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Building and using well-being frameworks: OECD and international experiences

Towards Wellbeing for All
Social Justice Ireland 25th Annual Policy Conference

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Making well-being operational for public policy

- (1) For well-being to be a useful policy concept, we **need to be able to measure it**
...but on their own, measurement dashboards will not change policy
- (2) Well-being is not a list of “one size fits all” policy recommendations
... some of the real value lies in offering **better ways of making policy decisions**
- (3) Decision-makers now need **concrete tools** to integrate well-being evidence
...some examples are emerging or can be adapted

Why try to measure well-being?

>> What makes for a good life?

...a question best left to philosophers?

...but governments implicitly answer this question every time they take decisions

Trade-offs and opportunity costs are inevitable and resources are scarce... so let's use evidence to make these **choices explicit**

OECD: **Better policies for better lives**

→ We need an agreed way to define and measure this



OECD
Better Life
Initiative

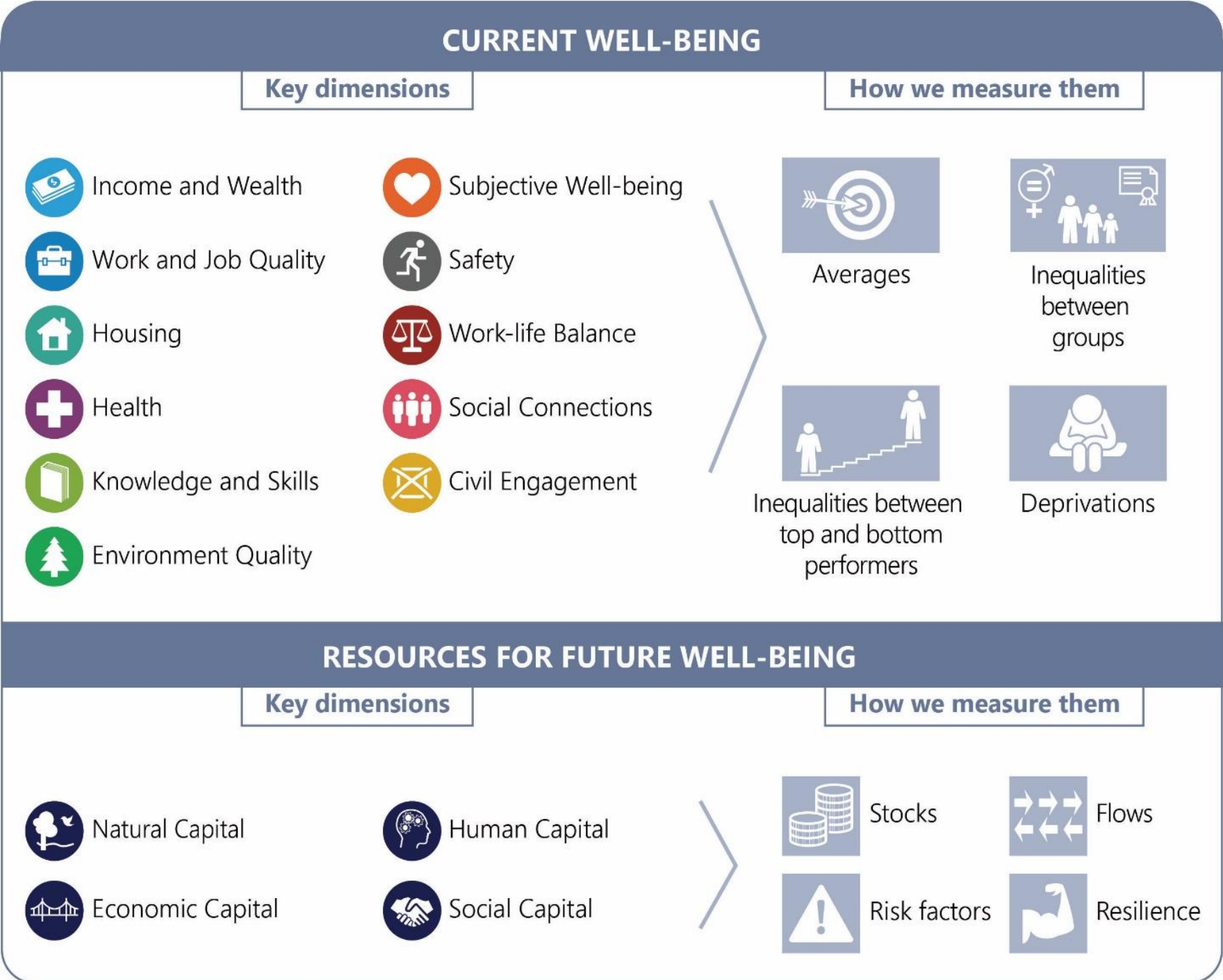
OECD Better Life Initiative (launched 2011)

- Developing **conceptual framework** for well-being today and tomorrow
- Embedding **broader “alternative” indicators** of societies’ progress **into statistical systems**, working with national statistical offices
- Improving the **evidence base** available **to policy-makers**
- Promoting effective **use of well-being metrics in policy**
- **Engaging with citizens** on what matters in life (Better Life Index)

