the level of Lottery Grants Board responsiveness to Pacific funding needs were also attributed to low levels of Pacific representation within the organisation, at all levels.

In order to address the issue of representation it is recommended that the Lottery Grants Board ensure that funding committee memberships include sufficient Pacific representation to enable the needs of Pacific applicants to be understood and taken seriously by:

I. Advising the Minister of Internal Affairs to adopt a transparent method of appointing members of National funding committees by:

- calling for public nominations and appointing members from among those nominated, which is the method already used to appoint regional sub-committee members; and
- requesting the Minister of Internal Affairs to ensure that the Pacific membership and representation on each committee has the confidence of the Pacific community.

II. Increase Pacific representation on the Lottery Grants Board by:

- advising the Minister of Internal Affairs of the need for this and
- ensuring that the Government and Opposition have available a list of qualified Pacific people who have been nominated by Pacific groups for service on the Board.

III. Increase Pacific representation on regional lottery funding sub-committees by:

- ensuring at least one place for a Pacific person on each regional sub-committee and
- requiring regional sub-committees to convene advisory groups of Pacific people to advise them about the funding needs of Pacific people in their regions and
- provide assistance in the evaluation of applications either from Pacific people, or from others, for providing services to Pacific people.

IV. Increase Pacific representation on national and regional Lottery Grants Board staffing:

- to a level that gives the Pacific community confidence that their interests are adequately catered for at all levels of the Lottery Grants Board.

4. Amend the Gaming and Lotteries Act to enable any of these recommendations which are not presently permitted by law, or for which the law is unclear, to be implemented.

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Chapter 5: Internal Cultural Audit

Summary of Findings

The interviews conducted with staff and Board and Committee members for this internal cultural audit revealed that they were aware of a number of the problems faced by Pacific applicants, and identified issues of language, culture, values, and criteria as key issues affecting their ability to obtain equitable funding.

Specifically, the interviews with staff indicated that:

- the Lottery Grants Board has no overall policy regarding their responsiveness to Pacific people;
- the individual lottery funding committees, with the exception of the Lottery Community Facilities Committee, have no specific policies relating to Pacific people;
- policy making was considered to be often carried out on an ad hoc basis;
- a considerable amount of policy is made by funding committees and the composition of these committees is crucial to outcomes;
- Pacific representation is very low on these committees and so policy formulation and analysis from a Pacific perspective is very limited.

Three aspects of the Lottery Grants Board's operations were identified as working well for Pacific people. These were:

- the formation of the Pacific Island Consultation and Advisory Group;
- the change in funding policy which allowed funding of up to \$5,000 to be granted to applicants without legal status; and
- the effective work of Pacific fieldworkers in Christchurch and Wellington.

Seven aspects of the Lottery Grants Board's operations were considered to be not working well for Pacific people, these were associated with:

- the application process;
- dissemination of information;
- the appointment process for funding committees;
- the appointment and training of staff and committee members;
- the "one size fits all" philosophy underlying funding criteria;
- aspects of structural change within the Community Development Group from a hierarchical to a flat management structure; and
- the partially regional funding structure of the Lottery Grants Board.

Another factor, not directly due to the Lottery Grants Board's operation, was the process of change from the centralised provision of services by government to decentralised service provision by the voluntary sector. This has put pressure on organisations, including Pacific organisations, whose administrative infrastructures are often not sufficiently well developed to provide services effectively.

The Maori cultural audit was valued for:

- highlighting the differences between Maori cultural frameworks and the Pakeha frameworks informing the work of the Lottery Grants Board; and
- forcing the organisation to take a hard look at its policies and processes, as they affected Maori;
- establishing that different criteria were required when it came to dealing with funding issues for Maori, and this could be extended to Pacific people.

The needs of the Pacific population in relation to the funding committees which were identified in the focus group fono were also raised. It was noted that:

- the structure of the Lottery network with its national and regional components makes it difficult to universally implement any policy developed at the national level because of the need to pay for the implementation from local budgets;
- any nationally directed targeting must take this into account when setting local budgets.

Introduction

Part of the cultural audit, and key to the development of policy responses was an internal cultural audit carried out by interviewing nine senior members of the Lottery Grants Board staff, two presiding committee members and two Committee members. The staff worked in the areas of: human resources; risk and audit management; providing advice for Lottery General, Lottery Environment and Heritage, Lottery Aged, Lottery Welfare, Lottery Youth, and Lottery Community Facilities funding committees; Lottery Grants Board public relations; committee coordination; and general management. The presiding members were from the Lottery National Youth Committee and the Lottery National Community Facilities Committee. The two committee members were both from the Lottery General Committee.

The Interviews

Choice of Method

In-depth semi-structured interviews were used in order to allow the participants the same freedom in developing their responses as that enjoyed by the focus group participants and to produce data which could be analysed in the same way as the focus group data.

The interviews were conducted by a Pacific researcher using questions developed specifically for this audit.

Role of the Interviewer

The interviewer used the semi-structured question line to obtain clear and useful responses, while allowing the participants to freely contribute their ideas and observations. The tasks undertaken by the interviewer were to:

- make clear that she was not committed to a particular position on the questions introduced;
- ask open-ended questions;
- make use of probes and pauses to encourage participants to elaborate on initial comments;
- summarise significant points for clarification.

Structure of Questions

Each interview addressed a set list of questions which covered the following themes:

1. What, if any, policies the Lottery Grants Board has regarding Pacific people

2. What, if any, policies the different funding areas of the Lottery Grants Board have regarding Pacific people.
3. The formulation, analysis and implementation of policy
4. What Pacific input goes into policy formulation and analysis
5. How well interviewees thought Pacific people are doing through the Lottery Grants Board
6. What aspects of the Lottery Grants Board's operations were working well for Pacific people
7. What aspects of the Lottery Grants Board's operations were not working well for Pacific people
8. What were interviewee's opinions of the Maori cultural audit of the Lottery Grants Board
9. The needs of the Pacific population in relation to the Lottery Grants Board funding committees

Interviews were audio-recorded, transcribed and analysed in the same manner as the focus group discussions. The participants' responses to these questions are outlined and discussed in the findings section, below.

The Findings from the Internal Cultural Audit Interviews

The findings from the interviews are presented under the question line themes, unlike the focus group findings which were presented under sub-themes. The reason for this difference is that the interview responses were more clearly focused around the main question line themes than were the focus group responses and they can be best presented under those main themes. The findings are accompanied by direct, illustrative quotes, presented in italic type. An "M1#" or "M#2", etc, preceding a quote indicates an interviewee speaking, while an "F#" indicates the interviewer speaking. Direct quotes from these interviews are sourced as "Staff and Committee."

Policies the Lottery Grants Board Has Regarding Pacific People

No overall policies regarding Pacific people were known to the staff or the committee members, although there was a feeling that some steps had been taken to improve communication with Pacific groups and encourage more applications from them.

M5... so that's on record that the Lottery Grants Board itself would like to see us being more responsive. And there are some policies with some of the committees, and from the Board about how can we develop the processes to measure better the benefit to Maori and Pacific Island communities, and those are only in the embryonic stages. But as such in funding policy guidelines and things like that, there aren't specific recommendations or major policies, so that's what we're wanting in that area, and that's obviously the reason why we want to get this audit done and look at how we can change those things. (Staff and Committee)

Policies the Different Funding Areas of the Lottery Grants Board Have Regarding Pacific People.

Once again, no policies originating from any of the funding sections were known to the staff or committee members.⁷ There was an expressed awareness of the need to target Pacific people, but any encouragement of Pacific applications was acknowledged to be conducted on an ad hoc basis, with no overall strategy in place. In the case of staffing, an ethnic balance was aimed for, but no policy specifically related to the employment of Pacific staff.

