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Well-being Matters in Measuring Social Progress

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Introduction

Unlike most other countries which measure social progress using GDP or GNP, Bhutan, the small Buddhist country in the Himalayas, uses Gross National Happiness (GNH) as its national progress indicator. Their rationale for using GNH is to ensure that prosperity is shared across society and that growth is balanced with preserving cultural values, conserving the natural environment and establishing good governance.

Canada is another country looking beyond GDP. Canada is currently developing a Canadian Index of Well-being (CIW) as an alternative to GDP. When the CIW is fully developed it will combine 8 domains—of living standards, healthy population, time use, ecosystem health, educated populace, community vitality, civic engagement, and arts, culture, recreation—into one index.²

The New Economics Foundation in the UK³ has produced a set of ‘National Accounts of Well-being’ which provides a cross-country comparison of how people feel and experience their lives through measures of personal and social well-being. Personal well-being measures people’s experiences of their positive and negative emotions,

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² The composite indicator is scheduled for release in 2010. Information is available from the Canadian Institute of Well-being at www.ciw.ca.

³ The New Economics Foundation (NEF) is a registered charity and independent ‘think tank’.

satisfaction, vitality, resilience and self esteem, and sense of positive functioning in the world. Social well-being measures people's experiences of supportive relationships, sense of trust and belonging with others.

In September 2009 the Commission on the Measurement of Economic Performance and Social Progress, established by French President Nicolas Sarkozy, and chaired by the Nobel Prize Winning Economist Professor Joseph Stiglitz, reported. The Commission's report identifies the limits of GDP as an indicator of economic performance and social progress, suggesting that social progress is better captured in a multidimensional measure such as well-being. The Commission distinguishes between an assessment of current well-being and its sustainability over time.

These are just some of the alternative measures to GDP/GNP being used or being developed. To date, Ireland has relied mainly on GDP/GNP although the Central Statistics Office has been publishing a 'suite of indicators' in its *Measuring Ireland's Progress* reports since 2003. Its latest report for 2008 includes indicators on education, health, housing, crime, the environment and social cohesion as well as employment, innovation and the economy. Children's well-being indicators are published in the *State of the Nation's Children* reports published by the Office of the Minister for Children and Youth Affairs. Drawing on this work NESC published its recent report on *Well-being Matters: A Social Report for Ireland*.

Reporting on Social Progress in Ireland

The idea of a social report was first suggested by NESC in 1977. At that time it was envisaged that a social report could highlight social problems making possible more informed judgements about national priorities. By providing insights into the progress of different measures of national well-being a social report could assist in the evaluation of what state

programmes are achieving. More recently, following a recommendation by the National Statistics Board, the government requested that NESC take a lead role in the preparation and production of an overall social report.

In October 2009 NESC published the *Well-being Matters* report which seeks to fulfil that government request, based on the original ideas. The purpose of the report is to analyse and interpret key social trends to inform social policy and well-being in Ireland. The approach adopted reflects the public mood in seeking to know the societal outcomes of the economic boom years and how we should design our policies for the future.

The focus of the *Well-being Matters* report is on individuals and their capabilities, how they relate with those around them (families, communities) and on their role within the wider societal system (economic, social and cultural systems). The work acknowledges the diversity of the population and the challenge of a developmental approach to unlocking the potential of each individual. This focus is very much in line with the current policy framework *Towards 2016* which adopts a life cycle approach, placing the citizen at the centre of social policy.

Why Well-being?

A well-being framework was used for a number of reasons:

- i) Something more than GDP is required to measure social progress;
- ii) Because of the central role of people in economic and social progress;
- iii) Because people care about their well-being; and
- iv) To assist in monitoring the impact of policy actions on policy outcomes.

Internationally, there is increasing interest in, and analysis of, human well-being and the economic, social, environmental and psychological factors

that contribute to it. Current thinking suggests that to measure social progress and national well-being we need something more than GDP/GNP. There are two particular limitations of GDP/GNP as a measure of social well-being. (i) It is a one-dimensional indicator that ignores many dimensions that are recognised as essential for well-being, such as, children's education, and loving relationships. (ii) As an additive measure (ie. the sum of different incomes) GDP ignores the many complexities in the relation between individual well-being and collective well-being.

Secondly, it is the qualities of people which are central to the progress of the Irish economy and to the development of society. It is for these reasons that we should be concerned about people's well-being.