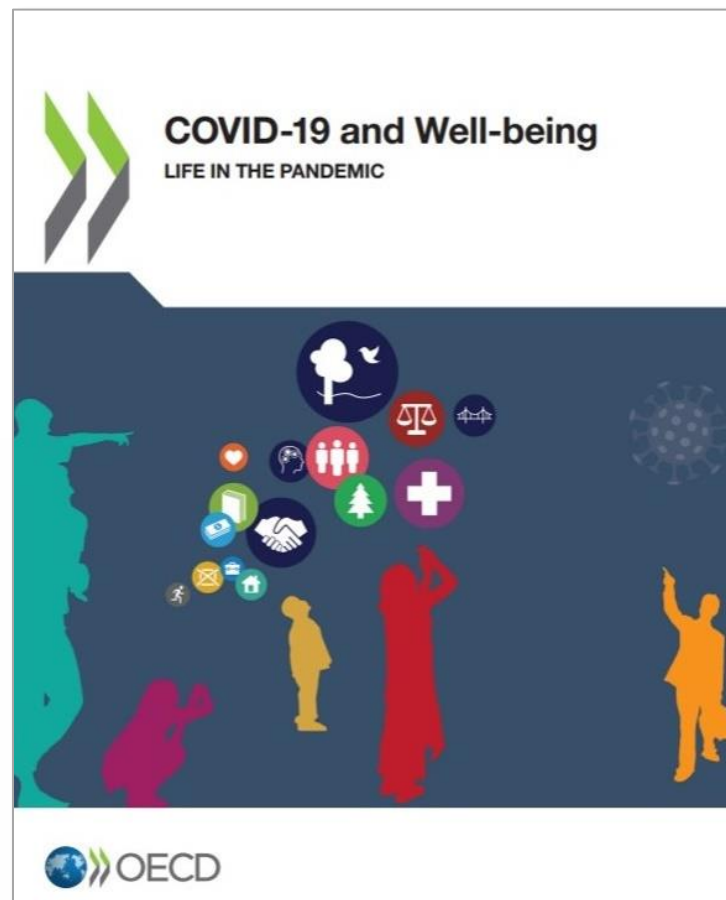
OECD Well-being Framework (2011)

- Focus on:**
- **people** rather than the economic system
 - **outcomes** (for current well-being) and **long-term resources** (for future well-being)
 - both **averages** and **inequalities**
 - both **objective** and **subjective** aspects
 - well-being both **today** and **tomorrow**

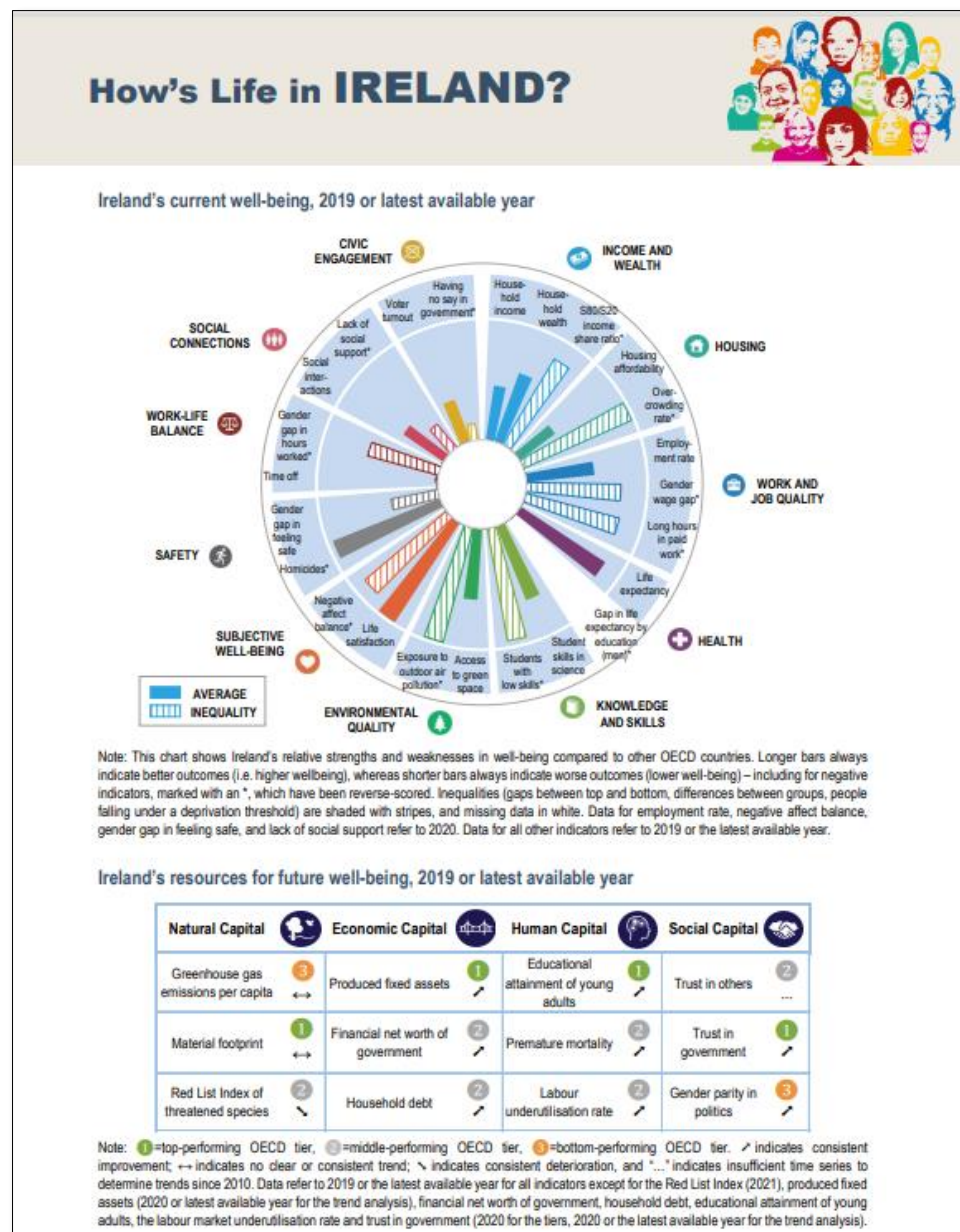
OECD (2020) *How's Life? 2020: Measuring Well-being*, OECD Publishing, Paris
<https://doi.org/10.1787/23089679>
www.oecd.org/howslife



www.oecd.org/howslife



<http://oe.cd/covid-19-and-well-being>



<https://www.oecd.org/wise/Hows-Life-2022-country-profile-Ireland.pdf>

More than half of OECD countries have developed multidimensional well-being frameworks

