

IMPLEMENTING WELLBEING INDICATORS

Presentation

Ruth Lennon

Tuesday, 11th May 2021 @12.45hrs





An Roinn Airgeadais
Department of Finance

Wellbeing and the Measurement of Broader Living Standards in Ireland

Foundation for Fiscal Studies

Clíona McDonnell and Ruth Lennon

11th May 2021

Overview

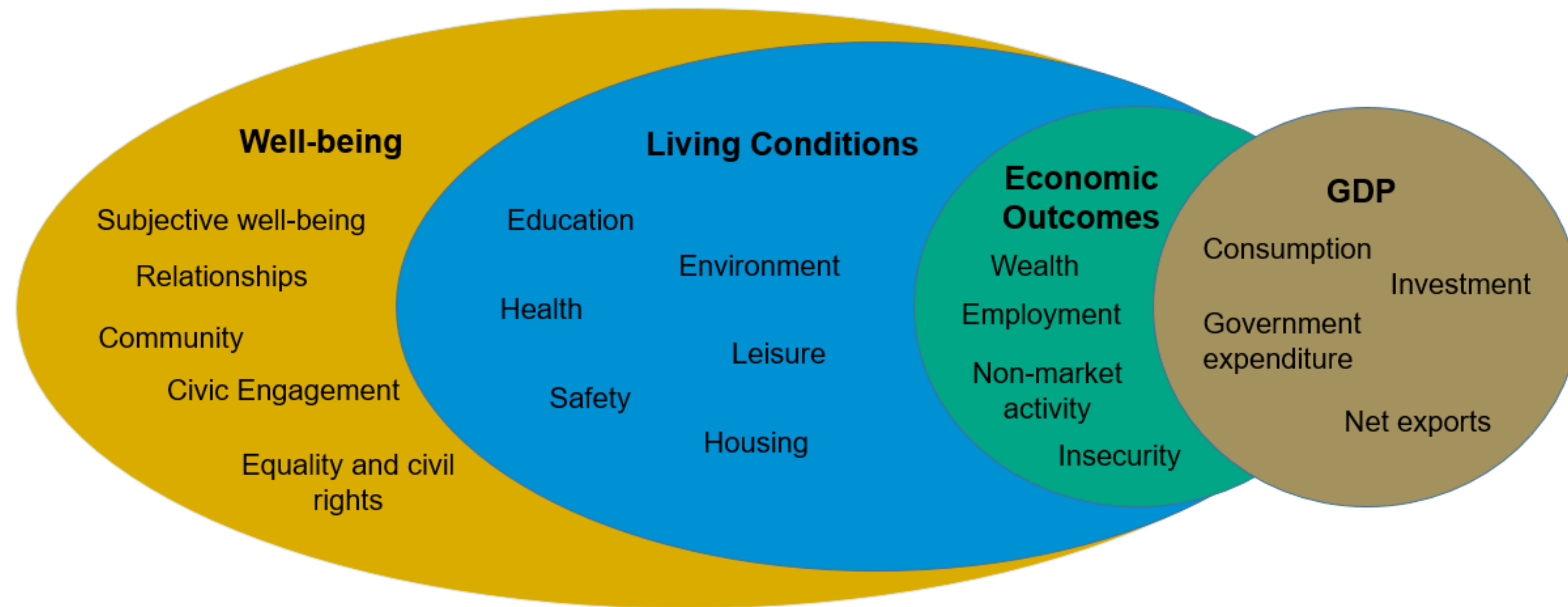


- Motivation
- Definition of wellbeing
- International wellbeing initiatives
- Domestic progress
- Options for Ireland
- Conclusion – looking to the future

Motivation



- GDP is the most traditional measure of living standards but does not account for inter alia:
 - Distribution of outcomes
 - Welfare-reducing activity
 - Quality of life aspects, e.g. human rights, work-life balance
- The Programme for Government committed to producing new measures of wellbeing and progress.



