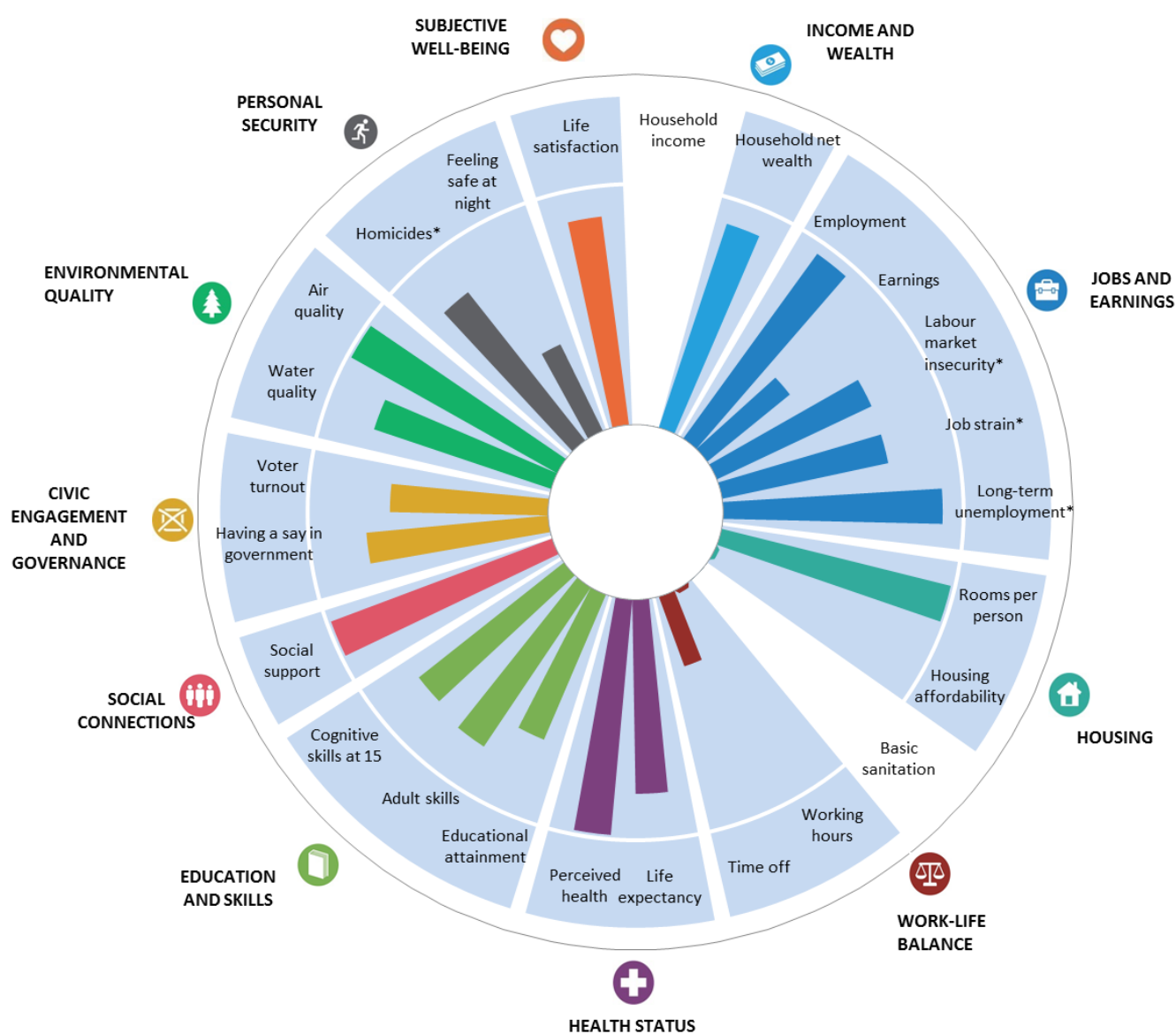


How's Life in New Zealand?

