Wellbeing Frameworks for the Treasury

Dr Anita King, Dr Gulnara Huseynli and Nairn MacGibbon

Office of the Chief Economic Adviser
Living Standards Series: Discussion Paper 18/01

February 2018

DISCLAIMER
This paper is one of a series of discussion papers on wellbeing in the Treasury’s Living Standards Framework. The papers on natural capital, social capital, human capital, and wellbeing frameworks are discussion papers. The discussion papers are not the Treasury’s position on measuring intergenerational wellbeing and its sustainability in New Zealand. Our intention is to encourage discussion on these topics.

There are marked differences in perspective between the papers that reflect differences in the subject matter as well as differences in the state of knowledge. The Treasury welcomes comments on these papers to help inform our ongoing development of the Living Standards Framework.

In contrast, The Treasury Approach to the Living Standards Framework is a Treasury Paper, which describes the current work on the Living Standards Framework and our plans for future work.
LIVING STANDARDS SERIES: DISCUSSION PAPER 18/01

Wellbeing Frameworks for the Treasury

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Executive Summary

Over recent years, the Treasury has been increasingly focused on using a living standards framework to assess the impact of government policies on the wellbeing of New Zealanders. The purpose of this report is to evaluate a range of different frameworks for measuring current wellbeing that exist both internationally and domestically as part of a refresh and re-articulation of the Treasury Living Standards Framework (LSF).

Wellbeing is a multi-faceted concept. Any single value claiming to describe wellbeing involves significant value judgements, as well as indexing problems, and makes underlying causes less transparent. That is why we are recommending a dashboard-type approach, as explained in more detail on page 2, to measurement of current wellbeing which covers objective measures of wellbeing as well as self-reported subjective measures.

A number of wellbeing frameworks were evaluated against a range of assessment criteria in order to assess their relevance and applicability to the New Zealand situation. This assessment found that there was a large degree of commonality amongst many of the alternative wellbeing measures that exist, both in terms of the broad dimensions of wellbeing that were considered as well as in the indicators that are used to represent them.

The Organisation for Economic Cooperation and Development’s (OECD’s) framework (used in the Better Life Index and “How’s Life?” reports) is one of several possible existing frameworks that meet our needs well enough (with some additions), and has the advantage of being backed by a major international organisation. Note that the United Nations Development Programme’s (UNDP’s) Sustainable Development Goals (SDGs) are goals rather than measures and as such do not make a good measurement framework.

It is recommended that:

• the Treasury adopts the base wellbeing framework developed by the OECD that is used as the basis for their regular “How’s Life?” report and Better Life Index, with minor adaptation/extension for the New Zealand circumstance

• an additional dimension of Cultural Identity be added to the 11 dimensions already included in the OECD framework – this is to reflect the particular interest in New Zealand of cultural identity, and

• additional measures be included for mental health, volunteering and corruption to capture a broader measurement of wellbeing.

A number of the proposed indicators of current wellbeing are also measures of a capital stock; for example, health is both part of current wellbeing and part of human capital. Capital stock measures are considered in parallel papers due to be released as part of a suite of papers on wellbeing.
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Introduction

The purpose of this report is to investigate different existing frameworks for measuring wellbeing, make a recommendation on which the Treasury should be using based on technical criteria and identify any issues with that choice relative to New Zealand including any obvious ways around those issues (such as extra indicators and recalculating indexes for inter-temporal comparisons).

Criteria that have been considered relate to both the theoretical framework for measuring wellbeing, as well as the practicalities of operationalising and presenting data based on the framework. Desirable criteria include international comparability, a dashboard approach, data availability and appropriateness for a developed country like New Zealand. This is important for monitoring our progress against more than just economic indicators.

The focus of this report is on the measurement framework for current state wellbeing (represented by the left-hand column of Figure 1 below), which is separate from but related to the measurement frameworks that are being developed for the capital stocks that provide flows of wellbeing. Anticipating future wellbeing (Sustainability for the Future) is the topic of parallel reports, while considering risks and resilience (Managing Risks) is currently under development.

Figure 1 – How the proposed wellbeing framework corresponds with the Treasury LSF
Technical Criteria for Assessing Frameworks and Indicators

It is useful to determine what we consider to be important in choosing and operationalising a framework for current wellbeing for use in the New Zealand Treasury. This report confines itself to criteria that could be considered objective or technical, and excludes criteria based on political considerations.

There are two broad schools of thought regarding measuring wellbeing. One school focuses on measuring subjective wellbeing, then determining what impacts on the measured result; while a second school views wellbeing as a multi-faceted concept that cannot be summarised by people’s own subjective assessments of their life satisfaction. In this report, we have adopted the second approach and so consider it desirable to use a dashboard approach as one of the assessment criteria.

Criterion 1: International comparability

Explanation: It is useful to understand the level of wellbeing in New Zealand relative to that in other countries. This can tell us how close we are to international levels of wellbeing (or, in economic parlance, how close we are to the wellbeing frontier) which then helps us determine where we have the best opportunities to improve. It also indicates how desirable New Zealand is compared to other countries, which is an important part of understanding migration. In addition, the more other countries use a given measure in their policy-making, the more likely it is to become an international standard (like gross domestic product [GDP]) with frequent high-quality measurement, and the better international comparability will be.

Criterion 2: Dashboard approach

Explanation: It is impossible to obtain a single value for wellbeing without making value judgements. A single overall value of wellbeing also provides very little indication of where changes to improve wellbeing might be useful. The primary advantage of a single number is ease of use for sound-bite communication. Thus, a dashboard approach is desirable as it requires less value judgements and gives an indication of what aspects of wellbeing should be changed to improve wellbeing. In addition, the best frameworks will comprehensively cover all areas considered to contribute to wellbeing.

Criterion 3: Coverage

Explanation: The chosen measure should provide good coverage of all generally recognised aspects of current wellbeing. This includes health, income, environment and social connection. Any measure that is not a measure of current wellbeing will score poorly on this criterion.
Criterion 4: **Inter-temporal comparability**

Explanation: It can be valuable to know how we are performing over time, which means we must be able to meaningfully compare the current period with previous time periods. This is also important if we wish to project into the future. More mature indicators, which are more stable and not constantly being adjusted and improved, will also give better inter-temporal comparability.

Criterion 5: **Data availability**

Explanation: A framework is of little use if we cannot get data for it on a timely basis. Ideally, there will be a long official time series of each measure in a framework in its original units available from New Zealand sources and able to be divided up in several different ways, such as by ethnicity, region or income level. However, frameworks can also highlight where better data need to be developed so that appropriate data are available in the future.

