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# 2005 the social report

te pūrongo oranga tangata

2001

indicators of social wellbeing in New Zealand

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# Ministerial Foreword



The Government welcomes the publication of *The* Social Report 2005. The social report sets out a framework for considering social wellbeing in New Zealand and provides us with important information about what is happening to the quality of life of New

Zealanders. With the addition in the report of new data on wellbeing at a regional authority level, we can also see how different parts of the country are faring. This type of information helps to identify, at both a national and subnational level, areas where progress is being made and areas where further attention may be needed.

The Social Report 2005 not only confirms the ongoing pattern of improvement in the health, knowledge and skills and paid work domains illustrated in previous reports, but it also shows striking improvements in the living standards of New Zealanders since 2001. Providing better support to low-income families, through for example the introduction of income-related rents, has been a priority for this Government since we first came to office in 1999, and it is exciting to see these policies beginning to pay dividends. The marked reduction in child poverty rates is something that I am particularly pleased to see. This Government is confident there will be further improvements in the circumstances of low and middle income families over the next few years with the progressive roll-out of our Working for Families programme and the initiatives announced in the 2005 Budget.

The Government is committed to improving the quality of life of New Zealanders and to creating a more prosperous and inclusive society. The social report will continue to help monitor progress towards the achievement of this vision.

**Steve Maharey** 

Minister for Social Development and Employment

# Chief Executive's Preface



The Social Report 2005 provides us with a dynamic picture of social wellbeing in New Zealand. It does this by looking at how social conditions are changing over time and how different communities are faring. The social report is updated annually to ensure we have

the most up-to-date and relevant information on social wellbeing in New Zealand.

The social report collects together information from across a wide spectrum of social policy concerns. The combined picture makes a vital contribution to the development of integrated social policies that are capable of addressing the often complex and interrelated causes of social problems.

This year, in response to the needs of the local government sector for regional information to monitor community outcomes, we have expanded the content of the report. For the first time, we have collected together significant information on regional social wellbeing, and I hope that this will help local government to assess where they are now and how they might plan for the future. This information will also assist the Ministry of Social Development to better understand how social conditions vary between communities. This information can be found on the social report website (www.socialreport.msd.govt.nz).

The high quality of the report and its importance across the social sector is due to the hard work of many staff from within the Ministry of Social Development and the ongoing support and advice that we receive from across the government sector and the wider community.

I commend *The Social Report* 2005 to you. The report has an important contribution to make to informed discussion about social policy priorities at both a national and local level across New Zealand. It will be of great use and interest to a wide range of readers.

Peter Hughes Chief Executive

Ministry of Social Development

# Introduction

## The Social Report 2005

The social report is an annual publication that monitors the wellbeing of New Zealanders

*The Social Report 2005* uses a set of statistical indicators to monitor trends across 10 "domains", or areas of people's lives. These 10 domains together provide a picture of overall wellbeing and quality of life in New Zealand.

The Social Report 2005 is the fourth in an annual series of reports on wellbeing in New Zealand and builds on the social monitoring framework first established by The Social Report 2001. The 2005 report contains additional information on social wellbeing across different parts of the country. Disaggregations of some social report indicators to regional boundaries are, for the first time, provided on the social report website (www.socialreport.msd.govt.nz).

# Purpose of the social report

The social report has four key aims:

- to provide and monitor over time measures of wellbeing and quality of life that complement existing economic and environmental indicators
- to assess how New Zealand compares with other countries on measures of wellbeing
- to provide greater transparency in government and to contribute to better informed public debate
- to help identify key issues and areas where we need to take action, which can in turn help with planning and decision making.

The report enables us to examine the current level of wellbeing in New Zealand, how this has changed over time, and how different groups in the population are faring. The social report helps us to identify adverse trends in social outcomes at an early stage. The report itself cannot illuminate what is driving these trends but it can point to the need for further research to better understand what is happening and to what actions need to be undertaken to address them.

Government policy, as well as individual decisions, families, communities, businesses and international factors, influence the outcomes we report on. The cross-cutting nature of many social issues means that the social report is not a tool for evaluating the effectiveness of any one particular government policy.

### Social wellbeing

Social wellbeing comprises those aspects of life that we care about as a society

To get a sense of the level of wellbeing in New Zealand and how it has changed over time, we first need to identify what is meant by the notion of wellbeing.

