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Typology of statistical systems for the measurement of progress, well-being and sustainability

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Title

TYPOLGY OF STATISTICAL SYSTEMS FOR THE MEASUREMENT OF PROGRESS, WELL-BEING AND SUSTAINBLITY

Over the past few years, there are growing societal and political demands to measure progress, well-being and sustainable development in a more comprehensive way. These debates paved the way to the Stiglitz Sen Fitoussi Commission on the Measurement of Economic Performance and Social Progress and the EU Commission Communication GDP and Beyond. Both were vary explicit on the need to look beyond factors of production to better measure economic performance and social progress in the context of sustainability. They suggest new avenues for better measurement in three main areas:

The present document constitutes a comprehensive overview of improvement in existing practices for the measurement of well-being and sustainability within National Statistical Institutes since the publication of the Stiglitz-Sen-Fitoussi ground-breaking report in 2009.

EU National Statistical Institutes (NSIs) are aware any measures having the ambition to go “beyond GDP” have to take place in an international environment. They should be based on internationally agreed definitions, standards, recommendations and best practices within a common conceptual framework. Therefore, much work has been undertaken at international level. Nevertheless, in addition, many EU Member States have also launched their own initiatives and action plans to go beyond GDP. Indeed, countries have also to meet the national demand for statistics for special needs. Moreover, the Rio +20 summit gave a clear signal to countries worldwide that measuring progress with indicators and in particular complementing GDP is a prerequisite for good governance and societal success.

This report mentioned both at national and international level, the most significant practices for the measurement of progress and Sustainable development within National Statistical Institutes, as reported by European NSIs which responded to a questionnaire¹ sent to them in June 2013.

The author of this report gratefully acknowledges all the NSIs contributions. However any errors or omissions in compiling or interpreting the responses are the sole responsibility of the author.

¹ See Annex 1, the questionnaire. 21 NSIs responded to the questionnaire, at least partially (AU, BE,CH, CZ, DE, DK, ES, FI, HU, IE, IT, LE, LI, NL, NO, PL, PT, RO, SE, SK, UK

Table of contents

Summary	4
I- Background: the GDP and beyond debate	6
II- NSIs implication in coordinate activities at international level	7
21- A Sponsorship to define a roadmap for the ESS	7
22- Definition of a framework to measure sustainable development (CES recommendations)	7
23 - Definition of a method to breakdown Households National Accounts	8
24- Definition of a first set of quality of life indicators at EU level	9
25- Adoption of European new regulations (ad-Hoc module on subjective well-being in EU-SILC 2013, Regulation on SEEAA)	11
26- Other actions	12
27- What is coming soon?	12
III- National initiatives	14
31- Measuring quality of quality of life	14
311 Adoption by most of the countries of a multidimensional quality of life adapted to their national specificities	
312 Development of composite or synthetic indicators	
313 Implementation of new or adapted surveys	
314 Wide consultations: expert round tables, parliamentary commissions, and national consultations	
315 State of play in the development of new indicators	
32- Emphasizing the household perspective in the National Accounts	30
321 Better promotions of National Accounts data on household income and consumption	
322 Encouragement for the compilation of balance sheet accounts for households	
323 Providing information on the distribution of household income, consumption and wealth	
324 Broadening measurements of non-market domestic activities and leisure time	
33- Improving the measurement of sustainability	39
331- A set of sustainable development indicators for most countries	
332- A common understanding of sustainable development	
333- Necessity of internationally harmonization	
334-The consumer perspective	
335-Other actions	
Annex1- The questionnaire	43

Summary

Most NSIs have been deeply involved in international Expert Groups in order to agree on definitions, standards and best practices. These initiatives result in a road map for the European Statistical System to improve measurement of social progress and sustainability, a common framework to measure sustainable development, a first set of quality of life indicators, two regulations on European environmental accounts and another one on an ad hoc module on subjective well-being in the Survey on Income and Living Conditions. Work is on progress to measure disparities between categories of households in the National Accounts, three countries being now ready to publish such data.

In addition, many EU Member States have launched their own national initiatives and action plans to go beyond GDP.

