



THE TREASURY

Kaitohutohu Kaupapa Rawa

# Investing in Living Standards



AUT workshop session report: March 1, 2017

HOSTED BY

**AUT**

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# BACKGROUND

This is the second Treasury workshop facilitated by Proxima that focused on the implementation of the Treasury's Living Standards Framework (LSF) - a framework that applies sustainability, equity, resilience and social cohesion lenses to decisions about economic growth.

The Investing in Living Standards 2017 event showcased the Living Standards Framework to an Auckland business audience, including its relevance to business and relationship to other central and local government work programmes.

One of the purposes of the event was to obtain feedback from members of the Auckland business community on the Treasury's Living Standards Framework and its relationship to the Ministry of Business, Innovation and Employment and Auckland Council's work programmes. The workshop was hosted by AUT Business School whose strong interest in the Living Standards Framework was outlined by Tim Maloney, Head of School Economics at AUT.

Alongside the Treasury, the MBIE and Auckland Council provided formal presentations. Michael Barnett offered direct feedback from the Auckland Chamber of Commerce, alongside Rangimarie Hunia, the Chief Executive of Whai Maia, which is the economic development arm of Ngāti Whātua Ōrākei. A panel Q&A session and informal roundtable discussions with Chief Executive and Secretary to the Treasury, Gabriel Makhoul provided additional opportunities to share and capture feedback.

This report provides a summary of the event including presentations, feedback and follow-up actions.

For further information on the Treasury's Living Standards Framework and this report, contact:

**Tim Ng**  
**Deputy Secretary and Chief Economic Adviser, Treasury**  
[tim.ng@treasury.govt.nz](mailto:tim.ng@treasury.govt.nz)

# FEEDBACK

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## KEY MESSAGES

Workshop participants agreed that a joined-up and collaborative conversation on how to lift living standards is important and needed.

- **A clear definition of the living standards we want**

There is a need to be clear about the future we want and what are the steps to being successful. There is lots of action happening right now - but how is it lifting living standards if we do not have a defined goal for living standards, or a clear understanding the environmental, social and economic systems in which we are operating? We do not benefit from action for action's sake.

- **How does Auckland move beyond playing catch up?**

For many Auckland businesses impacted by population growth and related infrastructural challenges it seems that Auckland remains stuck in catch-up mode and is subsequently on the back foot. How will Auckland catch up or get ahead of the challenges generated from its rapid population growth? Leadership and the courage to make bold decisions is required - but how can we effect this change?

- **If GDP is not the right measure, what is?**

Businesses hear that GDP is not the best measure of growth or success, but at the same time Government continues to use and communicate that measure in its reporting of growth. What is the alternative measure, how can businesses contribute to its development and how will any new measure link to the Living Standards Framework?

## ACTION POINTS

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### KEY RECOMMENDATIONS

Workshop participants recommended that future LSF workshops engaged other regions and industries.

- **Create a defined Living Standards work programme**

A number of action points have been identified to promote, implement and develop the Treasury's Living Standards Framework. Many potential action opportunities raised by participants in 2017 reiterate potential actions identified in the 2015 Living Standards workshop held in Wellington (see appendix 3). To maintain momentum and strengthen accountability for delivery of Living Standards Framework outcomes, the Treasury can develop a formal work programme (including other Government agencies) based on input from key stakeholders - such as those that participated in the 2015 and 2017 workshops. Examples of items in the work programme would be the work that is planned or being done around valuing nature and alternative measures to GDP - see third key feedback message.

- **Share good-practice examples of use of the Living Standards Framework**

Research and publish case studies of the Living Standards Framework in use by Iwi, Government agencies and businesses. Include details of where the current barriers are in the system to getting the framework adopted and how to address those barriers.

- **Link the Living Standards Framework to the UN's Sustainable Development Goals**

A great deal of work is being done globally around the UN's Sustainable Development Goals (SDG's). There is considerable overlap between 17 Sustainable Development Goals and the LSF. Identifying the linkages and utilising the work being done on SDG's will deliver more bang for buck for the LSF.

# WORKSHOP SUMMARY

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AUT Business School hosted the Treasury's Investing in Living Standards workshop on March 1, 2017. The purpose of the workshop was to showcase the Living Standards Framework to an Auckland business audience, including its relevance to business and relationship to other central and local government work programmes.

Secretary to the Treasury Gabriel Makhlouf provided background on the key macro-economic challenges facing New Zealand, including an ageing population and the rise of protectionism; as well as new opportunities that will flow from the Asia Pacific region being the fastest growing region in the world and the rise of the digital economy.

He Tirohanga Mokopuna, the Treasury's 2016 Statement on the Long-Term Fiscal Position, used the Living Standards Framework to frame its key messages and analysis. The Treasury's Living Standards Framework applies sustainability, equity, resilience and social cohesion lenses to thinking about economic growth.