M# There is no specific policy for Pacific Island groups. (Staff and Committee)

The Formulation, Analysis and Implementation of Policy

A distinction was drawn between the Board and the funding committees on the subject of policy making. The Board, it was pointed out, could only make general policies which applied equally to all committees, and issue general directives, which are mandatory policies. Policies are made by the committees or Board within the framework of the Gaming and Lotteries Act and sometimes in consultation with the Board. The Minister is not often consulted by committees. Policy concerning funding decisions is made by committees based upon matters arising from funding applications. In view of that process, the low numbers of applications from Pacific groups was considered to limit the scope for the formulation of policy relating to Pacific applications.

F# So the policies are made by the Lottery Grants Board?

M2# By the Board for very general things, the Board can only make one size fits all policy, it can only make general policies, the real power actually lives with the distribution committees, they make the real decisions and umm, within those real decisions the department works out how it's going to administer them. (Staff and Committee)

It was suggested that Policy section staff tended to present only policy options that they knew committees would be familiar with. The often ad hoc nature of policy formulation was emphasised, although it was also indicated that policy formulation is often assisted by the use of public opinion surveys and consultation with clients, with target groups being identified by advisory staff and policy staff.

M1# At the moment there's very little formal policy work done, with Lottery General, umm, policy changes tend to be a reaction to something on the table and Lottery General is quite happy to introduce a policy there and then

⁷ There is in fact a Lottery Community Facilities Committee policy specific to Pacific Island church-based facilities.

*on the spot, and apply it from that day.*⁸ *So it's a very ad hoc policy making.*
(Staff and Committee)

In view of the latitude the funding committees have, their composition is crucial to funding outcomes. Because of this, the political nature of their appointment was regarded as problematic. New policies come into effect on July 1 each year, so the process of formulation is organised around that timeframe. A policy is put into effect when it is included in official documents, information and application forms.

M1# And a lot of it also comes down to the individuals on the committee again, because when it's a very open fund like this one, it comes down very much to the particular priorities or values of the people sitting on the committee. (Staff and Committee)

Pacific Input Into Policy Formulation and Analysis

Interviewees reported little Pacific input into policy formulation and development. This was largely attributed to the scarcity of Pacific people on funding committees. The point was also made that committee power dynamics limit the ability of new committee members to effect change quickly. For Lottery Grants Board staff to obtain Pacific input on a project requires them to take the initiative to locate sources of input.

Another factor which acts to limit Pacific input is the way in which policy development is often carried out in order to meet the new needs contained in new applications. The scarcity of applications from Pacific groups means that the opportunities for committees to develop policy in response to Pacific needs, as reflected in their applications, is limited.

M2# The policies essentially have been in place for a number of years now, policy that is made now is essentially policy that comes arising out of applications that the committee considers and that most of the policy that the committee currently makes up is based on funding decisions or, the make on particular type of applications or matters that arise out of applications, that they will discuss and make a particular policy... (Staff and Committee)

How Well Pacific People are Doing Through the Lottery Grants Board

There was a general feeling that Pacific people were not doing very well out of the Lottery Grants Board funding process, and certainly not as well as they should be

⁸ In practice, only priorities can take immediate effect. New policies take effect on July 1 each year, as noted above.

given their numbers. One indicator of this was taken to be the small number of applications from Pacific people. While this was attributed in part to the access difficulties Pacific people were acknowledged to have, some staff were uncertain about the extent to which demand might increase with better access. It was also stated that this was a difficult area to monitor precisely, because ethnicity was not reliably recorded during the application process. The availability of good statistics was considered essential to convince funding committees that Pacific people were not benefiting equitably from Lottery Grants Board funds.

M2# When you look at the proportion of the Pacific Island community in our population and look at the grants, there's a distinct mismatch. Lottery committees are only reactive though, we can only fund applications that come in and our problem is we don't get the applications in, because if we compare the percentage of funding that goes to applicants, with the percent of applicants, there's quite a good match there, it's just that we don't get enough Pacific Island applications. (Staff and Committee)*

(* It should be noted that the claimed "good match" between funding and application numbers is incorrect, as Tables 1 and 4 in Chapter 3 pointed out.)

Aspects of the Lottery Grants Board's Operations which were Working Well for Pacific People

Four aspects of the Lottery Grants Board's operations were identified as working well for Pacific people. One of these was associated with the formation of the Pacific Island Consultation and Advisory Group which was regarded as a positive development in improving the Lottery Grants Board's ability to respond to Pacific needs. The second aspect was the change in funding policy which allowed funding of up to \$5,000 to be granted to applicants without legal status. The third aspect was specific to the Christchurch and Wellington areas, where Pacific applicants have enjoyed better access than elsewhere because of the active Pacific fieldworkers in those areas. These fieldworkers have worked with Pacific groups, other Lottery Grants Board staff and funding committees to assist Pacific applicants to obtain funding. The fourth aspect was the availability and active assistance of Pacific Island field workers in some regions of the country enabled Pacific Island groups to have the support and information on Lottery funding. It was noted that Pacific Island workers within the Lottery Grants Board have not only had to carry their work load as specified in their role descriptions but also provided supports and information to their own communities. Further, they have had to be the providers of Pacific cultural knowledges and skills to the committees.

M# Yeah, I think it's just those lower key things about smaller regions, I think it's the attitude of certain staff, I think it's having a staff member, she's away on maternity leave at the moment, umm, we have one Samoan staff member. Umm, two Maori staff members and we had another, yeah the attitude of staff, who are keen to keep networks up, keep the networks up, umm, yeah, it takes quite a bit of commitment to being really vigilant, like

when we're busy and in that, a vacancy comes up for a position on a distribution committee and the papers can, or the application forms or the ads can just go out to the usual places, the standard conventional places, so that's improving too, we're starting to have on our list certain radio programmes or whatever else, or networks that are more likely to include Maori and Pacific Island groups. But you know, for the staff to actually get in there, often it's on top of your usual work load, you've got to get in there and say, right have you tried this group or that group, or I'll ring up such and such a group and tell them that's on. That this is available. (Staff and Committee)

Aspects of the Lottery Grants Board's Operations which are not Working Well for Pacific People

Seven aspects of the Lottery Grants Board's operations were considered to be not working well for Pacific people. These were associated with the application process, dissemination of information, the appointment process for funding committees, the appointment and training of staff and committee members, the "one size fits all" philosophy underlying funding criteria, structural change within the Lottery Grants Board from a hierarchical to a flat management structure, and the regional committee and staffing structure of the Lottery Grants Board. Another factor, not directly due to the Lottery Grants Board's operation, was the process of change from the centralised provision of services by government to decentralised service provision by the voluntary sector. This has put pressure on organisations, including Pacific organisations, whose administrative infrastructures are not sufficiently well developed to provide services effectively.

The Application Process

The application process was acknowledged to be complicated, lengthy and daunting for Pacific applicants. It was also noted that Pacific applicants are easily discouraged when their applications are declined, and there is a need to assist and support them to continue to apply and help them succeed.

M2# I'm just wondering whether perhaps another real big barrier is the fact that we don't get a lot of applications from Pacific Island because maybe our process does put them off filling out the form, but because it puts them off ... so we've got to be able to I guess get them to a level that there's some reasonable assurance that is they get a grant that they'll be able to umm, account for it... (Staff and Committee)

Dissemination of Information

The dissemination of information about the application process and funding criteria was not considered to be carried out in a manner appropriate to the needs of Pacific

people, and it was recommended that the holding of funding clinics for Pacific groups should be written into staff job descriptions to ensure that this important work is carried out.

M# And I think the kind of basic framework we've got in place with the teams and the board environment, with community representatives on the board, it's making us be much more aware of these sorts of issues that say to us, hey, we're not doing enough, our Pacific Island community is not getting enough information about our products and services, they're not really getting..... this is what community is saying, they're not getting enough about umm, they feel they're not getting enough interaction with our people in terms of working them through those products and services...(Staff and Committee)

While Pacific groups were not well informed about application and funding processes, the Lottery Grants Board was not well informed about Pacific groups. For example, it was stated that the Lottery Grants Board made no consistent use of socio-economic and demographic data in order to be able to direct policy to areas of most need. Yet this information is very important for the Lottery Grants Board to be able to meet its Mission Driver of developing empowered communities. To achieve this it is necessary to identify which communities and necessary for meeting outputs such as “ensuring its funding policies provide equitable access to its funds by all demographic and geographic communities” (Lottery Grants Board, 1999:7).

