

Life Satisfaction in New Zealand

Subjects: **Health Policy & Services**

Contributor: Rebecca J. Jarden , , Dan Weijers , Margaret Sandham , Aaron Jarden

One of the three measures of subjective wellbeing used in New Zealand's Living Standards Framework is life satisfaction. Life satisfaction, or 'satisfaction with life', has been defined as a cognitive evaluation of overall satisfaction with an individual's current life, relative to the individual's own criteria of what a satisfactory life is. Life satisfaction is widely regarded as a key measure of subjective wellbeing. Prevalence and predictors of life satisfaction in New Zealand (NZ) from a sample of 10,799 participants from NZ, drawn from the Gallup World Poll from 2006 to 2017 are investigated. Prevalence of life satisfaction across time varied little, satisfaction with standards of living predicted life satisfaction regardless of age or gender, and for males across all age groups and females up to age 40 years, positive experiences and satisfaction with household income were important predictors. Being married was an important predictor for males over 40 years and feeling satisfied with their current city was important for females across all ages and for men under 40.

Gallup World Poll

life satisfaction

New Zealand

wellbeing

1. Wellbeing Is Important to New Zealand

In 2018, the Prime Minister of New Zealand (NZ) announced that NZ would lead the world by embedding wellbeing into its budget decision-making process ^[1]. The core indicators covered social, cultural and environmental outcomes, aligning with the United Nations sustainable development goals ^[2]. Alongside the Prime Minister's announcement, an updated version of NZ's Living Standards Framework (LSF) was released ^[3]. Inspired by the Organisation for Economic Co-operation and Development's "How's Life?" approach ^[4], NZ's new model of wellbeing for measuring national progress and guiding public policy included subjective wellbeing as a wellbeing output domain. In doing so, NZ signaled the importance of people's subjective opinions about how their life is going.

2. Changes in New Zealand 2006 to 2017

Against the backdrop of increased policy focus on wellbeing, New Zealand faced notable social and economic events in the 2006–2017 time period, including two major earthquakes in the Canterbury region (September 2010 and February 2011) causing mass casualties and loss of homes and livelihoods; the Global Financial Crisis (GFC) causing a long recession ^{[5][6]} (approx. mid 2007 to early 2009); a large rise in unemployment levels from a record low of 3.7% in 2007 to 7% in 2009 ^{[7][8]}; and in 2008, New Zealand and China signed a historic free-trade agreement which led to a quadrupling of exports to China and an influx of Chinese investment, tourism, and students ^[9].

3. What Is Life Satisfaction?

One of the three measures of subjective wellbeing used in NZ's Living Standards Framework is life satisfaction. Life satisfaction, or 'satisfaction with life', has been defined as a cognitive evaluation of overall satisfaction with an individual's current life, relative to the individual's own criteria of what a satisfactory life is ^[10]. Life satisfaction is widely regarded as a key measure of subjective wellbeing ^{[4][11][12]}, and is one of the most predominant measures of wellbeing per se. Measures of life satisfaction are appealing to policy makers because they are understandable and have been, and are still, used extensively in international surveys ^[13]. Life satisfaction measures are subjective global assessments—they assess respondents' own views of how their life is going for them. The measures are highly subjective in that respondents must draw on their own individual views of what is important in life to judge how their life measures up. This ability to incorporate a wide range of views on what is important in life is a key reason for some researchers to view life satisfaction as the most important measure of subjective wellbeing ^[14]. Individual life satisfaction items have demonstrated consistently high correlations with a broad range of much more complex measures of wellbeing, including objective measures ^{[4][14][15][16][17][18]}.