All NSIs are in the process of implementing a common multidimensional framework for measuring quality of life. Each EU NSI is going to publish early 2015 at the latest, data on national life satisfaction, based on the 2013 edition of EU SILC. The data are/or will be available on their website, using sometimes new technologies that make use of new ways of communication, such as the National Well Being Wheel in the United Kingdom. Several important national initiatives range from national wide consultations (United Kingdom), to parliamentary commissions (Germany) and expert round tables (Italy) in order to select domains of quality of life and indicators sets on what matters for people. This will ensure that the measurements are relevant for policy-makers. Some countries have implemented new surveys (France, Poland); others have adapted existing surveys (Ireland, United Kingdom, the Netherlands). Some countries (France, Italy, United Kingdom, Netherlands...) have made methodological investments to study the drivers of well being, the correlations between different dimensions of quality of life and the effects of heterogeneity between individuals or of the scale chosen to evaluate well being. Most countries have organised public events to involve different stakeholders in the process, as much as possible. Indeed, NSIs are deeply involved in fostering national debates, communication and information sharing in order to promote policy-use of well being indicators.

Concerning measurement of welfare in the National Accounts, more countries are now publishing data on adjusted disposable income and actual consumption in real terms, per consumption unit. These indicators are becoming headline indicators when communicating on the state of the economy. Covering household balance sheet is widening, taking better into account non-financial assets, especially dwelling and land assets. Three countries (France, Netherlands and Czech Republic) have compiled the whole system of accounts from the opening to the closing balance sheet. Some progress is however still needed to have a clear delineation of the household sector. Measures of non-market activities will benefit from the last Time Use Surveys conducted recently by many countries, or from lighter surveys (Ireland) or methods based on an output-based approach (United Kingdom) to evaluate volunteering.

Concerning measurement of environment and sustainability, most countries have developed a set of sustainable development indicators (SDI), which are rapidly converging, more than 75 % of the indicators being already the same. To raise awareness of sustainable development and environmental sustainability concerns, many countries have associated in the whole process, from identifying and selecting the indicators to

their dissemination and gathering feedback, a wide range of stakeholders, varying from ministries, local authorities, social partners, non-government organizations and civil society. Friendly ways of communication, using IT tools (*Switzerland, Netherlands*) are often used to synthesize information to a non-expert audience. The harmonization of indicators based on a strong common framework will be reinforced with the recent adoption of two regulations on environmental economic accounts² (691/2011 and 538/2014). An increasing number of countries are regularly producing Environmental Extended Supply and Use Input table (ee-SUIOT) to investigate the consumer perspective of global climate change or air pollution and develop footprint indicators. A CO₂ footprint indicator has been already included in the French SDI set. Several Member States have already developed and is using Raw material consumption (RMC). Eurostat's work will ensure that lessons are learned from this experience and that future work by other Member States is coordinated and comparable. The Netherlands is investigating how the WIOD database can be adapted to Dutch Statistics to arrive at an "official" footprint for the Netherlands. Some countries are calculating United Kingdom is currently experimenting Ecosystems Accounts.

² concerning air emissions accounts, economy-wide material flow accounts, environmentally-related taxes by economic activity, energy accounts, environmental protection expenditure and environmental goods and services

I- Background: the GDP and beyond debate

Over the past few years, there are growing societal and political demands to measure progress, well-being and sustainable development in a more comprehensive way. One important reason of this discussion is the increasing gap between standard measures of GDP growth and inflation on the one hand and the individuals' subjective perception of progress and well being on the other hand.

Discussions converged in two important initiatives: the Istanbul conference in 2007 devoted to the OECD Project "Measuring Progress in Societies" and in November 2007, the "Beyond GDP" conference. They paved the way to the Stiglitz Sen Fitoussi (SSF) Commission on the Measurement of Economic Performance and Social Progress and the EU Commission Communication "GDP and Beyond". Both were very explicit on the need to look beyond factors of production to better measure economic performance and social progress in the context of sustainability. They suggest new avenues for better measurement in three main areas:

- Economic performance where improvement in GDP accounting are needed
- Societal well-being (quality of life, including subjective - that is people's assessment- of well-being including inequalities and disparities assessment
- Sustainability and environment (inter-generational well-being)

The SSF commission believes it is not realistic to try and identify a single synthetic indicator summarizing the whole well-being. It rather favours parsimonious dashboards. It also invites to discuss these issues in national roundtables in order to have a shared view of societal well-being and its evolution over time.