David Smol, Chief Executive of MBIE, explained New Zealand's need to recognise the physical limits to growth in the primary sector whilst embracing the opportunities of digital technology and the potential to spread tourism out more evenly over the country, with more focus on regions like Northland. He linked his comments to the development of the four capitals included in the Treasury's Living Standards Framework - Financial & Physical, Natural, Human and Social.

**Jim Quinn, Chief of Strategy at Auckland Council, gave the Auckland perspective highlighting the point that Auckland is growing quickly and that a great New Zealand needs a great Auckland.**

Two speakers were invited to provide a response to the three keynote presentations, Michael Barnett - Chief Executive of Auckland Regional Chamber of Commerce and Industry and Rangimarie Hunia, Chief Executive of Whai Maia, the tribal development arm of Ngāti Whātua Ōrākei. Their message was clear and well received. They both appreciated the focus on a more holistic approach, but the proof would be in the pudding. Words need to be converted to active decision-making and translated into action on the ground.

Summarising the day, Calum Revfem from Proxima Consulting who facilitated the session, said he felt the discussions showed a good sense of agreement between central and local government, business and Iwi. "I heard some key themes from the presentations and discussions relating to building trust and developing more collaborative ways of working together" said Calum. "There seemed to be a solid recognition that the Living Standards Framework is a useful, robust and more holistic approach. Now they want to see it being put into action to ensure that all New Zealanders benefit from the opportunities that lie ahead."

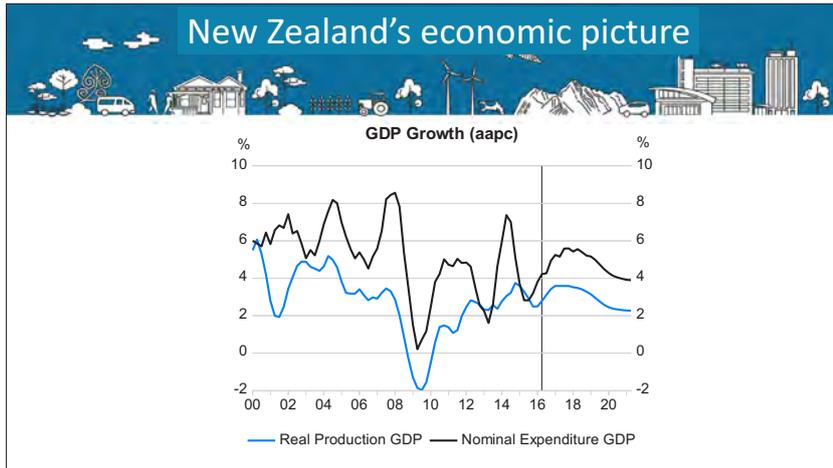
# PRESENTATION



## Investing in Living Standards

Gabriel Makhlouf, Secretary to Treasury

### KEY MESSAGES



GDP is forecast to grow to 3.6 percent this year and average just under 3.0 percent per year, on average, in the three years to June 2020.

This is being underpinned by high net migration inflows (currently at record levels of around 70,000 per annum), elevated tourist arrivals and low interest rates - which are supporting growth in construction, private consumption and service exports.

#### Long-term fiscal outlook

**Table 1.1 – "What if" projections of government expenses (percent of GDP)**

	2015	2030	2045	2060
Healthcare	6.2	6.8	8.3	9.7
New Zealand Superannuation (NZS)	4.8	6.3	7.2	7.9
Education	5.3	5.4	5.5	5.7
Law and order	1.5	1.4	1.4	1.4
Welfare (excluding NZS)	4.2	4.5	4.7	4.7
Other (excluding finance costs)	6.3	6.7	6.7	6.7

Note: 2015 are actual results. Projections are from the "Historical Spending Patterns" scenario in Section Six. These projections represent a "what if" scenario and are not a prediction for how expense areas will actually grow.

In comparison to many OECD economies, New Zealand currently has a relatively strong fiscal position - Core Crown net debt to 20 percent of GDP by 2020 and the OBEGAL surplus is expected to be about \$0.5 billion in 2017, rising each year to \$8.5 billion by 2021.

However, looking ahead - and long term - we can see mounting cost pressures that are going to require government action to maintain a sustainable level of debt. Population ageing is projected to be a key driver of the increased pressures.

#### Risks ...

**Main risks to outlook**

- **International (largely to the downside)**
  - Slower trading partner growth (China, Brexit)
  - US recovery and tightening cycle – when and how?
  - Trade and fiscal policy uncertainty
- **Domestic (balanced)**
  - Net migration outlook and impacts
  - Residential investment and spare capacity
  - Inflation and housing market dynamics
  - Impact of Kaikōura earthquakes




Recent events, such as volatile dairy prices and global political and economic instability reinforce the importance of a resilient and adaptable economy.

