TE TAI ŌHANGA
THE TREASURY

Stats NZ
Tatauranga Aotearoa

Wellbeing measurement and budgeting

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Agenda

- Defining and measuring wellbeing:
  - New Zealand Treasury wellbeing frameworks and dashboard
  - Stats New Zealand's Ngā Tūtohu: Aotearoa Indicators Aotearoa New Zealand

- Wellbeing budgeting

Defining and measuring wellbeing

The Living Standards Framework

He Ara Waiora

Living Standards Framework – Dashboard Indicators

Our Individual and Collective Wellbeing

Cultural capability and belonging
- Ability to express identity
- Arts participation
- Māori connection to marae
- Multilingualism
- Sense of belonging – adults
- Sense of belonging – youth
- Te reo Māori speakers

Engagement and voice
- Having a say in government
- Perception of public influence
- Voter turnout in general elections
- Voter turnout in local elections

Environmental amenity
- Access to the natural environment
- Drinking water management
- Droughts
- Health impacts of air quality
- Perceived environmental quality
- Swimmability (rivers)

Family and friends
- A place to stay
- Face-to-face contact
- Feeling loved
- Loneliness
- Social network support
- Someone to turn to

Health
- Health status
- Life expectancy at birth
- Mental health
- Suicide rate
- Unmet health needs

Housing
- Household crowding
- Housing cost – deposit affordability
- Housing cost – mortgage affordability
- Housing cost – rent affordability
- Housing cost – share of income
- Housing quality

Income, consumption and wealth
- Child poverty – material hardship
- Consumption
- Disposable income
- Financial wellbeing
- Food insecurity
- Household net worth

Knowledge and skills
- Cognitive skills at age 15
- Educational attainment of the adult population (tertiary)
- Educational attainment of the adult population (upper secondary)
- Regular school attendance

Leisure and play
- Leisure and personal care
- Participation in sport and recreation
- Satisfaction with work-life balance

Safety
- Childhood injuries
- Family violence
- Feeling safe
- Intentional homicide rate
- Road toll
- Workplace accident rate

Subjective wellbeing
- General life satisfaction
- Sense of purpose in one's life

Work, care and volunteering
- Employment rate
- Hourly earnings
- Involvement in the community
- Unemployment rate
- Unpaid work
- Volunteering
- Youth NEET rate

Our Institutions and Governance

Central and local government
- Net core Crown debt
- Perceived corruption
- Trust in government institutions

Civil society
- Non-profit operating surplus
- Volunteering

Families and households
- Family wellbeing
- Household indebtedness

Firms and markets
- Activity outlook
- Banking system capital
- Business turnover
- Multifactor productivity growth
- R&D expenditure

International connections
- Inward foreign direct investment
- Outward foreign direct investment
- Terms of trade
- Total trade to GDP ratio

Whānau, hapū and iwi
- Māori connection to marae
- Whānau wellbeing

The Wealth of Aotearoa New Zealand

Financial and physical capital
- Gross fixed capital formation
- Net intangible fixed assets
- Net international investment position
- Total net fixed assets

Human capability
- Cognitive skills at age 15
- Educational attainment of the adult population (upper secondary)
- Healthy life expectancy
- Non-communicable diseases
- Te reo Māori speakers

Natural environment
- Average temperature
- Biodiversity and genetic resources
- Coastal sea-level rise
- Net greenhouse gas emissions
- Renewable energy
- River health
- Soil quality
- Fish stocks
- Groundwater stocks
- Timber stocks

Social cohesion
- Ability to express identity
- Discrimination
- Sense of belonging
- Trust held in others

Living Standards Framework Dashboard Indicators

Stats NZ
Tatauranga Aotearoa

Ngā Tūtohu Aotearoa

Indicators Aotearoa New Zealand

Mapping Domestic Wellbeing Dashboards and Their Concepts and Contents

Marilette Lötter
Manager – Statistical Change & Assurance

statisticsnz.shinyapps.io/wellbeingindicators/

Aim

The aim of Ngā Tūtohu Aotearoa is to

- move beyond an economic view of progress
- create an independent picture of progress through a wellbeing and sustainable development lens
- support a wellbeing approach to decision-making
- present indicator data in a way that is easy to understand
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Example of a postcard response from the 2018 public consultation

Guiding principles

- Indicators should be
  - outcome focussed
  - relevant to Aotearoa New Zealand and incorporate Te Ao Māori
- Movements should be positively or negatively associated with progress
- Objective and subjective indicators should be included
- Parsimony should guide selection process – less is more
- Indicator set should provide a complete picture

Key Dimensions

General wellbeing | *Here and now*		**Future wellbeing** | *Later*
Air quality Cities and settlements Climate Culture Economic standard of living Ecosystems Governance Health Identity	Knowledge and skills Land Leisure Safety Social connections Subjective wellbeing Waste Water and sanitation Work	Human capital Social capital Financial & Physical Captital Natural Capital
Transboundary impacts | *Elsewhere*		**Contextual indicators**
Climate Economic standard of living Financial and Physical Capital	Human Capital Natural Capital Waste	Population Production

Ngā Tūtohu Aotearoa and the Living Standards Framework Dashboard

The two measurement frameworks have different purposes:

- Ngā Tūtohu Aotearoa provides a more comprehensive suite of wellbeing indicators
- The Treasury's LSF Dashboard provides a narrower range of indicators that the Treasury believes are most important to track to understand progress in New Zealand and to inform advice on cross-government wellbeing priorities.

Wellbeing Budgeting

The New Zealand Government's Wellbeing Approach

Legislative Change

Public Finance Act
State Services Act
Child Poverty Reduction Bill

Institutional Change

Infrastructure Commission
Urban Development Authority

Changes to key decision-making tools

Wellbeing Budget
Business cases
Regulatory Impact Assessments

Development of indicators, measurement and evaluation

New Zealand's Wellbeing Budget Process

Strategic Context and Priorities

Government's Wellbeing Objectives

- **Just Transition:** Supporting New Zealanders to transition to a climate-resilient, sustainable and
- low-emissions economy.

- **Future of Work:** Equipping New Zealanders with, and enabling New Zealand businesses to benefit from, new technologies and lift productivity and wages through innovation.

- **Physical and Mental Wellbeing** Supporting improved health outcomes for all New Zealanders.

- **Māori and Pacific:** Lifting Māori and Pacific incomes, skills and opportunities, including through access to affordable, safe and stable housing.

- **Child Wellbeing:** Reducing child poverty and improving child wellbeing, including through access to affordable, safe and stable housing.

2023 Budget Priorities

- **Supporting New Zealanders with the cost of living:** e.g. increasing early childhood, prescription, public transport and energy subsidies.

- **Delivering the services New Zealanders rely on:** e.g. investments in public housing, education, health, law and order.

- **Recovery and resilience:** cyclone recovery and infrastructure and science and technology investment for the future.

- **Fiscal sustainability:** meeting the Government's fiscal strategy and tax changes.

Initiative development

Levels	Effort / cover of impacts	Comment
1. Identify	**Comprehensive** • Positive and negative • All people	• Think broadly • Link with other agencies / perspectives • Look across domains and in intervention logic
2. Quantify a subset of identified impacts	**To extent/where possible** • Impact assumptions • Put most effort into the most significant impacts.	• What do you know? • Important impacts may be outside your sector or unintended • Indicate magnitude in final advice
3. Monetise a subset of quantified impacts	**Selective and robust** • Significant impacts • Good evidence base	• Focus monetisation on key 1-3 impacts, to include in final advice

Thank you!

Share your views and research on wellbeing at

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