JBWere

The Economic Value of the Sector

Measuring Aotearoa New Zealand's for-purpose ecosystem

Author: Professor Frank Scrimgeour

THE UNIVERSITY OF WAIKATO
Te Whare Wānanga o Waikato

E ngā mana, e ngā reo,
e ngā kārangaranga maha –
tēnā koutou katoa.

Kei te mihi ki a koutou e pānui
ana i tēnei rīpoata.

He nui ngā mahi a ngā iwi i runga
i te whenua mō te aroha o tētahi
ki tētahi mō te āhua ki te
manaakitanga o te taiao.

E te iwi, ka mihi rā, ka mihi rā –
tēnā koutou katoa.

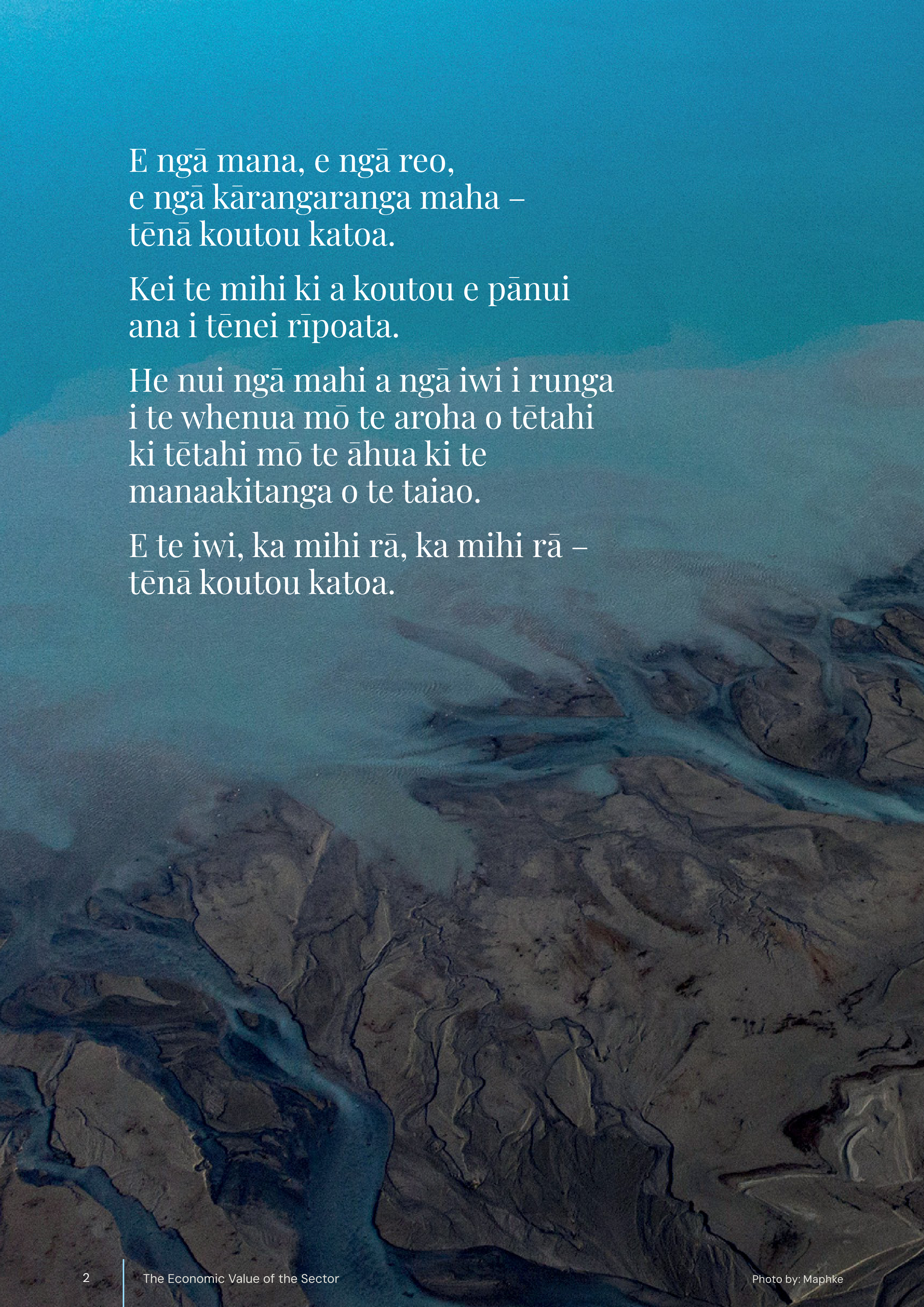

Photo by: Maphke

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We acknowledge the work of the University of Waikato in making this research possible. Special thanks to John McLeod of JBWere Australia for research support and review. We are particularly grateful for the many excellent leaders of New Zealand's for-purpose organisations whose voices are featured in this report – both for their contributions here and their ongoing work and commitment to the sector.

Please cite this report as: JBWere & University of Waikato. (2026). *Economic Value of the For-Purpose Sector in Aotearoa New Zealand*. Auckland: JBWere.

Published in September 2026 by JBWere New Zealand in partnership with the University of Waikato.
Please visit www.jbwere.co.nz to download a copy of this report, and the annex with details on the research methodology.
ISBN Number: 978-0-473-79840-6

Author: Prof. Frank Scrimgeour
Contributor: Dr William McInerney
Editor: Anne Rodda
Designer: Ästhetik Studio
Cover photo: Photo CPL
Printer: Alliance Printers on neosatin which is certified as FSC Mix paper from responsible sources using vegetable-based inks.

Forewords

The for-purpose sector is deeply woven into the fabric of Aotearoa New Zealand. It is present in the places we gather, the services on which we rely, the causes we support, the communities to which we belong, and the institutions that help shape a fairer and more resilient society. Yet despite its reach and importance, the sector all too often goes unseen, unsung, and misunderstood. While many organisations report the social and environmental outcomes they achieve, there has been less visibility of the sector's broader economic contribution and the role it plays in strengthening communities, creating employment, and contributing to a thriving New Zealand.

A clearer and current understanding of the charitable and wider for-purpose sector itself is required. Through our relationships across the sector, we have consistently heard a desire for stronger evidence that captures its full contribution to Aotearoa New Zealand. This report, *The Economic Value of the Sector*, is a contribution to that work.

Public discussion understandably focusses on the pressures facing the sector: growing demand for services, constrained funding, workforce pressures and volunteer fatigue. Boards, leaders, and volunteers are being asked to achieve more, often with fewer resources. These challenges are real, but they are only part of the story.

The sector is also a major field of productive activity, paid employment, volunteering, civic participation and public value creation. It brings together thousands of people who contribute their skills, time, leadership, and resources in service of others. The sector's contribution to our country is significant, as this report demonstrates, showing that its contribution to GDP, including volunteers and depending on methodology, is comparable to our own financial services sector.

Reliable and current data helps ensure the sector's contribution and the pressures it faces are properly understood. A dated picture risks understating both the scale of the sector today and the increasing demands being placed on its workforce, volunteers, funding arrangements, boards, and leaders. Evidence also helps leaders govern well, funders allocate capital thoughtfully, and donors give with confidence. It supports accountability, provides greater transparency, and helps strengthen public trust in the sector.

JBWere is privileged to work with clients across Aotearoa New Zealand, helping them steward their investments, support the causes they care about, and contribute to the communities they serve. For many years we have worked alongside individuals, families, charitable organisations, institutions, kaupapa Māori entities, iwi organisations, and other for-purpose organisations across Aotearoa New Zealand. We help them make thoughtful decisions about their assets, purpose, legacy, and the future, so they can act with confidence and clarity in service of the people and communities they are working alongside.

We are proud to support this research on the economic value generated by New Zealand's for-purpose sector. We acknowledge Professor Frank Scrimgeour as author and the University of Waikato for their leadership and partnership in working with us. We also acknowledge the many organisations, volunteers, staff, trustees, donors, and community leaders whose work sits behind the picture this report helps bring into focus.

We are pleased to share this report with our clients, partners, and the wider sector – to support informed decision-making and strengthen public understanding of the value of the sector. We hope it contributes to better decision-making, and a deeper appreciation of the important role for-purpose organisations play in shaping Aotearoa New Zealand.

— **Craig Patrick,** CEO, JBWere New Zealand

As the Chancellor of the University of Waikato, and with over 40 years' experience in Education in New Zealand, I recognise the many reasons why this publication is both significant and important. It has been written by our University's well-known and highly respected Professor Frank Scrimgeour, and the Philanthropic Services team of JBWere. Together, they have created a timely and important analysis of the importance of the for-purpose sector, to our world, as New Zealanders.

This report matters. Because, in our 21st Century world, service to others matters, and education matters. And, for our future, the economic well-being of our nation matters. My experience in the for-purpose sector centres around the difference voluntary support makes to our young people, throughout their schooling years. And it centres, also, on my own voluntary work at Hospice Waikato as the current Chair of their Trust Board. Both areas are perfect examples of the critical support the for-purpose sector provides to our world, both socially, educationally and economically.

This report is compelling. It demonstrates the real need for us to understand the difference being made, and the importance of recognising our dependence on that difference; and it provides the genuine evidence we require to advocate for that recognition.

I believe, absolutely, in the fundamental importance of service in our lives. To serve is to become a better person; to serve brings genuine reward to ourselves as well as providing benefit to others. It is an integral part of the New Zealand "way", and it makes our world stronger, happier, and more settled.

Philanthropy matters, and this report tells us why. Read it, reflect upon it, and understand why it is important. As I have. We are fortunate that it has been written, and I offer my thanks to JBWere for their support, and to Professor Scrimgeour for his contribution to our knowledge and understanding.

— **Dame Susan Hassall DNZM,** Chancellor, the University of Waikato.

For Ngāti Toa Rangatira, value extends beyond what can be counted. It is found in the strength of whānau, the vitality of our reo and tikanga, the health of our whenua and moana, and the opportunities we create for tamariki and mokopuna. It is also expressed in the responsibilities we inherit from our tūpuna and in our ability to shape our own future.

The for-purpose sector reflects this understanding of value. It is not peripheral to community life, nor is it simply charity. It is the organised expression of collective responsibility. Through whanaungatanga, manaakitanga, kaitiakitanga and rangatiratanga, people contribute their skills, resources and leadership to purposes larger than themselves. Success is measured not simply by what is accumulated, but by what it enables for people, communities and future generations.

At Te Rūnanga o Toa Rangatira, that responsibility is practical. Our work spans cultural revitalisation, health and social services, housing, education, economic development and environmental stewardship. We are a service provider, employer, investor, advocate, landowner, cultural institution and kaitiaki. These roles give practical effect to mana motuhake and to our obligations across generations.

How we define and measure the sector matters, because what we count influences what others see, value and support. When analysis relies on narrow categories, much purpose-led economic activity goes uncounted. By adopting a broader definition of the sector, this report reveals the full extent of economic activity that has long been hidden in plain sight. The report demonstrates that the for-purpose sector makes a substantial contribution to New Zealand's economy that has too often been overlooked. This evidence strengthens advocacy, helps funders and donors invest with greater confidence, and provides policymakers with a stronger evidence base for decisions affecting the sector. Economic contribution matters because it creates jobs, builds capability, attracts investment and supports stronger communities.

Economic contribution, however, is only one dimension of value. It sits alongside outcomes that are no less important: trust, belonging, cultural continuity, whānau wellbeing, and the confidence of youth grounded in their identity. By making the sector's economic contribution visible, this report gives a more complete account of the value it creates. Some outcomes can be measured in economic terms. Others are reflected in stronger whānau, resilient communities, a thriving taiao and greater opportunity for future generations. Together, they provide a fuller understanding of the value the for-purpose sector creates for Aotearoa New Zealand.

— **Callum Kātene,** Chair of Te Rūnanga O Toa Rangatira, and Chair of Māhutonga.

Executive report

The Economic Value of the Sector: Measuring Aotearoa New Zealand's for-purpose ecosystem

Photo by: Nazar_ab

The economic value of the sector

Most New Zealanders encounter the for-purpose sector every week through sport, faith, arts, education, marae, volunteering, donating, advocacy, or support services. Yet its full economic and social footprint remains hard to see because it is not easily defined and it operates across households, communities, iwi, hapū, government, business, philanthropy, and informal networks.

This insight matters because the sector's contribution is both substantial and only partly captured by conventional economic statistics. The most recent comprehensive official measure was the Statistics New Zealand Tatauranga Aotearoa (Stats NZ) Non-Profit Institutions Satellite Account (NPISA), based on 2018 data and released in 2020. Since 2018, the sector and the country have experienced meaningful change, including COVID-19, a patchy economic recovery, shifts in government funding and contracting, and a 'triple crisis' of rising social need, inflated costs, and constrained everyday giving within the for-purpose ecosystem.

With Stats NZ unlikely to update NPISA in the near term, New Zealand is relying on an increasingly dated baseline for a sector that has changed materially. This report aims to close that gap by providing a current estimate of the sector's size and contribution. It does so while reflecting on the limitations of conventional economic measurements. Doing so is vital for a sector rooted in multiple forms of tangible and intangible value that shape the way we live and support each other in Aotearoa New Zealand.

The report's purpose is primarily practical: to help make the sector more visible so that better decisions can be made about how it is supported, partnered with, and understood. Clearer measurement gives for-purpose organisations a stronger evidence base for explaining their scale, needs, and contribution. It also shows donors, funders, policymakers, boards, and the wider public that the sector is a significant field of economic activity, civic participation, and public value, not just a collection of individual organisations.

By estimating the sector's economic footprint, while acknowledging the wider forms of value that sit beyond GDP, the report updates and expands the stories we tell about it in ways that support more informed choices about philanthropy, policymaking, collaboration, and long-term sector resilience.

2026 headline figures

Approximately
119,400
For-purpose organisations, including over 29,000 registered charities.

Revenue of
$41 billion
And $37 billion in expenditure, implying a sector-wide surplus of roughly $4 billion.

Direct contribution of
$19.1 billion
To GDP, or 4.2% of GDP.

Contribution rises to
$25.8 billion
Including the value of volunteer labour, or 5.7% of GDP.

Approximately
231,000
Paid employees, representing about 8% of New Zealand's employed workforce, or roughly 1 in every 13 workers.

Over
930,000
Volunteers contributing 165 million volunteer hours annually, equivalent to approximately 79,000 full-time workers.

All figures in this text are reported in New Zealand dollars (NZD) unless stated otherwise.

Defining and measuring the sector

This report treats the for-purpose sector as part of New Zealand's economic and social infrastructure. It adopts a broader, activity-based definition than prior New Zealand studies, covering registered charities and non-profit institutions alongside selected public benefit entities, tertiary institutions, B Corporations, iwi and hapū organisations, social enterprises, charitable businesses, and other purpose-led entities where activity is oriented toward social, cultural, environmental, or collective benefit rather than private profit.

This report treats the for-purpose sector as part of New Zealand's economic and social infrastructure. It adopts a broader, activity-based definition than prior New Zealand studies.

This broader definition is intended to reflect the sector's reality, not to inflate its scale. Purpose-led activity in New Zealand does not align neatly with one legal form or institutional category. Organisations often combine commercial, social, cultural, environmental, or collective objectives within the same entity. This is particularly evident in social enterprises and other hybrid organisations, where commercial activity may generate surpluses that are reinvested to advance a broader mission rather than distributed solely for private gain. A similar complexity exists in iwi and hapū entities, post-settlement governance entities, Māori collective organisations, and kaupapa Māori providers, which often combine commercial, cultural, social, and intergenerational purposes. A narrow legal-form definition would miss part of this activity, which is central to understanding the for-purpose ecosystem in New Zealand.

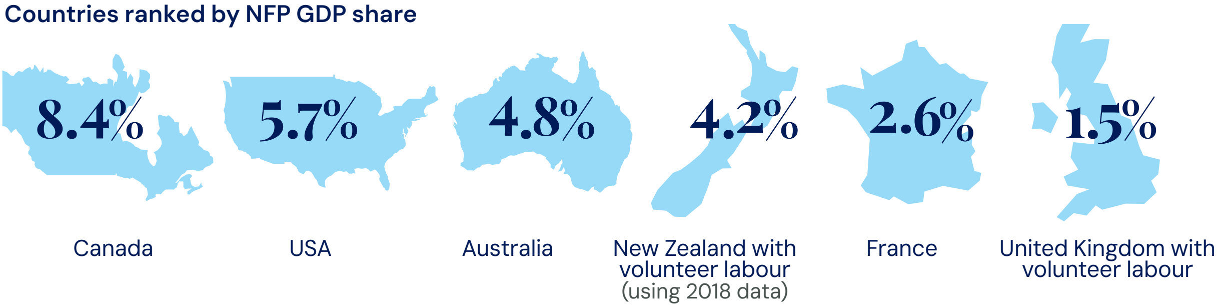
The sector's breadth better reflects its hybrid reality, but it also makes measurement difficult as it overlaps with public and private spheres, relies on significant unpriced inputs such as volunteer labour, delivers services that may be unpriced or below market value, and draws on data spread across sources with inconsistent classifications. Boundary choices therefore materially affect headline results. Comparisons of the report's 2026 estimates alongside 2013 and 2018 Stats NZ data should be treated with caution as they combine natural sector growth and the effect of a broader definition. For example, the report's expanded inclusion criteria for the sector lifts measured direct GDP contribution by approximately half relative to the prior NPISA scope. In other words, because the report presents an expanded view of the for-purpose ecosystem, it should not be interpreted as directly comparable with prior Stats NZ Satellite Accounts.

The second part of the report unpacks this further by setting out the scope expansion, the three-step estimation approach, and the sensitivity range. Fuller technical detail is in the Annex to this report.

International comparisons show how Aotearoa New Zealand stacks up and highlights the impact of methodology

Recent international estimates of non-profit GDP contribution range from 0.8% in the UK (excluding volunteering) to 1.5% (including volunteering), 2.6% in France, 4.8% in Australia, 5.7% in the United States, and 8.4% in Canada which includes government hospitals. Using the historic 2018 Stats NZ data, New Zealand appears low on some comparisons (4.2% with volunteer labour and 2.8% without), but differences in scope, treatment of volunteering, and included entity types limit direct comparability. These global benchmarks are informative, but every estimate must be read alongside its definitions of the sector and assumptions about what counts as value.

Countries ranked by NFP GDP share

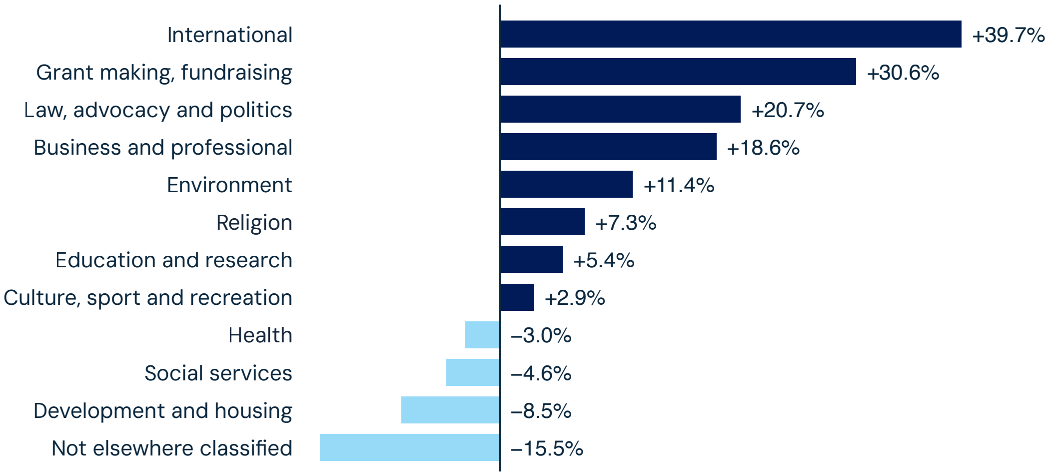


Source: Australian Government (DSS), Health of the U.S. Nonprofit Sector: A Quarterly Review, INSEE, Pro Bono Economics (PBE) / Gradel Institute of Charity, Statistics Canada, Stats NZ, & UK National Accounts, JBWere Philanthropic Services

The Stats NZ NPISA baseline

Our 2026 estimates build from Stats NZ's two most recent NPISA releases. In 2018, New Zealand had around 115,770 non-profit institutions, 150,630 paid employees and 1.01 million volunteers contributing 159 million hours. The sector generated $18.1 billion in income, spent $16.3 billion, and contributed $8.1 billion to GDP, or $12.1 billion once volunteer labour was included. The 2013 and 2018 baselines are useful reference points, illustrating how key metrics have shifted over time, how certain activity groups have grown and contracted and how much larger the measurement gap has likely grown in the eight years since 2018.

Percentage change by activity group from 2013 to 2018



Source: Stats NZ, JBWere Philanthropic Services

What the 2026 numbers show

Compared to earlier baselines, the 2026 estimate points to a sector that is both large and economically material. The report's expanded conceptualisation of the sector identifies approximately 119,400 for-purpose organisations, including 29,301 registered charities, generating $40.5 billion in revenue and $36.5 billion in expenditure, alongside approximately 231,000 paid employees and over 930,000 volunteers contributing around 165 million hours each year.