Criterion 6: **Suitability for developed countries**

Explanation: New Zealand is a small, geographically-isolated, developed country. The measures chosen to indicate wellbeing need to reflect this. In particular, measures that focus on the needs of developing countries, such as obtaining sufficient nutrition or primary-school education, will not vary in New Zealand and leave little or no room for policy improvements. Instead, the measures should be of indicators that can be affected directly or indirectly by government policy and have room to improve.

Criterion 7: **Suitability for New Zealand context**

Explanation: Like every country, there are things that make New Zealand unique (for example, our Treaty of Waitangi obligations). These form part of the wellbeing of New Zealanders, and so should be reflected in any measurement frameworks that we use.

Criterion 8: **Credibility**

Explanation: The chosen measure must have both technical and political credibility. Political credibility is likely to be enhanced if the measure is designed by internationally well-respected apolitical bodies, particularly intergovernmental agencies such as the OECD or the United Nations (UN). Technical credibility includes a number of the criteria above, and also includes using quality data sources, having appropriate coverage, and sound techniques for indexing and averaging. In particular, any aspect that is measured domestically by Stats NZ has considerable credibility given that institution’s legal independence from government on issues of measurement.
Overview of Various Frameworks/Measures/Reports

Comparison by criteria

The following table summarises the assessment of the various alternative frameworks/reports against the assessment criteria described above. In choosing the frameworks investigated here, we have considered both international and New Zealand-specific frameworks.

**Table 1 – Comparison of alternative frameworks/reports by criteria**

<table>
<thead>
<tr>
<th>Framework/Report</th>
<th>International comparability</th>
<th>Dashboard approach</th>
<th>Coverage</th>
<th>Inter-temporal comparability</th>
<th>Data availability</th>
<th>Suitability for developed countries</th>
<th>Suitability for New Zealand context</th>
<th>Credibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>OECD Better Life Index</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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</tr>
<tr>
<td>OECD “How’s Life?” Report</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>UNDP’s Sustainable Development Goals</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>UNDP’s Human Development Index</td>
<td>✓</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Social Progress Index</td>
<td>✓</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>World Happiness Report</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>✓</td>
</tr>
<tr>
<td>World Bank Genuine Savings</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>✓</td>
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<td>✓</td>
</tr>
<tr>
<td>Legatum Institute Prosperity Index</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Happy Planet Index</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>BCG Sustainable Economic Development Assessment</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Good Country Index</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>MSD Social Report</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Superu Family Wellbeing and Whānau</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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</tr>
<tr>
<td>Salvation Army State of the Nation</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Of these frameworks considered above, many have substantial overlap in terms of the dimensions used to measure wellbeing, as well as the indicators that are suggested for reporting. While naming conventions, grouping and categorisation can differ, they are generally endeavouring to measure the same thing. This is illustrated in the “Coverage of dimensions of wellbeing” table below. More information on these frameworks/reports is given in Appendix 1.
Proposed framework

None of the frameworks referenced in this report meet the Treasury’s needs perfectly. Of the frameworks presented, the dimensions utilised by the OECD “How’s Life?” reports (and also used in the OECD Better Life Index) are preferred, as:

- they are focused on measuring wellbeing rather than other concepts
- they have been developed by an intergovernmental organisation (the OECD) so have a broad constituency of international support
- the framework is used in the OECD “How’s Life?” report, which drills down into more distributional detail while using this consistent framework, and the Better Life Index which is a popular communication tool in this space
- they appear to provide the most comprehensive coverage of wellbeing measures
- they enable international comparability and benchmarking for developed countries
- data are easily accessible for international comparisons, and
- they are amendable to presentation using a dashboard approach.

The Genuine Savings and Good Country Index are not well-suited for the purposes described here. The Human Development Index (HDI) doesn’t cover enough aspects of wellbeing and the Happy Planet Index doesn’t use a dashboard approach and is also complex. However, a number of the frameworks are superior to the OECD’s in some aspects that are important for New Zealanders’ wellbeing – particularly with respect to the cultural aspects within some of the domestic frameworks.

Coverage of dimensions of wellbeing

The purpose of this table is to describe coverage of wellbeing in different frameworks, and a more detailed version can be found in Appendix 2.

<table>
<thead>
<tr>
<th>Framework</th>
<th>First published</th>
<th>Frequency</th>
<th>Health</th>
<th>Education</th>
<th>Social development</th>
<th>Justice and security</th>
<th>Human rights</th>
<th>Environment</th>
<th>Economic development</th>
<th>Indicators</th>
<th>Miscellaneous</th>
<th>Subjective wellbeing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Better Life Index</td>
<td>2011</td>
<td>Annual</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>How’s Life?</td>
<td>2011</td>
<td>Biennial</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
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<td>Sustainable Development Goals</td>
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<td></td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
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<td>✔</td>
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<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Human Development Index</td>
<td>1990</td>
<td>Annual</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Progress Index</td>
<td>2014</td>
<td>Annual</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
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<tr>
<td>World Happiness Report</td>
<td>2012</td>
<td>Annual</td>
<td>✔</td>
<td>✔</td>
<td></td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Genuine Savings</td>
<td>2000</td>
<td></td>
<td>✔</td>
<td>✔</td>
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<td>✔</td>
<td>✔</td>
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<td>✔</td>
<td>✔</td>
<td></td>
<td>✔</td>
</tr>
<tr>
<td>Happy Planet Index</td>
<td>2006</td>
<td>Annual</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✔</td>
<td></td>
<td>✔</td>
</tr>
</tbody>
</table>
Additional dimensions

The coverage of the OECD framework is imperfect for New Zealand’s purposes, and so it is useful to include additional/supplementary indicators.

Cultural identity is an important contributor to people’s wellbeing. Identifying with a particular culture helps people feel they belong and gives them a sense of security. An established cultural identity has also been linked with positive outcomes in areas such as health and education. It provides access to social networks, which provide support and shared values and aspirations.

The inclusion of this dimension within the wellbeing framework recognises the importance of a shared national identity and sense of belonging, and the value of cultural, social and ethnic diversity. It recognises New Zealand is a multicultural society, while also acknowledging that Māori culture has a unique place. For example, under the Treaty of Waitangi, the Crown has an obligation to protect the Māori language.

Of the various alternative reports considered, the Ministry of Social Development’s (MSD’s) Social Report contains an additional dimension that is worth including in a wellbeing measurement framework for New Zealand along with the 11 dimensions already included in the Better Life Index. The additional dimension is Cultural identity, with MSD’s stated desired outcome being that:

New Zealanders have a strong national identity and a sense of belonging, and value cultural diversity. Everybody is able to pass their cultural traditions on to future generations. Māori culture is valued, practised and protected.  

