

# Summary

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**The social report provides a high-level picture of wellbeing and quality of life in New Zealand.**

Over the last five years social outcomes have been improving in New Zealand. People are living longer, while our society is more prosperous, safer, and better educated.

Yet despite this generally positive picture, there are some points of concern. Some indicators have not improved, and several are still showing poorer outcomes than they did in the mid-1980s. New Zealand's social and economic progress has not always been as rapid as some other industrialised countries.

For some groups, average outcomes are poor relative to the population as a whole. Young people, Māori, and Pacific people, on average, have a higher likelihood of poor outcomes. However, outcomes for these groups are improving, and in some areas the relative gap is also closing.

The remainder of this section considers these points in greater detail.

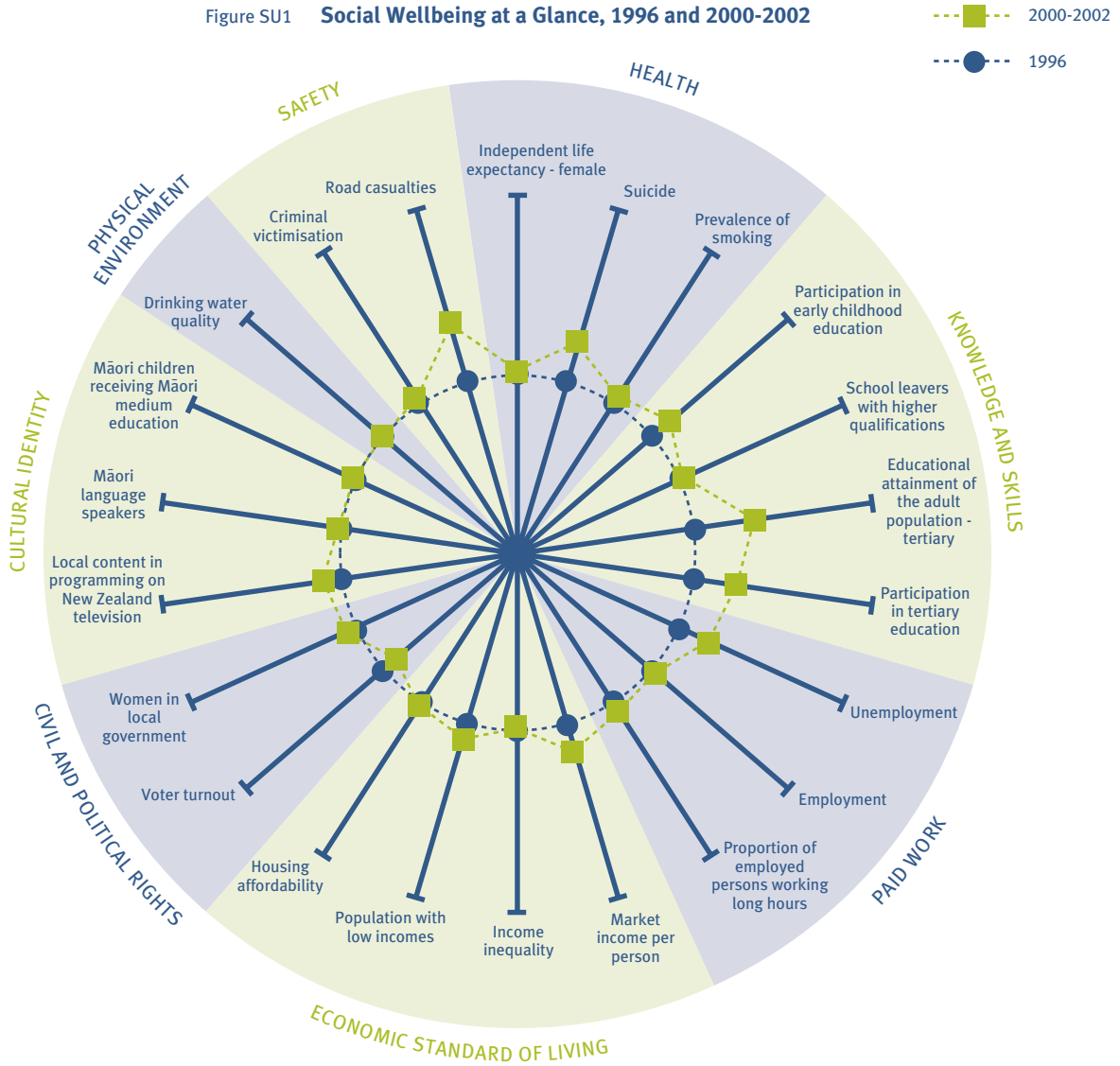
## Social Wellbeing in New Zealand

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**Social outcomes have improved over the last five years.**

