

Chapter 2

Interpreting OECD Social Indicators

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

2.1. The purpose of *Society at a Glance*

Society at a Glance 2019 aims to address the growing demand for quantitative evidence on the social situation, its trends, and its possible drivers across OECD countries. One objective is to assess and compare social outcomes that are currently the focus of policy debates. Another is to provide an overview of societal responses, and how effective policy actions have been in furthering social development. This edition of *Society at a Glance* discusses the challenges lesbians, gay men, bisexuals and transgender (LGBT) face in OECD countries. Indicators on LGBT people receive therefore a particular focus.

The indicators are based on a variant of the “Pressure-State-Response” framework that has also been used in other policy areas (United Nations [1997], *Glossary of Environment Statistics*, Studies in Methods, Series F, No. 67, New York). This groups indicators into three areas:

- “Social context”: refers to general indicators that, while not usually direct policy targets are relevant information for understanding the social landscape. An example is the proportion of elderly people to working-age people.
- “Social status”: describes the social outcomes that policies try to influence. Ideally, the selected indicators can be easily and unambiguously interpreted. As an example all countries would rather have low poverty rates than high ones.
- “Societal response”: provides information about measures and activities to affect social status indicators. Examples are governmental policies, but also activities of NGOs, families and broader civil society.

In addition, the framework used in *Society at a Glance* groups social status and societal response indicators according to the broad policy fields they cover:

- “self-sufficiency”
- “equity”
- “health status”
- “social cohesion”.

A related OECD publication, *How’s Life? Measuring Well-being*, presents a large set of well-being indicators, with an aim to give an accurate picture of societal well-being and progress. Compared with *Society at a Glance*, *How’s Life?* uses a broader set of outcome measures but excludes indicators of policy responses. In addition, the special chapter in *Society at a Glance* provides policy analysis and recommendations.

OECD countries differ substantially in their collection and publication of social indicators. In selection of indicators for this report, the following questions were considered.

- *What is the degree of indicator comparability across countries?* This report strives to present the best comparative information for each of the areas covered. However, the indicators presented are not confined to those for which there is “absolute” comparability. Readers are alerted to the nature of the data used and the limits to comparability.

- What is the minimum number of countries for which the data must be available? This report includes only primary indicators that are available for two thirds of OECD countries.
- What breakdowns should be used at a country level? Social indicators can often be decomposed at a national level into outcomes by social sub-categories, such as people's age, gender and family type. Pragmatism governs here: the breakdowns presented vary according to the indicator considered, and are determined by what is readily available.

Chapters 3 to 8 describe the key evidence. Some of these indicators are published by the OECD on a regular basis (e.g. Social Expenditure Database and OECD Health Statistics). Others have been collected on an ad hoc basis or involve transformation of existing indicators.

2.2. The selection and description of indicators

2.2.1. Risks That Matter

To find out more about people's perceptions of social and economic risks and how well they think their government reacts to those risks, the OECD launched in 2018 a brand-new cross-national survey – the OECD *Risks That Matter* Survey (see Chapter 3). The survey is a cross-national survey that examines people's perceptions of social and economic risks and how well they think government addresses those risks. The survey draws on a representative sample of 22 000 people aged 18-to-70-year olds in 21 OECD countries: Austria, Belgium, Canada, Chile, Denmark, Estonia, Finland, France, Germany, Greece, Israel, Ireland, Italy, Lithuania, Mexico, the Netherlands, Norway, Poland, Portugal, Slovenia and the United States.

The survey questionnaire consists of three main sections covering: risk perceptions and the social and economic challenges facing respondents and their families; satisfaction with how well government performs in providing public services and benefits; and desired policies or preferences for social protection going forward. Most questions are fixed-response, taking the form of either binary-response or scale-response. The questionnaire is conducted in national languages.

Table 2.1. **List of perception indicators**

Risk perceptions and concerns
Perceptions of government effectiveness and fairness
Preferences for social policy

2.2.2. General social context indicators

When comparing *social status* and *societal response* indicators, it is easy to suggest that one country is doing badly relative to others, or that another is spending a lot of money in a particular area compared with others. It is important to put such statements into a broader context. General context indicators including *household income*, *fertility*, *migration*, *family* and the *demographic trends*, provide the general background for other indicators in this report (see Chapter 4).

Table 2.2. **List of general context indicators**

Household income
Fertility
Migration
Family
Demographic trends

2.2.3. Self-sufficiency indicators

Self-sufficiency is an underlying social policy objective. Self-sufficiency is promoted by ensuring active social and economic participation by people, and their autonomy in activities of daily life. A selection of indicators is shown in Chapter 5.

For many people, paid employment provides income, identity and social interaction. Social security systems are also funded by taxes levied on those in paid employment. Thus promoting higher paid *employment* is a priority for all OECD countries. To be *unemployed* means that supporting oneself and one's family is not always possible. Skills also play a central role in ensuring people find and keep employment, particularly important for young people. A major societal response to enable people to become self-sufficient is public and private *spending in education*. The number of expected years in retirement is a societal response, determined by employment options for older people, age of pension eligibility, and self-sufficiency in old age.

The table below lists the chosen indicators for assessing whether OECD countries have been successful in meeting goals for assuring the self-sufficiency of people and their families.

