



OECD
Better Life
Initiative

How's Life? 2013: Focusing on People

Key findings

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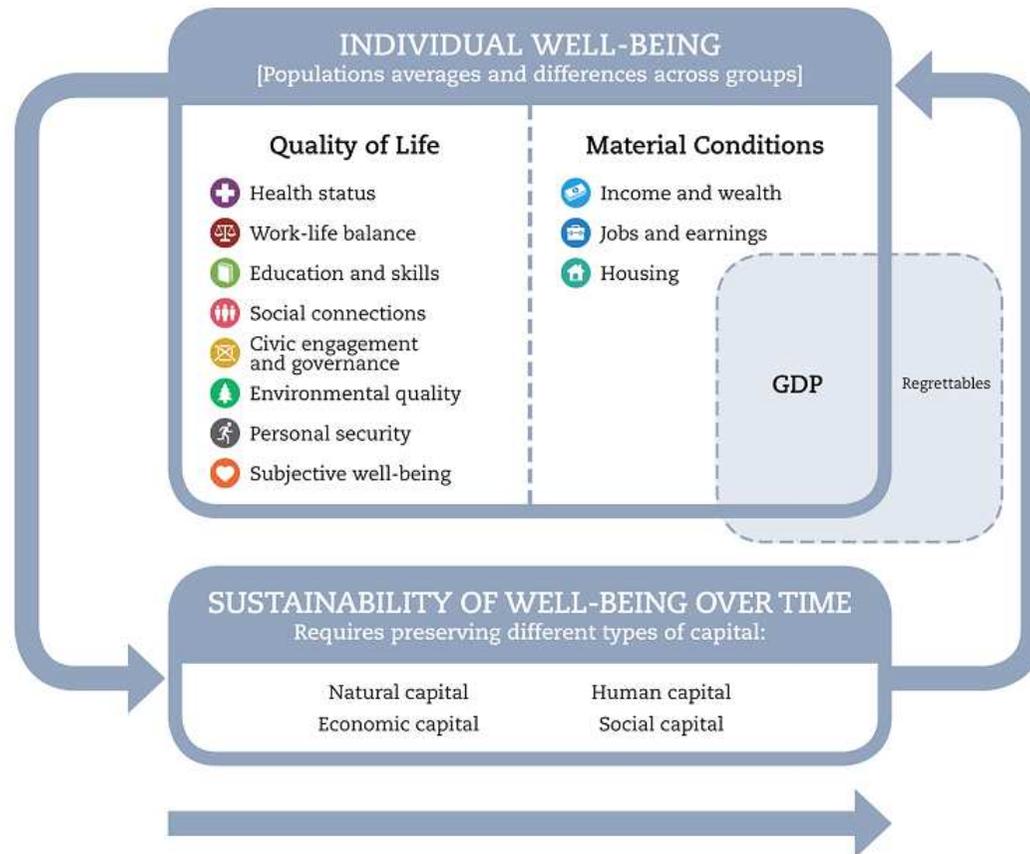
**European Economic and Social Committee
December 2013**

Brussels, 4

Context : Going beyond GDP

- GDP is a key measure to monitor **macro-economic activity** but it is **not a metric of people's well-being**
- GDP/economic growth is an **important means** to people's well-being but it is **not the ultimate goal**
- In 2011, the OECD launched its **Better Life Initiative** as part of its new mission to achieve **Better Policies for Better Lives**
- The Better Life Initiative is very much in line with **other similar “beyond GDP” initiatives**:
 - **Stiglitz-Sen-Fitoussi** report
 - **EU 2020; Eurostat sponsorship**
 - **UN Resolution** calling for “holistic approach to development” to promote sustainable happiness and well-being
 - **Rio+20** Sustainable Development Goals
 - Many **national initiatives** for measuring well-being