"Wellbeing", in the context of this report, means those aspects of life that society collectively agrees are important for a person's happiness, quality of life and welfare.

Many of the constituent components of wellbeing will be common to all New Zealanders. For example, Professor Mason Durie, Assistant Vice-Chancellor (Māori) and Professor of Māori Research and Development, Massey University, has noted important outcomes for Māori are likely to include outcomes relevant to the rest of society such as good health and a high standard of living. However, the needs and aspirations of different people and communities will also vary in important ways. For example, for people who get comfort and strength from their religion, an important outcome could be spiritual wellbeing, and this might mean having access to a place of worship. The Ministry of Social Development is currently undertaking research on models of social wellbeing employed in different ethnic communities.

The New Zealand Royal Commission on Social Policy (1988) is a useful source of research on what New Zealanders agree constitutes wellbeing and a decent quality of life. The Commission concluded that:

[New Zealanders] have said that they need a sound base of material support including housing, health, education and worthwhile work. A good society is one which allows people to be heard, to have a say in their future, and choices in life ... [they] value an atmosphere of community responsibility and an environment of security. For them, social wellbeing includes that sense of belonging that affirms their dignity and identity and allows them to function in their everyday roles.<sup>2</sup>

The Social Report 2005 identifies 10 discrete components of wellbeing. We refer to these components as "desired social outcomes", and these are listed in Table IN1. Nine of these domains were used in the prototype The Social Report 2001. A number of changes were made to these domains in subsequent reports as a consequence of stakeholder consultation on the content of the report in 2002. The most significant amendment was the addition of a new leisure and recreation domain in the 2004 report. This year, no changes have been made to the outcomes framework.

The outcome domains are interconnected. Doing well or poorly in one domain is often likely to impact upon performance in another outcome domain. For example, participation in leisure and recreation is a good thing in itself, but it may also lead to improved physical and mental health, and better social networks.

### **Social indicators**

Progress towards the desired outcomes within each domain is measured using a set of social indicators

Social indicators are signposts that help to measure progress towards a desired outcome. Indicators are selected because they either directly measure the outcome of interest (for example, the unemployment rate in the Paid Work domain) or because they are known to be a good predictor of, or are associated with, that outcome (for example, the prevalence of smoking in the Health domain).

The use of social indicators means we can measure trends over time by compressing the sizeable body of statistical information within an outcome domain to a few high-level measures. For example, we use five indicators to represent the desired outcomes in the Knowledge and Skills domain. Though the indicators do not describe in detail the state of knowledge and skill acquisition in New Zealand, they either provide important summary information on outcomes in that domain (for example, educational attainment of the adult population) or act as key predictors of future outcomes (for example, participation in early childhood education).

One of the key features of a social indicator is that any change in an indicator can be interpreted as either progress towards or a movement away from the desired outcome. This distinguishes social indicators from some social statistics that do not lend themselves easily to such an interpretation. For example, a change in the average age at which New Zealand women give birth to their first child, while an important social statistic, cannot be said to be necessarily "good" or "bad" for social wellbeing.

Indicators have been selected against the following criteria, first established in *The Social Report* 2001:

- relevant to the social outcome of interest the indicator should be the most accurate statistic for measuring both the level and extent of change in the social outcome of interest, and it should adequately reflect what it is intended to measure
- based on broad support ideally there should be wide support for the indicators chosen so they will not be regularly changed
- *grounded in research* there should be sound evidence on key influences and factors affecting outcomes
- *able to be disaggregated* the data needs to be broken down by age, sex, socioeconomic status, ethnicity, and region so we can compare outcomes for different groups
- *consistent over time* the usefulness of indicators is related directly to the ability to track trends over time, so indicators should be consistent over time
- *statistically sound* the measurement of indicators needs to be methodologically rigorous
- *timely* data needs to be collected and reported regularly and frequently to ensure that indicators are reporting up-to-date information
- *allow international comparisons* indicators need to reflect the social goals of New Zealanders but also need to be consistent with those used in international indicator programmes so we can make comparisons.

Inevitably some indicators perform well on some criteria and poorly against others. Trade-offs are necessary as a consequence. For example, we base most of the Economic Standard of Living indicators on Household Economic Survey data, rather than data from the Income Supplement Survey of the Household Labour

Force Survey, because it provides a more accurate measure of annual income and is hence a more relevant indicator to the outcome of interest. As a consequence, however, we are only able to update these indicators on a three-yearly rather than an annual basis, and we have to rely on a survey with a smaller sample size.