Across most of the domains the social report monitors, outcomes are improving over time. New Zealanders are living longer, healthier lives. They are generally better educated, safer, and earn more now than in 1996. Despite some concern about New Zealand's relative performance in some areas compared to other countries,<sup>73</sup> it is clear that the average quality of life in New Zealand has increased over the last five years across a number of outcomes.

Figure SU1 Social Wellbeing at a Glance, 1996 and 2000-2002



### Interpreting Social Wellbeing in New Zealand at a Glance

Figure SU1 shows changes in selected indicators the social report uses to monitor wellbeing. In this graph, the indicators are each plotted on a separate axis arranged like the spokes of a wheel. The shading on the graph shows which outcome domain the indicators relate to. A move towards the edge of the wheel shows that the indicator has improved, while a move towards the hub of the wheel shows that the indicator has deteriorated.

All the indicators on the wheel are normalised so their value in 1996 is treated as one.<sup>74</sup> Subsequent movements in the indicators will take their values above one (towards the edge of the wheel) if things are getting better or below one if they are getting worse.

A diagram like this provides a simple way to take in how wellbeing has changed across a number of different areas. There are, however, some important limitations on this style of presentation. In particular, we cannot directly compare the size of changes for different indicators. The graph shows the relative size of any change in the indicators compared to their level in 1996. It does not tell us how important that change is for overall wellbeing. The graph is also limited in that it shows the change between two years only, not movements in the intervening years.

We can only show 22 of the 38 indicators used in The Social Report 2003 in the graph, because we do not have data going back sufficiently far for a number of the indicators. We also want to reduce the complexity of the picture.

It is immediately evident from the graph above that the indicators for the period 2000 to 2002 are mostly further from the centre of the graph than those for 1996.<sup>75</sup> In particular, there have been improvements in the areas of health, knowledge and skills, safety, paid work, and economic standard of living.

In health, we have seen improvements in life expectancy, suicide, and smoking since 1996. Some of these improvements appear quite striking on the diagram such as the improvement in suicide rates, while others look less impressive such as the improvement in independent life expectancy. This, however, reflects the fact that independent life expectancy is much less volatile as an indicator than suicide. Changes in life expectancy are gradual, but not trivial. Since 1996 independent life expectancy has increased by a full year for women. This is part of a long-term trend in longevity driven by better living standards and health care.

Similarly, the period from the mid-1990s to the present has seen measurable improvements in outcomes relating to knowledge and skills. There have been increases in participation in early childhood education and in tertiary education, and in the level of educational attainment in the adult population.

The improvement in road safety shown on the graph is visually quite dramatic, and represents a real improvement in average wellbeing. The road casualty rate has been falling since the mid-1980s, partly as a result of better roads, better vehicles, and policy changes intended to reduce driving speeds and driving while influenced by alcohol. In 1986 the road fatality rate was 23.1 road deaths per 100,000 people in the population. This rate dropped to 13.8 in 1996 and has continued to fall since then to 10.3 in 2002.

Improvements in paid work and economic standard of living reflect a generally good economic environment over the period from 1995 to 2001. Unemployment has continued to decline from a peak in 1991, and the employment rate is also increasing. Real economic growth has seen market income per person rise from \$23,634 in 1996 to \$27,095 in 2002 (expressed in constant 1995/96 dollars).

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**Despite the generally healthy picture of social outcomes in New Zealand, there are some notes of caution.**

Some social outcomes have not improved. While average living standards are rising and contributing to improvement in other areas of wellbeing, the distribution of economic resources has deteriorated to some degree. Income inequality rose sharply from 1987 to 1991, and has not fallen significantly since then.