4. Life Satisfaction in New Zealand

Few life satisfaction studies have been undertaken within New Zealand at national level. The Christchurch Health and Development longitudinal birth cohort study ^[19] evaluated life satisfaction in relation to mental health. A reciprocal association was found between mental health problems and life satisfaction, with the study concluding that life satisfaction influences mental disorder, and mental disorder influences life satisfaction. For university medical students, life satisfaction was found to be negatively correlated with anxiety and depression ^[20]. Māori and European New Zealanders demonstrate differences in the strength of the relationship between life satisfaction and work–life balance ^[21]. For Māori, higher levels of work–life balance were not associated with higher levels of life satisfaction, but for European New Zealanders, they were. These differences were attributed to Māori tending to be less individualistic than NZ Europeans, whose perceptions of overall quality of work and life experiences may be more strongly influenced by their perceptions of work–life balance ^{[21][22]}. Statistics New Zealand conducted a wellbeing survey of 5549 Māori aged over 15 years in 2013, which included Māori-specific measures of wellbeing in addition to life satisfaction and other variables ^[23]. Predictors of life satisfaction for Māori were reported as similar to international predictors. For example, demographic factors, such as age, sex, urban area, and marital status, predicted life satisfaction ^[23]. The subjective variables “adequacy of income; number of housing problems; health status; loneliness; trust in people; trust in courts; and importance of culture” were also significant predictors of life satisfaction ^[23].

Most of the existing national studies of the predictors of life satisfaction in NZ have used data from the General Social Survey. Using data from the 2008 wave of the General Social Survey, Brown, Woolf, and Smith ^[12] found that the main international trends were also present in NZ. In particular, they found the strongest predictors of life satisfaction to be income, unemployment, health status (especially mental health), and social contact. Jia and Smith ^[24] found similar results using data from the 2009, 2010, and 2012 waves of the General Social Survey. In particular, they found that, when controlling for demographic variables, mental health, unemployment, and having

someone to rely on in a crisis were the strongest predictors of life satisfaction (p. 15). More than the previous study, this one emphasized that although “income is highly significant and positively related to life satisfaction..., the potential impact is small” (pp. 15–16). Although the international literature generally finds the income–life satisfaction relationship to be small, Jia and Smith ^[24] used the Sacks et al. ^[25] estimate of the relationship found internationally to show that income is probably a much weaker determinant of life satisfaction in NZ. Another NZ study, the Sovereign New Zealand Wellbeing Index ^[26], investigated 10,000+ New Zealanders’ wellbeing over time, identifying no real change in wellbeing between 2012 and 2014, and that a significant predictor of wellbeing was living comfortably on present income. The authors concluded that: “While earning more money isn’t always a realistic option, evaluating how you are living within your means is an important consideration for your wellbeing” (p. 15).

The aforementioned studies produced results in line with international expectations for the relationships between demographic variables and life satisfaction ^[24]. Females reported slightly higher averages of life satisfaction throughout the life course than males, with both groups reaching a nadir about 45 years old ^{[24][27]}. Being partnered or married (i.e., in a relationship) was also a significant predictor of life satisfaction in both studies. Measures of community trust, engagement, and safety were all correlated with life satisfaction in both studies, but the coefficients of most were small ^{[12][24][28]}. Education results were partially mixed between the studies, but generally weak or insignificant when other variables were controlled for ^{[12][24][29]}. Being unemployed tends to cause a significant drop in life satisfaction ^[30], even after controlling for the associated reduction in income ^{[31][32]}. Taken as a whole, the above studies suggest that NZ is not that different to its Western counterparts when it comes to life satisfaction, regarding both the prevalence and predictors of it. However, some variables that have been found to predict life satisfaction have not been assessed in the studies of subjective wellbeing in NZ. Country of origin has been shown to predict life satisfaction, especially when the cultures of the current and original nations are very different ^{[33][34]}. Religious affiliation has been found to predict life satisfaction in some international studies ^{[35][36]} and in New Zealand ^[37]. However, the relationship appears complex, and can disappear when controls are added ^[37]. Given the complexity of the relationship and the (decreasing, but) sizable importance of religion in New Zealand ^[38], further investigation seems warranted.