“The welfare of a nation can scarcely be inferred from a measurement of national income”

– Simon Kuznets, developer of GDP

International Initiatives: OECD

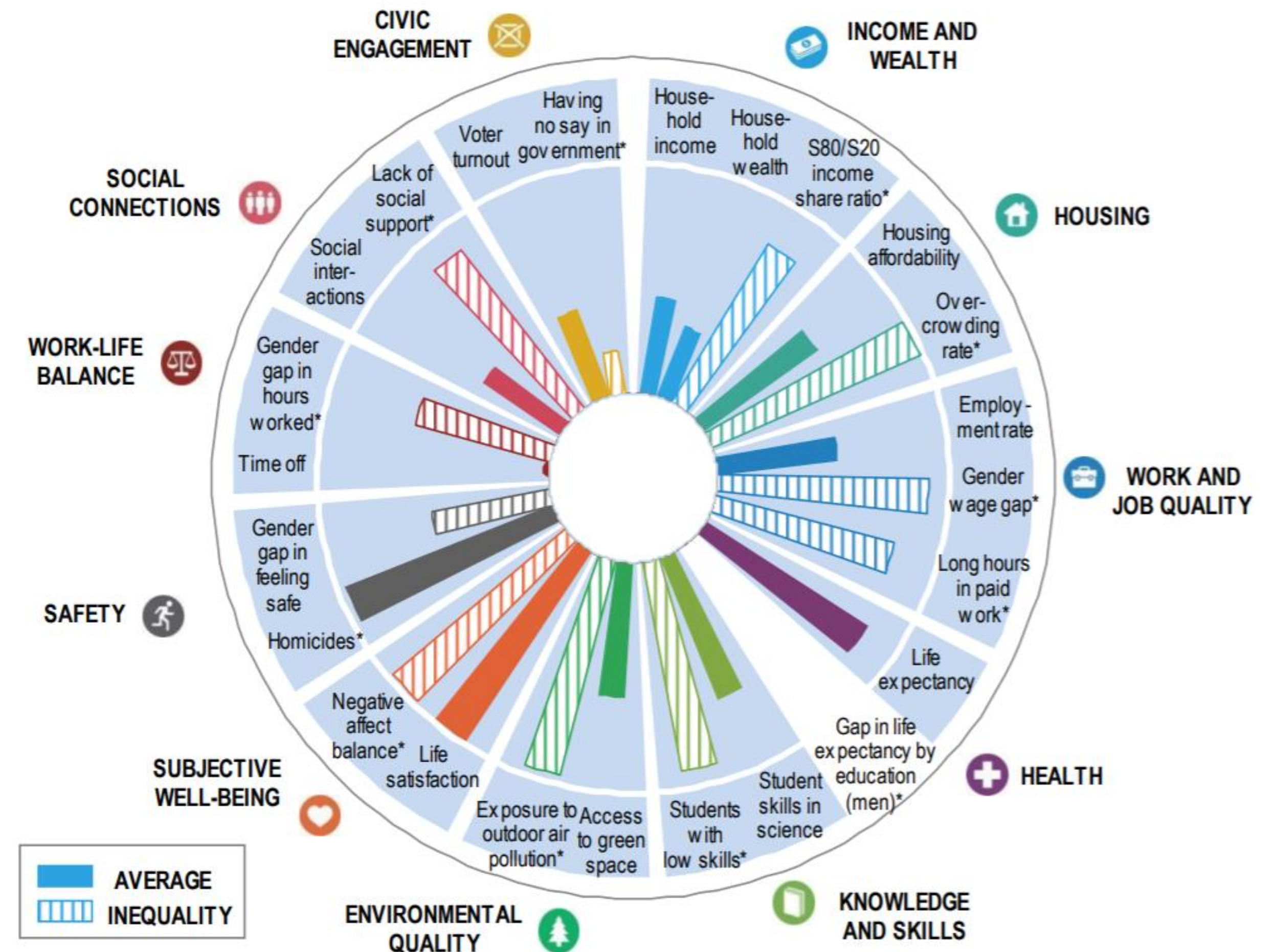


The OECD's current wellbeing measure spans 11 dimensions with over 80 contributing indicators.

Ireland's performance is mixed across dimensions.

*Note: Longer bars indicate better results relative to the OECD mean (including for negative indicators, marked with a *, which have been reverse-coded). Striped bars indicate inequality measures. Data gaps are in white.*





Ireland's current well-being, 2018 or latest available year



International Initiatives: OECD



The OECD also includes four capital domains intended to measure risks and resources for future wellbeing.

