



THE TREASURY  
Kaitohutohu Kaupapa Rawa

# Treasury's Living Standards Framework: Putting wellbeing frameworks at the heart of policy making

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# Overview

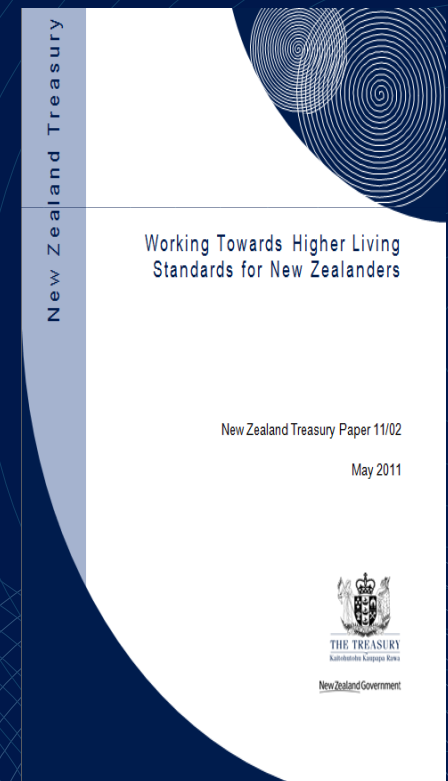
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- Background – Treasury Living Standards Framework
- At the heart of our policy advice
  1. Education and skills strategy
  2. Hazard substances and new organisms policy
  3. Better business case guidance
- Linkages between measurement, reporting and policy

