



Wellbeing indicators and policy frameworks in New Zealand

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Outline of presentation

- Wellbeing indicators and policy frameworks in New Zealand
- Indicators Aotearoa New Zealand – Stats NZ
- Treasury's Living Standards Framework
- How does The Treasury use its LSF?
- How is the Government using Treasury's LSF?

Wellbeing indicators and frameworks

MEASUREMENT

DATA

Indicators
Aotearoa
New
Zealand
(IANZ)

Stats NZ

*IANZ will
be a key
data source
but agencies
will also use
other data
sources*

AGENCY FRAMEWORKS AND REPORTING

INFORMATION, ANALYSIS, ADVICE

Child Poverty measures
Child Poverty Unit, DPMC

Child and Youth Wellbeing
Outcomes Framework
Child Wellbeing Unit, DPMC

Environmental Report
Ministry for Environment & Stats NZ

Social Report
Ministry of Social Development

Living Standards Framework
The Treasury

Other agency frameworks

MINISTERIAL DECISIONS AND PRIORITIES

Cabinet and
Cabinet
Committees

Government
priority setting
and value
judgements

- Budget Strategy
- Strategic Policy
- Regulation

Indicators Aotearoa NZ – Stats NZ

What matters
most to you?

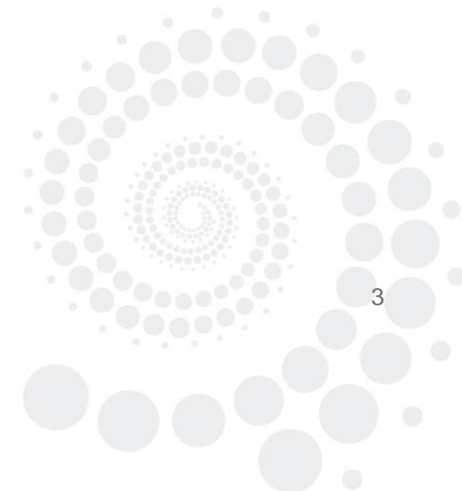
Indicators Aotearoa New Zealand is shining
a light on wellbeing in New Zealand

Indicators Aotearoa NZ – Stats NZ

Selection of indicators

Process

- Inclusive process
- Māori co-design
- Public consultation on ‘what matters’
- Indicator selection criteria and guiding principles
- Workshops to select indicators
- Summit to finalise indicator selection
- Peer review by local and international experts

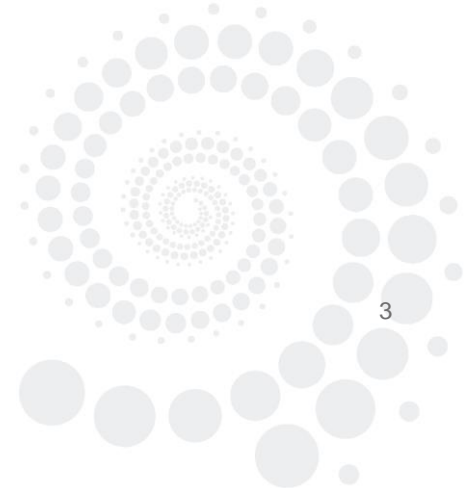


Indicators Aotearoa NZ – Stats NZ

Selection of indicators

Guiding principles

- Indicators should be outcome focused
- They should be relevant to New Zealand
- Movement should be positively or negatively associated with progress
- Objective and subjective indicators should be included
- Parsimony should guide selection process ‘less is more’
- Selection should not be data driven
- Indicator set should provide a complete picture



Selection of indicators

Technical criteria

- Relevant to underlying phenomenon
- Sensitive to change
- Statistically sound
- Able to be disaggregated
- Intelligible
- Consistent



Indicators Aotearoa NZ – Stats NZ

Topics

Current wellbeing (here and now)

- Subjective wellbeing
- Income
- Health
- Labour
- Education
- Culture & identity
- Cities & human settlement
- Leisure
- Safety
- Trust & social relations
- Institutions
- Land
- Ecosystems
- Water & sanitation
- Air quality
- Waste

Future wellbeing (later)

- Human capital
 - Labour
 - Health
 - Education
 - Research & development
- Social capital
 - Trust & social relations
 - Institutions
 - Culture & identity
- Produced capital
 - Physical capital
 - Financial capital
- Natural capital
 - Ecosystems
 - Water & sanitation
 - Air quality
 - Climate
 - Energy resources
 - Mineral resources
 - Waste



Indicators Aotearoa NZ – Stats NZ

Topics (continued)

Transboundary impacts (elsewhere)

- Consumption & income
- Energy resources
- Mineral resources
- Land
- Water
- Climate
- Labour
- Physical capital
- Knowledge capital
- Financial capital
- Institutions