Culture refers to the customs, practices, languages, values and world views that define social groups, such as those based on nationality, ethnicity, region or common interests. Cultural identity is important for people’s sense of self and how they relate to others. A strong cultural identity can contribute to people’s overall wellbeing.

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The following table shows the set of cultural identity indicators used in the MSD Social Report. These indicators are proposed as a starting point for discussion. There may be scope for supplementing/replacing these indicators with alternative measures from Stats NZ’s Te Kupenga Survey of Māori culture or the General Social Survey (GSS).

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Description</th>
<th>Indicators</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural identity²</td>
<td>New Zealanders have a strong national identity and a sense of belonging, and value cultural diversity. Everybody is able to pass their cultural traditions on to future generations. Māori culture is valued, practised and protected.</td>
<td>Local content programming on New Zealand television</td>
<td>Since television is the dominant cultural medium for many New Zealanders, it has a strong influence on how New Zealanders see themselves.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Māori language speakers</td>
<td>Language is a central component of culture and a necessary skill for full participation in Māori society.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Language retention</td>
<td>The proportion of people who can speak the first language (other than English and Māori) of their ethnic group is an indicator of the degree to which people are able to retain their culture and traditions, and to pass them on to subsequent generations.</td>
</tr>
</tbody>
</table>

**Additional indicators to existing dimensions**

While the Better Life Index contains a range of indicators that are broadly comparable to the other frameworks/measures assessed, there did appear to be a number of areas where additional indicators might be warranted. The additional indicators proposed below are a starting point for discussion. While there are many potentially valuable additions that could be made, we have restricted ourselves to a small set in the interests of practicality and manageability.

**Volunteering**

Within the **Community** dimension, a number of the alternative frameworks included an indicator for **Volunteering activity**. The community dimension is weakly measured in the OECD framework, so the inclusion of a volunteering indicator adds an independent and complementary measurement of this dimension.

Voluntary work underpins a wide range of groups and organisations whose activities contribute to social wellbeing including: health; education; sports and recreation; social services; arts and culture; human rights; emergency services; the environment and conservation; animal welfare; and community support and development. Volunteers provide their time and skills to help others and to make a contribution. People also volunteer so they can meet others, develop their skills and broaden their experiences, make contacts that may lead to employment and fulfil parental, social, cultural and religious obligations.

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Volunteering documents the scale of an important component of the informal labour market. It brings into view a sizeable part of the actual labour force that is invisible in existing labour statistics. Volunteering is a standard measure used in the social capital literature and those data for New Zealand are available in the Quality of Life Survey and the World Values Survey.

Suicide rate

Within the Health dimension, a number of the alternative frameworks (eg, MSD Social Report) included an indicator for Suicide rate. The health dimension is poorly measured in the OECD framework, so including the suicide rate makes the measurement of the health dimension more complete; and it is also easy to measure this rate for New Zealand.

Intentional self-harm is an indicator of the mental health of the population and a major cause of injury-related death. Death from intentional self-harm is commonly referred to as suicide. While this measure is sensitive, New Zealand has relatively high rates of suicide compared with other countries and, as such, this is a measure of interest.

Corruption

Within the Civic engagement dimension, a number of the alternative frameworks included an indicator for Corruption. Corruption undermines democracy and the rule of law, and threatens domestic and international security. Corruption also has adverse social and economic consequences for a country.

<table>
<thead>
<tr>
<th>Additional indicators recommended</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Dimension (indicator)</strong></td>
</tr>
<tr>
<td>Community (Volunteering)</td>
</tr>
<tr>
<td>Health (Suicide rate)</td>
</tr>
</tbody>
</table>


### Recommended Framework

It is recommended that:

- the Treasury adopts a wellbeing measurement framework that is based on the OECD framework’s 11 dimensions, supplemented by an additional 12th dimension (Cultural identity) and three indicators added to the existing dimensions (Suicide rate, Volunteering, and Corruption), and

- consideration be given to including a distributional analysis of the indicators where feasible, as recommended in the OECD “How’s Life?” report. Both vertical distribution (between all people in the population) and various horizontal distributions (between different sub-groups in a population) analyses will be important. The details of these analyses will be determined in future work.\(^7\)

#### Proposed Treasury Wellbeing Framework\(^8\)

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Description</th>
<th>Indicators</th>
</tr>
</thead>
</table>
| Housing         | Living in satisfactory housing conditions is one of the most important aspects of people’s lives. Housing is essential to meet basic needs, such as shelter, but it is not just a question of four walls and a roof. Housing should offer a place to sleep and rest where people feel safe and have privacy and personal space; somewhere they can raise a family. All of these elements help make a house a home. And of course there is the question of whether people can afford adequate housing. | • Housing affordability  
• Basic sanitation  
• Rooms per person |
| Income and wealth | While money may not buy happiness, it is an important means to achieving higher living standards and thus greater wellbeing. Higher economic wealth may also improve access to quality education, healthcare and housing. | • Household net wealth  
• Household income |

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### Proposed Treasury Wellbeing Framework