Thirdly, people care about their own well-being, and the well-being of their families, their communities and wider society. This has become more obvious in the current economic context as people are increasingly reflecting on what contributes to their well-being. People's well-being is a combination of their own innate and developed capabilities and the context within which they function.

Fourthly, there is a concern about improving social policy outcomes. By documenting key social trends and aligning these to policy goals and actions, a report on social well-being can make a contribution towards assessing social policy outcomes.

What is Well-being?

The understanding of well-being is underpinned by a diverse literature on the subject. While there are different strands of thought the approach used in the *Well-being Matters* report is based on the concept of 'human flourishing' which incorporates the idea that well-being is about having a sense of purpose in life, participation in civic life, having friends, loving and being loved.

Thus, a person's well-being relates to their physical, social and mental

state. It requires that basic needs are met, that people have a sense of purpose, that they feel able to achieve important goals, to participate in society and to live the lives they value and have reason to value.

People's well-being is enhanced by conditions that include financial and personal security, meaningful and rewarding work, supportive personal relationships, strong and inclusive communities, good health, a healthy and attractive environment, and values of democracy and social justice. Public policy's role is to bring about these conditions by placing the individual at the centre of policy development and delivery, by assessing the risks facing him/her, and ensuring the supports are available to address those risks at key stages in his/her life.

In applying this definition, six domains of well-being emerge, on which a certain amount of data are available, as follows:

- Economic resources;
- Work and participation;
- Relationships and care;
- Community and environment;
- Health; and
- Democracy and values.

The evidence suggests that all of these domains of a person's life are important for their well-being. The emphasis given to each may depend on an individual's particular circumstances or the situation in which they find themselves. Most individuals live in a family (or have family connections), in a community which is part of the wider society, environment and economy. These elements of a person's life are interconnected. People's well-being is also affected by comparing themselves with those around them and by the values set in wider society. Throughout their life course the domains of well-being of an individual may change.

The relationship between individual and collective well-being is important but hard to define. This is so, in part, because the nature and

context of each individual's well-being involves a unique combination of the six domains of well-being. An implication of this perspective is that individual and collective well-being are constructed and re-constructed in processes that include individual reflection and social interaction.

The analysis and pursuit of well-being in this context of individual difference and value pluralism has important implications for the way in which we think about the role of public policy. Specifically, it implies that public policy should aim to secure and provide three kinds of 'goods': sufficient freedom for each individual to define and pursue their idea of the good life; a degree of order and uniformity, to protect both the individual and the common good; and a range of public and private goods, tailored to individual needs.

Well-being Trends

Using this definition it is possible to identify indicators for each of the six domains of well-being. The indicator framework can be used to analyse trends over time and across the life cycle – for children, people of working age, older people and also for people with disabilities. Comparisons can be made with other countries as well as for subgroups within the population. For example, attention is paid to gender, social class, family status, ethnicity and geography. A central theme is the heterogeneity of the population and the diversity of factors influencing well-being. Well-being trends can also be linked to policy commitments, with a view to identifying policy gaps, as well as indicator and data gaps.

A summary of key well-being trends is documented in the *Well-being Matters* report and is presented in the following paragraphs. It is noted that these trends present an aggregate overview across the main domains of well-being. There is, however, much heterogeneity within each domain. The data available to identify key trends do not yet fully capture the impact of the economic crisis. A section on key demographic trends precedes an overview of trends across the six domains of well-being.

Key Demographic Trends

Population levels in Ireland have reached an all-time high and the population is more diverse than it has ever been. This diversity is most noticeable in relation to an increasing ethnic mix with some 11 per cent of the population in 2006 being non-Irish nationals deriving from 188 different countries. There is also diversity in relation to family status and employment status, with a wide range of family types and various working arrangements. Ireland has a relatively youthful population with just under one quarter of the population under 18 years of age. Despite a comparatively high fertility rate, our reproduction rate remains below replacement level. This has implications for the future if, as expected, net migration is outwards rather than inwards for the foreseeable future. Just 11 per cent of the population in 2006 was over 65 but this is set to increase in future, with a proportionate increase in the over 80s. By 2050 it is forecast that ‘age dependency’, as currently defined, (65s and over as a proportion of the working age population) will have increased to 45 per cent (from 17 per cent in 2005).

Just under ten per cent of the population are classified as disabled, defined as having a long lasting condition or difficulty with certain activities. Disability increases with age, with mobility and dexterity problems being the most frequently reported disability type.