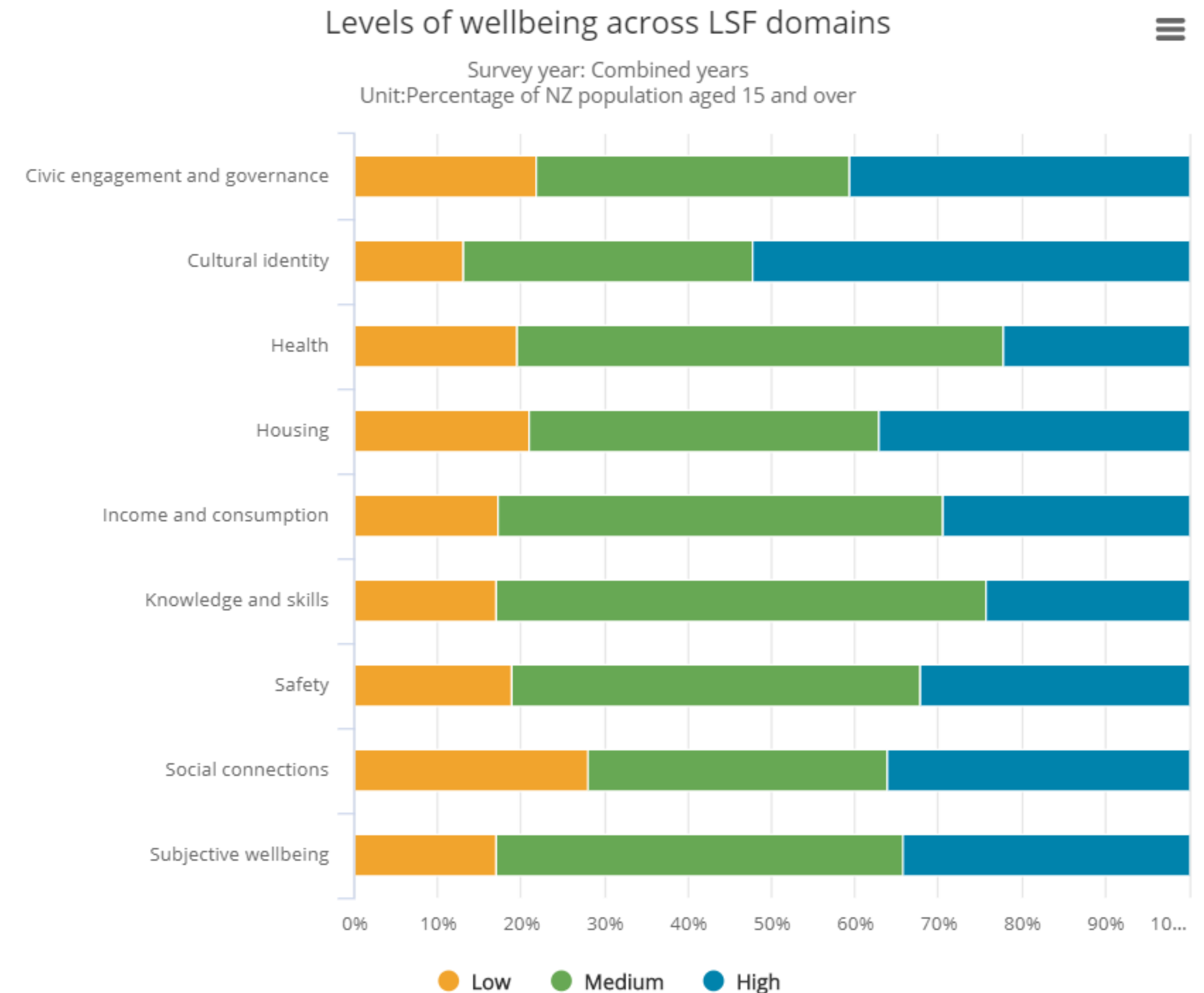
Natural Capital 	Economic Capital 	Human Capital 	Social Capital 
Greenhouse gas emissions per capita <div><div>3</div><div>↔</div></div>	Produced fixed assets <div><div>1</div><div>↗</div></div>	Educational attainment of young adults <div><div>1</div><div>↗</div></div>	Trust in others <div><div>2</div><div>...</div></div>
Material footprint <div><div>1</div><div>↗</div></div>	Financial net worth of government <div><div>3</div><div>↔</div></div>	Premature mortality <div><div>2</div><div>↗</div></div>	Trust in government <div><div>1</div><div>↗</div></div>
Red List Index of threatened species <div><div>2</div><div>↘</div></div>	Household debt <div><div>3</div><div>↗</div></div>	Labour underutilisation rate <div><div>3</div><div>...</div></div>	Gender parity in politics <div><div>2</div><div>↗</div></div>