Funding Committee Appointment Process

The political nature of appointments to funding committee membership was considered to effectively exclude Pacific people because they tend not to be represented in the networks from which such recruitment takes place.

M1# And they are political appointments, particularly in the case of Lottery General because it has just so much scope for personal preference, particularly political business, and the chairperson of Lottery General has always also been a member of the Lottery Grants Board itself, so there's been a very close political link there. But that might not go on for ever, it might and it might not. They are looking at separating those roles.

F# Is there any Pacific Island person on the Lottery General.

M1# No. (Staff and Committee)

Appointment and Training of Staff and Committee members

Participants considered that present staff were not trained in Pacific cultural awareness, and that committee members were often not culturally aware either. There was a clearly identified need to have a staffing policy designed to employ, train,

support and retain Pacific staff, as well as to provide Pacific cultural awareness training for committee members.

Restricted funding criteria

The general lack of cultural knowledge and awareness noted above was associated with the philosophy that equality of access to Lottery Grants Board funding means that the same rules should apply to all. It was well recognised that this philosophy does not take into account the different stages of administrative development that different groups applying for funds are at. For example it was noted that a group like the YMCA has been in existence for many years and been successfully applying for Lottery Grants Board funds for many years too, while most Pacific groups are just beginning to develop their administrative infrastructure and having limited success in applying for Lottery Grants Board funds. In view of this, participants considered that more flexible funding criteria were required in order to accommodate the differing needs of applicants.

M2# ... If you look at something like the YMCA, it's been around since the 1890's, it didn't start with its current asset base, its current resources and skills, it's been built up over a historical environment, and Pacific Island community is coming in to the worst possible environment in that respect. The voluntary sector when everyone is starting, probably was a pretty level playing field, but now they're competing against organisations that have got a century of resources and expertise behind them, who are saying we can provide the Pacific Island communities better than a new group who doesn't have our skills and our assets, and you'll know from Ernst and Young's report on the viability of the voluntary sector, that what's happening is the well heeled are coping, but the less well heeled groups are failing and they are disproportionately Maori and Pacific Island groups, for all those historical reasons. And it's tempting to say it's something cultural, but I actually think it's an historical factor. (Staff and Committee)

The Regional Structure of the Lottery Grants Board

A barrier to the delivery of programmes specific to Pacific groups is the relative autonomy granted to regional staff who manage their own budgets. Any directive from the Board requiring action by regional offices of the Lottery Grants Board has cost implications for the regional office's budgets. It is important that this be recognised when targeted programmes affecting the entire Lottery Grants Board are put in place by the Board, and that additional funds are made available for them.

Changing Management Structures

The move by the Department from a hierarchical to a flat management structure has been good, in principle, from the point of view of being able to respond to local needs. However, from the point of view of effecting global policy change within the Lottery Grants Board, the flat structure can be unhelpful when changes are very specific and

require the separate approval of each section and funding committee. In this situation, the development and implementation of any general funding policy criteria for Pacific applicants is rendered very difficult and must really be directed from the Board level. The flat structure can also inhibit communication within the organisation and result in the loss of institutional knowledge and wisdom.

Interviewee's Opinions of the Maori Cultural Audit of the Lottery Grants Board

The Maori cultural audit was regarded by some respondents as having been valuable for its effectiveness in highlighting the differences between Maori cultural frameworks and the Pakeha frameworks informing the work of the Lottery Grants Board. The audit process forced the organisation to take a hard look at its policies and processes, as they affected the capacity of the Lottery Grants Board to meet the needs of Maori as recipients of Lottery Grants Board funding. It was also reported to have made some people within the Lottery Grants Board appreciate the high degree of cultural skill and knowledge necessary to enable the Lottery Grants Board to meet the needs of Maori.

In relation to the Pacific cultural audit, respondents felt that the Maori audit set a valuable precedent by establishing that different criteria were required when it came to dealing with funding issues for Maori.

The Needs of the Pacific Population in Relation to the Funding Committees

The social needs and demographic characteristics of the Pacific population in relation to the nine funding committees which were identified in the focus group fono were also raised in the internal cultural audit interviews. Those interviewed were aware of the need to take into account the social, cultural and demographic characteristics of any group which it might be decided to target. However, the structure of the Lottery network with its national and regional components means that there might be some difficulties in universally implementing some policies developed at the national level, which impacts upon regional budgets. It is important, then, that the costs of any programme of targeted funding or other assistance for Pacific people be allowed for at the national level when regional budgets are set.

Summary

These interviews revealed that the staff were aware of a number of the problems faced by Pacific applicants, and identified issues of language, culture, values, and criteria as key issues affecting their ability to obtain equitable funding.

Specifically, the interviews with staff indicated that:

- the Lottery Grants Board has no overall policy regarding their responsiveness to Pacific people, and
- the individual lottery funding committees, with the exception of the Lottery Community Facilities Committee, have no specific policies relating to Pacific people.
- Policy making was considered to be carried out on an ad hoc basis.
- A considerable amount of policy is made by funding committees and the composition of these committees is crucial to outcomes.
- Pacific representation is very low on these committees and so policy formulation and analysis from a Pacific perspective is very limited.

Three aspects of the Lottery Grants Board's operations were identified as working well for Pacific people. These were:

- the formation of the Pacific Island Consultation and Advisory Group;
- the change in funding policy which allowed funding of up to \$5,000 to be granted to applicants without legal status; and
- the effective work of Pacific fieldworkers in Christchurch and Wellington.

Seven aspects of the Lottery Grants Board's operations were considered to be not working well for Pacific people, these were associated with:

- the application process;
- dissemination of information;
- the appointment process for funding committees;
- the appointment and training of staff and committee members;
- the "one size fits all" philosophy underlying funding criteria;
- aspects of structural change within the Community Development Group from a hierarchical to a flat management structure; and
- the partially regional funding structure of the Lottery Grants Board.

Another factor, not directly due to the Lottery Grants Board's operation, was the process of change from the centralised provision of services by government to decentralised service provision by the voluntary sector. This has put pressure on organisations, including Pacific organisations, whose administrative infrastructures are not sufficiently well developed to provide services effectively.

The Maori cultural audit was valued for:

- highlighting the differences between Maori cultural frameworks and the Pakeha frameworks informing the work of the Lottery Grants Board; and
- forcing the organisation to take a hard look at its policies and processes, as they affected Maori.
- The Maori audit also established that different criteria were required when it came to dealing with funding issues for Maori, and this could be extended to Pacific people.

The needs of the Pacific population in relation to the funding committees which were identified in the focus group fono were also raised. It was noted that

- the structure of the Lottery network with its national and regional components makes it difficult to universally implement any policy developed at the national level because of the need to pay for the implementation from local budgets.

- Any nationally directed targeting must take this into account when setting local budgets.

Recommendations

On the basis of this analysis of the internal cultural audit, the following initiatives are recommended (recommendation sections 1, 3, 4 and 5 are also found in Chapters 3 and/or 4, to which they also apply):

1. In line with the first set of recommendations in Chapter 4, it is recommended that the Lottery Grants Board empower Pacific groups and communities to provide direct services to their members which are appropriate to their particular social, cultural and economic needs by:

- I. Funding support services aimed at building and maintaining administrative capacity in Pacific groups.
- II. Establishing a Provider Development Fund to build the capacity of Pacific communities and groups to:
 - provide direct, culturally appropriate, and holistic social services to Pacific people in the areas listed previously in the recommendations from Chapter 4.