Context

- Population
- Production



The Treasury's Living Standards Framework

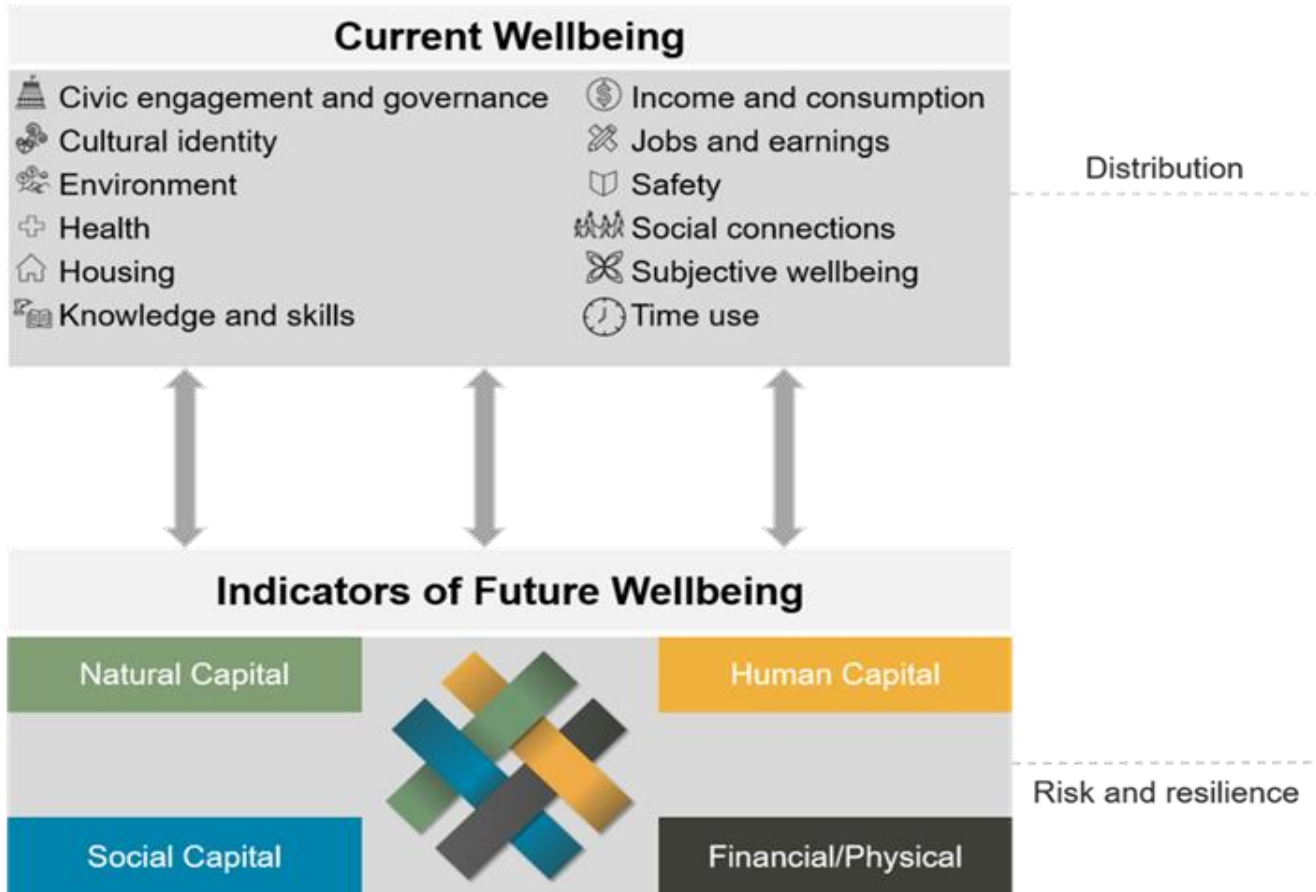
The Living Standards Framework

The Treasury's LSF draws on OECD analysis of wider indicators of wellbeing – and amends it for New Zealand

The starting point is answering three questions:

- What are **current** outcomes?
- Will these outcomes be **sustained or improved**?
- How **resilient** is the system?