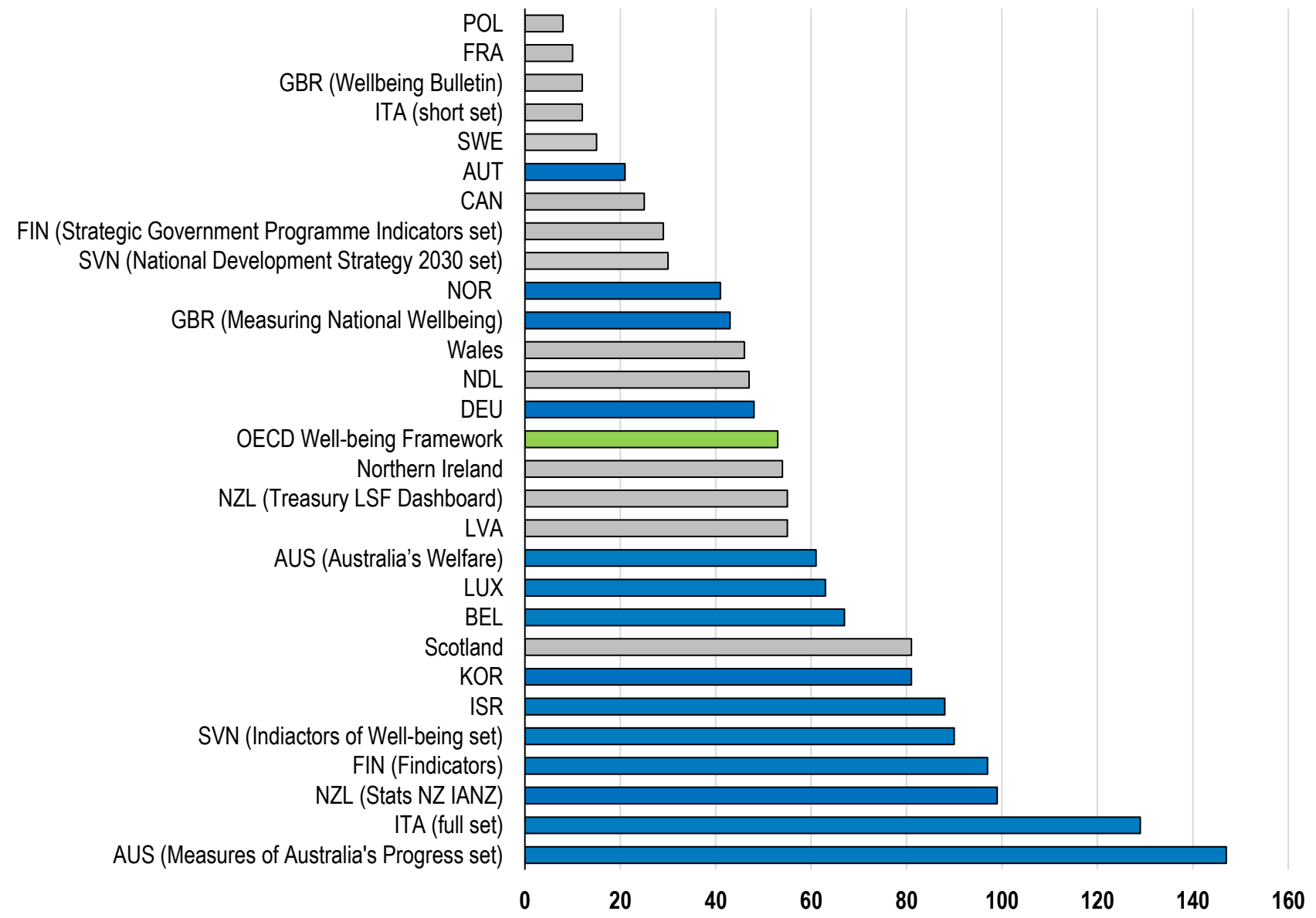


Multidimensional well-being dashboards come in different shapes and sizes...