2. It was emphasised during the internal cultural audit that there was no requirement for the Lottery Grants Board to be responsive to Pacific people. This was linked to the difficulties experienced by Pacific people in gaining equitable access to funding.

To assist the Lottery Grants Board to increase its responsiveness to Pacific people, it is recommended that the Lottery Grants Board:

- I. develop and implement an overall set of policies covering its relationship with Pacific people and its responsiveness to their needs, these policies should cover the broad areas of:
 - application process;
 - communication with Pacific people;
 - Pacific representation on the Lottery Grants Board, committees and staff;
 - incorporating time to work on Pacific funding issues into staff job descriptions;
 - relationships between national and regional funding committees;
 - funding levels; and
 - adequacy of the funding database.
- II. ensure that the funding committees develop their own policies under the umbrella of the Board's own overall set of policies;

- III. ensure Pacific representation on the Board and all funding committees and sub-committees except Marae Heritage and Facilities;
 - IV. ensure that funding sub-committees are adequately resourced to implement policies aimed at improving responsiveness to Pacific people.
 - V. use these policies as the basis for making funding decisions with respect to applications from Pacific people.
3. Problems associated with the application process and the responsiveness of the Lottery Grants Board and funding committees to the needs of Pacific people were frequently raised during the internal cultural audit.

In order to address these issues it is recommended that the Lottery Grants Board implement a promotional and educational strategy designed to encourage and enable Pacific people to apply for funding from all Funding Committees. This strategy will be implemented by:

- I. Providing, and making widely available, application materials in the Samoan, Niuean, Cook Island, Tongan, Tokelauan, and Fijian languages.
 - II. Providing direct assistance with developing and submitting applications.
 - III. Simplifying the application process through a process of:
 - consultation with the Pacific Island Consultation and Advisory Group (PICAG).
 - IV. Simplifying the language used in application forms
 - in consultation with the Pacific Island Consultation and Advisory Group.
 - V. Holding annual funding clinics with Pacific groups throughout New Zealand, but concentrating
 - particularly on the Auckland and Waikato Regions while
 - further developing them in Wellington, Christchurch and the rest of New Zealand.
 - VI. Providing, and disseminating widely, information materials in the
 - Samoan, Niuean, Cook Island, Tongan, Tokelauan, and Fijian languages, and through Pacific media outlets.
 - VII. Increasing Lottery Grants Board responsiveness to the funding needs of Pacific people by:
 - establishing consultation forums to encourage the voices of Pacific people to inform Lottery Grants Board funding policy and priorities at regional and national levels, and
 - providing Pacific cultural awareness training for all Lottery Grants Board staff and committee members
4. Problems with the level of Lottery Grants Board responsiveness to Pacific funding needs were linked, to the low levels of Pacific representation within the organisation at all levels.

In order to address the issue of representation it is recommended that the Lottery Grants Board ensure that funding committee memberships include sufficient Pacific representation to enable the needs of Pacific applicants to be understood and taken seriously by:

- I. Advising the Minister of Internal Affairs to adopt a transparent method of appointing members of National funding committees by:
 - calling for public nominations and appointing members from among those nominated, which is the method already used to appoint regional sub-committee members; and
 - requesting the Minister of Internal Affairs to ensure that the Pacific membership and representation on each committee has the confidence of the Pacific community.
- II. Increase Pacific representation on the Lottery Grants Board by:
 - advising the Minister of Internal Affairs of the need for this and
 - ensuring that the Government and Opposition have available a list of qualified Pacific people who have been nominated by Pacific groups for service on the Board.
- III. Increase Pacific representation on regional lottery sub-committees by:
 - ensuring at least one place for a Pacific person on each regional sub-committee and
 - requiring regional sub-committees to convene advisory groups of Pacific people to advise them about the funding needs of Pacific people in their regions and
 - provide assistance in the evaluation of applications either from Pacific people, or from others, for providing services to Pacific people.
- IV. Increase Pacific representation on national and regional Lottery Grants Board staffing:
 - to a level that gives the Pacific community confidence that their interests are adequately catered for at all levels of the Lottery Grants Board.
5. Amend the Gaming and Lotteries Act to enable any of these recommendations which are not presently permitted by law, or for which the law is unclear, to be implemented.

Chapter 6: Developing Policy Responses, a Strategic Plan and a Monitoring Measurement Tool

Developing Policy Responses

Strategic Responsiveness Plan

The development of this plan is based upon the results of the:

1. Review of Lottery Grants Board funding for the two years 1996 to 1998;
2. the focus groups; and
3. the internal cultural audit.

in the light of the literature and legal reviews set out in this Report.

The key findings from those audit processes are outlined below.

Review of Lottery Funding for the Two Years 1996 to 1998

This review, reported earlier, shows clearly that Pacific people in New Zealand are considerably under-represented among those receiving funding from the Lottery Grants Board. In comparison with the general population they:

- make fewer applications;
- apply for smaller amounts of money;
- apply to a smaller range of distribution committees;
- receive a much smaller proportion of the funds they apply for;
- receive 2.7 times less than their proportion in the New Zealand population; and
- receive proportionately less in every distribution committee.

It was clear that these key factors would need to be addressed in order for Pacific people to benefit from Lottery Grants Board funding on an equal basis with the general population. The disparity can be addressed by targeting funding to Pacific groups more effectively. Fair outcomes can be achieved by:

- Implementing a strategy aimed at ensuring that the funding awarded to Pacific people by each funding committee is at least consistent with their representation in the population, and with the goal of funding them at a higher level in order to provide for the particularly high level of deprivation they experience, and catch up for past underfunding.

Key elements in the success of this strategy will be:

- the establishment of national and regional funding policy guidelines, objectives and goals to be implemented by National and Regional Funding Committees with respect to the allocation of lottery funds to Pacific people.
- the establishment of a Provider Development Fund designed to enable Pacific groups to increase their capacity to access lottery funds and to carry out the direct delivery of services to their people.

As detailed in Chapters 2, 3 and 4.

Focus Groups

Analysis of the focus group discussions showed clearly that the under-representation of Pacific people among applicants was due, largely, to factors associated with the application process and communication between Pacific people and the Lottery Grants Board, namely:

- an unduly complicated application process;
- length of the application form;
- difficult English language used in the application form;
- lack of information about the application process and funding available in Pacific languages.

These problems were compounded by the:

- lack of personal contact between Lottery Grants Board Pacific staff members and Pacific applicants;
- low representation of Pacific people on the staff, Board and Committees of the Lottery Grants Board;
- incompatibility of Pacific cultural frameworks and the dominant Palagi cultural framework informing the work and functioning of the Lottery Grants Board;
- incompatibility of some Lottery Grants Board funding criteria and the funding needs of Pacific communities;
- the Lottery Grants Board's low level of understanding of the needs and values of Pacific people in New Zealand;
- the Lottery Grants Board's disproportionately low level of funding going to Pacific groups.

The aspects of the Lottery Grants Board that participants considered were working well were:

- the Pacific funding clinics set up by Pacific workers;
- regional successes such as Christchurch and Wellington, where Pacific groups had been more successful in gaining funds than Pacific groups elsewhere;
- well trained and motivated Pacific staff members who had a high level of personal contact between Pacific groups and Pacific Lottery Grants Board staff;
- Pakeha staff who went out of their way to help Pacific groups.

The following were identified as essential elements in any plan for overcoming the difficulties noted above:

- modifying the application process and providing research and administrative support for Pacific applicants;
- increasing the level of Pacific representation at all levels of the Lottery Grants Board. This was considered to be crucial to improving communication between the Lottery Grants Board and Pacific groups;
- active involvement of Pacific grass roots groups in defining their funding needs and priorities;
- funding developmental education and capacity building for Pacific groups;
- funding the development of administrative skills and physical facilities;
- the Lottery Grants Board develop a holistic approach to support services based upon the whole self as conceived by Pacific people;
- developing an ongoing process of accountability;
- funding services based upon Pacific cultural frameworks,
- funding equitably.