The proportion of the population facing high housing costs is also rising, partly because immigration and rising average incomes are increasing demand and pushing up the price for housing. For those at the lower end of the income distribution, with largely static real incomes, some of this increase is transmitted into a rise in the proportion of income that goes on housing costs.

There have been no substantial increases in the proportion of Māori children receiving Māori medium education since the mid 1990s. Voter turnout has declined since 1996, and although perceived discrimination in New Zealand has fallen for some groups (including women and Māori) it has risen for immigrants and refugees.

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**Many indicators are still worse than they were in the mid-1980s.**

In several areas – largely those showing the most impressive improvements – we are still recovering from the recession of 1987–1992. Suicide, for example, improved from 13.8 suicides per 100,000 in the 1996 period to 11.2 per 100,000 in 2000. This, however, only represents a return to the suicide rate of the mid-1980s. Similarly, the unemployment rate in 2002 was 5.2 percent of the labour force, well down from a peak of 10.3 percent in 1991, but still above the 1986 rate of four percent. This same pattern also holds true for the proportion of the population with low incomes.

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**New Zealand’s performance compared to other countries is also a source of concern.**

Although New Zealand is doing well compared to other industrialised countries in some areas such as paid work and civil and political rights, social outcomes in many areas lag behind the OECD average. New Zealand has a lower life expectancy and higher suicide rates than many comparable countries. Market income lags behind other industrialised countries (although recently New Zealand’s economic growth rate has been near the top of the OECD) and the prevalence of household crowding is relatively high.

## The Distribution of Wellbeing in New Zealand

The distribution of social outcomes matters as well as the trends in the average level of wellbeing. In particular, we want to know how the different communities that make up New Zealand are faring compared to each other and the New Zealand average, and how this is changing over time.

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**Children and young people face a high risk of poor outcomes.**

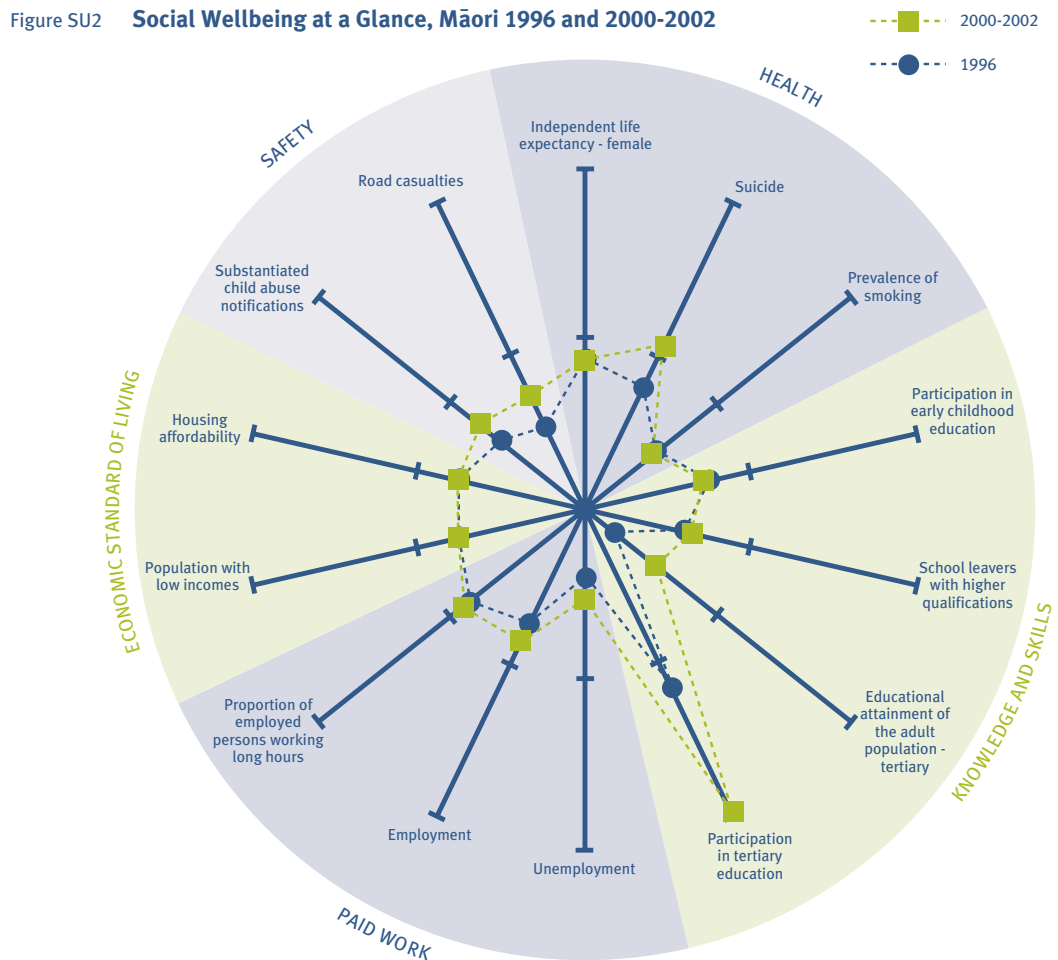
The social report highlights that children and young people are more likely to be at risk of poor outcomes than adults. This is in contrast to much of the twentieth century where, for example, poverty in old age was a major social problem. Young New Zealanders are more likely than the general population to have poor outcomes in the areas of safety, paid work, and economic standard of living.

