

Workshop Paper 2014

# LivingStandardsNZ

*Aligning public policy with the way we want to live*

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# Part 1 | Methodology

## Preparation

The *LivingStandardsNZ* workshop brought together 28 young people in December 2013 to attend the Government Economics Network (GEN) Conference followed by a two day workshop where they explored 'policy knots', using the *Living Standards Framework* to resolve complex and long-term issues. In collaboration with a team of talented young designers, the outcomes of this Workshop were then published in a booklet, the *2013 Youth Living Standards Framework*, describing what they learnt and what they think other youth in New Zealand need to know about how public policy can align with the way we want to live.

The workshop had four key purposes:

1. To educate and engage 28 young people on the living standards challenges facing New Zealand.
2. To stress-test the Treasury's *Living Standards Framework* and to increase the quality of informed discussion around the Framework.
3. To produce a document that would provide a youth perspective that could be used as a tool to start a conversation with the group's peers.
4. To show young people that opportunities exist for them to contribute to the shaping of New Zealand's future.

We believe that it is important that young people have the opportunity to engage with the decisions that will affect their futures. Both the Institute and the participants are very appreciative of the far-sightedness of the Treasury in enabling them to do so; the workshop could not have happened without their support. In return, we hope that the *2013 Youth Living Standards Framework* is a useful resource for the Treasury as they continue to refine their *Living Standards Framework*.

### **The origin of *LivingStandardsNZ***

The McGuinness Institute is primarily a research organisation. However, since 2011 our work programme has expanded to include more direct public engagement in the form of a series of workshops. These form part of the Institute's flagship project, *Project 2058*, which seeks to promote integrated long-term thinking, leadership and capacity-building, so that New Zealand can effectively explore and manage potential risks and opportunities over the next 50 years.

In March 2011 we held our first workshop, *StrategyNZ: Mapping our Future*, where 100 participants developed strategy maps for New Zealand's long-term future. These maps were published in the Institute's *Report 13, StrategyNZ: Mapping our Future Strategy Maps*; see [www.StrategyNZ.org](http://www.StrategyNZ.org). From this workshop two major themes emerged: the importance of attracting and retaining talent in New Zealand, and the desire to move toward a more entrepreneurial, high-income society. There was also a lot of discussion about the need for New Zealand youth to have a stronger voice and to exercise greater influence over our country's future.

Our second workshop, *EmpowerNZ: Drafting a Constitution for the 21st Century*, was held in August 2012 in response to both *StrategyNZ* and the constitutional review. The *EmpowerNZ* workshop sought

to engage youth in this process, asking a diverse group of 50 young people to draft a constitution ‘fit for the 21st century’ in two days. Their *Draft Constitution* can be viewed at [www.EmpowerNZ.org](http://www.EmpowerNZ.org).

Our third workshop, *LongTermNZ: Exploring our long-term fiscal position*, was held in December 2012. It was a collaboration between the Treasury, Victoria University of Wellington and the McGuinness Institute, aimed at engaging youth with the fiscal challenges facing New Zealand. 27 participants attended the *Affording our Future* conference and then spent two days drafting the *2012 Youth Statement* on New Zealand’s long-term fiscal position, which can be viewed at [www.LongTermNZ.org](http://www.LongTermNZ.org).

The lessons learnt from our experiences at *StrategyNZ*, *EmpowerNZ* and *LongTermNZ* directly fed into the *LivingStandardsNZ* workshop. *LivingStandardsNZ* should therefore be seen as part of this evolving experiment.

### **The *LivingStandardsNZ* workshop**

Issues surrounding living standards in New Zealand were often raised during our previous youth workshops, however within the context of these workshops there was no opportunity for these ideas to be explored in their entirety. Living standards and wellbeing are complex topics, and we knew a useful exploration would require a more open ended structure that acknowledged the complexity of the issues at hand.

In discussion with the Treasury, we proposed that the McGuinness Institute run a workshop based around the Treasury’s *Living Standards Framework*, which would focus on using case studies to stress-test the Framework. The workshop would provide the Treasury with an interesting insight into what youth considered to be the most critical issues in relation to living standards in New Zealand, and would serve as a tool for the participants to start conversations with their peer group. The participants would be allowed to attend the Government Economic Network (GEN) Conference free of charge, and to use one of the Treasury’s conference rooms as a venue for the workshop.

### **The Treasury’s *Living Standards Framework***

In 2011 the Treasury released their report *Working Towards Higher Living Standards for New Zealanders*, featuring the *Living Standards Framework* that aims to provide a method for testing the effectiveness of policy in terms of one of the Treasury’s key goals: working towards higher living standards for all New Zealanders. The Treasury describes living standards as much more than just income or GDP: they include a broad range of factors which impact on wellbeing (such as trust, education, health and environmental quality). The Treasury describe their *Living Standards Framework* as a framework that recognises:

- There is a broad range of material and non-material determinants of living standards beyond income and GDP.
- Freedoms, rights and capabilities are important for living standards.
- The distribution of living standards across different groups in society is an ethical concern for the public, and a political concern for governments.
- The sustainability of living standards over time is important, so analysis of policy needs to weigh up short-term and long-term costs and benefits.
- Measuring living standards with subjective measures of wellbeing provides a useful cross-check of what is important to individuals.

### Special guests

One of the key purposes of the workshop was to expose youth to interesting people and to demonstrate the breadth of opportunities available in New Zealand. We invited a number of the speakers to join the young people as they worked through each of the three case studies. The speakers came from a range of backgrounds, providing the participants with a range of perspectives on the issues discussed.

For each of the case studies there was one Treasury expert and one or two guest speakers who had experience in the industry or sector under discussion. The speakers for each case study were:

- Case Study 1 – *Natural Capital: Marlborough Sounds*  
Tim Saunders (Treasury), and George and Joena Elkington who had been involved in the New Zealand King Salmon hearing in 2012.
- Case Study 2 – *Physical Capital: Housing*  
Craig Renney (Treasury) and Wayne Silver (CFO at Willis Bond & co.).
- Case Study 3 – *Human Capital: Growing Talent*  
Margaret Galt (Treasury), Dr Kathy Irwin (CEO OF Hope Brokers Inc) and Warren Owen (Principal of Wellesley College).

