

**THE MEASUREMENT OF SOCIAL CAPITAL
IN NEW ZEALAND**

**Country paper -
Statistics New Zealand**

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Introduction

Statistics New Zealand has been involved in work on social capital since 1997 when it developed a draft framework for the measurement of social capital. This was done to assist discussions on whether social capital had potential for policy development, both at the central and local government levels. The department continued work on developing a measurement framework, publishing the "Framework for the Measurement of Social Capital in New Zealand" in March 2001.

This paper is structured around that framework. It describes New Zealand sources of information on social capital, focusing primarily on national surveys but also including administrative collections where relevant.

Definition of social capital

For the purposes of developing a measurement framework for New Zealand, social capital was defined as *"relationships among actors (individuals, groups, and/or organisations) that create a capacity to act for mutual benefit or a common purpose"*.

Social capital is the social resource that is embodied in the relations between people. It resides in and stems from the contact, communication, sharing, co-operation and trust that are inherent in ongoing relationships. It is described as "capital" because it can be accumulated over time and then drawn on in the future for use in achieving certain goals. Social capital is a collective resource rather than one accruing to an individual. However, the circumstances surrounding an individual or household may result in their having access to greater or lesser stocks of the community's social capital.

New Zealand issues

Several issues had to be addressed in the development of a New Zealand measurement framework. Some were associated with framework development generally, for example, the need to:

- Identify the social capital indicators applicable to New Zealand (ie the phenomena to be measured)
- Suggest possible ways of measuring these indicators
- Highlight three or four key indicators of social capital of most use to potential users

As well as those more general issues, there was a need to incorporate a Māori concept of social capital into the work (Māori being the indigenous people of New Zealand). This was done by discussing Māori issues with reference groups in Wellington and

Opotiki. These discussions showed that social capital in a Māori context emphasises nine things:¹

- The primary importance of extended family relationships
- Knowledge of (and maintaining) a specific "place" in society
- Informal association rather than formal organisations
- The "holistic", integrating nature of relationships and networks
- The close links between social capital and cultural capital
- The process of moving from iwi²-based social capital to bridging social capital that enables one iwi to connect with others
- Cultural capital, a sense of identity and a sense of belonging
- The defence, preservation and expansion of existing hapū³/iwi communities
- The positive and negative effects of recent government reforms

These had to be considered in the development of indicators of social capital for New Zealand.

New Zealand framework

The measurement framework is shown on the following page. It has four inter-connected dimensions: behaviours (what people do), attitudes and values (what people feel or believe), population groups (what people are), and organisations (where organisations are viewed as social structures).

Behaviours

This component of the framework deals with people's behaviours, in particular the activities that indicate high levels of social capital but also behaviours that are capable of dissolving it. Here the focus is on what people do and, in particular, their participation and engagement in social networks.

Attitudes and values

In the second component of the framework, the focus is how people feel, what they believe and what they value. It is accepted that people's behaviour may not always equate with their stated beliefs and opinions. However, honestly expressed attitudes and values reflect people's view of the world and the ideological base from which they operate. Attitudes and values are important to measuring social capital because of the ideas, assumptions and obligations that motivate and protect the transactions and social exchanges within a civil society.

¹ Tu Williams and David Robinson (2001), "Social Capital Based Partnerships, a Māori Perspective from a Comparative Approach" in *Building Social Capital*, Institute of Policy Studies, Wellington.