Criminal victimisation disproportionately affects people under 25. Similarly, the road casualty rate peaks for people aged 15–24 years. Unemployment for people in the 15–24 age group is more than twice the population average, while the prevalence of low incomes for families with children is significantly higher than for the population as a whole. New Zealand has one of the worst youth suicide rates in the OECD. Suicide rates were highest for the age group aged 65 or older before 1987. It is only since that time the highest suicide rates have been for people aged under 30.

Evidence suggests that poor outcomes while young affect outcomes later in life: for example the cumulative impact of low incomes during childhood can be linked to poorer outcomes as an adult.<sup>76</sup> This implies that current poor outcomes for youth could have significant policy implications for New Zealand in the future.

**Outcomes for Māori are improving.**

The diagram below illustrates how key outcomes for Māori have changed between 1996 and the period from 2000–2002.



The general pattern is similar to that of the New Zealand population as a whole in one important way: most outcomes are improving over time. Across all but a few of the indicators shown in the graph, outcomes are either getting better or holding constant. In particular, there have been improvements in the suicide rate, the tertiary education participation rate, and the educational attainment of the adult population. The unemployment rate, the employment rate, and the road casualty rate have also improved.

Offsetting these improvements to some degree, are small deteriorations in outcomes relating to the prevalence of cigarette smoking and the proportion of the population with low incomes.

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**Despite improvements in many areas, sizeable gaps remain between Māori outcomes and the average for New Zealand as a whole.**

There are gaps between outcomes for Māori and the New Zealand average in health, knowledge and skills, safety, paid work, and economic standard of living. None of these gaps favour Māori. Māori have a lower life expectancy than non-Māori, and have a higher rate of dependent disability despite a younger age structure. Suicide rates for Māori are higher than the average for the New Zealand population. Māori are less likely than non-Māori to leave school with a higher school qualification, and have lower adult literacy rates. Māori are more likely to suffer criminal victimisation, face a higher road casualty rate, and are more likely to be unemployed.

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**The recession of 1987–1992 had a disproportionate effect on Māori.**

There is not sufficient space here to undertake a full analysis of the factors driving disparities between Māori and non-Māori, and to do so would involve looking back further than the timeframe captured by the social report. It is worth noting though, that Māori outcomes over the timeframe of the social report show a significant deterioration from 1987 to 1992, both in absolute terms and relative to the population average.

In 1986, for example, the proportion of families with at least one Māori adult who had low incomes was 14 percent – just above the population average of 12.7 percent. This rose to 42 percent in 1992, compared to a population average of 26 percent. In 2001 32 percent of Māori families had low incomes compared to 22.6 percent of the population as a whole. This shows a substantial increase in the relative gap between 1986 and 1992 followed by a subsequent decrease. However, the gap has yet to return to its 1986 levels.

