

THE TREASURY'S LIVING STANDARDS FRAMEWORK

February 2018

The Treasury has released new material on its Living Standards Framework, in particular a Treasury Paper and related discussion papers that describe the different components and dimensions of intergenerational wellbeing in the Living Standards Framework.

The Treasury continues to make the historical material in this document available to support researchers interested in the development of the Framework since 2012.

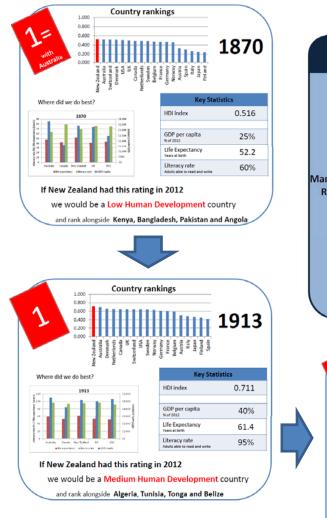
Please refer to the current Living Standards Framework material listed at http://www.treasury.govt.nz/abouttreasury/higherlivingstandards

Office of the Chief Economic Adviser The Treasury

New Zealand's Living Standards over the last 150 years

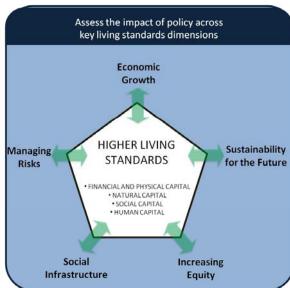
compared to 18 of the richest countries in the world

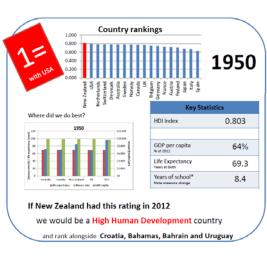
using the United Nation's Human Development Index

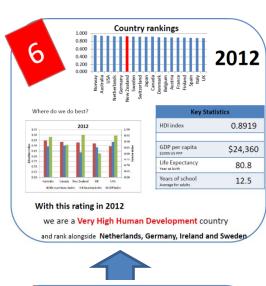


Why these 18 countries? Because they were the rich club of the nineteenth century (so they had the money to collect statistics). They still are all in the top 26 countries in the HDI. (The new countries in the top 26 are Ireland, 5 Korea, Hong Kong, Iceland, Israel, Singapore, Slovenia, Liechtenstein and Luxembourg, all of which rank below New Zealand.)

This means that while the comparisons are incomplete, they still do show where NZ ranked against its peers.









A couple of notes of caution:

(1) The further back you go the worse the statistics get. In particular the 1870 and 1913 numbers for NZ are only for Pakeha NZ (and the equivalent in other countries)
(2) The HDI only measures living standards using income, life expectancy and education

Sources: 1870 to 1975 NFR Crafts "The Human Development Index 1870-1999: Some Revised Estimates" *Eur. Rev. of Econ History*, and "The Human Development Index: Some Historical Comparisons" *LSE working paper*, supplemented with some extra statistics for New Zealand. 2012 UNHDI website.