The population as a whole is not evenly spread throughout the country with some rural areas and inner city areas losing population and the east, particularly the hinterlands of Dublin, experiencing high population growth, at least until recently. Despite becoming more urbanised approximately 40 per cent of the population in Ireland live in rural areas: the perceived advantages of rural living are negated for some by limited employment opportunities and/or lack of access to services.

Key Trends in Relation to Economic Resources

Incomes in the population have grown until very recently, both as a result of increased employment, higher wages and other earnings, and increases in social welfare rates. The level of income inequality remains

comparatively high in Ireland, with a widening of incomes at the very top end of the income distribution. The risk of income poverty has remained relatively high, although levels of deprivation and subsequently consistent poverty have fallen. The economic crisis has led to some people experiencing large and sudden drops in their incomes while others have seen a more gradual reduction. The data are not yet available to capture the extent and nature of these trends or their impacts. Nevertheless, levels of debt are becoming an increasing concern for many people.

Some sub-groups of the population remained vulnerable to poverty throughout the nineties and early 2000s, including lone parents, people who were unemployed, and people with a long term illness or disability. People with disabilities can have additional costs associated with their disability. Children in Ireland have a relatively high risk of poverty which is related to their parent's educational level, and whether or not there are any adults working in the household. A job is not a guarantee of lifting people out of poverty as about 7 per cent of people who are working are at risk of poverty, and just under a third (31 per cent) of all households at risk of poverty are headed by a person in employment. Women's incomes remain below men's and older women living alone are particularly vulnerable to poverty. Pension coverage is comparatively low in Ireland with many people reliant on state pensions, which can place them at risk of poverty.

Key Trends in Relation to Work and Participation

Participation in meaningful activity contributes to human flourishing and well-being. Paid employment is one of the main expressions of participation and there was unprecedented employment growth in Ireland from the mid 1990s to 2007. Up to 2008 employment had been growing, reflected in an increase in both the participation of women and immigrants. However, employment rates for people with disabilities and members of the Traveller community remained low.

Unemployment is one of the most damaging influences on individual and societal well-being. Unemployment has been increasing at an alarming

rate recently after falling to an all-time low. There has been a large increase in the numbers on the live register for men and women of all ages, but especially those aged 25-44, and non-Irish nationals, with some overlap between these two groups. In the context of the economic recession concerns have been expressed about a growth in long-term unemployment and in youth unemployment. The scale of the increase in unemployment is placing challenges on social welfare, employment, training and education services, as well as being detrimental to well-being.

Modern demands have led to some conflicts of work-life balance, especially for women, although the evidence suggests that the most stressful work-related issue is unemployment or fear of unemployment. Nevertheless, for some households there are challenges in balancing work and life, with women in particular having high levels of ‘committed time’.

The quality of work has been found to be linked to individual well-being with intrinsic rewards such as interesting work, security, autonomy and career prospects important for life satisfaction. Unpaid work in the home, voluntary work in the community, and in the provision of services, also makes an important contribution to individual and societal well-being.

Educationally, we are more qualified than ever before. Nevertheless, about ten per cent of young people still leave school early, with a related problem of low levels of literacy. Participation in life-long learning is relatively low. Ireland’s early childhood care and development infrastructure is still comparatively poor and is one area of critical importance for the future of our children, our society and our economy.

Key Trends in Relation to Relationships and Care

Relationships are central to people’s well-being. Developing bonds of love, care and solidarity between people through emotional and social relations, gives people a sense of value and belonging, and of being appreciated, loved and cared for in our personal, community and societal lives. Although the quality of relationships is hard to measure, and mainly in the realm of people’s private lives and social interactions, public policy does have an influence on this aspect of our well-being.

Relationship breakdown and bereavement can be especially detrimental to people's well-being, with conflictual relationships having a particularly devastating effect on children. There is an increasing diversity and complexity of relationships in Ireland, and public policy can support stability, especially where children are involved, through the formal recognition of diverse relationships.

There is evidence of increasing stability in relationships with a growth in the numbers getting married, including second marriages, and an increase in cohabitation. For example, there were 32 per cent more marriages per year in 2004 than there were in 1995; cohabiting couples accounted for 12 per cent of all family units in 2006 compared with 4 per cent in 1996; and the number of same sex cohabiting couples recorded in 2006 was 2,090 compared to only 150 recorded in 1996. A recession, which gives rise to financial worries, however, can put extra stress on relationships.