Internal Cultural Audit

The interviews with staff and committee members conducted for the internal cultural audit revealed that the staff were aware of the problems faced by Pacific applicants, and were able to themselves identify issues of: language; culture; values; and criteria, including the lack of priority given to funding groups with special needs, as key issues affecting their ability to obtain equitable funding. Staff were also aware of the need for their job descriptions to be specific in requiring them to be responsive to Pacific people

Specifically, the interviews with staff indicated that:

- the Lottery Grants Board has no overall policy regarding their responsiveness to Pacific people;
- the individual lottery funding committees, with the exception of the Lottery Community Facilities Committee, have no specific policies relating to Pacific people;
- much policy making is carried out on an ad hoc basis;
- policy is made by funding committees whose composition is crucial to outcomes;
- Pacific input into policy formulation and analysis is very limited.

In terms of what they felt was not working well for Pacific applicants, staff considered that:

- they were not doing well through the allocation of lottery funds;
- the mainstream culture and philosophy underpinning the Lottery Grants Board were unhelpful for Pacific people whose cultures and philosophies were significantly different from the mainstream;

- the application process was daunting for them;
- they needed information provided in appropriate languages and formats;
- that the process of making political appointments to funding committees had effectively excluded Pacific participation and representation at that crucial policy making level; and
- they were under-represented on the Board and on regional and national funding committees.

In terms of what they felt was working in favour of Pacific applicants, staff considered positive developments to have been:

- allowing funding up to \$5,000 without legal status;
- the establishment of the Pacific Island Consultation and Advisory Group;
- employment of effective Pacific workers in key regions.

The Maori cultural audit was valued for:

- highlighting the differences between Maori cultural frameworks and the Pakeha frameworks informing the work of the Lottery Grants Board;
- forcing the organisation to take a hard look at its policies and processes, as they affected Maori;
- establishing that different criteria were required when it came to dealing with funding issues for Maori, a precedent that could be extended to Pacific people.

Strategic Plan

It is clear that the problems facing Pacific applicants which have been identified in this audit are such that they require action to be taken at all levels of Lottery Grants Board functioning if they are to be resolved. However, in order to be manageable and achievable, it is important that action be carefully considered, planned and directed. This strategic plan has been developed with that consideration firmly in mind.

The most crucial factor identified by the focus group fono was representation. It was considered that the presence of Pacific people on the staff, committees, and the Lottery Grants Board, on the one hand, and effective forums for the expression of grass roots needs, on the other, were fundamental to enabling full and equitable access to Lottery Grants Board funding by Pacific groups. The importance of this factor is reflected in the plan which has been developed. Increased representation was also considered to be essential to changing the culture of the Lottery Grants Board and committees in ways that would make the lottery funding process more responsive to the funding needs of Pacific people.

Policy Development

The audit has made clear the crucial role of funding committees in developing policies relating to their areas of funding. At the same time, the representation of Pacific

people on these committees has been negligible, and this was widely attributed to the political nature of their appointment.

If the responsibility for policy development is to remain with the funding committees, it is essential that their Pacific representation be increased to a level sufficient to ensure the development of funding policies appropriate to the needs of Pacific people, by ensuring at least one place for a Pacific person on each sector committee and requiring sector committees to convene advisory groups of Pacific people to advise them about the funding needs of Pacific people in their regions, as detailed in Chapter 4. However, it is important that the development of policies by the funding committees be carried out under a set of general, national directives to be established by the Board, as allowed in the Gaming and Lotteries Act, in consultation with the Pacific Island Consultation and Advisory Group and with reference to the strategic plan. This is particularly important because the present autonomy of the committees in the area of policy development and implementation means that any overall change to funding policy would have to be negotiated with each sector committee for each funding category on an individual basis. It should also be recognised that the costs associated with the delivery of national policy initiatives will be borne, at the local and regional levels, by local and regional budgets. In order to support regional staff in implementing such policy, it is important that the extra costs are anticipated at the national level and incorporated into local and regional budget levels.

The central place of churches in the life of Pacific communities in New Zealand was frequently likened to that of Marae for Maori communities, and there is a clear need to find acceptable ways of granting funds to Pacific churches in the same way that funds are granted to Marae. The legal review shows that the funding of churches is clearly permitted in the Gaming and Lotteries Act 1977. The establishment of a specific development fund, similar to the Marae Heritage Fund, as detailed in Chapters 2 and 3, would enable greater flexibility in the use of Lottery funding for meeting the needs of Pacific people, including the funding of development activities and programmes run by Pacific Island churches.

Pacific Representation

It was considered that a key to improving the level and effectiveness of communication between the Lottery Grants Board and Pacific applicants was increased Pacific representation in the Lottery Grants Board, at all levels. This was considered necessary to ensure that consultation between the Lottery Grants Board and Pacific groups was accompanied by understanding of Pacific cultural frameworks, norms and values on the part of the Lottery Grants Board. Participants wanted to see Pacific representatives on all national and regional distribution committees, the Lottery Grants Board and national and regional staffing. This is necessary for the Lottery Grants Board to be able to fulfil its legal obligation to deliver funding equitably to all significant sections of the population. Detailed recommendations covering this were developed in Chapters 3, 4, and 5, and listed again in this chapter.

Communication and Information

The process of communication and information transfer should recognise the oral basis of Pacific cultures and provide forums for this to take place between grass roots Pacific organisations, formal Pacific organisations such as the Pacific Island Consultation and Advisory Group, the funding committees, the Lottery Grants Board and the staff. These forums need to allow the voices of Pacific people to inform the decisions made by the Lottery Grants Board with regard to funding Pacific projects, and allow the Lottery Grants Board and the committees to communicate their policies and requirements clearly to Pacific applicants. In addition to this the value of well run funding clinics was emphasised and it was seen to be important that conducting these clinics be built into the job descriptions of appropriate Community Development Group or lottery staff.

Application Process

This was the area of most immediate concern to those who were or had been involved in applying for Lottery Grants Board funds, and was considered to be a major factor in the low numbers of applications received from Pacific applicants. The application form and process were unduly long and complicated, and the English language used in the form was difficult for Pacific applicants to understand. In addition, applicants came to the application process with limited information about, and understanding of, the funding process.

The changes recommended in the area of communication and information, above, are aimed at ensuring that applicants are as well informed as possible about the funding process. In addition to this, the forms themselves, or at least explanatory material, should be made available in Pacific languages, as specified in the recommendations.

However, the provision of appropriate written material will not, by itself, be sufficient to significantly increase Pacific participation in applying for Lottery Grants Board funding and direct assistance with developing and submitting applications was called for in the focus group fono. This direct assistance will be essential to increasing both participation and application approval rates for Pacific applicants.

Administrative Support

Provision should be made for Pacific groups to maximise their ability to participate in the application process, by allowing for them to receive funding to pay for administrative support in the form of staffing, staff development, and equipment. As well as providing direct assistance, this support should be aimed at building capacity in this area, in order for increased Pacific participation to be sustainable. This need can be addressed through the proposed Provider Development Fund.

Equitable Funding

The disproportionately low amount of funding (see Chapter 3 for details) in every distribution committee being directed to Pacific groups is a very serious problem revealed in this audit and identified by focus group participants and those taking part in the internal cultural audit. The Lottery Grants Board is open to various accusations of neglect, discrimination and inefficiency on account of this. The problem needs to be remedied urgently and a careful and well intentioned effective response should build goodwill quickly with the Pacific communities. Clearly the Lottery Grants Board has a will to address these issues, as the setting up of the Pacific Island Consultation and Advisory Group and this Audit Review testifies. The task now is to set up the infrastructure through personnel and processes within the context of a well thought-out strategic plan that is independently and transparently monitored on a regular basis as outlined in this report.