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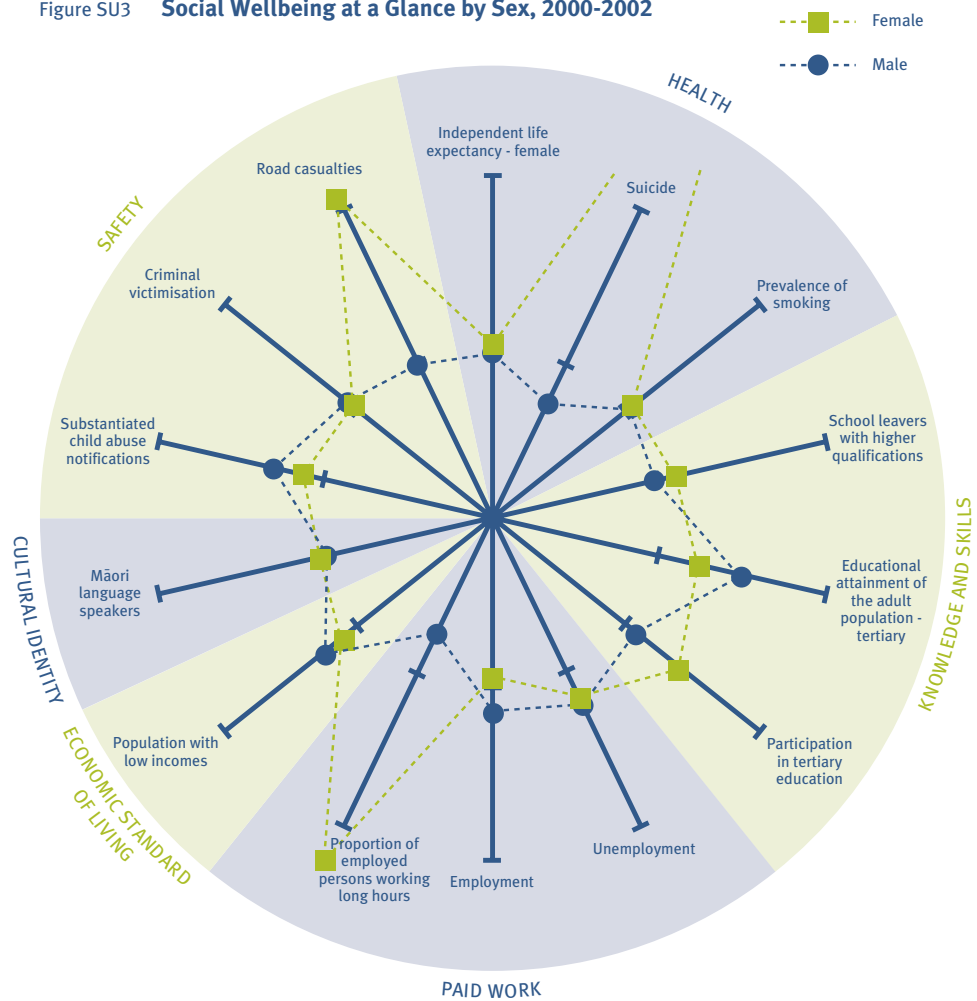
**The situation for Pacific people in New Zealand is similar in its general outline to that for Māori.**

Although a lack of data limits the level of comparison that is possible, we see significant disparities between Pacific people and the New Zealand average. There are large gaps between outcomes for Pacific people and the population average, particularly in terms of health, knowledge and skills, paid work, and economic standard of living. However, outcomes are improving over time. Like the Māori population, the recession of 1987 to 1992 seems to have hit Pacific people disproportionately hard.

**Women have poorer average outcomes than men in some areas, but better average outcomes in other areas.**

The diagram below shows outcomes for men and women across a number of social report indicators.

Figure SU3 **Social Wellbeing at a Glance by Sex, 2000-2002**



On average, women have poorer economic outcomes than men. For example, they are more likely to experience low incomes. Although not included in the diagram, the economic living standards index (ELSI) supports the picture presented above. It shows 21 percent of women have a restricted living standard as opposed to 18 percent of men.