Lone parents and older people living alone now make up substantial proportions of our households. These household types are more vulnerable to poverty, social isolation and loneliness. For example, nearly one fifth of the over 65s feel lonely, with women and people in lower social class groups more likely to be lonely. Being widowed and not being in paid employment are strong predictors of loneliness, which can impact negatively on mental health and well-being.

An important relationship issue is the provision of care, for both the care giver and the care receiver. Much care in Ireland is provided by and to family members on an unpaid basis, with many carers, who are mostly women, combining caring roles with paid employment or unpaid responsibilities in the home. Carers provide an invaluable service to those they care for, but it is a demanding and emotional responsibility. The importance of care, both unpaid and paid, and its impact on the well-being of individuals and society is now coming into sharper focus. In this context there is merit in understanding care needs better: in recognising the contribution that women's unpaid caring work makes to our economic, social, political and emotional well-being as a society; in

ensuring adequate terms and conditions for those who are paid to provide care; and in setting and applying standards to ensure the agency and protection of the person being cared for. One implication of a better understanding of care is the need to re-balance the unequal distribution of caring between women and men, and to more widely recognise and value the role of carers.

Key Trends in Relation to the Community and Environment

The community and environment within which people live has an important bearing on their well-being. Central to this is affordable accommodation of sound quality in a sustainable community and a clean, safe and aesthetically pleasing environment. The increase in privately owned houses (with large increases in house prices and large mortgages) were features of the boom years. So was the difficulty of access to affordable and social housing with many households in need of housing; the numbers on local authority housing waiting lists increased during the years of economic growth, with an estimated 56,000 households in need of housing. The focus on well-being suggests that attention in the immediate future should be paid to the provision of social and affordable housing in sustainable communities, for those currently in need of housing and for those who will require it in future because of the impact of the recession. Substantial housing need has been identified for households with children. Other particularly vulnerable groups include Travellers, people leaving institutional care and people who are homeless or at risk of becoming homeless.

An important requirement of housing and community development is the provision of community facilities and civic space, particularly safe areas for children to meet and play. Throughout Ireland most people report that they can get help from a neighbour if they need it, and volunteering and community participation does not seem to be in decline. Social interaction is a central element of well-being, suggesting that community participation and voluntary activities should be further encouraged and supported.

In relation to the wider environment Ireland has a high level of

greenhouse gas emissions and we generate a high level of waste per head. In addition, Ireland is one of the most car dependent countries in Europe, with a need to improve provision of public transport. The development of public transport provision has well-being benefits, especially for people with limited access to a car and in the interests of environmental sustainability. For example, better public transport provision, especially in rural areas, would bring a number of social, economic and environmental benefits, such as social inclusion, rural development opportunities, and reduced greenhouse gas emissions (where public transport replaces car use).

Key Trends in Relation to Health

The health of the population overall is improving, as reflected in increased longevity and the majority of people stating that they perceive their health to be good. Even so, there has been an increase in chronic illness and in mental ill health. One in four of us can expect to experience mental ill-health at some stage in our lives. Positive mental health ('flourishing') is associated with having access to a job, an adequate income, a good education, and having close supportive relationships. However, there is a strong association between mental disorder and risk factors for chronic diseases such as smoking, reduced activity and poor diet.

In our two-tiered health system, access to health care remains a serious issue, especially among some sub-groups of the population. In particular, the numbers of children on waiting lists remain high; and people with disabilities require a comprehensive range of supports. The demands on our health service are likely to increase as large budgetary reductions are sought and needs are likely to increase at a time of economic recession. These demands highlight the challenge of reforming how we deliver health care to make it fairer and more effective. In particular, the importance of recognising that most older people and people with disabilities who require support, wish to receive those supports in their own home, as far as is possible, to enable them to live independently.

People's health is affected by the socio-economic conditions in which

they live and work and by their behaviours. Physical activity is seen as beneficial to health and it is encouraging that the level of physical activity in Ireland has increased. Nevertheless, one fifth of the population remain inactive. Along with diet, nutrition and other factors, the level of physical activity influences our weight. More than half of adults in Ireland are now recorded as being overweight or obese, putting their health at risk. Tobacco use is a risk to health, yet one third of adults smoke. Excess consumption of alcohol is also detrimental to the health and well-being of the individuals involved, their families and wider society, and in Ireland we have high rates of heavy drinking compared to EU averages.

Some sub-groups of the population are more at risk of poor health than others and have less access to treatments and services. These include people with lower educational levels, lower incomes and who are unskilled.