On average, New Zealand performs well across the different well-being indicators and dimensions relative to other OECD countries. It has higher **employment** and lower **long-term unemployment** than the OECD average, and benefits from lower-than-average levels of **labour market insecurity** and **job strain**. Reported **social support** is also one of the highest in the OECD. While New Zealand's environmental quality is high, its performance is mixed in terms of personal security and housing conditions. Although the **homicide** rate is low, only 65% of people in New Zealand say they feel **safe walking alone at night**, compared to an OECD average of 69%. While the average number of **rooms per person** in New Zealand's homes is among the highest in the OECD, **housing affordability** is one of the worst. At 82 years, **life expectancy** at birth is 2 years above the OECD average. A high share of New Zealanders also report good levels of **perceived health**, although these data are not directly comparable with those of the other OECD countries, due to a difference in the reporting scale.

New Zealand's average level of current well-being: Comparative strengths and weaknesses














Note: This chart shows New Zealand's relative strengths and weaknesses in well-being when compared with other OECD countries. For both positive and negative indicators (such as homicides, marked with an "**"), longer bars always indicate better outcomes (i.e. higher well-being), whereas shorter bars always indicate worse outcomes (i.e. lower well-being). If data are missing for any given indicator, the relevant segment of the circle is shaded in white.

Additional information, including the data used in this country note, can be found at:


www.oecd.org/statistics/Better-Life-Initiative-2017-country-notes-data.xlsx


Change in New Zealand's average well-being over the past 10 years


Dimension	Description	Change
 Income and wealth	Household net adjusted disposable income has increased over the past decade. After rising sharply from 2005 to 2007, growth stalled in 2008, resuming in recent years and peaking in 2013.	↗
 Jobs and earnings	In 2015, the employment rate was very close to its 2005 level, having fallen from 2006 to 2010 and gradually recovered in more recent years. Real earnings in New Zealand are 14% higher than a decade ago. Other job indicators have worsened in the last 10 years: labour market insecurity remains relatively high compared to 2005, and the incidence of job strain has risen by almost 7 percentage points.	↔ ↗ ↘ ↘
 Housing conditions	The number of rooms per person has remained relatively stable since 2005, and above the OECD average. Housing affordability has meanwhile worsened slightly in the past decade, with the proportion of income spent on housing costs increasing from 25.8% in 2005 to 26.2% in 2014.	↔ ↘
 Work-life balance	The share of employees working 50 hours or more per week fell by 2 percentage points from 2005 to 2015 in New Zealand, steeper than the 0.7 fall recorded for the OECD on average over the same period.	↗
 Health status	Life expectancy at birth has improved by roughly 2 years since 2005, in line with the OECD average increase. Self-reported health has remained relatively stable from 2007 to 2016.	↗ ↔
 Education and skills	The share of adults having completed upper secondary education increased by 2.5 percentage points from 2014 to 2016 (comparable data are not available prior to 2014).	↗
 Social connections	The share of people who have relatives or friends whom they can count on to help in case of need has remained reasonably stable in the past 10 years.	↔
 Civic engagement	Voter turnout among the population registered to vote fell by 3.3 percentage points between the 2005 and 2014 general elections.	↘
 Environmental quality	Both satisfaction with local water quality and exposure to PM _{2.5} air pollution have remained relatively stable in New Zealand over the past decade.	↔ ↔
 Personal security	The rate of deaths due to assault has fallen by almost one-quarter compared to 2005. The proportion of people who feel safe when walking alone at night has increased gradually, from 61% in 2005-2007 to 65% in 2014-16.	↗ ↗
 Subjective well-being	Life satisfaction in New Zealand has remained broadly stable and at relatively high levels over the past decade.	↔


Note: For each indicator in every dimension: ↗ refers to an improvement; ↔ indicates little or no change; and ↘ signals deterioration. This is based on a comparison of the starting year (2005 in most cases) and the latest available year (usually 2015 or 2016). The order of the arrows shown in column three corresponds to that of the indicators mentioned in column two.

New Zealand's resources and risks for future well-being: Illustrative indicators

 Natural capital			
Indicator	Tier	Change	
Greenhouse gas emissions from domestic production	3	↗	2005-2015
CO ₂ emissions from domestic consumption	2	↘	2001-2011
Exposure to PM _{2.5} air pollution	1	↔	2005-2013
Forest area	1	↘	2005-2014
Renewable freshwater resources	1	..	Long-term annual avg
Freshwater abstractions	3	..	2010
No data available on threatened species.			