We were fortunate to have additional input from Treasury in the form of Bill Moran (Deputy Secretary of Strategy, Change and Performance), Dr Girol Karacaoglu (Chief Economist and Deputy Secretary, Macroeconomic, International and Economic Research), and Joey Au (senior advisor to the Chief Economist).

### The participants

The concept of living standards combines many factors that do not neatly fit into one discipline. When seeking out participants we cast the net wide, searching for people between the ages of 17 and 25 from a range of different disciplines, including economics, sociology, law, development studies, environmental studies, political sciences, philosophy, cultural studies and history. Further, participants came from professional environments, non-profit organisations as well as academic institutions. It was also important to us that a range of cultural backgrounds were represented by the the participants. The result of this strategy was that we were able to bring together a lot of complementary perspectives, which proved to be very successful.

We approached university lecturers, cultural groups, district councils and NGOs from around the country and asked them to recommend the candidates who they thought were inquiring, passionate about New Zealand, good communicators, and had an interest in policy. Registration was open to other young people via the *LivingStandardsNZ* website, and a number of participants applied in this way.

All applicants were required to write 150 words about themselves and why they wanted to attend the workshop. Reading the applications it was clear that we had a great group of young people who we were confident could cope with the challenges the workshop would present.

### The facilitation team

There were five group leaders during the workshop: Treasury interns Erin Roxburgh, Ngahuia Leighton, William Makea and Wiremu Stone and McGuinness Institute staff member Renata Moken-Lodge. Because of this the facilitation team was smaller than in past workshops, comprised of McGuinness Institute staff members, Wendy McGuinness and Annie McGuinness.

### The design team

The design team at *LivingStandardsNZ* was led by Ryan Gallagher, who has worked at the Institute since the beginning of 2013. Ryan was supported by Kieran Stowers, an *EmpowerNZ* participant and a postgraduate design student at Massey University College of Creative Arts, who also had been part of the design team at *LongTermNZ*.

### Finance

The Institute appreciates that most students cannot afford to pay the costs associated with attending workshops and, thanks to the support of Treasury, we were able to cover all costs, including travel, accommodation and food. The Institute adopts this practice for all its youth workshops; in return, we ask the participants to agree to commit to 10 hours of public service within 18 months of the workshop.

### Reflections

The young people who participated in this workshop were exposed to difficult concepts and were constantly challenged by experts with years of experience. Their final output, the *2013 Youth Living Standards Framework for New Zealand*, represents three days of learning, ideas and challenges and the participants should be very proud of their hard work. It was a privilege to work with such a bright and enquiring group of young people.

## Workshop Structure

The key purpose of *LivingStandardsNZ* was to stress test the Treasury's *Living Standards Framework* from a youth perspective. From the outset we knew that this would be a complex task that would necessitate a slightly different approach from our previous workshops, which were perhaps more output driven. This group was also the most diverse; the participants came from a range of backgrounds, providing a broad range of perspectives and complementary strengths. The Workshop format needed to achieve a balance between flexibility, so that the participants' ideas could be effectively drawn out, and structure, which would provide an anchor for the participants' thoughts. Although we were unsure what the final output would be, by allowing the participants' ideas to develop organically within a structured format we believed we could create a useful final product that was truly representative of the participants' ideas.

The Workshop was structured around the concept of 'stress testing' the Treasury's *Living Standards Framework* using three case studies to understand how the Framework functions. Participants were challenged to resolve complex and long term policy issues (what we call 'policy knots') through the application of the Framework. The objectives were (i) to understand the kinds of considerations that we should think about when addressing complex policy issues, and (ii) to test whether the lens of the current *Living Standards Framework* is durable and long-lasting, and if there are ways it might be improved. Unlike previous workshops, *LivingStandardsNZ* was more open ended in terms of how the participants' ideas from the case studies might be articulated in the final output. We didn't know what conclusions they might come to and we wanted to keep the structure as flexible as possible.

We assigned participants to their initial working groups based on the information provided in their applications; we wanted a mix of age, gender and academic backgrounds. Each group was led by a group leader, whose job it was to help with the exercises and facilitate discussions within the group. The group leaders were as follows:

- Purple Group: Ngahua Leighton
- Blue Group: Wiremu Stone
- Green Group: William Makea
- Orange Group: Erin Roxburgh
- Red Group: Renata Mokena-Lodge

The case studies were prepared by Wendy McGuinness and the team at the McGuinness Institute. The case studies, *Case Study 1 – Natural Capital: Marlborough Sounds*, *Case Study 2 – Physical Capital: Housing*, *Case Study 3 – Human Capital: Growing Talent*, provided a broad basis for building the participants' understanding of the Framework, allowing them to explore it within different contexts. For each case study there was a booklet of resources accompanied by a series of questions and a worksheet, which guided the participants through the process of applying the Framework to each case study. This process was designed to help the participants determine not only the aspects of the Framework that were effective but also where it could be strengthened or improved.

Each case study opened with presentations from a Treasury expert as well as one or two guest speakers who had experience in the specific field. This was an important feature of the process, as most of the participants were not familiar with the topics of the case studies and the speakers were able to provide a useful context. As the participants worked through the case studies, the speakers moved around the groups listening and helping them work through their ideas.

A list of resources was made available on the *LivingStandardsNZ* website and the participants were expected to familiarise themselves with these resources prior to the Workshop. They included the Treasury's *Living Standards Framework* and reports from the Ministry for the Environment, Ministry of Development, Statistics New Zealand and the McGuinness Institute. Hard copies of these reports were also made available for each group at the workshop. In addition, each morning the participants were given a 'Thought for the Day', covering a diverse range of topics, these were intended to help the participants think more broadly about the work they were undertaking. All resources are available on the *LivingStandardsNZ* website ([www.LivingstandardsNZ.org](http://www.LivingstandardsNZ.org)).

Another key aspect of the Workshop would be the process of designing the final output and we wanted to engage the participants with the design process from the outset. To this end our design team, led by Ryan Gallagher, was on hand throughout the Workshop to work with the participants in creating the final product.