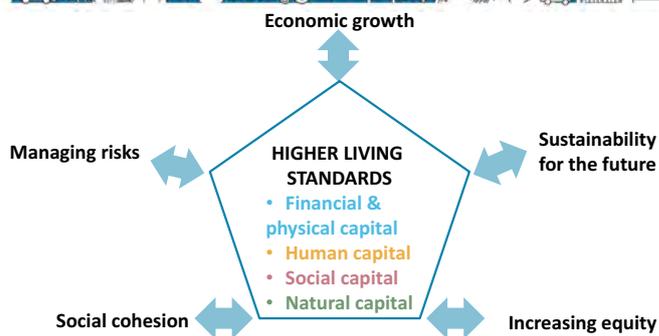
## ...and opportunities

- The Asia-Pacific region
- Growing demand for goods and services we offer
- Reducing the distance between us and the rest of the world



We also have opportunities that we should seize upon. We may be a small and distant economy but we are also part of the Asia-Pacific region - which is the fastest-growing part of the world and an important market for our tourism, and for exports.

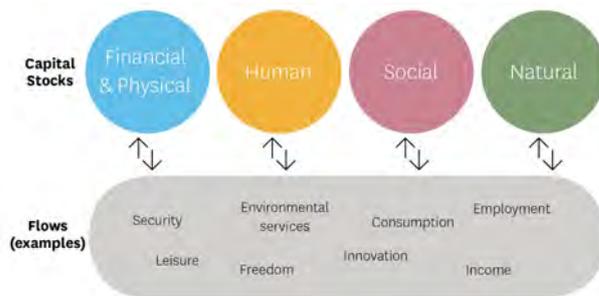
## The Treasury's Living Standards Framework



We use the Living Standards Framework to improve living standards of New Zealanders. And more specifically - intergenerational wellbeing. Our advice on economic, fiscal, institutional and regulatory policy settings promotes an economic system that improves intergenerational wellbeing of New Zealanders.

The Living Standards Framework enables us to think about the aims of our policy objectives, such as improved economic growth - while taking account of the wider impacts that a policy option may have on the numerous material and non-material factors (such as health, education, the environment and freedom), that affect New Zealanders.

## Capital stocks and well-being flows



At the centre of the framework are the four capital stocks.

1. financial and physical - such as homes, roads and hospitals and the financial assets to buy them
2. human capital - such as health and skills
3. social capital - things like institutions and trust, and
4. natural capital - which covers things such as the stability of the climate, quality of water and biodiversity

In the Treasury's view, good public policy enhances the capacity of the four capitals to generate improved living standards, or wellbeing.

## He Tirohanga Mokopuna

Statement on the Long-Term Fiscal Position

In November last year, we released the 2016 Long Term Fiscal Statement: He Tirohanga Mokopuna. Exploring the long-term from a fiscal policy perspective requires the application of a multi-disciplinary lens to economic, social and environmental policies.

And so the development of He Tirohanga Mokopuna is firmly based on the principles of the Living Standards Framework.

The header for 'Financial & physical capital' features a blue background with white line-art icons representing various aspects of infrastructure and industry, including a hot air balloon, a bus, a train, wind turbines, and modern buildings.

## Financial & physical capital

- **Stronger international connections**
- **Improved investment and innovation**
- **Greater competitive intensity**
- **More diverse, higher value exports**
- **Collaborating on regional economic development**
- **Auckland as our major international connector**
- **Supporting Māori economic development**

To enhance our financial and physical capital we need to improve our economic growth outcomes.

And productivity is the key driver of economic growth. However, what we know is that New Zealand's productivity performance is below that of the majority of other economies that we generally compare ourselves to.

The header for 'Human capital' features an orange background with white line-art icons representing education and human resources, including a school building, a laptop, a graduation cap, and a person.

## Human capital

- **Developing knowledge and skills for a connected society**
- **Education and training need to keep evolving**
- **Education system - could work better for some New Zealanders**
- **Resilience and adaptability as important as technical skills**
- **Immigration and diversity**

To enhance our human capital, individuals need the knowledge and skills to enable them to participate in society and the economy.

The header for 'Social capital' features a red background with white line-art icons representing community and social interaction, including a house, a car, a tractor, and a group of people.

## Social capital

- **Inclusive society and economy**
- **Better health, education and employment for the most disadvantaged**
- **Better use of social spending**
- **Increased use of data and information**

Social inclusion is about building on the capabilities of individuals, families and communities to improve outcomes for every New Zealander - and therefore our social capital. Including all New Zealanders can deliver long-term benefits across society and improve longer-term prospects for the most vulnerable.

The header for 'Natural capital' features a green background with white line-art icons representing nature and environmental resources, including a mountain, a tree, a bird, and a wind turbine.