Blue: measurement initiatives, usually led by statistical offices

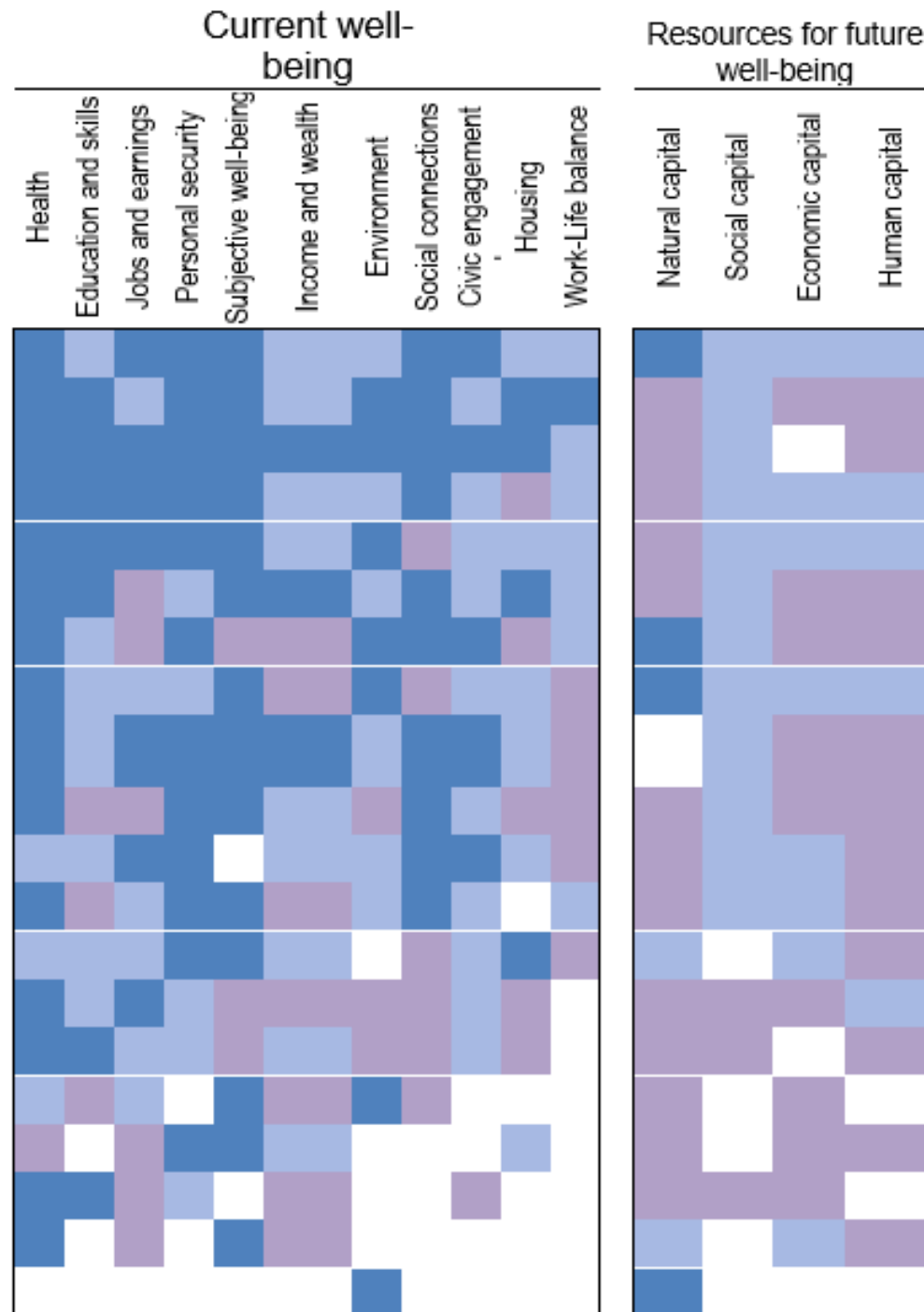
Grey: policy initiatives, usually led by government ministries

X-axis = number of indicators included



...but these dashboards still have much in common

Measures of Australia's Progress
 Luxembourg Index of Well-being
 Korea Quality of Life Indicators
 Italy Measures of Equitable and Sustainable Well-being
 New Zealand Living Standards Framework
 Bhutan Gross National Happiness
 Japan Measuring National Well-being
 Netherlands Monitor of Well-being
 Israel Well-being, Sustainability and National Resilience Indicators
 United Kingdom Measures of National Well-being
 Well-being in Germany
 Belgium Complementary Indicators to GDP
 Finland Indicators
 Scotland National Performance Framework
 Well-being of Wales
 Sweden New Measures of Well-being
 How's Austria?
 Slovenia National Development Strategy 2030
 France New Indicators of Wealth
 Canadian Federal Sustainable Development Strategy



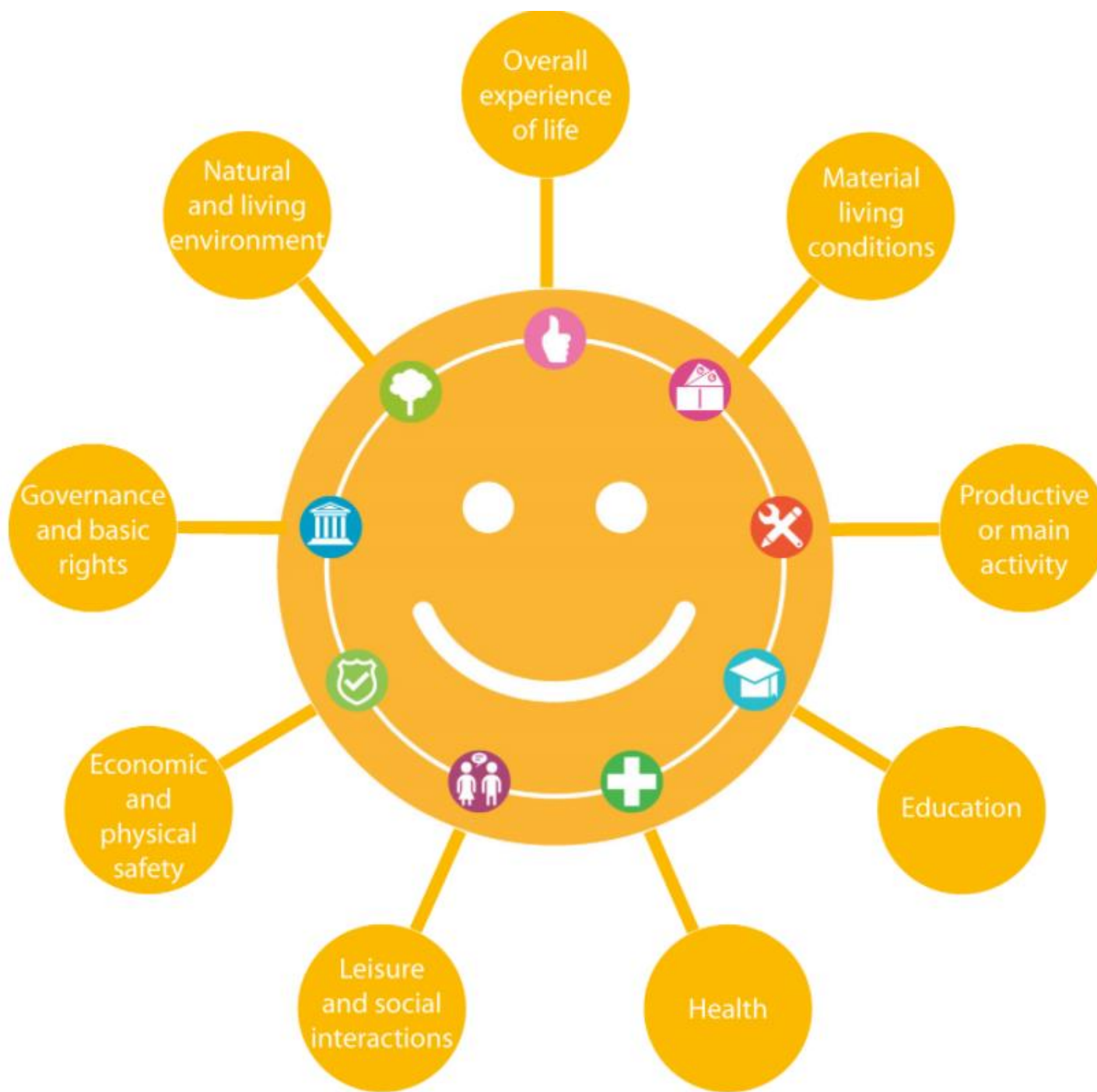
Comparison at the indicator level per OECD Well-being Framework dimension