The OECD well-being framework



Source: OECD, 2013

➤ **People** rather than economic system or GDP

➤ **Outcomes** rather than inputs and outputs

➤ Both **averages** and **inequalities**

➤ Both **objective** and **subjective** aspects

➤ Both **today** and **tomorrow**

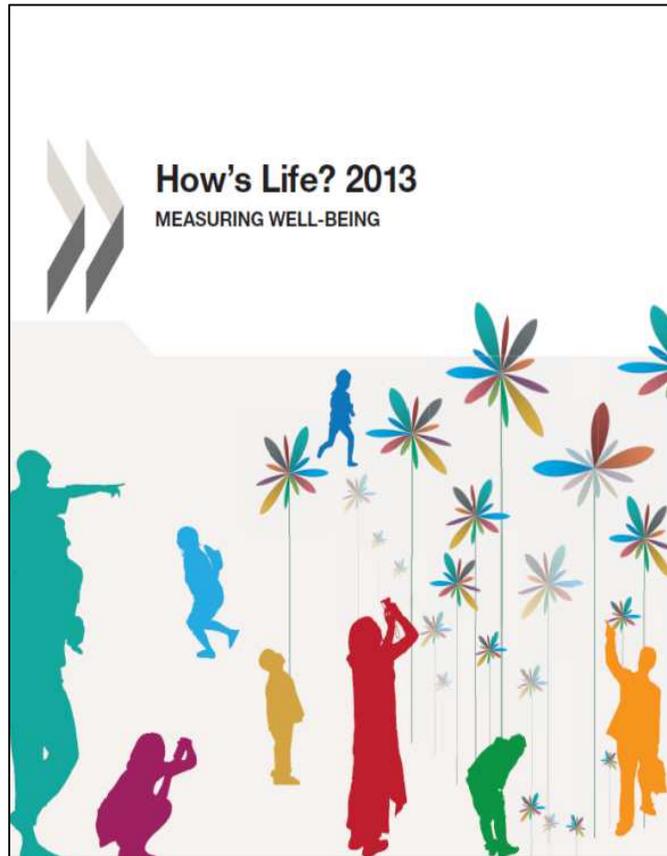
36 countries

➤ OECD countries

➤ Brazil

➤ Russia

Contents of *How's Life? 2013*



Measuring what matters in people's life

The human costs of the financial crisis

Well-being in the workplace

Gender gaps in well-being

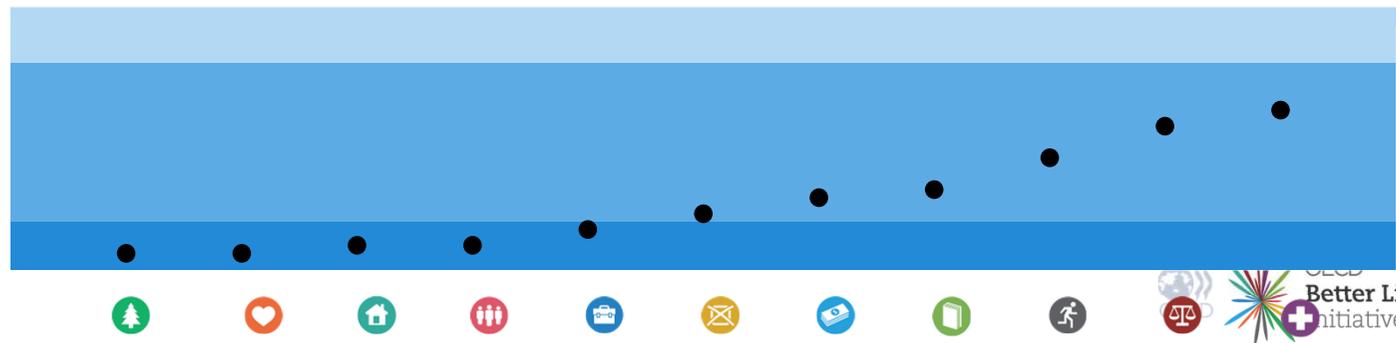
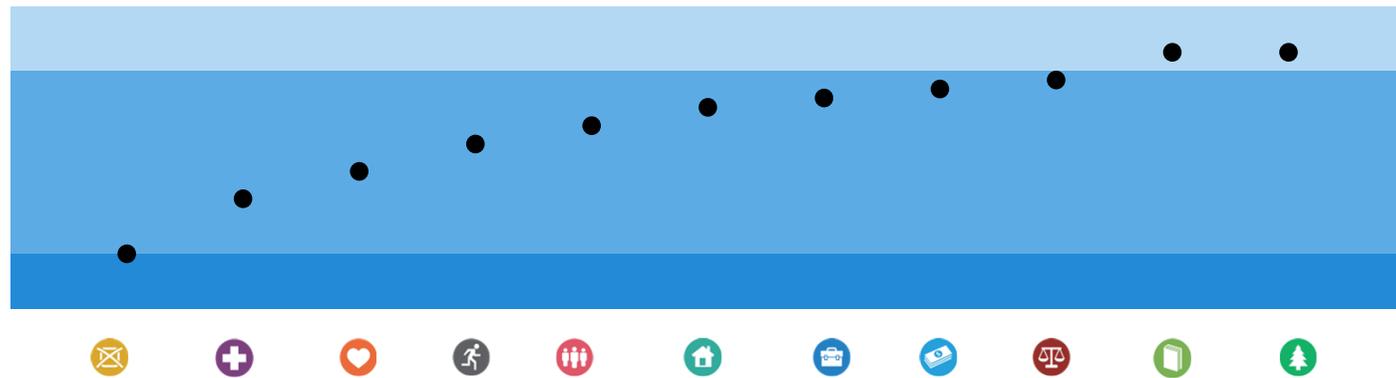
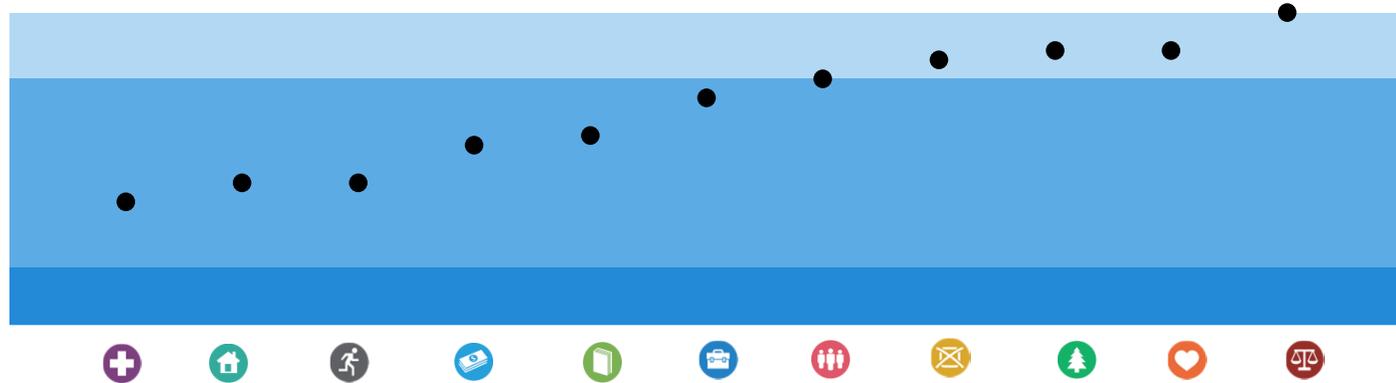
How's life in 2013?

No well-being champion but some countries do better than others

Top 20% performers	Australia	Canada	Denmark	Norway	
	Sweden	Switzerland	United States		
60% middle performers	Austria	Belgium	Czech Republic	Finland	France
	Germany	Iceland	Ireland	Israel	Italy
	Japan	Korea	Luxembourg	Netherlands	New Zealand
	Poland	Slovak Republic	Slovenia	Spain	United Kingdom
20% bottom performers	Chile	Estonia	Greece	Hungary	
	Mexico	Portugal	Turkey		

Source: *How's Life? 2013* – Unweighted averages across all well-being dimensions