 Human capital			
Indicator	Tier	Change	
Young adult educational attainment	2	↗	2014-2016
Educational expectancy	2	..	2015
Cognitive skills at age 15	1	..	2015
Adult skills	1	..	2011/2012
Long-term unemployment	1	↘	2005-2015
Life expectancy at birth	2	↗	2005-2015
Smoking prevalence	1	↗	2006-2015
Obesity prevalence	3	↘	2007-2016

 Economic capital			
Indicator	Tier	Change	
Gross fixed capital formation	2	↘	2005-2015
Household net wealth	1	..	2015
Investment in R&D	3	↔	2005-2015
No data available on produced fixed assets, financial net worth of the total economy, intellectual property assets, household debt, financial net worth of government and banking sector leverage.			

 Social capital			
Indicator	Tier	Change	
Trust in others	1	..	2013
Trust in the police	1	..	2013
Trust in the national government	1	↔	2005-2016
Voter turnout	1	↘	2005-2014
Government stakeholder engagement	1	..	2014
Volunteering through organisations	1	..	2011/2012

1	Top-performing OECD tier, latest available year
2	Middle-performing OECD tier, latest available year
3	Bottom-performing OECD tier, latest available year

↗	Improving over time
↘	Worsening over time
↔	No change
..	No data available

HOW LARGE ARE WELL-BEING INEQUALITIES IN NEW ZEALAND?

What is inequality and how is it measured? Measuring inequality means trying to describe **how unevenly distributed** outcomes are in society. *How's Life? 2017* adopts several different approaches:

- Measures of “**vertical**” inequalities address how unequally outcomes are spread across all people in society – for example, by looking at the size of the gap between people at the bottom of the distribution and people at the top
- Measures of “**horizontal**” inequalities focus on the gap between population groups defined by specific characteristics (such as men and women, young and old, people with higher and lower levels of education).
- Measures of “**deprivation**” report the share of people who live below a certain level of well-being (such as those who face income poverty or live in an overcrowded household).

New Zealand has mixed outcomes in terms of **vertical inequalities**. For instance, although the distribution of earnings is relatively equal compared to most OECD countries, it isn't for cognitive skills or life expectancy.

Across OECD countries, **women** typically fare worse than **men** on earnings, low pay and employment. Women in New Zealand are at a comparatively large disadvantage on outcomes such as feelings of safety, educational attainment and unemployment. However, they fare better than women in the OECD on average in terms of the divides on low pay, work-life balance, time spent socialising, voter turnout, and life satisfaction.

In all OECD countries, **young people** are at a disadvantage on the job market, compared to **middle-aged adults**. In New Zealand, the young are almost 4 times more likely to be unemployed, relative to the middle-aged, one of the highest gaps in the OECD area. However, the age-related gap in employment is narrower than for the OECD on average. In well-being dimensions where young adults are sometimes better off (e.g. educational attainment and skills, social support, feelings of safety), young people in New Zealand have fewer advantages than in the OECD on average.

Well-being inequalities in New Zealand

	Vertical inequality	Horizontal inequality by			Deprivation
		Gender	Age	Education	
		Women relative to men	Young relative to middle-aged	Secondary relative to tertiary	
Household income	●		●		●
Household net wealth	●		●	●	●
Earnings	●	○	○	○	
Low pay		●			●
Employment		●	●	●	
Unemployment		●	●	●	●
Housing affordability					○
Rooms per person					●
Life expectancy	●				
Perceived health		○	○	○	○
Working hours	○	●	●	●	●
Time off		●	●		
Educational attainment		●	●		●
Cognitive skills at 15	●	●		●	●
Adult skills	●	●	●	●	●
Time spent socialising		●	●		
Social support		●	●	●	●
Voter turnout		●	●	●	●
Having a say in government	●	●	●	●	●
Air quality					●
Water quality		●	●	●	●
Homicides		●			●
Feeling safe at night		●	●	●	●
Life satisfaction	●	●	●	○	●
Negative affect balance					●

Legend:

- top third of OECD countries
- middle third of OECD countries
- bottom third of OECD countries
- data gaps
- no measures

People with a **tertiary education** tend to fare better than those without across a range of well-being outcomes. In New Zealand, this education-related gap is often comparatively small – with the exception of unemployment, where it is one of the largest in the OECD. In addition, although tertiary-educated people are more likely to work long hours in most OECD countries, the advantage for the secondary-educated in New Zealand is smaller than in the OECD on average.