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Description</th>
<th>Indicators</th>
</tr>
</thead>
</table>
| Jobs and earnings       | Work has obvious economic benefits, but having a job also helps individuals stay connected with society, build self-esteem and develop skills and competencies. Societies with high levels of employment are also richer, more politically stable and healthier. | • Labour market insecurity  
• Earnings  
• Long-term unemployment  
• Employment  
• Job strain |
| Social connections      | Humans are social creatures. The frequency of our contact with others and the quality of our personal relationships are thus crucial determinants of our wellbeing. Studies show that time spent with friends is associated with a higher average level of positive feelings and a lower average level of negative feelings than time spent in other ways. | • Social support  
• Volunteering |
| Education and skills    | Education plays a key role in providing individuals with the knowledge, skills and competencies needed to participate effectively in society and in the economy. In addition, education may improve people's lives in such areas as health, civic participation, political interest and happiness. | • Cognitive skills at 15  
• Adult skills  
• Educational attainment |
| Environmental quality   | The quality of our local living environment has a direct impact on our health and wellbeing. An unspoiled environment is a source of satisfaction, improves mental wellbeing, allows people to recover from the stress of everyday life and encourages them to perform physical activity. | • Water quality  
• Air quality |
| Civic engagement and governance | Trust in government is essential for social cohesion and wellbeing. Today, more than ever, citizens demand greater transparency from their governments. Information on the who, why and how of decision-making is essential to hold government to account, maintain confidence in public institutions and support a level playing field for business. | • Having a say in government  
• Voter turnout  
• Corruption |
| Health status           | Good health is one of the most important things to people and also brings many other benefits, including enhanced access to education and the job market, an increase in productivity and wealth, reduced healthcare costs, good social relations and, of course, a longer life. | • Perceived health  
• Life expectancy  
• Suicide rate |
<p>| Subjective wellbeing    | Measuring feelings can be very subjective, but is nonetheless a useful complement to more objective data when comparing quality of life across countries. Subjective data can provide a personal evaluation of an individual's health, education, income, personal fulfilment and social conditions. Surveys, in particular, are used to measure life satisfaction and happiness. | • Life satisfaction |</p>
<table>
<thead>
<tr>
<th>Dimension</th>
<th>Description</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal security</td>
<td>Personal security is a core element for the wellbeing of individuals, and includes the risks of people being physically assaulted or falling victim to other types of crime. Crime may lead to loss of life and property, as well as physical pain, post-traumatic stress and anxiety. One of the biggest impacts of crime on people’s wellbeing appears to be through the feeling of vulnerability that it causes.</td>
<td>• Homicide rate • Feeling safe at night</td>
</tr>
<tr>
<td>Work-life balance</td>
<td>Finding a suitable balance between work and daily living is a challenge that all workers face. Families are particularly affected. The ability to successfully combine work, family commitments and personal life is important for the wellbeing of all members in a household. Governments can help to address the issue by encouraging supportive and flexible working practices, making it easier for parents to strike a better balance between work and home life.</td>
<td>• Time off • Working hours</td>
</tr>
<tr>
<td>Cultural identity</td>
<td>New Zealanders have a strong national identity and a sense of belonging, and value cultural diversity. Everybody is able to pass their cultural traditions on to future generations. Māori culture is valued, practised and protected.</td>
<td>• Local content programming on New Zealand television • Māori language speakers • Language retention</td>
</tr>
</tbody>
</table>
Appendix 1 – Various Frameworks/Measures/Reports

OECD’s Better Life Index

Description: The OECD’s Better Life Index uses 1–4 indicators for each of 11 aspects of wellbeing. These indicators are converted to indexes that are calculated relative to the other countries in the OECD sample, then averaged (simple arithmetic mean) to get a single indicator for each aspect of wellbeing. The indexes for the different aspects of wellbeing are not aggregated by the OECD, but they allow for users of their website to put their own weights on each aspect in order to create an aggregate. The 11 aspects are civic engagement, community/social connection, income and wealth, jobs, health, housing, environment, education, subjective wellbeing, work-life balance and personal safety.

Advantages: The Better Life Index is internationally comparable with other developed countries. It takes a dashboard approach, allowing website users to choose their weightings for each of the 11 aspects of wellbeing; and these 11 aspects provide fairly good coverage of what is generally considered important for wellbeing. Data, both indexed and underlying, can be downloaded from the OECD website, and are well referenced to make it easier to track back to original sources – useful for obtaining longer time series.

Disadvantages: The standard internationally comparable form of the Better Life Index, with an index calculated for each of the 11 aspects of wellbeing, does not have inter-temporal comparability. This is because each time the index is calculated it is calculated relative to the performance of the best and worst countries in the index for that year. Obviously, the performance of the best and worst countries (and even which countries these are) will change each time, thus changing the indexed values even when the underlying data for that country have not changed. However, this is mitigated because the underlying data are available for calculating indexes that can be compared inter-temporally.

References:
• http://www.oecdbetterlifeindex.org/
• http://stats.oecd.org/Index.aspx?DataSetCode=BLI

OECD’s “How’s Life?”

Description: The OECD’s “How’s Life?” reports consider the same 11 aspects of wellbeing as the Better Life Index. The reports use additional indicators to the Better Life Index that include distributional effects, but the indicators used are sometimes changed or updated between reports. In the “How’s Life?” reports, the indicators are not aggregated in any way (although they are grouped into the 11 aspects), but there is significant commentary on both the results and the data quality. Reports are released every second year.
Advantages: • Distributional effects are included.
• Data are generally better quality than in the Better Life Index.
• The reports provide significant interpretation of both the results and the data quality.
• Manageable number of indicators.
• “How’s Life?” is also trialling a framework for measuring the same four capitals used by the Treasury.

Disadvantages: • There is some change of indicators and presentation between reports, making it more difficult to form a stable time series of indicators.

References: http://www.oecd-ilibrary.org/economics/how-s-life_9789264121164-en;jsessionid=118ittx0p20kg.x-oecd-live-02

**UNDP’s Sustainable Development Goals (SDGs)**

Description: The SDGs are a set of 169 targets grouped into 17 categories that are intended as the follow-on from the Millennium Development Goals. Although a set of political goals rather than a wellbeing framework, the 17 categories do provide good coverage of the many aspects of wellbeing. There is also a large set of indicators (232) that are close to being finalised for measuring progress towards these goals.

Advantages: • Good coverage of aspects of wellbeing.
• Applied to almost all countries, and still show areas with significant room for improvement for both developing and developed countries.
• New Zealand has agreed to work towards these goals, including measuring our progress.

Disadvantages: • The SDGs are immature as a framework for measuring wellbeing, primarily because a complete set of indicators has yet to be determined.
• As goals/targets developed by the UN, the SDGs are binary – either they have or they have not been achieved. This has less value as an indicator over time than indicators that can vary more continuously. There have been numerous methods proposed for measuring progress towards the goals in a less binary way, but these are generally unofficial methods, which means they do not have the same degree of international comparability.


**UNDP’s Human Development Index (HDI)**

Description: The HDI was one of the first wellbeing measures to be developed, in 1990. It calculates an index based on a pre-determined upper and lower bound for each of life expectancy, literacy rate and the log of income, then combines them using a simple arithmetic mean to get the overall index.
Advantages: The HDI is mature and stable, with very few changes since its conception. It is both internationally and inter-temporally comparable, has simple data requirements and is well known.

Disadvantages:

- The HDI does not take a dashboard approach, instead aggregating to a single number.
- It also provides minimal coverage of the wellbeing space by only considering education, health/longevity and income, and ignoring other important elements such as the environment and subjective wellbeing.
- The near-complete international coverage of this measure means it must focus on indicators suitable for the majority of the countries on the list, namely developing countries and not small developed countries like New Zealand.


Social Progress Index

Description: The Social Progress Index considers 50 indicators of 12 components of social progress, which are further grouped into the three dimensions of Basic human needs, Foundations of wellbeing, and Opportunity. A single index is calculated by simple averaging of the three dimensions, which in turn are calculated from the simple average of the four components that make up each dimension. The components are calculated from the indicators as a weighted average, where the weights are determined by principal component analysis. It explicitly excludes economic measures of performance such as GDP, and focuses on measuring outcomes rather than inputs.