Monitoring Measurement Tool

Goals of the Strategic Plan

The purpose of the measurement tool which is described in this section is to monitor and measure the extent to which the goals of the strategic plan are implemented and achieved. The broad goals of the strategic plan are summarised, below, under the heading of Responsiveness to Pacific people. These goals are further elaborated under the headings: Representation of Pacific people; Application process; Funding policy; Legal changes; and Funding database structure. The goals are then expressed in the form of detailed recommendations as developed in preceding chapters.

Throughout this report, it has been argued that Pacific groups are in the best position to assist their own people and this is reflected strongly in the goals of the Strategic Plan and the recommendations that follow. The reason for Pacific people being best equipped to define and meet their own needs, if adequately resourced, is due to the significant differences between Pacific cultural frameworks and those underlying mainstream services and the needs they are designed to meet. Because of this, it will be very difficult for those charged with administering the distribution of lottery profits to recognise and meet the particular needs of Pacific people, even with the best will in the world. It is for this reason that provision needs to be made for increased representation of Pacific people on the Lottery Board, committees and staff, and increased consultation with Pacific people. However, there will always be difficulties associated with balancing the needs of different sections of New Zealand's population in any central provision of funds or services, and it is for this reason that this report emphasises the establishment of a Provider Development Fund to enable Pacific groups to develop their capacity to access lottery funds and to provide direct services to their people.

Broad goals of the Strategic Plan: Responsiveness to Pacific people

- develop and implement an overall set of policies covering its relationship with Pacific people and its responsiveness to their needs, these policies should cover the broad areas of:
 - application process;
 - communication with Pacific people;
 - Pacific representation on the Lottery Grants Board, committees and staff;
 - incorporating time to work on Pacific funding issues into staff job descriptions;
 - relationships between national and regional funding committees;
 - funding levels; and
 - adequacy of the funding database.
- Ensure that the funding committees develop their own policies under the umbrella of the Board's own overall set of policies.
- Ensure Pacific representation on the Board and all funding committees and sub-committees, except Marae Heritage and Facilities.

- Ensure that funding sub-committees are adequately resourced to implement policies aimed at improving responsiveness to Pacific people.
- Use these policies as the basis for making funding decisions with respect to applications from Pacific people.

Detailed Goals of the Strategic Plan

Representation of Pacific people

- Adoption by the Minister of Internal Affairs of a transparent method of appointing members of National funding committees.
- Increasing Pacific representation on the Lottery Grants Board.
- Increasing Pacific representation on regional lottery funding sub-committees.
- Increasing Pacific representation on national and regional Lottery Grants Board staffing:

Application process

- Providing, and making widely available, application materials in the Samoan, Niuean, Cook Island, Tongan, Tokelauan, and Fijian languages.
- Providing direct assistance with developing and submitting applications.
- Simplifying the application process.
- Simplifying the language used in application forms
- Holding annual funding clinics with Pacific groups throughout New Zealand.
- Providing, and disseminating widely, information materials in Pacific languages
- Increasing Lottery Grants Board responsiveness to the funding needs of Pacific people.

Funding policy

- Funding support services aimed at building and maintaining administrative capacity in Pacific groups.
- Establishing a Provider Development Fund, similar to the Marae Heritage Fund, to build the capacity of Pacific communities and groups to provide direct, culturally appropriate, and holistic social services to Pacific people.
- Setting funding targets or target bands for Pacific groups in each distribution committee which take into account population historical disadvantage and past underfunding.
- Establishing national and regional funding policy guidelines, objectives and goals to be implemented by National and Regional Funding Committees.
- Mandating all funding committees to consider the level of need of applicants (as Lottery Welfare and Lottery Youth are able)

- Funding support services aimed at building and maintaining administrative capacity in Pacific groups.
- Establishing outputs for national and regional funding committees, to ensure the achievement of these goals.

Legal changes

- Amending the Gaming and Lotteries Act to enable any of these recommendations which are not presently permitted by law, or for which the law is unclear, to be implemented.

Funding database structure

- Improving the ability of the funding database to capture ethnic data by modifying the funding application forms to allow more accurate recording of ethnic affiliation.

Detailed Recommendations

Responsiveness to Pacific people

1. It was emphasised during the internal cultural audit that there was no requirement for the Lottery Grants Board to be responsive to Pacific people. This was linked to the difficulties experienced by Pacific people in gaining equitable access to funding.

To assist the Lottery Grants Board to increase its responsiveness to Pacific people, it is recommended that the Lottery Grants Board:

- I. develop and implement an overall set of policies covering its relationship with Pacific people and its responsiveness to their needs, these policies should cover the broad areas of:
 - application process;
 - communication with Pacific people;
 - Pacific representation on the Lottery Grants Board, committees and staff;
 - incorporating time to work on Pacific funding issues into staff job descriptions;
 - relationships between national and regional funding committees;
 - funding levels; and
 - adequacy of the funding database.
- II. ensure that the funding committees develop their own policies under the umbrella of the Board's own overall set of policies;
- III. ensure Pacific representation on the Board and all funding committees and sub-committees except Marae Heritage and Facilities;
- IV. ensure that funding sub-committees are adequately resourced to implement policies aimed at improving responsiveness to Pacific people.
- V. use these policies as the basis for making funding decisions with respect to applications from Pacific people.

Detailed recommendations addressing these issues are set out under the following headings: Representation of Pacific people; Application process; Funding policy; Legal changes; and Funding database structure.

Representation of Pacific people

1. Problems with the level of Lottery Grants Board responsiveness to Pacific funding needs were linked to the low levels of Pacific representation within the organisation at all levels.

In order to address the issue of representation it is recommended that the Lottery Grants Board ensure that funding committee memberships include sufficient Pacific representation to enable the needs of Pacific applicants to be understood and taken seriously by:

- I. Advising the Minister of Internal Affairs to adopt a transparent method of appointing members of National funding committees by:

- calling for public nominations and appointing members from among those nominated, which is the method already used to appoint regional sub-committee members; and
- requesting the Minister of Internal Affairs to ensure that the Pacific membership and representation on each committee has the confidence of the Pacific community.

- II. Increase Pacific representation on the Lottery Grants Board by:

- advising the Minister of Internal Affairs of the need for this and
- ensuring that the Government and Opposition have available a list of qualified Pacific people who have been nominated by Pacific groups for service on the Board.

- III. Increase Pacific representation on regional lottery funding sub-committees by:

- ensuring at least one place for a Pacific person on each regional sub-committee and
- requiring regional sub-committees to convene advisory groups of Pacific people to advise them about the funding needs of Pacific people in their regions and
- provide assistance in the evaluation of applications either from Pacific people, or from others, for providing services to Pacific people.

- IV. Increase Pacific representation on national and regional Lottery Grants Board staffing:

- to a level that gives the Pacific community confidence that their interests are adequately catered for at all levels of the Lottery Grants Board.

Application process

1. Problems associated with the application process and the responsiveness of the Lottery Grants Board and funding committees to the needs of Pacific people were consistently voiced during the focus group fono and the internal cultural audit.

In order to address these issues it is recommended that there be implemented a promotional and educational strategy designed to encourage and enable Pacific

people to apply for funding from all Funding Committees and increase the responsiveness of the Lottery Grants Board, funding committees and staff to the needs of Pacific people. This strategy will be implemented by:

- I. Providing, and making widely available, application materials in the Samoan, Niuean, Cook Island, Tongan, Tokelauan, and Fijian languages.
- II. Providing direct assistance with developing and submitting applications.
- III. Simplifying the application process through a process of:
 - consultation with the Pacific Island Consultation and Advisory Group (PICAG).
- IV. Simplifying the language used in application forms
 - in consultation with the Pacific Island Consultation and Advisory Group.
- V. Holding annual funding clinics with Pacific groups throughout New Zealand, but concentrating
 - particularly on the Auckland and Waikato Regions while
 - further developing them in Wellington, Christchurch and the rest of New Zealand.
- VI. Providing, and disseminating widely, information materials in the
 - Samoan, Niuean, Cook Island, Tongan, Tokelauan, and Fijian languages, and through Pacific media outlets.
- VII. Increasing Lottery Grants Board responsiveness to the funding needs of Pacific people by:
 - establishing consultation forums to encourage the voices of Pacific people to inform Lottery Grants Board funding criteria, policy and priorities at regional and national levels;
 - providing Pacific cultural awareness training for all Lottery Grants Board staff and committee members; and
 - including in staff job descriptions the requirement to allocate time for dealing with Pacific funding issues, including holding funding clinics and consultation with Pacific groups and applicants.

