



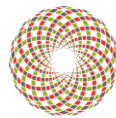
CaDDANZ

Capturing the Diversity Dividend
of Aotearoa/New Zealand

Impact of diversity on firms and residents

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Presentation to MBIE Workshop
Wellington, May 2019



Te Pūnaha Matatini
Data ■ Knowledge ■ Insight

BUILDING BETTER
HOMES, TOWNS
AND CITIES

Ko Ngā wā Kāinga hei
Whakamāhorahora

National
Science
Challenges



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Motu



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What difference does diversity make?



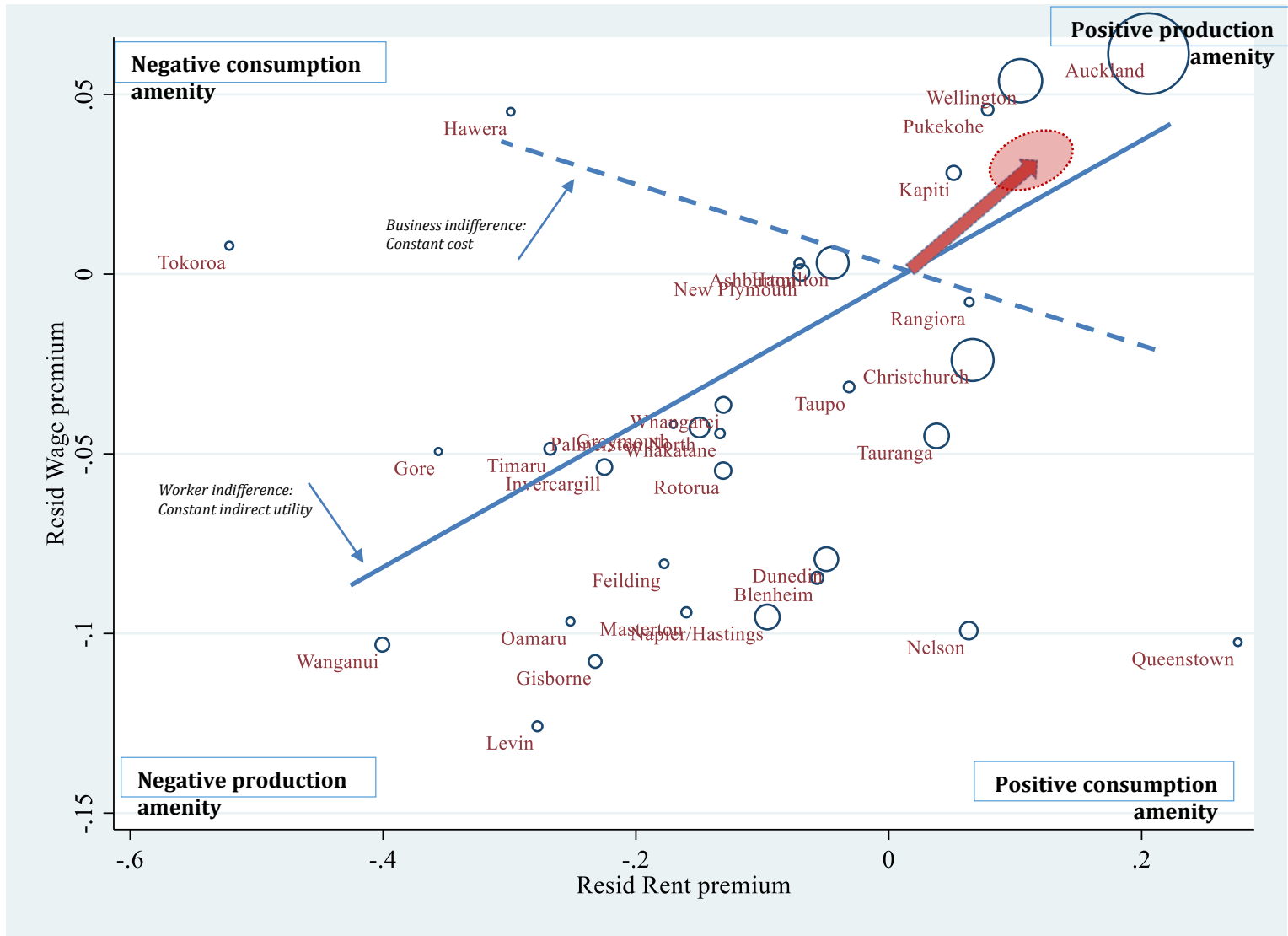
- **City-level** (with Jacques Poot)
 - Does birthplace diversity affect the attractiveness of cities ...
 - For businesses?
 - Quality of business: “productive amenity”
 - For residents?
 - Quality of life: “Consumption amenity”
- **Within cities** (with Jacques Poot)
 - Does it make neighbourhoods more attractive?
 - (allowing for commuting costs)
- **Within firms**
 - Does birthplace diversity affect firms’ productivity?

Research ingredients



- Census microdata
 - 1976-2013, mapped to 2013 geographic boundaries
- IDI/ LBD Productivity data
 - Restrict to larger firms
- Accessed within Stats NZ data lab
 - Research, not official statistics; interpretations are mine; data protection as required by Stats Act & Tax Administration Act.
 - Full disclaimers circulated with this presentation

Impacts of birthplace diversity



Do effects vary across cities?



- Productive effects
 - Favourable effects
 - Strongest in large cities
- Consumption effects
 - Small and weakly negative
 - Possibly stronger in main urban areas other than Akld, Wgtn, Chch
 - Slightly less positive/ more negative over time
 - (2001-2013) v (1981-1996)

Summary Haiku



*In diverse cities
Wages and rents are higher
Firms gain, folks less so*

Current projects



- **Within Cities**

- Does diversity affect the attractiveness of neighbourhoods within Auckland?
 - Account for commuting costs
 - Consider exposure to diversity at daytime (work) and night-time (residential)
 - Look for variation between firms and between residents

- **Within Firms**

- Is multi-factor productivity higher for firms with a more diverse mix of employees?
 - By birthplace/ gender

Full disclaimer



The results in this paper are not official statistics. They have been created for research purposes from the Integrated Data Infrastructure (IDI), managed by Stats NZ. The opinions, findings, recommendations, and conclusions expressed in this paper are those of the author(s), not StatsNZ, other Productivity Hub agencies, or Motu. Access to the anonymised data used in this study was provided by Stats NZ under the security and confidentiality provisions of the Statistics Act 1975. Only people authorised by the Statistics Act 1975 are allowed to see data about a particular person, household, business, or organisation, and the results in this paper have been confidentialised to protect these groups from identification and to keep their data safe. Careful consideration has been given to the privacy, security, and confidentiality issues associated with using administrative and survey data in the IDI. Further detail can be found in the Privacy impact assessment for the Integrated Data Infrastructure available from www.stats.govt.nz. The results are based in part on tax data supplied by Inland Revenue to Stats NZ under the Tax Administration Act 1994. This tax data must be used only for statistical purposes, and no individual information may be published or disclosed in any other form, or provided to Inland Revenue for administrative or regulatory purposes. Any person who has had access to the unit record data has certified that they have been shown, have read, and have understood section 81 of the Tax Administration Act 1994, which relates to secrecy. Any discussion of data limitations or weaknesses is in the context of using the IDI for statistical purposes, and is not related to the data's ability to support Inland Revenue's core operational requirements.



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