Joey Au presents to *LivingStandardsNZ* participants at Treasury



*LivingStandardsNZ* participants discussing case studies



Workshop speakers and Treasury staff Margaret Galt, Dr Kathie Irwin, Bill Moran, Girol Karacaoglu and Warren Owen



*LivingStandardsNZ* participant Renata Mokena-Lodge and workshop speaker George Elkington



*LivingStandardsNZ purple group Avril Gillan, Angela Yiavasis, Milovale Tiatia, Nghaui Leighton, Abbas Nazari and Jesse Medcalf*



*LivingStandardsNZ blue group Leilani Walker, Nasif Azam, Ali Bunge, Wiremu Stone and Wiliame Gucake*



*LivingStandardsNZ green group Patrick Broman, Ben Abraham, Otene Wineera, Willy Makea and Tracy Finlayson*



*LivingStandardsNZ orange group Ed Haslam, Erin Roxborough, Nasra Abdi, Minishka Bradley and Ropeti Huntley*



*LivingStandardsNZ red group Renata Mokena-Lodge, Raymond Wong, Kristian Tekie, Tipene Apatu, Erana Walker and Riley Divett*



John Fitzgerald at the McGuinness Institute offices for a Q&A session with the *LivingStandardsNZ* participants



Carwyn Jones discusses conflict resolution with the *LivingStandardsNZ* participants at the McGuinness Institute offices



Wendy McGuinness introduces education speakers Warren Owen, Margaret Galt and Dr Kathie Irwin



Wendy McGuinness (centre) with housing speakers Craig Renney and Wayne Silver



Natural resources speaker Tim Saunders



Natural resources speaker George and Joena Elkington

## Part 2 | Process

- Stage One: Government Economic Network (GEN) Conference
- Stage Two: Q&A with John Fitzgerald
- Stage Three: Case Studies
- Stage Four: Presentation to Treasury

### Stage One: Government Economic Network (GEN) Conference

On the first day of the conference the participants attended the GEN Conference. This gave the participants an opportunity to listen to economics experts from New Zealand and overseas, who provided insight on a range of topics. It was great for the participants to be exposed to people who are actively using public policy to understand and change society to achieve higher living standards. The speakers included:

- Dr John Fitzgerald, Research Professor at the Economic and Social Research Institute in Dublin, who gave a presentation titled ‘Economic Analysis and Policy-Making: Irish Successes and Failures’.
- David McKenzie, a Lead Economist at the World Bank, who discussed ‘The value and use of randomized experiments to learn about employment and productivity policies’.
- Adam Jaffe, Director of Motu Economic and Public Policy Research, who gave a presentation titled ‘Performance Evaluations of Policies and Programmes’.
- Tony Scott, of the Melbourne Institute of Applied Economic and Social Research, who spoke about ‘The role of financial incentives in improving performance in healthcare’.

For more information about the GEN conference visit the website at [www.gen.org.nz](http://www.gen.org.nz).

#### Exercise 2: GEN Conference speaker summaries

During the conference, the participants were provided with a worksheet that asked them to note down each speaker’s key ideas. By limiting them to 50 words per speaker, we wanted to encourage the participants to really think through what the speakers were saying.

### Stage Two: Q&A with Dr John Fitzgerald

After the GEN conference one of the speakers, Dr John Fitzgerald, visited the McGuinness Institute office for an informal Q&A session. As Ireland and New Zealand have many similarities in terms of their size as well as their current and future challenges, it was interesting to hear how the Irish are tackling key economic and social issues, especially in relation to the recent recession.

The participants really made the most of the opportunity; the questions they asked were extremely shrewd, and Dr Fitzgerald’s thorough and well considered responses made the session extremely valuable.

Below are some of Dr Fitzgerald's key ideas:

- The 'brain drain' is inevitable. However, studies show that the people do come back and bring with them valuable experiences and connections.
- Make the most of this diaspora; use them as ambassadors, creating an international network with the potential to bring in business opportunities from overseas.
- Government investment in education pays off in the long-term.
- Attracting skilled workers is a great way of off-setting the effects of the 'brain drain' while also strengthening international networks.
- 'Make interesting jobs central to your economy.' Make industry attractive for overseas business and potential employees both at home and overseas.
- If you cannot attract people with wages 'do everything else' especially in terms of creating a 'cultural draw card'.
- Taking into consideration the environment in relation to economic decision-making will pay-off in the long-term.

Following Dr Fitzgerald's talk, Carwyn Jones, a law lecturer at Victoria University, spoke about conflict resolution to help prepare the participants for the intensive group work they would be undertaking over the following two days. He emphasised the importance of managing rather than avoiding conflict, stressing that listening and respecting everyone's input would produce the best results.

Design has always been an integral aspect of our workshops, but often the participants have not had previous experience with the design process, and we have found that it is useful to introduce them to the key concepts from the beginning. To this end, after Carwyn Jones' talk Ryan Gallagher gave a presentation about the value of design and the importance of considering the audience when thinking about how they will communicate their ideas in the final product.

Later in the evening the participants split up into the groups they would be working in over the next two days. This gave them the opportunity to discuss how they would work together to prepare (i) the three case studies and the resulting policy knot (the problem) and (ii) prepare their definition of how they would define higher living standards in the year 2058.

### Exercise 1

Exercise 1 asked the participants to define higher living standards by finishing the following sentence: 'In the year 2058 I will be \_ years old. Living standards will be higher in 2058 if they deliver New Zealanders.....'. The participants were asked to complete this exercise by Wednesday morning. The exercise was designed to make the participants think about their perceptions and beliefs surrounding living standards and their significance for New Zealanders. The exercise proved a success – so much so that it was decided to include each participant's response in the *2013 Youth Living Standards Framework for New Zealand* (see page 2 of the statement). The range and astuteness of their responses was truly impressive.

## Stage Three: Case Studies

The workshop proper began on the second day. The participants meet at Treasury early on the Wednesday morning ready to begin work on the case studies.

This opened with Joey Au's (Senior Advisor to the Chief Economist at Treasury) presentation 'Living Standards in Action: A brief example'. This presentation considered the different lenses through which living standards can be viewed and how the Treasury's *Living Standards Framework* provides a method for analysing the broader implications of policies in terms of achieving higher living standards for New Zealand. It was a great introduction to the day, and it created important perspective for the participants before they began work on the case studies.