119,449
Total number of for-purpose organisations

$19.1b
For-purpose contribution to the national economy

$25.8b
Total GDP contribution (incl. volunteering)

930,000
For-purpose volunteers

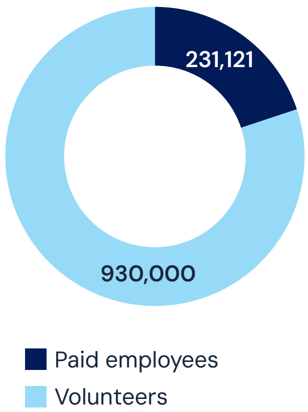
231,121
For-purpose employees

$40.5b
Total for-purpose sector revenue

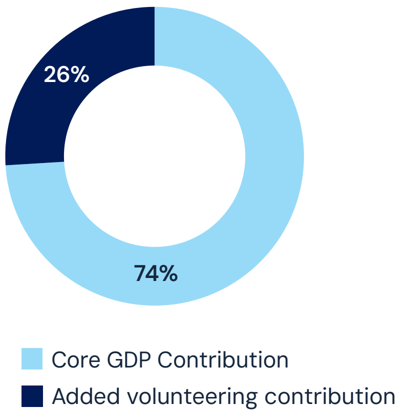
The sector’s paid employees represent about 8% of New Zealand's workforce, or roughly one in every thirteen workers. The estimated 165 million volunteer hours contributed annually are equivalent to approximately 79,000 additional full-time workers.

On a direct basis, the sector contributes an estimated $19.1 billion to GDP, or 4.2% of the national economy. Once volunteer labour is included, this rises to $25.8 billion, or 5.7% of GDP.

2026 for-purpose employees and volunteers



2026 for-purpose GDP contribution breakdown



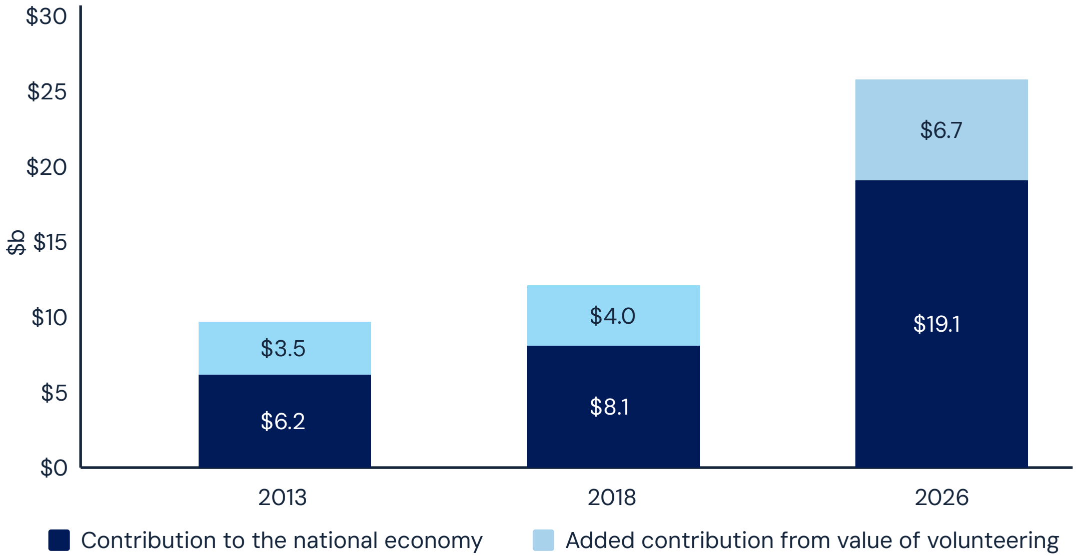
Source: Stats NZ, JBWere Philanthropic Services

Past analyses reported March 2018 estimates and hence this analysis makes estimates for the March 2026 year.

These headline figures should be read with appropriate caution, as sensitivity analysis places direct GDP contribution between $13.6 billion (cautious estimate) and $24.6 billion (optimistic estimate), and contribution including volunteering between $18.9 billion and $32.6 billion.

Even at the cautious end of this range, the for-purpose sector is clearly a significant field of organised activity and economic value, operating at the scale of a major industry.

GDP contribution breakdown: NPISA 2013/2018 and expanded 2026 estimate

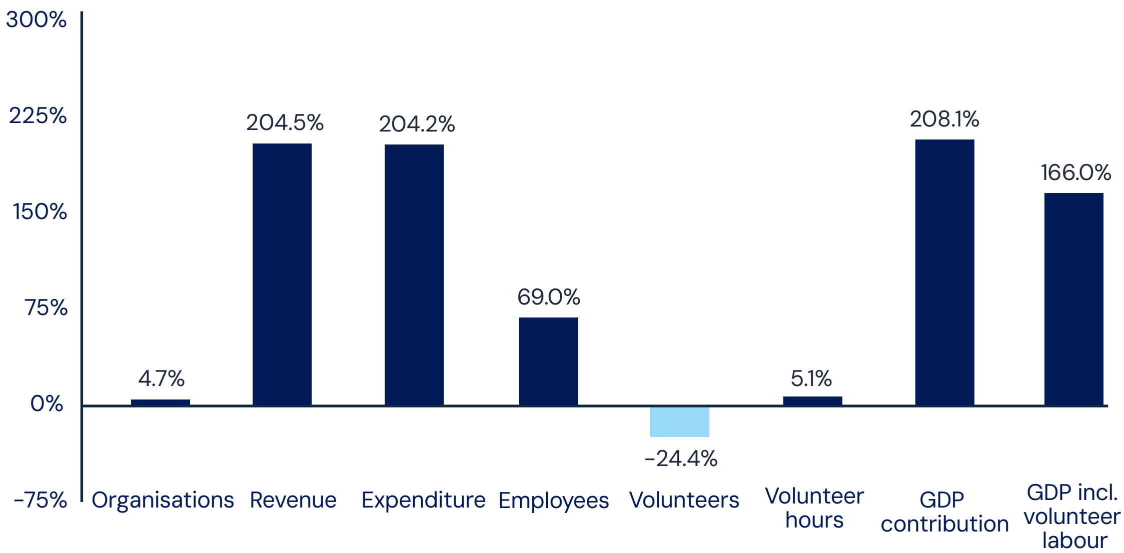


Source: Stats NZ, JBWere Philanthropic Services

Growth and concentration, 2013–2026

Methodological changes over the years complicate a pure comparison. However, when viewed on a mixed growth-and-method basis against the earlier Stats NZ estimates, the growth pattern becomes clear. Between Stats NZ 2013 and this report's new expanded 2026 estimate, sector revenue rises by around 205%, expenditure by 204%, paid employment by 69%, direct GDP contribution by 208%, and GDP contribution including volunteer labour by 166%.

Growth trends between NPISA 2013 and 2026 estimates



Source: Stats NZ, JBWere Philanthropic Services

Organisation numbers show a modest increase of 4.7%. Volunteer hours rise 5.1%, yet volunteer headcount decreases by roughly 24%. This points to a sector that appears to be both growing and becoming more financially and operationally concentrated.

> **The sector is also a major field of productive activity, paid employment, volunteering, civic participation, and value creation. It deserves to be understood as such.**

Volunteer labour is increasingly given by a smaller pool of individuals. However, population-level evidence also suggests that civic participation is shifting rather than simply shrinking, with 'informal helping' increasing outside organisation-based volunteering. A key vulnerability is therefore concentrated in volunteer-dependent organisational models where similar hours may need to be sustained by fewer formal volunteers.

The sector can be growing in financial scale and simultaneously narrowing in its base of civic participation. In this case, both signals carry consequence, and have implications for for-purpose organisations, their funders, and policymakers.

Where the sector sits in the wider economy

At 4.2% of GDP excluding volunteer labour, New Zealand's for-purpose sector sits alongside transport, postal and warehousing (4.2%) and just below retail trade (4.7%). Including volunteer labour, the GDP contribution rises to 5.7%, placing it on par with financial and insurance services (5.7%) and ahead of agriculture, forestry and fishing (5.1%). The for-purpose sector is comparable in scale to industries closely tied to New Zealand's economic identity.

> **However, because the for-purpose estimate constructed here cuts across industry categories, for example our estimates include entities also reported in education, social assistance, and the arts GDP categories, this comparison is illustrative of scale rather than additive to industry totals.**

This analysis, while not a like-for-like comparison, is important because it helps reframe the sector. The for-purpose ecosystem is often discussed in terms of its needs, pressures, and funding constraints. These pressures are real and have materially increased in recent years. But this is not the whole story.

The sector is also a major field of productive activity, paid employment, volunteering, civic participation, and value creation. It deserves to be understood as such.

GDP contributions by sectors, including for-purpose estimates

Rank	Industry	% of GDP
1	Professional, scientific & technical services	9.4%
2	Manufacturing	7.9%
3	Health care & social assistance	6.8%
4	Rental, hiring & real estate services	6.6%
5	Construction	6.4%
6	Financial & insurance services	5.7%
--	**For-purpose sector (incl. volunteers)**	**5.7%**
7	Agriculture, forestry & fishing	5.1%
8	Wholesale trade	4.9%
9	Public administration & safety	4.8%
10	Retail trade	4.7%
--	**For-purpose sector (excl. volunteers)**	**4.2%**
11	Transport, postal & warehousing	4.2%
12	Information media & telecommunications	4.1%
13	Education & training	3.6%
14	Electricity, gas, water & waste services	2.5%
15	Administrative & support services	2.3%
16	Accommodation & food services	2.0%
17	Other services	1.8%
18	Arts & recreation services	1.3%
19	Mining	0.7%

Source: Infometrics, JBWere Philanthropic Services.

Note: GDP industry comparisons for illustrative purposes. Existing standard industry categories include some entities we have classified and counted as for-purpose.

Key insights

The sector is larger than many New Zealanders realise

At 4.2% of GDP excluding volunteer labour, and 5.7% including it, the sector contributes at a scale comparable with major New Zealand industries, a significant creator of economic and social value in its own right.

The sector is becoming more financially concentrated

Revenue, expenditure, paid employment, and GDP contribution have grown substantially, while organisation numbers have risen only modestly. This points to a larger share of sector activity likely being carried by organisations with scale. This concentration has impacts across for-purpose ecosystem from governance, workforce, and funding models, to particular concerns about the sustainability of smaller and community-based organisations.

Volunteer participation may be becoming more concentrated too

The data show that volunteer hours have remained broadly stable, while the number of volunteers has declined. Similar levels of volunteer labour appear to be delivered by fewer individuals. If this trend persists, it has meaningful implications for workforce planning, the culture of civic engagement, and the long-term sustainability of volunteer-dependent organisations.

Definition and methodology matter

Broadening the definition of the sector lifts measured direct GDP contribution and revenue substantially. This report shows an expanded, activity-based definition, helps us see purpose-led activity that sits outside traditional non-profit categories. What is included and excluded shapes how the sector is understood, how its story is told, and how it is treated in policy, funding, and public debates.

Economic measurement captures only part of sector value

Even a substantial economic estimate captures only part of the sector's contribution. Many benefits flow to communities, institutions, and future generations without being fully priced in markets. These include trust, relationships, cultural continuity, environmental stewardship, violence prevention, and community resilience.

Photo by: Simonbradfield

Why the economic value of the sector matters

For for-purpose organisations

Better measurement supports effective strategy and data-based governance, workforce planning, and benchmarking. This opens opportunities for collaboration and engagement with policymakers and funders. Ultimately, knowing the value of the sector helps organisations tell their story and contextualise their own contributions within the wider for-purpose ecosystem.

For donors

The scale of the sector is part of the case for giving. Seeing the sector's collective heft, its workforce, volunteers, and output, helps reframe a donation from an act of charity toward an investment in a productive system. It also shows what additional support could unlock.

For policymakers

Better measurement will support evidence-based policy, regulation, and public investment. A sector of the scale described in this report has the potential to influence employment, social outcomes, and public service delivery. Without data on its size and changing characteristics, policymakers are forced to make decisions using incomplete information.

For communities

Knowing the size of the sector helps make visible what is often experienced locally but not always understood nationally. Trust in the sector depends on the accountability of individual organisations, as well as on public understanding of the wider ecosystem: how large it is, how many people are a part of it, and how much economic value it creates. Measurement does not replace stories, relationships, or lived experience, but it gives a stronger evidential foundation and helps the sector to be more fully understood.

For the country

A growing and thriving for-purpose ecosystem is part of the country's economic and social infrastructure. It contributes to resilience in turbulent times, to social cohesion in moments of change, to cultural continuity, and to the wellbeing of communities across the country. Seeing this sector more clearly is part of how New Zealand understands itself, how we tell our story, and how we plan for our future.

Beyond traditional economic measurement

This report focusses on traditional economic metrics, but it also argues for broader social, cultural, and environmental ideas of value that stem from the sector. GDP, revenue, and employment only capture part of what for-purpose organisations really contribute. Other aspects of sector value, such as, fostering cultural identity, a sense of belonging, and supporting environmental stewardship are also vital, both to the sector's work and our collective wellbeing as a country.

Many dimensions of the sector's contributions can be quantified, but some require more nuance and context to fully appreciate their impact for individuals and society at large.

Social Return on Investment (SROI) is one fruitful way to engage with these harder-to-measure dimensions. SROI translates social, cultural, and environmental outcomes into a form that funders and policymakers can assess alongside financial metrics. New Zealand examples illustrate SROI use in practice and variety, from ImpactLab and Jarden's 2023 analysis of more than 100 programmes to Sport New Zealand's 2024 study of recreational physical activity (social return valued at $2.12 per $1 spent), and Te Kete Aronui's tikanga-centred literacy and numeracy work ($1.72 return after one year). Additional studies show even higher SROI ratios in NZ approaching and exceeding 5:1.

These examples show the potential of combining traditional economic analysis with social value, while also revealing the limits of monetisation. Sport NZ's national SROI deliberately did not place a dollar value on outcomes for Māori participating as Māori, recognising that those outcomes carry mana and are not reducible to economic terms. A dual approach is needed, using SROI and similar tools where they add analytic insight and fiscal credibility and engaging with culturally grounded frameworks for outcomes that are best left outside of attempts at monetisation.

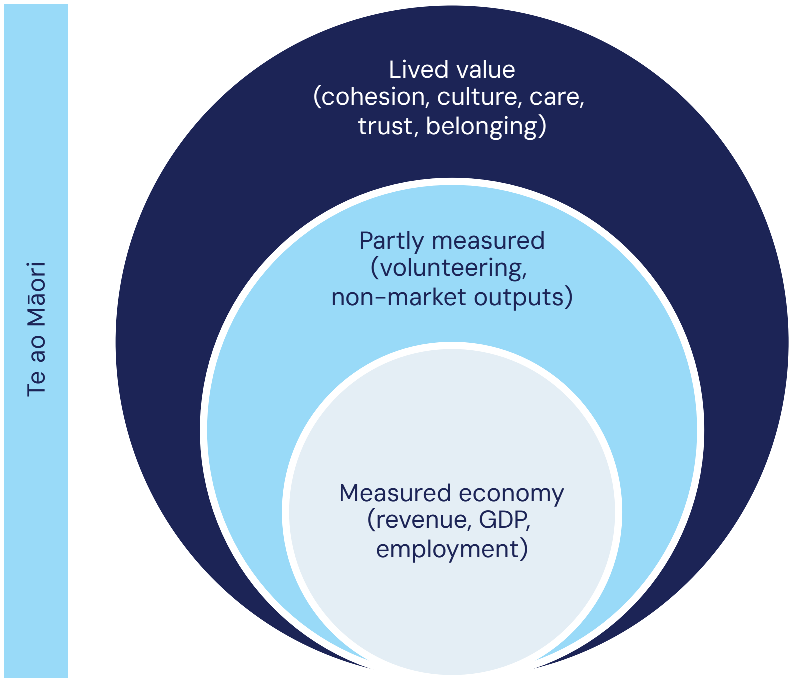
Many dimensions of the sector's contributions can be quantified, but some require more nuance and context to fully appreciate their impact for individuals and society at large.

What the numbers do and do not capture

This research makes it clear that the sector's value sits in multiple layers. The first is the measured economy: organisations, revenue, expenditure, employment, and GDP. The second is the partly measured contribution: volunteer labour, non-market outputs, and informal activity that require additional methods to capture. The third is the lived value experienced in communities: social cohesion, environmental care, trust, belonging, resilience, and spiritual wellbeing.

A te ao Māori perspective is not an additional layer, rather it is woven across all three, grounding this view in the distinct context of Aotearoa New Zealand. Concepts such as whanaungatanga (relationships and belonging), manaakitanga (care and generosity), and kaitiakitanga (stewardship across generations) articulate value that is collective, relational, and intergenerational. These forms of value are present in the measured economy through iwi and hapū enterprise and pakihi whai kaupapa, the partially measured economy through the resilient culture of generosity and volunteering and embedded in the lived value of whānau and communities across the country. Measuring the sector therefore does not force a choice between what can be counted and what cannot. Both accounts of value are meaningful, and a holistic picture holds them together.

The layers of for-purpose contributions



Source: JBWere Philanthropic Services

Seeing the sector's value

The for-purpose sector should be understood as a major field of economic activity, employment, volunteering, and civic contribution. There are many sizeable headline numbers that help tell this story about the sector: GDP contribution that stacks up against major New Zealand industries, revenue in the tens of billions, nearly 120,000 diverse entities, and a combined paid and volunteer workforce of more than 1.1 million, noting that some people may appear in both groups. SROI studies also suggest that some programmes generate social value beyond their direct expenditure, although these estimates depend on method and context. The economic footprint shared here is therefore a baseline for understanding the sector. GDP, employment, and revenue provide one perspective on contribution, while other dimensions require different forms of evidence.

The sector is too large, and too central to New Zealand's communities, to be measured only intermittently or narrowly.

While measurement challenges and limitations remain, the evidence suggests the necessity of seeing, measuring, and understanding the size and economic value of the sector. The sector is too large, and too central to New Zealand's communities, to be measured only intermittently or narrowly.

Better measurement will not capture everything the sector contributes, but it can ensure that a vital part of the country's social, cultural, environmental, and economic infrastructure is no longer overlooked.

Photo by: denizunlusu

Perspectives from the sector

Social charities group: Alicia Sudden, New Zealand Council of Christian Social Services; Ros Rice, Community Networks Aotearoa; Belinda Himiona, Te Pai Ora SSPA; Patrick Gemmell/ Dr Katie Boxall, Hui E! Community Aotearoa

As social sector peak bodies representing organisations across Aotearoa New Zealand, we see every day the difference that for-purpose organisations make in the lives of individuals, whānau, and communities. The sector is united by a commitment to creating positive outcomes for whānau, communities, and future generations. We also see the increasing demands organisations are dealing with and the challenges they face. This report provides important evidence of the sector's scale and contribution, while reminding us that its true impact extends far beyond economics.

Despite the essential role they play in the lives of New Zealanders, the full size and value of the sector is often not recognised or understood. This report provides numbers to back up what we know. Paid employees in the for-purpose sector make up 8% of New Zealand's workforce, and when factoring in volunteer labour, the sector contributes 5.7% of GDP.

However, as the report highlights, economic measures alone cannot fully capture what matters most. The true value of the for-purpose sector extends well beyond financial outputs. It is reflected in stronger whānau, healthier communities, increased social cohesion, and countless acts of care and service.

By highlighting how the sector is both economically valuable and deeply essential to the wellbeing of Aotearoa New Zealand, we hope this report contributes to a more informed conversation about the present value, as well as the future opportunity, of the for-purpose sector. We also pay tribute to the many New Zealanders supporting their communities everyday – you make such a huge difference through the work you do.

National Urban Māori Authority
Lady Tureiti Haromi Moxon, Chair

In 2003, the National Urban Māori Authority was established and represents ten urban Māori charitable organisations across the North Island.

Urban Māori authorities emerged to advance Māori social and economic development. Our members support whānau through cultural connection, health, housing, education, justice, corrections, social services, problem gambling, drug and alcohol rehabilitation and so on.

NUMA was also instrumental in securing the establishment of the North Island Whānau Ora Commissioning Agency, Te Pou Matakana. That commissioning responsibility was held for ten years, until the movement was disestablished by the government in 2025.

This Economic Value of the Sector Report 2026 comes at a crucial time when many whānau in Aotearoa are struggling with colonisation, disconnection, economic inequity, institutional racism, and unequal access to power and resources.

Today, approximately 84 percent of Māori live in urban areas, with many living outside their traditional iwi boundaries.

We therefore thank Professor Frank Scrimgeour and the philanthropic services team at JBWere for their invaluable work. Their rigorous research of the reality of servant leadership and its value in the wider community is of tremendous benefit to us in the for purpose sector.