Table 2.3. **List of self-sufficiency indicators**

Social status	Societal responses
Employment	Education spending
Unemployment	Expected years in retirement
Skills	

2.2.4. Equity indicators

Equity is another common social policy objective. Equitable outcomes are measured mainly in terms of access by people to resources.

Equity has many dimensions (Chapter 6). It includes the ability to access social services and economic opportunities, as well as equity in outcomes. Opinions vary as to what exactly entails a fair distribution of opportunities or outcomes. Additionally, as it is hard to obtain information on all equity dimensions, the *social status* equity indicators presented here are limited to inequality in financial resources.

Income inequality is a natural starting point for considering equity across the whole of society. Often however, policy concerns are more strongly focussed on those at the bottom end of the income distribution. Hence the use of *poverty* measures, in addition to overall inequality. Consideration of guaranteed minimum income benefits shows financial support and obtainable living standard for low-income families. In periods with high unemployment, cash transfers for working-age people are a major income safety net. The indicator of *out-of-work benefits* complements the more general measures of income

inequality and poverty. All OECD countries have social protection systems that redistribute resources and insure people against various contingencies. These interventions are summarised by *public social spending*. Equity indicators are clearly related to self-sufficiency indicators. Taken together, they reveal how national social protection systems address the challenge of balancing adequate provision with system sustainability and promotion of citizens' self-sufficiency. Having access to quality *affordable housing* is also important to reduce poverty risks, improve equality of opportunity and make growth inclusive and sustainable.

Table 2.4. **List of equity indicators**

Social status	Societal responses
Income inequality	Social spending
Poverty	
Out-of-work benefits	
Affordable housing	

2.2.5. Health indicators

Health status is a fundamental objective of health care systems, but improving health status also requires a wider focus on its social determinants, making health a central objective of social policy (Chapter 7).

The links between social and health conditions are well-established. Indeed, educational gains, public health measures, better access to health care and continuing progress in medical technology, have contributed to significant improvements in health status, as measured by *life expectancy*. Despite effective public health measures, significant HIV/AIDS transmission continues and remains a major public health issue. *Suicide rates* give additional information about health and societal challenges, since there are a complex set of reasons why some people commit suicide. *Health spending* is a more general and key part of the policy response of health care systems to concerns about health conditions. Another health indicator for total population and youth is *Tobacco and alcohol consumption*, both associated with numerous harmful health and social consequences.

Nevertheless, health problems can sometimes have origins in interrelated social conditions – such as unemployment, poverty, and inadequate housing – beyond the reach of health policies. Moreover, more than spending levels *per se*, the effectiveness of health interventions often depends on other characteristics of the health care system, such as low coverage of medical insurance or co-payments, which may act as barriers to seeking medical help. A much broader range of indicators on health conditions and interventions is provided in *OECD Health Statistics* and in *Health at a Glance*.

Table 2.5. **List of health indicators**

Social status	Societal responses
Life expectancy	Health spending
HIV/AIDS	
Suicide rates	
Tobacco and alcohol consumption	

2.2.6. Social cohesion indicators

Social cohesion is often identified as an over-arching objective of countries' social policies. While little agreement exists on what it means, a range of symptoms are informative about *lack of social cohesion*. Social cohesion is positively evident in the extent to which people participate in their communities or feel safe (Chapter 8).

Life satisfaction is determined not only by economic development, but also by diverse experiences and living conditions. *Confidence in institutions* and participation in *voting* are two important measures on how well people trust their country's institutions and participate in society. A measure of *Violence against Women*, encompassing all forms of violence perpetrated against women because they are women, is added to highlight the persistently high prevalence of such violence. *Online activities* is another important element of social cohesion indicator, through online connectedness or adolescent cyberbullying.

It is difficult to identify directly relevant and comparable response indicators at a country level on social cohesion issues. Policies that are relevant to other dimensions of social policy (self-sufficiency, equity and health) may also influence social cohesion.

Table 2.6. **List of social cohesion indicators**

Social status	Societal responses
Life satisfaction	
Confidence in institutions	
Violence against women	
Voting	
Online activities	

2.3. What can be found in this publication

In each of the domains covered in Chapters 3 to 8 of this report, the chosen indicators provide each a page of text and a page of charts. Both charts and text generally follow a standardised pattern. The choice of the time period over which change is considered is partly determined by data constraints. However, ideally changes are examined: 1) over the last generation, to compare how society is evolving in the longer term; or 2) over the period since the last economic crisis (typically between 2007-08), so the extent to which recent economic fluctuations are influencing social indicators can be studied.

Finally, a box on "Definition and measurement" provides the definitions of data used and a discussion of potential measurement issues.

The data underlying each indicator are available on the OECD website (<http://oe.cd/sag>), or by typing or clicking for "electronic books" on the "StatLink" at bottom right of each indicator (where data for more countries are also available).

Further reading

OECD (2017), *How's Life? 2017: Measuring Well-being*, OECD Publishing, Paris, http://dx.doi.org/10.1787/how_life-2017-en.

United Nations (1997), *Glossary of Environment Statistics*, Studies in Methods, Series F, No. 67, New York.



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