² Tribe

³ Sub-tribe, clan

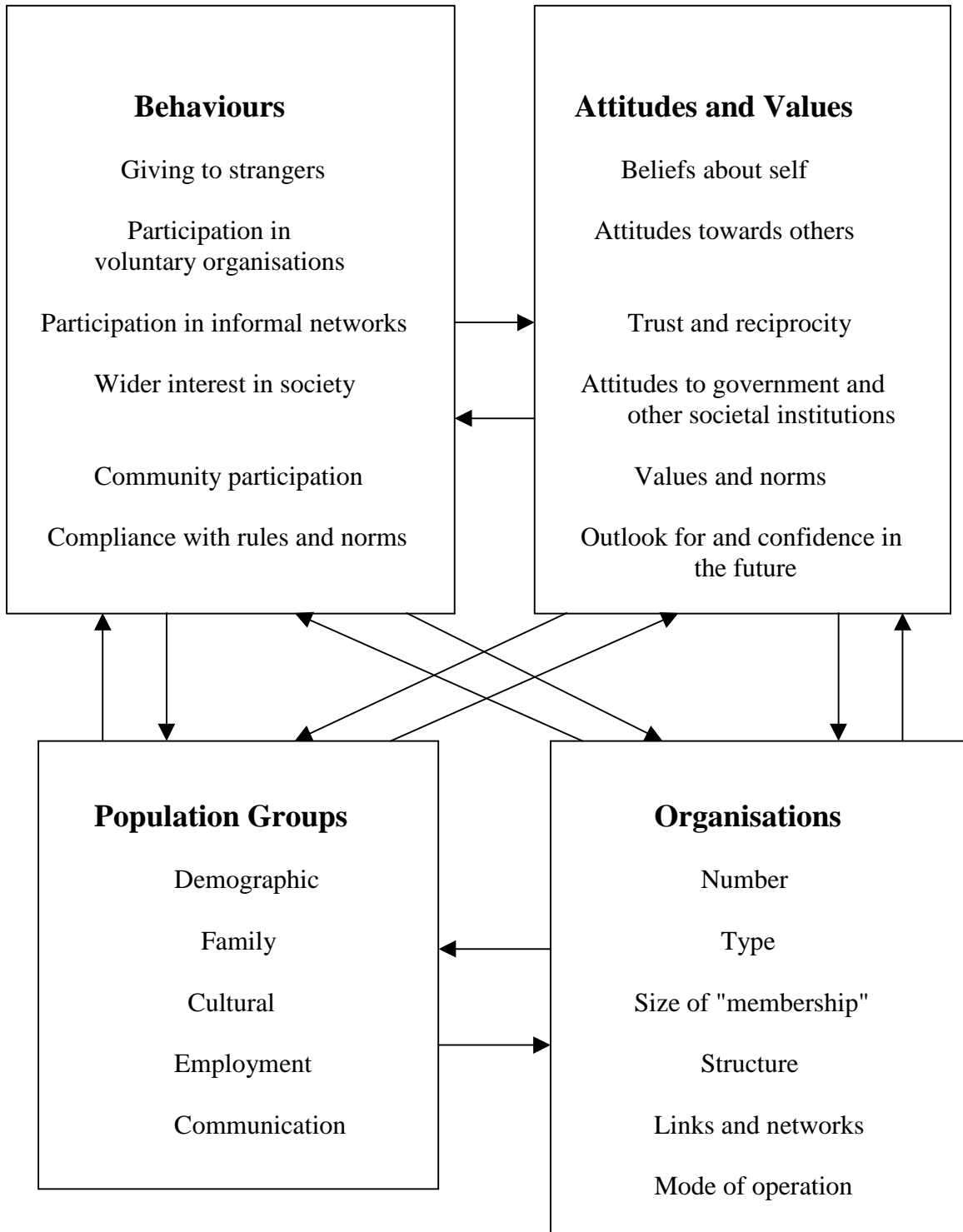
Population groups

As the third component of the framework, it is necessary to understand the community (or society) under study. This means having knowledge of the different groups of people making up the population because the nature of the relationships different people have with others (and therefore the social capital in a particular area) will differ according to basic characteristics.

Organisations

The final component of the framework covers organisations in the community under study. An organisation's terms of engagement bring together norms, mandate, sanctions, etc. The existence of social capital is not guaranteed by the mere presence of organisations that bring people together for a common purpose. However, it is still important to identify how many organisations of various types exist, their characteristics, and how they relate to one another. The relationship between community, business and government is particularly important. For the purposes of investigating social capital, some organisations will be particularly significant in some areas (eg those that dominate a community, such as a very large employer, or organisations that play a major role in other ways, for example the territorial authority).

Framework for the Measurement of Social Capital in New Zealand



Existing data sources in New Zealand

This section examines data availability. Where data sources are national surveys, they are listed and described in detail. Other sources, some of which are now considerably dated, are described in general terms. The four dimensions of the framework are listed, along with the data sources relevant to each. Then the final part of this section looks at two recent publications that incorporated available indicators of social capital, or social capital-related phenomena.