Note: The numbers 1, 2, and 3 indicate whether Ireland is in the top-performing, middle-performing, or bottom-performing tier of the OECD respectively. The arrows indicate the direction of trend for that indicator in Ireland, with an upward tilted arrow indicating improvement, a downward tilted arrow indicating deterioration, a level arrow indicating no clear trend, and an ellipsis indicating that there is insufficient data available to determine a trend.

International Initiatives: New Zealand



- New Zealand's Living Standards Framework (LSF) is one of the most advanced wellbeing frameworks, based on OECD's
- Allows for the comparison of wellbeing over time, internationally and between various population groups
- Integrated into the national budget
- Wellbeing inclusive cost-benefit analysis tool developed



Domestic Initiatives: CSO Wellbeing of the Nation



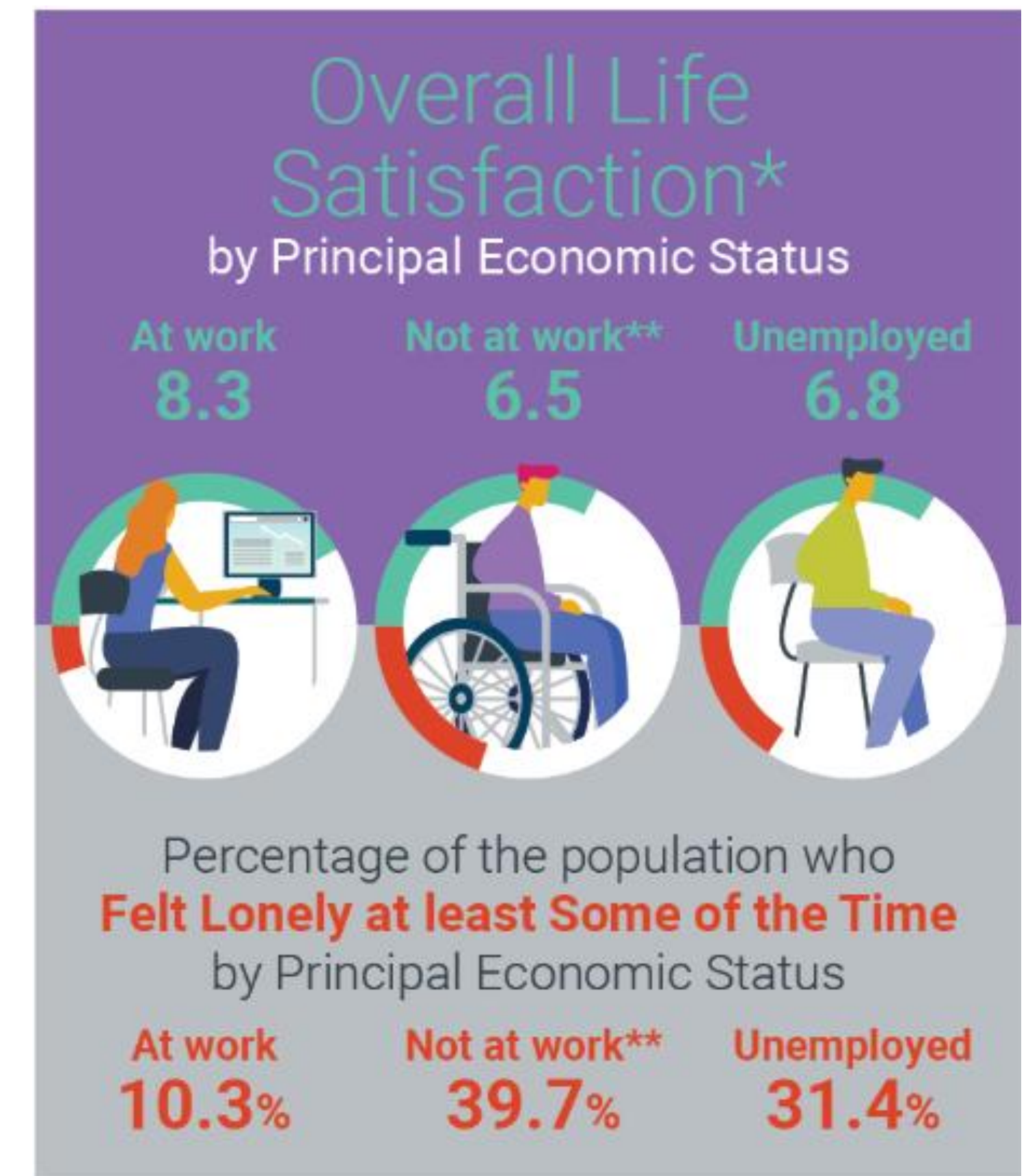
- 35 indicators of wellbeing across 8 dimensions:
 - Economy
 - Work
 - Education
 - Housing and Natural Environment
 - Government and Equality
 - Health
 - Public Safety
 - Time Use
- Ireland's performance varies across indicators.