Key Trends in Relation to Democracy and Values

People's well-being is affected by the values they hold and the values of the society within which they live. Features of society which influence individual and collective well-being include the quality of government, the ability of individuals to participate in decision-making, absence of violence and feeling safe, the exercise of rights, equality safeguards, and recognition of cultural identity. Access to information and transparency is an important dimension of exercising democracy. In relation to accessing information, Ireland remains below European averages in access to the internet, especially for older people. Declining levels of trust in national and other institutions have been accentuated by the financial crisis, coinciding with a perceived lack of fairness in our society.

Trust is also damaged by crime and fear of crime, bullying, domestic violence, neglect and abuse. At an all-island level one of the most significant developments has been the achievement of peace and stronger relationships between the Republic of Ireland and Northern Ireland. However, at national level there has been an increase in recorded crime,

with a majority of the population believing crime to be a very serious problem in Ireland. One quarter of young people in Ireland report that they have been bullied. Some children, and adults, are subject to domestic violence. There is an increasing awareness of the risk of poor treatment, neglect and abuse among vulnerable sections of the population, in particular, children, older people and people with disabilities.

The recognition of socio-economic rights, the promotion of equality and the accommodation of diversity are regarded as features of a democratic, pluralist and fair society. Ireland has developed a progressive rights and equality infrastructure, which is potentially in danger of being eroded. Women remain under-represented in national, regional and local decision-making structures, but have made some progress in reducing the gender pay gap. With regard to the expression of cultural identity, people of a non-Irish, non-white ethnic background and members of the Traveller community experience higher levels of discrimination than the majority Irish population. One third of the population in Ireland think there is a lot of tension between different racial and ethnic groups (lower than the EU average). This evidence suggests that we need to keep effective means of promoting rights, equality and interculturalism under review, with a view to its further development.

Relevance of these Social Trends for Individual and Collective Well-being

This overview of well-being in Ireland displays positive trends for many people. Given the complex relation between individual and collective well-being it is recognised that, by and large, this is an aggregate judgement. The continuation of serious social deficits qualifies any aggregate judgement to a significant degree.

So, even where the overall trends suggest that the well-being of Irish society increased there were risks to individuals' well-being. A substantial minority of the population continues to live on low incomes which puts them at risk of poverty; the childcare and early education infrastructures remain underdeveloped and piecemeal, with implications

for child, family, economic and social well-being; some people have difficulty accessing employment for a number of reasons; many people are living with chronic illness and/or mental illness, and there are difficulties accessing a poorly functioning health system. Many people with disabilities continue to experience disadvantages and there is a growing awareness of the need to integrate immigrants into our communities, given our developing cultural diversity.

Additional risks associated with modern society are summarised as: the challenges of balancing paid employment and family/caring responsibilities; lacking the skills necessary to access a job or having skills and training which are now obsolete; having an inadequate or insecure income or pension; and unsatisfactory and unreliable service provision. It has been argued that modern society brings with it ‘discontinuities’ in family and working lives, which can entail insecurities and vulnerabilities. These ‘discontinuities’ require a different type of engagement with the institutions of the state than heretofore – greater flexibility, differentiated routes and pathways, activation on the part of the state and of citizens, and a shift towards a supportive state, with agreed standards and greater regulation.

Relevance of well-being in a recession

Recessionary risks to well-being

In addition to the risks which were evident even in Ireland’s period of strong economic growth, further risks have become apparent as a result of the economic recession. For many, these recessionary risks include: sharp and unexpected reductions in income, depletion of savings, having to manage on a lower income, finding it difficult to pay the rent or mortgage, and dealing with debt; job loss, fear of job loss, a deterioration in working conditions, or if unemployed limited opportunities for employment, or having redundant skills; the worry of unemployment and/or financial stress impacting on relationships with partners, family and friends, and curtailments in service provision making care arrangements more precarious; tensions emerging in communities with

potential increases in crime and racism; the impact of these events on physical and mental health, along with a curtailment in some health and social services; a lack of confidence and trust in some national institutions, a perceived lack of fairness, and an erosion of the equality and rights infrastructure.

Resilience

While these risks impact on individual and societal well-being, resilience is a component of our make-up which can be harnessed, given supportive conditions. Our understanding of resilience derives from the notion of human flourishing which embodies autonomy, self-determination, interest and engagement, aspiration and motivation, and whether people have a sense of meaning, direction or purpose in life. Resilience can be advanced through the acknowledgement and development of people's capabilities.