Advantages:

- Good coverage of various aspects of wellbeing.
- Data for current and previous years and all countries can be downloaded in one Excel file.

Disadvantages:

- The Social Progress Index is not backed by a major international governmental organisation like the OECD or the UN.
- New Zealand is ranked as having “Very High” social progress and roughly one-third of the indicators are on outcomes where we can make no further progress (eg, 100% of the population has access to piped water).

References: [https://www.socialprogressindex.com/](https://www.socialprogressindex.com/)

World Happiness Report

Description: The World Happiness Report ranks countries annually on their subjective wellbeing. It also determines the effect of six explanatory factors — income, life expectancy, generosity, corruption, freedom and social support — relative to an imaginary country Dystopia which has the worst-equal value of any country in each of those six factors.
Advantages: Estimates the relationship between subjective wellbeing and the explanatory factors, unlike other frameworks which make no attempt to explain how their results are interlinked.

Disadvantages: Data come from the Gallup poll and, while some is published with the report, most of it must be purchased. This means that it is more expensive to replicate their analysis or do distribution analysis. The sample size for New Zealand is also small, which can create greater volatility in the results and prevents useful subsample analyses.

References: [http://worldhappiness.report/](http://worldhappiness.report/)

**World Bank’s Genuine Savings/Adjusted Net Savings**

**Description:** The World Bank’s Genuine Savings measure (also called Adjusted Net Savings [ANS]) focuses on changes to the levels of various capital stocks, and is an indicator of (weak) sustainability rather than a snapshot of current wellbeing. It starts with gross national saving, then removes consumption of fixed capital, rent from the depletion of natural resources, damages from carbon dioxide emissions and adds current spending on education. This is a measure of savings rather than a wellbeing framework.

**Advantages:**
- Useful for understanding how capitals are changing.

**Disadvantages:**
- Not a dashboard approach.
- Not a snapshot of current wellbeing.
- Limited coverage of the different aspects of wellbeing.

**References:**
- The Little Green Data Book [https://openknowledge.worldbank.org/handle/10986/27466](https://openknowledge.worldbank.org/handle/10986/27466)

**Legatum Institute’s Prosperity Index**

**Description:** The Prosperity Index has 104 variables spread across nine pillars – health, education, social capital, safety and security, governance, personal freedom, environment, economic quality and business environment. These are weighted and averaged to form sub-indices and the overall index. The methodology of the Index was revised for 2016 and back-calculated to 2007. Two of the pillars are focusing on inputs of business environment rather than the outcome and on prosperity rather than wellbeing.
Advantages:  • The pillars provide good coverage of what is generally considered important for wellbeing.

• It covers 149 countries.

Disadvantages:  • The Prosperity Index is not backed by a major international governmental organisation like the OECD or the UN.

• There is a large number of indicators.

References:  • http://www.prosperity.com/


New Economics Foundation’s Happy Planet Index

Description:  The Happy Planet Index is designed to “tell us how well nations are doing at achieving long, happy, sustainable lives”. It does this through a moderately complex formula that takes into account subjective wellbeing, life expectancy, inequality of outcomes and ecological footprint.

Advantages:  No advantages noted.

Disadvantages:  • Limited coverage of aspects of wellbeing.

• Difficult calculation to get the index, making it more difficult to understand how a change in an indicator affects the final index result.

References:  • http://happyplanetindex.org/


BCG’s Sustainable Economic Development Assessment

Description:  The Boston Consulting Group’s Sustainable Economic Development Assessment aims to show the current level of a country’s socio-economic development, its recent progress and its long-term sustainability. It considers 44 indicators in 10 dimensions grouped into three fundamental elements. Under Economics is income, economic stability and employment. Under Investments is health, education and infrastructure. Under Sustainability is income equality, governance, environment and civil society. Each indicator is converted to an index relative to the scores of other countries and weighted.

Advantages:  • Good coverage of dimensions of wellbeing.

Disadvantages:  • Not inter-temporally comparable.

• Data typically come from international sources (eg, World Bank) rather than New Zealand sources.

• Underlying data are not easily accessible.

• Backed by a consultancy, which is more likely to try to charge for data or analysis.
References:


**Good Country Index**

**Description:** The Good Country Index is designed to be a way of measuring a country’s impact on the wider world, rather than looking at the wellbeing of the country’s citizens. It has six areas of contribution that have five indicators each.

**Advantages:** Covers spill-over effects of one country’s behaviour on another country, which is not something covered elsewhere except for some environmental topics.

**Disadvantages:**
- Not focused on local (ie, New Zealand) wellbeing or factors of New Zealand wellbeing that the New Zealand government has control over.
- Not backed by an intergovernmental organisation (or even a significant think tank or non-governmental organisation).

**References:** https://goodcountry.org/index/results?p=overall

**Superu**

**Description:** The purpose of the Social Policy Evaluation and Research Unit (Superu) is to increase the use of evidence by people across the social sector so that they can make better decisions about funding, policies or services – to improve the lives of New Zealanders and New Zealand’s communities, families and whānau. Superu’s families and whānau status report contains Whānau Rangatiratanga Measurement Framework which is based on five principles and covers four capability dimensions to measure whānau wellbeing.

**Advantages:**
- Reports on perceived whānau wellbeing which is hard to get from other sources as detailed.
- Wide capture of cultural aspect of wellbeing.
- Much of the data come from Stats NZ’s Te Kupenga survey. When combined with Census and GSS data, this can be also used to obtain incomes and a considerable breadth of other information.

**Disadvantages:**
- Socio-economic measures are poorly defined (ie, income is not included in the measurement). Limited number of wellbeing dimensions.

**References:**
Salvation Army State of the Nation

Description: The report is produced each year to provide a marker of how New Zealand is doing as a nation. It is intended to stand alongside other oft-referenced indicators that serve to identify how our nation is doing economically. Economic reports are important in identifying one measure of how well we are doing as a country, but they cannot fully capture what is happening in the lives of ordinary New Zealanders at a social and personal level.

Advantages: Measuring data around the five key areas of Children, Crime and punishment, Work and incomes, Social hazards and Housing; and the State of the Nation. Data are available on annual basis.

Disadvantages: Focusing only on limited areas, the report doesn’t cover broader aspects of wellbeing such as environment. International comparability is limited to New Zealand, Tonga and Fiji only.


MSD Social Report

Description: The Social Report 2016 presents 49 headline social wellbeing indicators in 10 outcome “domains” or areas of people’s lives such as health, education, economic standard of living and safety. The aim of the Social Report is to report on social indicators that complement existing economic and environmental indicators, and to compare New Zealand with other countries on measures of wellbeing. The report shows how people are faring in New Zealand, how this has changed over time and how social outcomes vary for different groups in the population.

