

Title: *The Measurement of Net Worth in New Zealand*

Author(s): Diane Ramsay

Institution/Country: Statistics New Zealand

In 2001 Statistics New Zealand conducted its first ever national survey designed to measure household wealth in New Zealand. Called the Household Savings Survey, it collected net worth of individuals and couples in private dwellings along with a range of socio demographic variables. The survey was successful and research using the data has informed a number of topical issues.

However one-off snapshots do not provide all of the answers. While the survey gave us a good picture of the components of net worth and how it is distributed across the population, questions such as how net worth changes over time and what are the factors that influence this change are also important. To attempt to answer these questions, a module of questions designed to measure net worth, very similar in concept to the Household Savings Survey questions, has been added to each alternate wave of Statistic New Zealand's longitudinal income survey (SoFIE) commencing in 2003.

The paper will compare and contrast the results from these two sources with existing aggregate data from the central bank used in the National Accounts. There are slight differences between the collection methods of the two surveys, for example SoFIE has a larger sample size but will be subject to attrition over time. The paper will examine how these differences, and differences between the micro and macro estimates, affect the interpretability and utility of the data and will discuss what this means for future measurement of wealth in New Zealand.