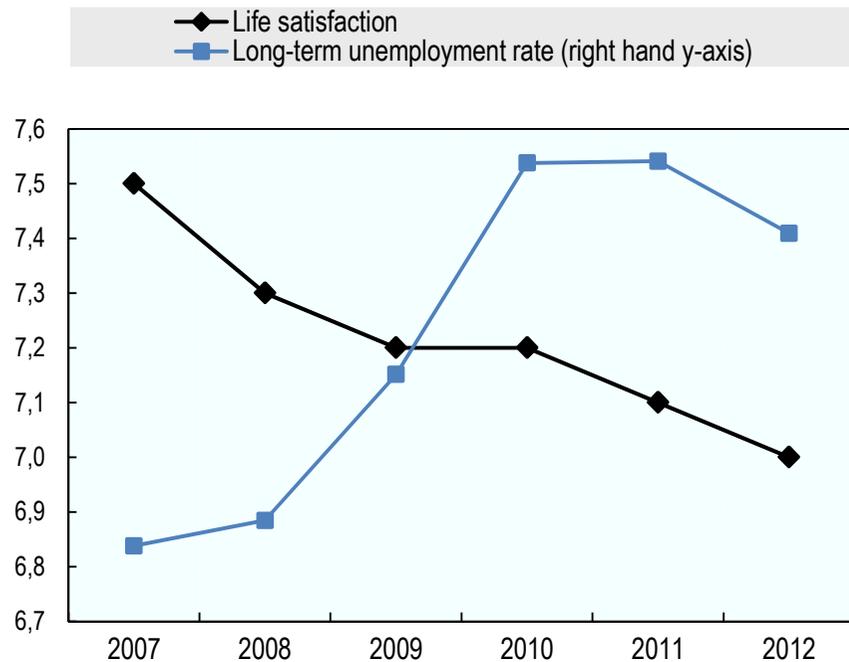
How's life in 2013?



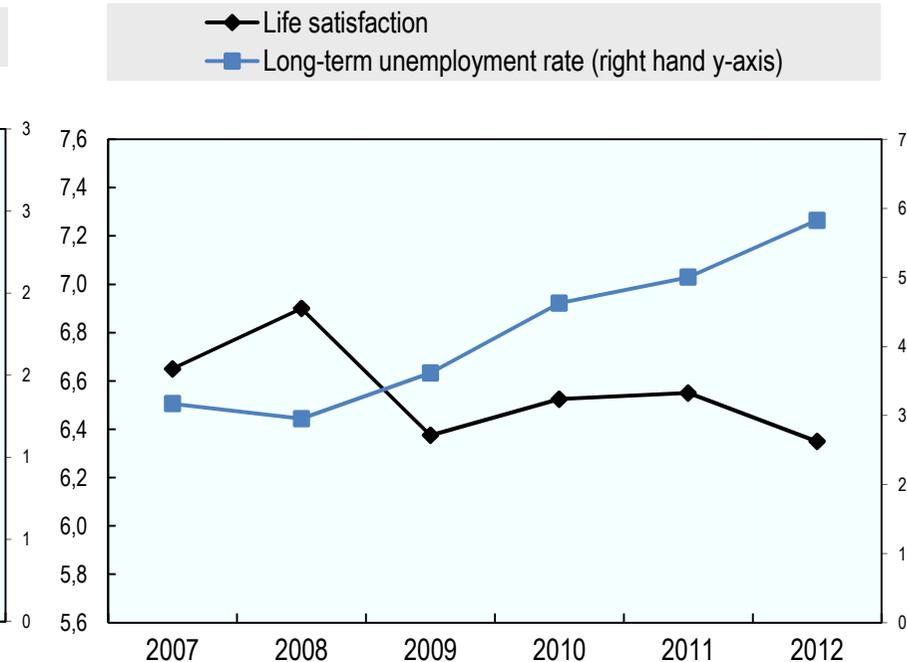
The global financial crisis has had a profound impact on people's well-being

Life satisfaction dropped as unemployment increased

United States



OECD Euro area (selected countries)



Source: *How's Life? 2013*

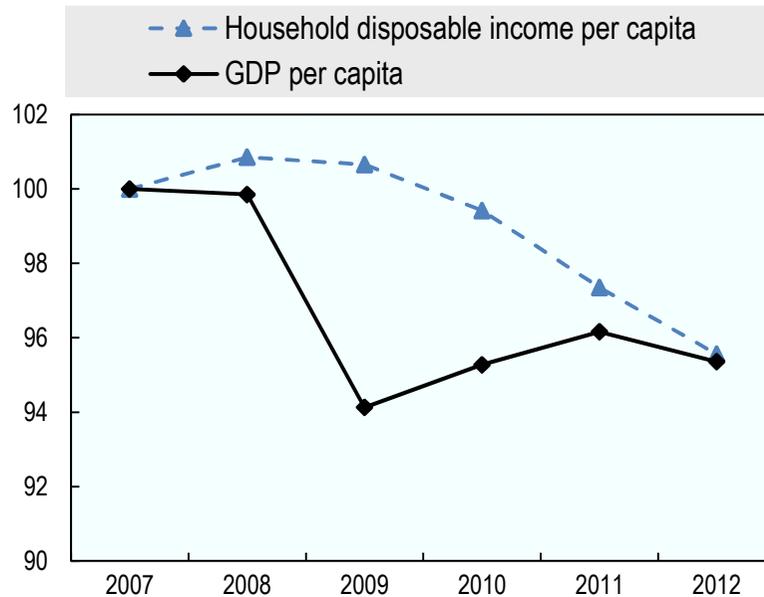
X-axis: Life Satisfaction = average score on a 0-10 scale ; source: *OECD calculations on the World Gallup Poll*

Y-axis: Long term unemployment rate = % of the labour force unemployed for one year or more; source: *OECD Labour Force Statistics*

Economic well-being declined

Strong decline in household disposable income

OECD Euro Area, 2007 = 100

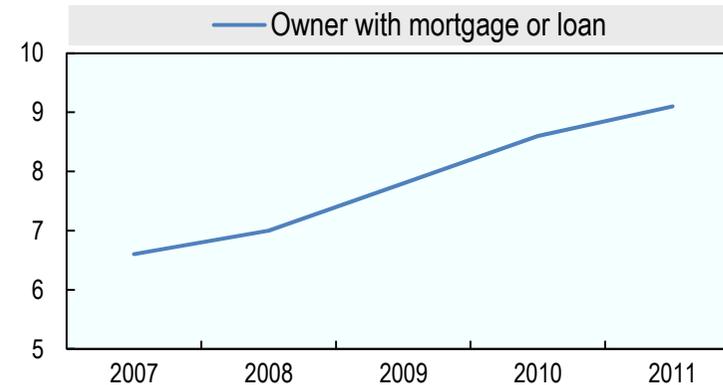


Source: OECD National Accounts Database

Housing conditions deteriorated

Around 20% of US households moved in with other households

In the Euro area, the share of the population with total housing costs greater or equal to 40% of disposable income rose

