

# The Four Capitals

The Treasury's living standards framework is underpinned by the four capitals - financial/physical, natural, human and social - all of which are interlinked and constantly changing. Together, they all directly impact New Zealand's wellbeing.

## Natural Capital

This refers to all aspects of the natural environment needed to support life and human activity. It includes land, soil, water, plants and animals, as well as minerals and energy resources.



## Human Capital

This encompasses people's skills, knowledge and physical and mental health. These are the things which enable people to participate fully in work, study, recreation and in society more broadly.



## Social Capital

This describes the norms and values that underpin society. It includes things like trust, the rule of law, the Crown-Māori relationship, cultural identity, and the connections between people and communities.



## Financial/ Physical Capital

This includes things like houses, roads, buildings, hospitals, factories, equipment and vehicles. These are all the things which make up the country's physical and financial assets which have a direct role in supporting incomes and material living conditions.