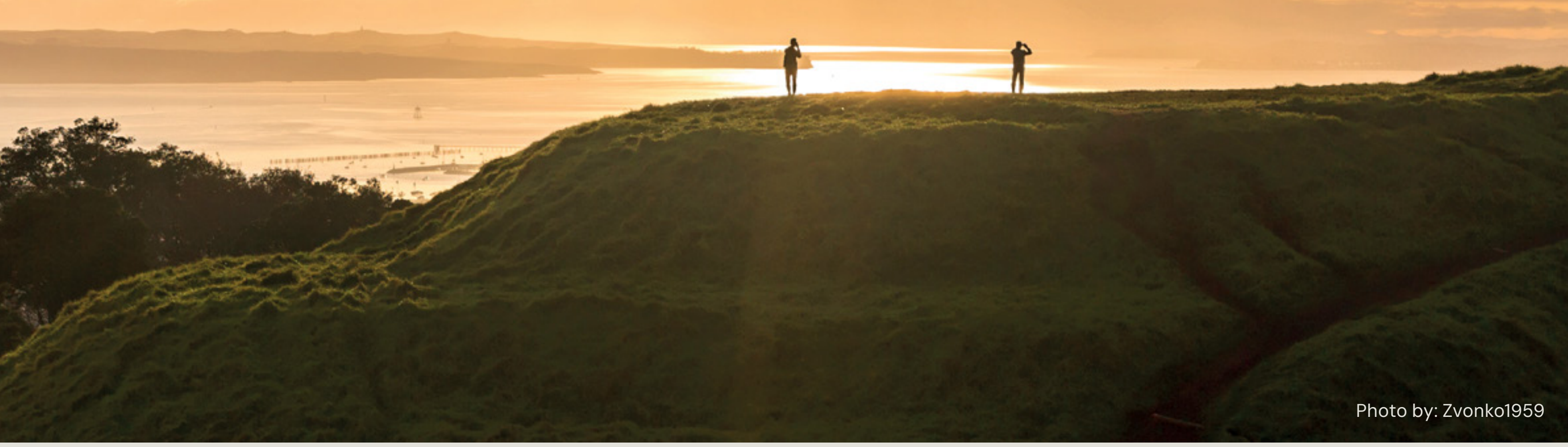


Photo by: Zvonko1959

Tūao Aotearoa Volunteering New Zealand
Michelle Kitney, CE

This report shows that New Zealand's for-purpose sector is far larger, more economically significant, and more dependent on volunteer contribution than is commonly recognised.

Volunteers make up 80% of the sector's workforce, with 930,000 volunteers contributing alongside 231,000 paid workers.

Organisations that involve volunteers are experiencing fewer hours per volunteer, greater casualisation, and rising demand for services. Many perceive that volunteer supply is no longer sufficient to sustain core activities, even though volunteers continue to contribute in smaller, less regular ways.

From a research perspective, this reinforces the need for measurement frameworks that recognise informal, episodic, and culturally grounded volunteering alongside traditional organisational models.

Another key finding is that the sector generates substantial social, cultural, and relational value that cannot be fully captured through economic measures alone.

Organisations recognise that volunteers bring value well beyond cost savings, including new perspectives, empathy, lived experience, and deeper connection to the communities they serve.

The strength of the sector lies in its capacity to adapt, respond to evidence, and evolve to include new generations of volunteers and the ways they wish to contribute.

This report provides timely evidence to help community organisations, funders and policymakers better recognise, invest in, and articulate the value and impact of volunteers and for-purpose organisations.

Philanthropy New Zealand
Robyn Scott, Interim Co-Chief Executive

Philanthropy matters. This report provides important evidence of the economic value and contribution of Aotearoa New Zealand's for-purpose ecosystem, helping to tell a much bigger story about its significance to our communities and our future.

In a world shaped by economic uncertainty, geopolitical tensions, climate challenges, and rapid technological change, understanding the scale and impact of the for-purpose sector has never been more important. By making the sector more visible, this report helps strengthen the evidence base needed for better decisions about how organisations are funded, supported, partnered with, and understood.

The findings highlight that the contribution of philanthropy extends well beyond enabling individual programmes and projects. Philanthropic funding acts as a catalyst for wider social and economic impact. It supports employment, drives innovation, strengthens community resilience, and sustains vital social infrastructure. It also has the flexibility to invest where government and commercial funding often cannot, tackling emerging challenges and addressing systemic issues that might otherwise go unmet.

Most importantly, this report reminds us that philanthropy is not simply an act of giving; it is an investment in the wellbeing, prosperity, and cohesion of Aotearoa New Zealand. By providing a stronger evidence base, it helps ensure that resources are directed where they can create the greatest benefit for people, communities, and the nation as a whole.

Tūao Aotearoa
Volunteering New Zealand

Philanthropy New Zealand
Tōpūtanga Tuku Aroha o Aotearoa

Full research report

The Economic Value of the Sector: Measuring Aotearoa New Zealand's for-purpose ecosystem

Photo by: Georgeclerk

Introduction

> **This report describes and measures the 'for-purpose' sector in the Aotearoa New Zealand economy.**

This report describes and measures the 'for-purpose' sector in the Aotearoa New Zealand economy. The sector is an important companion to the for-profit sector and the government sector in meeting the needs of residents and communities within the country. Each week, the majority of households within New Zealand directly interact with the sector. They engage for their own pleasure and wellbeing through their participation in the arts, sports, community, and faith-based institutions. They engage for the wellbeing of others and the environment through volunteering and donating funds. When they are in need, they engage as the recipients of vital support in the form of food, housing, and health care. They also engage indirectly as citizens and employees as for-purpose entities collaborate extensively with the state and the private sector.

This ecosystem is intertwined, enhancing resource flows and impacts, but also making it difficult to determine the contribution of the for-purpose sector in comparison to the contribution of government, business, and private households. The activities, structures, and relationships of the for-purpose sector that show up in our daily lives are integral to the country. They are also hard to delineate and constantly evolving over time. Hence, it is important to take another look at this part of the economy.

The most recent comprehensive estimate of the sector was produced by Statistics New Zealand Tatauranga Aotearoa (Stats NZ), using 2018 data and released in 2020, through its Non-Profit Institutions Satellite Account (NPISA). That data was subsequently examined in the JBWere 2021 New Zealand Cause Report. Since then, the for-purpose economy, as well as the wider national economy, has experienced significant growth as well as disruption, including the effects of COVID-19, New Zealand's patchy recovery, and shifts in government funding and priorities. Over this time, the for-purpose sector has experienced a 'triple crisis' of rising social needs, inflated costs, and constrained giving. This context highlights both the vital role the sector plays across the country and the challenges it faces. The meaningful changes since the last estimate in 2018, combined with recognised limitations in prior estimates, including narrow definitional scope and incomplete coverage of non-market contributions, provide the motivation for this fresh assessment.

This post-2018 context is important because the sector is being asked to absorb more demand while operating with less certainty. A dated baseline therefore risks understating not only the sector's current scale, but also the pressure being placed on its workforce, volunteers, funding models, and governance capacity.

Importantly, the contribution of the for-purpose sector extends beyond what conventional economic statistics capture. Across health, education, social services, faith, arts, environment, and community development, for-purpose organisations deliver services that are often unpriced or below market value, supported by an array of volunteers and their labour. Using Stats NZ's NPISA earlier data from 2018, when the economic value of volunteering is included, the sector's estimated contribution to GDP increased from 2.8% to 4.2%.

Yet even this broader measure understates the sector's layers of impact. Its activities generate social cohesion, community resilience, and cultural and environmental outcomes that are not easily captured in national accounts but are fundamental to the wellbeing of New Zealand communities. This broader understanding of value also has deep roots in te ao Māori, where collective welfare, reciprocity, and intergenerational stewardship through whānau, hapū, and iwi have long been organising principles for social and economic life. The concept of pakihi whai kaupapa, business that pursues social and cultural goals alongside financial sustainability, reflects a tradition in which purpose and prosperity are not treated as separate objectives.

The for-purpose sector is distinctly positioned to provide value in ways that can be measured, as well as ways that can only partially be captured, and in ways that move beyond measurement and are best understood within the lived experiences of our communities.

The for-purpose sector is distinctly positioned to provide value in ways that can be measured, as well as ways that can only partially be captured, and in ways that move beyond measurement and are best understood within the lived experiences of our communities.

While this report focuses on quantitatively measuring the economic dimensions of the for-purpose ecosystem, it does so while acknowledging the sector's broader value to communities across Aotearoa New Zealand. Specifically, it seeks to broaden the discussion about the size and value of the for-purpose sector by incorporating voluntary labour into the estimates. The report also includes a sector insights section (pages 44-45), which brings together key sector perspectives on the social and environmental impacts and contributions of the for-purpose ecosystem. In addition, the report advances the discussion of the sector's size and significance by adopting a broader definition of for-purpose entities than previous New Zealand studies. It includes registered charities and non-profit institutions as well as autonomous Crown entities, tertiary institutions, B Corporations, and iwi- and hapū-owned businesses. This expanded definition changes the way we see the sector and the stories we tell about it.

It is important to note that because definitional and boundary decisions materially affect estimated size, and because there are meaningful data limitations, the results presented should be understood as estimates rather than precise measures. Sensitivity analysis is provided to illustrate the range of plausible estimates.

The report consists of three parts and an annex.

- **Seeing the sector:** Defines the for-purpose ecosystem, explains why boundaries matter, and makes the case for measurement.
- **Measuring the sector:** Establishes the 2018 NPISA baseline, explains the broader 2026 scope, and summarises the assumptions and sensitivity ranges used to read the results.
- **Value of the sector:** Presents the headline estimate, growth and concentration trends, comparative economic scale, methodological effect of the expanded definition, sensitivity analysis, and implications.
- **Methodology:** A separate detailed Annex unpacks how the 2026 estimates were calculated, sharing the report's reference list, boundary decisions, data sources, assumptions, and estimation framework The Annex is available for download at www.jbwere.co.nz/wealth-services/philanthropic-services

Each part also includes **sector voices** – bringing first-hand experience, knowledge, and passion into the report from those working at the coalface of the for-purpose ecosystem in Aotearoa New Zealand. The for-purpose leaders and organisations featured throughout, like the example from the Te Papa Foundation below, help give wider context for the quantitative findings and assist to place the report within real-world practice.

Ultimately, this report seeks to make visible what has too often been overlooked: a sector that touches the lives of virtually every New Zealander – the local sports club, the community health provider, the marae, the food support service, the environmental group – yet remains only partially documented within existing statistical and policy frameworks. Producing a clearer, more robust picture of this activity, the web of relationships that hold it together, and the many forms of value that flow from it matters not only for the organisations themselves but for the funders, policymakers, and communities that depend on them.

Better data about the size and economic value of the sector can inform and enable better decisions about where resources are directed, how impact is understood, and how the story of the sector is told in our homes, at our places of work, and within our wider community. Building on insights from the sector and previous research, this report makes a timely contribution to that effort.

The value of the for-purpose sector is its ability to strengthen the fabric of our society by backing the things that define who we are and what we leave behind. I've seen firsthand how philanthropy helps protect our cultural heritage and create opportunities that government or business can't achieve alone.

Last year, more than one million people visited Te Papa, reflecting the impact that community support and partnerships can have. It shows what's possible when people invest in something bigger than themselves and take a shared stake in our future.

— **Te Papa Foundation**
Aaron Hape, Chair

TE PAPA
FOUNDATION

Seeing the sector

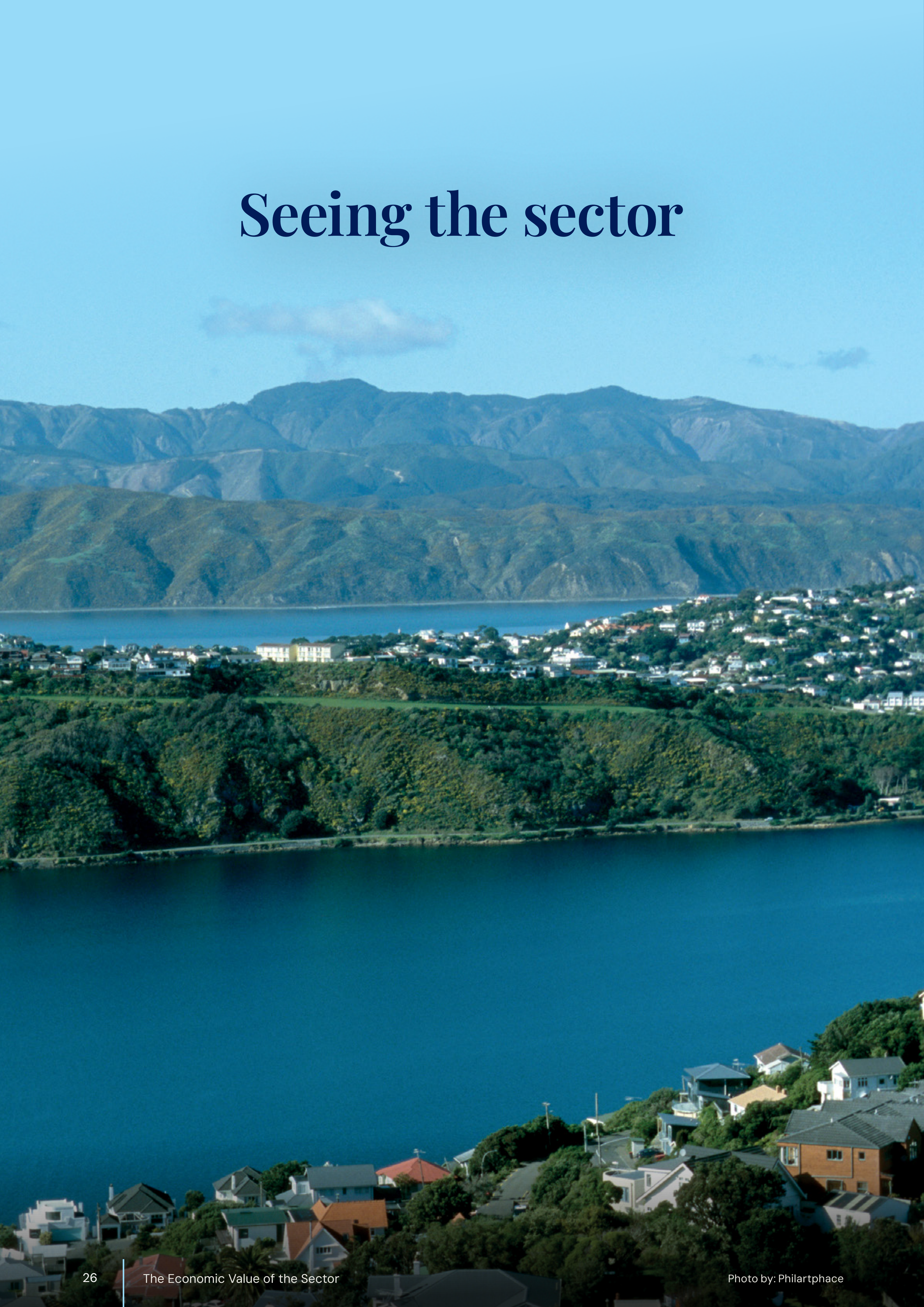


Photo by: Philartphace

What is the for-purpose sector?

What's in a name? Defining the for-purpose sector, its scope, and boundaries

Defining the sector is difficult because the available labels each capture only part of what these organisations are and do. Conceptually, is the sector defined as 'for-purpose', 'nonprofit', 'third sector', or something else? 'Not-for-profit' and 'non-profit' define them by what they do not do; 'third sector' defines them by where they sit after the market and government; 'charity' names a legal status that many purpose-led entities neither hold nor seek. The table below summarises these limitations.

Sector definitional dilemmas

Label	Limitation
Not-for-profit	Defines organisations by what they do not do (distribute profits) rather than by their positive purpose or contribution to social, cultural, or environmental value.
Nonprofit	Can be misleading because many organisations generate trading surpluses; the defining feature is reinvestment toward mission, not the absence of profit itself.
Third sector	Defines organisations by their residual position after the market and state, rather than by their distinctive purposes, governance, or value creation.
Charities	Refers to a specific legal status and excludes many purpose-led entities, including social enterprises, iwi organisations, and incorporated societies that pursue public or collective benefit outside charitable registration.
For-purpose	Better captures mission and value creation, but its boundaries are broader and less settled, especially where organisations combine charitable, commercial, iwi, public, and community functions.

Source: JBWere Philanthropic Services

Furthermore, organisations tend to have a mix of activities and stakeholders. This is most visible with social enterprises and hybrid organisations. A charitable organisation may own a building and rent out a floor on a commercial lease. That is a for-profit activity. However, the profits fund staff and facilitate volunteers running a second-hand shop reducing waste and facilitating reuse, particularly for members of the community who are experiencing financial hardship. That is charitable activity, but it still involves financial transactions which potentially generate a surplus. The complexity gets even greater when considering businesses that are set up with a clear focus on addressing an environmental problem. The activity may generate profits, but they are utilised to further the business mission rather than be distributed as dividends to owners.

Grappling with these definitional dilemmas and acknowledging that all labels carry limitations, this report uses the term 'for-purpose sector' or 'for-purpose ecosystem' because they place purpose, rather than profit status or legal form, at the centre of the definition. The term is broad enough to include registered charities, community organisations, iwi and hapū entities, social enterprises, faith-based providers, health, sport, and recreation groups and other organisations that pursue public, social, cultural, environmental, or collective benefit. It is not a perfect label, and its boundaries still require judgment, but it is more consistent with the sector's diversity than terms that define organisations mainly by what they are not, or by a single legal status.

Historical development of the for-purpose sector in New Zealand

The sector's current shape cannot be understood only through present-day legal forms or financial data. Its scale, diversity, and measurement challenges reflect a long history shaped by three institutional traditions: faith-based welfare provision, state–voluntary sector collaboration, and Māori collective organisation and enterprise.

The timeline below maps key points in the sector's history across the past 200 years; the following pages provide a more detailed narrative account.

Pre-1800s
Whānau, hapū and iwi systems of collective welfare, manaakitanga and reciprocity, organised social provision long predating European arrival to Aotearoa.

1814
Anglican Church Missionary Society (CMS) established in New Zealand; missionary activity and early organised charity begin.

1890
The Royal New Zealand Foundation of the Blind (now known as Blind Low Vision NZ) is established.

Early 1900s
Catholic and other Christian providers operating orphanages, homes for unmarried mothers, and residences for the elderly and disabled.

1916
CMS reconstituted as a locally governed body, transitioning toward structured social service provision.

Mid 1920s
Approximately 85 private faith-based welfare institutions operating across New Zealand.

1929–35
Great Depression overwhelms voluntary provision; the state expands its welfare role significantly from the 1930s onward.

1938
Social Security Act establishes a comprehensive welfare state, deepening rather than displacing the role of voluntary organisations. Establishment of advocacy and support organisations such as IHC New Zealand and CCS Disability Action.

1940
J R McKenzie Trust established, becoming one of New Zealand's earliest and most influential family philanthropic foundations.

1940s–60s
Rapid Māori urbanisation; new organisational forms emerge in cities, including church-linked Māori missions and urban community groups. Furthermore, peak bodies, including NZ Federation of Voluntary Welfare Organisations, NZ Council of Social Services and NZ Council of Christian Social Services, are established.

1950s
State regularly subsidising Christian social services and institutional care, marking a shift from purely philanthropic funding toward contracted delivery.

1950s–60s
Voluntary organisations professionalise; paid staff supplement volunteers; secular providers diversify the sector.

1970s
Onward Māori institutional resurgence: iwi authorities, urban Māori organisations, and Māori social service providers develop as vehicles for self-determination. Around the same time, growth of family philanthropy, including the establishment of major grant making foundations such as the Todd Foundation.

1980s
State restructuring drives contract-based service delivery; community organisations adopt hybrid forms, blurring boundaries between charity, business, and government provision. Twelve community trusts established in 1988 to hold ownership of New Zealand's regional trustee savings banks.

1990s
Treaty of Waitangi settlements transfer significant assets to iwi through post-settlement governance entities (PSGEs). Growth of family foundations, community trusts, energy trusts, and organised philanthropy alongside Treaty settlement entities and iwi-led development. New Zealand Association of Philanthropic Trusts established in 1990 to support grantmakers and promote philanthropy in New Zealand. Tindall Foundation established in 1994.

2000
New Zealand Association of Philanthropic Trusts becomes Philanthropy New Zealand, signalling the emergence of a more visible and coordinated philanthropic sector. Around the same time, there is a rise in giving from high-net-worth families across New Zealand.

2005
Charities Act 2005 establishes the modern registration and reporting framework and Stats NZ releases its first Non-Profit Institutions Satellite Account.

2008
New Zealand removes the cap on charitable donation tax credits, allowing individuals to claim credits on donations up to 100% of their taxable income and strengthening incentives for philanthropic giving.

2010s
Whānau Ora is established, and iwi social services continue to expand. Annual returns, Charities Services data, and sector research improve visibility of sector scale, structure, and funding. Around the same time, social enterprise, impact investing, and hybrid for-purpose models gain greater recognition, albeit in relatively small numbers. Spark Foundation (2011), Givealittle digital platform (2012), NEXT Foundation (2014), and MAS Foundation (2019) are established.

2020s
COVID-19 increases demand for social services while disrupting revenue streams; subsequent fiscal tightening, shifting government contracting arrangements create sustained pressure on the sector. At the same time, community foundations grow in number and scale.

200+ years of Aotearoa New Zealand's for-purpose sector

The history of for-purpose activity in Aotearoa New Zealand begins before European people, institutions, and legal forms arrived. Whānau, hapū, and iwi-organised systems of collective welfare, reciprocity, and care are the foundation of the sector. A full account of that history is beyond the scope of this report and warrants its own future research focus. The sections that follow briefly trace the past 200 years, including the development of for-purpose institutions and the resurgence of Māori for-purpose entities from the nineteenth century onwards.

Faith-based welfare and early organised charity

Although missionary activity predated the twentieth century, its institutional legacy shaped the early development of organised charity. The Anglican Church Missionary Society, established in New Zealand in the nineteenth century and reconstituted locally by 1916, transitioned toward structured forms of social service provision, particularly among Māori communities and in urban settings.

