

The public use of statistics

Bruce Welsh
November 2014
NZSA conference - Statistical Education Session

14/11/14

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Houses sell faster but prices sluggish

JAMES WEIR and CATHERINE HARRIS

WELLINGTON region house sales volumes bounced back strongly after the election and homes are selling much faster, but prices are barely up on a year ago.

Despite a sales lift in October, the Wellington market remains sluggish and price gains lag well behind the hot markets of Auckland and Christchurch, both up around 10 per cent in the past year.

Figures from the Real Estate Institute show the national median house price rose to \$430,000, up 5.4 per cent on October last year and 2.4 per cent up on the previous month.

Nationally there was a strong lift in sales volumes in October.

The housing market lost steam earlier in the year in the run-up to the general election, economists said, because of uncertainty over a possible capital gains tax if Labour was elected.

Nationally, the housing market has been pushed ahead by record migration levels, still relatively low interest rates, with some fixed rates actually falling, and a strong economy with tens of thousands more jobs created in the past year.

In the Wellington region, the median price rose \$7500 between September and October, to \$407,500. But that was only just ahead of the \$405,000 median in October last year, when the Reserve Bank first limited lending to borrowers with a small deposit.

The arrival of spring and the passing of the election saw an 18 per cent leap in Wellington region house sales volumes between September and October, the REINZ figures show.

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Little progress in child poverty – Unicef report

TESSA JOHNSTONE

PROGRESS on combating child poverty is stagnating, and government policy has barely made a dent in it, a United Nations report shows.

New Zealand's child poverty rates have come down by less than half a per cent since 2008, according to the Unicef report *Children of the Recession*.

By contrast, Australia reduced its child poverty rate by more than 6 per cent over the same period, and Finland and Norway, countries with similar populations, reduced theirs by more than 4 per cent and 3 per cent respectively.

Unicef NZ national advocacy manager Deborah Morris-Travers said the report showed that growth in child poverty during a recession was not inevitable, and some countries had even reduced it.

"[New Zealand's decrease is] really minimal, and when we're talking about so many New Zealanders who are still in poverty, it's a real concern," she said.



'We're talking about so many New Zealand children going without the things they need. We've got to get very serious about this.'

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the availability of food in schools, are still pretty small investments compared to what is required."

Child Poverty Action Group spokesman Mike O'Brien said: "There's been no appropriate or sensible or careful or sustained

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NEWS

Mental health 111 calls surging

TALIA SHADWELL

CRIES for help cost up to \$10 million last year, with police revealing they respond to a rising number of suicide and mental health distress calls every year.

In a briefing to the incoming police minister, police say the number of calls is climbing exponentially.

"People seem to have trust and confidence in the police," police mental health intervention team project manager Inspector Sue Douglas said.

"We see it as our duty to turn up. Rather than focusing on cost, it's very much about how we can better provide for those people."

Nationwide in 2013 police call centres fielded 32,000 attempted suicide and mental health-related calls. Officers attended 22,000 of those events.

The briefing said police continued to face an increase in de-

SEEKING HELP

The Government is set to shrink the supply of crisis helplines. The Ministry of Social Development said a range of health and addiction-related helplines would be consolidated under the "National Telehealth Services" banner from next July. But at this stage the service covers only Government-funded helplines,

not charitable ones.

People in crisis or concerned about someone else can call these confidential helplines:

- Lifeline 0800 543354
- Samaritans 0800 726666
- Depression 0800 111757
- Wellington Crisis Assessment and Treatment Team 04 494 9169
- Te Haika (Capital & Coast mental health contact centre) 0800 745 477, or text 027 500 1569

mand for "non-crime" services, including responding to people with mental health issues or drug and alcohol addictions.

The two police officers required per callout for those incidents accounted for the \$10m cost.

Overseas, research found between 16 and 24 per cent of police work was now related to mental-health callouts. Here,

calls were rising by 5 per cent a year and threatened and attempted suicides were climbing 8 per cent annually, Douglas said.

Mental Health Foundation chief executive Judi Clements believed at-risk people called 111 because, particularly at night and when loss of life was a real risk, they judged police as most likely to respond quickly.

