

NZ's end of year report - Could try harder

While we score high in the indices for peace and transparency, our poverty and inequality gaps have grown

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If New Zealand received a report card for 2016 it would look like this.

We would get an **A+** from the Global Peace Index, which considers issues such as violent crime, terror incidents and military expenditure.

New Zealand came in as the fourth most peaceful country on the planet (Iceland 1st, Aus 15th, UK 47th, and the USA is 103rd).

For political structures, also an **A+** with the Democracy Index, as run by the Economist, New Zealand came in fourth best (with Norway 1st, Aus 9th, the UK 16th and the USA 20th). New Zealand also picked up another fourth (we were previously first equal) by Transparency International for lack of corruption (Denmark 1st, UK is 10th, Aus is 13th and the USA is 16th).

A+ would also be recorded for our achievements in economic, civil and political freedoms, with the Index of Economic Freedom of the Heritage Foundation and the Wall Street Journal, putting us as third best in the world (Aus is 5th, the UK 10th, and the USA 11th). The Human Freedom Index from the Cato Institute has New Zealand as the fifth most free country in the world (Aus 7th and the UK 9th). The Freedom in the World Index has us third equal with Australia (UK 4th, and USA 5th). In terms of press freedom, Reporters Without Borders puts New Zealand at 5th best in the world, although Freedom House which does a similar index, puts New Zealand at 25th in press freedom (but still better than Aus, the UK and USA).

Perhaps meriting a straight **A**, the World Justice Project who produce the Rule of Law Index, examining considerations such as public and private accountability, clear and stable laws and fair administration, places New Zealand as 8th best on the system of justice on the planet (Denmark 1st, UK was 10th, Aus 11 and the USA 18th).

Where New Zealand ranked outside of the top ten on the planet, but has improved from 16th to 11th (UK 12th, Aus 13th and the USA is 26th), and merits an **A-**, is with Yale University's

Environmental Performance Index. This measures protection of human health from environmental harm and ecosystem vitality.

Where concern starts to creep in, it with the more holistic indices, of which, on average, perhaps an **A** grade overall is warranted, but with strong warnings.

The World Happiness Index has New Zealand 8th (Denmark 1st, Aus is 9th, USA is 13th, UK is 23rd). The Human Development Index has New Zealand at 9 (Aus 2, USA at 8, UK at 14). The Better Life Index, of the 38 wealthy and market driven countries associated with the OECD, contains a similar conclusion, with New Zealand coming in at 7th (Norway is 1st, Aus is 2nd, the USA is 9th, and UK at 16).

New Zealand's strength here was in terms of employment as 74% of working aged people have a paid job, which is above the OECD employment average and we have a lower rate of long-term unemployment, compared to the OECD average. Life expectancy in New Zealand is also above the OECD average.

The reasons we are not progressing in the holistic indices and deserve a **C** grade in some sub-categories is because the average household net-adjusted disposable income per capita in New Zealand is lower than the OECD average.

Also, nearly 14% of employees in New Zealand routinely work very long hours above the OECD average, and of no surprise, housing here is less affordable than in the OECD on average. The anchor that stops us progressing, for which we deserve a fail mark of **D** is that although we are close to the OECD average for poverty (as in, 50% of the median income), our poverty rates have increased since the mid 1990s when it was closer to 8% to about 11% today.

Also, our income inequality and the gap between the rich and the poor, has grown since the mid 1980s, with a trajectory that put us in the top end of the OECD for the growing gap (but the USA and UK are still above us, but Aus is not).

Where we are lagging is with our youth. The Global Youth Development Index of the Commonwealth Secretariat, has us at 11th out of 49 countries in this group (Aus 3rd and UK 4th).

According to the OECD, our child poverty figure, at 14%, is slightly above the OECD average but we are in the lowest third of the OECD members, meriting a clear failure of an **E** grade with regards to children, in terms of adolescent suicide rate, teenage birth rate, educational deprivation and sense of belonging at school. In terms of child deaths from assault we are the fourth worst country in the OECD.