- **dark blue** = 50% or more of the indicators included in the respective OECD dimensions are contained in the other well-being dashboard.
- **light blue** = less than 50% (and more than 0) of the indicators included in the respective OECD dimension are contained in the other well-being dashboard.
- **purple shade** = a dashboard includes the concept envisioned by the respective OECD dimension, but covers it in a very different way and with no comparable indicators.
- **white shade** = that the OECD dimension is not covered.

Only fully developed and available indicators as of December 2018 have been considered.

Source: Exton, C. and L. Fleischer (forthcoming), "The Future of the OECD Well-being Dashboard", *OECD Statistics Working Papers*, OECD Publishing, Paris.

Eurostat (2015) Quality of Life Framework



Source:






<https://ec.europa.eu/eurostat/web/quality-of-life/data>

Canada (2021) Quality of Life Framework

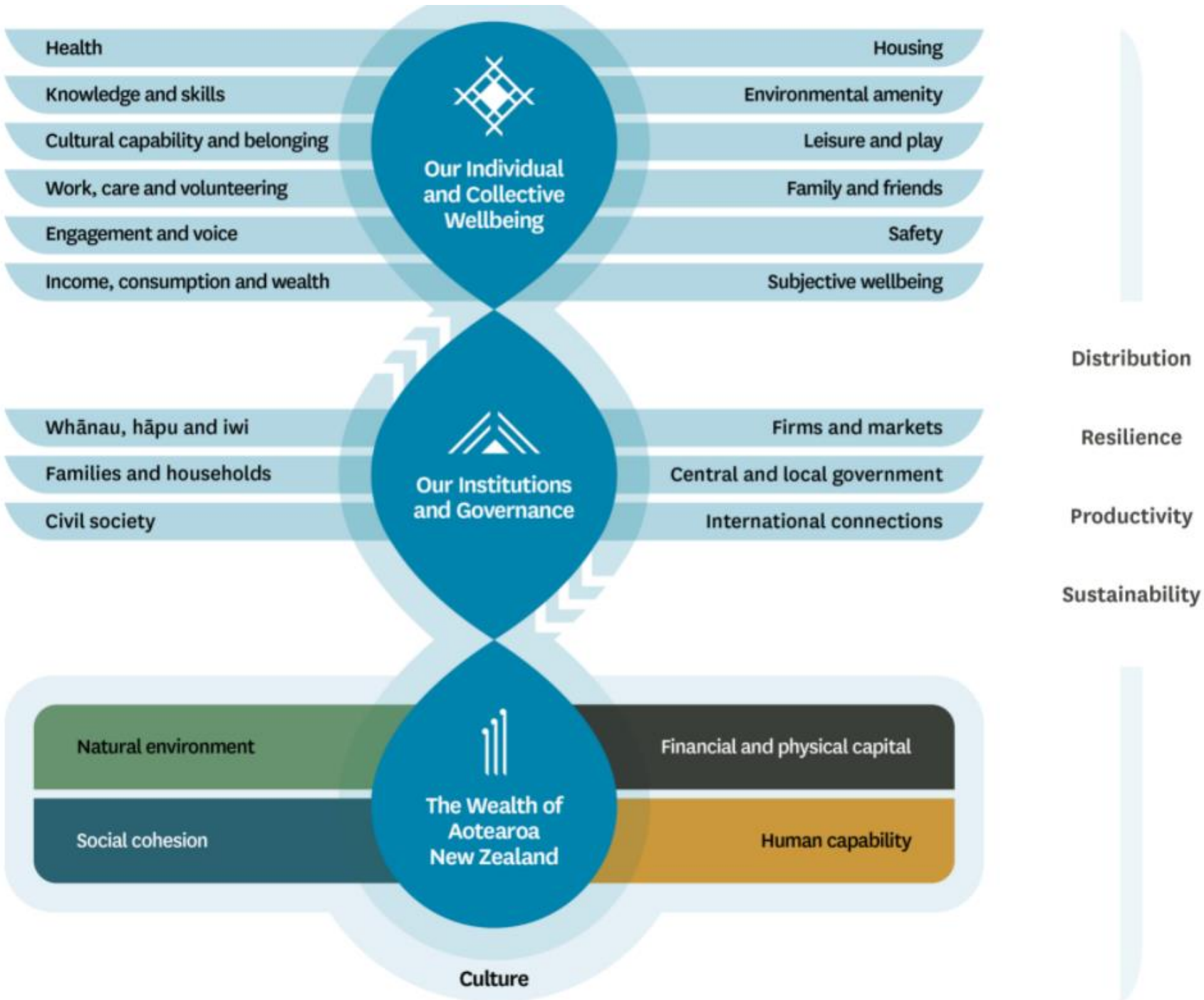
Department of Finance



Box 7: Headline Quality of Life Indicators

| | | |
|----------------------|---|--|
| Prosperity |  | <ul style="list-style-type: none">Household incomesEmploymentYouth Not in Education, Employment or Training (NEETs)Acceptable housingPoverty |
| Health |  | <ul style="list-style-type: none">Health-Adjusted Life ExpectancySelf-rated mental health |
| Environment |  | <ul style="list-style-type: none">Air qualityClean drinking waterConservation areasGreenhouse gas emissions |
| Society |  | <ul style="list-style-type: none">Sense of belonging to local communitySomeone to count onSatisfaction with time use |
| Good Governance |  | <ul style="list-style-type: none">Victimization rateConfidence in public institutionsDiscrimination and unfair treatment |
| Overall / Additional | | <ul style="list-style-type: none">Life satisfactionSense of meaning and purpose |