In some outcome domains, such as in Health, there is an abundance of good data from which to draw appropriate indicators. In other outcome domains, and in particular Physical Environment and Cultural Identity, there is less good-quality, relevant data available, and as a consequence we have had to use fewer indicators in these domains.

### Disaggregation of social report indicators

Additional information on social wellbeing at a subnational level is available on the social report website

Ideally, it would be possible to break down each indicator by sub-populations of interest, such as age, sex, ethnicity, socio-economic status, disability status and regional/local authority. Most indicators can be broken down by sex and ethnicity.<sup>3</sup> However, the majority of the indicators rely on data sources that do not allow us to disaggregate by socio-economic status or disability status because either this type of information is not collected or sample sizes are too small to permit this form of disaggregation.

There is an increasing demand for information on social wellbeing at a regional and local authority level. In large part this is a consequence of the introduction of the Local Government Act 2002 which requires regional and local authorities to monitor community outcomes. In response to this demand, we have, for the first time, disaggregated all of those social report indicators for which there is subnational data to regional boundaries. This information should help regional authorities to identify areas of comparative strength and weakness within their communities, and it will also assist central government agencies in their work at a regional level. The data on social wellbeing at a subnational level is provided on the social report website (www.socialreport.msd.govt.nz) in both tabular and map formats. Indicators for which more detailed subnational information is provided are marked in Table IN1 with an asterisk (\*). Some level of subnational data is provided for 19 of the 42 indicators. In order to disaggregate some of these indicators to subnational boundaries we have had to use different data sources from those used to derive the national figures for this report. Hence, in some instances, the regional rates on the website are not directly comparable with the national rates. More detail on this can be found on the social report website.

Some regional analysis is also provided in the indicator section of this report, and there is a discussion of regional variance in social wellbeing in the Conclusion. More data on social wellbeing at a subnational level for the Big Cities<sup>4</sup> group, sometimes using alternative data sources and indicators to those used in the social report, can also be found on the Quality of Life website (www.bigcities.govt.nz).

Analysis by population subgroup or by subnational boundaries highlights the differences between group averages. In most cases, however, the differences between members of any one group will be much greater than the differences between group averages. For example, reporting on social wellbeing at an Auckland regional boundary level masks the wide variation in outcomes that occurs within that region.

## **Indicators for The Social Report 2005**

# There are 42 indicators in this year's report

The key change from the 2004 report is the deletion of an indicator of "disability requiring assistance". We are also using revised measures of child abuse and neglect, satisfaction with leisure and hourly earnings. A full summary of the changes is provided in Appendix 1.

Of the 42 indicators included in the report, 17 cannot be updated this year because they are based on surveys that are not repeated annually or because new data was not available in time for it to be included in this report. However, additional timetrend information has been provided in the report for some of the indicators that have not been updated.

The indicators for *The Social Report 2005* are set out on the following pages. The indicators that have been updated are highlighted in bold. Where an indicator is marked with an asterisk (\*), more detailed subnational data can be found on the social report website. Technical details about indicator construction can be found in Appendix 2.

#### Table IN1 The Social Report 2005 outcome domains and indicators

#### Health

#### **DESIRED OUTCOME STATEMENT**

All people have the opportunity to enjoy long and healthy lives. Avoidable deaths, disease, and injuries are prevented. All people have the ability to function, participate and live independently or appropriately supported in society.

#### **INDICATORS**

- 1. Health expectancy
- 2. Life expectancy\*
- 3. Suicide
- 4. Prevalence of cigarette smoking\*
- 5. Obesity

#### **Knowledge and Skills**

#### **DESIRED OUTCOME STATEMENT**

All people have the knowledge and skills they need to participate fully in society. Lifelong learning and education are valued and supported. All people have the necessary skills to participate in a knowledge society.