Advantages: Wide number of wellbeing indicators including cultural identity. Ability to be disaggregated. Data are consistent over time and are timely.

Disadvantages: Where indicator areas (eg, environment after 2008) are comprehensively covered in other reports, they have not been included in the Social Report. International comparability criterion is not met.

## Appendix 2 – Comparison of Framework Coverage

<table>
<thead>
<tr>
<th>Framework</th>
<th>First published</th>
<th>Frequency</th>
<th>Health</th>
<th>Education</th>
<th>Social development</th>
<th>Justice and security</th>
</tr>
</thead>
<tbody>
<tr>
<td>Better Life Index</td>
<td>2011</td>
<td>Annual</td>
<td>Health</td>
<td>Education</td>
<td>Housing, Social connection, Work-life balance</td>
<td>Personal safety, Civic engagement</td>
</tr>
<tr>
<td>How’s Life?</td>
<td>2011</td>
<td>Biennial</td>
<td>Health</td>
<td>Education</td>
<td>Housing, Social connection, Work-life balance</td>
<td>Personal safety, Civic engagement</td>
</tr>
<tr>
<td>Sustainable Development Goals</td>
<td>2015</td>
<td></td>
<td>Zero hunger, Good health and wellbeing, Clean water and sanitation</td>
<td>Quality education</td>
<td>Gender equality, Reduced inequalities</td>
<td>Peace, justice and strong institutions</td>
</tr>
<tr>
<td>Human Development Index</td>
<td>1990</td>
<td>Annual</td>
<td>Life expectancy</td>
<td>Literacy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Progress Index</td>
<td>2014</td>
<td>Annual</td>
<td>Nutrition and basic medical care, Water and sanitation, Health and wellness</td>
<td>Access to: Basic knowledge, Advanced education</td>
<td>Shelter</td>
<td>Personal safety, Tolerance and inclusion</td>
</tr>
<tr>
<td>World Happiness Report</td>
<td>2012</td>
<td>Annual</td>
<td>Life expectancy</td>
<td></td>
<td>Generosity, Social support</td>
<td></td>
</tr>
<tr>
<td>Genuine Savings</td>
<td>2000</td>
<td></td>
<td></td>
<td>Human capital, Investment in human capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prosperity Index</td>
<td>2007</td>
<td>Annual</td>
<td>Health</td>
<td>Education</td>
<td>Social capital</td>
<td>Safety and security, Governance</td>
</tr>
<tr>
<td>Happy Planet Index</td>
<td>2006</td>
<td>Annual</td>
<td>Life expectancy</td>
<td></td>
<td>Inequality of outcomes</td>
<td></td>
</tr>
<tr>
<td>First published</td>
<td>Frequency</td>
<td>Health</td>
<td>Education</td>
<td>Social development</td>
<td>Justice and security</td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Sustainable Economic Development Assessment</strong></td>
<td>2012</td>
<td>Annual</td>
<td>Health</td>
<td>Education</td>
<td>Social inclusion Civil society Governance</td>
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<tr>
<td><strong>Good Country Index</strong></td>
<td>2014</td>
<td>Biennial</td>
<td>Health and wellbeing</td>
<td>Culture World order</td>
<td>International peace and security</td>
<td></td>
</tr>
<tr>
<td><strong>Superu</strong></td>
<td>2013</td>
<td>Annual</td>
<td>Health</td>
<td>Education</td>
<td>Quality of life Housing Trust Volunteering Connectedness</td>
<td></td>
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<tr>
<td><strong>Salvation Army State of the Nation</strong></td>
<td>2008</td>
<td>Annual</td>
<td></td>
<td>Social hazards Housing</td>
<td>Crime and punishment</td>
<td></td>
</tr>
<tr>
<td><strong>MSD Social Report</strong></td>
<td>2001</td>
<td>Annual</td>
<td>Health</td>
<td>Knowledge and skills</td>
<td>Social connectedness Safety</td>
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<table>
<thead>
<tr>
<th>Human rights</th>
<th>Environment</th>
<th>Economic development</th>
<th>Miscellaneous indicators</th>
<th>Subjective wellbeing</th>
<th>Aggregate index</th>
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</thead>
<tbody>
<tr>
<td><strong>Better Life Index</strong></td>
<td>Environment</td>
<td>Income and wealth Jobs</td>
<td></td>
<td>Life satisfaction</td>
<td></td>
</tr>
<tr>
<td><strong>How’s Life?</strong></td>
<td>Environment</td>
<td>Income and wealth Jobs</td>
<td></td>
<td>Subjective wellbeing</td>
<td>No</td>
</tr>
<tr>
<td><strong>Sustainable Development Goals</strong></td>
<td>Sustainable cities and communities Responsible consumption and production Climate action Life below water Life on land</td>
<td>No poverty Affordable and clean energy Decent work and economic growth Industry, innovation and infrastructure</td>
<td>Partnerships for the goals</td>
<td></td>
<td>No</td>
</tr>
<tr>
<td>Framework</td>
<td>Human rights</td>
<td>Environment</td>
<td>Economic development</td>
<td>Miscellaneous indicators</td>
<td>Subjective wellbeing</td>
</tr>
<tr>
<td>------------------------------------------------</td>
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</tr>
<tr>
<td>Human Development Index</td>
<td></td>
<td></td>
<td>Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Progress Index</td>
<td>Personal rights</td>
<td>Environmental quality</td>
<td>Access to information and communications</td>
<td></td>
<td></td>
</tr>
<tr>
<td>World Happiness Report</td>
<td>Freedom</td>
<td></td>
<td>Income</td>
<td>Corruption</td>
<td></td>
</tr>
<tr>
<td>Genuine Savings</td>
<td></td>
<td>Resource use</td>
<td>Consumption</td>
<td></td>
<td></td>
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<tr>
<td>Prosperity Index</td>
<td>Personal freedom</td>
<td>Environment</td>
<td>Economic quality</td>
<td>Business environment</td>
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<td>Happy Planet Index</td>
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<td>Ecological footprint</td>
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<td>Wellbeing</td>
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<td>Sustainable Economic Development Assessment</td>
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<td>Income</td>
<td>Economic stability</td>
<td>Employment</td>
</tr>
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<td>Good Country Index</td>
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<td>Planet and climate</td>
<td>Science and technology</td>
<td>Prosperity and equality</td>
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<tr>
<td>Superu</td>
<td></td>
<td></td>
<td></td>
<td>Employment</td>
<td>Wealth</td>
</tr>
<tr>
<td>Salvation Army State of the Nation</td>
<td>Civil and political rights</td>
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<td></td>
<td>Work and incomes</td>
<td>Our children</td>
</tr>
<tr>
<td>MSD Social Report</td>
<td></td>
<td></td>
<td>Paid work</td>
<td>Cultural identity</td>
<td>Life satisfaction</td>
</tr>
</tbody>
</table>
## Appendix 3 – OECD How’s Life? 2017 – Dimensions and Indicators

Data (or derived estimates) for New Zealand for all the indicators in the following table are available from the OECD.