Impact of the recession on well-being

Well-being is undoubtedly affected by economic upturns and downturns. A shock to one domain of our well-being may have an impact on another domain. For example, loss of a job and income can affect our relationships and health. These impacts can affect people in different ways depending on their circumstances and the context within which they find themselves. Depending on how we, as individuals and as a society, deal with these adversities can make a major difference to our longer term well-being. Some of the factors identified which can make a positive difference include utilisation of our capabilities, having a sense of purpose, engagement in meaningful activity, the support of family and friends, having trust in our institutions and having a sense of hope. Public policy and institutions have a vital role in providing the conditions to support individual and collective well-being and in making available tailored supports to people experiencing particular risks and vulnerabilities. Resilience in individuals needs to be paralleled at societal level by resilience in institutions. Institutions need to be able to adapt to the changed and challenging circumstances, as they strive to deliver an adequate level and standard of service with reduced resources.

Well-being Implications

There are a number of lessons which emerge from this review of well-being. These are summarised as follows:

- At the most fundamental level having a level of income to meet basic needs matters. This level of income is contingent both on the standard of living in the society within which one is living, as well as the distribution of income, as people compare their income levels with those around them. It is also known that while loss of income can lead to a reduction in well-being in the short-term, people do readjust to their new financial circumstances, so long as basic needs are met.
- While income and material goods contribute to well-being the evidence suggests that the fundamental elements which contribute to long-term well-being include participation in meaningful activity, along with affectionate and caring relationships, a secure, safe and attractive environment, good social relations, and good health.
- Context matters and the situations within which people find themselves can contribute to or detract from their well-being. These situations include their socio-economic circumstances and the values of the society within which they live. The operation of democracy, trustworthy institutions, standards of transparency and openness, acceptance and support for diversity, and principles of equality have been found to be conducive to well-being.

This knowledge of well-being provides some key pointers in responding to the economic recession. First, it would suggest that we should try to ensure that as many people as possible are meaningfully engaged. In the context of job losses and rapidly increasing unemployment this is a significant challenge.

Secondly, it is important to bear in mind people's basic need for an adequate income. Not only does this point to the need to ensure that

people have an income which is adequate to prevent poverty, but it also means recognising that some people have experienced large falls in their income and/or savings which will put them in situations of financial hardship.

Thirdly, it is relevant to reflect on the impact of social comparisons on well-being. A situation where everyone is experiencing a drop in income would seem to have a lesser effect on well-being, so long as needs are met, than a situation where only some people experience income reduction.

Fourthly, we should be able to learn from the past in planning for the future. In building the foundations for future prosperity it would be wise to reflect on how a more comprehensive and sustainable approach could be taken to support human flourishing and well-being. For example, we may think differently about the desirability of *fast* economic growth, opting instead for a deeper and more enduring prosperity. We may focus more on intensive rather than extensive growth and place a higher priority on sharing of gains and losses. We may take the view that future prosperity is best secured by moving away from a growth economy towards a more economically, socially and environmentally sustainable model of development. We may seek a more equal society based on the evidence that more equal societies tend to have lower levels of poverty and higher levels of social cohesion.

This analysis leads us to question the model of development we have used in the past. While this model led to unprecedented economic growth it has left social deficits in its wake and seems limited in its capacity to address the challenges facing Ireland in the current recession or to shape our future society. Building on earlier work by NESC, the analysis in the *Well-being Matters* report suggests that the way we state some of our high level goals could be modified, for example:

- From growth of total GNP to *sustainable growth*;
- From income growth to *a more equal distribution of income*;
- From absolute job creation to *participation rate*;

- From discrete and targeted programmes for disadvantaged groups to *responsive, flexible, person-centred, and tailored publicly funded services*;
- From an exclusive focus on income to *a balance between income and better provision of accessible, affordable quality services*;
- From developer-led developments to *planned and sustainable communities*;
- From housing completions to *occupancy rates*; and
- From ‘survival of the fittest’ to *a more egalitarian society*.

In this context, it is pertinent to raise certain questions. Three key questions are posed:

- How do we pursue both individual and collective well-being and make them mutually supportive?
- What is our vision of Ireland in ten years time?
- What is the appropriate institutional response?

Policy Priorities

A number of policy priorities emerge from the review of well-being trends. In the context of the economic recession, the urgent and demanding problems which require immediate attention are jobs, income and the accountability of institutions.