## Natural capital

- **Using natural resources sustainably for long-term living standards**
- **Managing resources focuses on wider benefits for society**
- **Improve resource management through a better evidence base**
- **The Statement looks at: freshwater quality and allocation; climate change; and soil and biodiversity**

Sustainable use of our natural resources is essential for our long-term living standards.

The management of New Zealand's natural capital is improving. There is a growing focus on concepts such as limits, allocation, resilience, and investment.

# PRESENTATION



## **Grow New Zealand for all**

David Smol, Chief Executive, MBIE

## KEY MESSAGES

I'll talk about how we are approaching our work to support the economy as MBIE and government, and why I think prospects for the economy are good, if we can play to our strengths as a country and as a public system to make the most of the opportunities we have. I'll tell the story through two very different opportunities: the digital economy and tourism.

- **Context: Where the economy is at**

The economy has performed strongly in recent years, in a challenging and uncertain international environment.

Many of the key metrics are moving in the right direction, including growth in GDP, growth in median wage and high rates of employment. We are attracting talented people to our country and more kiwis are choosing to stay.

But we still have significant opportunity to do better:

- We remain a relatively low wage economy, reflecting lower productivity than in comparator countries.
- Some elements of our population are not sharing in the benefits of the growth.
- The recent growth has created some pressures on quality of life, for example in Auckland (housing and transport) and some tourism hotspots.
- Our export profile remains dominated by the primary sector (unlike any other small, developed economy) and with very few large exporting businesses or New Zealand-based multi-nationals.

- **MBIE's Purpose: to Grow New Zealand for All**

As one of the primary economic agencies of government, MBIE derived our Purpose starting with the premise that our ultimate goal is to contribute to the long run prosperity of New Zealand.

Our Purpose is to Grow New Zealand for All.

'Grow': a growing economy is necessary, although not sufficient, for long run prosperity.

'For all': growth that is sustainable and inclusive; resilient to shocks and does not come by compromising values that we hold dear.

New Zealanders are much more likely to continue to support the conditions that enable growth, such as open borders and a business-friendly environment, if they perceive that the benefits of growth are being widely shared and are sustainable.

- **How we approach our roles in economic development**

New Zealand's economic context and MBIE's Purpose guide our thinking on the role of government in pursuing inclusive and sustainable growth.

We start from the premise that government should do the things that only government can do or that government can do best. This requires an open-minded and disciplined approach tailored to the specific circumstances of New Zealand.

As by far the largest single participant in the economy, the way we do the business of government is one important lever to influence economic outcomes. The extent to which government embraces digital services is one example.

We should be selectively strategic, building on our understanding of current trends, such as the rise of Asia, but remembering always that there is much about the future that we cannot predict.

Government should plan and make strategic investments in select areas, such as in international relationships, infrastructure, science, skills and select sectors, but much of our focus is on developing markets and eco-systems that adapt dynamically through time.

Shaping markets and eco-systems with the right institutions and incentives is central to our work.

Working collaboratively - an NZ Inc orientation based on shared understanding, shared goals and good levels of mutual trust, (but without sacrificing the central role of competition) is a big part of our opportunity.

- **Growing per capita incomes - the tech sector and the digital economy**

The digital and tech sectors represent a big set of opportunities to further diversify and add value to our export profile, and to grow more high wage jobs.

Digital technologies and infrastructure change our distance from the rest of the world.

The network effects of digital technologies are such that the country as a whole will benefit from as pervasive as possible a penetration and uptake of digital technologies and applications. A rising digital tide can raise all digital boats.

Conversely, a hole in one digital boat will hold back the whole flotilla. Businesses, workers and citizens that are slow to engage digitally run the risk of being left behind. The gap between the best and the rest is increasing.

Our ability to move quickly can keep New Zealand towards the forefront internationally, notwithstanding our small size and physical remoteness.

MBIE leads a cross-government digital economy work programme.

The underlying goal is to ensure that each of the main elements of the eco-system is working in harmony in an environment that is changing rapidly.

Government contributions include:

- Accelerated roll-out of high-speed and competitively priced urban and rural broadband.
- Addressing the skills needs; including:
  - Promoting STEM (Science, Technology, Engineering and Maths) education and ICT opportunities for young Māori
  - ICT Graduate Schools
  - Active marketing of ICT jobs by Immigration New Zealand
  - Global Impact Visas to attract digital entrepreneurs to New Zealand
- Ensuring that businesses and citizens can use digital technologies safely.
- Moving quickly to update our regulatory systems as technology changes, such as Regulation of Unmanned Aerial Vehicles, the Telecommunications Act and the development of a regulatory framework to enable economic activity in high altitude and space.
- Promote SME uptake of digital technologies.
- Digital government is improving the way in which government provides services, and is a driver of uptake by groups who might otherwise lag.
- Working with the rapidly growing digital and tech sectors, for example by co-funding R&D, hubs, incubators, accelerators and access to early-stage capital, investing to deepen our understand of the implications of artificial intelligence, the internet of things and of big data and analytics, and to showcase some of the sectors' success stories.
- Strengthening the science system's support of the digital and tech sectors.