List of data sources

Census of Population

The Census of Population and Dwellings is conducted by Statistics New Zealand every five years. Information is collected on all people present in New Zealand on Census night. Statistics are produced on the demographic make-up of the population as well as socio-economic variables and other information. The database from the March 2001 Census became available at the end of February 2002.

<i>Lead agency:</i>	Statistics New Zealand
<i>Status:</i>	Required by law every five years
<i>Type of respondent:</i>	Everyone in the country on Census night
<i>Coverage:</i>	All of New Zealand
<i>Achieved sample size:</i>	-
<i>Response rate:</i>	-
<i>Fieldwork:</i>	First Tuesday in March in years ending 1 or 6
<i>Sampling frame:</i>	Nationwide address enumeration
<i>Social capital slant:</i>	

The last few censuses have asked people about unpaid work undertaken during the four weeks prior to the census. Questions have generally asked not only about the types of activities but also the number of hours involved. In 2001, this was not the case. Only a question on activities was asked. Individuals were asked to indicate which of the following they had done in the last four weeks, without pay:

- Household work, cooking, repairs, gardening, etc for their own household
- Looking after a child who was a member of their own household
- Looking after a member of their household who was ill or had a disability
- Looking after a child who did not live in their household
- Helping someone who was ill or had a disability and who did not live in their household
- Other helping or voluntary work for or through any organisation, group or marae

The census meets almost all needs for data on population groups. It produces statistical information on demographics, families, cultural characteristics, employment and communication, but the extent to which some of these topics is covered varies census by census. The advantage of the census is not only the range of information it collects but its coverage of the entire population. This makes it an ideal vehicle for providing information if social capital is to be studied in a small geographical area or within a small population group.

Time Use Survey

New Zealand conducted its first national Time Use Survey in 1998/99. Using a similar methodology to time use surveys conducted overseas, information was collected through questionnaires and a time use diary. In the diary, respondents provided details of everything they did over the period of two days, in five-minute segments.

<i>Lead agency:</i>	Statistics New Zealand (on behalf of the Ministry of Women's Affairs)
<i>Status:</i>	One-off
<i>Type of respondent:</i>	Individuals aged 12 years and over
<i>Coverage:</i>	All of New Zealand, excluding minor islands
<i>Achieved sample size:</i>	8,527 people
<i>Response rate:</i>	72%
<i>Fieldwork:</i>	July 1998 to June 1999
<i>Sampling frame:</i>	Households were selected into the TUS sample from the 752 Household Economic Survey (HES) Primary Sampling Units (PSUs). An additional 150 screening PSUs were selected to ensure that the sample had sufficient Māori.
<i>Social capital slant:</i>	

The Time Use Survey can provide information on many of the behaviour indicators listed in the framework, for example:

- Participation in voluntary organisations
- Participation in informal networks (eg contact with neighbours or family, socialising with work mates, etc)
- People's wider interest in society (eg reading a newspaper, discussing issues with friends)
- Participation in the local community

These behaviours can be analysed by the large range of demographic and socio-economic variables collected in the survey. However, the survey does have some important limitations. Firstly, the diary imposes a limit on the reporting of behaviours to those occurring during the selected two-day period. This means that a respondent may in fact undertake a particular activity of relevance to social capital but they do not happen to do it on a diary day. This can be remedied by asking additional questions. For example, in New Zealand's survey, respondents were asked in a separate questionnaire if they had done certain Māori activities during the last four weeks. These included such things as maintaining marae⁴ grounds, participating in a Māori event, holding a conversation in the Māori language, and teaching or learning the skills of Māori cultural activities.

The second major gap is the lack of small-area or small population data if a particular community is the focus of social capital research. The Time Use Survey was designed to provide national results. Regional analysis is very limited and small-area estimates are non-existent. Also, the amount of analysis that can be done for small population groups is limited.

⁴ Ceremonial centre of community, forecourt of meeting house

New Zealand National Survey of Crime Victims 2001

The Ministry of Justice commissioned a second national survey of crime victims in 2001. The first comprehensive New Zealand national survey of crime victims was conducted in 1996.

<i>Lead agency:</i>	Ministry of Justice
<i>Status:</i>	Approximately five-yearly
<i>Type of respondent:</i>	Individuals aged 15 years and over living in private households
<i>Coverage:</i>	All New Zealand, excluding minor islands
<i>Achieved sample size:</i>	5,500
<i>Response rate:</i>	Not yet available
<i>Fieldwork:</i>	July to November 2001
<i>Sampling frame:</i>	Stratified, multi-stage probability sample with clustering. The sample includes Maori and Pacific People's boosters of 1,000 each.