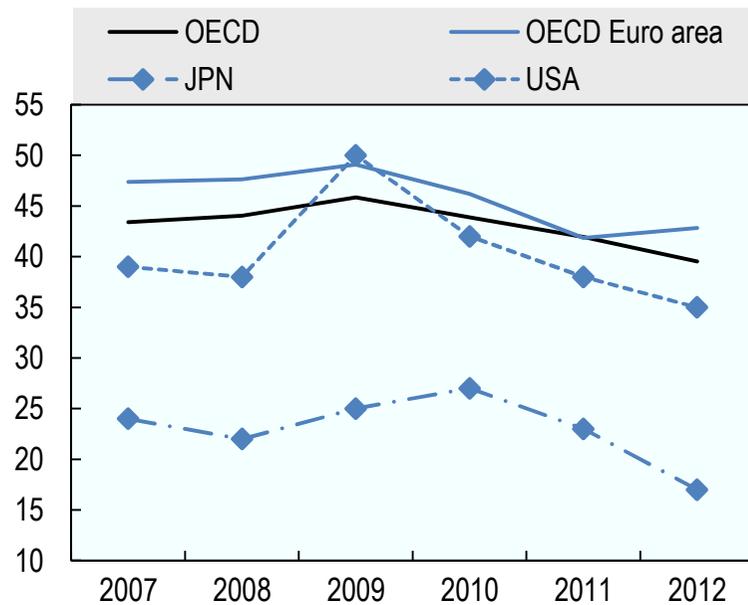


Source: OECD calculations on US SIPP and EU-SILC

The crisis also affected other aspects of life

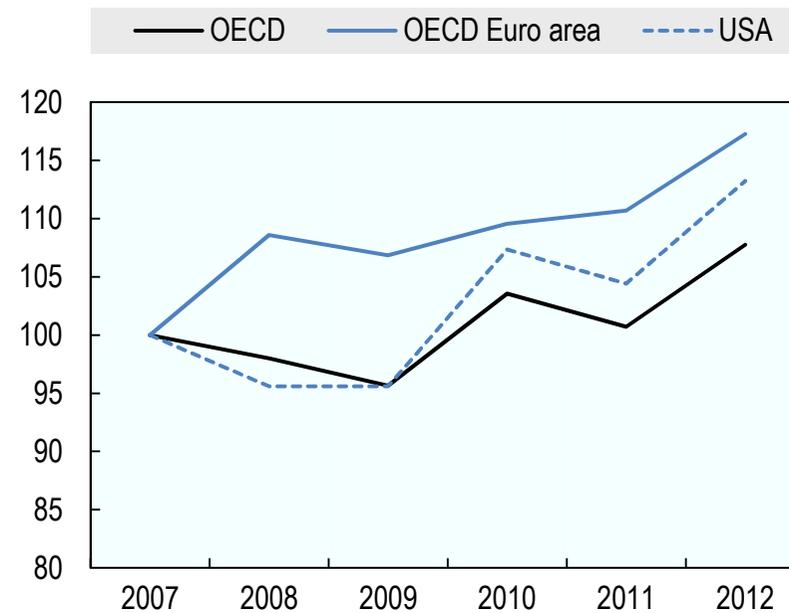
Trust in governments declined

Percentage of people reporting to trust national government



But new forms of solidarity emerged

Percentage of people reporting having helped someone, 2007=100

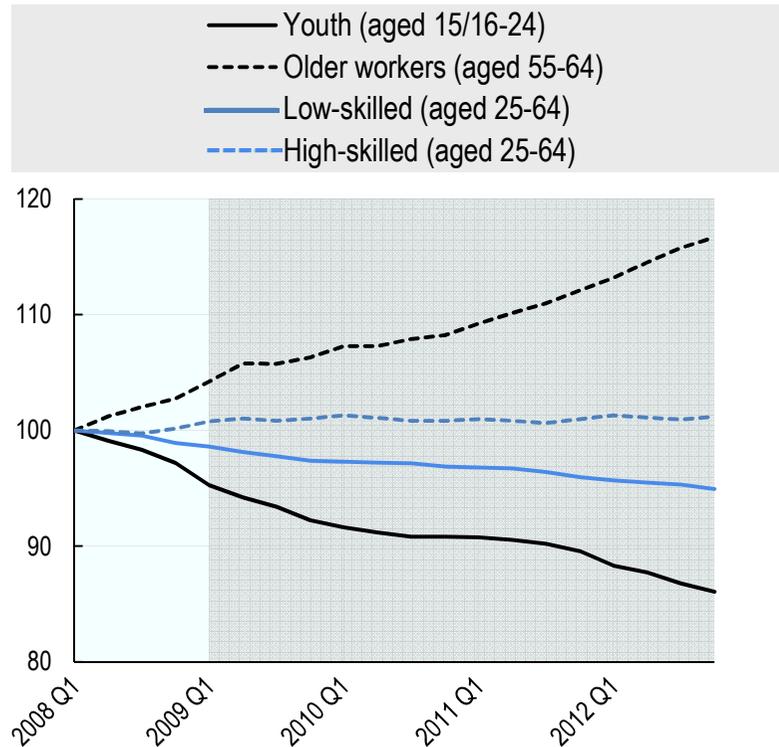


Source: OECD calculations on Gallup World Poll

Full impact may become visible only later

Youth bore the brunt of labour market adjustments

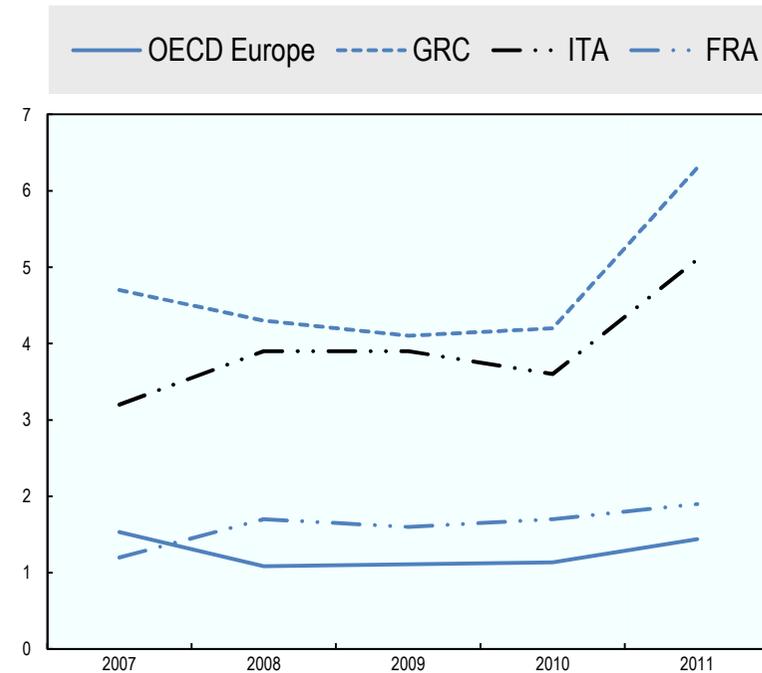
OECD Euro area employment rates of different groups relative to that of the overall population