New Zealand Treasury Living Standards Framework (2022 edition)



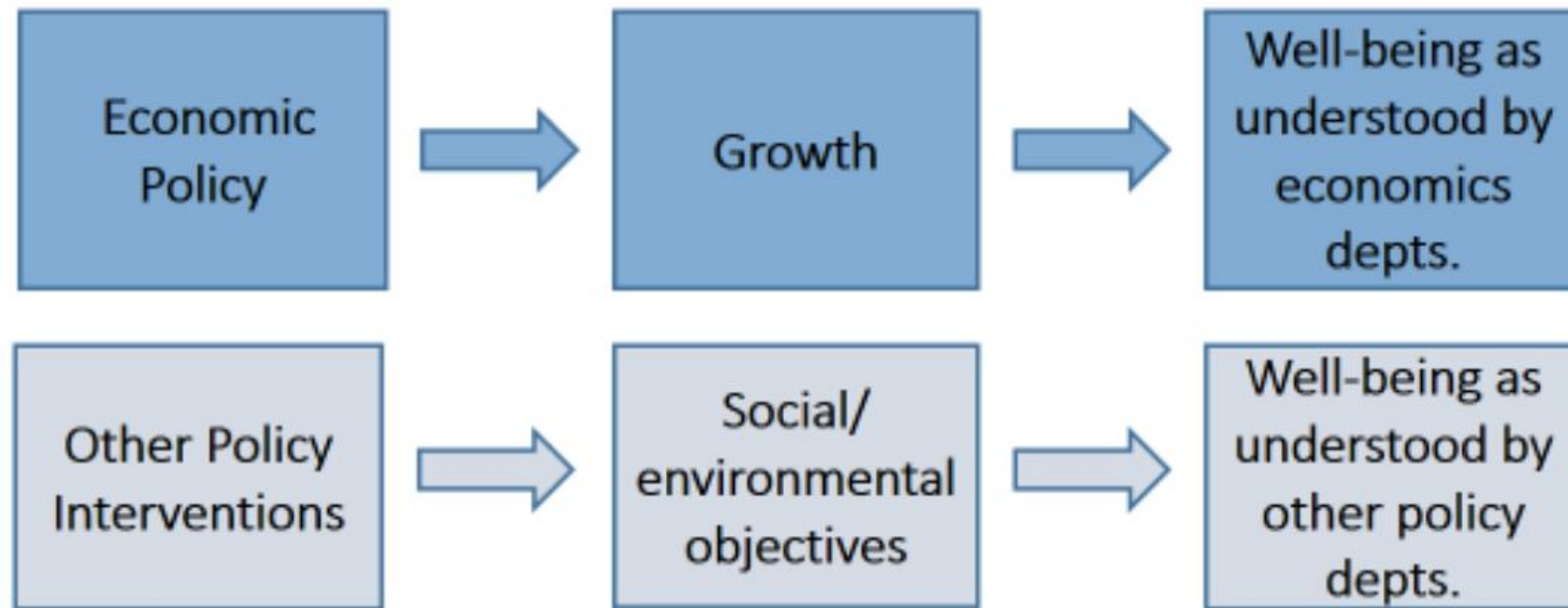
Source: [Our Living Standards Framework \(treasury.govt.nz\)](https://treasury.govt.nz/our-living-standards-framework)

What motivates well-being measurement efforts?

- provide a **more complete and balanced picture** of societal progress and its sustainability (“beyond GDP”)
 - **highlight inequalities** across a wide range of outcomes and opportunities – showing the diversity of people’s experiences
 - foster **public debate** and engagement about what matters the most to people
 - support the **strategic alignment** of goals across government, priority-setting and accountability
 - promote better **appraisal and evaluation** of the impact of policy on people’s lives (including more clearly identifying **trade offs and synergies** so they can be properly debated)
- OECD COVID-19 and Well-being report - The 4Rs: **refocus, redesign, realign and reconnect**
<http://oe.cd/covid-19-and-well-being>

