



## SUBMISSION TO TREASURY ON THE PROPOSED LIVING STANDARDS DASHBOARD

Prepared by EDNZ on behalf of its members

## **Submission to New Zealand's Treasury on the Proposed Living Standards Dashboard**

Economic Development New Zealand (EDNZ) thanks the Treasury for the opportunity to comment on its pursuit of a Living Standards Framework.

Whilst EDNZ represents economic development practitioners throughout New Zealand it is very much of the view that economic well-being is inseparable from social, environmental and cultural well-being. It is that view which motivates EDNZ to respond to your request for feedback on the proposed well-being indicators reflected in the proposed living standards dashboard.

Foremost in that feedback is our appreciation of the Treasury's journey towards a living standards framework. The somewhat hackneyed, but all too true phrase, 'what gets measured, gets done' is an indication of how important this stream of work is for government, NZ and all New Zealanders. We encourage you to continue the journey which is constructively changing the way we align, assess and account for well-being within New Zealand.

### **Alignment:**

EDNZ is firmly of the view that whatever measures are chosen to assess and account for well-being within New Zealand they must be aligned with international best practice. The benchmarking opportunity that this offers NZ and the contribution it makes to the international community should not be missed.

The Treasury's decision therefore to adopt three of the four capital stocks and many of the measures used by the OECD is very much supported. Wherever possible it would be valued if the dashboard also reflected the 'intent' of the Sustainable Development Goals also (which we note the Treasury has done by adding 'social connections' to the dashboard. We look forward to seeing Cultural capital added to the stocks in the future.

As an organisation that represents many local and regional agencies we encourage the Treasury to consider how it might encourage local and regional agencies to adopt indicators from the dashboard to assess, and account for, their respective investment in the well-beings. This will generate a welcomed vertical alignment, in addition to the horizontal alignment that the Treasury is reaching for.

### **Assessment:**

EDNZ also supports the 'sustainability' built in to the dashboard with both current and future indicators of well-being. We ask that the Treasury gives consideration to including one or two resilience indicators in the dashboard as well, thereby allowing NZ to assess not just our ongoing well-being but our ability to respond rapidly and appropriately in the event of economic, social and natural disaster.



### Current domains of wellbeing:

EDNZ understands that the Treasury is seeking feedback on the proposed domains of wellbeing listed below.

In a bid to forge greater alignment between the indicators within the OECD we would encourage the Treasury to consider the following:

- Subjective well-being (unless of course this OECD measure has been repackaged in NZ as Self and aspirations?).
- Work-life balance (unless this OECD measure has been repackaged as 'Leisure and recreation'?)

### Domains of well-being

- Life satisfaction
- Material standard of living
- Housing
- Jobs and earnings
- Health
- Knowledge and skills
- Leisure and recreation
- Cultural identity / Ūkaipōtanga
- Safety
- Environmental quality
- Civic engagement
- Social connections
- Self and aspirations

### Capital Stocks and current well-being indicators:

EDNZ understands that the Treasury is seeking feedback on the proposed capital stocks and current well-being indicators listed below.

There are a number of indicators that EDNZ believes to be fundamental to measurement of well-being within NZ that are not included in either the current or future indicator frameworks listed below.

### Current Indicator Framework

<p><b>Produced capital</b></p> <ul style="list-style-type: none"> <li>• Net fixed assets per capita</li> <li>• Expanded net fixed assets per capita</li> <li>• Household net worth (distribution)</li> </ul>	<p><b>Natural capital</b></p> <p><b>Biotic (ecosystem)</b></p> <p><b>Provisioning</b></p> <ul style="list-style-type: none"> <li>• Cultivated crops (tonnes)</li> <li>• Grass (tonnes)</li> <li>• Wild fish (tonnes)</li> <li>• Woody biomass (tonnes)</li> <li>• Wild produce (tonnes)</li> <li>• Water abstraction (cubic metres)</li> </ul> <p><b>Regulation and maintenance</b></p> <ul style="list-style-type: none"> <li>• Air pollutant absorption (tonnes)</li> <li>• Other waste remediation (tonnes/ cubic metres)</li> <li>• Noise mitigation</li> <li>• Mediation of visual impact</li> <li>• Flood protection</li> <li>• Water supply maintenance</li> <li>• Storm protection</li> <li>• Erosion protection</li> <li>• Greenhouse gas sequestration</li> <li>• Local climate regulation</li> <li>• Pollination</li> </ul> <p><b>Cultural</b></p> <ul style="list-style-type: none"> <li>• Outdoor recreation and amenity</li> <li>• Heritage and intrinsic value</li> <li>• Taonga and symbolic value</li> </ul> <p><b>Abiotic</b></p> <p><b>Provisioning</b></p> <ul style="list-style-type: none"> <li>• Hydropower (joules)</li> <li>• Wind energy (joules)</li> <li>• Solar energy (joules)</li> <li>• Geothermal energy (joules)</li> <li>• Oil, gas and coal</li> <li>• Other mineral extraction</li> </ul>
<p><b>Human capital</b></p> <ul style="list-style-type: none"> <li>• Health expectancy</li> <li>• Educational attainment of the adult population (upper secondary)</li> <li>• Educational attainment of the adult population (tertiary)</li> <li>• Educational expectancy</li> <li>• Human capital stock index</li> </ul>	
<p><b>Social capital</b></p> <ul style="list-style-type: none"> <li>• Mean generalised trust</li> <li>• Voter turnout</li> <li>• Mean trust in the police</li> <li>• Mean trust in Parliament</li> <li>• Proportion of the population volunteering* (additional indicator)</li> <li>• Perceived corruption* (additional indicator)</li> </ul>	

We would ask that the Treasury consider inserting these measures as new indicators on the dashboard.

- Household debt
- Perceived security of income
- Investment in R & D
- Intellectual property assets
- Child abuse/poverty
- Number of suicide events and their demography
- Migrants subjective well-being measure

### A planned review

EDNZ supports the intention to review the effectiveness of the dashboard at the earliest opportunity.

Finally, EDNZ congratulates the Treasury on this stream of work, its potential impact cannot be underestimated. We welcome the opportunity to discuss any aspect of this submission with the Treasury at any time.



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### **About EDNZ**

EDNZ is a national not for profit that empowers and enables individuals and organisations either practicing, or associated with, economic development across New Zealand.

We aim to be highly valued as the unique and authoritative champion, partner and enabler of economic development practitioners and their associates.

We achieve this by supporting our members and NZ Inc through the provision of quality professional services that are inspiring, trusted, valued and bespoke. We value excellence, integrity and relevancy in all that we do.

To learn more about EDNZ simply [follow this link ...](#)

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Should you wish to discuss any aspect of this submission please contact Susan Houston on 09 415 8962 or email [info@economicdevelopment.org.nz](mailto:info@economicdevelopment.org.nz)

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