



Introduction

Our living standards framework

The Living Standards Framework (LSF) represents the Treasury's perspective on what matters for New Zealanders' wellbeing, now and into the future.

The LSF is a flexible framework that prompts our thinking about policy impacts across the different dimensions of wellbeing, as well as the long-term and distributional issues and implications.

includes:

- the 12 Domains of current wellbeing outcomes;
- the four Capital stocks that support wellbeing now and into the future; and
- risk and resilience.

Distribution – across people, places and generations – matters across all three of these dimensions.

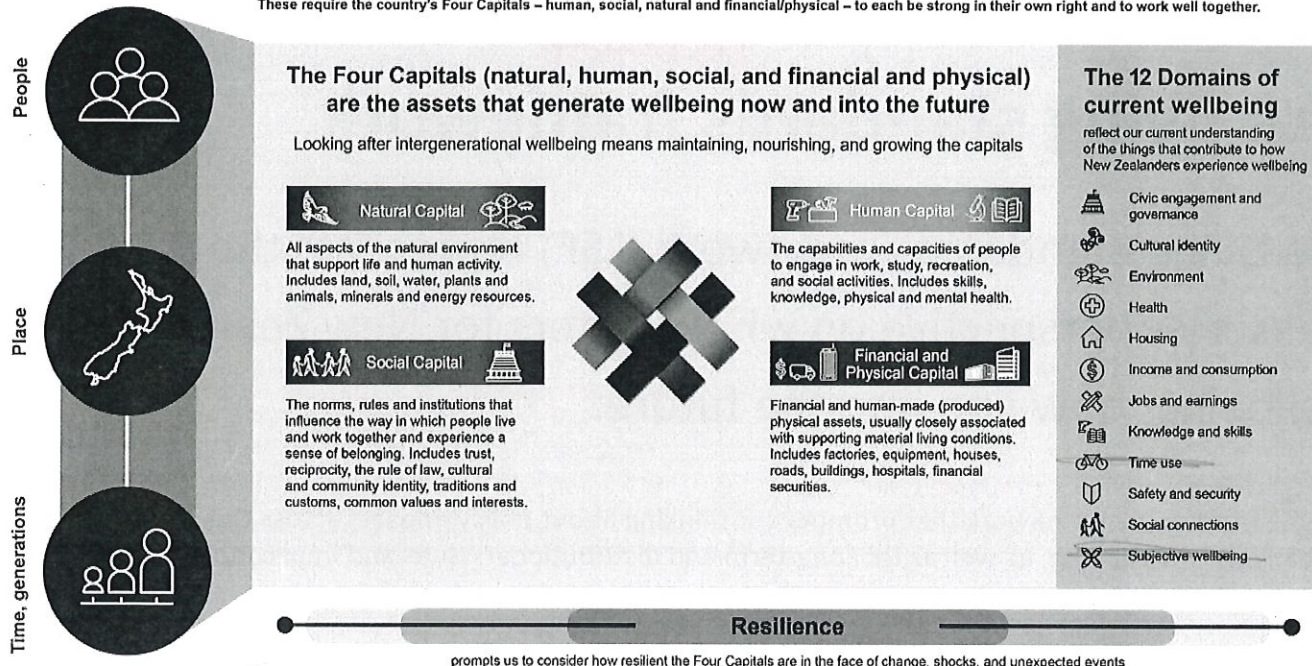


The Treasury's Living Standards Framework

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.



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Why have we created the LSF?

The LSF is a tool that emphasises the diversity of outcomes meaningful for New Zealanders.

The LSF adds strength to the Treasury in our role as the government's lead economic and finance adviser. We consider that drawing on a range of data and evidence to understand the interdependencies and trade-offs across the different dimensions of wellbeing is simply robust economics.

Economics provides powerful tools for thinking through a wide range of policy challenges and opportunities to raise New Zealand's living standards. The LSF complements rather than replaces the other analytical frameworks that the Treasury uses; using the LSF itself requires a sophisticated understanding of economics and empirical capabilities.

Put simply, the LSF supports us to provide more comprehensive economic policy advice to government.

To hear from our team about how the LSF strengthens the Treasury's advice, see: [Why we need the LSF \(/information-and-services/nz-economy/higher-living-standards/our-living-standards-framework/why-we-need-living-standards-framework\)](#).

To see how we've been using the LSF in our advice and sharing our experience, see: [Sharing our experience of using the LSF \(/information-and-services/nz-economy/higher-living-standards/our-living-standards-framework/sharing-our-experience-using-living-standards-framework\)](#).

Read more about the Treasury's approach to living standards here: [The Treasury Approach to the Living Standards Framework \(/publications/tp/treasury-approach-living-standards-framework\)](#).

Ongoing development of the LSF

We continue to develop the framework to reflect the feedback we have heard and as we learn more about what is needed to make it more useful in our advice to officials and ministers.

The Treasury is planning to refresh the LSF in 2021, developing the framework to better reflect Māori and Pasifika world views; what matters for child wellbeing; and the different ways in which culture contributes to wellbeing. We plan to release discussion papers during 2020, and to work closely with Māori and Pasifika communities to understand how broader perspectives might be reflected in the LSF.

We will also be aiming to include relevant indicators in the LSF Dashboard, a measurement tool used within the Treasury to view and compare indicators of wellbeing. See: [Measuring wellbeing: the Living Standards Framework Dashboard \(/information-and-services/nz-economy/higher-living-standards/measuring-wellbeing-lsf-dashboard\)](https://treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/measuring-wellbeing-lsf-dashboard).

The Treasury has been developing the LSF since 2011. To find out more about the development of the current version of the Living Standards Framework, and the OECD research on which the LSF is based, see: [History of the Living Standards Framework \(/information-and-services/nz-economy/higher-living-standards/history-lsf\)](https://treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/history-lsf).

Related content

Related information:

[The Treasury Approach to the Living Standards Framework](https://treasury.govt.nz/publications/tp/treasury-approach-living-standards-framework-html)

(<https://treasury.govt.nz/publications/tp/treasury-approach-living-standards-framework-html>)

[Measuring wellbeing: the Living Standards Framework Dashboard \(https://treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/measuring-wellbeing-lsf-dashboard\)](https://treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/measuring-wellbeing-lsf-dashboard)

[Why we need the Living Standards Framework \(https://treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/our-living-standards-framework/why-we-need-living-standards-framework\)](https://treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/our-living-standards-framework/why-we-need-living-standards-framework)

[Sharing our experience of using the Living Standards Framework \(https://treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/our-living-standards-framework/sharing-our-experience-using-living-standards-framework\)](https://treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/our-living-standards-framework/sharing-our-experience-using-living-standards-framework)

[History of the LSF \(https://treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/history-lsf\)](https://treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/history-lsf)

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