Improving the quality of government decision-making

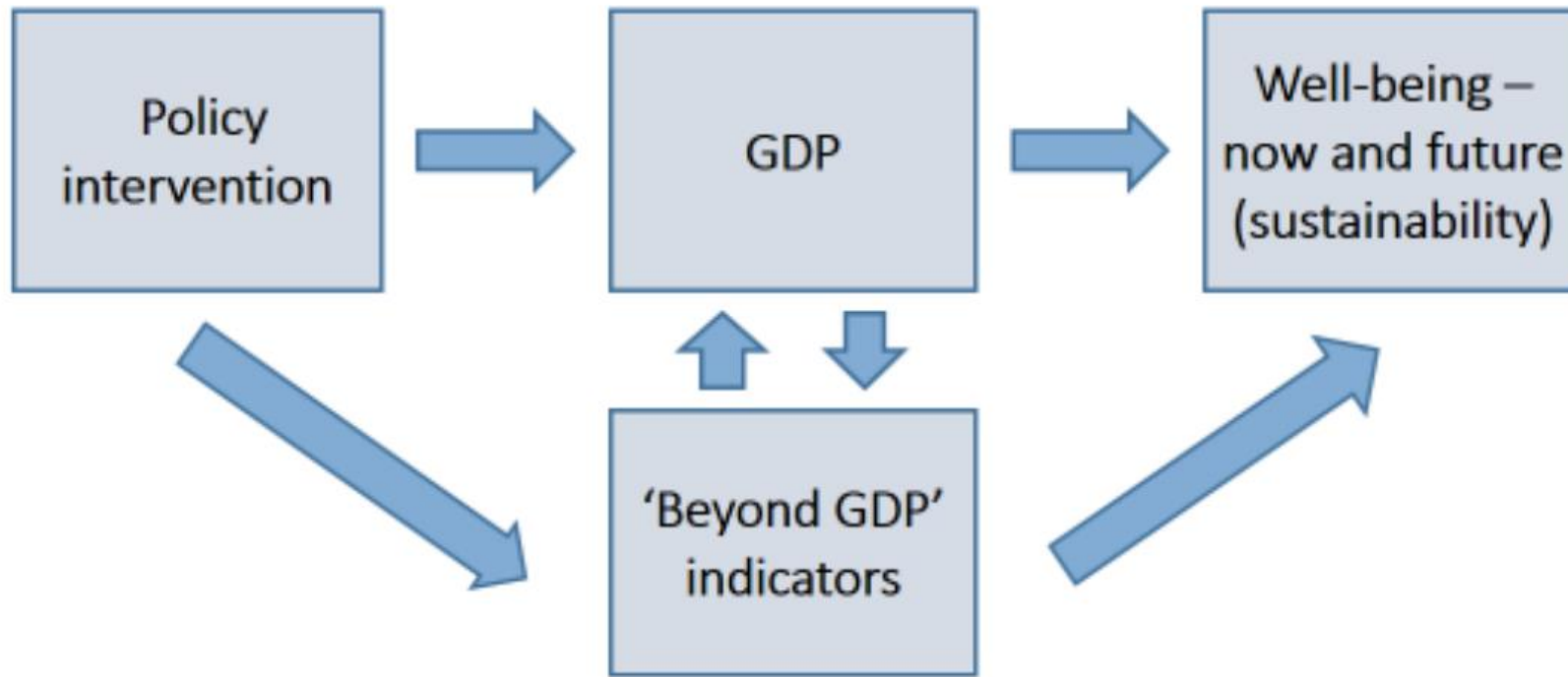
Moving away from parallel assessments...



Source: Whitby, A., Seaford, C. and C. Berry (2014), *The BRAINPOoL Project Final Report: Beyond GDP - From Measurement to Politics and Policy*, BRAINPOoL deliverable 5.2, A collaborative programme funded by the European Union's Seventh Programme for research, technological development and demonstration under grant agreement No. 283024, WFC (World Future Council), 31 March 2014.

Improving the quality of government decision-making

...towards more integrated assessments



Source: Whitby, A., Seaford, C. and C. Berry (2014), *The BRAINPOoL Project Final Report: Beyond GDP - From Measurement to Politics and Policy*, BRAINPOoL deliverable 5.2, A collaborative programme funded by the European Union's Seventh Programme for research, technological development and demonstration under grant agreement No. 283024, WFC (World Future Council), 31 March 2014.

How are these indicators put into policy practice?

1. Informing the budget process

France 2015 Budget Law, **Italy** 2016 Budget Reform Law, **Sweden** 2017 New Measures for Well-being, **New Zealand** 2019 Wellbeing Budget; **Iceland** five-year fiscal strategy 2021-25 and annual budget; **Canada** Budget 2021

2. National development plans, performance frameworks, fiscal strategies

Scotland National Performance Framework, **Slovenia** National Development Strategy 2030, **Paraguay** National Development Plan 2030, **Finland** Strategic Government Programme Indicators

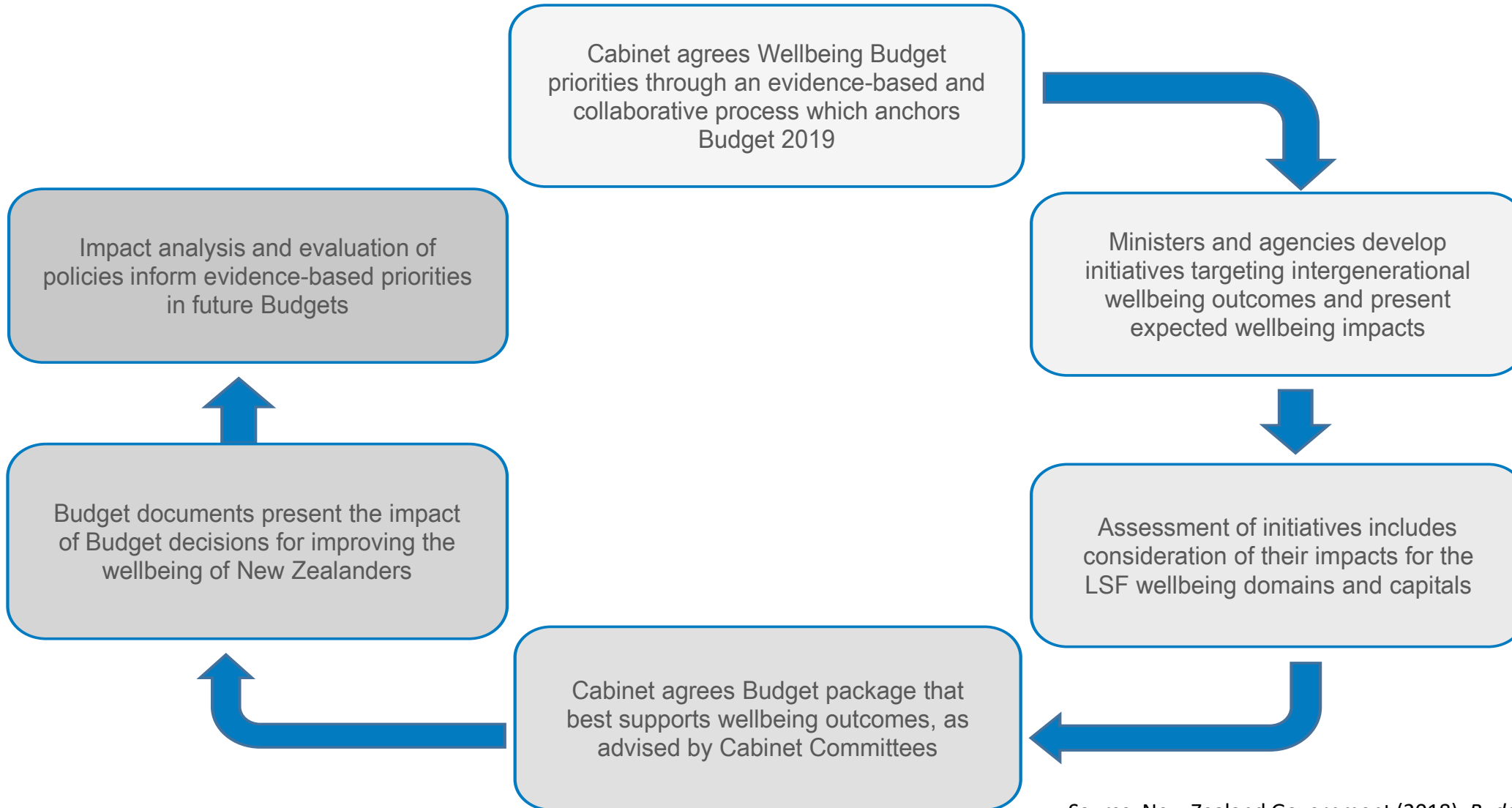
3. New institutional structures or networks