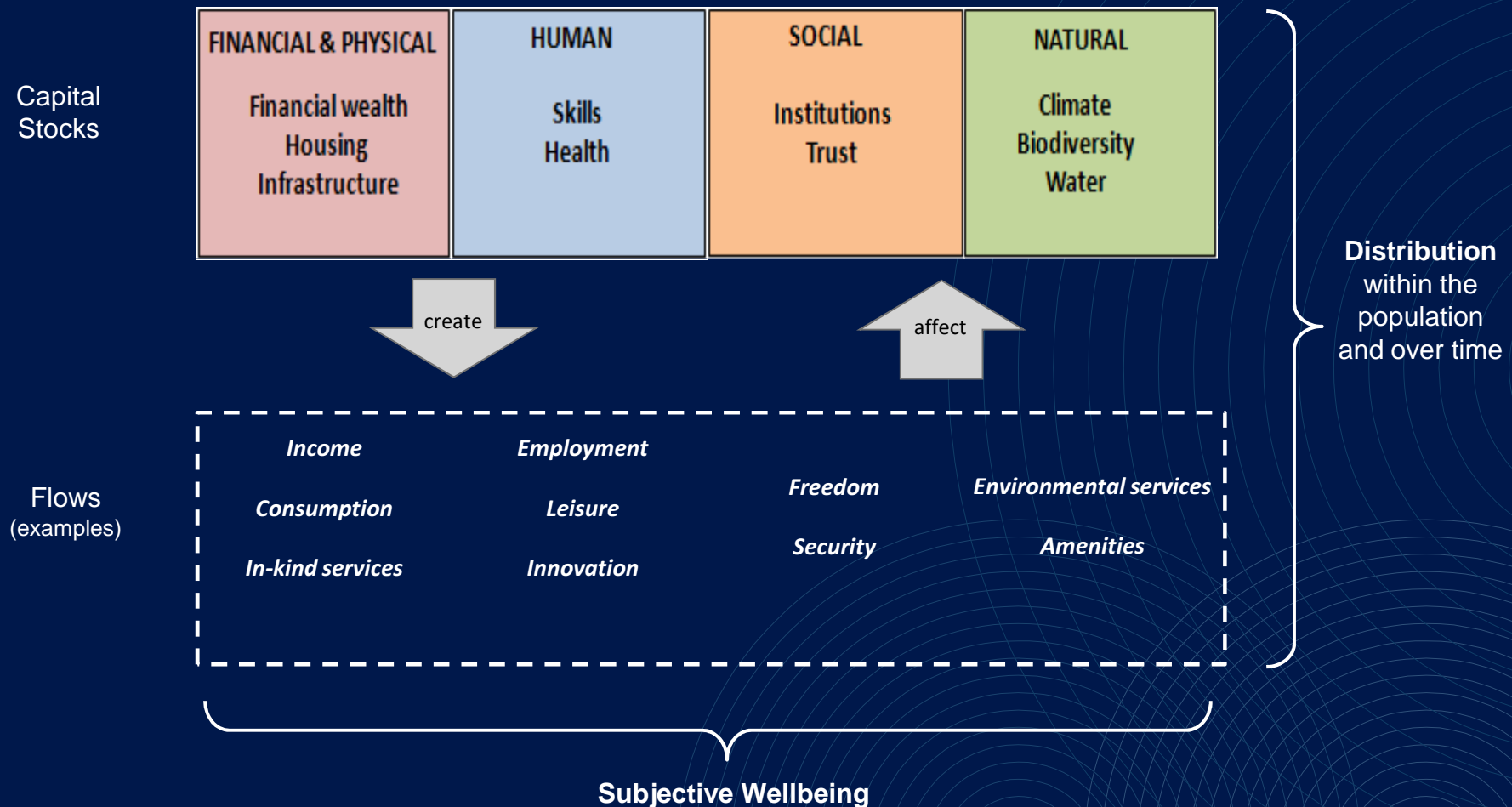
# Background

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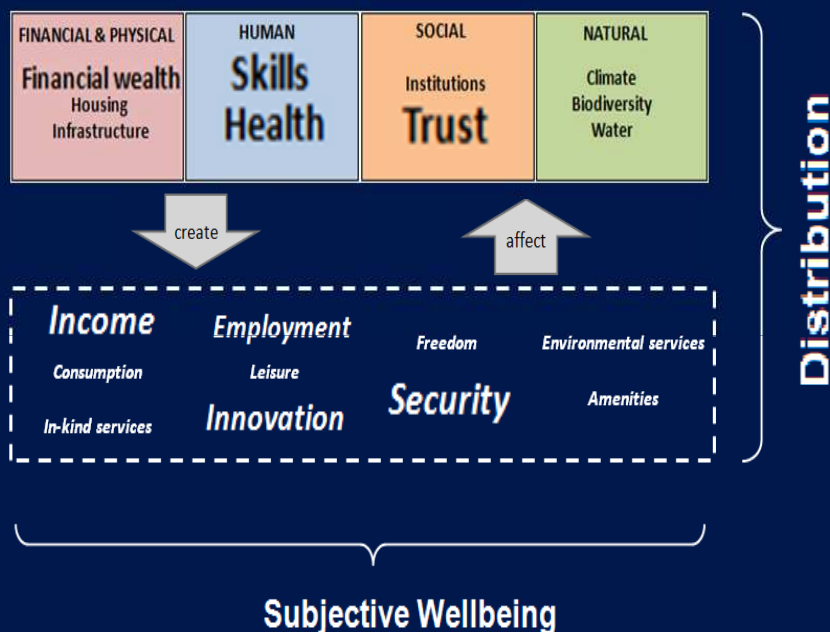
- Treasury's vision: *'higher living standards'*
- Produced framework in May 2011
- Using in number of domestic policy areas
- Supporting international work in the area



