



*Centre for the
Study of Living Standards
Centre d'étude des
niveaux de vie*

Invitation to Attend the CSLS Seminar Series on Living Standards

Income or Consumption: Which Better Predicts Happiness?

Arthur Grimes

4:00-5:30 PM

Tuesday, September 12, 2017

Karsh Room, Rideau Club

99 Bank Street, 15th floor

Ottawa, Ontario

To attend, please RSVP by September 8 to andrew.sharpe@csls.ca.

In recent years, there has been increasing recognition of the importance of measures of well-being for monitoring the progress of societies. One of these measures or metrics is subjective well-being, often referred to as happiness. A positive relationship between income and subjective well-being has been well documented. However, work assessing the relationship of alternative material well-being metrics to subjective well-being is limited.

In this seminar Arthur Grimes from Victoria University of Wellington and Motu Economic and Policy Research presents new evidence on the relationship between consumption and happiness. Using data from the New Zealand General Social Survey, he finds that a consumption measure out-performs income in predicting subjective wellbeing. Indeed, when objective measures of consumption are combined with self-assessments of a household's standard of living, income becomes insignificant altogether. The paper on which this presentation will be based is posted <http://www.iariw.org/korea/grimes.pdf>.

Arthur Grimes is Professor in the Chair of Well-being and Public Policy at Victoria University of Wellington and Senior Fellow at Motu Economic and Policy Research, a research institute based in Wellington, New Zealand. He is also a Board Member of the New Zealand Financial Markets Authority. From 2003 to 2013 he served as Chair of the Reserve Bank of New Zealand. Earlier positions also include Director of the Institute of Policy Studies (Victoria University of Wellington), Chief Executive of Southpac, and Chief Economist at both the Reserve Bank of New Zealand and the National Bank of New Zealand. He holds a BSocSc (Hons) from University of Waikato and a Ph.D in Economics from the London School of Economics.