Minister to tackle obesity

STACEY KIRK

The Government is turning its focus to fat New Zealanders, as it looks to reduce the disease burden on a stretched health system and tackle the symptoms of child poverty.

Prime Minister John Key yesterday unveiled his new-look Cabinet, which featured a merger of the health and sport and recreation portfolios.

Newly appointed Health Minister Jonathan Coleman holds both and has signalled he will use sport and recreation to address the rising incidence of obesity in New Zealand.

Murray McCully held the portfolio last term. It has focused on New Zealand's major sporting events, like the America's Cup and Cricket World Cup logistics – and McCully, as associate minister, will continue to look after that side of things.

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Only PM upbeat as dairy price falls again

NIKO KLOETEN

PRIME Minister John Key has signalled the dairy slump is almost over, but economists are not so optimistic after prices dropped to a five-year low.

Key reportedly made the comments at a Federated Farmers meeting yesterday, only hours after prices fell 3.1 per cent at the latest GlobalDairyTrade auction, hitting their lowest point since August 2009.

The average winning price at the auction was US\$2561 (NZ\$3229) a tonne, down 49 per cent in US dollar terms since February.

Federated Farmers dairy chairman Andrew Hoggard said: "Interesting to note, the prime minister said, at our National Council this morning, he believes the GDT has bottomed out and we are likely to see things improve."

Hoggard said the price drop at the latest auction was a "huge disappointment" for farmers.

"It goes without saying that the lowest auction price in five years is going to be a blow ..."

New Zealand's economy would take a \$6 billion hit if an analyst's AgriHQ's Seasonal Farmgate Milk Price forecast of a \$4.55/kg payout to dairy farmers, down 20c since the previous auction, plays out.

This would be a 46 per cent drop from last season's record farm-gate milk price of \$8.40/kg.

Fonterra's milk price forecast of \$5.30/kg will be reviewed next month and AgriHQ dairy analyst Susan Kilsby said it would require a "very sharp recovery" in dairy prices for that mark to be achieved.

That was looking increasingly unlikely. Kilsby said whole milk powder futures prices remained below US\$3000 a tonne throughout the 2014-15 milk production season.

If yesterday's auction prices

were achieved for the whole season the milk price would be only \$3.70/kg.

"The main factors used in calculating the AgriHQ Seasonal Milk Price are all moving against NZ farmers," she said.

"Dairy commodity prices dropped at the auction last night, the expected recovery in dairy commodity prices has also slowed, and the NZ dollar has strengthened, which further erodes returns in local-currency terms."

ASB has also cut its milk price forecast after the auction, slicing it from \$5.10/kg to \$4.70/kg.

"The price fall has occurred despite reduced auction volumes," ASB rural economist Nathan Penny said. "Fonterra's forecast auction volumes for the 12 months ahead has fallen by 14 per cent since June. But the market isn't buying."

"Fonterra's milk production remains up over 4 per cent for the season to date [and 6 per cent nationwide]. There is still plenty of milk to go around."

ANZ, which is predicting a \$4.85/kg milk price, said Fonterra's December board meeting, where it decides its updated forecast, could be a "doozy".

"Last year there was a dramatic cut to the dividend and hike in milk price," ANZ economists said in a note. "The opposite could well occur this year ..."

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Mental health 111 calls

- Climbing exponentially
- Rising 5% a year



Minister to tackle obesity

1.2 million obese

3 in 10 adults

1 in 9 children

2/3 adults overweight

1/3 children overweight

merger of the health and sport and recreation portfolios.

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But Coleman said he intended to hit the ground running and continue with work started by former health minister Tony Ryall.

According to the latest New Zealand Health Survey, 1.2 million New Zealanders are now obese. That translates to three in 10 adults and one in nine children. Those rates are significantly higher in some areas.

Overall, two-thirds of adults and one-third of children are classed as overweight.

Obesity, along with respiratory illnesses caused by smoking, accounts for 80 per cent of the disease burden for the total population, the Health Ministry says. It also often leads to a long list of adult health conditions, including diabetes, ischaemic heart disease, and several common cancers.

"Childhood obesity is a major issue," said Coleman. "Sport and recreation, possibly through schools, is one way we can look to turn that around."