How we respond to the digital phenomenon as a country will be one of the factors that determine how strongly we perform as an economy over the next decade or two, both in absolute terms and relative to our comparators.

For government to play our part to the full in what will continue to be a rapidly changing environment will require a joined-up approach, an understanding of how the eco-system is working, the weakest links and how to design and implement the right interventions, always while working with a wide variety of partners.

- **Growing New Zealand for all in action: tourism**

Unlike digital technologies, tourism has been around at least since Roman times, but is also a critical sector for our economic future. The first tourism guide book came out in 1882; and we reached 5,000 international visitors in 1903.

We currently have two competing narratives about tourism in New Zealand.

The narrative focused on opportunity includes:

- International tourism accounted for around half of total growth in exports over the period 2012-2016.
- There is scope for much more growth, driven mainly by the rise of the middle class in Asia.
- Tourism - international and domestic - is a major source of employment that is spread across large parts of the country.
- In our work with regions across the country, tourism invariably emerges as one of the main growth opportunities.
- Tourism strengthens our international connections:
  - People who visit New Zealand and have a great experience spread our story.
  - As a major contributor to the air linkages that support much of our trade and business-related travel.
- Tourists help fund cultural and adventure attractions that might otherwise be uneconomic.

The narrative focused on opportunity includes:

- The recent growth has caused some pressures, particularly on parts of our infrastructure and our environment.
- Many tourism jobs are part-time, and relatively lowly paid, with limited prospects of career development.
- Congestion and rising prices may deter some potential visitors and are impacting adversely on locals.
- Some New Zealanders are starting to question whether further strong growth would be a good thing.

While accepting that elements of the narrative of concern have merit and need to be addressed, we are firmly in the camp of tourism as a major opportunity.

But we need to be deliberate in shaping the eco-system to ensure that we do maximise the net benefits over time.

The tourism eco-system has many participants, including a large number of mainly small businesses, iwi, local government, and multiple parts of central government.

Some of the systems that underpin the sector do not work as well as we need them to.

For example, the Department of Conservation and a limited number of local councils face significant costs from increased tourism numbers but do not directly realise the benefits. We are addressing some of these pressures through one-off interventions, but the medium-term goal is systems that adapt naturally as demand changes.

International tourism is highly seasonal and concentrated in a limited number of regions such as Queenstown Lakes. Tourism numbers are 'peaky' - much higher in summer than in other parts of the year.

Growth in off-peak demand would improve the utilisation of tourism investments and increase the duration of part-time jobs.

Increasing regional dispersal might reduce pressure on the most popular regions and would create new economic opportunities in other parts of the country.

Northland is an example of the potential opportunity to support inclusive economic growth. The region has many nature, cultural and adventure attractions and a sub-tropical climate. It is a region of higher than average unemployment and below average wages for those in work. The regional economic development action plan, developed by local leaders with support from central government, identified tourism as one of the main opportunities to grow investment and jobs in the region.

To seize the opportunity would likely require a joined-up approach across the public and private sectors and with iwi, elements of which might include Tourism New Zealand's offshore marketing of New Zealand, improving the transport links, DoC investing in a new Great Walk, new cultural attractions, the private sector investing in a range of accommodation and tourism activities and education and training providers offering courses to grow the capability of the local workforce. Great possibilities, but they come with significant risks.

Under the leadership of the Minister of Tourism we have formed a cross-government group of Chief Executives to ensure we are taking an integrated approach to maximising the net value of tourism over the short, medium and long term, working with an increasingly wide range of partners. Ensuring that the benefits of the growth are as widely shared as possible is a high priority.

## **Concluding comments**

The digital economy and tourism are two of a number of elements across our economy which, if we can make the most of our strengths, and manage associated risks, can support ongoing economic growth that is inclusive, sustained, and welcomed by the vast majority of New Zealanders.