Funding policy

1. A strong theme throughout the focus group fono were recommendations concerning the provision of funding to build the administrative capacity of Pacific groups and organisations to more effectively administer their affairs and equip them financially and administratively to deliver a range of services to their people. This would also help overcome the often noted problem of the inflexibility of funding criteria to match Pacific need.

It is therefore recommended that Pacific groups and communities be empowered to provide direct services to their members which are appropriate to their particular social, cultural and economic needs by:

- I. Funding support services aimed at building and maintaining administrative capacity in Pacific groups.

II. Establishing a Provider Development Fund, similar to the Marae Heritage Fund , with substantial Pacific representation on the committee administering this fund., to build the capacity of Pacific communities and groups to provide direct, culturally appropriate, and holistic social services to Pacific people in the areas of:

- community support, development and maintenance covering:
 - the support and understanding of children;
 - the motivation and support of youth;
 - maintaining intergenerational dialogue and relationships;
 - maintaining extended families;
 - maintaining community integrity;
 - supporting the elderly in their social activities;
 - fostering the participation of Pacific women;
 - dealing with domestic violence;
 - meeting the needs of New Zealand born Pacific people;
 - the provision of community transport;
 - housing advocacy services.
- consumer support and mentoring;
- resource and information centres;
- immigration services;
- cultural development and maintenance covering:
 - building cultural awareness;
 - funding language groups;
 - fostering intergenerational understanding;
 - strengthening families.
 - developing cultural services;
- educational support services in the areas of:
 - traditional and mainstream arts;
 - communication skills;
 - DIY maintenance and manufacturing;
 - early childhood education;
 - employment;
 - getting out of dependency;
 - learning the New Zealand system and life skills;
 - maintaining cultural identity;
 - management;
 - parenting;
 - study/homework centres;
 - traditional culture and crafts;
 - training for community youth workers;
 - vocational skills.
- health care services in the areas of:
 - primary health care;
 - drug and alcohol programmes;
 - mental health.
- employment opportunity development and business development through:
 - human capital development;

- assisting the unemployed to gain employment;
 - developing projects fostering business creation.
 - providing long-term and bulk funding to Pacific organisations;
 - providing funding for rent, electricity and gas;
 - funding more than one salary per organisation.
2. Implement a strategy aimed at ensuring that the funding awarded to Pacific people is at least consistent with their representation in the population, but with the goal of funding them at a higher level in order to provide for the particularly high level of deprivation they experience, and catch up for past underfunding. This strategy will be implemented by:
- I. Establishing a Provider Development Fund, as detailed above, to build the capacity of Pacific communities and groups to
 - provide direct social services to Pacific people.
 - II. Setting funding targets or target bands for Pacific groups in each distribution committee. These targets will be determined by:
 - the total amount of money available to each committee;
 - the size of the Pacific population the committee services;
 - historical disadvantage;
 - past underfunding; and
 - the need to enable the further development of Pacific provider services.
 - III. Establishing national and regional funding policy guidelines, objectives and goals to be implemented by National and Regional Funding Committees. These guidelines will specify:
 - the formula to be used by each committee to determine the level of funding to be allocated for Pacific people in New Zealand that ensures they will not continue to be underfunded;
 - the requirements regarding holding funding clinics for Pacific people; and
 - full details of funding policies which are specific to Pacific people.
 - funding Pacific churches on the same basis as Marae through the establishment of a special fund.
 - IV. Mandating all funding committees to consider the level of need of applicants (as Lottery Welfare and Lottery Aged can), to enable them to set goals that:
 - ensure disadvantaged cultural groups receive at least a reasonable proportion of funding that relates to both their population percentage and level of need, without in any way compromising the relative merit of individual applications.
 - V. Funding support services aimed at building and maintaining administrative capacity in Pacific groups.
 - VI. Establishing outputs for national and regional funding committees to ensure the achievement of these recommended initiatives, through a process of consultation:
 - between the Lottery Grants Board and the National Committees; and
 - between the National Committees and their Regional Committees.

3. Conduct an annual funding audit, as part of the monitoring process, using the proposed new funding database, and covering the following aspects of funding:
 - funds requested;
 - applications declined;
 - applications approved;
 - funds granted;
 - regional emphases and differences;
 - distribution committee emphases and differences;
 - the funding rate proportional to population rate; and
 - comparison between Pacific applicants and the rest of the population.

Legal changes

1. On the strength of the arguments advanced in Chapter 2, there is sufficient legal basis for these recommendations to be implemented. However, if this proves difficult under the law, then it is recommended that:
 - the Gaming and Lotteries Act be amended to enable any of these recommendations which are not presently permitted by law, or for which the law is unclear, to be implemented.

Funding database structure

1. Improve the ability of the funding database to capture ethnic data by:
 - I. modifying the funding application forms to:
 - allow the ethnic or cultural affiliation(s) of applicants to be recorded in addition to the ethnicity of the funding's intended beneficiaries;
 - give a clear indication of the cultural groups which will primarily benefit from the funding of particular projects, by asking an open question inviting applicants to name the cultural group or groups that will primarily benefit from the proposed project; and
 - move the section which asks about ethnic affiliation to the end of the application and make it clear that it does not form part of the application.

Implementation and monitoring of the Strategic Plan

It is recommended that:

1. a two year plan be developed to implement the recommendations set out to achieve the goals of the Strategic Plan;
2. priority be given to establishing the Provider Development Fund, particularly those elements of it aimed at increasing the capacity of Pacific groups and people to access lottery funds and provide direct services to their people;
3. the plan and the targets for the achievement of these goals be set by the Lottery Grants Board in full participation with the Pacific Island Consultation and Advisory Group;
4. targets be set for achievement within six monthly cycles;
5. the achievement of targets be subject to quantitative measurement six monthly, by an independent Pacific led socio-cultural audit organisation and an annual funding audit;
6. qualitative measurement of the effectiveness of Lottery Grants Board responsiveness to Pacific people, through focus groups, be undertaken annually, by an independent Pacific led socio-cultural audit organisation;
7. the focus group fono take place with Pacific culturally based groups, the Pacific Island Consultation and Advisory Group and staff along the same lines as occurred in this review and with the same question line;
8. an annual report be produced detailing progress towards achieving the goals and recommendations developed in the Pacific Cultural Audit of the Lottery Grants Board, and made easily accessible to the public.

Measurement

As indicated above, measuring the extent to which the goals of the strategic plan are implemented and achieved will require a combination of quantitative and qualitative measures. While all goals can be measured quantitatively, the extent to which their achievement is actually working for Pacific people can best be measured using qualitative methods.

It is recommended that focus groups be convened annually, comprised of people from Pacific organisations involved or potentially involved in applying for funding, Community Development Group staff, and Lottery staff.

Quantitative data will be obtained every six months through: (1) report forms to be completed by specified officials for the Board, committees and staff, and (2) an annual funding audit using the proposed new funding database. By drawing together qualitative and quantitative data in this way, a comprehensive assessment of progress toward achieving the plan will be possible.

Where necessary, data will be obtained from other sources, such as, for example, population data from Statistics New Zealand.

In the following table, the recommendations developed in this audit are listed beside the method(s) of monitoring to be applied to them.

