

Muaūpoko Tribal Authority Inc.

306 Oxford Street, Taitoko, 5510 – PO Box 1080, Taitoko, 5540
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Submitted via: financialmarkets@mbie.govt.nz & consumer@mbie.govt.nz

Financial Markets & Consumer Policy
Ministry of Business, Innovation & Employment
Wellington

RE: Phase two Fit for purpose financial services reform 2024;

- **Fit for purpose consumer credit legislation Discussion document**
- **Effective financial dispute resolution Discussion document**
- **Fit for purpose financial services conduct regulation Discussion document**

Muaūpoko Tribal Authority Inc. supports the recommendations of FinCap's three submissions in response to the three consultation documents listed above. Robust consumer protections for financial services are important to the financial well-being and quality of life for whānau.

Our hāpori faces significant challenges, including financial hardship health disparities, and social inequities. Financial service's conduct can cause or contribute to well being for whānau. There needs to be accessible pathways for whānau and their community support services to confidently raise issues with a financial service. Where raised, settings should see that self determination is possible.

The Minister for Commerce and Consumer Affairs has clearly acknowledged that our whānau, hapu and iwi are among the most exposed where the consumer protections around financial services in this space are not fit for purpose:

*"39 per cent of consumers entered into a credit contract between 2020 and 2022. These consumers were more likely than the general population to be aged between 27 and 46, employed full-time, **Māori** and educated..."*

*... unaffordable lending, if realised, is likely to disproportionately affect certain population groups. These would be groups who are more likely to be seeking credit from less scrupulous lenders... **Māori**, pacific peoples and immigrants are likely to be over-represented in these groups." (Emphasis added)*
Progressing financial services reform Cabinet Paper April 2024¹

The disproportionate impacts identified by the Minister are correct. We support the Government's commitment to protect vulnerable borrowers and are providing the insight into what settings are needed to prevent harm from financial services' conduct.

Moreover, the Government must therefore note the need to take its obligations under the Te Tiriti o Waitangi into account and progress our recommendations for robust consumer protections for our people and hāpori.

Financial insecurity sees whānau struggle to provide adequate and nutritious housing, kai for their households, and fundamental necessities which impacts overall well-being and Hauora. We work diligently to address these needs through various services. Our initiatives include hardship relief in individual crises

¹See p.14: <https://www.mbie.govt.nz/dmsdocument/28285-progressing-financial-services-reform-proactiverelase-pdf>

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moments, food parcel distributions, linking in with government agencies and organisations to ensure that whānau have access to what they need during these times.

Prevention through well formed consumer protections and their enforcement should reduce the need in our hāpori for crisis services. Requiring all lenders and insurers to consider whether all aspects of their business are fair, would improve outcomes. Giving regulators more tools to halt and remedy any distress or harm from financial services breaking the law should see these regulators use the tools to create better and more timely outcomes. Having a single dispute resolution scheme that is more consistent, and uses efficiencies to better engage with our whānau, would see less need for our awahi through services. Making debt collectors more accountable will lower the chance of them worsening financial security for our whānau. And lastly, we strongly support putting more requirements on lenders charging 30 per cent or more a year on their loans because this would prevent many whānau from being weighed down repaying these high-cost loans.

Ko Wai Mātou

Muaūpoko Tribal Authority Inc. was established in 1997 with the primary goals of:

- Protecting Muaūpoko identity and assets: We strive to foster a robust economic, social, and cultural foundation.
- Growing and sharing Muaūpokotanga, Te Reo me ona Tikanga: We are dedicated to promoting and preserving the language and traditions of the Muaūpoko for all members, those with Muaūpoko whakapapa and as a Manawhenua responsibility for whānau who walk our whenua.
- Guided by our Tipuna: Our actions are directed by the principles established by Muaūpoko tupuna and are dedicated to the aspirations (moemoeā) of Muaūpoko whānau, hapu, and iwi, and Muaūpoko Mana Motuhake.

OUR VISION

“Whakahōno, kia tū kaha, Muaūpoko” - Unite, stand strong, Muaūpoko.

KAUPAPA MĀORI PRACTICE

Our practice is rooted in Kaupapa Māori models, including Te Ara Whānau Ora and other Kaupapa Māori approaches such as Te Whare Tapa Wha. We firmly believe in Mana Motuhake (self-determination) - that whānau have the power and capacity to achieve their aspirations (moemoeā) and define their own health and well-being (Hāuora and Whānau Ora).

A central principle of our practice and service delivery is to advocate, broker, coach, and support whānau. We provide tools and systems that encourage whānau to dream and aspire, to self-manage, and to begin from a position of strength. The Kaupapa Māori models we employ promote healthy lifestyles, active participation, and confidence in connecting to whakapapa, Te Ao Māori, and the wider hāpori (community).

OUR CORE PRACTICE OUTCOMES

- Mana Motuhake for whānau: We aim for self-determination according to whānau aspirations.
- Support for our kaimahi: We ensure that our staff have the best possible practice in all aspects of their roles, as we believe our whānau deserve our absolute best in everything we do.

OUR HĀPORI - TE HĀPORI O MUAŪPOKO

Our hāpori is diverse and vibrant with a deep connection to our whakapapa, whenua, tikanga and kawa. We face significant challenges, including financial instability, health disparities, and social inequities. Our services aims to address these issues by providing wrap around support and advocating for better policies and protections. Through our efforts, we aim to build a more resilient and thriving hāpori for our members and our the whānau we service.

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Conclusion

Thank you for considering our submission. We are deeply committed to the well-being of our whānau and hāpori. Your support in implementing these recommendations will greatly enhance our efforts to protect and uplift our people and our hāpori.

Please contact Di Rump, CEO on [Privacy of natural persons](#) to discuss any aspect of this submission further.

Nāku noa nā,

[Privacy of natural persons](#)

Di Rump
He Kura Hokioi
Muaūpoko Tribal Authority Inc

Cc: Tim Tukapua
Chair, Muaūpoko Tribal Authority Inc Board