Social capital slant:

The survey has seven objectives, several of which are relevant to measuring social capital. These include the objectives of discovering the extent to which offences are reported to the police, the reasons for reporting and non-reporting, and victims' perceptions of the adequacy of the police and justice system response when offences are reported; and the provision of information on the public's perception of crime problems in their area, on fears and concerns about crimes, on the way in which people modify their lifestyles as a result of those fears, and on the relationship between fear on the one hand and actual victimisation or the risk of victimisation on the other.

Household Economic Survey

The Household Economic Survey (HES) collects information on household income and expenditure, as well as a wide range of demographic information on individuals and households. The survey is conducted every three years. The most recent survey is 2000/01, for which data became available in October 2001. Data is national only, with no regional analysis possible.

<i>Lead agency:</i>	Statistics New Zealand
<i>Status:</i>	Three-yearly
<i>Type of respondent:</i>	Private households (individuals aged 15 years and over keep a two-week expenditure diary and answer the income questionnaire. One person completes the household expenditure questionnaire.)
<i>Coverage:</i>	North Island, South Island and Waiheke Island
<i>Achieved sample size:</i>	2,808 households (7,385 people, of which 1,815 were under 15 years of age)
<i>Response rate:</i>	73% (household response rate)
<i>Fieldwork:</i>	July 2000 to June 2001
<i>Sampling frame:</i>	The first stage is a stratified collection of geographical areas called primary sampling units (PSUs). The second stage is lists

of dwellings produced from field enumeration of the sampled PSUs.

Social capital slant:

HES data can provide information on some social capital indicators, revealing the types of individuals and households that spend money on particular items (eg supporting charities or belonging to particular types of organisation).

Household Labour Force Survey

The Household Labour Force Survey (HLFS) produces New Zealand's official measure of unemployment. It is designed to measure the number of New Zealanders in paid work, in unemployment, and not in the labour force. The figures are up-to-date, being produced on a quarterly basis and enabling changes over time to be monitored. Some regional analysis is possible from the HLFS.

Lead agency: Statistics New Zealand
Status: Quarterly
Type of respondent: Individuals aged 15 years and over
Coverage: All of New Zealand
Achieved sample size: In the March 2002 quarter - 15,186 households and 29,275 individuals
Response rate: 90.7%
Fieldwork: Continuous
Sampling frame: The total land area is divided into meshblocks, which are then collapsed into primary sampling units (PSUs). These are divided into 120 groups based on various characteristics derived from the last census. PSUs are randomly selected. A household selected stays in the survey for eight quarters and is then replaced by a new household from the same PSU. One-eighth of the sample rotates out each quarter.

Social capital slant:

The HLFS provides a background population picture for social capital. By focusing on labour force characteristics, the survey provides a picture of the groups of people who have easy (and, conversely, limited) access to the formal and informal networks associated with participation in paid work.

New Zealand Survey of Older People in 2000

This survey was conducted as one of three designed to provide information to develop a new measure of living standards in New Zealand - the Economic Living Standards Index. This survey of 3,060 older people was accompanied by a survey of 542 older Māori, and a survey of 3,682 working-age people. In gathering information that could measure and describe living standards, the survey asked questions on:

- Whether older people could get out as much as they would like (eg to shop, see a doctor or visit friends)
- Which activities were limited by not being able to get out and about as much as they would like (eg using the library, visiting family members, going to the movies, concerts or other entertainment)

- How often older people were in touch with close friends or family members who didn't live with them
- Whether they had given financial support to their children or other family members during the previous 12 months.
- Whether money was regularly given to a church, marae or other organisation
- Whether members of their extended family had done anything to help them during the previous 12 months (eg helped with home maintenance, paid for or taken them on holiday, provided cooked meals, mowed lawns, done gardening, etc)
- Whether they had done any unpaid work during the last four weeks, and how many hours they had spent.

While the purpose of the data collection was the development of a living standards index, further data collection is planned in the future to monitor changes in living standards over time.

