

The Conversation, May30, 2019 → New Zealand's "well-being budget: how it hopes to improve people's lives"

**1. Which limitations of GDP are mentioned in the article?**













GDP is a good measure of economic growth **but** :

- doesn't provide us with any information about the quality of the economic activity or the well-being of people.
- doesn't tell us whether people are struggling to meet basic needs or if everyone has access to health care and education.
- Neither does it give insight into whether people have social connections, feel safe, are happy and feel proud to live in New Zealand.

**2. Which indicators are being used by the New Zealand government?**

It developed the *Living Standards Framework (LSF)* as a practical set of meaningful well-being indicators to guide policy advice. Overall, there are 12 domains that describe and capture how New Zealanders experience well-being.

**The 12 domains of current wellbeing**  
 How New Zealanders experience wellbeing

 Civic engagement and governance	 Jobs and earnings
 Cultural identity	 Knowledge and skills
 Environment	 Time use
 Health	 Safety and security
 Housing	 Social connections
 Income and consumption	 Subjective wellbeing

**3. How the use of other indicators than GDP is influencing New Zealand's government politics?**

Establishing budget priorities that are covering the key LSF domains, i.e:

- creating a low-emission economy
- supporting social and economic opportunities
- lifting Māori and Pacific incomes and opportunities
- reducing child poverty
- supporting mental health

→ Allows the allocation of significant financial resources to the reduction of inequalities, environmental and economic priorities.

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