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Indicator</th>
<th>Description</th>
<th>Units</th>
<th>Source</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing</td>
<td>Basic sanitation</td>
<td>This indicator refers to the percentage of the population living in a dwelling without indoor flushing toilet for the sole use of their households. Flushing toilets outside the dwelling are not to be considered in this item. Flushing toilets in a room where there is also a shower unit or a bath are also counted.</td>
<td>Percentage</td>
<td>Stats NZ</td>
<td>Like most OECD countries, New Zealand does very well on this indicator. A more useful indicator might be the percentage of households with major damp and mould problems, as in the GSS (Stats NZ).</td>
</tr>
<tr>
<td>Housing</td>
<td>affordability</td>
<td>This indicator considers the expenditure of households in housing and maintenance of the house, as defined in the SNA (P31CP040: Housing, water, electricity, gas and other fuels; P31CP050: Furnishings, households’ equipment and routine maintenance of the house). It includes actual and imputed rentals for housing, expenditure in maintenance and repair of the dwelling (including miscellaneous services), in water supply, electricity, gas and other fuels, as well as the expenditure in furniture and furnishings and household equipment, and goods and services for routine maintenance of the house as a percentage of the household gross adjusted disposable income. Data refer to the sum of households and non-profit institution serving households.</td>
<td>Percentage of the household gross adjusted disposable income</td>
<td>OECD calculations based on OECD National Accounts Database</td>
<td></td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>Dimension</th>
<th>Indicator</th>
<th>Description</th>
<th>Units</th>
<th>Source</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rooms per person</td>
<td>This indicator refers to the number of rooms (excluding kitchenette, scullery/utility room, bathroom, toilet, garage, consulting rooms, office, shop) in a dwelling divided by the number of persons living in the dwelling.</td>
<td>Rate (number of rooms divided by the number of people living in the dwelling)</td>
<td>Stats NZ and OECD calculations</td>
<td>Number of bedrooms per person would be the OECD’s preferred measure if data were available. New Zealand Census and GSS have bedroom information.</td>
</tr>
<tr>
<td>Income and wealth (Income)</td>
<td>Household income</td>
<td>It is the maximum amount that a household can afford to consume without having to reduce its assets or to increase its liabilities. It is obtained by adding to people’s gross income (earnings, self-employment and capital income, as well as current monetary transfers received from other sectors) the social transfers in-kind that households receive from governments (such as education and healthcare services), and then subtracting the taxes on income and wealth, the social security contributions paid by households as well as the depreciation of capital goods consumed by households. Available data refer to the sum of households and non-profit institution serving households.</td>
<td>US dollars at current purchasing power parity (PPPs) per capita. PPPs are those for actual individual consumption</td>
<td>Stats NZ</td>
<td>From National Accounts.</td>
</tr>
<tr>
<td>Household net wealth</td>
<td>Household net wealth</td>
<td>Net financial wealth consists of: currency and deposits, securities other than share, loans, shares and other equity (including shares issued by investment funds), insurance technical reserves and other accounts receivable or payable, net of household financial liabilities, as defined by the System of National Accounts (SNA). Data refer to the sum of households and non-profit institution serving households.</td>
<td>US dollars at current PPPs per capita PPPs are those for private consumption</td>
<td>Stats NZ</td>
<td>Might now be available from the Household Economic Survey (HES) asset module.</td>
</tr>
<tr>
<td>Dimension</td>
<td>Indicator</td>
<td>Description</td>
<td>Units</td>
<td>Source</td>
<td>Comment</td>
</tr>
<tr>
<td>-----------</td>
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</tr>
<tr>
<td>Jobs and earnings (Jobs)</td>
<td>Labour market insecurity</td>
<td>This indicator is defined in terms of the expected earnings loss, measured as the percentage of the previous earnings, associated with unemployment. This loss depends on the risk of becoming unemployed, the expected duration of unemployment and the degree of mitigation against these losses provided by government transfers to the unemployed (effective insurance).</td>
<td>Percentage of previous earnings</td>
<td>OECD Job quality database</td>
<td>Labour market security variable can be calculated from the Integrated Data Infrastructure (IDI). Also the Survey of Working Life might provide a proxy for this variable.</td>
</tr>
<tr>
<td>Employment</td>
<td>It is the number of employed persons aged 15 to 64 over the population of the same age. Employed people are those aged 15 or more who report that they have worked in gainful employment for at least one hour in the previous week, as defined by the International Labour Organization (ILO).</td>
<td>Percentage of the working-age population (aged 15–64)</td>
<td>OECD Labour Force Stats database</td>
<td>Also available from Stats NZ.</td>
<td></td>
</tr>
<tr>
<td>Long-term unemployment</td>
<td>This indicator refers to the number of persons who have been unemployed for one year or more as a percentage of the labour force (the sum of employed and unemployed persons). Unemployed persons are defined as those who are currently not working but are willing to do so and actively searching for work.</td>
<td>Percentage of the labour force</td>
<td>OECD Labour Force Stats database</td>
<td>Also available from Stats NZ (Household Labour Force Survey).</td>
<td></td>
</tr>
<tr>
<td>Job strain</td>
<td>Proportion of employees who experience a number of job demands that exceeds the number of job resources.</td>
<td>Percentage</td>
<td>Provisional (September 2017) estimates prepared for the OECD Job Quality database</td>
<td></td>
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<tr>
<td>Earnings</td>
<td>This indicator refers to the average annual wages per full-time equivalent dependent employee, which are obtained by dividing the national-accounts-based total wage bill by the average number of employees in the total economy, which is then multiplied by the ratio of average usual weekly hours per full-time employee to average usually weekly hours for all employees. It considers the employees’ gross remuneration, that is, the total before</td>
<td>US dollars at current PPPs</td>
<td>OECD Labour Market Stats (unpublished data)</td>
<td>Earnings and Employment Survey from Stats NZ may provide similar values.</td>
<td></td>
</tr>
<tr>
<td>Dimension</td>
<td>Indicator</td>
<td>Description</td>
<td>Units</td>
<td>Source</td>
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<tr>
<td>Social connections (Community)</td>