Social Indicators Survey 1980/81, and

New Zealand Social Policy Survey - Attitudes and Values 1987

There are no official surveys of attitudes and values currently carried out within government. Earlier ones include the Social Indicators Survey (undertaken by the Department of Statistics in 1980/81), and the Social Policy Survey, which was commissioned by the Royal Commission on Social Policy and conducted by the Department of Statistics in 1987. These surveys asked respondents' opinions on a number of issues, their experience in several spheres (eg receiving health care), their satisfaction with these experiences and their assessment of the fairness of this phenomenon across New Zealand.

This means they collected information relevant to several of the "attitudes and values" indicators, especially attitudes towards others, trust and reciprocity, attitudes to government and other social institutions, and values and norms. There were also questions relating to the "behaviours" component of the social capital framework (eg membership of and active involvement in a trade union, political party, church, community services group or sports club).

These data sources have two important limitations. The first is the age of the data. Even the most recent of these surveys is now 15 years old. The second is the fact that they were designed to produce national results. Regional and small area analysis is next to impossible.

New Zealand Study of Values 1998

This study, conducted as part of the World Values Survey 1998, was undertaken by the New Zealand Study of Values Trust in association with the School of Sociology and Women's Studies, Massey University. Input to questionnaire development was provided by Local Government New Zealand, the Ministry of Social Policy, the Department of Internal Affairs and a consultant. The survey asked about attitudes

towards a variety of things, including family, work, leisure, politics and the environment. There were also questions on social capital-related behaviours (such as active membership of various organisations and participation in community activities).

The survey has not been formally assessed for statistical adequacy, although concerns have been expressed over some aspects of the sampling methodology. The survey was designed to produce national results so its ability to produce regional data is limited. However, information from the Study of Values in other countries has been used in a number of studies of social capital and community involvement. The comparative nature of this study suggests that input into the next survey could be useful.

Territorial authority surveys

Some of the territorial authorities in New Zealand survey their residents on a regular basis. The main objective of these surveys is to ascertain residents' satisfaction with aspects of the local council's operation, but sometimes objectives include wider social monitoring. Some attitudinal information is collected in these surveys (eg perceptions of community identity).

The statistical adequacy of these surveys has not been assessed, but they are purported to be designed to produce results representative of residents in each authority. Whether smaller area analysis is possible is unknown.

New Zealand Election Study

This programme of research is based in the Department of Political Science and Public Policy at the University of Waikato and is funded by the Foundation for Research, Science and Technology. The survey asks questions to probe attitudes about the electoral system, political parties and politicians.

Territorial authority reports

Many of the country's territorial authorities produce annual reports on their city or district. While most of the population data they contain comes from the Census of Population, councils do add some of their own data or data from other sources (eg health services or schools). These reports would be good background information for someone wanting to study social capital in a particular area.

City and district councils also include business organisation data in their reports. It is important for them to understand the industries on which their economies depend and where employment is concentrated. Territorial authorities make use of Statistics New Zealand business data as well as their own sources.

As part of this reporting, territorial authorities may include statistics on not-for-profit organisations operating in their districts. Local Citizens Advice Bureaux may hold information on the number and type.

Business Demography Statistics

Subject to confidentiality conditions being met, Statistics New Zealand can release business demography data from its Business Frame and business surveys. Information comprises the number of businesses operating in an area (down to meshblock or city block level), by type of industry (to a fine breakdown), and the number of full-time equivalents employed (in size bands). In terms of the social capital framework, this provides a good picture of business organisations, their distribution, type and size.

Survey of Local Authority Candidates

This survey, run by the Department of Internal Affairs, provides a profile of successful and unsuccessful candidates in local authority elections.

Data sources relevant to framework dimensions

Behaviours

- Time Use Survey
- Census of Population
- Household Economic Survey
- New Zealand Survey of Older People in 2000

Attitudes and values

- Social Indicators Survey 1980/81
- New Zealand Social Policy Survey - Attitudes and Values 1987
- New Zealand National Survey of Crime Victims 2001
- Territorial authority surveys
- New Zealand Study of Values 1998
- New Zealand Election Study

Population groups

- Census of Population
- Territorial authority reports
- Household Labour Force Survey

Organisations

- Business Demography Statistics
- Territorial authority reports
- Survey of Local Authority Candidates

Recent publications

The Social Report 2001

In 2001 the Ministry of Social Policy (now the Ministry of Social Development) produced this report as "the first step in the establishment of a regular programme of social monitoring". The aim of the report was to provide information on the overall social health and well-being of New Zealand society. It did this by providing a number of social indicators across nine social outcome domains.