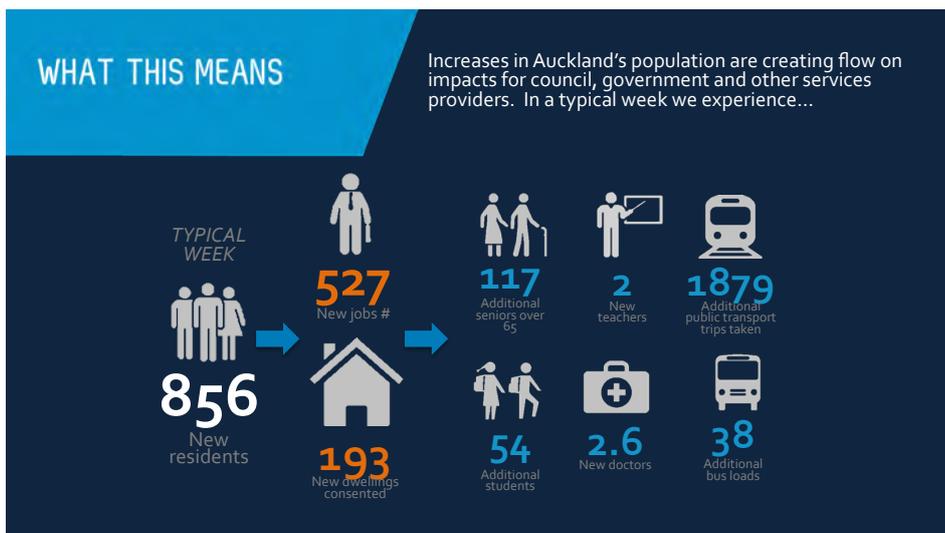
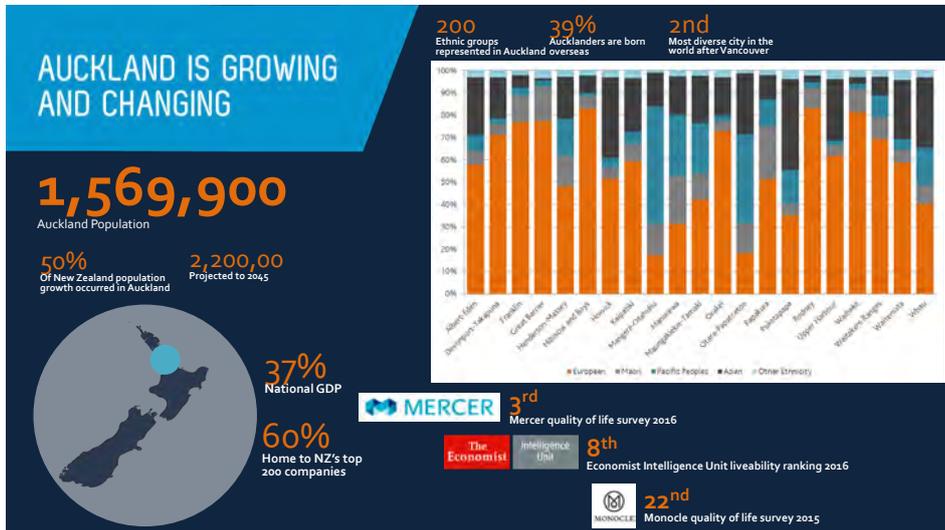
I've talked about how we approach our contribution as MBIE and as a public service, and would welcome your thoughts on that approach and on how we can work together to realise the opportunities.

# PRESENTATION



## Investing in Living Standards - An Auckland Council Perspective

Jim Quinn, Chief of Strategy



### COUNCIL'S STRATEGIC FRAMEWORK

**Auckland Plan**  
30-year strategy for Auckland

**Local Government (Auckland Council) Act 2009: Section 79**

- set a **strategic direction** for Auckland and its communities that **integrates social, economic, environmental, and cultural objectives**; and
- outline a **high-level development strategy** that will achieve that direction and those objectives; and
- enable **coherent and co-ordinated decision making** by the Auckland Council (as the spatial planning agency) and other parties to determine the **future location and timing of critical infrastructure, services, and investment** within Auckland in accordance with the strategy; and
- provide a **basis for aligning the implementation plans, regulatory plans, and funding programmes** of the Auckland Council.

**7 OUTCOMES**  
Outcomes that we want to achieve

- A healthy Auckland
- A green Auckland
- An accessible Auckland
- A prosperous Auckland
- A beautiful Auckland
- A creative Auckland
- A Māori identity that is Auckland's point of difference in the world

**SPATIAL STRATEGY**  
How Auckland will change and grow over the next 30 years

## AUCKLAND'S PROSPERITY: Supporting business & building a brand

**Supporting and growing Auckland's visitor economy**

Visitor Arrivals (000) - Auckland region - Total (All)

**ATSDI annual GDP Impact**

**An Auckland of prosperity and opportunity**

Long Term Plan 2015-2025 (\$bn)

**Fostering Innovation**

Innovation Precinct in Wynyard Quarter

**Facilitating global relationships**

Connectivity with our trading partners

TRIPARTITE SUMMIT 2016

**Strengthening Auckland as an international city**

Large, outward-facing global cities are critical for the development of entire nations. They generate and attract businesses, skills and investment by developing their own recognisable brand. Auckland is the only city with the potential to play this role in New Zealand.