The Communication "GDP and Beyond" has similar concerns and issues. It pointed out the need to

- complement GDP with indicators that concisely incorporate social and environmental achievements
- gather near real-time information for decision-making
- provide more accurate reporting on distribution and inequalities
- developing a European sustainable development scoreboard
- extend national accounts to environmental issues and social issues

These two initiatives are in line with the outcome document "the future we want" of the 2012 RIO +20 summit. Indeed, the resolution 38 recognizes the need for broader measures of progress to complement GDP in order to better inform policy decisions, and in this regard, requests the UN Statistical Commission in consultation with relevant UN System entities and other relevant organizations to launch a programme of work in this area building on existing initiatives.

These different initiatives acted as a catalyst for NSIs to launch important actions, both at international and national level, to improve existing metrics of well-being.

II- NSIs implication in coordinate activities at international level

Indeed, EU NSIs are aware any measures having the ambition to go “beyond GDP” have to take place in an international environment. They should be based on internationally agreed definitions, standards, recommendations and best practices within a common conceptual framework.

Therefore, these measures should be addressed at the European Statistical System (ESS)³ level in close cooperation with international partners (like the OECD and UNECE). Indeed, the ESS provides high-quality “official” statistics for the European Union as a whole and comparative statistical information for the EU Member States as well as EFTA⁴ and candidate countries on issues that are relevant for EU policy making. In making these statistics, the ESS uses a set of principles (especially the European Statistics Code of Practice) covering the institutional set-up of its members as well as statistical processes and outputs in order to guarantee high quality statistics.

21- The INSEE- Eurostat Sponsorship’s roadmap proposal to fill the European statistical gaps

The international involvement began with a very broad participation of EU Member States (*16 EU NSIs: AT, BG, DE, DK, ES, FR, IT, LU, NL, NO, PL, PT, SE, SI, SK, UK and CH*) including three key partners (e.g. OECD, UNECE and ECB) in a high-level task force co chaired by INSEE and Eurostat, the so-called “Sponsorship”. The aim of this Sponsorship launched in February 2010 was to translate the recommendation of the Stiglitz-Sen-Fitoussi Commission and the European Commission’s “GDP and Beyond” into a plan for concrete actions for the European Statistical System.

The [Sponsorship's proposal](#) were adopted by the European Statistical System in November 2011 and taken into account in the framework of the 2013-2017 statistical programme of the European Statistical System.

The Sponsorship⁵ identifies 50 concrete actions for improving and developing European statistics over the coming years, classify according to three pillars.

Strengthening the household perspective and distributional aspects of income, consumption and wealth

- (1) Promoting existing national accounts data on household income and consumption,
- (2) Providing information on the distribution of income, consumption and wealth,
- (3) Encouraging the compilation of balance sheet accounts for households,
- (4) Broadening income measurement to non-market domestic activities and leisure time.

Multidimensional measures of quality of life

- (1) Use of EU Statistics on Income and Living Conditions as the core Instrument
- (2) Complement the coverage of the dimensions with additional data sources
- (3) Deepen and improve analysis

Environmental sustainability

³ The ESS is a partnership between Eurostat and the National Statistical Institutes (NSIs). It functions as a network in which Eurostat’s role is to lead the way in the harmonization of statistics.

⁴ EFTA: European Free Trade Association (in 2014 Iceland Liechtenstein, Norway, Switzerland)

⁵ [Link towards the report of the Sponsorship](#)

- (1) Reinforce the development of the European system of environmental and economic accounts and the quality of its source data with the main emphasis on energy, climate change and material consumption
 - (2) Develop environmental accounts relating to goods and services, environmental protection expenditure and natural assets
 - (3) Derive so called “footprint indicators” from linking environmental data with the Supply Input/Output tables from national accounts
 - (4) Improve data and developing environmental accounts in the areas of water and waste
- For each action, their timing is indicated, reflecting differences in their current development status and priorities by the Sponsorship.

The Directors General of EU NSIs recognized in their Sofia Memorandum, in October 2010, the importance of high quality data about people’s quality of life, based on an approach, which encompasses the economic, social and environmental dimensions covering objective and subjective conditions. The statistics on subjective quality of life, which had long belonged to academic literature, are now recognised as “official” statistics.

The ESS is currently carrying out the [50 specific actions](#) proposed by the Sponsorship Group on the following priority pillars:

- Household perspective and distributional aspects of income, consumption and wealth;
- Multidimensional measurement of the quality of life; and
- Environmental sustainability.