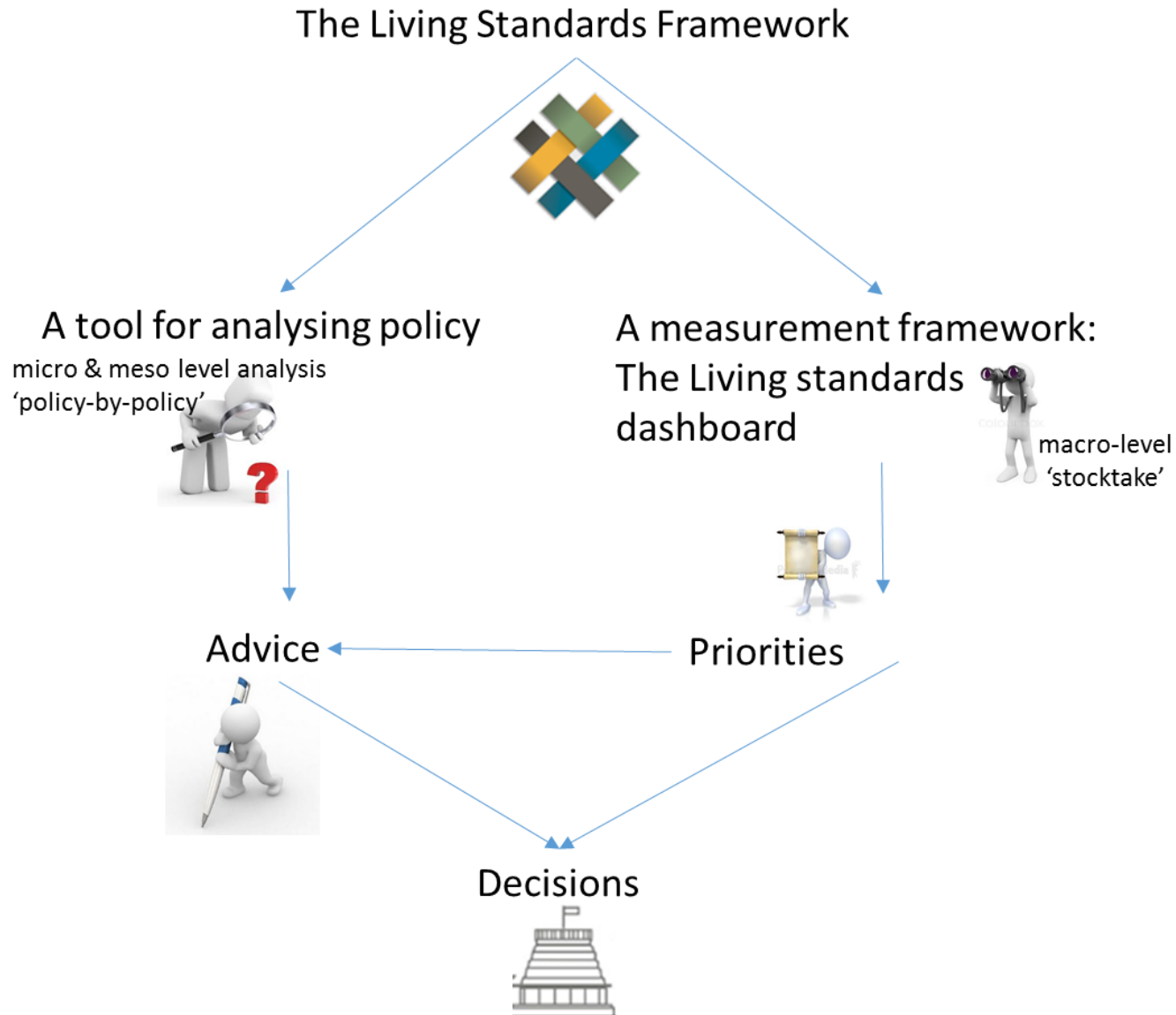
Elements of the LSF



An LSF for Aotearoa New Zealand

- Ensuring the framework is relevant for New Zealand
 - OECD's domains of current wellbeing expanded to include cultural identity
 - Work underway by TPK on Te Ao Māori perspectives
 - Discussion Papers included A Pacific Perspective on the Living Standards Framework and Wellbeing and An Asian Perspective and the New Zealand Treasury Living Standards Framework
 - More work to do and the LSF and LSF Dashboard will be amended as required to reflect the developments – but this work will take time

How will The Treasury use the LSF?



How will The Treasury use the LSF?

- To measure the wellbeing of New Zealanders using the Living Standards Framework Dashboard
 - Dashboard being released in December
 - Indicators to measure current and future wellbeing
 - Distribution details to tell the story of different people's wellbeing (by sex, ethnicity, region, age)
- To analyse policy for the impact on wellbeing (people and country)
 - Treasury advice generally
 - Advice on Wellbeing Budget B19

The Government and wellbeing and the 2019 Wellbeing Budget

How the Government sees wellbeing

- Legislative changes proposed to incorporate wellbeing reporting and have a joined-up public sector system
 - Child Poverty Reduction Bill, reporting on child poverty
 - Child and Youth Wellbeing Strategy developed
 - Amending the Public Finance Act (PFA) to require reporting on wellbeing
 - Changes to update the State Sector Act (SSA)

Wellbeing Budget 2019

- Government chose to use The Treasury's LSF to inform its priorities for B19
- Budget Priorities Statement will outline wellbeing priorities (December 2018)
- Treasury will assess budget bids using the LSF (impact on current domains of wellbeing or on future capital stocks)
- Wellbeing Budget to be delivered in May 2019

Thank you

Treasury

Contact details - cea@treasury.govt.nz

LSF work – <https://treasury.govt.nz/information-and-services/nz-economy/living-standards>

Stats NZ

Contact details - indicators@stats.govt.nz

IANZ work - <https://www.stats.govt.nz/consultations/indicators-aotearoa-new-zealand-nga-tutohu-aotearoa-consultation>