WORLD CITIES SUMMIT

C40 CITIES

City Centre cycle network

Better public spaces

## AUCKLAND'S PROSPERITY: Partnering & working together

**Employment and Skills**

Māori and Pasifika Trades Training

- Additional 32,370 workers will be needed by 2019
- 22 weeks free pre-apprenticeship trades training for Māori and Pasifika peoples aged 16-40 years
- Close collaboration with employer consortium and training providers

**A Fair, safe and healthy Auckland**

Auckland's future prosperity will depend upon our people having employment opportunities, as well as a range of skills and abilities to compete effectively in a global economy and improve the quality and value of work.

**The Southern Initiative**

264 trained this year

30% female enrolments

Targets

**Population (2013 Census)**

**Unemployment Rate (2013 Census)**

## AUCKLAND'S PROSPERITY: Planning & regulation

**Consenting and Regulatory Services**

Regulatory services affects many aspects of Aucklanders' lives- from the environment and buildings we live in, to the food we eat and the water we drink. Our regulatory work is part of doing business and influences economic growth and community wellbeing.

Penny Pirrit | Director Regulatory services

- Building Consents over past 3 years: 7,270
- Building inspections per month: 4,315
- Resource Consents over past 3 years: 7,304
- Resource Consent applications lodged electronically: 5,614
- Alcohol licences inspections: 3,420
- Businesses registered to EatSafe Auckland (Food Act 2016): 400

**THE AUCKLAND UNITARY PLAN**

The Unitary Plan is developed under the Resource Management Act 1991 (RMA) – making it the main regulatory tool for delivering the Auckland Plan.

**Planning for growth**

Planning for around 110,000 new homes and enough business land to accommodate 50,000 new jobs over the next 30 years in greenfield growth areas alone

**Planning for infrastructure to support growth**

Beyond the immediate impact on the land use patterns of Auckland, we considered infrastructure also provide much wider economic benefits:

- Improving business productivity and international competitiveness
- Increasing attractiveness for investment
- Attracting people to live in or visit Auckland

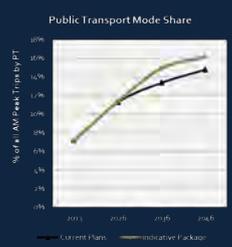
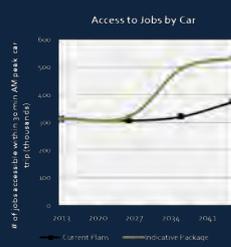
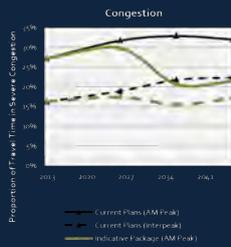
# AUCKLAND'S PROSPERITY: Providing infrastructure

## Auckland Transport Alignment Project (ATAP)

A well connected and accessible Auckland



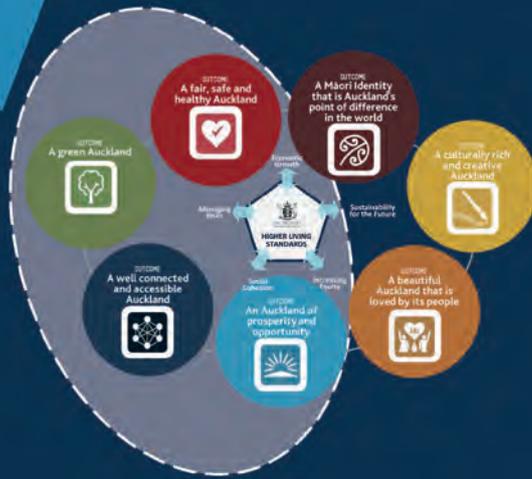
A joint project to develop and implement a strategic approach for the transport network over the next 30 years



# WORKING ALONGSIDE LIVING STANDARDS

Shared outcomes & objectives

- Timing
- Project/initiatives
- Measuring success



A great New Zealand needs a great Auckland

# AUCKLAND PLAN REFRESH

Auckland Plan  
30-year strategy for Auckland



- Responsive to changed/changing issues
- More focused and succinct digital plan
- Improved measuring and monitoring of progress to help inform better decision making
- Greater alignment between Auckland Council & Central Government