Catholic and other Christian providers followed a parallel trajectory, operating orphanages, homes for unmarried mothers, and residences for the elderly and disabled.

By the mid-1920s there were approximately 85 private faith-based welfare institutions in New Zealand.

State expansion and the voluntary welfare partnership

The early twentieth century also saw the consolidation of a hybrid welfare system in which voluntary organisations and the state co-evolved. Churches and benevolent societies had expanded their activities from the late nineteenth century, responding to urbanisation and poverty through orphanage care, moral reform initiatives, and other forms of religiously motivated assistance.

Economic crisis, particularly the Great Depression, created pressures that voluntary provision alone could not meet. The state expanded its role in welfare from the 1930s onward, most visibly in the Social Security Act 1938. Rather than displacing voluntary organisations, this deepened their integration into the welfare system and marked a shift from purely philanthropic funding toward contracted or supported service delivery.

In the post-war period, voluntary organisations became more professionalised. Paid staff numbers rose and the sector diversified into a field of community-based providers with mixed funding streams and increasingly formal governance. Alongside state funding and service provision, philanthropic funding also became increasingly structured and institutionalised through private trusts, community trusts, family foundations, and corporate giving programmes. These giving structures and organisations provided independent sources of capital for social, cultural, and educational initiatives. Individual giving also eventually moved from a heavy reliance on house-to-house and street-based collections to online giving platforms. Social enterprise activity, including 'op shops' and other trading arms, became an important income source for some organisations during this period, though its wider sector-level impact has been more modest than early expectations suggested.

Māori collective organisation and enterprise

A distinct but interconnected trajectory traces the continuity of Māori organisational development. As noted at the start, Māori society had long maintained systems of collective welfare and reciprocity grounded in whānau, hapū, and iwi relationships. These systems were highly organised forms of social provision. Colonisation, land alienation, and Māori urbanisation further prompted new forms of for-purpose organisation, including church-linked Māori missions and community groups.

From the 1970s onward, Māori institutional resurgence became increasingly visible through iwi authorities, urban Māori organisations, Māori social service providers, Māori trusts, and incorporations. These for-purpose entities could be understood as vehicles for self-determination and broader social, cultural, and economic objectives. Similarly, new culturally relevant entities emerged in the growing Pasifika community across Aotearoa New Zealand.

In a complementary strand, the concept of social enterprise gained prominence in the late twentieth century. Its roots in New Zealand can be traced back further to earlier developments within cooperatives, community organisations and Māori enterprise. Māori economic activity historically emphasised collective benefit, while community organisations increasingly engaged in contract-based service delivery and income-generating activity. This blurring of the boundaries between charity, business, and government provision continues today.

From the 1990s onward, Treaty of Waitangi settlements reshaped the institutional landscape of Māori for-purpose activity. Settlement assets were held in post-settlement governance entities charged with managing resources on behalf of iwi members. These entities often advanced dual mandates of generating commercial returns and funding social, cultural, and educational programmes for beneficiaries.

Regulation, measurement, and sector visibility

In the early 21st century, the sector also became more formally regulated and measurable. The Charities Act 2005 created the modern registration and reporting framework, with the public Charities Register opening in 2007. Over time, annual returns, Charities Services data, Stats NZ's Non-Profit Institutions Satellite Account, Philanthropy NZ research, Giving New Zealand, JBWere's Support and Cause Reports, and Volunteering New Zealand's State of Volunteering series strengthened understanding of the sector's scope and impact.

Recent pressures and the case for better measurement

While there have been extensive developments across the 21st century, none tested the sector, nor the country, like those in 2020. COVID-19 and the subsequent patchy economic recovery increased demand for social services, disrupted revenue streams, and were followed by a tighter fiscal environment.

As the JBWere Outlook for Giving 2026 notes, nominal charitable giving rose across 2018–2025 but was materially eroded in real terms by inflation, with 2025 giving effectively back to 2018 levels. For many organisations, the result has been a squeeze of rising costs, constrained income, and growing demand, accelerating interest in measuring the sector's contribution and economic value more rigorously.

Organisational forms and legal structures

For-purpose organisations exist in a range of legal forms, governance structures, and accountability arrangements. The following table summarises the main forms and regulatory considerations.

Area	Summary
Legal forms	Charitable trusts and other trusts initiated by individuals, private sector entities and government entities; companies with charitable purposes; companies with for-purpose commitments and accreditation, but not charitable; incorporated societies; and Māori trusts and incorporations.
Governance and accountability	Governance structures, including boards, trustees, and committees, are diverse, as are accountability arrangements with stakeholders.
Regulatory requirements	For-purpose entities must meet all the standard requirements of organisations with respect to health and safety, taxation, etc. If they seek registered charity status, they must meet Charities Services requirements under the Charities Act 2005.
Charity status	Registered charities must exist for exclusively charitable purposes, provide a public benefit, and ensure that any profits are not distributed to private individuals.
Accreditation and stakeholder engagement	If accredited with an accreditation agency, they have additional requirements (e.g., B Corporations). Because of their deep engagement with stakeholders, they also have significant stakeholder consultation beyond annual reporting and annual meetings. Some see this engagement as essential in sustaining a social licence while others consider these costs a burden on the sector.

Source: JBWere Philanthropic Services

Registered charity status is the most significant institutional category within New Zealand's for-purpose ecosystem and is particularly relevant to an analysis of the sector's economic value. The JBWere Cause Report 2021 notes that Charities Services data captures roughly one-fifth of New Zealand's known not-for-profit organisations. Despite this relatively small share of organisations by number, the charity sector reported approximately $18 billion of annual income in 2018 according to Charities Services data. Stats NZ's NPISA estimated that all non-profit institutions generated $18.11 billion of income that same year. While the two datasets are not directly comparable because they use different scopes and methodologies, together they indicate that registered charities represent a minority of organisations but a substantial proportion of the formal economic activity occurring within New Zealand's for-purpose sector.

> *The value of the for-purpose sector is the difference between a society that simply functions and one that truly cares. Every day, charities step in where need exists, protecting the vulnerable, strengthening communities, and creating outcomes that benefit us all. At SPCA alone, we support over 55,000 animals each year through rescue, rehabilitation, advocacy, and education. The value of the sector cannot be measured solely in dollars, but in the lives improved (human and animal), suffering prevented, and futures changed.*
>
> — SPCA
> **Todd Westwood,** Chief Executive

Charities Act 2005

"In this Act, unless the context otherwise requires, charitable purpose includes every charitable purpose, whether it relates to the relief of poverty, the advancement of education or religion, or any other matter beneficial to the community."

(Charities Act 2005, s 5(1))

The four recognised types of charitable purpose:

Relief of poverty | Advancement of education | Advancement of religion | Other purposes beneficial to the community

Key activities and service domains

For-purpose organisations operate in many fields of activity. Stats NZ classifies non-profit activity into twelve groups, closely aligned with the categories used by Charities Services as both are based on the International Classification of Nonprofit Organizations (ICNPO), with minor variations for our local context.

The table on the following page from the 2018 NPISA shows the number of non-profit institutions in the country at the time of the past two studies.

To me, the value of the for-purpose sector is how we strengthen the health system by filling gaps and providing essential services that might otherwise go unmet. Last year, Breast Cancer Foundation NZ's team of specialist nurses answered more than 10,000 calls from New Zealanders seeking support. As an independent service, our nurses can take the time to listen, provide a safe space to discuss concerns, and help people navigate next steps – from seeking assessment for possible symptoms to accessing timely treatment – giving them the best chance of surviving breast cancer. Every dollar invested in the Foundation generates $7.89 in leveraged impact, funding research, awareness, support and advocacy that ultimately lowers long-term public costs.

— **Breast Cancer Foundation NZ**
Ah-Leen Rayner, Chief Executive

Breast Cancer Foundation NZ

Number of non-profit institutions

Activity Group	Number		%	
	2013	2018	2013	2018
Culture, sport, and recreation	50,380	51,820	44.2	44.8
Education and research	7,960	8,390	7.0	7.2
Health	3,010	2,920	2.6	2.5
Social services	14,810	14,130	13.0	12.2
Environment	1,850	2,060	1.6	1.9
Development and housing	9,680	8,860	8.5	7.7
Law, advocacy and politics	3,190	3,850	2.8	3.3
Grant making, fundraising and voluntarism promotion	1,210	1,580	1.1	1.4
International	630	880	0.6	0.8
Religion	9,440	10,130	8.3	8.8
Business and professional associations, unions	3,110	3,690	2.7	3.2
Not elsewhere classified (residual category)	8,840	7,470	7.7	6.5
Total	114,110	115,770	100.0	100.0

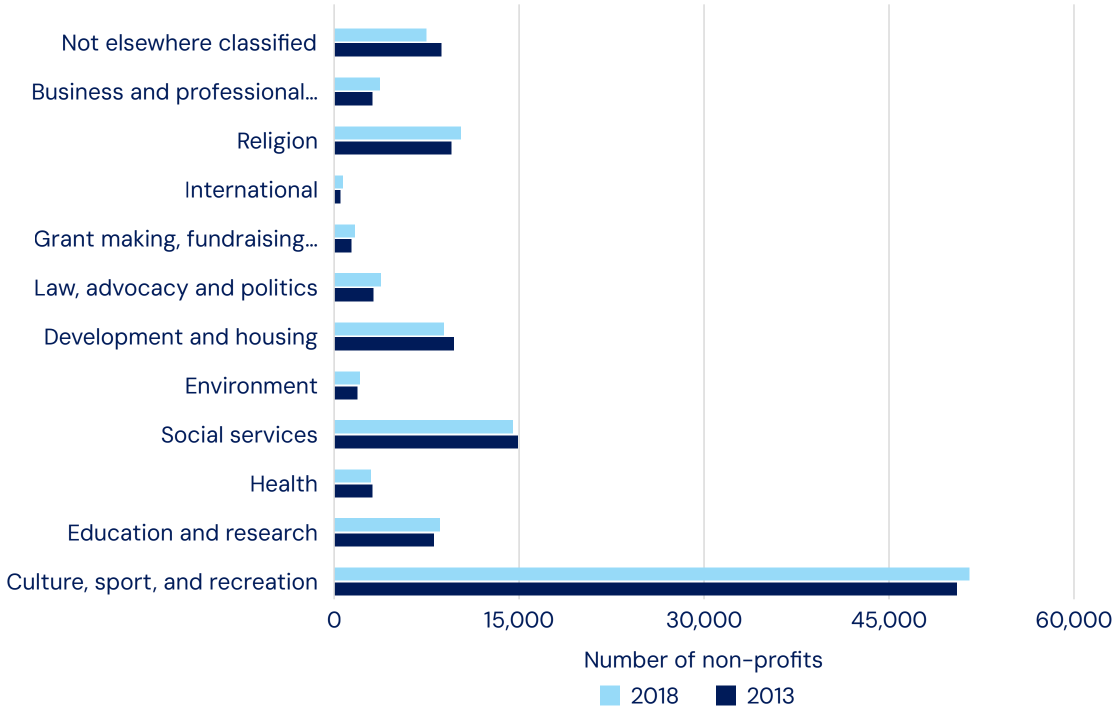
Source: Stats NZ

In 2018, Stats NZ counted 115,770 non-profit institutions (NPIs). The largest activity group was culture, sport, and recreation, with 51,820 organisations, or 44.8% of all NPIs. Social services followed with 14,130 organisations (12.2%), then religion with 10,130 (8.8%), development and housing with 8,860 (7.7%), and education and research with 8,390 (7.2%). The distribution is quite broad but numerically weighted toward these largest categories.

Again, using Stats NZ NPISA data, the change from 2013 to 2018 was modest overall, with the total number of NPIs rising from 114,110 to 115,770, an increase of 1,660 organisations. Beneath that small net movement, the composition shifted as well. Culture, sport, and recreation added 1,440 organisations and increased its share from 44.2% to 44.8%. Law, advocacy, and politics grew from 3,190 to 3,850 and religion from 9,440 to 10,130.

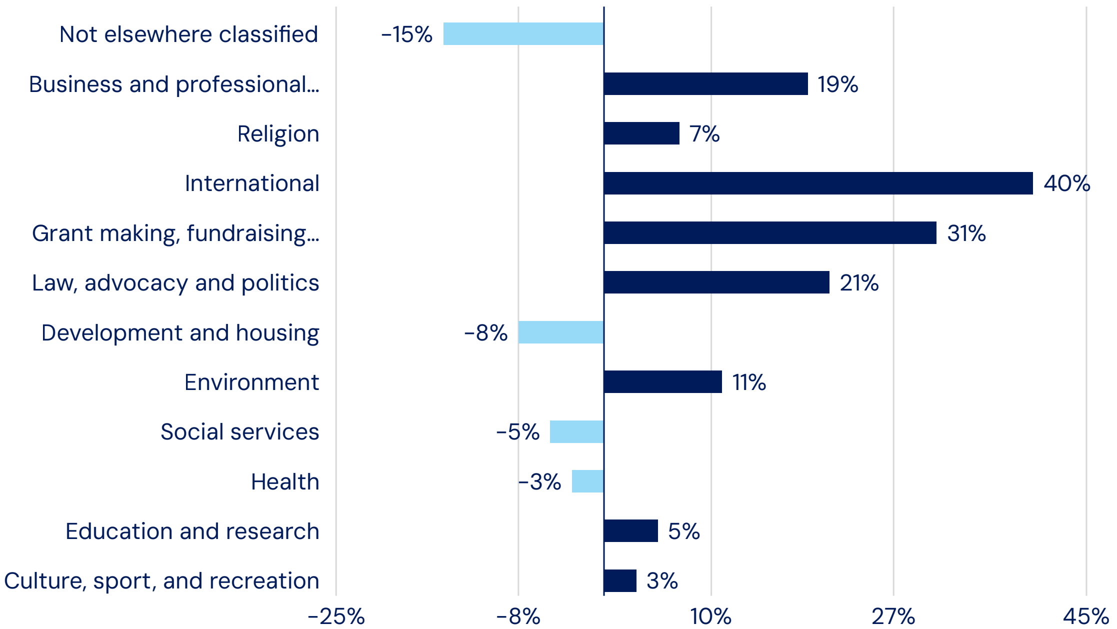
The main declines were in 'Not elsewhere classified,' down from 8,840 to 7,470, development and housing, down from 9,680 to 8,860, and social services, down from 14,810 to 14,130. International and grant making, fundraising, and voluntarism promotion recorded large percentage increases between 2013 and 2018, rising from 630 to 880 and from 1,210 to 1,580 respectively. However, both remained small by count, together accounting for only 2.2% of NPIs in 2018. These movements suggest limited aggregate growth, but some rebalancing across activity groups and increased heterogeneity within the sector.

2013 vs 2018: Number of non-profits by activity group



Source: Stats NZ, JBWere Philanthropic Services

Percentage change by non-profit activity group from 2013 to 2018



Source: Stats NZ, JBWere Philanthropic Services

44.8% Non-profits classified as culture, sport & recreation, the largest activity group in 2018.

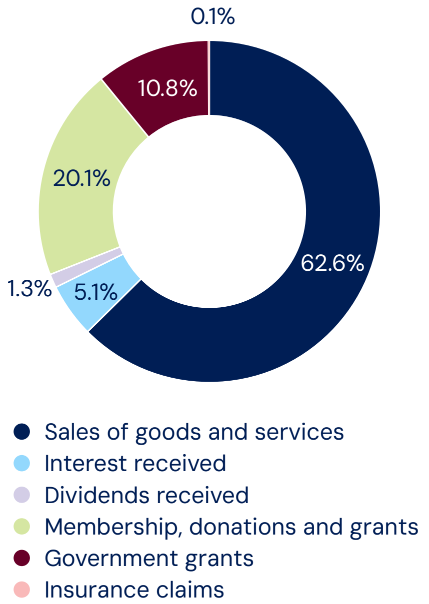
Sector income and expenditure

Across all these fields, for-purpose organisations deliver a variety of services funded from their own resources, donations, government grants, and income received from sales of goods and services to the market or via government contracts.

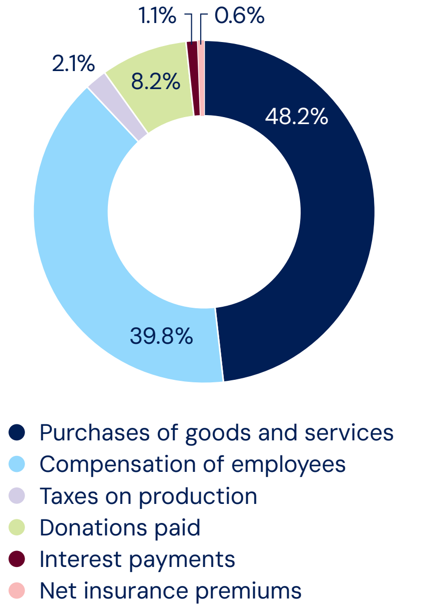
The 2018 NPISA income charts showed that sales of goods and services were the dominant income source for non-profit institutions, increasing from 62.6% of income in 2013 to 65.9% in 2018. Membership, donations, and grants remained the second-largest source, but fell from 20.1% to 19.0%, while government grants declined slightly from 10.8% to 10.4%. Interest, dividends, and insurance claims made up the remaining 4.7% of income in 2018. Expenditure was even more concentrated. Purchases of goods and services made up 49.8% of spending in 2018 and employee compensation 40.5%, meaning these two categories accounted for around 90% of total expenditure.

The sector is not as donation funded as some might assume. It is substantially market-facing, materially exposed to government funding settings, and heavily driven by the operating and labour costs required to deliver services.

2013 non-profit income sources



2013 non-profit expenditure categories



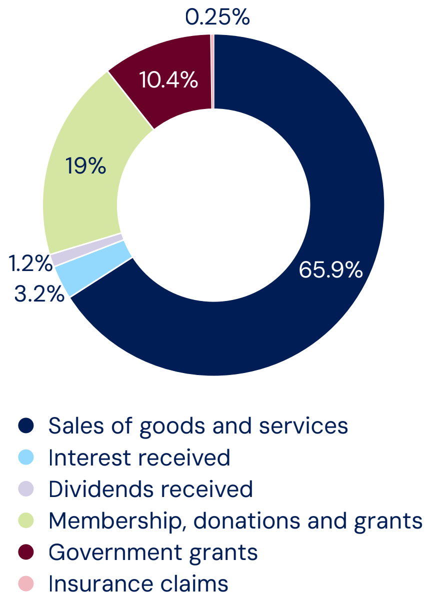
Source: Stats NZ, JBWere Philanthropic Services

The critical value of the 'for purpose' sector is to go where governments often won't go. The not-for-profit purse carries the benefit of both 'heart and head'. Manaiakalani supports over 100 schools and 25,000 learners with $6m a year to lift their learning performance. These learners are often from our poorest households. In a perfect world we would not have to do this. To date, we have not experienced a perfect world.

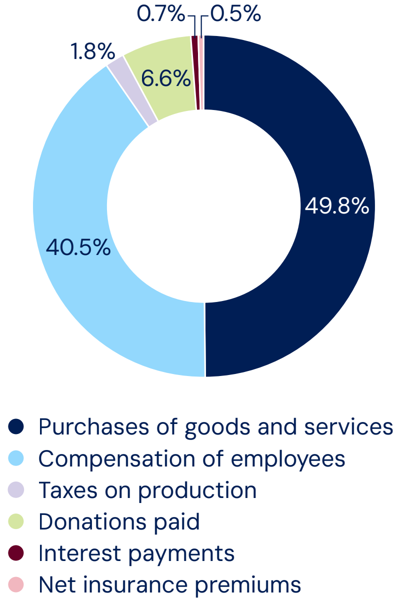
— **Manaiakalani Education Trust**
Pat Snedden, Chair Emeritus

Manaiakalani
the hook
from heaven

2018 non-profit income source



2018 non-profit expenditure categories

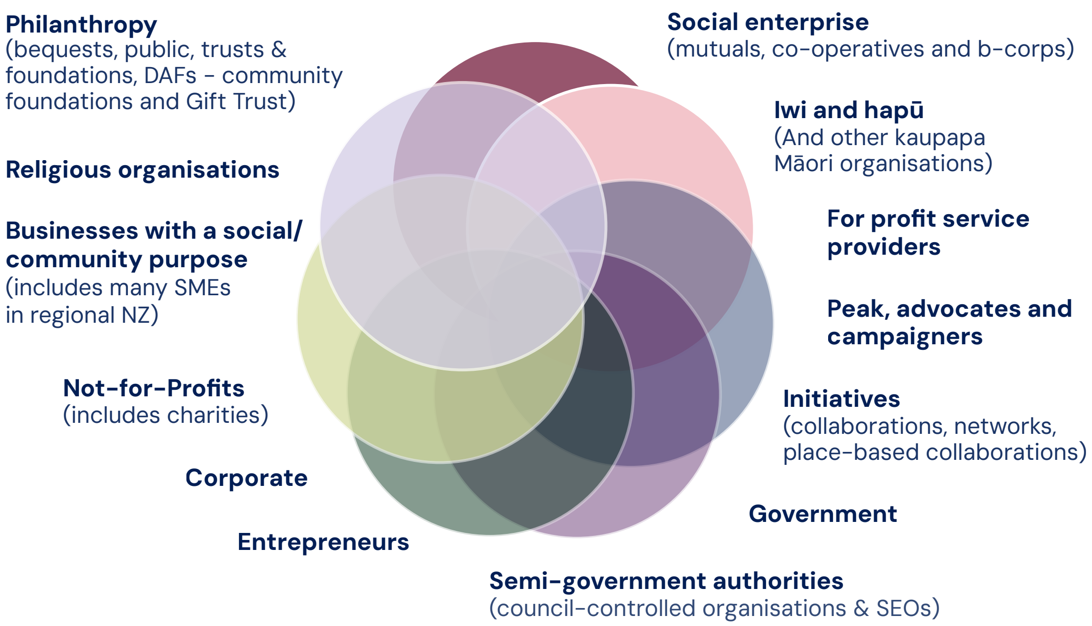


Source: Stats NZ, JBWere Philanthropic Services

Relationship to government and private sectors

For-purpose organisations have a diversity of relationships with the private sector and the public sector as shown in the figure below. They also share commonalities and have differences with both public and private organisations as shown in the table on the following page.