For each case study the participants were given a booklet with a variety of different resources, including articles, legal documents, statistics and reports that would help them understand the different aspects and perspectives of the topics under discussion. For each of the case studies they were given the same worksheet to fill out which asked them to answer the following questions:

1. Discuss each of the five *Living Standards Framework* dimensions as they apply to the case study. Write down each key idea/issue/thoughts raised (something important you think should be considered or explored further) on the plain post-it notes of matching colour.
2. Note any ideas/issues/thoughts that do not fit nicely within one of the five *Living Standards Framework* dimensions on the larger ruled yellow post-it notes and put these to the side.
3. After 30 minutes, try to summarise all the post-it notes of each *Living Standards Framework* dimension from 1 above into the test boxes (e.g. green post-its are summarised into the green box). We are looking for a one sentence summary of what data your group thinks is important to consider.
4. Score the importance of your ideas/issues/reflections in the central pentagon in comparison with the other dimensions.

Note 1: A score of 0 means no significance while a score of 10 means that it is extremely significant.

Note 2: You have only 30 points to allocate.

5. Try and describe the policy knot underlying this question. Summarise your thoughts in the text box overleaf.
6. Summarise the issues/ideas/thoughts from 2 above – things that did not fit well – into the text-box overleaf.
7. After stress-testing the *Living Standards Framework* against the Case Study, do you have any suggestions on how it might be improved – summarise in the text-box overleaf.

## Case Study 1 – Natural Capital: Marlborough Sounds

The first case study focused on salmon farming in the Marlborough Sounds, a controversial issue that illustrates the tensions that can exist between business and environmental interests. To facilitate the discussion Tim Saunders, senior analyst of the Natural Resources Team at Treasury, and George and Joena Elkington who had been involved in the 2012 King Salmon hearing, spoke to the participants.

### Key Ideas

1. What values/ideas did you have reconciling with the Framework?
2. Would adding a sixth cultural dimension to the framework help reconcile these?
3. Have tensions between cultural and commercial interests been framed as mutually exclusive? If so can these tensions be reconciled?
4. Is the current consultation process with iwi effective? If not what should be taken into account when looking to improve it?
5. Is there enough accountability and transparency in the current process to allow substantive input from all relevant stakeholders?
6. How should tensions between local risk and national gain be considered and will the benefits of these salmon farms be distributed nationally?
7. What extra issues are raised by having long (35 year) leases?

## Case Study 2– Physical Capital: Housing

Ensuring that affordable housing is available for everybody is an ongoing problem in New Zealand. For this case study we provided the participants with current New Zealand housing statistics alongside examples of national and local government plans to resolve these issues. To facilitate the discussion Craig Renney, a Treasury Analyst, and Wayne Silver, the CFO of Willis Bond & co, shared their perspective on the housing situation in New Zealand.

### Key Ideas

As this policy issue is multi-faceted, how can we go about identifying possible unintended consequences and are some demographics more negatively affected by social housing policy than others?

1. What issues does the privatisation of the retirement sector raise?
2. How do we increase long-term sustainability of social housing?
3. What place do cultural considerations have in social housing policy?
4. What issues are raised by policies incentivising people to move out of social housing?

5. What processes will be helpful in creating a hierarchy of needs/values to determine who qualifies for social housing and who does not?
6. What lifestyle factors need to be considered when designing social housing policy? How this should be balanced against other factors, such as cost and affordability?

### Case Study 3 – Human Capital: Growing Talent

The final case study focused on education, a complex issue with many factors to consider. The case study took a global perspective, using statistics and articles to demonstrate the status of New Zealand's education system globally. The speakers for Case Study 3 were: Margaret Galt, principal advisor at Treasury, Dr Kathie Irwin, CEO of Hope Brokers Inc., and Warren Owen, Principal of Wellesley College.

#### Key Ideas

How do you encourage young people into particular career paths where there is a need in the job market, avoiding an overloading of specialisation without job prospects coming out of a degree.

1. What types of education systems facilitate young people toward innovation and creativity?
2. Are we placing too great an emphasis on academic and higher level education, instead of focusing on a more holistic approach which values different types of knowledge and career choices?
3. Would a more holistic approach encourage parents without an academic background to be more involved in their children's education knowing that their own knowledge is also valued?
4. Would this create a possibility for more emphasis on the importance and value of different cultural understandings?
5. Is health and safety becoming a barrier to education for young people? If so how can this be mitigated?

After a day of intensive work, the participants enjoyed a dinner at the Flying Burrito Brothers on Cuba Street before returning to the office to work on their ideas for the presentation to Treasury.

### Stage Four: Outputs

The morning of the final day was spent preparing for the 11am presentation to Treasury. Working within a strict timeframe was a challenge, however the group worked extremely well together and the level of thought and hard work that went into their final presentation was impressive. The presentation outlined their key ideas from each of the Framework's dimensions after working through the case studies.

#### Economic Growth

The participants had no issues with the validity of the Economic Growth dimension, however they had concerns that it may be given more weight than some of the other dimensions of the Framework. Specifically, the participants stressed the importance of ensuring that decisions to facilitate economic growth are not at the expense of sustainability.



### **Social Infrastructure**

The participants thought that it was important that policies should focus on providing equal opportunities and facilitating self-sufficiency. Their main concern was that they had found it difficult to use the Social Infrastructure dimension to fully understand the cultural implications of the topics they were exploring.

### **Sustainability for the Future**

Again the participants thought that it was important to balance the Sustainability Infrastructure dimension with the Economic Growth dimension and stressed that New Zealand's 'clean, green' image should go beyond a marketing strategy. The participants also found it difficult to explore some of the cultural ideas surrounding sustainability, especially in relation to Māori. Further, they were also concerned with inter-generational equality, and ensuring that decisions made now about our resources should not deprive future generations.

### **Increasing Equity**

Although rather ambiguous, the participants thought that the Increasing Equity dimension was important for equal opportunities, which for them was a significant indicator of national living standards. To demonstrate the difference between equity and equality the participants used a 'fence metaphor', illustrating how different people have different levels of need and therefore in order to achieve equal opportunities require different levels of assistance.

### **Managing Risk**

Overall the participants thought that the Managing Risk dimension should focus more on improving resilience rather than simply managing risks. By engaging with risk the participants suggested that we could 'create bounce in the economy'; that although we cannot predict the future we can choose to manage those risks in a way that makes us more resilient.

## **Communicating their key ideas**

To communicate their ideas the participants developed several concepts that encapsulated their key messages.

