

The Treasury's Living Standards Framework

To help us achieve our vision of working towards higher living standards for New Zealanders, we developed the Living Standards Framework. Our Living Standards Framework provides us with a shared understanding of what helps achieve higher living standards to support intergenerational wellbeing.

Distribution

Our work is focussed on promoting higher living standards and greater intergenerational wellbeing for New Zealanders.

These require the country's Four Capitals – human, social, natural and financial/physical – to each be strong in their own right and to work well together.

People



Place



Time, generations



The Four Capitals (natural, human, social, and financial and physical) are the assets that generate wellbeing now and into the future

Looking after intergenerational wellbeing means maintaining, nourishing, and growing the capitals



Natural Capital



All aspects of the natural environment that support life and human activity. Includes land, soil, water, plants and animals, minerals and energy resources.



Social Capital



The norms, rules and institutions that influence the way in which people live and work together and experience a sense of belonging. Includes trust, reciprocity, the rule of law, cultural and community identity, traditions and customs, common values and interests.



Human Capital



The capabilities and capacities of people to engage in work, study, recreation, and social activities. Includes skills, knowledge, physical and mental health.



Financial and Physical Capital



Financial and human-made (produced) physical assets, usually closely associated with supporting material living conditions. Includes factories, equipment, houses, roads, buildings, hospitals, financial securities.

The 12 Domains of current wellbeing

reflect our current understanding of the things that contribute to how New Zealanders experience wellbeing



Civic engagement and governance



Cultural identity



Environment



Health



Housing



Income and consumption



Jobs and earnings



Knowledge and skills



Time use



Safety and security



Social connections



Subjective wellbeing

Resilience

prompts us to consider how resilient the Four Capitals are in the face of change, shocks, and unexpected events