The New Zealand social purpose ecosystem



Source: Centre for Social Impact (Australia), JBWere Philanthropic Services

Relationship to government and private sector

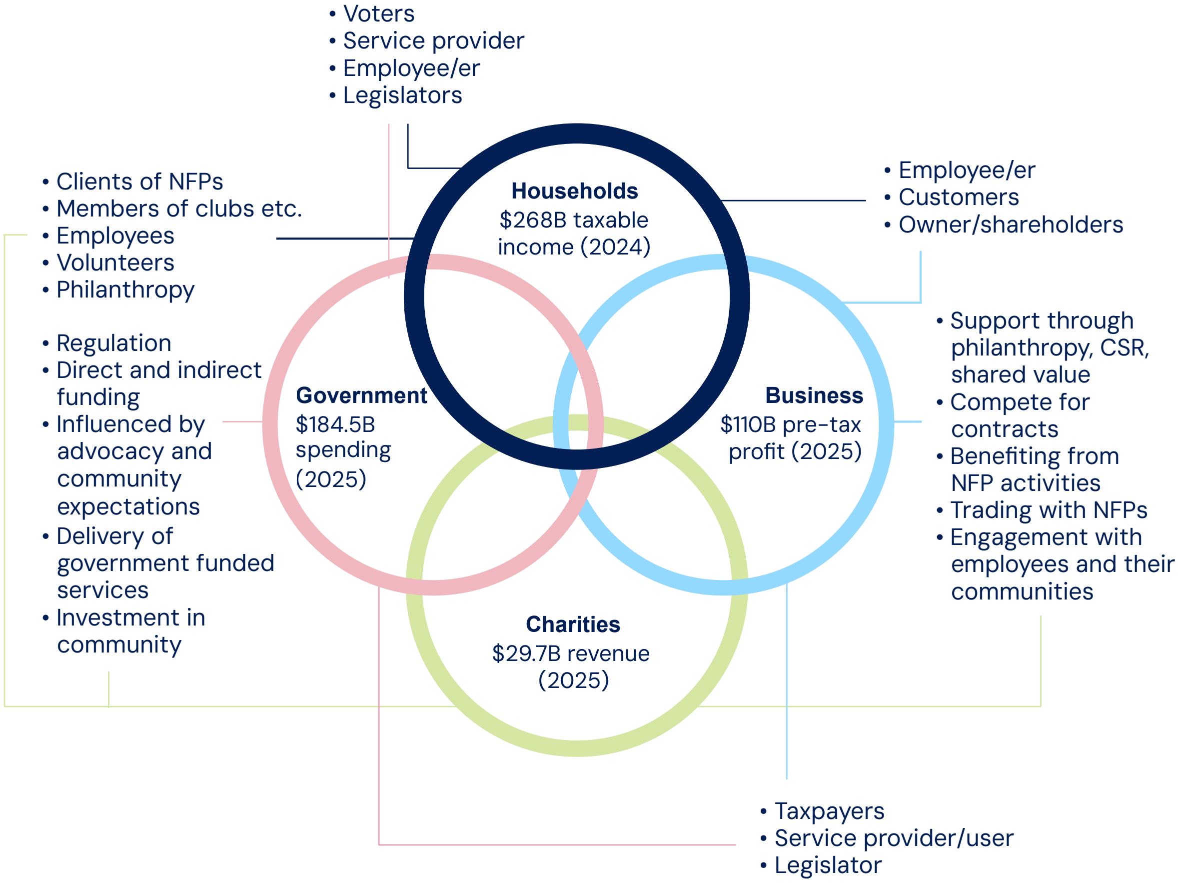
Characteristic	Government organisations	For-purpose organisations	For-profit firms
Tax treatment (GST)	Pay GST	Pay GST	Pay GST
Income tax	Some pay dividends to the Crown	Generally, do not pay income tax or company tax	Generally, pay income tax or company tax
Residual claimant / ownership	Residual claimant is the Crown	Residual claimants are beneficiaries	Residual claimants are owners
Donations and volunteering	Generally, don't receive donations of funds or volunteering	Commonly receive donations of funds or volunteering	Generally, don't receive donations of funds or volunteering
Pricing model	Products & services sometimes sold at below market rates, or even at zero price	Products & services often sold at below market rates, or even at zero price	Products & services generally sold at market rates
Role in public service delivery	Deliver core government services	Do not deliver core government services	Do not deliver core government services
Government funding exposure	Many are 100% government funded; some partially	Some receive government grants	A small minority receive government grants
Government contracts	A mix of direct government activity and government contracts	Some deliver government contracts	Some deliver government contracts
Inter-sector financial flows	Rarely receive donations from for-profit or for-purpose entities.	Receive donations from for-profit firms	Provide donations to for-purpose organisations

Source: JBWere Philanthropic Services

The following figure from the 2022 JBWere Corporate Support Report illustrates the connections and flow of capital and labour among sectors. This figure uses a narrower focus on charities. If a broader view of the for-purpose sector is taken, the interconnection is even greater.

The sector's history explains why faith-based, Māori, voluntary, state-funded, community, and hybrid forms now sit alongside one another. Legal structures show the importance of registered charities; while also showing why they cannot stand in for the whole for-purpose ecosystem. The activity and financial data point to a broad but uneven field of organisations, with a large culture, sport, and recreation base, a mixed income model, and expenditure shaped mainly by operating and labour costs. The relationships with government and private sectors add another layer of complexity, as money, labour, contracts, donations, and public value move across institutional boundaries every day. These features make definition and context central to the task of estimating economic value; without them, the headline numbers risk being read too narrowly or compared too casually.

Overlapping economic and social systems



Source: Stats NZ, NZ Treasury, Charities Services, JBWere Philanthropic Services

> *The value of the for-purpose sector is presence – showing up in the ordinary and painful moments of people's lives with hope, truth, and companionship. At Rhema Media, that looks like more than 444,000 connections every month across our radio stations, apps, and digital platforms – each one a person reaching for encouragement, comfort, or community.*
>
> *Behind every number is a farmer listening alone before dawn, a mother needing hope on the school run, someone walking through grief. The for-purpose sector doesn't just fill gaps the market leaves behind; it builds the relational and spiritual fabric that lets communities flourish.*
>
> — **Rhema Media**
> **Luke Weston,** Chief Executive

rhema media

Why measurement matters: economic and social dimensions

Why measure the sector?

Understanding a sector is critical before its significance and performance can be evaluated. In the first instance this requires identification of the key features of the sector and measuring them.

Subsequently, deeper understanding of what happens beneath the surface is achieved by focussing on four themes:

- Social and community contributions and measures
- Economic contribution and measures
- International comparability and benchmarking
- Accountability, transparency, and public trust.

The 2026 estimates calculated in this report rely on conventional economic measures such as revenue, expenditure, GDP contribution, and the estimated value of volunteer labour. While these indicators provide an important picture of the sector's scale and economic footprint, they do not capture all forms of value generated by for-purpose organisations. Assessment of broader lived impacts and social return on investment is beyond the scope of this report, but these dimensions remain central to understanding the sector's contribution. The following sections discuss approaches used to identify and measure these wider forms of economic and social value.

What is being measured?

For-purpose organisations focus on goals other than return on economic investment. Hence, the measurement of their activity and impact cannot solely be determined by economic data. Given the sector's role in producing social and natural capital, not just economic activity, it is important to clarify the activities and their impact. For-purpose organisations, like all other organisations, vary in their effectiveness in achieving their goals, partly because of their own limitations and partly because of external forces and shocks. Hence, it is important to develop frameworks and tools to assess performance.

The following table presents one framework for measuring and understanding the for-purpose sector. This approach is helpful because it focuses on what for-purpose organisations actually do. It provides evidence of organisational efficiency in achieving well-specified and measurable goals, but it is limited because these activities are undertaken for a larger purpose which is difficult to measure and ultimately depends on other inputs. For example, scholarships are about achieving access to education; arts exhibitions contribute to people's experience and understanding of the arts and, in doing so, enhance their wellbeing. However, it is difficult to assess the impact of a scholarship or an arts exhibition, even if recipients or art exhibition attendees complete evaluation surveys.

Measures of social contribution

Sub-sector	Illustrative activities	Illustrative activity measures
Social services (housing, welfare, food support)	• Provision of low-cost housing • Food recovery service	• Number of units provided • Volumes of food repurposed
Health and disability services	• Respite care • Healthcare research	• Number of people supported • Number of projects funded
Education and training	• Provision of scholarships • Mountain safety training	• Number of scholarships provided • Number of people trained
Arts, culture, religion and recreation	• Art exhibitions • Provision of community facilities	• Number of exhibitions • Space availability
Environment and conservation	• Removal of invasive species from restoration zones • Rubbish removal from public beaches	• Hectares weeded • Volume of waste recovered

Note: This table presents a select list of sub-sectors and measures for illustrative purposes. The full range of for-purpose activity spans the classification categories outlined previously. Further, there are many alternative activity measures.

Source: JBWere Philanthropic Services

Social and community contributions and measures

Many of the aspirations of for-purpose organisations can be characterised as improved wellbeing, health, and educational outcomes, enhanced social cohesion and community resilience, and the achievement of cultural and environmental benefits. From an evaluative perspective, it is important to reflect on measuring the contribution (which requires some form of valuation), and the efficiency of the activities undertaken (which also requires some form of valuation). Analysts inside and outside the sector have made some progress addressing these issues. Two measurement frameworks attracting interest within New Zealand are Social Return on Investment (SROI) (see the following page for more details) and outcomes-based measurement versus output measurement.

Measurement of social impact will always be challenging. The attribution of benefits and costs to a specific social initiative is complicated by the other factors that are directly or indirectly impacting results. Rarely can they be controlled. Furthermore, counterfactual thinking (what would happen without the activity) requires imagination and choice, and hence is not the most reliable benchmark.

Despite the challenges, there is a strong case that for-purpose organisations should seek to evaluate the efficiency of their activity (e.g., how many people are helped to a certain standard per funding spent or volunteer hour contributed) and what the value of that activity is to society in terms of enhanced wellbeing, social cohesion, or some other relevant measure. This can demonstrate value at the level of specific initiatives but leaves challenges associated with aggregating value across multiple social initiatives.


Photo by: georgeclerk

Social return on investment (SROI)

Social return on investment (SROI) is a framework for measuring and communicating value in ways that go beyond conventional economic metrics. SROI assigns monetary proxies to social, environmental, and cultural outcomes and produces a simple ratio that expresses how much social value is created for every dollar invested. This has made it a useful tool for the for-purpose sector, funders, and policymakers seeking to articulate impact and value in a form that is more measurable and visible within economic and public policy circles.

In practice, SROI has been applied across a wide range of New Zealand contexts, illustrating the diversity of outcomes that for-purpose entities create. For example, ImpactLab and Jarden's 2023 sector analysis of 108 New Zealand programmes found positive social returns across a range of intervention types and scales, including a $1.10 SROI at the Champion Centre early intervention programme, a $2.20 SROI at the Auckland Philharmonia education concerts, and a $2.30 SROI at Spirit of Adventure Trust's 10-day development programme.

Individual studies also report a wide range of results, including Sport New Zealand's 2024 SROI research on recreational physical activity, which conservatively found a return of $2.12 for every $1 spent, placing monetary value on outcomes such as improved physical and mental health. Te Puna Ora o Mataatua reported an overall SROI of $5.33, with value attributed to outcomes including reduced access barriers, increased immunisation uptake, and earlier detection of health conditions. Presbyterian Support Northern's 2025 SROI analysis of its Social Workers in Schools programme found a return of $3.50 for every dollar invested, placing value on outcomes such as improved school attendance, safety, and youth emotional wellbeing.

Māori-led and te ao Māori-guided examples add an important dimension to this discussion because they show how SROI can make culturally grounded outcomes more visible and the ways in which monetisation can at times reach its limits. Te Kete Aronui, a tikanga-centred literacy and numeracy intervention for ākonga Māori, reported that a four-year, $4 million investment generated more than $7 million in targeted social impact, or $1.72 for every dollar invested after one year of participation. In the Whānau Ora context, Whakainea Te Whakaaweawetia o Te Whānau Ora showed how SROI can be used to examine whānau wellbeing and inform social sector funding decisions.

Sport New Zealand's previously noted national SROI of recreational physical activity also illustrates a tension/boundary that is especially relevant in Aotearoa. While the study explicitly considered value to Māori participating as Māori within a te ao Māori worldview, it deliberately did not monetise those Māori outcomes because they were treated as having mana and not reducible to economic expenditure or production.

The insights on SROI illustrate the potential of approaches that blend and go beyond traditional financial measurements. The framework provides a structured way to communicate impact to funders and policymakers in a language they recognise. However, it relies on proxy valuations that can be contested, and it does not easily accommodate outcomes that resist monetisation. More broadly, it can privilege forms of value that are more readily measured, attributed, and converted into economic terms, while also giving less visibility to outcomes that are relational or culturally grounded.

For the for-purpose sector in New Zealand, this points toward a dual approach of using SROI and similar tools where they add visibility and fiscal credibility, while also engaging with more culturally grounded frameworks that are better able document contributions that go beyond the boundaries of quantification.

When measuring the for-purpose sector, these distinctions are key. There is a quantifiable portion of value that can be reflected in GDP, revenue, employment, and other economic indicators, but there is also a wider set of benefits that sit beyond what those measures can fully capture. Both are important. Headline numbers help make the sector visible in economic terms, but they do not fully reflect its broader presence in communities, nor the social, relational, and cultural value it produces.

> Starship Foundation exists because the future of children's healthcare requires investment beyond public funding alone. As New Zealand's leading children's hospital foundation supporting NZ’s only national quaternary children’s hospital, we partner with donors, philanthropists and businesses to accelerate innovation, research, advanced therapies, specialist capability and life-saving equipment that enable Starship Child Health to deliver world-class care. By mobilising private philanthropy alongside the public health system, we help ensure New Zealand's sickest children benefit from the latest advances in medicine and healthcare. Our focus is not simply on meeting today's needs, but on shaping the future of child health so every child has access to the best possible care.
>
> — **Starship Foundation**
> **Joanna Simon,** Chief Executive

Starship Foundation

Sector insights: moving beyond economic value

Wellbeing as a measure of progress

For purpose organisations such as Methodist Mission Northern, Lifewise, and Airedale Property Trust see, every day, how investments in housing, whānau support, mental health, social connection, and community participation create value that extends far beyond immediate service delivery. We can count our organisation's measurable economic value, but our greatest contribution may be our contribution to the social trust, belonging, mana, and opportunity that underpin long-term wellbeing in Aotearoa New Zealand.

An example is a family who has experienced years of housing instability. Through access to affordable housing and wrap-around support, they were able to maintain employment, reconnect within the family, and establish a stronger sense of security and belonging. The wider whānau experienced greater stability, children re-engaged with education, and relationships within the community were strengthened. The benefits extended beyond the household through reduced demand on crisis services, increased community participation, and stronger social cohesion.

Wellbeing should be measured not only through economic indicators, but through whether people and communities are thriving. These are the outcomes that for-purpose organisations exist to create and protect. Measures such as housing security, physical and mental health, educational participation, social connection, cultural identity, hope, and resilience provide a far richer picture of progress than GDP alone because they capture the real-world impact of the work done by charities, community organisations, iwi providers, and social service agencies. Too often we treat financial measures as the outcome when they are actually the input. The true measure of value is not the dollars spent or saved, but the wellbeing created through safer homes, stronger relationships, greater participation, improved health, and increased opportunity. In Aotearoa New Zealand, wellbeing must also reflect te ao Māori understandings of flourishing, where outcomes are collective, relational, and intergenerational.

Wellbeing matters because economic growth is a means, not an end. New Zealand cannot be considered successful if prosperity rises while homelessness, social isolation, family hardship, or poor mental health persist. Our greatest contribution is not captured in balance sheets or GDP alone, but in the stronger relationships, stable homes, healthier whānau, connected communities, and greater opportunities that enable people and society to flourish.

— **Methodist Mission Northern, Lifewise, and Airedale Property Trust**
Pam Elgar ONZM, Chief Executive

A te ao Māori perspective on social impact within kaupapa Māori organisations.

In te ao Māori, value moves through whakapapa: the relationships that order people, whānau, whenua, and generations. When a kaupapa Māori organisation supports one whānau, the effects extend beyond the person receiving the service. A caregiver carries less strain. A rangatahi's siblings lift their aspirations. A marae regains the capacity to host. A public agency earns enough trust to be approached earlier, before a crisis. These pathways are practical and material, and conventional assessment usually records them as qualitative context, if they are included at all.

The undercounting begins with boundary decisions. Every assessment decides, before anything is counted, whose change matters, over what timeframe, and whether a missing price proxy means missing value.

Many assessments draw these boundaries tightly, around direct beneficiaries, short causal chains, and outcomes with ready prices. Kaupapa Māori organisations create value through relationships and across generations by design, so their contribution shrinks the most under those settings.

Two rules make a wider account of value creation credible. The first: never price the Māori concept itself. Mana, mauri, and manaakitanga are not commodities. What can be evidenced, and often valued, are the observable pathways through which they become material. Some examples include earlier engagement with services, avoidance of crisis episodes, or restoration of capacity to host. The second rule: widening the boundary does not mean relaxing the rigour. The same disciplines that make any evidence credible still apply, such as transparent assumptions, counterfactuals, and restraint against overclaiming.

For funders and boards, the useful question is what an investment strengthened, for whom, and across how many generations. Much of what moves through whakapapa can be counted, once the assessment boundary follows the value.

— **Matatihi**
Dr Jay Whitehead, Economist and founder

MATATIHI

Investing in natural capital and climate resilience

The greatest investments are rarely those that solve today's problems. Instead, they are those that create the conditions from which tomorrow's prosperity emerges. Few opportunities illustrate this better than philanthropic investment and the for-purpose sector's contribution to climate mitigation and New Zealand's natural capital.

For generations, we've measured wealth largely in financial terms. Yet New Zealand's prosperity depends on a much broader portfolio of assets. Our natural capital – our land, freshwater, biodiversity and abundant renewable energy resources – is every bit as important as financial capital. So too is the resilience of our communities and our ability to adapt to a changing world. Investing in these assets is not separate from wealth creation; it is one of its foundations.

The transition to a more resilient, low-emissions economy is a clear example. Research commissioned by the Sustainable Business Council estimates that bringing forward New Zealand's transition could add around $22 billion to GDP. The benefits extend well beyond reducing emissions. They include lower energy costs, greater energy security, stronger export competitiveness, reduced exposure to fossil fuel price volatility, and a more resilient economy. And this is just one example.

However, many of the investments needed to realise this opportunity sit beyond the reach of traditional markets and governments. Markets are designed to invest once opportunities become commercially viable. Governments create enduring policy but are often constrained by electoral cycles and competing priorities. The for-purpose sector has the ability and freedom to act earlier. Its greatest value often lies not in funding individual projects, but in investing in the evidence, partnerships, institutions and delivery capability that create the conditions for markets and governments to move with confidence.

Philanthropic investments create value that compounds over generations. Investing in New Zealand's natural capital and accelerating climate mitigation is one of those opportunities – not only because it strengthens our own long-term prosperity, but because it can help demonstrate to the world that economic growth and climate action are not competing ambitions, but mutually reinforcing ones.

— **New Zealand Climate Foundation / Whakatere i te Āhuarangi**
Izzy Fenwick, Chief Executive

nzcf
WHAKATERE I TE ĀHUARANGI

Economic contribution and measurement

The for-purpose sector may not be primarily motivated by financial outcomes, but as noted previously, it clearly does engage in economic activity. The sector utilises resources. For-purpose activities have real costs. However, they also create financial benefits and other benefits with economic value even though they may not be priced in the market. Economists often describe these unpriced wider benefits as positive externalities, because they accrue beyond the immediate organisation or service recipient. A robust understanding of the for-purpose sector requires understanding and measuring the economic impact of its activity – not only its social and community benefit.

Economic measurement of for-purpose activity is relatively straightforward at the level of the individual initiative. Organisations document the assets employed in their balance sheet. Revenue and expenditure are documented in income and expenditure statements. However, a comprehensive estimate of economic contribution is difficult to establish given the presence of unpriced inputs such as voluntary labour and the presence of unpriced outputs (services delivered for free) and services delivered for less than market value.

The situation is further complicated by the fact that for-purpose organisations often have some priced inputs (e.g., wages) and some priced outputs (e.g., goods sold). Hence, in analysis, it is important to distinguish between market output (e.g., fees and sales) and non-market output (e.g., donation-supported services).