Regarding **deprivations**, New Zealand falls the top third (i.e. least deprived) OECD countries in 13 out of 18 indicators. The poorer outcomes include comparatively high asset poverty (62.7%), the high share of people with less than a secondary level of educational attainment (25.3%) and that of people who feel unsafe at night (32%).

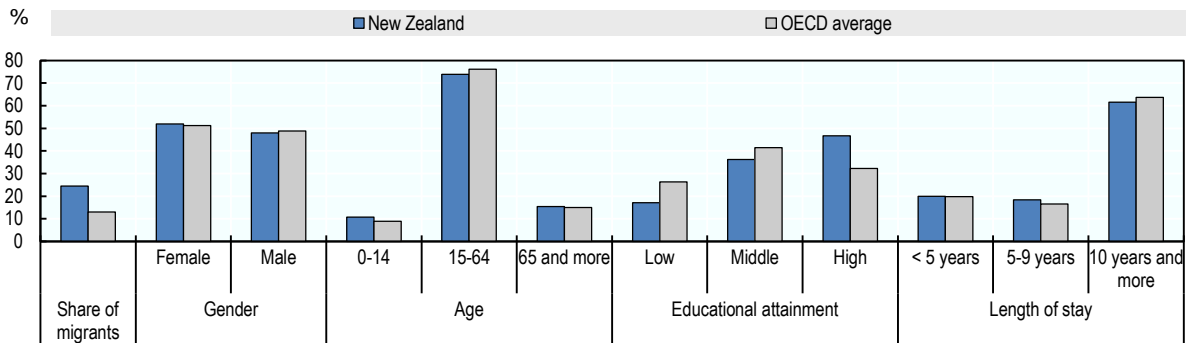
HOW'S LIFE FOR MIGRANTS IN NEW ZEALAND?

Migrants (defined as people living in a different country from the one in which they were born) represent an important share of the population in most OECD countries. Capturing information about their well-being is critical for gaining a fuller picture of how life is going, and whether it is going equally well for all members of society.

Who are the migrants in New Zealand and OECD?

One in four people living in New Zealand (25%) were born elsewhere, far above the OECD average (13%), and 52% of them are women (51% for the OECD average). Migrants in New Zealand are about as likely to be of working age as in the OECD on average (74% of them are aged 15 to 64, as compared to 76% across the OECD), and are more likely to have a high educational attainment than a low or a middle level. Almost two thirds of migrants arrived in New Zealand ten years ago or more.

Share of migrants in the total population and selected characteristics



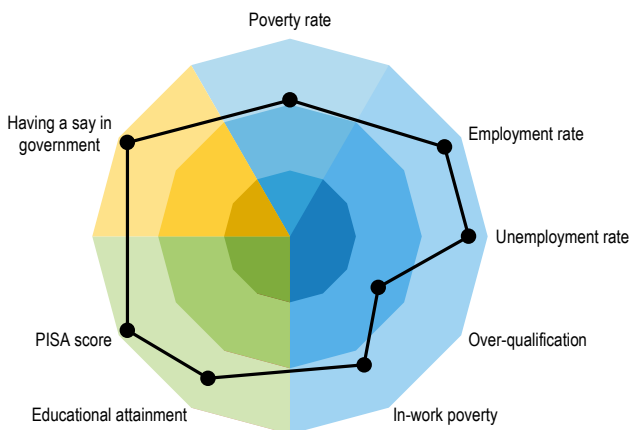
How is migrants' well-being in New Zealand?