In an observational cross-sectional study researchers investigated prevalence and predictors of life satisfaction in New Zealand from a sample of 10,799 participants from NZ, drawn from the Gallup World Poll from 2006 to 2017. Prevalence of life satisfaction across time varied little, satisfaction with standards of living predicted life satisfaction regardless of age or gender, and for males across all age groups and females up to age 40 years, positive experiences and satisfaction with household income were important predictors. Being married was an important predictor for males over 40 years and feeling satisfied with their current city was important for females across all ages and for men under 40.

References

1. New Zealand Treasury. Budget 2018; NZ Government: Wellington, New Zealand, 2018.
2. United Nations. Sustainable Development Goals; United Nations: San Francisco, CA, USA, 2018.
3. New Zealand Treasury. The Treasury Approach to the Living Standards Framework; New Zealand Treasury: Wellington, New Zealand, 2018.
4. Organisation for Economic Co-operation and Development. Measuring Well-Being and Progress: Well-Being Research; Organisation for Economic Co-operation and Development: Paris, France, 2013; Available online: www.oecd.org/statistics/measuring-well-being-and-progress.htm (accessed on 5 March 2022).
5. BBC News. New Zealand's Slump Longest Ever; BBC News: London, UK, 2009.
6. New York Times. New Zealand Takes a Pause in Cutting Rates; New York Times: New York, NY, USA, 2009.
7. Ministry of Social Development. The Social Report 2016—Te Pūrongo Oranga Tangata; Ministry of Social Development: Wellington, New Zealand, 2016.
8. New Zealand Treasury. New Zealand Economic and Financial Overview: 2010; New Zealand Treasury: Wellington, New Zealand, 2010.
9. New Zealand Foreign Affairs & Trade. New Zealand-China FTA overview; New Zealand Foreign Affairs & Trade: Wellington, New Zealand, 2008.
10. Diener, E.; Emmons, R.A.; Larson, R.J.; Griffin, S. The Satisfaction with Life Scale. *J. Pers. Assess.* 1985, 49, 71–75.
11. Dolan, P.; Metcalfe, R. Measuring subjective wellbeing: Recommendations on measures for use by national governments. *J. Soc. Policy* 2012, 41, 409–427.
12. Brown, D.; Woolf, J.; Smith, C. An empirical investigation into the determinants of life satisfaction in New Zealand. *N. Z. Econ. Pap.* 2012, 46, 239–251.
13. Donovan, N.; Halpern, D. Life Satisfaction: The State of Knowledge and Implications for Government; Prime Minister's Strategy Unit: London, UK, 2002.
14. VanderWeele, T.J.; Trudel-Fitzgerald, C.; Allin, P.; Farrelly, C.; Fletcher, G.; Frederick, D.E.; Hall, J.; Helliwell, J.F.; Kim, E.S.; Lauinger, W.A.; et al. Current Recommendations on the Selection of Measures for Well-Being. In *Measuring Well-Being*; Oxford University Press: Oxford, UK, 2021; pp. 501–520.
15. Cheung, F.; Lucas, R. Assessing the validity of single-item life satisfaction measures: Results from three large samples. *Qual. Life Res.* 2014, 23, 2809–2818.
16. Helliwell, J.; Layard, R.; Sachs, J. World Happiness Report ; Sustainable Development Solutions Network: New York, NY, USA, 2013.