2008 Q1=100



Source: OECD Labour Force Statistics

Unmet medical needs increased in some European countries

Percentage of people reporting unmet medical needs for financial reasons



Source: OECD calculations on EU-SILC

The working environment matters a lot for well-being...

Important to balance job demands and resources

Job Demands

- Work pressure
- Emotional demands
- Physical health risk factors
- Workplace intimidation

Job Resources

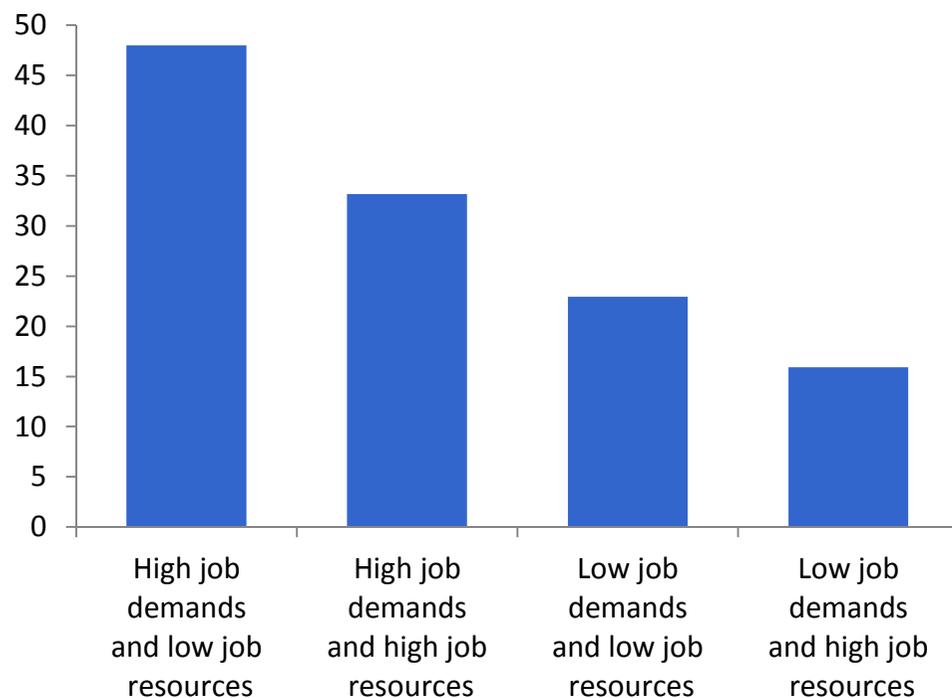
- Work autonomy
- Learning opportunities
- Task clarity
- Supportive management practices
- Colleagues' support