#### **INDICATORS**

- 6. Participation in early childhood education\*
- 7. School leavers with higher qualifications\*
- 8. Educational attainment of the adult population\*
- 9. Adult literacy skills in English
- 10. Participation in tertiary education

#### **Paid Work**

#### **DESIRED OUTCOME STATEMENT**

All people have access to meaningful, rewarding and safe employment. An appropriate balance is maintained between paid work and other aspects of

#### **INDICATORS**

- 11. Unemployment\*
- 12. Employment\*
- 13. Median hourly earnings\*
- 14. Workplace injury claims\*
- 15. Satisfaction with work-life balance

#### **Economic Standard of Living**

#### **DESIRED OUTCOME STATEMENT**

New Zealand is a prosperous society, reflecting the value of both paid and unpaid work. All people have access to adequate incomes and decent, affordable housing that meets their needs. With an adequate standard of living, people are well-placed to participate fully in society and to exercise choice about how to live their lives.

#### **INDICATORS**

- 16. Market income per person
- 17. Income inequality
- 18. Population with low incomes\*
- 19. Population with low living standards
- 20. Housing affordability
- 21. Household crowding\*

#### **Civil and Political Rights**

#### **DESIRED OUTCOME STATEMENT**

All people enjoy civil and political rights. Mechanisms to regulate and arbitrate people's rights in respect of each other are trustworthy.

#### **INDICATORS**

- 22. Voter turnout\*
- 23. Representation of women in government\*
- 24. Perceived discrimination
- 25. Perceived corruption

#### **Cultural Identity**

#### **DESIRED OUTCOME STATEMENT**

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

#### **INDICATORS**

- 26. Local content programming on New Zealand television
- 27. Māori language speakers\*
- 28. Language retention\*

#### **Leisure and Recreation**

#### **DESIRED OUTCOME STATEMENT**

All people are satisfied with their participation in leisure and recreation activities. All people have adequate time in which they can do what they want to do, and can access an adequate range of different opportunities for leisure and recreation.

#### **INDICATORS**

#### 29. Satisfaction with leisure time

- 30. Participation in sport and active leisure\*
- 31. Participation in cultural and arts activities

#### **Physical Environment**

#### **DESIRED OUTCOME STATEMENT**

The natural and built environment in which people live is clean, healthy and beautiful. All people are able to access natural areas and public spaces.

#### **INDICATORS**

- 32. Air quality
- 33. Drinking water quality

#### Safety

#### DESIRED OUTCOME STATEMENT

All people enjoy physical safety and feel secure. People are free from victimisation, abuse, violence and avoidable injury.

#### **INDICATORS**

- 34. Intentional injury child mortality
- 35. Criminal victimisation
- 36. Perceptions of safety
- 37. Road casualties\*

#### **Social Connectedness**

#### DESIRED OUTCOME STATEMENT

People enjoy constructive relationships with others in their families, whānau, communities, iwi and workplaces. Families support and nurture those in need of care. New Zealand is an inclusive society where people are able to access information and support.

#### **INDICATORS**

- 38. Telephone and internet access in the home\*
- 39. Participation in family/whānau activities and regular contact with family/friends
- 40. Trust in others
- 41. Loneliness
- 42. Contact between young people and their parents\*

## Structure of the report

The remainder of this report is divided into three sections. The first, the People section, provides background and contextual information on the size and composition of the New Zealand population.

The second section is the core of the report and is organised around the 10 outcome domains listed earlier. Within each outcome domain, there is a two-page summary for each indicator.

The final section, the Conclusion, looks across the report to summarise how social wellbeing has changed over time and how different population subgroups are faring. It also discusses how social wellbeing varies across different parts of the country.

#### The future

A comprehensive social statistics programme will enable us to develop new indicators and to update more of the current set of indicators annually

Statistics New Zealand has led a major review of its social survey programme which should, in the long term, lead to the more regular collection of a wider set of social statistics.

The Ministry of Social Development is looking at ways to continue to make the social report of more use at a subnational level. As well as providing subnational disaggregations of social report indicators on the social report website, we are working with the Big Cities group to improve the alignment of outcomes and indicators of social wellbeing at a national and subnational level. Statistics New Zealand is also leading the "Linked Indicators" project, one of the aims of which is to identify a common set of indicators across the social, economic, environmental and cultural domains. Progress on this work can be found at the Statistics New Zealand website (www.stats.govt.nz).

As previously noted, we currently produce the social report on an annual basis. Work will continue to refine the desired social outcomes and indicators, and we welcome your feedback and suggestions as to how you think this might be done. Comments can be made to:

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