Domestic Initiatives: CSO Wellbeing Survey



- CSO modules on wellbeing in the Survey on Income and Living Conditions (SILC) in 2013 and 2018, and in April 2020 Covid survey.
- Focused on subjective aspects of wellbeing: life satisfaction, emotional health, social connections.
- In 2018, Ireland joint highest performing EU27 country for overall life satisfaction.



Options for Measuring Wellbeing



- 1 Dashboard of indicators
 - 2 Survey on wellbeing
 - 3 Composite indicator
- Most common internationally*
- One or a combination could be chosen*

Conclusion – Looking to the Future



- The Programme for Government committed to the development of new measures of well-being and progress, in recognition that in order to achieve a well-rounded policy-making system there is a need to move beyond uniquely economic measures.
- This work is being jointly sponsored by the Departments of the Taoiseach, Finance and Public Expenditure and Reform. An inter-departmental Working Group, chaired by the Department of the Taoiseach, has been established to support the detailed work required for the initial development of the Framework, and includes the CSO who have a central role to play.

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Presentation

Helen Johnson

Tuesday, 11th May 2021 @12.45hrs





An Chomhairle Náisiúnta Eacnamaíoch agus Shóisialta
National Economic & Social Council

Implementing a Wellbeing Framework in Ireland – some ideas

Helen Johnston

FFS Webinar on Implementing Wellbeing Indicators

11th May 2021

Outline of Talk

- **NESC involvement in wellbeing**
- **Design**
- **Implementation**
- **Ongoing Review**
- **Concluding Remarks**

NESC Involvement in Wellbeing

BACKGROUND

- 2009 Report *Well-Being Matters*
- National Statistics Board & CSO developments
- Public Participation Networks (PPNs)
- Embedding wellbeing in NI at national and local level
- Equality and Performance Budgeting

CURRENT

- Programme for Government Commitment 2020
 - NESC on Wellbeing Interdepartmental Working Group
 - NESC asked to undertake consultation