Strained jobs: High demands and Low resources

... in particular for workers' health

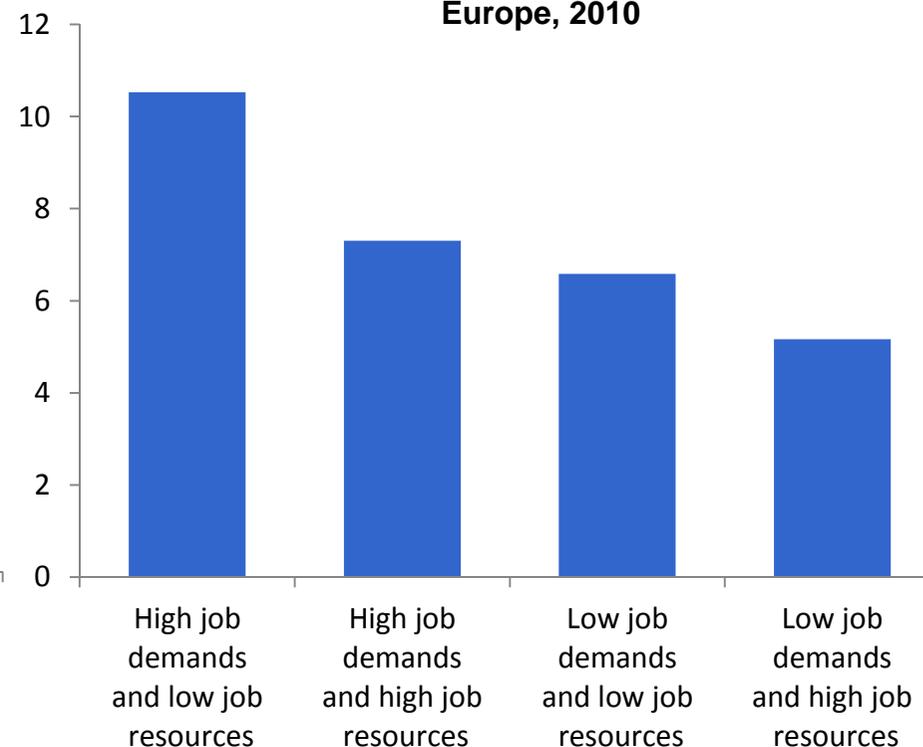
Strained jobs impair workers' health

Proportion of European workers reporting that work impairs their health, 2010



...and affect firms as well

Number of annual days of sick leave, Europe, 2010

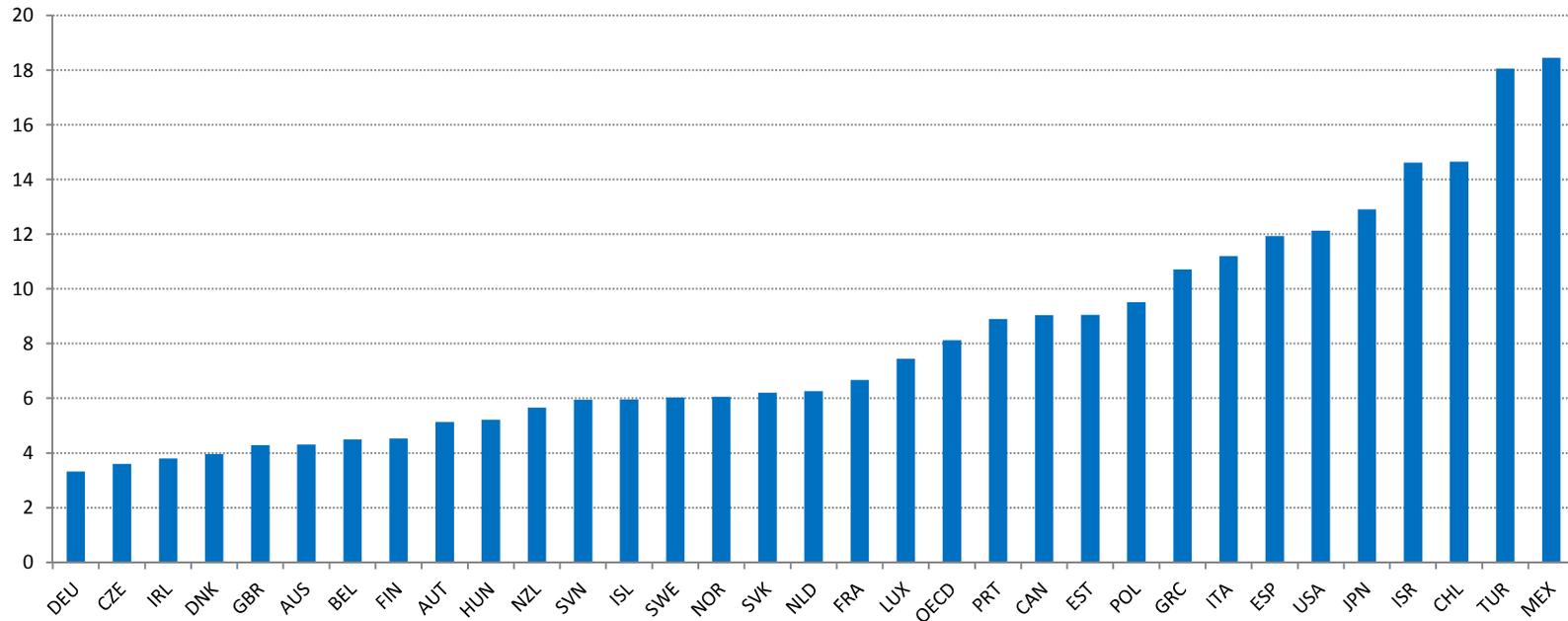


Source: OECD calculations on the European Survey on Working Conditions

Economic reward from work is important for employment quality

In many countries work is not an antidote to poverty

Poverty rates among individuals living in households
with at least one worker, 2010



Source: OECD Income Distribution Database

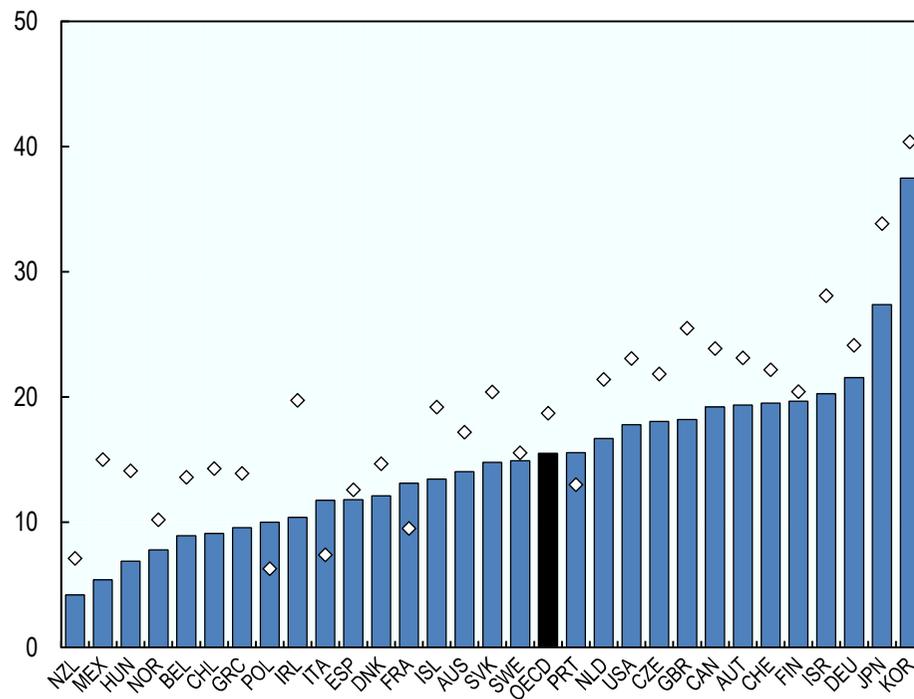
Gender differences in economic and other aspects of well-being remain large



Declining but persistent wage gaps

Gender wage gaps
(Men minus Women/Men)