Representation of Pacific people	<i>Monitoring method(s)</i>
I. Advising the Minister of Internal Affairs to adopt a transparent method of appointing members of National funding committees by:	6 monthly report form
<ul style="list-style-type: none"> calling for public nominations and appointing members from among those nominated, which is the method already used to appoint regional sub-committee members; and 	6 monthly report form
<ul style="list-style-type: none"> requesting the Minister of Internal Affairs to ensure that the Pacific membership and representation on each committee has the confidence of the Pacific community. 	6 monthly report form and annual Focus group
II. Increase Pacific representation on the Lottery Grants Board by:	
<ul style="list-style-type: none"> advising the Minister of Internal Affairs of the need for this; and 	6 monthly report form
<ul style="list-style-type: none"> ensuring that the Government and Opposition have available a list of qualified Pacific people who have been nominated by Pacific groups for service on the Board 	6 monthly report form and annual Focus group
III. Increase Pacific representation on regional lottery funding sub-committees by:	
<ul style="list-style-type: none"> ensuring at least one place for a Pacific person on each regional sub-committee; 	6 monthly report form
<ul style="list-style-type: none"> requiring regional sub-committees to convene advisory groups of Pacific people to advise them about the funding needs of Pacific people in their regions; and 	6 monthly report form and annual Focus group
<ul style="list-style-type: none"> provide assistance in the evaluation of applications either from Pacific people, or from others, for providing services to Pacific people. 	6 monthly report form and annual Focus group
IV. Increase Pacific representation on national and regional Lottery Grants Board staffing:	
<ul style="list-style-type: none"> to a level that gives the Pacific community confidence that their interests are adequately catered for at all levels of the Lottery Grants Board. 	6 monthly report form and annual Focus group

Application process	<i>Monitoring method(s)</i>
I. Providing, and making widely available, application materials in the Samoan, Niuean, Cook Island, Tongan, Tokelauan, and Fijian languages.	6 monthly report form and annual Focus group
II. Providing direct assistance with developing and submitting applications.	6 monthly report form and annual Focus group
III. Simplifying the application process through a process of:	
<ul style="list-style-type: none"> consultation with the Pacific Island Consultation and Advisory Group (PICAG). 	6 monthly report form and annual Focus group
IV. Simplifying the language used in application forms	
<ul style="list-style-type: none"> in consultation with the Pacific Island Consultation and Advisory Group. 	6 monthly report form and annual Focus group
V. Holding annual funding clinics with Pacific groups throughout New Zealand, but concentrating	6 monthly report form and annual Focus group
<ul style="list-style-type: none"> particularly on the Auckland and Waikato Regions while 	6 monthly report form and annual Focus group
<ul style="list-style-type: none"> further developing them in Wellington, Christchurch and the rest of New Zealand. 	6 monthly report form and annual Focus group
VI. Providing, and disseminating widely, information materials in the	
<ul style="list-style-type: none"> Samoan, Niuean, Cook Island, Tongan, Tokelauan, and Fijian languages, and through Pacific media outlets. 	6 monthly report form and annual Focus group
VII. Increasing Lottery Grants Board responsiveness to the funding needs of Pacific people by:	
<ul style="list-style-type: none"> establishing consultation forums to encourage the voices of Pacific people to inform Lottery Grants Board funding criteria, policy and priorities at regional and national levels; 	6 monthly report form and annual Focus group
<ul style="list-style-type: none"> providing Pacific cultural awareness training for all Lottery Grants Board staff and committee members; and 	6 monthly report form and annual Focus group
<ul style="list-style-type: none"> including in staff job descriptions the requirement to allocate time for dealing with Pacific funding issues, including holding funding clinics and consultation with Pacific groups and applicants. 	6 monthly report form

Funding policy	<i>Monitoring method(s)</i>
I. Funding support services aimed at building and maintaining administrative capacity in Pacific groups.	Annual Funding Audit, 6 monthly report form and annual Focus group
II. Establishing a Provider Development Fund, similar to the Marae Heritage Fund, with substantial Pacific representation on the committee administering this fund, to build the capacity of Pacific communities and groups to:	Annual Funding Audit, 6 monthly report form
<ul style="list-style-type: none"> provide direct, culturally appropriate, and holistic social services to Pacific people in the areas detailed elsewhere in this report: 	Annual Funding Audit, 6 monthly report form and annual Focus group
III. Setting funding targets or target bands for Pacific groups in each distribution committee. These targets will be determined by:	
<ul style="list-style-type: none"> the total amount of money available to each committee and the size of the Pacific population the committee services; 	Annual Funding Audit, 6 monthly report form and annual Focus group
<ul style="list-style-type: none"> the total amount of money available to each committee; 	Annual Funding Audit, 6 monthly report form
<ul style="list-style-type: none"> the size of the Pacific population the committee services; 	Annual Funding Audit, 6 monthly report form
<ul style="list-style-type: none"> historical disadvantage; 	Annual Funding Audit, 6 monthly report form and annual Focus group
<ul style="list-style-type: none"> past underfunding; and 	Annual Funding Audit, 6 monthly report form
<ul style="list-style-type: none"> the need to enable the further development of Pacific provider services. 	Annual Funding Audit, 6 monthly report form and annual Focus group
IV. Establishing national and regional funding policy guidelines, objectives and goals to be implemented by National and Regional Funding Committees. These guidelines will specify:	
<ul style="list-style-type: none"> the formula to be used by each committee to determine the level of funding to be allocated for Pacific people in New Zealand that ensures they will not continue to be underfunded; 	6 monthly report form

Funding policy (continued)	<i>Monitoring method(s)</i>
<ul style="list-style-type: none"> • the requirements regarding holding funding clinics for Pacific people; 	6 monthly report form and annual Focus group
<ul style="list-style-type: none"> • full details of funding policies which are specific to Pacific people; and 	6 monthly report form
<ul style="list-style-type: none"> • funding Pacific churches on the same basis as Marae through the establishment of a special fund. 	Annual Funding Audit, 6 monthly report form and annual Focus group
<p>V. Mandating all funding committees to consider the level of need of applicants (as Lottery Welfare and Lottery Aged are able), to enable them to set goals that:</p>	6 monthly report form
<ul style="list-style-type: none"> • ensure disadvantaged cultural groups receive at least a reasonable proportion of funding that relates to both their population percentage and level of need, without in any way compromising the relative merit of individual applications. 	Annual Funding Audit, and Focus group
<p>VI. Funding support services aimed at building and maintaining administrative capacity in Pacific groups.</p>	Annual Funding Audit, 6 monthly report form and annual Focus group
<p>VII. Establishing outputs for national and regional funding committees to ensure the achievement of these recommended initiatives, through a process of consultation:</p>	
<ul style="list-style-type: none"> • between the Lottery Grants Board and the National Committees; and 	6 monthly report form
<ul style="list-style-type: none"> • between the National Committees and their Regional Committees. 	6 monthly report form
<p>VIII. Conduct an annual funding audit, as part of the monitoring process, using the proposed new funding database, and covering the following aspects of funding:</p> <ul style="list-style-type: none"> • funds requested; • applications declined; • applications approved; • funds granted; • regional emphases and differences; • distribution committee emphases and differences; • the funding rate proportional to population rate; and • comparison between Pacific applicants and the rest of the population. 	Annual Funding Audit

Legal changes	<i>Monitoring method(s)</i>
1. Amend the Gaming and Lotteries Act to enable any of these recommendations which are not presently permitted by law, or for which the law is unclear, to be implemented.	6 monthly report form

Funding database structure	<i>Monitoring method(s)</i>
I. modifying the funding application forms to:	
<ul style="list-style-type: none"> allow the ethnic or cultural affiliation(s) of applicants to be recorded in addition to the ethnicity of the funding's intended beneficiaries; 	6 monthly report form
<ul style="list-style-type: none"> give a clear indication of the cultural groups which will primarily benefit from the funding of particular projects, by asking an open question inviting applicants to name the cultural group or groups that will primarily benefit from the proposed project; and 	6 monthly report form
<ul style="list-style-type: none"> move the section which asks about ethnic affiliation to the end of the application and make it clear that it does not form part of the application. 	6 monthly report form