

Measuring national well-being

ONS is developing new measures of national well-being, to meet a wide range of uses. The new measures are intended to cover the quality of life of people in the UK, the environment and sustainability, as well as the economic performance of the country.

Before ONS can start to measure national well-being we need to find out what national well-being means to those with an interest in it and how the new measures would be used.

The aim of this consultation is to ask people, organisations, businesses and government across the UK, What is it that makes our lives worthwhile? What things improve, or detract from, our national well-being?

Some of the aspects that have been suggested as affecting national well-being are:

- Income and wealth
- Job satisfaction and economic security
- Ability to have a say on local and national issues
- Having good connections with friends and relatives
- Present and future conditions of the environment
- Crime
- Health
- Education and training
- Personal and cultural activities, including caring and volunteering

What do you think? What matters to you?

The National Statistician has launched a debate on national well-being. It started on 25 November 2010 and will end on Friday 15 April 2011.

As part of the national debate, the National Statistician will be convening an Advisory Forum. The forum's role will be to discuss the main themes that emerge from the national debate and help design the new measures.

Section 1: National well-being debate

The National Statistician has launched a national debate around the topic of national well-being and how to measure it.

The debate will take place on several levels, the first of which is this consultation and the attached questionnaire, which we hope you will take the time to complete and return to us. The aim of the consultation is to involve the public in determining what is meant by national well-being and, ultimately, to establish appropriate measures.

In addition to this, we plan to host a number of events around the country. For details of where and when your nearest national well-being event is being held, please go to our website at www.ons.gov.uk/well-being. We will add links to other ways in which you can have your say as these become available. Alternatively, you can contact us by email at nationalwell-being@ons.gov.uk or by telephone on 0845 601 5075.

We will be encouraging schools and civic groups and professional societies to take part and to host their own debates, using our consultation questions as a guide, and let us know the outcomes.

Section 2: What national well-being means to you

ONS is seeking views on what well-being means to you and what affects well-being, both for you as an individual and for the nation overall.

Consider the idea that national well-being incorporates economic performance, social progress and the impact of economic and social activities on the environment. Within this framework, existing work looking at well-being focuses around a variety of themes. Box 1 shows themes that appear most frequently in well-being work around the world.

Section 3: Why measure national well-being?

For the last 60 years, progress has often been assessed using economic measures such as growth in Gross Domestic Product (GDP). But it is now recognised that a full picture of how a country is doing – national well-being – cannot be understood by looking at a single measure such as GDP alone. There is growing demand for wider measures of progress, or a more complete picture of ‘how society is doing’. The National Statistician’s new measures of national well-being in the UK will include measures of economic performance and social progress, including the impact on the environment.



Box1: Themes that appear in well-being work

One reason for change is that GDP measures some things that are harmful to national well-being, on the broader understanding, such as fuel used while stuck in traffic jams. The interest in wider measures of progress has been amplified by the global financial crisis that emerged in 2008 and the realisation that, while much is known about the economic impact of the crisis, it is harder to assess the social repercussions. There is widespread international interest in new measures of well-being. Box 2 gives a flavour of this.

Box 2: International interest in wider measures of well-being

The European Commission is running a 'GDP and beyond' project and the Organisation for Economic Co-operation and Development (OECD) has a global project on measuring the progress of societies, which has been looking at the wider issues for some time. At the OECD World Forum on Statistics, Knowledge and Policy in 2007, a declaration was issued calling for the production of high-quality facts-based information that can be used by all of society to form a shared view of national well-being and its evolution over time.

The need to look beyond GDP when evaluating societal progress was examined extensively in a report in 2009 to President Sarkozy from his Commission on the Measurement of Economic Performance and Social Progress (the Stiglitz Report). Stiglitz reminds us that committing crime and buying petrol can both lead to an increase in GDP, which exemplifies why GDP is not an overall measure of progress in the sense of things getting better. National statistical systems need to move the focus from measuring market production towards more complete measures of well-being and sustainability.

http://www.stiglitz-sen-fitoussi.fr/documents/rapport_anglais.pdf

One of the reasons for holding this consultation is for us to be clearer about the requirements across the UK for wider measures of national well-being. This will connect with action by government departments to ensure policies aim to improve well-being. But ONS measures must be suitable for wide public interest, not tied to specific government policies.

Section 4: Ways of measuring national well-being

When ONS undertook a preliminary review of national well-being measures we found three main ways of going beyond GDP. There is also a view that one option is to remain with GDP, clarifying that this is designed only to measure economic welfare. The three main approaches are:

- 1 - ways of going beyond the national accounts to include non-market activities, environmental impact, leisure time, the sharing of income within households, and distributional analyses;
- 2 –sets of indicators, containing various measures of specific social and environmental conditions that are related to well-being
- 3 - survey-based data on happiness and life-satisfaction.

Extensions to the national accounts have been proposed to produce additional measures of welfare. These include fully specified 'satellite accounts' around the national accounts and other less formal estimates, such as those based on sustainable development principles.

Relevant indicator sets include the social indicators published by the EU and by the OECD. The UN Human Development Index is a simple average of three component indicators.

The Stiglitz Report takes the view that all these approaches can contribute to wider measures of national well-being. In an article published in September 2010, we found that there is a wide range of existing statistical data and analysis relevant to measuring national well-being in the UK. *Social Trends* has been published for forty years, with the remit to draw together statistical series relating to social policies and conditions (see Box 3).

"The growing realisation in Parliament, the Press and elsewhere that economic progress must be measured, in part at least, in terms of social benefits makes it the more important that the available key figures about our society should be readily accessible. *Social Trends* is intended to meet this need by drawing together, initially once a year, some of the more significant statistical series relating to social policies and conditions. The emphasis is on trends, though there are also tables showing differentials and distributions at a particular time. The underlying theme is about people, rather than about governments or institutions." Muriel Nissel, writing in *Social Trends* Vol 1, 1970.