■ 2010 or latest available year ◇ 2000 or first available year



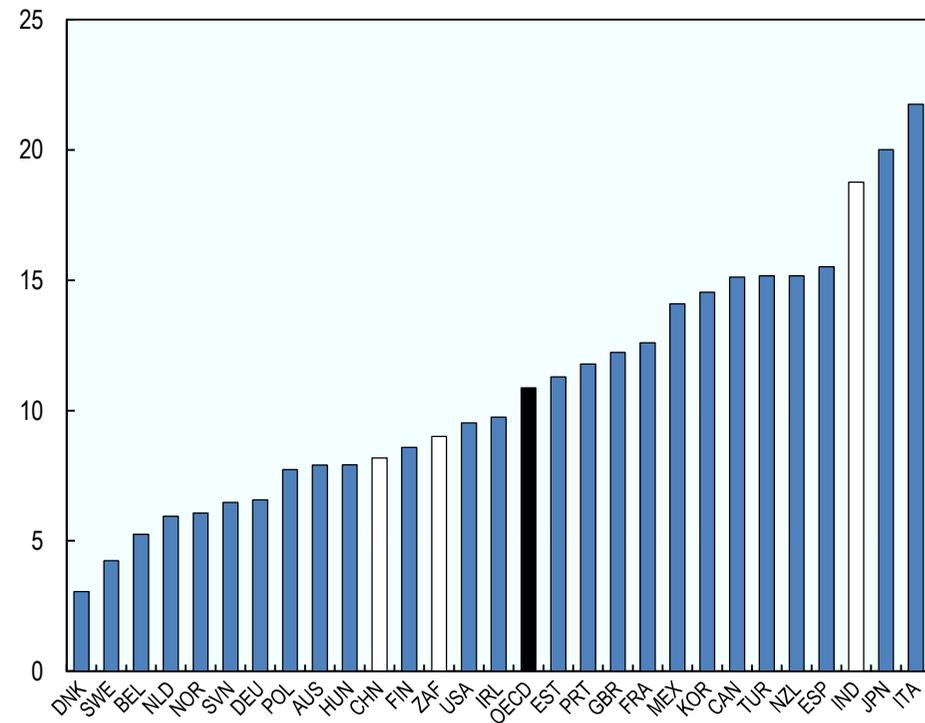
Source: OECD Employment Database



Women still confronted with the double day burden

Gender time gaps
(Women minus Men)

■ Number of weekly hours of unpaid work



Source: OECD calculations based on national time-use surveys

It's not just a women issue



Women are the primary target of intimate violence and have greater fears about their safety

On average in the OECD, 25% of women say they have been victim of intimate violence from their partner



Women are under-represented in top management and political positions

On average in the OECD, only 27% of parliamentary seats are occupied by women

BUT...



Women live 5 years longer than men

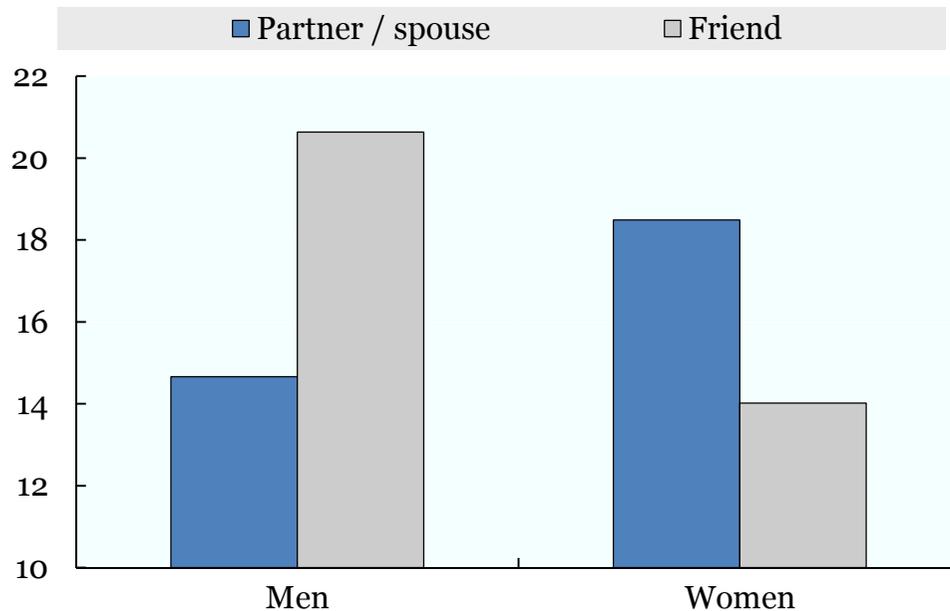


Young women are more educated than young men

Women have different values and attitudes

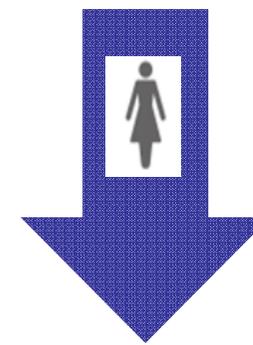
Men turn to friends to find a job while women turn to their partners

Proportion of men and women relying on partner/spouse and friends if they needed help when looking for a job, Europe, 2007



Source: OECD calculations on European Quality of Life Survey

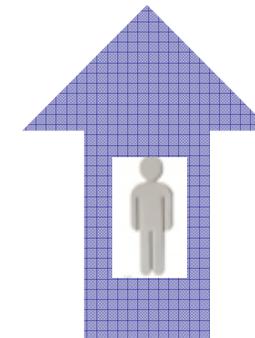
Women are as satisfied with their job as men, but for different reasons



Women value flexibility of work schedule, social relations and meaningfulness of tasks most