United Kingdom What Works Centre for Wellbeing; **Wales** Future Generations Commissioner; **Finland** National Steering Group on the Economy of Wellbeing

4. New/ updated policy tools for civil servants

United Kingdom Treasury's Green Book on appraisal and evaluation in central government; **New Zealand** Treasury's Living Standards Framework; Budget Guidance & cost-benefit analysis tools

What kind of assessments emerge? New Zealand 2019 Budget



Source: New Zealand Government (2018), *Budget Policy Statement, Budget 2019*, www.budget.govt.nz/budget/2019/fiscal-strategy/bps2019.htm.

What kind of priorities emerge? New Zealand 2019 Budget

Five priorities for New Zealand's first well-being budget:

- Creating opportunities for productive businesses, regions, iwi (Māori tribes) and others to **transition to a sustainable and low-emissions economy**;
- Supporting a thriving nation in the **digital age** through innovation, social and economic opportunities;
- Lifting **Māori and Pasifika** incomes, skills and opportunities;
- Reducing **child poverty and improving child well-being**, including addressing family violence;
- Supporting **mental well-being** for all New Zealanders, with a special focus on under 24-year-olds.

Source: New Zealand Government (2018), *Budget Policy Statement, Budget 2019*, New Zealand Government, Wellington, <https://www.budget.govt.nz/budget/2019/fiscal-strategy/bps2019.htm>.

What kind of priorities emerge? Iceland 2021-25 Fiscal Strategy

Six well-being priorities: A framework for the government's prioritisation and future vision

Used as the basis for drafting the government's five-year fiscal strategy and annual budget

- Mental health
- Secure housing
- Better life-work balance
- Zero-carbon emissions
- Innovation growth
- Better communication with the public

What kind of assessments emerge? Canada 2021 Budget

Supporting Vulnerable Children and Youth during the Recovery

This program directly benefits youth as it specifically targets students who are at risk of dropping out of school. Since students at the greatest risk of dropping out are those who face systemic and individual barriers in their daily lives, the program's main beneficiaries will be students from low-income households, marginalized and racialized communities, and those living in rural and remote regions.

Data Sources: Internal Administrative Data, Statistics Canada

Source: <https://www.budget.gc.ca/2021/home-accueil-en.html>

Quality of Life Impacts



Prosperity – *Post-secondary attainment; Child, student and adult skills; Youth not in employment, education or training*
Society – *Sense of belonging to local community*

Target Population:

Vulnerable Youth

Expected Benefits:

Gender:

Men ○—○—●—○—○ Women

Income Distribution:

Low ○—●—○—○—○ High Income

Inter-generational:

Youth ●—○—○ Senior

Additional Characteristics:

Students, Marginalized and Racialized Communities, Rural and Remote Regions

GBA+ Timing:

Early ■ □ □ Later □ Existing

Gender Results Framework



Education and Skills Development

Applying a well-being lens: the net-zero transition

<https://www.oecd.org/climate-change/well-being-lens/>



Applying a well-being lens: WISE mental health project



BETTER DATA FOR PROMOTION

How can we improve the quality and availability of comparable data on population-wide mental health status?

WELL-BEING RISK AND RESILIENCE FACTORS

What are the interlinkages between mental health and people's economic, social, environmental and relational realities?

INTEGRATED APPROACHES

What are lessons learned from existing whole-of-government strategies for well-being and mental health?



A well-being approach to mental health promotion and prevention

| REALIGN: WHOLE-OF- GOVERNMENT APPROACH | REDESIGN: WELL-BEING DETERMINANTS FOR PREVENTION AND PROMOTION | REFOCUS: EMPHASIS ON POSITIVE MENTAL HEALTH | RECONNECT: BUILDING BROAD PARTNERSHIPS |
|---|---|--|---|
| Involve collaborations across multiple government departments | Development of policy content reflects the (joint) social, economic, environmental and relational determinants of mental health | Address both deprivations in mental health and promote human flourishing | Incorporate perspectives of and collaborate with people with lived experience and non-governmental actors |

Thanks for listening!

Comments? Questions?
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More from the OECD WISE Centre: <http://www.oecd.org/wise/>

- OECD (2020), "**How's Life? 2020: Measuring Well-being**", OECD Publishing, Paris, <https://doi.org/10.1787/9870c393-en>
- OECD (2021), "**Building back better lives: Using a well-being lens to refocus, redesign, realign and reconnect**", in COVID-19 and Well-being: Life in the Pandemic, OECD Publishing, Paris, <https://doi.org/10.1787/81fc20cf-en>
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