But having only been awarded the portfolio yesterday, Coleman said significant consultation with the ministry and experts would have to be done first before any

New Zealand Health Survey

Annual update of key findings 2012/13



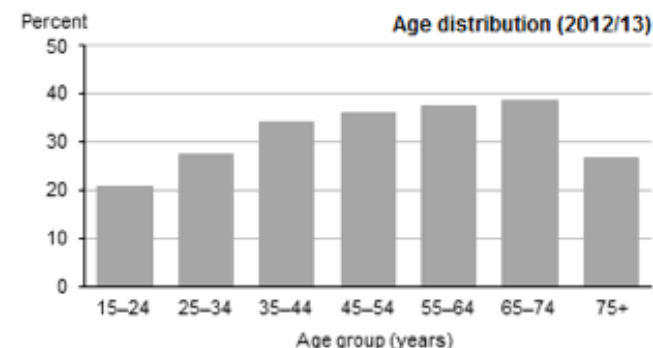
The number of obese adults continues to increase

Box 7: Adults who are obese, with a measured body mass index (BMI) of 30 or more

	2012/13	2011/12	2006/07
Percent (%)	31.3 [‡]	28.6	26.5

In 2012/13, this was an estimated
1,115,000 adults

Adjusted rate ratio (2012/13)		
Men vs women	0.9	*
Māori vs non-Māori	1.8	*
Pacific vs non-Pacific	2.4	*
Asian vs non-Asian	0.4	*
Most vs least deprived	1.5	*



[‡] There has been a statistically significant change since 2011/12.

* There is a statistically significant difference between the two groups.

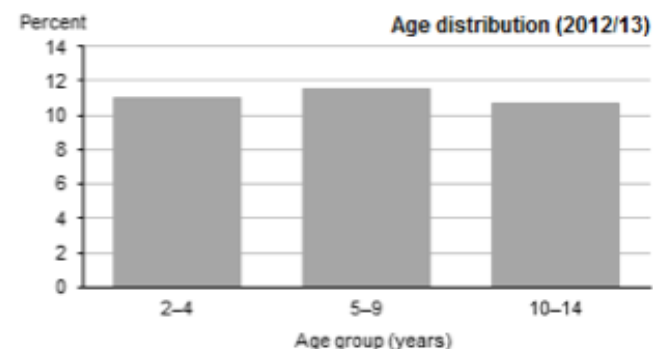
One in nine children aged 2–14 years are obese

Box 34: Children aged 2–14 years who are obese

	2012/13	2011/12	2006/07
Percent (%)	11.1	10.5	8.4

In 2012/13, this was an estimated
85,000 children

Adjusted rate ratio (2012/13)		
Boys vs girls	1.2	
Māori vs non-Māori	2.2	*
Pacific vs non-Pacific	3.2	*
Asian vs non-Asian	0.5	*
Most vs least deprived	3.0	*



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- 17,000 sample
- Definition of obesity
- body mass index of 30 or more
- BMI 25 - 30 = overweight

Houses sell faster but prices sluggish

Wellington

- volumes up post election
- selling faster (40 days in Sept, 32 in Oct)
- prices similar to Oct 2013
- median price up \$7,500 Sept/Oct
- median price up \$2,500 2013/2014
- volumes up 18% Sept/Oct

Auckland/Christchurch

- prices up 10% for year

National

- median price up 5.4% Oct 2013
- median price up 2.3% Sept 2014
- strong lift in sales October