The first was the 'Living Legend' skit, which had been part of the Blue Group's presentation on Case Study 3. The skit demonstrates how the *Living Standards Framework* could be used to encourage people to stay in New Zealand rather than find work overseas. Using the structure of the police campaign against drink driving, the skit focuses on a young man who is thinking about moving to Australia – until his friends use the *Living Standards Framework* to change his mind. The skit is available to view on the McGuinness Institute YouTube channel or the *LivingStandardsNZ* website.

The prism metaphor was the participants' conceptualisation of how the *Living Standards Framework* clarifies the broader implications of policies. The wavy lines illustrate the 'noise' created by the many different factors that must be considered by policy-makers. The six-sided prism symbolizes the Treasury's *Living Standards Framework* – the lens through which policies can be methodically tested. The rainbow on the other side represents clarity going forward – the means by which good decisions can be made. Significantly, the prism is six sided to illustrate the participants' recommendation for the addition of a sixth cultural dimension to represent the values that underpin our diverse society.

At the end of the presentation the participants gave Dr Girol Karacaoglu a prism as a symbolic representation of the participants' conceptualisation of the *Living Standards Framework*. Dr Karacaoglu also addressed

the participants. He commended the participants on their work, highlighting its importance for the Treasury's continued development of the *Living Standards Framework* and their goal for higher living standards for New Zealanders. The morning concluded with the participants each receiving a certificate for their involvement in the Workshop, which was presented to them by Dr Karacaoglu.

## Presentation to the public and preparing the 2013 Youth Living Standards Framework

In the afternoon the participants split into two groups; one to work on the presentation to the public and the other to work with the design team on the final booklet. The presentation to the public took place that evening and was followed by the McGuinness Institute's annual Christmas party. It was a chance for the participants to present their ideas to people who were less familiar with the Framework, which challenged them to refine and clarify their ideas even further.

### Presentation to the public

'We as New Zealanders all embark on alternative journeys and it is the role of public policy to light the path. This means ensuring that every individual finds the beginning of that pathway and has the means to reach their own idea of happiness. To achieve this ideal the pathway needs to encompass equal opportunity, quality education and sustainable economy built on foundations of equity and recognition of diversity within New Zealand.'

This was the participants' joint statement at their presentation to the public and demonstrates the camaraderie and deep comprehension of living standards that they developed over the course of the Workshop.

The presentation began with a discussion of each groups' findings from the case studies, which focused on how the case studies had developed their understanding of the factors that contribute to achieving higher living standards and how successfully these are reflected by the Framework. What was clear to them was that considerations surrounding living standards are multifaceted and that in order for the Framework to fulfil its primary function it must be fluid with each of the dimensions given equal weighting.

The group's foremost recommendation was the incorporation of a cultural dimension into the Framework. Currently cultural considerations are split between the *Increasing Equity* and *Social Infrastructure* dimensions, which the participants found were insufficient for a complete analysis of how different cultural groups are affected by specific issues. The cultural dimension would encompass broader value-based concerns, whereby impacts on different cultures within our society can be thoroughly explored.

The presentation concluded with their prism metaphor and a recital of the 'Living Legend' skit. The participants' work was enthusiastically received by the audience, which was reflective of how efficaciously they had communicated the essence of their key ideas.

## Preparing the final document

Although we knew from the beginning that one of the outputs of the Workshop would be a booklet, we did not know what shape it might take. The main purpose of the Workshop had been to stress-test the *Living Standards Framework*, and at the outset we were unsure what the participants would find and how this could be articulated in a booklet format. The end result came about organically, with the participants working in small groups on different parts of the text. This approach proved very effective, as the end

result, which demonstrates the process, findings, and the three key recommendations, successfully reflects both the individual and collective voices of the group. The booklet captures and conceptualises the core principles of the Framework from a youth perspective with public accessibility in mind; for this reason we decided to call the booklet the *2013 Youth Living Standards Framework for New Zealand*.

Below is an explanation of the six key spreads from the booklet, which are structured to illustrate the participants' journey and how their ideas developed throughout the Workshop.

### **1. Word Cloud and Participant Statements**

The participant statement page is a list of the individual statements given by each of the participants in answer to Exercise 1 on the first day of the Workshop. The statements demonstrate the participant's individual understanding of living standards and help to illustrate the progression of their ideas from the beginning to the end of the Workshop. Alongside the statements is the Word Cloud, created by the design team to show the most repeated words across all of the statements.

### **2. Stress Testing the Framework**

This spread outlines the Case Studies and the process the participants went through to stress-test the Framework as well as their key ideas from each case study. This is followed by the participants overall findings and three key recommendations, which are built upon in the second half of the booklet.

### **3. The Living Standards Metaphor**

The Living Standards Metaphor conceptualises the importance of equity within a society. It illustrates the idea that from birth some people are more advantaged than others, thus people are not given equal opportunity to fulfill their dreams and ambitions. The metaphor emphasizes the role of public policy in ensuring that people have equal opportunities.

### **4. The 6th Dimension**

The group's main recommendation for improving the *Living Standards Framework* was the addition of a 6th dimension. Introducing a more holistic approach, the new dimension would test the proposed policies in terms of their cultural implications and how they reflect and preserve the core rights, values and responsibilities that underpin our culturally diverse society.

### **5. Envisioning the Framework**

The wavy lines illustrate the 'noise' created by the many different factors that must be considered by policy-makers. The six-sided prism symbolizes the Treasury's *Living Standards Framework*, the lens through which policies can be methodically tested. The rainbow on the other side represents clarity going forward – the means by which good decisions can be made.

### **6. Signatures**

The back page of the booklet features the joint statement from their presentation to the public surrounded by the signatures of all 28 participants. It is a bold statement, which demonstrates how their ideas developed as a group throughout the Workshop.

## Part 3 | Final Observations

Youth engagement has become a key part of the McGuinness Institute's work programme over the past few years, and we have been consistently impressed with the level of enthusiasm, passion, thought and commitment the participants have brought to bear on key issues facing New Zealand. Decisions made today will effect younger generations the most and it is important that youth have the opportunity to develop and share their views on important issues; youth need to believe that their opinions count and that they can make a difference. These young people will be the decision and policy makers of the future, and we hope that these workshops will have an ongoing effect, not only through exposing the participants to new ideas and people but by creating a network of young people throughout the country, who are empowered to take ideas, work together and make them happen. If we want to achieve Sir Paul Callaghan's vision of making New Zealand 'a place where talent wants to live', we must make public debate open and inclusive. The Institute is well-positioned to facilitate opportunities for these kinds of discussions and we are committed to continuing our engagement work-stream.