However, women generally have better outcomes than men in terms of health, and knowledge and skills. Female independent life expectancy exceeds male independent life expectancy by 3.8 years. Although more women attempt suicide than men, the male death rate from suicide is more than four times the female rate.

In the area of knowledge and skills, a higher proportion of men than women have tertiary qualifications of bachelor's degree or better. However, this is the consequence of the educational experiences of older generations, and is rapidly changing as younger generations of women are getting both school and tertiary qualifications at a higher rate than men.

In other areas, such as safety, the picture is more ambiguous. Men face a significantly higher risk of injury or death from road accidents, but female children face a higher risk of child abuse. Criminal victimisation rates are similar for both men and women, although women are more likely to be the victim of violence by someone they know while men are more at risk from strangers. The representation of women in government is still well below half, although it is rising slowly over time.

While economic disadvantage goes hand in hand with poorer outcomes in terms of health, knowledge and skills, and safety for Māori and Pacific people, this is not the case when we look at how outcomes vary by sex. Instead, we see a pattern where outcomes vary across the different aspects of wellbeing.

## Conclusion

The main role of the social report is to describe social wellbeing and monitor trends over time, both for the population as a whole and for different sub-groups. An analysis of the social report indicators shows the majority of them are improving. Some New Zealanders, particularly Māori, Pacific people, and the young, have poorer average outcomes. Even within these groups, however, the picture is one of more improvements than deteriorations.

The role of the social report is not just to monitor trends but also to help identify key issues that warrant further investigation or that may have significant policy implications. The social report should identify not only what is happening, but also what is important. We use two examples of significant cross-sectoral issues, apparent from the social report outcomes, to conclude this report.

It is common knowledge the New Zealand population is ageing. As the post World War II 'baby boom' generation gets older it is followed by much smaller generations of younger people. This will mean a smaller ratio of working age people to the number of people at retirement age over the next 30 to 40 years. What the social report makes clear is that outcomes for those currently young, who will be the workforce when the 'baby-boomers' retire, are not good. Youth suicide, youth unemployment, and children living in families with low incomes do not bode well for the skills and resilience of New Zealand's future workforce. Counter-intuitively, one of the best ways to prepare for an ageing population may be to invest in the young.

A second key issue is that those groups hit hardest by the recession of 1987 to 1992 have still not recovered fully in either absolute or relative terms. This is clearly evident in outcomes for Māori and Pacific people, although it is probable other vulnerable groups were similarly affected. If we are to improve outcomes for those groups worst off, it will be important to understand how poor outcomes in one area at one point in time can contribute to a persistent pattern of poor outcomes across a range of different areas.

By its very nature as a high-level outcomes monitoring report, the social report cannot provide a definitive analysis of either of these issues. Rather, the report can identify areas where further research is needed. Future social reports will continue to monitor wellbeing in New Zealand. As experience in social monitoring increases and as more data becomes available, we will gradually fill in the gaps that currently exist in our picture of social outcomes.



## SUMMARY OF INDICATORS

Indicators	Current overall level of indicator (most recent year)	Variation within the population	Is this aspect of the quality of life improving overall?	How does this aspect of the quality of life compare with OECD countries?
<b>Health</b>				
<b>Independent life expectancy</b>	64.6 years for males and 68.4 years for females (2001)	Lower for males and Māori	Improved for females	No comparison available
<b>Life expectancy at birth</b>	76.0 years for males and 80.9 years for females (1999–01)	Lower for males, Māori and Pacific peoples and those living in deprived areas	Steadily improving for non-Māori, non-Pacific	Good for males, average for females
<b>Dependent disability</b>	10.2 % for males and 9.3 % for females	Higher for Māori	No change since 1996/97	No reliable comparison available
<b>Suicide</b>	11.2 per 100,000 (age-std rate for all ages); youth 15–24 years, 18.1 per 100,000 (2000)	Suicide deaths higher for males, youth, young adults and Māori; attempted suicide higher for females	Improved since 1998	Poor for males and youth
<b>Prevalence of cigarette smoking</b>	25% of population aged 15 years and over smoke cigarettes (2001)	Higher rates among young people, Māori, Pacific peoples and those living in deprived areas	Improved to 1991, steady since	Good for males, average for females
<b>Obesity</b>	17% for population 15+ (1997)	Higher for females, Pacific people, Māori, females in deprived areas	Worsening	Poor

