# OECD Multilingual Summaries How's Life? 2015 Measuring Well-being

Summary in English



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### How's life, overall?

A better understanding of people's well-being is central to developing better policies for better lives. Well-being is multidimensional, covering aspects of life ranging from civic engagement to housing, from household income to work-life balance, and from skills to health status. A thorough assessment of whether life is getting better requires a wide range of metrics, captured on a human scale, and able to reflect the diverse experiences of people. That is what this report aims to supply.

The latest evidence on well-being in 11 different dimensions of life suggests that OECD countries have diverse patterns of strengths and weaknesses. Predictably, countries ranking in the top third of the OECD in gross domestic product (GDP) per capita terms tend to do well overall, especially in relation to material well-being outcomes such as household income and earnings. Nonetheless, countries can have comparative weaknesses in areas such as job security, air quality, housing affordability, and work-life balance at any level of GDP per capita. While we have known for a long time that there is more to life than GDP, this report shows where even the richest OECD countries still have room to improve the well-being of their citizens.

# Inequalities in well-being

National averages only tell part of the well-being story: different groups within the population can have very different well-being experiences. These disparities often vary from country to country, and go well beyond differences in household income. For example, the bottom 60% of the distribution owns 20% or more of total net wealth in the Slovak Republic, Greece and Spain, but less than 8% in Germany, the Netherlands, Austria and the United States. Better-educated people tend to live longer, but at the age of 30, tertiary-educated men can expect to live anything from four to 18 years longer than their primary-educated neighbours, depending on the country. In several OECD countries (Italy, Belgium, Hungary, Australia, Luxembourg and the United Kingdom), the long-term unemployment rate among younger workers (aged 15-24) is at least twice the rate among those of prime working age. As well as having low levels of income inequality, Nordic countries tend to have much smaller differences in quality of life outcomes – including gender and age-related differences.

## Are lives getting better?

In several respects, the average OECD citizen is doing better now than in 2009, but changes in well-being have been mixed – both across countries and across indicators. Household income has begun a slow recovery from crisis levels in most OECD countries, but progress in other areas (such as long-term unemployment, long working hours, and voter turnout) has failed to keep pace in several cases. Countries experiencing the most severe declines in household income since 2009 (such as Greece, Portugal, Italy and Spain) continue to feel the pain in other ways, ranging from high joblessness and reduced earnings, to less affordable housing. While almost all countries have experienced some gains in upper secondary educational attainment rates and life expectancy since 2009, these outcomes may evolve over different timeframes relative to material well-being outcomes.

#### Monitoring resources for the future

Monitoring the stocks of resources that exist today but that can help to maintain well-being over time provides a first step towards understanding the prospects for future well-being. This report considers a small set of measures to illustrate elements of the stocks of natural, human, social and economic capital that are likely to shape well-being opportunities in the future – as well as some of the investments, depletion and risk factors that affect those stocks. The trends considered range from rising concentrations of atmospheric greenhouse gases, to rising educational attainment in young adults, changes in household debt levels and recent falls in trust in government. This indicator set will be further developed over time, to complement the dashboard of current well-being outcomes used in How's Life? with indicators that take a longer-term view.

#### How's life for children?

Not all children are getting the best possible start in life. Across OECD countries, one child in seven lives in poverty, almost 10% of children live in jobless households, and one in 10 report being bullied in school. There are striking inequalities in child well-being associated with family socio-economic background: children from better-off families have better health, higher skills, higher civic engagement, and better relationships with parents and peers. Students from more advantaged families are also less likely to be bullied and more likely to feel a sense of belonging in school. These findings suggest that inequalities in well-being among adults translate into inequalities in opportunities for their children.

## Volunteering and well-being

Volunteering comes in many different forms, from political participation to looking after an elderly neighbour. Current evidence suggests that one in three adults volunteers through an organisation at least once a year in OECD countries, and seven out of 10 Europeans report providing informal help to friends, neighbours and strangers. Volunteering can benefit volunteers themselves, bringing new skills and knowledge that may enhance career development or employment prospects. Volunteers also report higher life satisfaction than non-volunteers. This suggests a virtuous circle, where people do well by doing good. In the OECD area, the value of the time that people spend volunteering may be close to 2% of GDP. While only a rough estimate, this suggests that volunteering provides a large, but largely hidden, contribution to wider society.

# Where people live can strongly affect their well-being

Many of the factors that shape people's lives – such as personal safety, air pollution, employment opportunities and access to services – are fundamentally influenced by where people live. Disparities in both quality of life and material conditions within countries can sometimes be as large as those between countries. For example, in 2014 the difference in the unemployment rate between the best- and worst-performing regions within Turkey, Spain, and Italy was close to 20 percentage points. This is almost as large as the national average difference in unemployment between Greece and Norway. In addition, regions differ in terms of how unequally income is distributed, with income inequality especially high in regions with large metropolitan areas. With evidence suggesting that some regional gaps in well-being are getting wider over time, the need for a regional perspective is all the more pressing.

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