### High level observations

Young people are more engaged than we give them credit for. Arguably, electoral turnout is not an accurate measure of youth participation. The capacity for youth to engage has increased immeasurably with the rise of new media and communication technologies, and there are many young people making the most of these new opportunities. Generation Zero and JustSpeak are examples of passionate groups of young people organising themselves around a particular issue and having a significant impact on national debate. In both cases these are explicitly groups of young people, which indicates an awareness that youth have collective interests and an important stake in the future.

The Treasury's *Higher Living Standards Framework* is a useful instrument for promoting integrated policy development that could be extended across the public sector, feeding into a more cohesive and interconnected narrative. It is an effective way to address the complexity of policy development and would be a potent tool across government departments and agencies to identify the long-term effects of proposed policies. Similarly, one of our key observations from the *LongTermNZ* conference in 2012 was that the statements on New Zealand's long-term fiscal position, as apolitical documents, were an incredibly useful instrument for embedding long-term thinking in an important public institution and we thought there should be more documents like it. If, for example, the Ministry of Education could produce a statement on the long-term challenges facing New Zealand's education system, and the Ministry of Health could produce one on the health system, alongside a framework similar to the one used by Treasury, these documents could build on each other to form a clear narrative across the state sector about where our weaknesses and strengths lie as a nation in the long term.

### Lessons learnt

As with our previous workshops – *StrategyNZ*, *EmpowerNZ* and *LongTermNZ* – from the outset we viewed *LivingStandardsNZ* as an experiment. The experience of coordinating and facilitating our workshops was immensely useful for our staff, and hopefully improved the experience for the participants.

With *LongTermNZ* we observed that the smaller group-size worked more effectively to produce one product. We also observed that allowing time for revision and editing after the intense initial workshop period was useful as it meant that the final product was more cohesive and the participants felt confident in the document. For *LivingStandardsNZ* we refined this structure even further. The participants would be dealing with extremely complex and open-ended ideas, and we found having small groups working through exercises in a targeted way allowed the participants to make the most of the restricted timeframe. Further, the design team has continued to be an incredibly valuable part of the process. By emphasising

communication, the design element really allows the participants to develop and own their ideas. We remain committed to including designers from the beginning of these workshops – their communication skills are invaluable, and exposing participants to the discipline of design is important.

Previously, our workshops have been prescriptive to an extent – participants at *StrategyNZ* were asked to produce strategy maps; participants at *EmpowerNZ* were asked to produce a draft constitution, and participants at *LongTermNZ* were asked to produce a draft youth statement on New Zealand’s long-term fiscal position. Creating a balance between flexibility and structure has always been an issue, however we have found that the participants really responded to an environment that encourages flexibility and openness to form and function. Specifically, what we have learned is that having a single approach to how we structure our workshops can be counter-productive. Although each workshop is a learning experience where lessons learnt at one workshop can be used at another, each workshop has an individual purpose to which the structure of the event needs to respond. Hence, at the *LivingStandardsNZ* workshop, we adopted a more non-prescriptive approach to the end product to respond to the complexity and open-endedness of the issues that the participants would be dealing with.

A general theme that has emerged from all of our workshops is the importance of education in our society. The *EmpowerNZ* and *LongTermNZ* workshops highlighted the importance of improving teaching around our constitution and fiscal management, in order to provide young people with the skills they need to understand our system of government and make informed decisions. However, the *LivingStandardsNZ* workshop took this further by demonstrating how education is a key component of creating equity within society. Education is the means by which we can endeavour to provide all young people with the skills they will need to fulfil their dreams and ambitions. Later in 2014, as part of the Institute’s *TalentNZ* project, we will be publishing a journal on education, which in part will build on the issues surrounding education that have been raised at our workshops.

### **‘Pay it forward’**

With *EmpowerNZ*, *LongTermNZ* and *LivingStandardsNZ* we asked participants to commit to ‘pay it forward’ by completing 10 hours of voluntary service over the following 18 months. Ideally, but not exclusively, the work would be in a capacity relevant to the outcomes of the workshop; for example, doing community work, environmental work, or sharing their experiences at their universities.

In both cases, a key aim for the workshops was to create a strong group of youth ambassadors, who could increase knowledge and understanding of important national debates through their youth networks. The voluntary hours were a way of encouraging this and also, from our perspective, an investment in New Zealand more broadly.

### **Final reflections**

The Institute’s engagement with youth through workshops and scholarships continues to be a rewarding experience. We hope that the young people who have taken part have found them equally rewarding, taking with them valuable experiences and new connections that will have made a lasting impression.

We would like to pay a special thank you to our experts speakers at the workshop: Joey Au, George Elkington, Joena Elkington, Dr John Fitzgerald, Margaret Galt, Dr Kathie Irwin, Carwyn Jones, Warren Owen, Craig Renney, Tim Saunders and Wayne Silver. Their willingness to engage with the participants, encouraging them to express and develop their ideas and challenging their perspectives, was much appreciated. We would also like to thank Treasury for their support; we are extremely grateful for their continued involvement in our youth programme.