Indicators	Current overall level of indicator (most recent year)	Variation within the population	Is this aspect of the quality of life improving overall?	How does this aspect of the quality of life compare with OECD countries?
<b>Knowledge and Skills</b>				
Participation in early childhood education	'Apparent' participation rate of 93% for 3 year olds and 99% for 4 year olds (2002)	Māori and Pacific rates lower than European	Improving	Good
School leavers with higher school qualifications	64% of school leavers with at least Sixth Form Certificate (2001)	Proportions lower for males, Māori and Pacific school leavers	Improved to 1991, steady since	No comparison available
Educational attainment of the adult population	73% of the population aged 25–64 years with at least an upper secondary qualification; 14% of the population aged 25–64 years with tertiary qualifications (2002)	Proportions lower for older people, women, Māori and Pacific peoples	Improving	Good for upper secondary and above; about average for tertiary
Adult literacy skills in English	54% of population aged 16–65 have a level of literacy in English needed to meet the complex demands of everyday life and work; 51% meet the same standard for document literacy and 50% for quantitative (1996)	Literacy levels lower among older people, Māori and Pacific peoples and Other ethnic groups	No trend available	Average on document and quantitative; good on prose
Participation in tertiary education	10.5% of population aged 15 and over enrolled in tertiary education institutions (2002)	Lower rates for males, students from deprived areas; higher for Māori at ages under 18 and over 25	Improving	No comparison available

Indicators	Current overall level of indicator (most recent year)	Variation within the population	Is this aspect of the quality of life improving overall?	How does this aspect of the quality of life compare with OECD countries?
<b>Paid Work</b>				
<b>Unemployment</b>	5.2% of the labour force (2002)	Higher rates for young people, Māori, Pacific and Other ethnic groups	Improving since 1998 but not to mid-1980s levels	Average
<b>Employment</b>	72.4% of the population aged 15-64 years (2002)	Lower rates for young people, women, Māori, Pacific peoples and Other ethnic groups	Improved since 1998 to above mid-1980s levels	Above average
<b>Employed 50+hours</b>	21% of employed persons aged 15-64 years	Higher proportions among men, older employed, Europeans	Increased to 1994, steady since	No comparison available
<b>Workplace injury claims</b>	141 claims per 1,000 full-time equivalent employees (2000/01)	Higher rates for men and Māori	No changed over past year	No comparison available

Indicators	Current overall level of indicator (most recent year)	Variation within the population	Is this aspect of the quality of life improving overall?	How does this aspect of the quality of life compare with OECD countries?
<b>Economic Standard of Living</b>				
<b>Market income per person</b>	RGNDI of \$27,095 per capita (in constant 95/96 dollars) (2002)	Not measured	Improving	Below average
<b>Income inequality</b>	The household in the 80th percentile has an income 2.7 times the household in the bottom 20th percentile (2001)	Not relevant	Worsening to 1998 then stable	No comparison available
<b>Population with low incomes</b>	22.6 % of population lives in economic family units with incomes below 60% of median (2001)	Higher rates among large families, sole parents, Māori or Pacific families, families from Other ethnic groups, families who rely on income-tested benefits and families in rented dwellings	Worsened to 1994 then improved slowly to 1998 before worsening slightly	Average
<b>Population with low living standards</b>	20% of the total population with restricted living standards (ELSI Levels 1–3) (2000)	As for population with low incomes	No trend data available	No comparison available
<b>Housing affordability</b>	24% of households spend more than 30% of income on housing (2001)	More likely among Māori, Pacific or Other ethnic groups	Worsened to 1998 then stable	No comparison available
<b>Household crowding</b>	3.2% of individuals living in households requiring two or more additional bedrooms (2001)	More common among families with young children, youth, people in rental housing, Māori and Pacific peoples, and in South Auckland	Some improvement	No comparison available