Box 3

More recently, the Sustainable Development Indicators (SDIs) published by Defra also provide a large set of indicators, published annually and increasingly directed towards 'measuring progress' in all its dimensions.

Social Trends and the SDIs are part of a long tradition of indicator sets. There are strengths and weakness in such approaches. One strength is to have a recognised source, a library of reliable and regular indicators on which to draw. One key weakness is that it can be difficult to form an overall view of 'what it all adds up to'.

Although there are statistical products and outputs such as *Social Trends* and the SDIs, and other relevant sources such as the Wealth in Great Britain survey, ONS concluded in its article in September that these are not presented or recognised as helping to understand national well-being.

Further details about the work ONS already does regarding well-being can be found on our Wellbeing Knowledge Bank, at <http://www.ons.gov.uk/about-statistics/measuring-equality/wellbeing/index.html>. The knowledge bank is an online repository of links, papers

and well-being analysis from ONS, the Government Statistical Service (GSS), and other national and international organisations. We will add further relevant sources and material to the knowledge bank and will be promoting it as a resource to be used in the national debate.

Section 5: Objective and subjective measures

Measures of well-being can be divided into two broad categories: objective and subjective. Objective measures are those that are more easily quantifiable, such as income, employment rates or infant mortality, whereas subjective measures concern people's experiences and perceptions – how they feel about their lives. Both types of measure have their strengths and limitations but, used together, they can build a picture of national well-being. For example, an objective measure of income may tell us the proportion of people who live in poverty, while a subjective measure could tell us the proportion – whether living in poverty or not – who feel 'able to cope' on their income.

At a national level, it is important to know both what level of public services are being provided and what people's perceptions of those services are. Using both objective and subjective measures provide a fuller picture for policy makers and users of public services alike.

The majority of the links in our knowledge bank are to objective measures. However, the ONS has begun a work programme looking at subjective measures of well-being. In September ONS published a working paper on [measuring subjective wellbeing](#) in the UK. More recently, we have begun a work programme to introduce subjective well-being questions to our household surveys. The results from the first year of survey work should be available around July 2012.

Section 6: Making sense of it all

Several countries have already begun the job of measuring their national well-being. All have taken different approaches both in terms of the themes that make up well-being and data presentation. In addition, various non-government organisations have drawn up their own frameworks as a basis for measuring well-being. Getting a set of themes or dimensions to describe aspects of national well-being is our starting point. To encourage debate, we would draw the reader's attention to Box 4, which gives a selection of frameworks currently in use elsewhere. Please understand that this is not an exhaustive list.

Box 4: Some frameworks for measuring national well-being

OECD Framework	Millennium Development Goals	Human Development Index	Life Situation Index – Well-being in the Netherlands	Measures of Australia’s Progress	Canadian Index of Wellbeing	Gallup Well-being Index
Economic Well-being	Income/ poverty	Standard of living		National income, national wealth, household economic well-being, productivity	Living standards	
Health	Health	Life expectancy at birth	Health	Health	Healthy populations	Emotional health, Physical health
Knowledge and understanding	Education	Knowledge and education		Education and training	Education	
Work	Employment and work			Work		Work environment
Freedom and self-determination				Democracy, governance and citizenship	Democratic engagement	Basic access
Interpersonal relations			Social participation / social isolation	Family, community and social cohesion	Community vitality	
Ecosystem condition	Environmental sustainability			Biodiversity, land, inland waters, oceans and estuaries, atmosphere, waste	Environment	
			Housing	Housing		
			Mobility			
			Holidays			
			Ownership of durable consumer goods			
			Socio-cultural leisure activities, sports		Time use, Leisure and culture	
				Crime		
						Life evaluation
						Healthy behaviours

Following the UK national debate, ONS will begin the second phase of the measuring national well-being project. The first phase of the project – the national debate – focuses on what well-being is, and how we should define national well-being. The second phase will be about measuring it and presenting the measures effectively.

At that stage we will consider options such as a dashboard of a limited number of measures, which could include objective and subjective measures. Combining these into a single number, an index of national well-being, is also an option. There may also be interest in a larger databank of economic, social and environmental measures that would enable others to carry out their own analyses.

While we will not be producing these measures during the national debate, we want to understand how people would use new measures, and therefore whether there are emerging requirements for how the measures are designed and presented.

Confidentiality and data protection

Information provided in response to this consultation, including personal information, may be subject to publication or release to other parties or to disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).

If you would like the information, including personal data, that you submit to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, among other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. Before disclosing any information that is personal to you, we will inform you of this in advance of any disclosure. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Office for National Statistics.

Please ensure that your response is clearly marked on Question 11 if you wish your response and your name to be kept confidential. Confidential responses will be included in any summary of numbers of comments received and views expressed.

Consultation timetable

This consultation will run from 25 November 2010 to 15 April 2011

How to give your views

The consultation questions are available online at www.ons.gov.uk/well-being.

Alternatively you can email us at nationalwell-being@ons.gov.uk or write to us at:

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Cardiff Road
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When commenting by email or by post, it would help if you could use the questionnaire accompanying this consultation, which can be found at www.ons.gov.uk/well-being. Otherwise, please make it clear which question(s) your comments relate to.

After the consultation

We will publish a summary of the comments made approximately 2 months after the consultation closes. The results will inform the second stage of the debate which will look at how to measure the aspects of national well-being.

How to comment on the consultation process

If you would like to make any comments about the consultation process we have followed, please contact:

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