Measures of economic contribution

Sub-sector	Illustrative activities	Illustrative activity measures
Social services (housing, welfare, food support)	• Provision of low-cost housing • Food recovery service	• Annual cost of units provided • Value of food repurposed
Health and disability services	• Respite care • Healthcare research	• Cost of service provided • Value of projects funded
Education and training	• Provision of scholarships • Mountain safety training	• Value of scholarships provided • Cost of training programmes
Arts, culture, religion and recreation	• Art exhibitions • Provision of community facilities	• Cost of exhibitions • Cost of space provision
Environment and conservation	• Removal of invasive species from restoration zones • Rubbish removal from public beaches	• Value of labour utilised in activity • Volume of waste recovered

Source: JBWere Philanthropic Services

Measurement of the sector requires more than adding up individual measures. Resource flows among for-purpose firms and between for-purpose firms and the rest of the economy complicate the picture. Indeed, this is not a new problem. The System of National Accounts has been established and used across the economy for many decades. However, the system is not well developed to regularly report on national measures of economic contribution from the for-purpose sector.

Official measures were produced using data from 2004, 2013, and 2018. In between these dates, other analysts have taken the opportunity to estimate direct and indirect contribution to GDP, employment generation (paid staff), volunteer labour as an economic input, and other measures. It requires particular care to avoid double counting, undervaluation, or exclusion of economic activities or resources.

Furthermore, it is important to be cognisant of the sector's impact through the economic cycles, with particular attention to contribution in times of cost-price squeezes or recession. The post-2018 period has made this point particularly urgent.

COVID-19 had a significant economic impact across households, government, business, and the for-purpose sector, and the recovery since then has been uneven.

COVID-19 had a significant economic impact across households, government, business, and the for-purpose sector, and the recovery since then has been uneven.

The JBWere Outlook for Giving 2026 shows that inflation has materially eroded for-purpose giving, with nominal increases masking much weaker real support. The effects flow across the wider ecosystem as social needs rise, operating costs inflate, and giving is constrained at the same time. These significant economic events make updated measurement more important, especially when the most recent comprehensive official baseline remains the 2018 NPISA data.

> *As a for-purpose research organisation, Cawthron plays an important role in filling the gap commercial entities often won't fund on their own. Left purely to commercial factors, environmental and social outcomes are too often traded off against economic ones when managing our natural capital. Cawthron is committed to innovating in that gap and proving that trade-off is often a false choice.*
>
> *A recent report into our 30-year-old Pacific oyster breeding programme confirms the model works: with the right leadership and a mix of government, industry and private funding, our research has reduced the industry's reliance on wild spat and built resilience to disease and climate pressures, preserving regional jobs and supporting sustainable growth without simply shifting environmental costs elsewhere.*
>
> — **Cawthron Institute**
> **Volker Kuntzsch,** Chief Executive

CAWTHRON

International comparability and benchmarking

Measuring the Aotearoa New Zealand for-purpose sector is also valuable in enabling comparison with other countries. This provides the opportunity for benchmarking against similar economies. Given the diversity of political and cultural institutions and the varying size of countries, this is unlikely to produce significant insights about performance in Aotearoa New Zealand. However, it does provide the opportunity to observe how other countries, and analysis of other countries, define and measure contributions.

Two international frameworks that have attracted attention are the UN satellite accounts for nonprofits and the Johns Hopkins Comparative Nonprofit Sector Project. The table below provides a summary of some recent measures of non-profit (NFP) contributions to GDP.

Recent studies of non-profit contribution to GDP

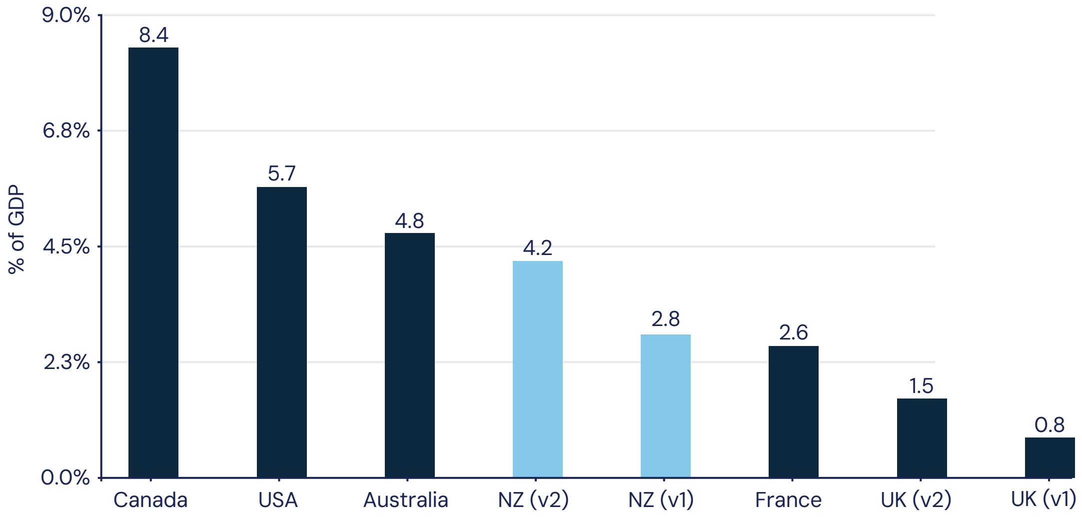
Country	GDP%	Year	Comments	Source
Australia	4.8	2025	Clarity issues remain	Australian Government (DSS), *Charities and Not-for-profit Support*
Canada	8.4	2025	Includes Gov hospitals	Statistics Canada, *Non-profit Institutions and Volunteering: Economic Contribution*
France	2.6	2024	Clear explanation	INSEE, *Non-profit Institutions Serving Households (NPISH, sector S15) Account*
NZ (v1)	2.8	2018	Consistent with UN framework in 2018 – excludes volunteering	Stats NZ, *Non-profit Institutions Satellite Account: 2018*
NZ (v2)	4.2	2018	Consistent with UN framework in 2018 – includes volunteering	Stats NZ, *Non-profit Institutions Satellite Account: 2018*
UK (v1)	0.8	2021	Excludes volunteering	UK National Accounts, *The Blue Book: 2023 reference tables*
UK (v2)	1.5	2025	Includes volunteering	Pro Bono Economics (PBE) / Gradel Institute of Charity, *Civil Society and Volunteering: A force for growth?*
USA	5.7	2022	Clarity issues remain	Independent Sector, *Health of the U.S. Nonprofit Sector: A Quarterly Review, June 2022*

Source: See source notes column, JBWere Philanthropic Services

International experience in measuring NFP contributions is instructive for the measurement of the for-purpose sector and subsequent interpretation. Firstly, the United Nations commitment to developing satellite accounts and countries producing these accounts show that other nations recognise the value of such measurements. Secondly, it is clear that countries incorporate the UN guidelines but also that they make different choices at the margin as to what they include (e.g., Canada's inclusion of hospitals) and to what extent they highlight the contribution of volunteering. There appears to be no national reporting framework that captures the economic value of outputs without a market value or of intangibles. Hence there is value in increasing transparency as to how inclusion / exclusion decisions are determined.

Furthermore, interpretation of the percentage contribution is not only determined by the level of for-purpose activity but also by the size and structure of the relevant economy. The USA, France and UK are large economies. Australia and Canada are significantly larger than New Zealand. Assuming there are economies of scale in some for-purpose activities, it would not be surprising if the percentage was smaller in the larger economies, and more so in a country like the United Kingdom with a large financial sector. Despite the variation in measurement practice and context, it is clear the for-purpose sector makes a demonstrable economic contribution in all countries that have invested in its measurement.

Countries ranked by non-profit GDP share



Source: Australian Government (DSS), Health of the U.S. Nonprofit Sector: A Quarterly Review, INSEE, Pro Bono Economics (PBE) / Gradel Institute of Charity, Statistics Canada, Stats NZ, & UK National Accounts, JBWere Philanthropic Services

Note: NZ and UK v1 exclude volunteer labour while NZ and UK v2 include it.

0.8%–8.4% Approximate range of NFP GDP contributions across comparable countries

These measures vary widely but, on the basis of these numbers and using similar methodologies, one would expect the for-purpose sector in NZ to be between 1% and 8% of the economy. Given that 1% of GDP is approximately $4.5 billion, this suggests the sector has a significance that should not be ignored. It also suggests that, although the best methods possible should be used to measure the sector, at this point in time there is no universally agreed method, and all estimates should be taken as such: estimations and an indication of economic value and contribution.

Accountability, transparency, and public trust

Measurement of the for-purpose sector is important for the facilitation of accountability, transparency, and public trust. Accurate measurement supports accountability to donors, funders, and beneficiaries, provides transparency regarding the use of funds, and facilitates the wider public having confidence that for-purpose organisations utilise resources and funds in a manner that is consistent with their stated purposes. Although trust in New Zealand charities and non-governmental organisations (NGOs) is already moderate according to trust barometer surveys, better information about the sector's value could support higher levels of public trust.

6 out of 10 Average NZ trust rating for charities in Charities Services surveys

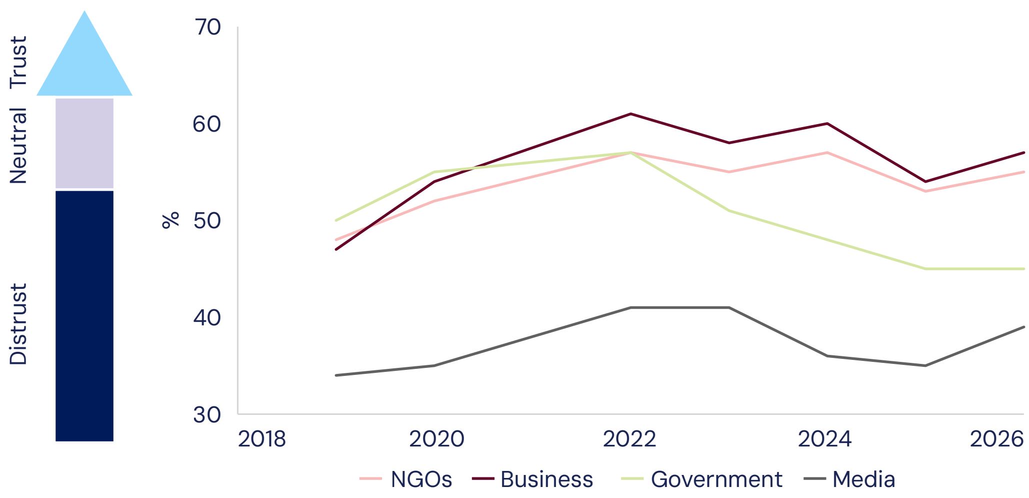
Trust barometer reports

Studies conducted for Charities Services (2014, 2016, 2019) and in Edelman/Acumen Trust Barometer reports (2019–2026) show that New Zealanders hold an average level of public trust in charities and NGOs.

In Charities Services surveys, the average trust in charities sits at roughly 6 on a 10-point scale. This translates to a moderate level, one that has changed very little over the past decade. In the Edelman/Acumen framework, which classifies index scores below 50 as distrust, 50–59 as neutral, and 60+ as trust, NGOs sit in the neutral band. For context, in the Edelman/Acumen research, NGOs consistently rank above government (since 2022) and media (since 2019) in trustworthiness but slightly below business, the most trusted institution as of 2026.

Overall, public trust in the sector has remained stable at these average levels, underpinned by strong public belief that charities make a positive difference with the funds they receive. This is particularly notable as broader trust in institutions has faltered slightly in recent years, a trend seen in New Zealand as well as other countries around the world.

New Zealander's trust in key sectors over time



Source: Acumen Edelman Trust Barometer, JBWere Philanthropic Services.

Note: Distrust is classified as 1-49%, neutral as 50-59%, and trust as 60-100%. 2021 data not available. An average number across 2020-2022 has been used as a placeholder.

It is clear how measurement takes many types of evidence and impact into account. Social impact work points to outcomes that are difficult to price, economic measurement shows the scale of resources used and value created, international comparisons reveal how much definitions shape results, and trust depends on transparency about all of these choices. The sector insights on social value, environmental capital, national wellbeing, and te ao Māori perspectives reinforce our view on the multiplicity of value emanating from the sector. This report focusses on economic value, while recognising that the economic account sits within a wider field of social, environmental, cultural, relational, and intergenerational contribution.

Photo by: Agzet

Measuring the sector

Photo by: Jack Burden

From 2018 baseline to 2026 estimate

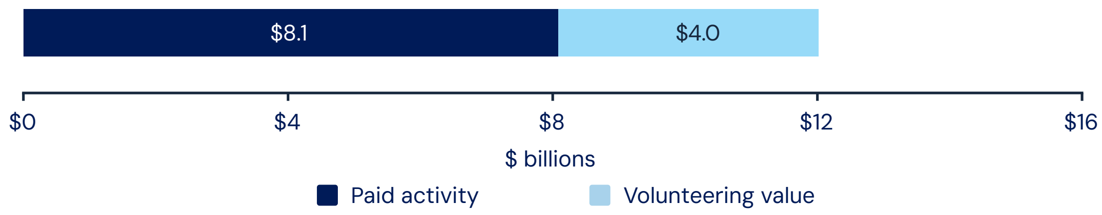
NPISA baseline

New Zealand's most useful official baseline for economic value of the sector remains Stats NZ's Non-Profit Institutions Satellite Account. The latest full account is based on 2018 data and recorded 115,770 non-profit institutions, 150,630 paid employees, and 1.01 million volunteers contributing 159 million hours. The sector generated $18.1 billion in income, spent $16.3 billion, and contributed $8.1 billion to GDP. Including the estimated value of volunteer labour lifted the contribution to $12.1 billion, or 4.2% of GDP.

Key statistics from 2018 Satellite Accounts	
Number of non-profit institutions	115,770
GDP contribution ($b)	$8.1
GDP contribution plus value of volunteering ($b)	$12.1
GDP contribution (%)	2.8%
GDP contribution plus value of volunteering (%)	4.2%
Employment	150,630
Percentage of NPI employing staff	11%
Number of volunteers (m)	1.008
Number of volunteers per person in workforce	0.41
Number of volunteer hours (m)	159
Number of volunteer hours/per person in work force	65

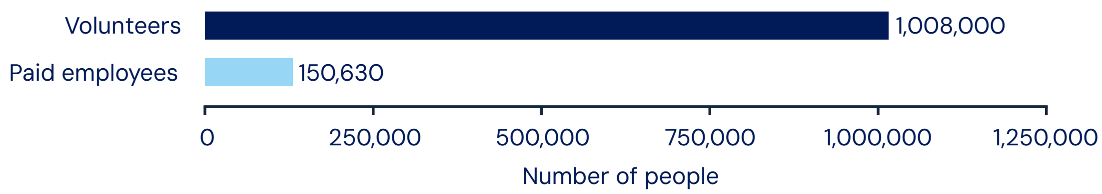
Source: Stats NZ, JBWere Philanthropic Services

NPISA 2018: Non-profit GDP contribution breakdown



Source: Stats NZ, JBWere Philanthropic Services

NPISA 2018: Non-profit paid employees vs volunteers



Source: Stats NZ, JBWere Philanthropic Services

The previous measures, despite their strengths, have both conceptual and data limitations. They are dated, time has moved on, and the economy, society, and sector have evolved since the last Stats NZ data analysed in 2018. Additionally, NPISA's definition of non-profit entity is narrower than the conception of for-purpose organisation used here.

This broader scope is not intended to inflate the estimate. It reflects a judgment that purpose-led activity in Aotearoa New Zealand does not sit neatly inside one category.

What changes in this report

This report starts with the 2018 NPISA baseline and updates it to 2026. It then broadens the scope to better reflect the for-purpose ecosystem described in the first part of the report. The expanded definition includes registered charities and non-profit institutions, alongside selected public benefit entities, tertiary institutions, B Corporations, iwi and hapū organisations, social enterprises, charitable businesses, and other purpose-led entities where activity is oriented toward social, cultural, environmental, or collective benefit rather than private profit.

This broader scope is not intended to inflate the estimate. It reflects a judgment that purpose-led activity in Aotearoa New Zealand does not sit neatly inside one category. The inclusion of additional entities is limited to cases where there is a reasonable evidence base and where the organisation's purpose and activity align with the report's understanding of for-purpose organisations. Some informal activity, unpriced outputs, and parts of the Māori economy remain only partly visible in available data.

> *What I wish more New Zealanders understood is that organisations like The Salvation Army do far more than deliver services; we hold relationships and trust in communities, often when people have nowhere else to turn. In 2024/25, The Salvation Army helped 123,000 people through at least one service. Behind that number are whānau finding kai, safer housing, financial confidence, recovery, friendship and belonging. The wider for-purpose sector is part of Aotearoa's social infrastructure: practical, compassionate, locally trusted and present before, during and after crisis.*
>
> — **The Salvation Army New Zealand, Fiji, Tonga and Samoa Territory**
> **Janine Donaldson,** Territorial Commander

Scope, assumptions, and uncertainty

How the estimate was built

The estimate is built in three steps.

1. The 2018 NPISA baseline is projected forward using available evidence on changes in revenue, expenditure, employment, volunteering, inflation, GDP, and sector conditions.
2. Additional in-scope entities are added where sufficiently reliable administrative or public data are available.
3. The combined dataset is used to estimate revenue, expenditure, paid employment, volunteering, direct GDP contribution, and GDP contribution including volunteer labour.

The method necessarily involves judgment. The available data are fragmented, some categories are incomplete, and not all activity can be directly observed. To avoid presenting a false sense of precision, the report uses a central estimate alongside cautious and optimistic sensitivity estimates.

Reading the results

The estimates in the following sections should be read as the best available current picture, not as exact counts. They show the likely scale and direction of change since 2018, the effect of using a broader for-purpose definition, and the size of the sector relative to the wider economy. Comparisons with earlier estimates remain useful, but they need to be read alongside changes in method, scope, and economic context.

With those cautions in place, the headline conclusion is still clear. Even under conservative assumptions, the for-purpose sector is a significant field of organised economic activity, paid work, volunteer labour, service delivery, and public value creation.

Comparing data across methodologies

The 2026 estimates differ from the 2013 and 2018 NPISA figures in two ways: time has passed, and the definition of the sector has broadened. Comparisons across the three data points therefore combine natural sector change with a change in what is being counted. It is important that readers should not treat the headline growth rates as purely organic growth.

Comparing data across methodologies is a real limitation, but it is not a reason to avoid comparison. The expanded definition is a methodologically grounded effort to expand the boundaries of the sector in ways that accurately reflect for-purpose work in Aotearoa New Zealand. Tertiary institutions, iwi and hapū enterprise, B Corporations, and other purpose-led entities were always creating for-purpose value. The earlier framework simply did not count them.

Measuring the sector on both the narrow and expanded bases reveals two things: the natural growth of the previously defined sector, and the scale of activity the previous definition left invisible. Read together, and read with the sensitivity ranges, the comparison across methods reveals a new more expansive way of seeing the sector.

Dive deeper

For a more detailed examination of this report's methodology, including the inclusion and exclusion criteria and estimation approaches, download the Annex of the report at www.jbwere.co.nz/wealth-services/philanthropic-services

Value of the sector

Photo by: Stolk

The sector's economic footprint

Aggregate sector size and economic contribution

The 2026 estimate points to a large and economically material for-purpose sector. The table below summarises the headline results: nearly 120,000 organisations, $41 billion in revenue, $37 billion in expenditure, 231,000 paid employees, and a direct GDP contribution of $19 billion, rising to nearly $26 billion when volunteer labour is included.

Paid sector employment represents about 8% of New Zealand's employed workforce, or roughly one in every thirteen workers. The estimated 165 million volunteer hours contributed annually is equivalent to approximately 79,000 full-time workers using a standard FTE measure. The scale of volunteer labour remains central to the sector's economic footprint, accounting for roughly 26% of total GDP contribution when included.