Indicators	Current overall level of indicator (most recent year)	Variation within the population	Is this aspect of the quality of life improving overall?	How does this aspect of the quality of life compare with OECD countries?
<b>Civil and Political Rights</b>				
Voter turnout (general elections)	72.5% of the population eligible to vote (2002)	Non-voters more likely to be on lower incomes, younger people and Māori or Pacific people	Worsened	Good
Representation of women in government	28% of seats in parliament (2002 general election); 31% of elected members (2001 local authority elections)	Not relevant	Improvement, then worsened in latest year	Above average
Perceptions of discrimination	Asians most common group perceived to be subject to discrimination	Not relevant	Worsened for Asians, new migrants, refugees	No comparison available

## Cultural Identity

Participation in cultural and arts activities	93% of adult population took part in cultural activities (2001/02)	Higher participation rates among young people	No trend available	No comparison available
Māori language speakers	25% of Māori report conversational fluency in Māori (2001)	Fluent speakers more likely to be older	No trend available	Not relevant
Māori and Pacific children receiving Māori medium and Pacific medium education	32% of Māori enrolments in early childhood education are in kohanga reo (2002); 24% of Pacific enrolments in early childhood education are in Pacific Islands language nests (2002); 17% of Māori school students involved in Māori medium education (2002)	Particularly high at pre-school level; increasing proportion of Māori children have at least some pre-school and school Māori medium education	Difficult to interpret ECE as other services include bilingual instruction; improvement for school students until mid-1990s then steady	Not relevant
Local content programming on New Zealand television	39.5% of the prime time schedule (2002)	Not relevant	Improved since 2000	Below average

Indicators	Current overall level of indicator (most recent year)	Variation within the population	Is this aspect of the quality of life improving overall?	How does this aspect of the quality of life compare with OECD countries?
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## Physical Environment

<b>Air quality</b>	PM10 levels exceeded recommended guidelines consistently in Christchurch (1995–2001) and in Hamilton (1999 and 2000)	Poorer in some urban areas, particularly in congested traffic corridors	Steady	Good
<b>Drinking water quality</b>	85% of the population had a water supply that conforms with the 1995 drinking water standards for E. Coli (2001)	Not reported	Steady	Good

## Safety

<b>Child abuse and neglect</b>	6.9 substantiated notifications per 1,000 children aged 0–16 (2002)	Female and Māori children more likely to be assessed as abused or neglected	Trend cannot be reliably interpreted	No reliable comparison available
<b>Criminal victimisation</b>	30% of population aged over 15 years were victims of criminal offending, either as individuals or members of households (2000)	Younger people, Māori, Pacific peoples and Other ethnic groups more likely to have been a victim of violent offending	Similar to 1995 level	No reliable comparison available
<b>Perceptions of safety</b>	29% of population felt unsafe walking alone in their neighbourhood after dark	Higher among females, Pacific peoples	No trend available	No comparison available
<b>Road casualties</b>	10.3 deaths per 100,000 population (2002)	High rates among men, young people and those aged 65 and over; also higher for Māori and Pacific per kilometres driven	Steady improvement since 1986	Poor

Indicators	Current overall level of indicator (most recent year)	Variation within the population	Is this aspect of the quality of life improving overall?	How does this aspect of the quality of life compare with OECD countries?
<b>Social Connectedness</b>				
<b>Unpaid work outside the home</b>	59% of the population aged 12 and over spent some time during the last four weeks doing unpaid work outside the home (1999)	Women and Māori are more likely to undertake unpaid work outside the home	No trend available	No comparison available
<b>Telephone and internet access in the home</b>	97% of adult population have access to telephone and 41% to internet in their homes (2000)	Access less likely among Māori and Pacific families, families with unemployed adults and sole parent families	No trend available	Above average for internet
<b>Participation in family/whānau activities and regular contact with family/friends</b>	71% of adults had family or friends over for dinner at least once a month in the previous year and 87% engage in family/whānau activities (2000)	Older people and Europeans less likely to be involved in family activities	No trend available	No comparison available
<b>Membership of and involvement in groups</b>	70% of adults belonged to community organisations or groups (1999)	Non-Māori are less likely to belong to sports clubs and cultural organisations; women more likely to belong to church groups, hobby groups and community service organisations; men more likely to belong to sports clubs and unions	No trend available	No comparison available