Immediate priorities are:

- The need to address *unemployment*. There are a number of facets to this: job retention, job creation and addressing unemployment, including poverty prevention. The large increase in unemployment requires diverse and intensive activation measures. In this context it is timely to consider further the development of an Irish system of flexicurity. The *Well-being Matters* report identifies the merits of both greater flexibility (on the part of individuals and institutions) along with a sense of security or

- certainty (provided by institutions) to enable individuals to be flexible and to adapt to change.
- The provision of *financial supports, including pension reform*. Some people have experienced substantial income loss, while many people have experienced at least some loss of income as a result of the recession. A range of responses are required, including an adequate level of income support for those dependent on benefits to prevent poverty, the provision of appropriate accommodations for those experiencing debt and financial stress, and pension reform.
 - The *transformation of institutions and improved accountability*. Institutions and their accountability are critical in underpinning the most obvious dimensions of well-being, such as income, and participation/work. The operation of democracy and trust in institutions is also central to people's well-being. With the banking crisis and the fall-out of the recession people's trust in some of the institutions of the state has been dented.

As well as the immediate priorities outlined above, attention needs to remain focused on:

- *Early childhood care and education*. The provision of a more comprehensive system of early childhood care and education should remain a priority as it is the one area which can impact on the well-being of children and their families and communities in both the short-term and the long-term.
- *Life-long learning*. The opportunity for people to engage in education and training throughout their lives enhances their capabilities and sense of purpose as well as the augmentation of skills of value to the economy.
- *Care supports to promote independent living*. The well-being evidence reviewed in this report and the policy commitments in key policy documents clearly point to the need to provide care supports to promote independent living, as far as is possible.
- *Supports to accommodate working and other activities, especially caring*. A recurring theme throughout the report is the on-going

challenge of ‘work-life’ balance, especially for people (mainly women) trying to balance working and caring for children, parents or other relatives. The evidence suggests that there is merit in a collaborative approach with various combinations of family, community and state supports, depending on the needs of the family and the person being cared for.

- *Building sustainable integrated communities.* Given the current level of housing need, with growing waiting lists for social housing, the provision of social and affordable accommodation is now urgent. The experience, expertise and knowledge of the community and voluntary sector is an important resource, especially in contributing to building social capital.
- *Promoting better health, including addressing adverse economic and social conditions.* While advances have been made in improving the health status of the population a number of challenges remain. These include access to health services, the prevalence of chronic illness and mental ill health, and health conditions associated with our behaviours including increasing levels of obesity. The role of primary care is central to the promotion of better health and access to health services.

Adopting a Developmental Approach

A Developmental Welfare State (DWS) has been articulated by NESC in previous reports and is applied, in part, in *Towards 2016*. A developmental welfare state is a 21st century public policy framework well suited to supporting individual well-being. The developmental welfare state recognises that people are citizens first and foremost, but are heterogeneous citizens with a changing mix of needs, capabilities and circumstances. In advocating ‘tailored universalism’ as an approach, the developmental welfare state implies that: a) services and supports, such as education and health, are available to everyone; but that b) for people with certain needs, and in certain circumstances, additional payments and entitlements to services are tailored to meet their needs. These

tailored services address the specific barriers which prevent people from realising their potential.

Towards 2016 sets out 23 high level goals with associated actions, based on a developmental welfare state approach. The analysis in the *Well-being Matters* report shows that these high level goals match well the well-being needs of the various life cycle groups and remain relevant in these recessionary times. While it is recognised that prioritisation will have to take place due to more limited resources, to discard any of these goals would be a retrograde step. Indeed, the infrastructure of social supports need to be maintained in the difficult years ahead, as they provide a foundation upon which existing and new social problems can be addressed. Abandonment of any of the goals could potentially damage the well-being of individuals who are in disadvantaged or constrained circumstances and could lead to higher long term costs to the state and to society more generally. The prioritisation of the implementation of these goals has to take place in the context of the financial stabilisation measures being put in place by the Government.

Policy Implementation

There is a profound challenge to give traction to the developmental welfare state and to deliver the policy priorities and the actions associated with the high level goals in *Towards 2016*. The recession is putting a strain on the public services with budget reductions, staffing restrictions and reductions in take home pay. Despite the more limited resources the challenge is to reorganise and restructure institutions to meet the new challenges of supporting people. Those working in the policy arena and in the delivery of programmes and services, along with service users, hold the knowledge and expertise to meet these challenges. They must be enabled to deliver a reform agenda by having a clear vision of the type of society we are working towards as well as systems which support new ways of doing things. The community and voluntary sector has a role to play in supporting the design and delivery of services, and in advocating the needs of disadvantaged people.