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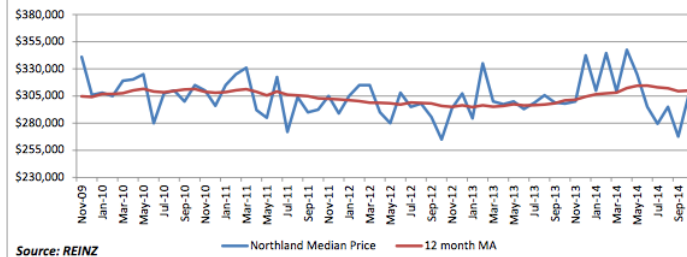
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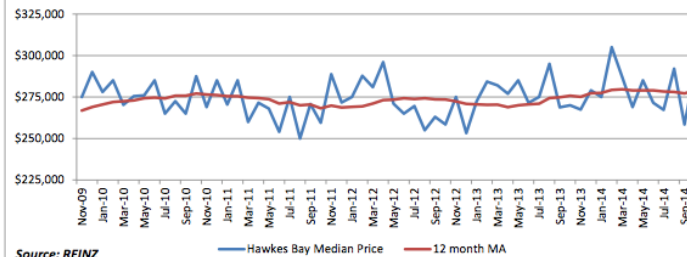
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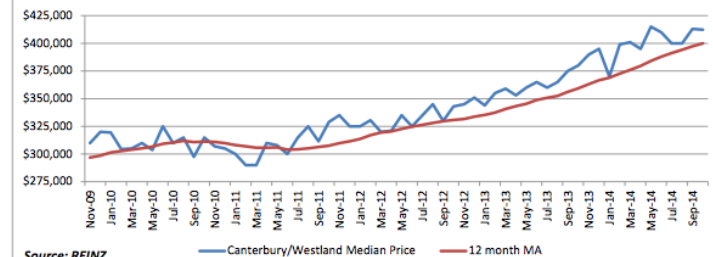
Northland Region Median Price
Past 5 Years



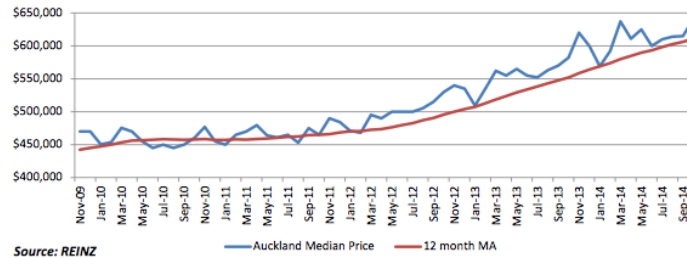
Hawkes Bay Region Median Price
Past 5 Years



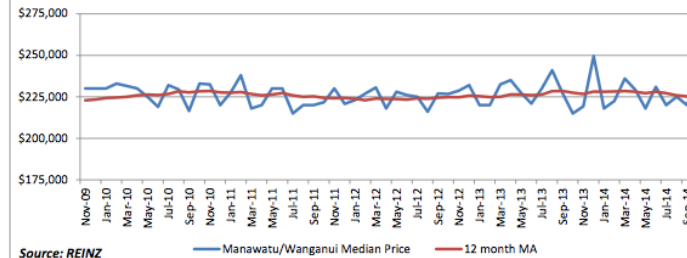
Canterbury/Westland Region Median Price
Past 5 Years



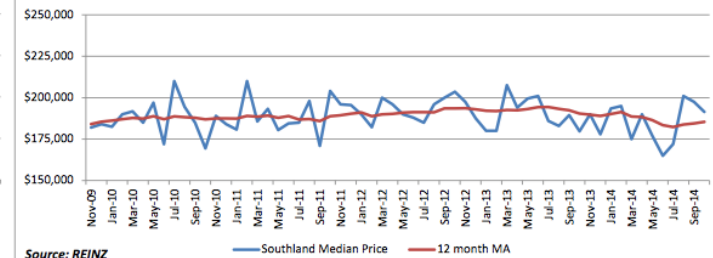
Auckland Region Median Price
Past 5 Years



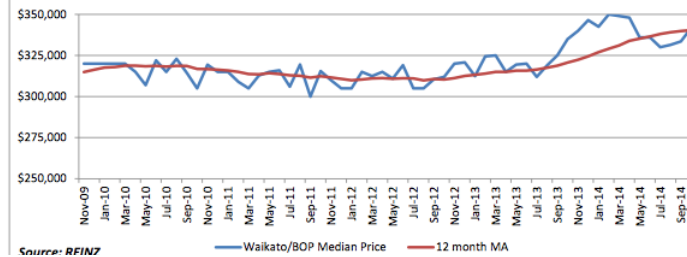
Manawatu/Wanganui Region Median Price
Past 5 Years