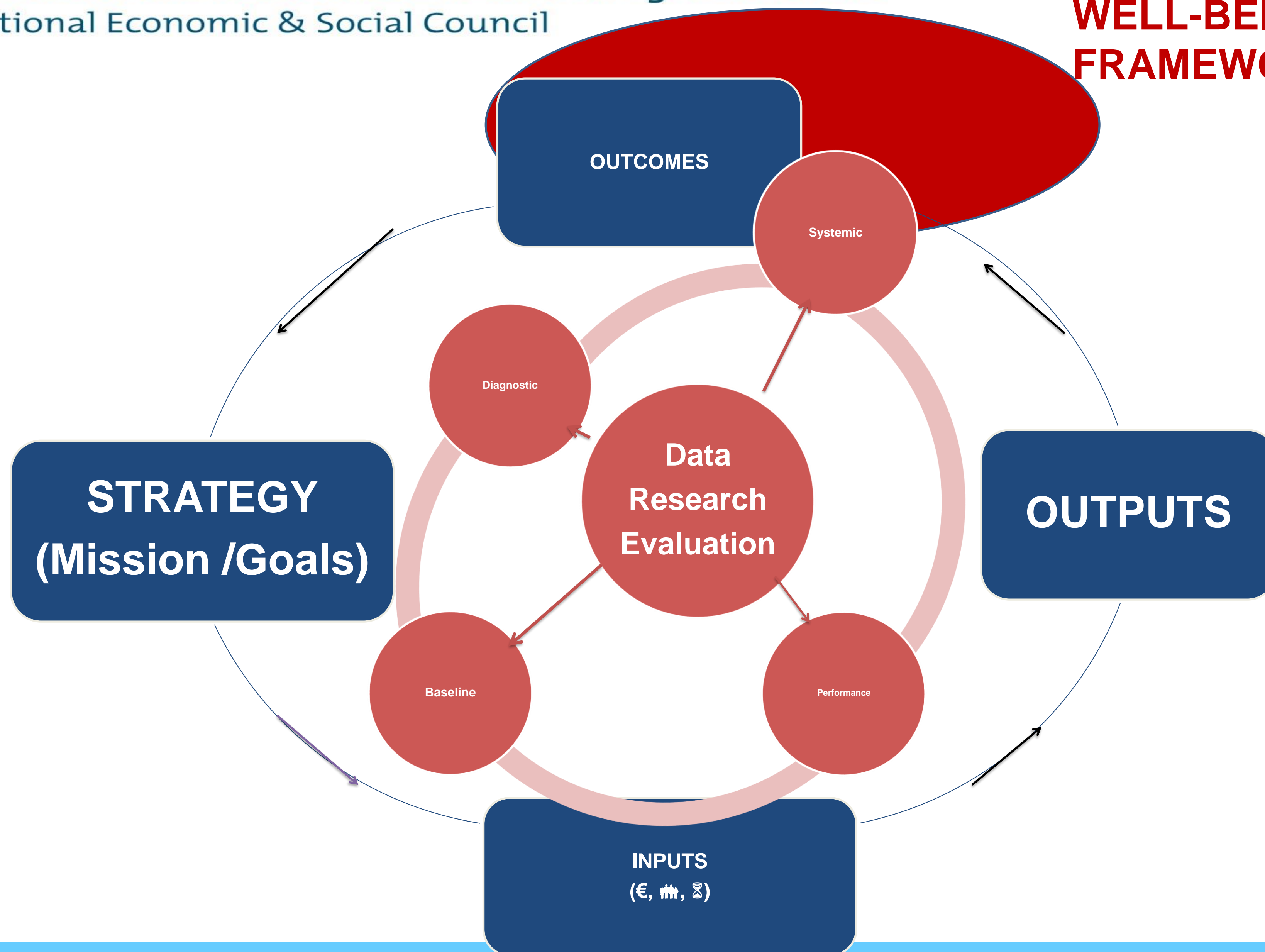
Design of a Wellbeing Framework

- **Purpose?**
 - People's views on what is important to them
 - Whole of government approach to meet desired outcomes
- **Many existing frameworks**
 - Tailor the OECD framework
- **Consultation**
 - NESC Stakeholder and Expert Group
 - NESC wider survey
- **Data to support the Framework**

Implementation

- **Whole of government approach**
 - Departmental collaboration
 - Intention to embed in the budgetary cycle
- **Top down meets bottom up**
- **Use of Indicators and Data**

WELL-BEING FRAMEWORK



Indicators and Data

- **Many levels and types**
- **OECD Framework**
 - Dashboard
 - 11 domains
 - 80 indicators
 - Supporting data
- **CSO building a wellbeing dashboard**
 - Half to three quarters of indicators available
 - ‘Soft’ data more difficult
 - PX data system will automatically update
- **Range of sources**
- **Technical exercise**

Integration into Policy Making

- **High Level Outcomes focus**
- **3 possible levels**
 - **Mega level (11 domains)**
 - **Macro level (policies & programmes)**
 - **Micro level (services directly to people)**
- **Assessment of strategic policies and programmes**
- **Build on existing initiatives**
- **To improve impact of public policy on people's lives**
- **To inform the design and implementation of more effective public policies**

Ongoing Review

- Measure progress towards outcomes
- Review of policies and programmes (selected)
- Review of measures (and indicators)
- What do the people think?
- Communication

Concluding Remarks

- **An important development**
 - Changing context: green, digital, pandemic
- **Know (and agree) what we want to achieve**
 - Prioritisation
 - Buy-in
- **Can we measure it?**
 - Indicators and data
- **National and Local**
- **Align with other strategies**
- **Monitoring progress and evolving framework**
- **Communicate**



An Chomhairle Náisiúnta Eacnamaíoch agus Shóisialta
National Economic & Social Council

Thank you for your attention

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