Compared with the migrant populations of other OECD countries, migrants living in New Zealand have a relatively good situation regarding poverty, employment, unemployment, in-work poverty, educational attainment, PISA performance and having a say in government. Moreover, migrants settled in New Zealand rank in the middle third of OECD-country migrants for over-qualification.

In contrast with many other OECD countries where migrants tend to experience lower well-being outcomes than the native-born, migrants in New Zealand often experience similar well-being outcomes to the native-born population: in New Zealand, this is the case for 4 out of 7 selected well-being indicators. However, migrants in New Zealand have lower outcomes than the native-born for literacy and social support, while they report a higher level of perceived safety.

Comparing well-being outcomes for migrants in New Zealand with the migrant populations of other OECD countries

Top third Middle third Bottom third New Zealand



Comparison of migrants' and native-born well-being in New Zealand

	Migrants have a worse situation	Same situation	Migrants have a better situation
Literacy scores	▲		
PISA score		▲	
Perceived health		▲	
Social support	▲		
Perceived safety			▲
Having a say in government		▲	
Life satisfaction		▲	

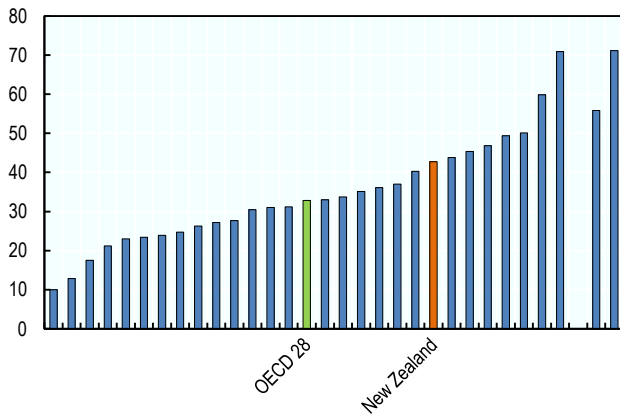
GOVERNANCE AND WELL-BEING IN NEW ZEALAND

Public institutions play an important role in well-being, both by guaranteeing that people’s fundamental rights are protected, and by ensuring the provision of goods and services necessary for people to thrive and prosper. How people experience and engage with public institutions also matters: people’s political voice, agency and representation are outcomes of value in their own right.

In New Zealand, almost 43% of the population feels that they have a say in what their government does, which is higher than the OECD average of 33%. In recent years, voter turnout has fallen with 77% of registered voters casting a ballot in 2014, compared to slightly more than 80% in 2005. When asked about whether or not corruption is widespread across government, 25% of New Zealanders answered "yes", as compared to the OECD average of 56%. Since around 2006, the share of people in the OECD who report that they have confidence in their national government has fallen from 42% to 38%.

Having a say in what the government does

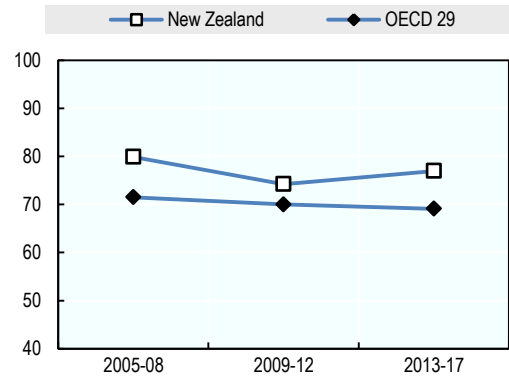
Percentage of people aged 16-65 who feel that they have a say in what the government does, around 2012



Source: OECD Survey of Adult Skills (PIAAC database)

Voter turnout

Percentage of votes cast among the population registered to vote



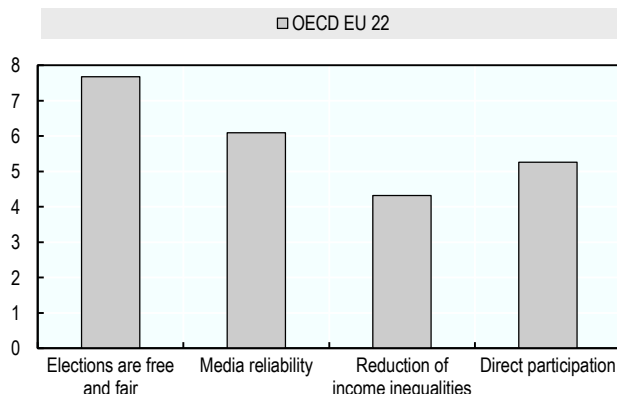
Note: Data refers to parliamentary elections. If more than one election took place over the time period indicated, the simple average voter turnout from all elections is shown. The OECD average sums elections that occurred over the time periods shown in 29 OECD countries.