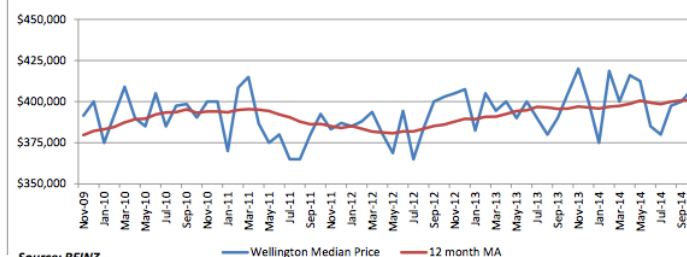
Southland Region Median Price
Past 5 Years



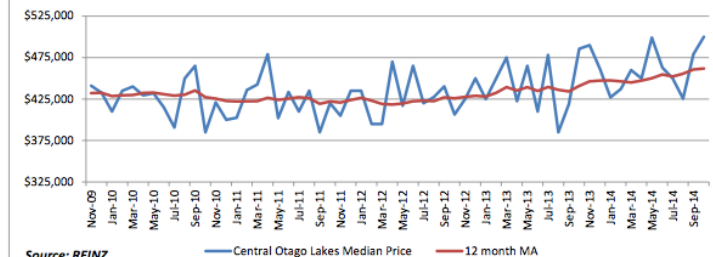
Waikato/BOP Region Median Price
Past 5 Years



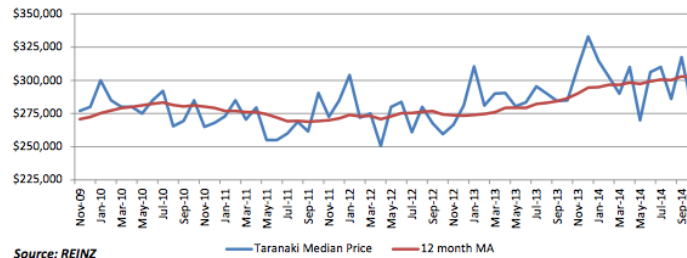
Wellington Region Median Price
Past 5 Years



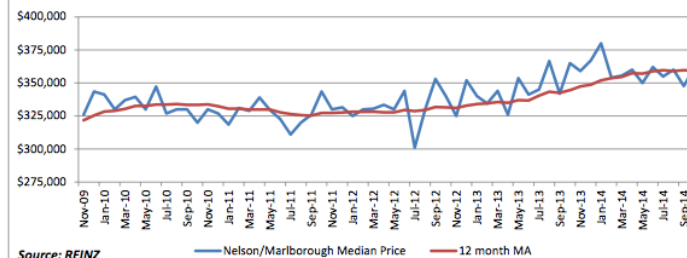
Central Otago Lakes Region Median Price
Past 5 Years



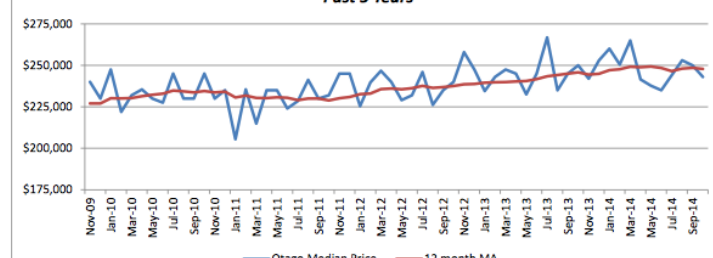
Taranaki Region Median Price
Past 5 Years



Nelson/Marlborough Region Median Price
Past 5 Years



Otago Region Median Price
Past 5 Years



Wellington Median Price 12 month MA

Dairy prices

GDT - GlobalDairyTrade
November auction

Prices fell 3.1%

Lowest price in 5 years

John Key “dairy slump
almost over”

Only PM upbeat as dairy price falls again

NIKO KLOETEN

PRIME Minister John Key has signalled the dairy slump is almost over, but economists are not so optimistic after prices dropped to a five-year low.