Public Engagement  
May/June 2017

Formal Consultation  
Feb/Mar 2018

Adoption  
June 2018

# APPENDICES

1. Link to presentations ([click here](#))
2. Workshop invitees as follows:

ORGANISATION	PERSON
Employers and Manufacturers Association	Alan McDonald
Auckland Council	Alec Tang
The Treasury	Atawhai Tibble
Westpac	Barry Squires
Auckland Transport	Berenize Peita
Lifewise	Bernadette Murphy
Auckland University, Uniservices	Brett Cowan
Proxima	Calum Revfem (Facilitator)
AUT	Catherine Redmond
Foodstuffs	Catherine Tardif
MBIE	Claire Mortimer
The Treasury	Chris White
DLA Piper	Diana Hartley
Retirement Commissioner	Diane Maxwell
Auckland Council	David Norman
MBIE	David Smol Chief Executive
The Treasury	Dora Livas
Auckland Council	Eva McLaren
Fonterra	Francesca Eggleton
The Treasury	Gabriel Makhlof (Chief Executive & Secretary to the Treasury)
AUT	Geoff Perry
Harrison Grierson	Glen Cornelius
The Warehouse	Greg Nelson
Auckland Council	Harshal Chitale
Committee for Auckland	Heather Shotter
Auckland Airport	Kate Thompson
AUT	Karen Phipps
Eat My Lunch	Katharine Broughton
Opus International Consultants	Kathryn McDonald
Auckland University, Uniservices	Kerry Price
AUT	Kimberly Leuila
State Services Commission	Lewis Holden (Deputy Commissioner, Auckland)
ERM	Lloyd Clark
Auckland Council	Lucy Baragwanath
ISpy Legal	Jai Khosla
KPMG	Jamie Munro
DPMC	Jason Raven

ORGANISATION	PERSON
ISpy Legal	Jeanette Singh
Auckland Council	Jim Quinn (Chief of Strategy)
Auckland Council	John Crawford
Tamaki Regeneration	John Holyoake
The Treasury	Margaret Galt
Vector	Mark Toner
Jasmax	Marko de Breems
Auckland airport	Martin Fryer
KPMG	Matthew Prichard
NZ SuperFund	Matt Whineray
Auckland Council	Matthew Walker
Auckland Chamber of Commerce Consultant	Michael Barnett Nick Main
Ngāti Whātua Ōrākei	Rangimarie Hunia
Sustainability Matters	Ray Skinner
Auckland Council	Richard Hughes
The Treasury	Richard Ward
Department for Internal Affairs	Robert Simpson
The Treasury	Rodney Barber
Downer	Roger Jarrold
Hawkins	Ross Jensen
Sustainable Business Network	Sam McGlennon
AUT	Sarah Trotman
Hubbards	Sean Kelly
Proxima	Simon Harvey
MFAT	Simon Tucker
Auckland Council	Sophie Heighway
NZCID	Stephen Selwood
Canterbury Development Corporation	Steve Perdia
The Treasury	Su'a Thomsen
AUT	Professor Tania Ka'ai
AUT	Tim Maloney Head of Department Economics
The Treasury	Tim Ng (Chief Economic Adviser)
The Treasury	Trevor Moeke
Auckland Council	Wayne Brown
NZ Super Fund	Will Goodwin

# 2015 OUTCOMES

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## New Zealand's Vision and Values

A theme throughout the workshop highlighted the opportunity to define what success (in terms of a vision for higher living standards) looks like so that the Living Standards Framework can be used in a strategic way to guide policy and action that contribute towards the vision. A number of questions were raised about who should lead the visioning and how to define what New Zealanders value.

Feedback to those questions included the Treasury's role as a leading agency in a whole-of-government approach to develop and articulate a clear vision for New Zealand as a sustainable nation. Some of the challenges in developing a shared vision from the bottom-up were noted, highlighting the need for strong leadership.

## Whole of Government

A strong message from workshop participants centered around a whole-of-government approach to lifting living standards, using the framework, including:

- Linking LSF with central government's investment process (CCBA)
- Applying and leveraging LSF against other legislation and policy e.g. RMA, water
- Making LSF a whole-of-government framework
- Promoting LSF and flexibility of its application across central and local government
- Engagement and integration between LSF and Whānau Ora approach
- Getting more engagement from MPI and the agricultural sector
- Using LSF as a tool in cost/benefit analysis of all policy interventions.

## Whole of Government

Opportunities for Government to work with business to lift living standards included:

- Identifying businesses with significant interest or dependency on raising living standards and working with them on collaborative ideas
- Educating business leaders to make impactful change through business strategy in line with Government leads
- Business to state strongly that looking after environment and society is good for business and economic growth
- Publicising and promoting case studies of sustainable best-practice by business
- Industry leadership and cohesive approach to implementing solutions
- Providing incentives to entice businesses to sustainable practices.

## Collaboration & Reporting

Creating a community of active participants from government, business and civil society was seen as a critical step in getting greater uptake and use of the Living Standards Framework. Such a community and its conversations would lead to more collaboration, including defining roles, sharing knowledge, combining resources and collaborative work on how to deal with the trade-offs between LSF dimensions, to allow transparent decision-making.

A State of the Nation Report (or reporting system) to openly publish current state, using data from multiple stakeholder sources would provide tangible evidence of progress towards or away from our desired living standards.



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