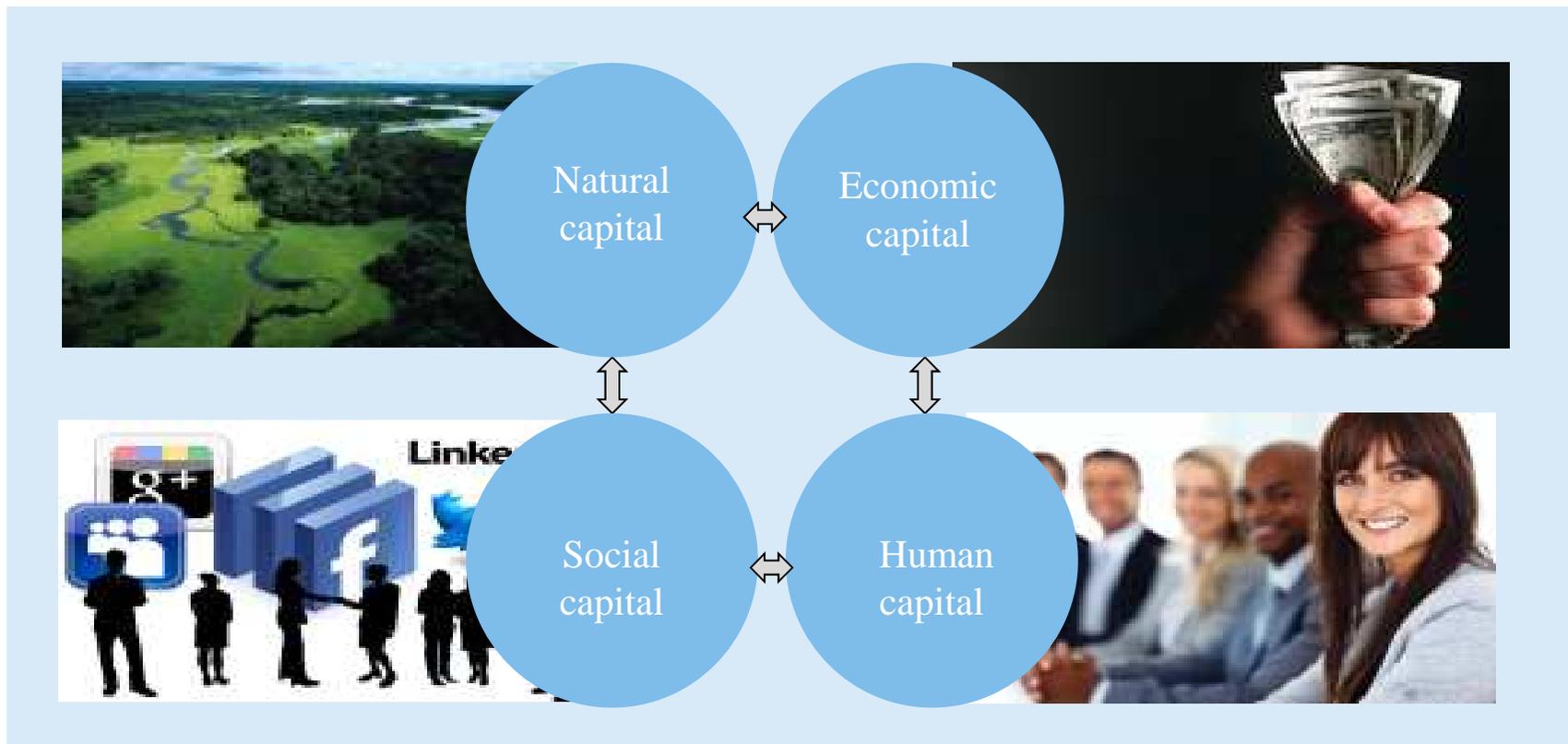


Men value money most



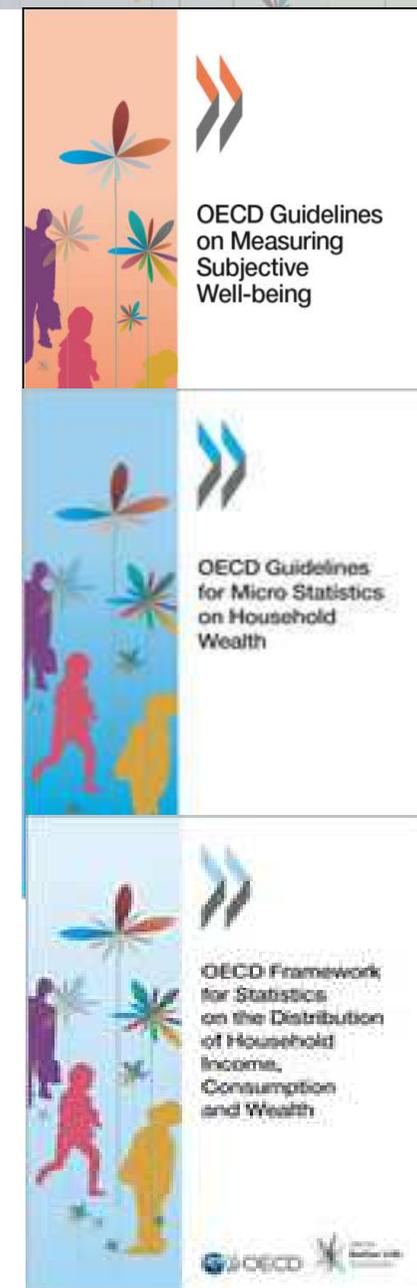
Well-being tomorrow

- Measuring the stocks of resources that can sustain well-being for future generations
- The choices governments make today can have an impact on the levels of well-being in the future



OECD work on improving the measurement of well-being

- Moving forward the statistical agenda:
 - Guidelines on Measuring **Subjective Well-Being**
 - Framework for Measuring **Income, Consumption and Wealth; Inequalities in the National Accounts**
 - Guidelines for measuring **Household Wealth; wealth distribution** dataset
 - Measures of **Social Capital**
 - **Green Growth** Indicators
- From cross-country to **country-specific analysis** to provide the country with a **framework** for conducting a “**well-being diagnosis**”



From measurement to policy

- Analytical work to identify **well-being interrelationships** and understand the **determinants of well-being outcomes**
- Two OECD horizontal projects will make use of these findings for policy:
 - **NAEC (New Approaches to Economic Challenges)**: how to manage **complex trade-offs and synergies** in a multidimensional policy decision framework building on country experiences
 - **Inclusive Growth**: how to deliver **economic** and **non-economic benefits** of growth **fairly** across **social groups and over time**



THANK YOU!

For any question, contact progress@oecd.org

www.oecd.org/measuringprogress

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