One of these was "social connectedness" where the desired social outcome was seen as being "People enjoy constructive relationships with others in their families, whanau⁵, communities, iwi and workplaces. They are able to participate in society and have a sense of belonging." The indicators chosen for inclusion in the report were:

- The proportion of the population aged 12 and over who did unpaid work for people or organisations outside their own household, and the average time spent on unpaid work outside the home, as measured by the 1999 Time Use Survey.
- The proportion of the population who participated in family/whanau activities and the proportion of the population who had family or friends over for a meal at least once a month, as measured by the 2000 Living Standards Surveys.
- The proportion of the adult population (18 years and over) who are members of different types of community organisations and were "actively" or "passively" involved, as measured by the 1999 New Zealand Election Study. "Active" membership is defined here as having attended at least one meeting in the previous year; "passive" membership as having attended no meetings.

The next Social Report is due in 2003. Considerable work is currently underway to review the outcome domains used in the first publication, and there may be changes to the domains and the social indicators used in next year's report.

Quality of Life in New Zealand's Six Largest Cities

This report, published in March 2001, brought together a series of environmental, economic and social indicators to go some way to measuring the quality of life in New Zealand's six largest urban centres. A mixture of data was used in the report: Census data, information from the non-profit sector in each city, and councils' data from their surveys of residents. Other cities may be included in future editions.

Indicators used in the section on "community cohesion" consisted of:

- Resident perception of contact with neighbours
- Resident perception of local community strength and support

⁵ Kin group

- Resident perception of diversity in cities
- Level of unpaid work done

Relevant developments currently underway

Social Statistics Programme

A project currently being led by Statistics New Zealand has the potential to improve data sources on social capital. The department is leading work to develop a social statistics programme. The work results from an acknowledgement that social statistics in New Zealand are fragmented and disjointed - partially the result of being spread across so many different government agencies and partially the result of most social surveys being funded on an ad hoc basis. Under this scheme, there is no guarantee that surveys will be repeated in the future. In reaching its ultimate goal of recommending a programme of social statistics, the project is looking at the underlying policy issues and questions in each area, and specifying the information needs that stem from those issues. The framework of *The Social Report 2001* is being used for this work, so the domain of "social connectedness" is included.

Sustainable Development

As part of a project to monitor progress towards a sustainable New Zealand, Statistics New Zealand is currently working on a report suggesting an experimental selection of sustainable development indicators. Sustainable development is defined as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs". The identification of indicators has drawn heavily on the Ministry for the Environment's Environmental Performance Indicators, and the Ministry of Social Development's *The Social Report*. Two criteria were of particular importance in selecting indicators of sustainable development relevant for New Zealand: the relevance to the process of sustainable development; and the ability to take a long-term view. Statistical soundness was also an important criteria.

In the section on social cohesion, the report explores four key aspects: social connectedness, human rights, culture and identity and safety and security. A number of indicators are suggested under each of these headings but most importantly, the report identifies current gaps in New Zealand's national indicators. These include those relating to people's sense of belonging, sense of place, trust of others, trust in public institutions, tolerance of diversity, freedom of cultural expression, social support networks, social exclusion/isolation and integration of new migrants into New Zealand life (for example employment rates).

Survey of Family, Income and Employment Dynamics

A survey currently being developed is also relevant as a potential social capital source. The Survey of Family, Income and Employment is a longitudinal survey designed to measure family, labour market and income dynamics across an 8-year period. The survey will provide some social capital-related information by showing how and why family membership changes across time, the reasons why people start and stop work (including family responsibilities), and how family income changes through time with changing membership and changing circumstances. Field work is due to commence in October 2002.

Conclusion

In conclusion, some information is available on all four components of the New Zealand framework, but the extent and quality of this information vary considerably. The "population groups" component is well served by the Census of Population, meaning that detailed information is available for small areas and for small sub-sectors of the population. However, there is a need to relate this to other components of the framework. The components relating to behaviours, attitudes and values, and organisations are less well served in terms of current data, but limited information does exist. Some important projects currently underway should see social capital information improve in New Zealand, at least in the medium term.