# Acknowledgements

## **Supporters**

The New Zealand Treasury  
McGuinness Institute

## **Workshop speakers**

Joey Au  
George Elkington  
Joena Elkington  
Dr John Fitzgerald  
Margaret Galt  
Dr Kathie Irwin  
Carwyn Jones  
Warren Owen  
Craig Renney  
Tim Saunders  
Wayne Silver

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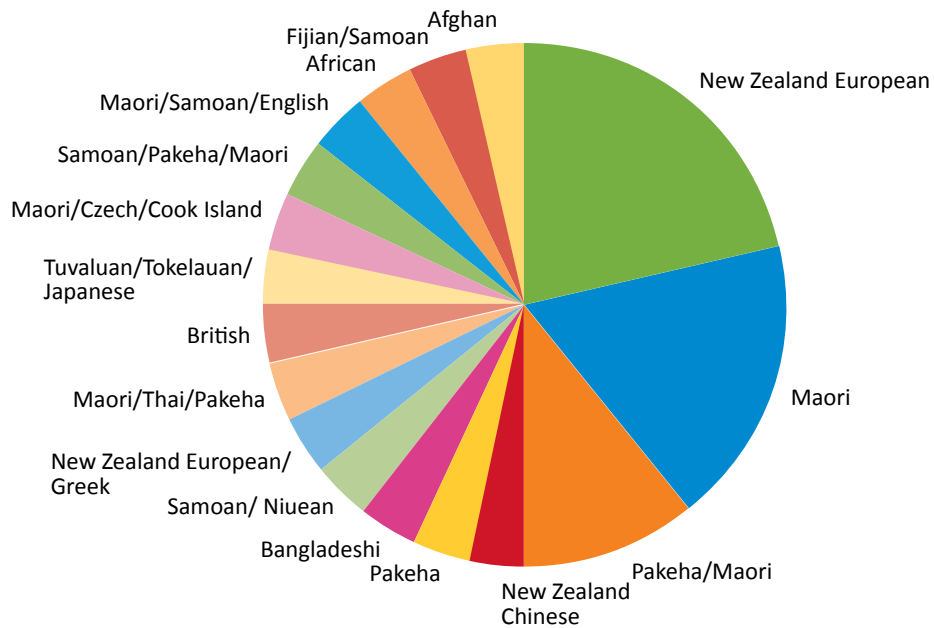
Ngahua Leighton  
Willy Makea  
Jack McDonald  
Jesse Medcalf  
Renata Mokena-Lodge  
Abbas Nazari  
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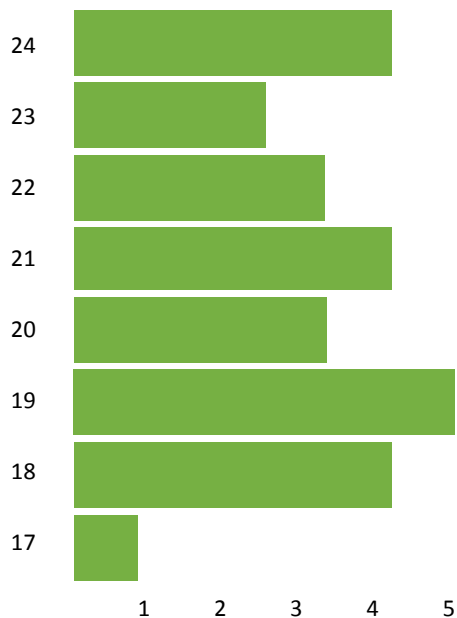
Willow Henderson