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Fairfax NZ

Results

from last trading event

Print page 

Download historical data 

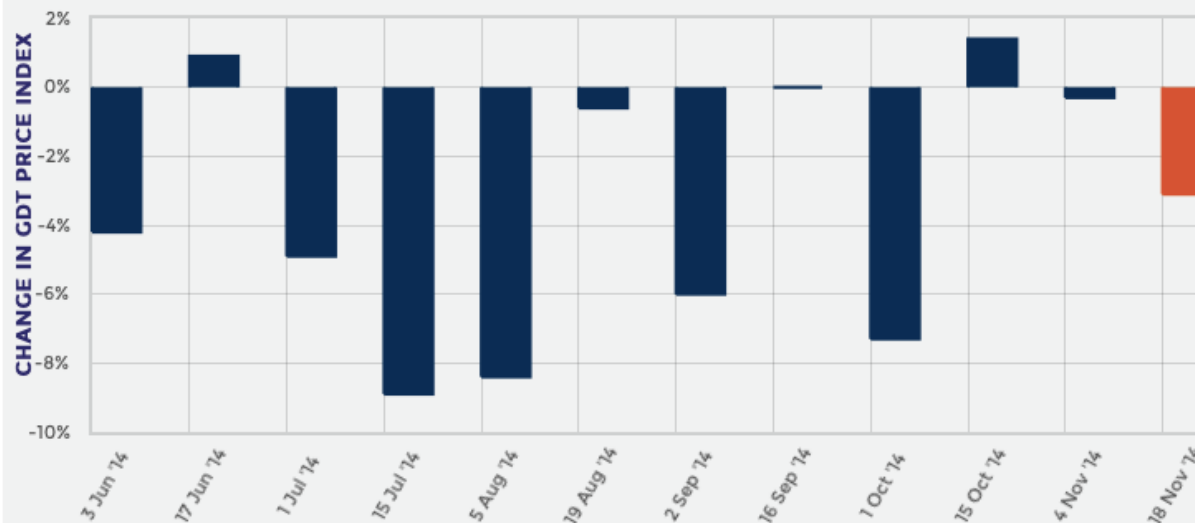
Event 128

18 November
2014

CHANGE IN GDT PRICE INDEX
FROM PREVIOUS EVENT

-3.1% 

GlobalDairyTrade Price Index



Summary of Results

Number of Qualified Bidders	676
Number of Winning Bidders	134

NUMBER OF PARTICIPATING BIDDERS

173

Products

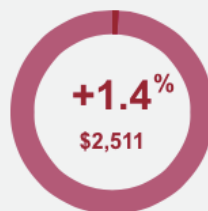
Anhydrous
Milk Fat



Butter



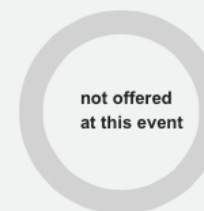
Butter Milk
Powder



Cheddar



Lactose



Rennet
Casein



Skim Milk
Powder



Sweet Whey
Powder

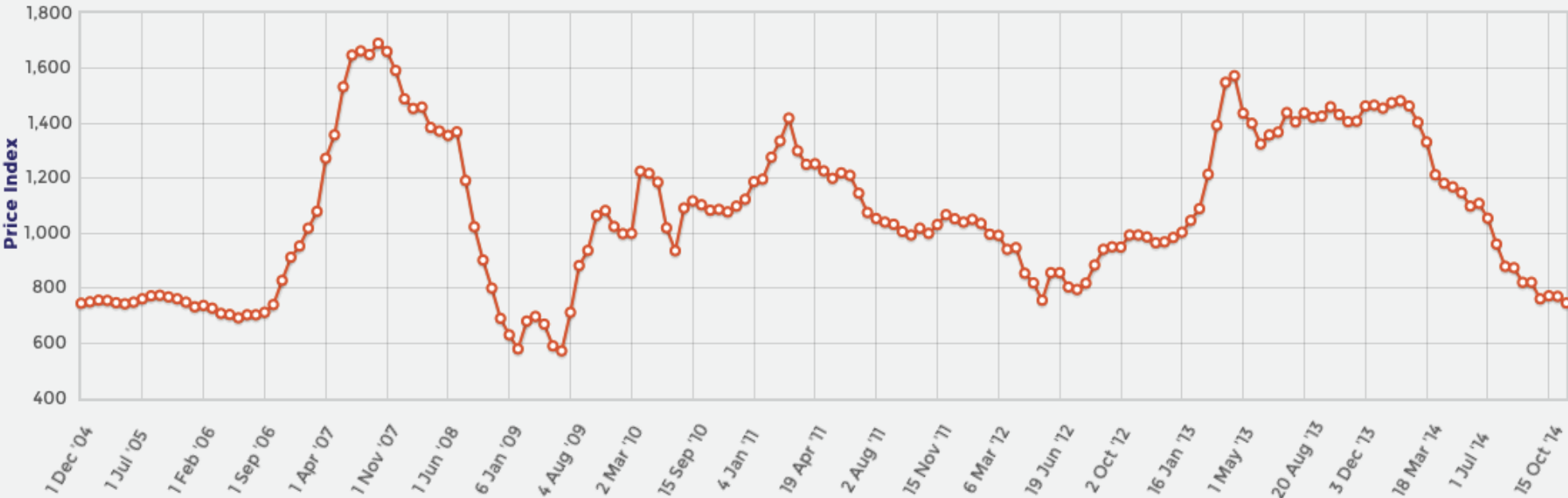


Whole Milk
Powder



GlobalDairyTrade Price Index over 10 years

The GDT Price Index is calculated from the total quantity sold in a trading event across all products, contract periods and sellers. For more information on the price index calculation, please go to our [Resources](#) page.



Child Poverty

285,000 NZ children living in poverty

891,100 children under 15 in NZ

Poverty defined as living on less than 60% of the median income

of fame as his reputation reaches new heights. **A13**

WORLD

Athlete appeal

Oscar Pistorius's prison term could be increased to life if a planned appeal by the state succeeds. **B1**



NEWS

'Part of our history'

It cost his daughter just \$10 but to a former Cook Islander a 19th century version of a seminal book is priceless. **A4**

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"[New Zealand's decrease is] really minimal, and when we're talking about so many New Zealand children going without the things they need. We've got to get very serious about this."

The report also showed that three out of the four well-being indicators in New Zealand — food insecurity, overall satisfaction with life, and opinions on whether children have an opportunity to learn and grow — worsened between 2007 and 2013.

Fourteen per cent of New Zealanders said there was a time in the past year when they did not have enough money to buy food for themselves or their family, up five percentage points since 2007.

Morris-Travers said the approach to tackling poverty had been piecemeal and marginal.

"Even things like screening for rheumatic fever, and increasingly



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Unicef NZ national advocacy manager Deborah Morris-Travers

the availability of food in schools, are still pretty small investments compared to what is required."

Child Poverty Action Group spokesman Mike O'Brien said: "There's been no appropriate or sensible or careful or sustained decisions in terms of policy response or government response."

Prime Minister John Key has asked officials to present new ideas on how to tackle child poverty, but has been criticised by opposition parties for his unwillingness to take measures that would increase incomes.

"John Key should be embarrassed by how well Australia managed to protect its children during the global financial crisis, and actually implemented initiatives to reduce child poverty during that period," Greens co-leader Metiria Turei said yesterday.