<td>Social support</td>
<td>It is a measure of perceived social network support. The indicator is based on the question: “If you were in trouble, do you have relatives or friends you can count on to help you whenever you need them, or not?” and it considers the respondents who respond positively.</td>
<td>Percentage of people</td>
<td>Gallup World Poll</td>
<td>There may be similar indicators to this in the GSS (Stats NZ).</td>
</tr>
<tr>
<td>Education and skills (Education)</td>
<td>Educational attainment</td>
<td>Educational attainment considers the number of adults aged 25 to 64 holding at least an upper secondary degree over the population of the same age, as defined by the OECD-ISCED classification.</td>
<td>Percentage of the adult population (aged 25–64)</td>
<td>OECD Education at a Glance</td>
<td></td>
</tr>
<tr>
<td>Cognitive skills at 15</td>
<td>Students’ average score in reading, mathematics and science as assessed by the OECD’s Programme for International Student Assessment (PISA).</td>
<td></td>
<td>Average PISA scores</td>
<td>OECD PISA at a Glance</td>
<td></td>
</tr>
<tr>
<td>Adult skills</td>
<td>Competencies of the adult population aged 16–65 in literacy and numeracy.</td>
<td></td>
<td>Mean proficiency in literacy and numeracy</td>
<td>OECD Survey of Adult Skills (PIAAC)</td>
<td></td>
</tr>
<tr>
<td>Environmental quality (Environment)</td>
<td>Air quality</td>
<td>The indicator is the population weighted average of annual concentrations of particulate matters less than 2.5 microns in diameter (PM2.5) in the air.</td>
<td>Micrograms per cubic meter</td>
<td>OECD preliminary calculations based on data from the Global Burden of Disease assessment (Brauer, M. et al. (2016). Ambient air pollution exposure estimation for the global burden of disease 2013. Environmental Science and Technology, 50(1), 79–88).</td>
<td>Equivalent data publicly available for New Zealand from the Ministry for the Environment.</td>
</tr>
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<tr>
<td>Water quality</td>
<td>Water quality</td>
<td>The indicator captures people’s subjective appreciation of the environment where they live, in particular the quality of the water. It is based on the question: “In the city or area where you live, are you satisfied or dissatisfied with the quality of water?” and it considers people who responded they are satisfied.</td>
<td>Percentage of people.</td>
<td>Gallup World Poll</td>
<td></td>
</tr>
<tr>
<td>Civic engagement and government</td>
<td>Having a say in government</td>
<td>Percentage of people aged 16–65 who feel they have a say in what the government does.</td>
<td>Percentage</td>
<td>Compiled for this report, based on the Survey of Adult Skills (PIAAC)</td>
<td></td>
</tr>
<tr>
<td>(Civic engagement)</td>
<td>Voter turnout</td>
<td>Voter turnout is here defined as the ratio between the number of individuals who cast a ballot during an election (whether this vote is valid or not) to the population registered to vote. As institutional features of voting systems vary a lot across countries and across types of elections, the indicator refers to the elections (parliamentary or presidential) that have attracted the largest number of voters in each country.</td>
<td>Percentage of the population</td>
<td>International Institute for Democracy and Electoral Assistance (IDEA); Comparative Studies of Electoral System for inequalities estimations</td>
<td>Also available from Stats NZ.</td>
</tr>
<tr>
<td>Health status</td>
<td>Life expectancy</td>
<td>Life expectancy measures how long on average people could expect to live based on the age-specific death rates currently prevailing. This measure refers to people born today and is computed as a weighted average of life expectancy for men and women.</td>
<td>Years old</td>
<td>OECD Health database</td>
<td>Also available from Stats NZ (Census).</td>
</tr>
<tr>
<td>(Health)</td>
<td>Perceived health</td>
<td>This indicator refers to the percentage of the population aged 15 years old and over who report “good” or better health. The World Health Organisation (WHO) recommends using a standard health interview survey to measure it, phrasing the question as: “How is your health in general?” with response scale “It is very good/good/fair/bad/very bad”.</td>
<td>Percentage of the population</td>
<td>OECD Health database</td>
<td>Available from the GSS (Stats NZ).</td>
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<tr>
<td>Subjective wellbeing (Life satisfaction)</td>
<td>Life satisfaction</td>
<td>The indicator considers people’s evaluation of their life as a whole. It is a weighted-sum of different response categories based on people’s rates of their current life relative to the best and worst possible lives for them on a scale from 0 to 10, using the Cantril Ladder (known also as the “Self-Anchorining Striving Scale”).</td>
<td>Mean value (Cantril Ladder)</td>
<td>Gallup World Poll</td>
<td>Available from the GSS (Stats NZ), but not as the Cantril Ladder. There is also a recent break in the data series.</td>
</tr>
<tr>
<td>Personal security (Safety)</td>
<td>Feeling safe at night</td>
<td>The indicator is based on the question: “Do you feel safe walking alone at night in the city or area where you live?” and it shows people declaring they feel safe.</td>
<td>Percentage of people aged 15 and over</td>
<td>Gallup World Poll</td>
<td>Available from New Zealand Police and Stats NZ.</td>
</tr>
<tr>
<td>Homicides</td>
<td></td>
<td>Deaths due to assault.</td>
<td>Age-standardised rate per 100,000 population</td>
<td>OECD Health database</td>
<td>Available from Stats NZ.</td>
</tr>
<tr>
<td>Work-life balance</td>
<td>Working hours</td>
<td>This indicator measures the proportion of dependent employed people whose usual hours of work per week are 50 hours or more.</td>
<td>Percentage of the dependent employed</td>
<td>OECD Employment Outlook</td>
<td>Available from Stats NZ (Household Labour Force Survey).</td>
</tr>
<tr>
<td>Time off</td>
<td></td>
<td>This indicator measures the amount of minutes (or hours) per day that, on average, full-time employed people spend on leisure and on personal care activities. Leisure includes a wide range of indoor and outdoor activities such as walking and hiking, sports, entertainment and cultural activities, socialising with friends and family, volunteering, taking a nap, playing games, watching television, using computers, recreational gardening, etc. Personal care activities include sleeping (but not taking a nap), eating and drinking, and other household or medical or personal services (hygiene, visits to the doctor, hairdresser, etc.) consumed by the respondent. Travel time related to personal care is also included. The information is generally collected through national Time Use Surveys, which involve respondents keeping a diary of their activities over one or several representative days for a given period.</td>
<td>Number of hours per day spent on leisure and personal care</td>
<td>OECD calculations on Time Use Surveys microdata</td>
<td></td>
</tr>
</tbody>
</table>