# Appendix 1: Participant Statistics

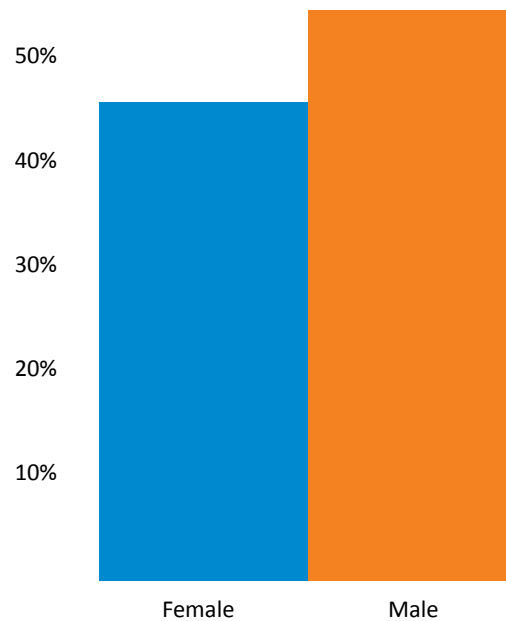
## Ethnicity



## Age

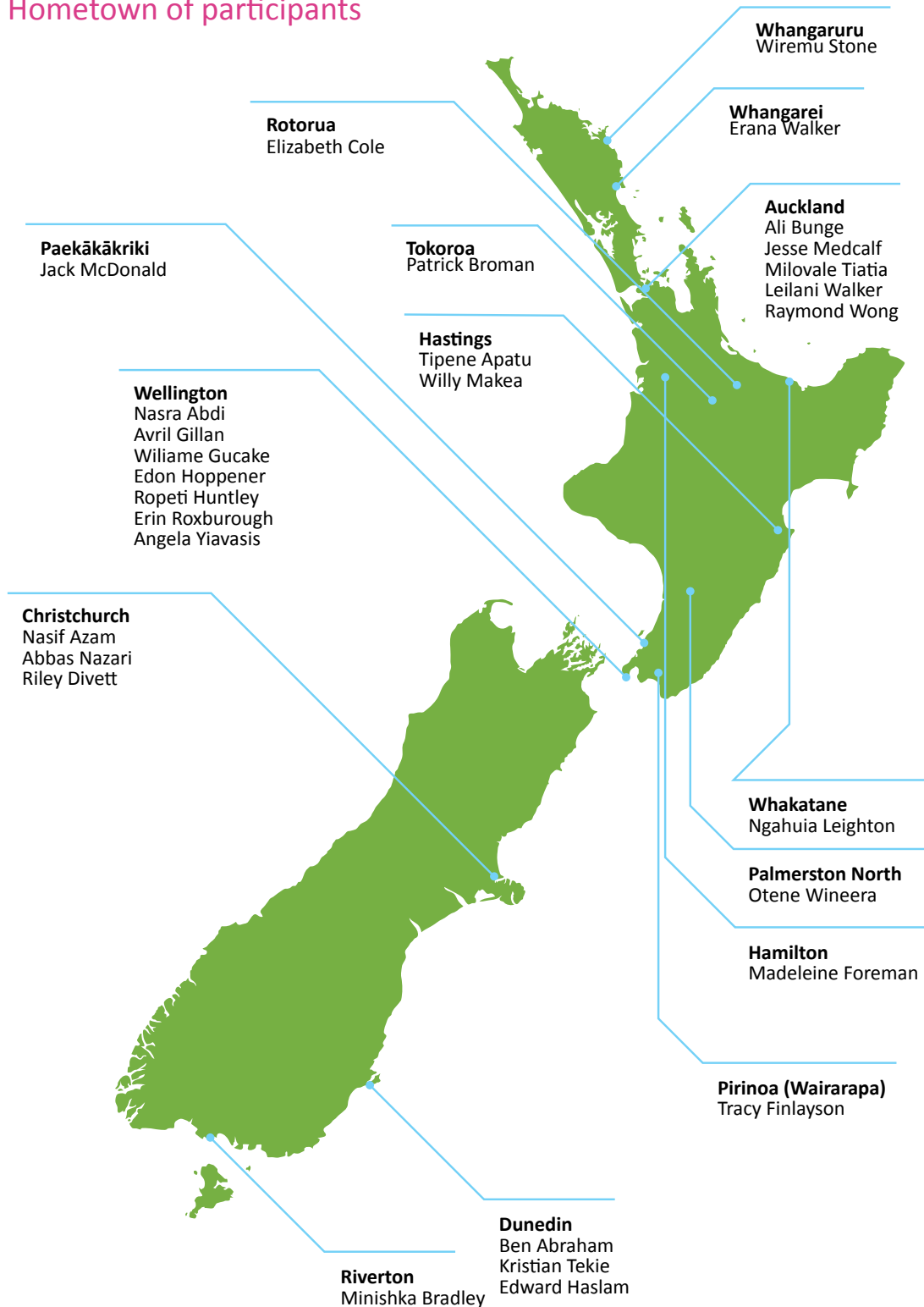


## Gender





## Hometown of participants



## Appendix 2: Workshop Programme

### Day One – Tuesday, 3 December 2013

On the first day of the workshop participants attended the GEN Conference.

- 7.30am: Participants working breakfast at the Institute's office. Briefed on the purpose of the Workshop by Wendy McGuinness and assigned working groups
- 8.15am: Participants will walk to Te Papa for the GEN Conference which starts at 8.45 (see the full programme of the conference)
- 8.45am: GEN conference registration and welcome
- 9.00am: Speaker: John Fitzgerald
- 10.30am: Morning Tea
- 11.00am: Speaker: Anthony Scott
- 12.30pm: Lunch
- 1.30pm: Panel Discussion
- 3.30pm: Afternoon Tea
- 5.00pm: Closing remarks
- 5.10pm: Participants walk to the McGuinness Institute office
- 5.15pm: John Fitzgerald (Research Professor at the Economic and Social Research Institute in Dublin, Ireland) will talk about his career followed by Q&A
- 6.00pm: Pizza followed by cake and fruit
- 7.00pm: Wendy McGuinness speaks to participants
- 7.20pm: Carwyn Jones will talk to participants about conflict resolution
- 7.35pm: Ryan Gallagher will talk on design and effective communication of their ideas
- 7.50pm: Group work. They will meet in groups to discuss how they will work together to prepare (i) the three case studies and the resulting policy knot (the problem) and (ii) prepare their definition of how they would define higher living standards in the year 2058 (this date is arbitrary but aligns with our futures project)
- 9.00pm: Participants will leave for their accommodation

## Day Two – Wednesday, 4 December 2013

This day will be modelled on the Harvard Business School mini case studies. Complex issues, in the form of ‘policy knots’, will be given to the groups and in an allocated time frame they will apply their living standards framework to find a solution. Participants will present their findings to a group (speakers, staff and other interested parties) who will stress test their reflections.

6.30 am: Breakfast at Gourmet Stay for all those staying in accommodation organised by the Institute

7.45am: Participants will be collected by two shuttles and taken to Treasury

8.15am: All participants meet at the Treasury, at reception on level 5 (Level 5, 1 the Terrace)

8.30am: Introduction and group work on higher living standards. Wendy will explain the case study methodology

8.45am: Living Standards Framework in Action: A Brief Example – presented by Joey Au from Treasury

9.15am: Morning Tea

9.30am: Case Study 1: Natural Capital – Marlborough Sounds

Treasury speaker: Tim Saunders  
Guest speaker: George Elkington  
Guest speaker: Joena Elkington

Participants work through Case Study 1 and speakers hot seat

12.00pm: Lunch

12.30pm: Case Study 2: Physical Capital – Housing

Treasury speaker: Craig Renney  
Guest speaker: Wayne Silver

2.00pm: Participants continue to work through Case Study 2 and speakers hot seat

3.00pm: Afternoon Tea

3.30pm: Case Study 3: Human Capital – Growing Talent

Treasury speaker: Margaret Galt  
Guest speaker: Dr Kathie Irwin  
Guest speaker: Warren Owen

Participants work through Case Study 3 and speakers hot seat

6.00pm: Plenary session – develop plan of action for the following day and discussion with designers.

- 6.30pm: Leave Treasury and walk to restaurant
- 7.00pm: Workshop dinner at Flying Burrito Brothers, Corner of Cuba and Vivian Streets
- 8.20pm: Participants walk back to McGuinness Institute office
- 8.30pm: Workshop session - A discussion with the designers
- 9.00pm: Day finishes, participants head home

### Day Three – Thursday, 5 December 2013

This is the final day which aims to draw out key ideas, thoughts and reflections.

- 6.30am: Breakfast at Gourmet Stay for all the sixteen participants staying at either Gourmet Stay or the CQ Hotel
- 8.00am: Participants will be collected by two shuttles and taken to Treasury
- 8.15am: All participants to meet at Treasury reception on Level 5, 1 the Terrace
- 8.30am: The participants will spend the morning at the Treasury offices, preparing and refining their presentations
- 10.00am: Morning Tea
- 10.15am: Participants continue preparing and refining their presentations
- 11.00am: Participants will have their ideas stress-tested by the Treasury panel
- 12.00pm: Group photograph at Treasury followed by lunch
- 12.40pm: Participants walk back to the McGuinness Institute office
- 1.10pm: Participants to break into two groups. One group will prepare their case studies and reflections into an eight page booklet. One group will prepare for the evening presentation
- 2.30pm: Afternoon Tea
- 3.00pm: Continue preparing for the presentation
- 5.30pm: Participants present their document to the public at the McGuinness Institute office (Level 2, 5 Cable St)
- 6.00pm: McGuinness Institute Christmas drinks begin
- 7.00pm: Workshop comes to a close



Participants with Girol Karacaoglu at Treasury