# Treasury's Living Standards Framework



# Education and skills strategy



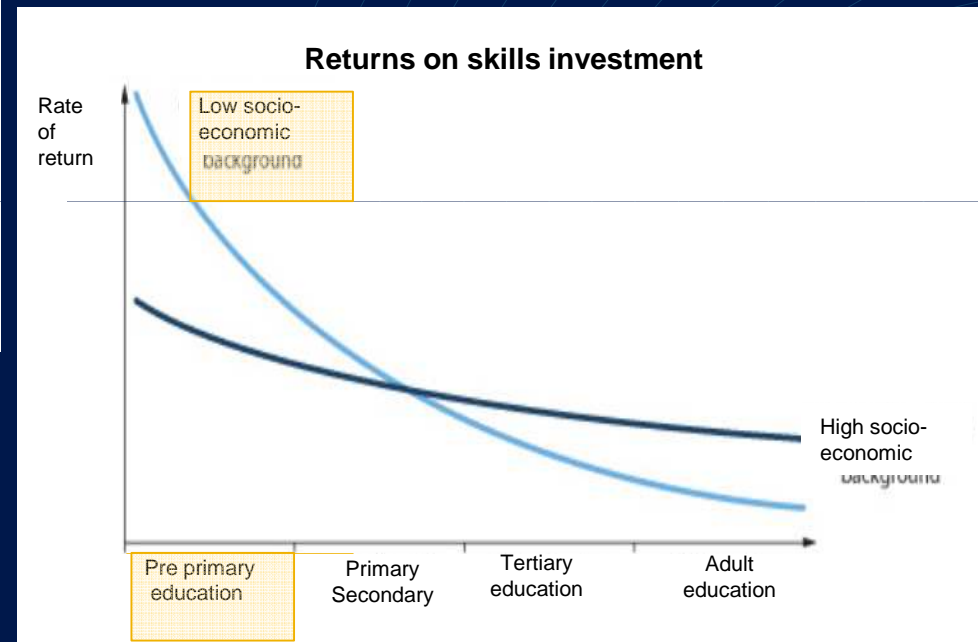
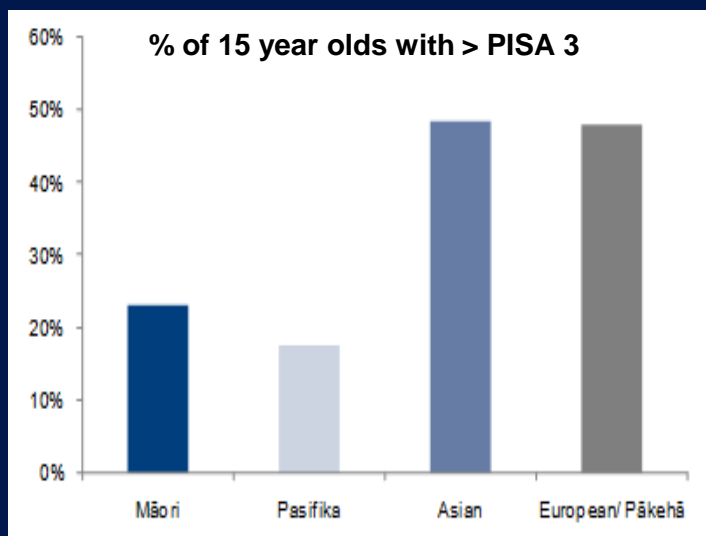
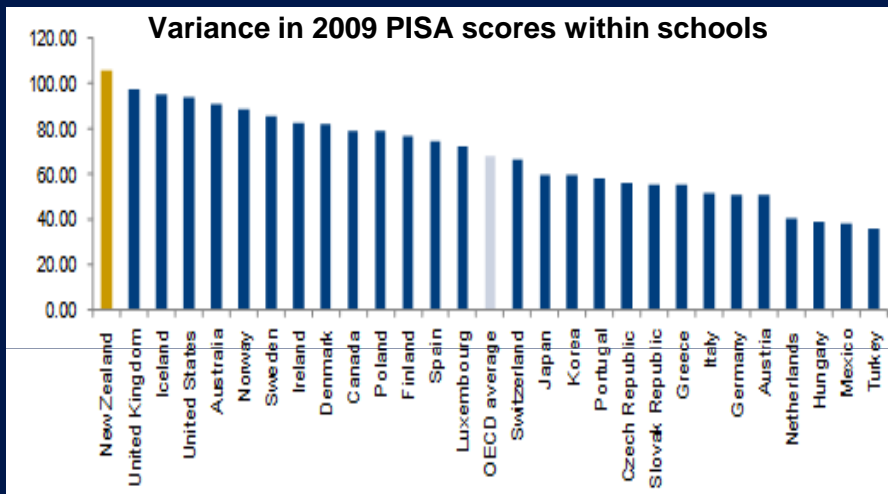
## Framework

1. Skills are a sub-set of human capital – key part of our framework. Contribute to both material and subjective wellbeing.
2. Invest where long-term benefits are greatest.
3. Distributional analysis is important to identify where policy should be targeted.

## Policy implications

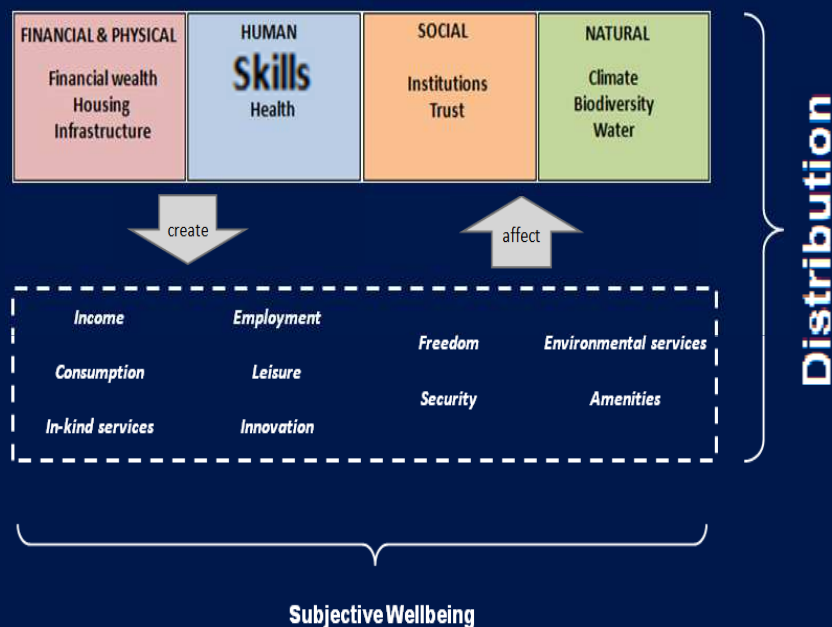
1. Invest in broad skill acquisition – both qualifications and non-cognitive. Focus on improving *participation* in labour force, and recognise multiple benefits of increasing skills.

# Education and skills - distribution





# Education and skills strategy



## Framework

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## Policy implications

1. Invest in broad skill acquisition – both qualifications and non-cognitive. Focus on improving *participation* in labour force, and recognise multiple benefits of increasing skills.
2. Focus on early years – for example through Early Childhood Education.
3. Target interventions on young people from disadvantaged backgrounds.