2026 headline results	
Total number of organisations included	119,449
Total revenue ($b)	40.5
Total expenditure ($b)	36.5
Employees	231,121
Volunteers (m)	0.93
Volunteer hours (m)	165
Contribution to the national economy ($b)	19.1
Estimated contribution to GDP including volunteer labour ($b)	25.8

Source: JBWere Philanthropic Services

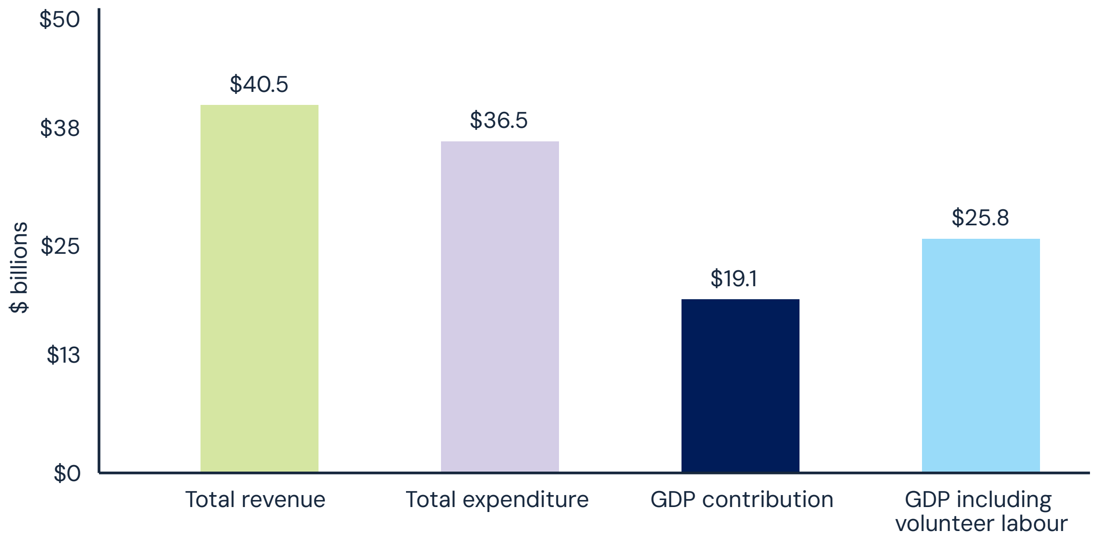
> *The value of the for-purpose sector is providing the huge variety of often unseen small efforts that are the collective glue that keeps a society healthy and functioning. The sector picks up what commercial entities won't do – because it isn't money making for them, and Government often can't do. The for-purpose sector can be found putting fences at the top of cliffs, providing ambulances at the bottom, and everything in between. So many good people quietly doing great work. Tragically though, most are only noticed when they are gone.*
>
> *And as ironic as it is for an accountant to say: What really counts can't always be counted.*
>
> — **The Fred Hollows Foundation NZ**
> **Craig Fisher FCA,** Chairman

The Fred Hollows Foundation NZ

119,449 Total number of for-purpose organisations	**231,121** Number of for-purpose employees	**930,000** Approximate number of for-purpose volunteers
45 There is one for-purpose organisation for every 45 New Zealanders	**8%** One in every thirteen New Zealand workers (or 8%) is employed at a for-purpose entity	**79,000** Additional full-time worker equivalents based on sector-wide volunteer labour hours

Past analyses reported March year estimates and hence this analysis makes estimates for the March 2026 year.

2026 for-purpose sector estimates: Key financial statistics



Source: JBWere Philanthropic Services

Growth and concentration: 2013 to 2018 to 2026

The sector has continued to evolve over time. Historic Stats NZ data and this report's 2026 estimate help us see key trends in the sector. However, as noted previously, the report presents an expanded view of the for-purpose ecosystem. It should therefore not be interpreted as directly comparable with Stats NZ historic data.

Despite this methodological limitation, looking at Stats NZ data and the new estimate side-by-side can help us see the sector and its changing composition in a new light.

Between 2013 and 2018, the estimated number of organisations increased only modestly, by around 1.5%, while revenue and expenditure grew by approximately 36% each. Paid employment increased by about 10%, direct GDP contribution rose by around 31%, and GDP contribution including volunteer labour increased by about 25%. Volunteer hours were broadly stable, increasing by around 1%, while the estimated number of volunteers fell by about 18%.

Sector change over time

Year	2013	2018	2026
Total number of organisations included	114,110	115,770	119,449
Total revenue ($b)	13.3	18.1	40.5
Total expenditure ($b)	12.0	16.3	36.5
Employees	136,750	150,630	231,121
Volunteers (m)	1.23	1.01	0.93
Volunteer hours (m)	157	159	165
Contribution to the national economy ($b)	6.2	8.1	19.1
Estimated contribution to GDP including volunteer labour ($b)	9.7	12.1	25.8

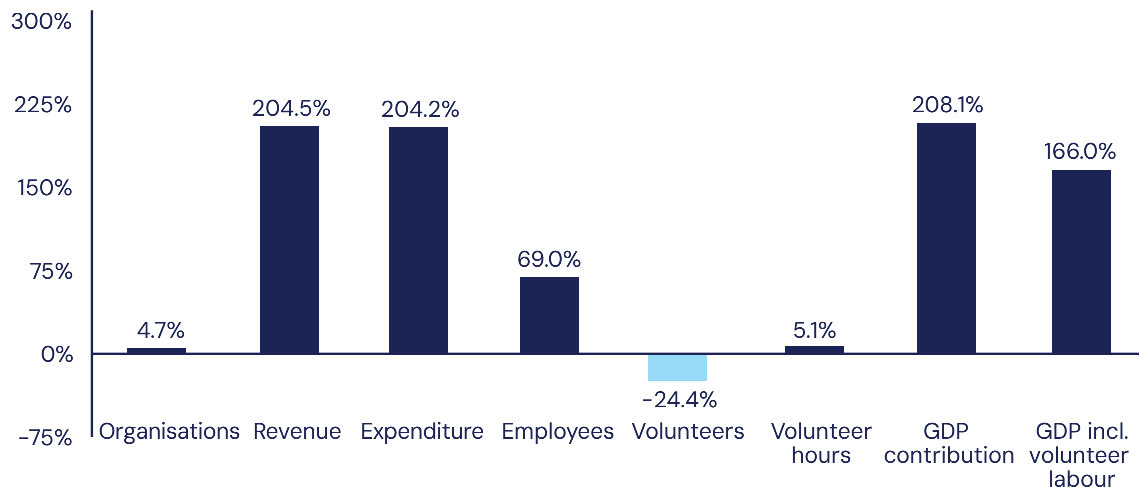
Source: Stats NZ, JBWere Philanthropic Services

The growth from 2018 to 2026 is more pronounced, in part due to sector growth, and in part due to methodological changes. Between Stats NZ 2018 numbers and the newly calculated 2026 numbers shared here, estimated organisation numbers increased by around 3%, revenue by approximately 124%, and expenditure by about 124%. Paid employment rose by around 53% and volunteer hours increased by roughly 4%. The estimated number of volunteers declined by about 8%. Over the same period, the sector's direct contribution to GDP increased by approximately 136%, while its contribution including the value of volunteer labour rose by about 113%. This suggests a sector that has continued to expand in financial scale, paid employment, and economic contribution.

Using this report's expanded methodology, when looking across the full 2013 to 2026 period, the top-line growth is even more significant. Revenue increased by approximately 204.5%, expenditure by 204.2%, paid employment by 69%, direct GDP contribution by 208%, and GDP contribution, including volunteer labour by 166%. Over the same period, volunteer hours increased by only 5%, while the estimated number of volunteers declined by about 24%.

A key pattern here is the divergence between financial scale and participation. Revenue, expenditure, paid employment, and GDP contribution have all grown substantially, while organisation numbers have changed only modestly. This suggests a sector carrying considerably more activity through a relatively stable organisational base, with increased professional staffing alongside continuing reliance on volunteers.

Changes between NPISA 2013 and 2026 estimates



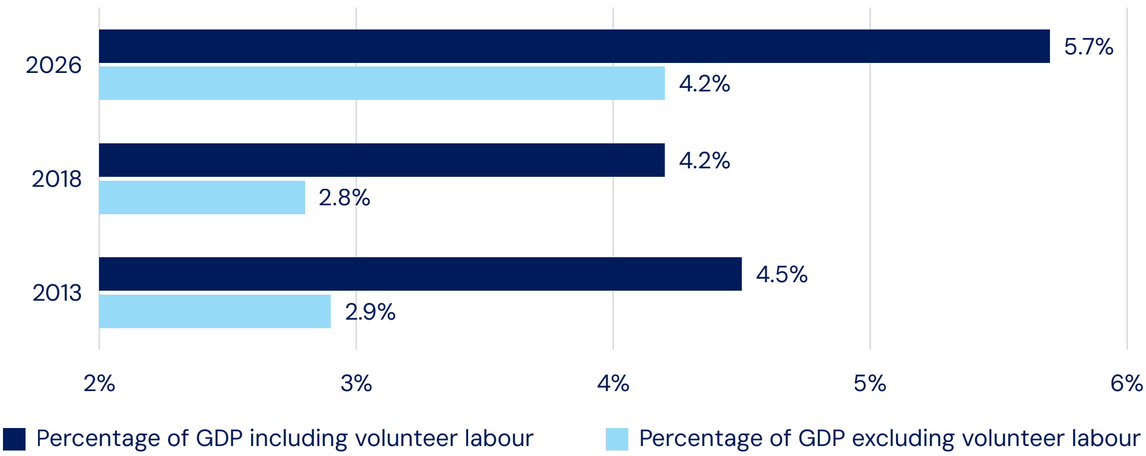
Source: Stats NZ, JBWere Philanthropic Services

GDP contributions over time

Year	2013	2018	2026
Contribution to the national economy ($b)	$6.2	$8.1	$19.1
Percentage of GDP	2.9%	2.8%	4.2%
Estimated contribution to GDP including volunteer labour ($b)	$9.7	$12.1	$25.8
Percentage of GDP	4.5%	4.2%	5.7%

Source: Stats NZ, JBWere Philanthropic Services

Change in percent of GDP: NPISA 2013/2018 and 2026 estimate



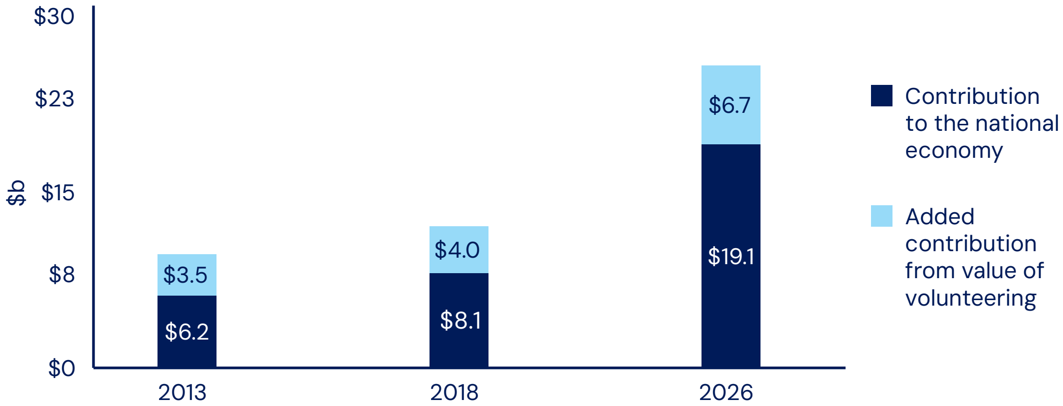
Source: Stats NZ, JBWere Philanthropic Services

The value of the for-purpose sector lies in its ability to connect people, inspire generosity, and deliver solutions that would otherwise not happen. The new BNZ Theatre in Hamilton is a great example. After Founders Theatre closed in 2016, Momentum Waikato Community Foundation led the project, bringing together donors and partners to raise $80 million for a world-class performing arts venue. Today, local and touring artists once again have a place to perform, strengthening the region's cultural and community life.

— **Momentum Waikato Community Foundation**
Janice Lapwood, Endowment Manager

MOMENTUM WAIKATO
Te puaawaitanga o Waikato
Generosity that delivers

GDP contribution comparison: NPISA 2013/2018 and 2026 estimate



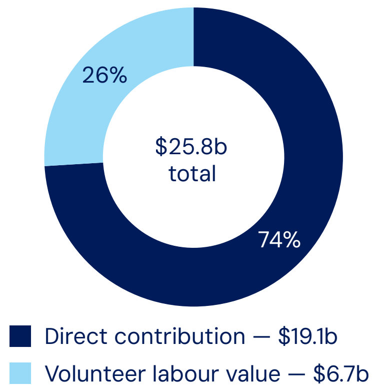
Source: Stats NZ, JBWere Philanthropic Services

Volunteers remain an essential and distinguishing feature of the for-purpose ecosystem. They make up a substantial portion of the for-purpose workforce and approximately 26% of its GDP value when their labour is included. It is notable then that the volunteering data contains the only estimated contraction among key categories in this analysis. Although total volunteer hours have been broadly stable or slightly higher over time, the estimated number of volunteers continues to decline. This suggests that voluntary labour, even under the expanded definition of the sector, may also be becoming more concentrated. Dependency on a smaller number of volunteers, especially in an uneven economic environment, creates vulnerability for volunteer-centric organisations and for the wider civic base that supports the sector.

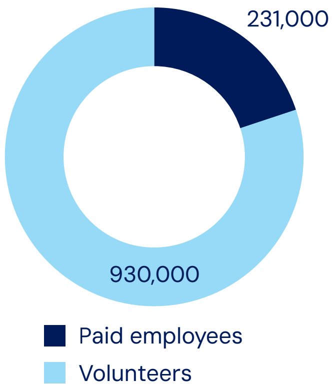
-24% Decline in total volunteers when comparing 2013 NPISA and current 2026 estimates

5% Growth in volunteer hours when comparing 2013 NPISA and current 2026 estimates

2026 for-purpose GDP contribution breakdown



2026 for-purpose employees and volunteers



Source: JBWere Philanthropic Services

The decline noted here is specific to formal volunteering through organisations. Volunteering NZ's 2026 State of the Decade report highlights Stats NZ population-level data from 2023 showing overall participation rising: 53% of New Zealanders had volunteered in the last four weeks in that survey, up from 50.7% in 2021, with growth occurring in direct, informal helping rather than through organisations. Following Volunteering NZ's lead, this is an area where further survey work across regions, service domains, age categories and organisation types would be valuable.

The sector's comparative economic contribution

Another useful way of thinking about the size and economic value of the sector is to compare it against other NZ industries. The table below shows an industry GDP contribution breakdown for the year ended March 2025. At 4.2% of GDP (excluding volunteer labour), the sector sits evenly with transport, postal and warehousing and just below retail trade. When the value of volunteer labour is included, the sector's contribution rises to 5.7%, placing it below construction, on par with financial and insurance services, and above agriculture, forestry, and fishing.

> **The data is clear. The sector's direct GDP contribution is comparable to industries at the heart of New Zealand's economic identity.**

Ranking of for-purpose sector compared to other sectors

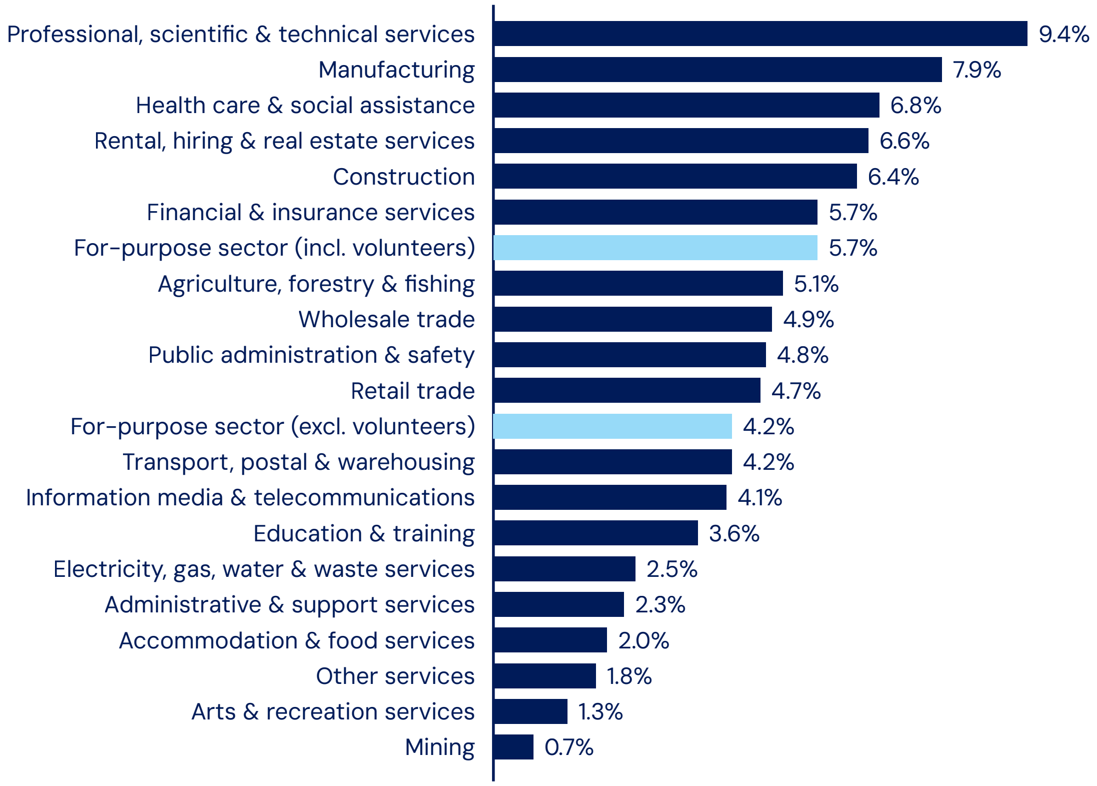
Rank	Industry	% of GDP
1	Professional, scientific & technical services	9.4%
2	Manufacturing	7.9%
3	Health care & social assistance	6.8%
4	Rental, hiring & real estate services	6.6%
5	Construction	6.4%
6	Financial & insurance services	5.7%
--	**For-purpose sector (incl. volunteers)**	**5.7%**
7	Agriculture, forestry & fishing	5.1%
8	Wholesale trade	4.9%
9	Public administration & safety	4.8%
10	Retail trade	4.7%
--	**For-purpose sector (excl. volunteers)**	**4.2%**
11	Transport, postal & warehousing	4.2%
12	Information media & telecommunications	4.1%
13	Education & training	3.6%
14	Electricity, gas, water & waste services	2.5%
15	Administrative & support services	2.3%
16	Accommodation & food services	2.0%
17	Other services	1.8%
18	Arts & recreation services	1.3%
19	Mining	0.7%

Source: Infometrics, JBWere Philanthropic Services

Note: GDP industry comprising for illustrative purposes. Existing standard industry categories include some entities we have classified and counted as for-purpose.

The data is clear. The sector's direct GDP contribution is comparable to industries at the heart of New Zealand's economic identity. This comparison helps address a common misconception: the for-purpose sector is often described primarily through the language of service need, funding gaps, and vulnerability. These pressures are real, but the data shows another story, one of the sector as a sizeable field of production, employment, volunteering, asset use, and public value creation.

Contributions to NZ GDP across sectors with for-purpose estimates included



Source: Infometrics, JBWere Philanthropic Services

This comparison should also be read with an important boundary caveat. The for-purpose estimate cuts across industry categories rather than sitting beside them as a mutually exclusive industry. With tertiary institutions, health and social-service providers, arts organisations, and other purpose-led entities included in the expanded scope, some of the sector's measured GDP contribution is already represented within conventional industries such as education and training, health care and social assistance, arts and recreation, and other services. The ranking is therefore illustrative of scale, not additive to the industry totals.

Methodological impacts

As previously noted, because the 2026 estimate both updates the 2018 baseline and broadens the definition of the sector, it is important to separate organic sector change from methodological expansion. The table on the following page shows the effect of the expanded definition on each headline measure. In simple terms, each row shows how much of the 2026 estimate comes from entities the previous definition would have excluded, with the percentage showing how much larger each measure is than it would have been under the old scope.

The pattern across the table is notable. The broader definition adds relatively few organisations, yet it has a substantial effect on revenue, expenditure, paid employment, and GDP contribution. The entities brought into scope such as tertiary institutions, iwi and hapū enterprise, B Corporations, and other purpose-led organisations are on average far larger than the existing base of non-profit institutions, and their work is heavily people-based. Much of what they produce takes the form of skilled paid labour, which is why their effect on GDP contribution is proportionally greater than their effect on revenue. The expanded definition therefore changes the profile of the measured sector as well as its size, adding weight at the larger, more professionalised end of the ecosystem.

These effects underline the caution needed when comparing the 2026 estimates with earlier NPISA figures, or with international measures built on the narrower non-profit framework. A meaningful share of the headline growth since 2018 reflects activity that was always occurring but previously sat outside the frame. Read alongside the sensitivity ranges, the table allows both stories to be seen: the organic evolution of the sector as previously defined, and the scale of purpose-led activity the earlier definition left invisible.

Methodological impacts

	Impact of definitional change	
	Value	**%**
Total number of organisations included	3,410	2.9%
Total revenue ($b)	10.77	36.2%
Total expenditure ($b)	10.23	38.8%
Employees	55,283	31.4%
Volunteers (m)	0.03	2.9%
Volunteer hours (m)	2.9	1.8%
Contribution to the national economy:	6.65	53.5%
Estimated contribution to GDP including volunteer labour	7.20	38.8%

Source: JBWere Philanthropic Services

Sensitivity analysis

As these figures are estimates and the latest financial data is not available (and some will probably remain inaccessible) it is appropriate to make conservative and optimistic estimates. If the activity growth rate is reduced for the period by 50% and the increase from the methodological change is halved, the result is a conservative estimate. If the growth rate is increased by 50% and the estimate of the methodological change is increased by 50%, the result is an optimistic estimate.

The cautious estimate would reduce the GDP contribution to $13.6b and the optimistic estimate would increase it to $24.6b. The cautious estimate would reduce employee numbers to 191,000 and the optimistic estimate would increase it to approximately 271,000.

$18.9b–$32.6b Contribution to the national economy including volunteer labour sensitivity analysis range

Sensitivity analysis

	Cautious estimate	Estimate	Optimistic estimate
Total number of organisations included	117,609	119,449	121,288
Total revenue ($b)	29.3	40.5	51.7
Total expenditure ($b)	26.4	36.5	46.7
Employees	190,875	231,121	271,366
Volunteers (m)	0.97	0.93	0.89
Volunteer hours (m)	162.1	165.3	168.4
Contribution to the national economy ($b)	13.6	19.1	24.6
Estimated contribution to GDP including volunteer labour ($b)	18.9	25.8	32.6

Source: JBWere Philanthropic Services

Note: because volunteer numbers are declining, the cautious scenario, which halves all rates of change, implies a smaller decline and therefore more volunteers than the central estimate.