Well-being Test

In seeking to do things differently it is helpful to have underpinning principles or criteria driving the reforms. Based on the analysis contained in the report, a ‘well-being test’ is suggested based on a developmental perspective.

Table 1: Well-being Test

Well-being Criteria	Description
<i>Capability</i>	a focus on what an individual can do with a view to developing capabilities
<i>Agency</i>	respect for the capacity of individuals to make decisions about their lives
<i>Purpose</i>	recognising the importance of having a sense of purpose by encouraging and supporting people to engage in meaningful activity
<i>Social interaction</i>	the recognition that we operate in the context of a set of relationships – family, community and wider society
<i>Common good</i>	as individuals and as societies we do better in more equal and fairer societies
<i>Sustainability</i>	we live in a finite world and have to use our resources wisely now and for future generations

Each of the criteria set out in the table have been shown, from the literature and the analysis in the *Well-being Matters* report, to be important to well-being. By focusing on *capability* we are paying attention to what an individual can do rather than what they cannot do. Using this criterion we would focus on the developmental potential of all people from an early age – pre-education, through the education system and into life-long learning.

Agency is an important component of well-being where respect is given to the capacity of people to make decisions about their lives. In empowering people and taking into account their views, appropriate and tailored services can be provided, with the individual also taking responsibility for their needs, in conjunction with service providers.

A related element of well-being is a sense of **purpose**. Having a purpose in life is a motivating factor which acknowledges people's contribution, whether this is in paid employment, household work, care work or voluntary work.

People are **social beings** characterised by their relationships and interactions with others – within families, within communities, and within institutions. While public policy recognises this dimension of people's lives in many of its programmes and initiatives it is helpful to take this wider context into consideration in the nurturing of children, in the sharing of responsibilities and in finding optimal work-life balances.

There is strong evidence to suggest that more equal societies contribute to individual and collective well-being through better health, better educational performance, less crime and greater levels of trust. The implication of this evidence is to put a higher value on the **common good** through ensuring a more equal provision of services, a greater sharing of responsibilities and a greater sense of solidarity.

Well-being and **sustainability** go hand in hand with a longer term view of what is important in our lives. This view recognises that we live in a finite world with finite resources that we need to use wisely now and for the future.

Policy Monitoring

In implementing policy it is important to assess the extent to which long-term goals are being met and desirable outcomes achieved. Just as important is the need to identify where goals are not being achieved, or

where unintended consequences are becoming evident, with possible reasons for these effects. This requires a robust monitoring and evaluation framework which is linked to the policy cycle.

The OECD review of the Irish public service highlighted the importance of linking policy and information processes to focus on outputs and outcomes:

Instead of focusing on inputs and processes, more information needs to be gathered on outputs and outcomes and what has actually been achieved, so that this can better feed back into measuring how the Public Service is meeting overarching targets and objectives. Realistic expectations of performance need to be developed within organisations that cascade from the top to the individual, and additional managerial discretion is needed to achieve these goals. ... But performance measures and initiatives need to be better aligned with overarching outcomes and high-level societal goals in order for the general public to understand the benefits of the Public Service (OECD, 2008: 13).

Theories or understandings of well-being help us to envisage the type of society we want. The extent to which we are achieving this vision of society can be measured, at least to some degree, using social indicators. The well-being trends can be compared to desirable policy goals and policy outcomes. Many factors come into play in designing and delivering policy, but there is potential for understandings of well-being to inform the policy process – both in the indicators used for measurement and in the policy goals and outcomes sought.

Data Requirements

A key factor in monitoring well-being trends and policy outcomes is the availability of good quality, timely data. Many improvements have been made, particularly by the CSO, in recent years. In addition, the National Longitudinal Survey of Children (Growing Up in Ireland) and the Irish

Longitudinal Study of Ageing (TILDA), both currently underway, will provide important longitudinal data which will allow us, in time, to chart aspects of people's well-being across parts of the life cycle. Even though improvements have been made data shortcomings remain, especially in the areas of disability and equality.

Conclusion

In the context of recession and economic crisis it is pertinent to consider alternative measures of social progress. A multidimensional concept such as well-being provides a compelling alternative, taking into account the various dimensions of people's lives. While further work is required in developing understandings and measures of well-being, and linking these to policy frameworks, it is timely to initiate a national discussion on the type of society we want in twenty first century Ireland.

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