17. Layard, R. Measuring subjective well-being. *Science* 2010, 327, 534–535.
18. Layard, R. *Happiness: Lessons from a New Science*; Penguin Books: London, UK, 2005.
19. Fergusson, D.M.; McLeod, G.F.; Horwood, L.J.; Swain, N.R.; Chapple, S.; Poulton, R. Life satisfaction and mental health problems (18 to 35 years). *Psychol. Med.* 2015, 45, 2427–2436.
20. Samaranayake, C.; Fernando, A. Satisfaction with life and depression among medical students in Auckland, New Zealand. *N. Z. Med. J.* 2011, 124, 12–17.
21. Haar, J.; Russo, M.; Suñe, A.; Ollier-Malaterre, A. Outcomes of work–life balance on job satisfaction, life satisfaction and mental health: A study across seven cultures. *J. Vocat. Behav.* 2014, 85, 361–373.
22. Spector, P.; Allen, T.; Poelmans, S.; Lapierre, L.; Cooper, C.; O’Driscoll, M.; Sanchez, J.; Abarca, N.; Alexandrova, M.; Beham, B.; et al. Cross-national differences in relationships of work demands, job satisfaction, and turnover intentions with work–family conflict. *Pers. Psychol.* 2007, 60, 805–835.
23. Statistics New Zealand. *Ngā Tohu o te ora: The Determinants of Life Satisfaction for Māori 2013*; Statistics New Zealand: Wellington, New Zealand, 2015.
24. Jia, K.; Smith, C. *Subjective Wellbeing in New Zealand: Some Recent Evidence*; New Zealand Productivity Commission/Te Kōmihana Whai Hua o Aotearoa: Wellington, New Zealand, 2016.
25. Sacks, D.; Stevenson, B.; Wolfers, J. *NBER Working Paper Series: Subjective Well-Being, Income, Economic Development and Growth*; National Bureau of Economic Research: Cambridge, MA, USA, 2010.
26. Mackay, L.; Schofield, G.; Jarden, A.; Prendergast, K. *The Sovereign New Zealand Wellbeing Index 2014. Executive Report*; AUT University: Auckland, New Zealand, 2015.
27. Becchetti, L.; Conzo, G. The gender life satisfaction/depression paradox. *Soc. Indic. Res.* 2022, 160, 35–113.
28. Boarini, R.; Comola, M.; Smith, C.; Manchin, R.; De Keulenaer, F. What Makes for a Better Life? The Determinants of Subjective Well-Being in OECD Countries—Evidence from the Gallup World Poll. 2012. Available online: https://www.oecd-ilibrary.org/economics/what-makes-for-a-better-life_5k9b9ltjm937-en (accessed on 5 March 2022).
29. Helliwell, J. *NBER Working Paper Series: Life Satisfaction and Quality of Development*; (No. w14507); National Bureau of Economic Research: Cambridge, MA, USA, 2008.
30. Di Tella, R.; MacCulloch, R.; Oswald, A. The macroeconomics of happiness. *Rev. Econ. Stat.* 2003, 85, 809–827.

31. Winkelmann, L.; Winkelmann, R. Why are the unemployed so unhappy? Evidence from panel data. *Economica* 1998, 65, 1–15.
32. Lucas, R.; Clark, A.; Georgellis, Y.; Diener, E. Unemployment alters the set point for life satisfaction. *Psychol. Sci.* 2004, 15, 8–13.
33. Berggren, N.; Bergh, A.; Bjørnskov, C.; Tanaka, S. Migrants and life satisfaction: The role of the country of origin and the country of residence. *Kyklos* 2020, 73, 436–463.
34. Sam, D. Predicting life satisfaction among adolescents from immigrant families in Norway. *Ethn. Health* 1998, 3, 5–18.
35. Bergan, A.; McConatha, J. Religiosity and life satisfaction. *Activities. Adapt. Aging* 2001, 24, 23–34.
36. Elliott, M.; Hayward, R. Religion and life satisfaction worldwide: The role of government regulation. *Sociol. Relig.* 2009, 70, 285–310.
37. Sibley, C.; Harré, N.; Hoverd, W.; Houkamau, C. The gap in the subjective wellbeing of Māori and New Zealand Europeans widened between 2005 and 2009. *Soc. Indic. Res.* 2011, 103–115.
38. Statistics New Zealand. 2013 Census QuickStats About Culture and Identity; Statistics New Zealand: Wellington, New Zealand, 2014.

Retrieved from <https://encyclopedia.pub/entry/history/show/57799>