The value of the for-purpose sector is measured not only in dollars contributed to GDP, but in the opportunities it creates for people, whānau and communities to thrive. Every day, for-purpose organisations invest in social connection, belonging, prevention and inclusion—creating value that strengthens communities long before costs appear elsewhere. At CCS Disability Action alone, more than 1,100 staff support around 4,800 disabled people each year. That contribution extends far beyond services; it enables participation, builds resilience and helps create a more inclusive Aotearoa where everyone has the opportunity to contribute and belong.

— **CCS Disability Action**
Mel Smith, Chief Executive

CCS disability action
Including all people
TE HUNGA HAUĀ MAURI MŌ NGĀ TĀNGATA KATOA

Photo by: Simon Bradfield

Multiple layers of value

What the evidence shows

The implications of the report's findings explain why economic measurement is useful but incomplete, and how a clearer understanding of the sector's value can support better decisions by organisations, funders, policymakers, and communities.

The conclusion of this report returns to a central narrative from the start: the for-purpose sector is woven through everyday life in Aotearoa New Zealand, but it is not always easy to see, measure, or to distinguish the boundaries of where for-purpose begins and where government and private sectors end. It is an integrated and integral part of our nation.

> **The findings highlight a central conclusion: the for-purpose sector is sufficiently large, complex, and important to warrant more systematic measurement, clearer conceptualisation, and more deliberate integration into policy and statistical systems.**

As a result of its size, integration, and diversity, the sector is often not fully captured by the categories and measures most used to describe economic activity. The purpose of this report has therefore been to clarify the scale of the sector's economic value, but also to note what is missed when it is measured too narrowly.

The evidence points to a sector that is large, economically material, and difficult to capture through standard categories. The figures shared earlier in the report suggest the sector is considerably larger than it is often assumed to be. The sector is a collection of organisations responding to need, but it is also a significant field of employment, service delivery, volunteering, investment, stewardship, and public value creation. At the same time, the analysis shows that the sector is becoming more financially concentrated.

Revenue, expenditure, employment, and GDP contribution have grown much faster than the number of organisations, suggesting that more activity is being carried through a relatively stable organisational base. Volunteer hours have been broadly stable, but the estimated number of volunteers has declined. This combination points to greater organisational capability in some parts of the ecosystem, alongside growing pressure on smaller providers and volunteer-dependent organisations.

At the same time, the analysis highlights important limitations: definitional ambiguity, incomplete data coverage, inconsistencies in reporting, and the absence of a fully integrated measurement framework. These constraints mean that current estimates should be interpreted as indicative.

At the time of writing this report in 2026, many for-purpose organisations are operating in an environment of rising demand, persistent cost pressure, constrained giving, and uncertainty around future funding settings. In this context, better measurement is both a technical issue and a way of ensuring that a part of the economy and society we rely upon upon most heavily in difficult times is not under-recognised because some of its contributions are too hard to price.

In this environment, public trust is essential to the sector as it shapes willingness to give, volunteer, partner, contract, and advocate. Trust is strengthened when the sector can explain its scale, resource use, and contribution with evidence.

Taken together, the findings highlight a central conclusion: the for-purpose sector is sufficiently large, complex, and important to warrant more systematic measurement, clearer conceptualisation, and more deliberate integration into policy and statistical systems.

What the numbers do and do not capture

This report focusses on economic measurement, but the findings also show why economic measures cannot carry the whole account of sector value. The organisations examined here contribute through paid work and volunteering, but also through outcomes that are harder to quantify, such as community trust, cultural continuity, and wellbeing. Some of this activity can be priced or proxied; some can only be partly measured; some is best understood through the lived experience of communities.

A useful way to frame this is through three layers of value.

- **Measured economy:** organisations, revenue, expenditure, employment, and GDP contribution.
- **Partly measured contribution:** volunteer labour, non-market outputs, informal activity, and programme-level social impact that require additional methods to capture.
- **Lived value experienced in communities:** social cohesion, cultural continuity, environmental care, trust, belonging, prevention, resilience, and spiritual wellbeing.

The first layer fits most readily within established statistical systems, the second requires better data and methods, and the third requires humility about the limits of monetisation and quantification.

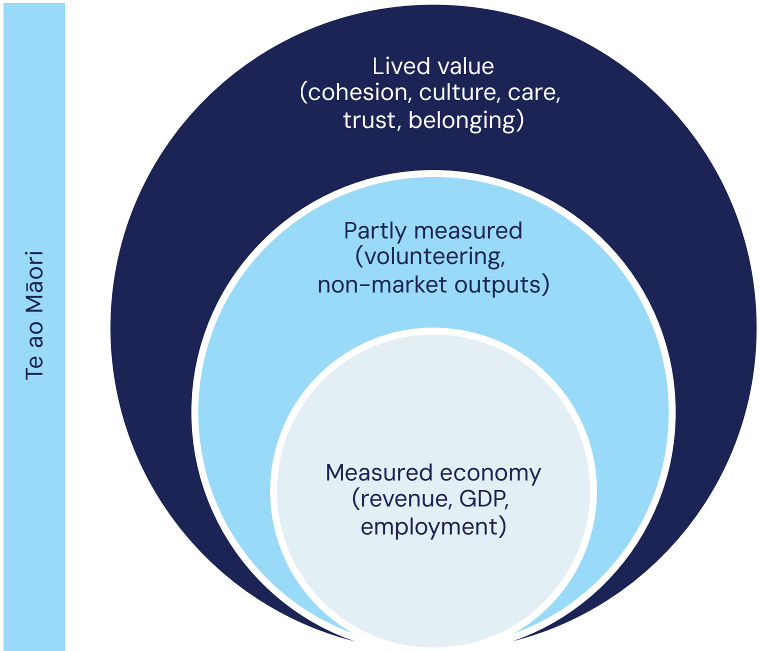
A te ao Māori perspective is woven across all three layers and grounds this account in the distinct context of Aotearoa New Zealand. Concepts such as whanaungatanga, manaakitanga, and kaitiakitanga describe value that is collective, relational, and intergenerational. These dimensions are present across every layer: in the measured economy through iwi and hapū enterprise, kaupapa Māori providers, and pakihi whai kaupapa; in the partly measured contribution through cultures of volunteering, generosity, and reciprocity; and in the lived experience of whānau and communities.

The model on the following page, although simplified, is intended to show the different ways the sector creates value. It highlights that measurement does not require a choice between what can be counted and what cannot. The headline economic estimates, the often-undercounted contribution of volunteer labour and non-market activity, and the wider social, cultural, environmental, relational, and spiritual value experienced in communities are all part of the sector's contribution, even when they do not appear neatly in national accounts.

> *The value of the for-purpose sector is to give a voice to those who need a hand-up, not a hand-out. Almost 90,000 New Zealanders are living with an intellectual disability but less than one third receive the support they need from government. The for-purpose sector fills the gap and enables those with intellectual disabilities to live full and purposeful lives.*
>
> — **Special Olympics**
> **Souella Cumming,** Chair

Special Olympics New Zealand

The layers of for-purpose contributions



Source: JBWere Philanthropic Services

Implications for organisations, funders, policymakers, and the public

The findings in this report have practical implications. Better measurement can facilitate meaningful change. It can change how the sector explains itself, how others make decisions about it, and how New Zealand understands a for-purpose ecosystem that is economically material and socially significant.

It helps organisations tell their story and place their own contribution within a wider national context.

For-purpose sector organisations

For organisations within the for-purpose sector, clearer measurement supports strategy, governance, workforce planning, benchmarking, collaboration, and engagement with funders and policymakers. It helps organisations tell their story and place their own contribution within a wider national context.

The results underscore the importance of strengthening internal and external reporting practices. Improved financial reporting, greater consistency in classification, and more systematic measurement of non-financial outcomes, including volunteer contributions, social impact, and nature positive support, are all critical for enhancing accountability, credibility, and maintaining public trust.

There is opportunity for greater sector coordination in articulating shared definitions and measurement approaches. The diversity of organisational forms, including charities, incorporated societies, iwi entities, social enterprises, and hybrid organisations, creates richness but also fragmentation.

Without some degree of alignment in conceptual and reporting frameworks, the sector risks continued under-recognition and mischaracterisation. This is particularly important for B Corporations and Māori/iwi/hapū organisations where there is no public register requiring regular reporting that is comparable to Charities Services or the New Zealand Stock Exchange.

At a strategic level, data has value for organisations, not only for compliance purposes but also as an input into decision-making. Better measurement can support resource allocation, enable benchmarking across organisations and service domains, and strengthen engagement with funders, policymakers and the public.

The findings on sector concentration also point to specific organisational questions, particularly for volunteer-dependent organisations and smaller for-purpose entities.

Donors

For donors, the results provide a stronger evidence base for generosity and investment. Greater awareness of the sector's economic value and size supports philanthropy by showing the collective weight and contribution the sector makes, and how it could expand further with increased support from giving. The findings also help funders move beyond seeing the sector only through need, deficit, or service pressure. The sector is a major field of productive activity – it employs more than 230,000 people, mobilises around 930,000 volunteers, and contributes an estimated $19.1 billion to GDP. However, giving is rarely only an economic decision. For many donors the act of giving brings together the head and the heart, combining evidence about impact and scale with lived experience, values, identity, and personal connection to a cause, place, sport, art form, community, or issue.

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Generosity and giving decisions therefore sit within a wider system of economic and social contribution. The concentration trends identified in this report also raise questions about where support is most needed. Larger organisations may be carrying more financial activity, while smaller community-based organisations may face sharper pressures around volunteers, administration, and resilience.

Policymakers

For policymakers, the findings point to the potential for a more coherent and integrated approach to measuring and supporting the for-purpose sector. Existing data is dispersed across multiple administrative and statistical systems, and no single dataset adequately captures the full scope of sector activity. This fragmentation limits the ability to develop evidence-based policy, design effective funding mechanisms, and assess the sector's contribution to national outcomes.

For policymakers, the findings point to the potential for a more coherent and integrated approach to measuring and supporting the for-purpose sector.

A priority is further development of an integrated statistical framework, potentially aligned with international approaches such as thematic accounts (satellite accounts) for nonprofits, but adapted to New Zealand's institutional context. Such a framework could explicitly account for: the diversity of organisational forms and hybrid entities, the role of volunteer labour as an economic input, the distinction between market and non-market outputs and the interactions between the for-purpose sector, government, and the private sector, and the wider social, cultural, environmental, and te ao Māori dimensions of value noted in this report.

In addition, policy settings could support improved data quality and accessibility. This includes facilitating reporting, standardising classifications, and enabling responsible data integration across agencies, while managing privacy and confidentiality constraints. If this facilitation does not occur, public discourse is likely to be dominated by less accurate information produced by AI using non-validated sources.

The findings also have implications for funding and contracting arrangements. Better measurement can support the shift toward more outcome-oriented funding models, where resource allocation is informed by both economic contribution and social impact. At present, limitations in measurement constrain the ability to implement such approaches.

Communities and the country

For our communities, knowing the economic value and size of the sector helps make visible what is often experienced locally but not always understood regionally or nationally. Many New Zealanders encounter the sector on a near daily basis through sport, arts, faith, education, health, housing, food support, environmental action, volunteering, donating, or advocacy. It is important to note that measurement does not replace the stories, relationships, or lived experience of these encounters, but it can give them a stronger evidential foundation and help sustain public trust in the wider ecosystem. Measuring the economic value of the sector helps the story of the sector be told more clearly, whether it be around dinner tables, in boardrooms, or in Parliament.

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For the country as a whole, a thriving for-purpose ecosystem is part of the country's social and economic infrastructure. It contributes to resilience in difficult times, social cohesion in periods of change, environmental stewardship, and the wellbeing of communities across the country. Seeing this sector more clearly is therefore not only about improving a set of statistics. It is part of how Aotearoa New Zealand understands the systems that help hold communities together, and how it plans for their future.

Implications for future research

This report highlights several areas where further research is both feasible and potentially valuable. Despite the sector growing in nominal terms, inflation has had an adverse effect on operations (particularly in the post-COVID period), hence it is important that future work not only address activities and outcomes in nominal terms but also in real terms.

In addition, future research should prioristise five areas:

- Testing alternative definitions of the for-purpose sector and reporting how each characterises the sector and impacts headline numbers;
- Improving measurement of volunteer labour, informal activity, non-market outputs, and programme-level social impact;
- Developing integrated data methods that reduce duplication, missing data, and inconsistent classification;
- Analysing sector composition by service domain, organisation size, region, legal form, and Māori/iwi/hapū organisation type;
- Repeating measurement on a regular cycle so structural change can be tracked rather than inferred from dated baselines.

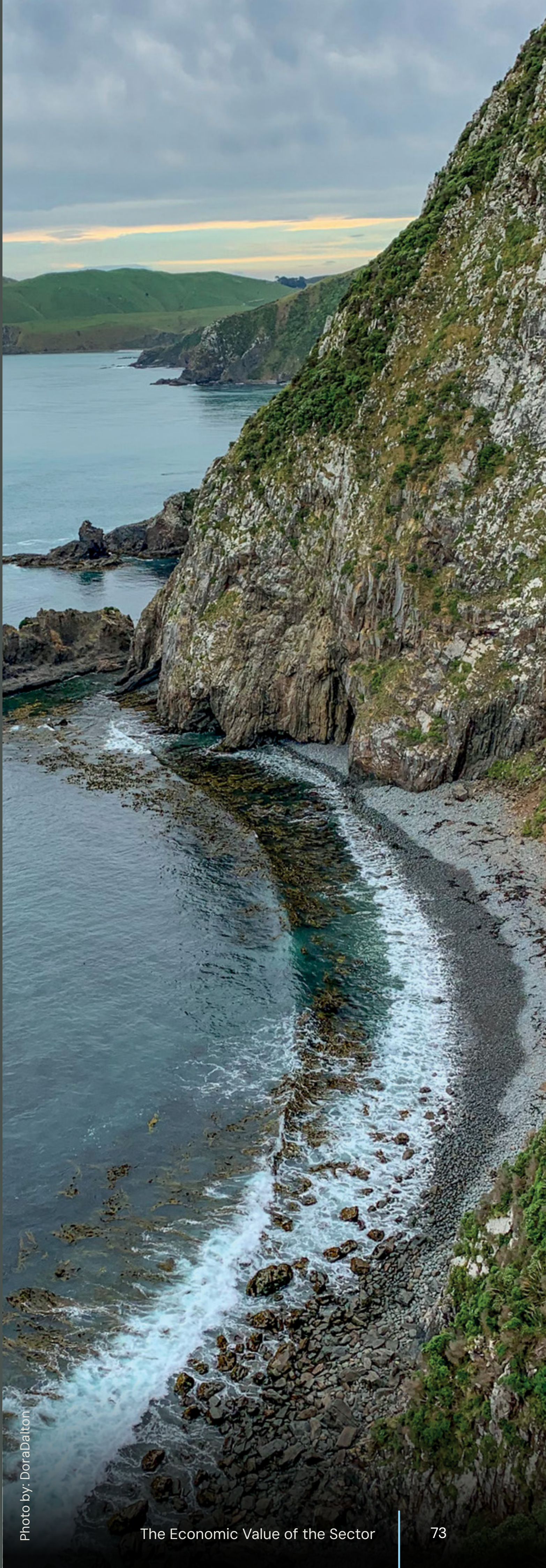
Future research could also test how economic measurement can sit alongside wider value frameworks. This includes using SROI where it clarifies programme-level value, natural capital approaches where environmental stewardship is central, and te ao Māori perspectives where relational, collective, cultural, and spiritual dimensions of contribution are central to the work being measured.

In all of this it is important to distinguish between data (and data descriptions) that can be shared with the public on a regular basis, that which can be shared infrequently (i.e., less than annually) and that which cannot be shared.

Concluding observations

The for-purpose sector in Aotearoa New Zealand is not a residual category defined by what it is not, but a substantive and evolving part of the economy defined by its purposes, activities, and social value creation. While measurement challenges remain, the evidence presented in this report suggests that the sector's contribution is too significant to remain only partially measured and imperfectly understood.

Progress will require coordinated effort across organisations, policymakers, and researchers. Improved conceptual clarity and better data. More robust measurement frameworks will not eliminate uncertainty, but they will support more informed decisions, stronger public trust, and more effective engagement with a sector that plays a central role in the economic and social life of New Zealand.



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Frank Scrimgeour is Professor of Economics in the Waikato Management School at the University of Waikato, New Zealand. His research focusses on the interaction between public policy and institutions in the achievement of economic, environmental and social goals.

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William is a researcher with JBWere Philanthropic Services, where he leads for-purpose sector analysis and major research publications, including the recently released JBWere Outlook for Giving 2026. He works closely with for-purpose, academic, government, and philanthropic partners to strengthen the evidence base on giving and the sector in Aotearoa New Zealand.

William received a Ph.D. from the University of Cambridge and has led research projects for charities, governments and universities across the Pacific and internationally. He also holds affiliate research positions at the University of Auckland and London School of Economics.

About the University of Waikato

The University of Waikato is a leading research-intensive institution in Aotearoa New Zealand, recognised for its commitment to academic excellence, innovation, and community engagement. With campuses in Hamilton and Tauranga, The University serves a diverse student body and maintains strong links with industry, government, iwi and hapū, and community organisations across the country. Its teaching and research span a wide range of disciplines, with a focus on real-world application and impact. The University is known for its distinctive approach to learning, integrating global perspectives with a strong grounding in the social, cultural, and economic context of Aotearoa.

The University delivers research that informs policy, supports economic development, and contributes to the wellbeing of communities. It has established partnerships with national and international organisations, reflecting its role as a contributor to both regional and global knowledge. Across its faculties and research institutes, The University prioritises interdisciplinary collaboration and the translation of research into practice.

Waikato Management School

Waikato Management School is one of New Zealand's leading business schools and holds Triple Crown accreditation from EQUIS, AMBA, and AACSB, placing it among an internationally recognised group of business schools worldwide. The School offers a comprehensive range of undergraduate, postgraduate, and executive education programmes across areas such as finance, economics, management, marketing,
and public policy.

The School has a strong focus on applied research, with work spanning areas such as sustainable finance, responsible investment, regional development, and the for-purpose sector. It maintains close relationships with businesses, government agencies, and not-for-profit organisations, enabling research to be informed by practice and aligned with sector needs. Waikato Management School also plays an active role in developing future leaders through programmes that emphasise analytical capability, ethical decision-making, and long-term value creation.

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About JBWere

JBWere provides investment advisory, research, and wealth management services to a broad and diverse client base across Aotearoa New Zealand. This includes private wealth holders, charities, tangata whenua, local government, family offices, financial institutions, and other for-purpose clients.

About JBWere Philanthropic Services

JBWere is the leading provider of philanthropic, governance, strategy, and investment advice to the for-purpose sector. These organisations have entrusted us with more than $8 billion of their financial assets.

Our Philanthropic Services New Zealand team brings more than 85 years of combined for-purpose experience. This includes leading charities, conducting sector research, serving as trustees, and working and volunteering in communities across the country. We also share a long-standing strategic partnership with JBWere Australia and its acclaimed Philanthropic Services team.

JBWere recently released The JBWere Outlook for Giving 2026 and NZ Bequest Report 2025. This follows The JBWere NZ Corporate Support Report 2022 and earlier reports in the JBWere NZ Cause and Support series. Together, these reports provide practical sector data to support decision making by our clients and the wider for-purpose community.

We support private clients to move from reactive giving to a more deliberate approach. This means building a clear portfolio of philanthropic commitments while retaining space to respond to new opportunities when it matters.

We also work alongside charities and other for-purpose organisations as they steward capital to sustain operations and advance their kaupapa. We recognise the responsibility that comes with intergenerational resources and long-term mission delivery. Our investment solutions focus on income stability, capital protection, and alignment with beliefs and values. Each portfolio is shaped around the purpose it serves.

Being a trusted partner to the sector goes beyond investment management. We provide strategic advice, governance support, and fundraising capability building. This includes initiatives such as our recent Gift-in-Wills and Governance for Fundraising masterclasses, the Harvard University supported Social Leadership Programme, and the Centre for Social Impact (Australia) Governance for Impact course. We also use our networks to make introductions that can help our for-purpose clients unlock progress on their challenges and priorities.

If you would like to discuss our Philanthropic Services expertise and how we can work with you, please contact your JBWere Adviser or a member of our Philanthropic Services team.

Information about JBWere NZ Philanthropic Services & Family Advisory can be found on jbwere.co.nz or by contacting Philanthropic.Services@jbwere.co.nz. Please visit our website www.jbwere.co.nz to download a soft copy of this report.

Our purpose:	Aotearoa New Zealand
• To inspire and support our clients to create lasting positive impact • Leading provider of investment and philanthropic services to for-purpose in New Zealand – for-purpose individuals and families in structured giving and family governance – for-purpose organisations in community delivery, healthcare, research, aged care, education, faith, local government, industry and mutuals – business on a shared value journey, redesign, brokering partnerships • Ensure latest insight and access to deliver on their purpose • Supports governance of impact in their impact investments.	**400+** For-purpose clients **$8b+** Assets under advice from for-purpose organisations

We are deeply embedded into our communities.

100+
Advisers

12
Offices across New Zealand

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