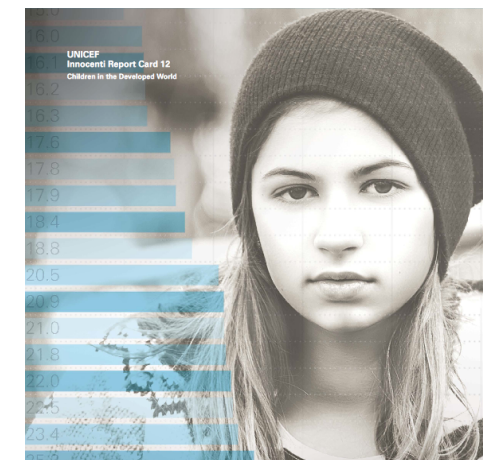
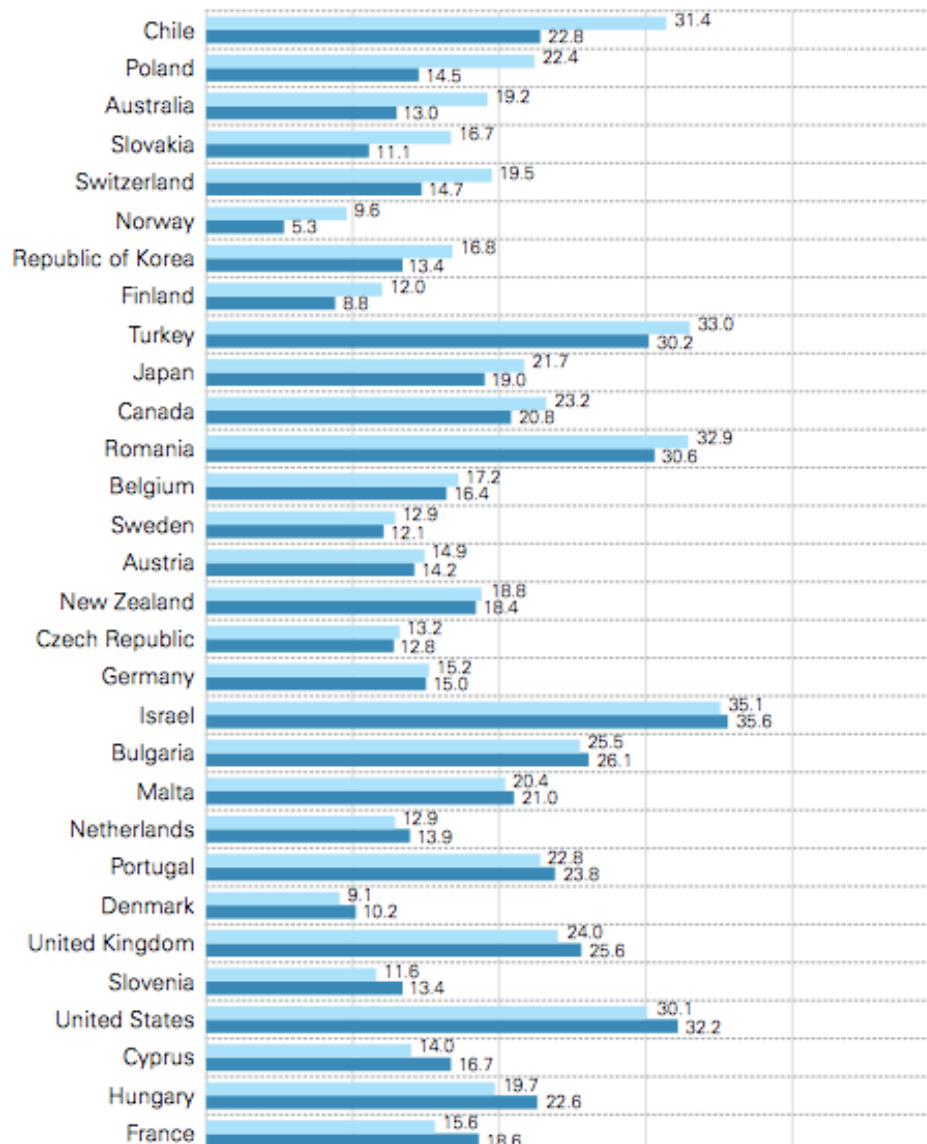
If the Government wanted to deal with child poverty, it would have to enact a range of new policies to support the poor, she said.

Food wages



Key: No evidence acted unprofessionally

Rank	Country	Change (2008–2012)
1	Chile	-8.67
2	Poland	-7.90
3	Australia	-6.27
4	Slovakia	-5.60
5	Switzerland	-4.80
6	Norway	-4.30
7	Republic of Korea	-3.40
8	Finland	-3.20
9	Turkey	-2.76
10	Japan	-2.70
11	Canada	-2.44
12	Romania	-2.30
13	Belgium	-0.80
13	Sweden	-0.80
15	Austria	-0.70
16	New Zealand	-0.40
17	Czech Republic	-0.40
18	Germany	-0.20
19	Israel	0.55
20	Bulgaria	0.60
20	Malta	0.60
22	Netherlands	1.00
22	Portugal	1.00
24	Denmark	1.10
25	United Kingdom	1.60
26	Slovenia	1.80
27	United States	2.06
28	Cyprus	2.70
29	Hungary	2.90
30	France	3.00



Children of the Recession

The impact of the economic crisis on child well-being in rich countries

Change in
child poverty
anchored in
2008

What I learnt

- Reporting can be misleading
- Headlines focus on negative
- Ask what is being said
- Understand assumptions and particularly definitions
- Lots of statistics available

Statistical Literacy

when reading about statistics ask

- What is being said
- Does it make sense
- What are they based on