Source: IDEA dataset

In the 22 European OECD countries where it can be assessed, satisfaction with democracy varies, depending on which aspect is considered. While Europeans tend to be reasonably satisfied with the way elections are held (7.7 on a 0-10 scale), they are relatively less satisfied with policies to reduce income inequalities (4.3) or the existence of direct participation mechanisms at the local level (5.3). Europeans’ satisfaction with public services varies according to whether people have used those services in the last year. For example, satisfaction with education is higher among those with direct recent experience (6.6 vs 6.2 on average), and this is also true of the health system (6.4 vs 6.2 on average). These data relate to 19 European countries only, and unfortunately no comparable data are available for New Zealand.

OECD EU average satisfaction with different elements of democracy

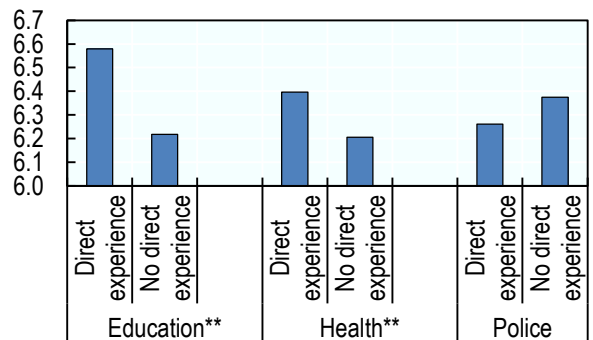
Mean score on a 0-10 scale, with higher scores indicating higher satisfaction with elements of democracy, 2012



Source: OECD calculations based on wave 6 of the European Social Survey (ESS), special rotating module on citizens’ valuations of different elements of democracy.

OECD EU average satisfaction with public services

Mean score on a 0-10 scale, with higher scores indicating higher satisfaction with elements of democracy, 2013



Note: ** Difference is statistically significant at 95%

Source: OECD calculations based on the EU Quality of Government (QoG) for 19 European OECD countries.

BETTER LIFE INDEX

The **Better Life Index** is an interactive web application that allows users to compare well-being across OECD countries and beyond on the basis of the set of well-being indicators used in *How's Life?*. Users chose what weight to give to each of the eleven dimensions shown below and then see how countries perform, based on their own personal priorities in life.

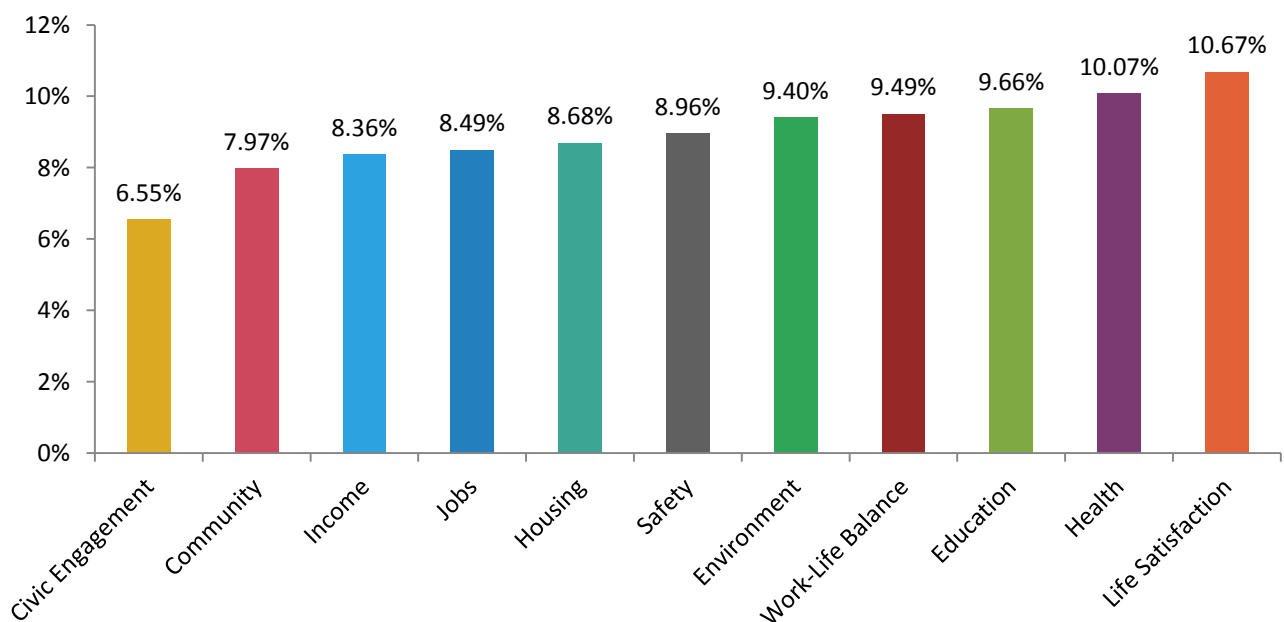


Users can also share their index with other people in their networks, as well as with the OECD. This allows the OECD to gather valuable information on the importance that users attach to various life dimensions, and how these preferences differ across countries and population groups.

WHAT MATTERS MOST TO PEOPLE IN NEW ZEALAND?

Since its launch in May 2011, the Better Life Index has attracted **over ten million visits from just about every country on the planet** and has received over **22 million page views**. To date, over 101,000 people in New Zealand have visited the website making New Zealand the 23rd country overall in traffic to the website. The top cities are Auckland (48% of visits), Wellington, Christchurch, Hamilton and Dunedin.

The following country findings reflect the ratings voluntarily shared with the OECD by 828 website visitors in New Zealand. Findings are only indicative and are not representative of the population at large. **For New Zealander users of the Better Life Index, life satisfaction, health, and education are the three most important topics** (shown below).¹ Up to date information, including a breakdown of participants in each country by gender and age can be found here: www.oecdbetterlifeindex.org/responses/#NZL.



¹ User information for New Zealand is based on shared indexes submitted between May 2011 and September 2017.

The **OECD Better Life Initiative**, launched in 2011, focuses on the aspects of life that matter the most to people and that shape the quality of their lives. The Initiative comprises a set of regularly updated well-being indicators and an in-depth analysis of specific topics, published in the *How's Life?* report. It also includes an interactive web application, the *Better Life Index*, and a number of *methodological and research projects* to improve the information base available to understand well-being levels, trends and their drivers.

The OECD Better Life Initiative:

- Helps to inform policy making to improve quality of life.
- Connects policies to people's lives.
- Generates support for needed policy measures.
- Improves civic engagement by encouraging the public to create their own *Better Life Index* and share their preferences about what matters most for well-being
- Empowers the public by improving their understanding of policy-making.

This note presents **selected findings for New Zealand from the *How's Life? 2017* report** (pages 1-6) and shows what **New Zealanders users of the Better Life Index** are telling us about their **well-being priorities** (page 7).

HOW'S LIFE?



How's Life?, published every two years, provides a comprehensive picture of well-being in OECD and selected partner countries by bringing together an internationally comparable set of well-being indicators. It considers eleven dimensions of current well-being including: income and wealth; jobs and earnings; housing; health status; work-life balance; education and skills; social connections; civic engagement and governance; environmental quality; personal security; and subjective well-being. It also looks at four types of resources that help to sustain well-being over time: natural, human, economic and social capital.

The *How's Life? 2017* report presents the latest data on well-being in OECD and partner countries, including how lives have changed since 2005. It includes a special focus on inequalities, the well-being of migrants in OECD countries, and the issue of governance – particularly how people experience and engage with public institutions. To read more, visit: www.oecd.org/howslife.

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