In May 2014, further improvements in terms of 'measurement' capacities on complementing GDP and better measuring progress within the ESS have already resulted inter alia in a better use of data on household income, consumption and distribution from the existing National Accounts' data such as [Annual adjusted household disposable income per capita in purchasing power standards \(PPS\)](#) and, [European household income by groups of households](#), where NA household accounts data are matched with micro information available for all Member States ('a- minima exercise');

- [a first set of Quality of life indicators](#), agreed in 2013 by the ESS;
- a [first EU Regulation on European environmental economic accounting](#) adopted in July 2011 and a second EU Regulation in the process of being adopted;
- [a Resource efficiency scoreboard](#)

The responses of the European Statistical System are sum up in a [Eurostat leaflet](#).

22- Definition of a common framework to measure sustainable development

Many NSIs have adopted these last two decades, sets of sustainable development indicators (SDI) to track progress towards a sustainable society. While these initiatives have helped to put sustainable development on the agenda of national and international institutions, the differences in the approaches remain large. Statisticians feel the need for harmonization. Therefore, a joint UNECE-OECD-Eurostat Task Force made up of statisticians, led by Statistics Netherlands, was set up to propose a conceptual framework that aims to harmonise the various approaches and indicators already used by countries

and international organisations. Six European NSIs (CH, DE, FR, NL, NO, UK) take part in this task force.

The Conference of European Statisticians (CES) endorsed this framework in June 2013. Even if priorities of countries and regions are not the same, it contributes to a universal conceptual understanding of well-being and sustainable development in line with the Stiglitz-Sen-Fitoussi report and several other international initiatives, such as the European Commission Communication on “GDP and beyond”, the recommendations of the EU Sponsorship Group on Measuring Progress, Well-being and Sustainable Development, and the OECD work on measuring and fostering the progress of societies.

Sustainable development can be defined, in short, as improved well-being for everyone now and in the future. The CES conceptual framework links the three conceptual dimensions of well-being, i.e. human well-being of the present generation in one particular country (referred to as “here and now”), the well-being of future generations (“later”) and the well-being of people living in other countries (“elsewhere”) to policy-relevant themes or universal well-being dimensions. Twenty themes that cover environmental, social and economic aspects of sustainable development are distinguished. These include: subjective well-being, consumption and income, nutrition, health, labour, education, housing, leisure, physical safety, land and ecosystems, water, air quality, climate, energy resources, non-energy resources, trust, institutions, physical capital, knowledge capital, and financial capital.

It may be considered as a major step forward and a timely contribution to implement the resolution 38 of the RIO+20 outcome document, which recognizes the need for broader measure of progress to complement GDP.

23- An expert group to study the feasibility of disparities measurement in the Household National Accounts

The Stiglitz commission has invited statisticians to emphasize the household perspective and to give more prominence to the distribution of income, consumption and wealth. The Sponsorship group considered this recommendation as among the most promising because much valuable information exists already on household material conditions. Indeed, the National Accounts provide aggregate (macro) measures of household disposable income, Social Transfers in Kind (STiK), consumption expenditure and investment, assets and liabilities. Micro sources (surveys, administrative records, and censuses), on the other hand, can be used to derive measures of the distribution of income, consumption and wealth across household groups. However, macro and micro statisticians have tended to work separately leading to sometimes-divergent results.

Therefore, based on the French experience, an OECD-Eurostat launched a technical Expert-Group in 2011 to assess whether it is possible to devise an internationally comparable methodology to break down national accounts aggregates for the household sector using distributional information available from micro-sources, by making use of all the detailed information available at the national level. Twenty one countries of which 12 European NSIs (*Australia, Austria, Canada, Denmark, France, Germany, Israel, Italy, Japan, Korea, Mexico, the Netherlands, New Zealand, Poland, Portugal, Slovenia, Sweden, Switzerland, Turkey, the United Kingdom and the United States*) explored the differences between the National Accounts and the micro sources available in their own country for a given year, and then broke down their National Accounts by group of

households. In parallel with the Expert-Group work, Eurostat launched a similar study, the a-minima exercise, to be carried out at the centralized level by making use of the information available at the harmonized European level.

Results⁶ published in 2013 show that there are a number of identified reasons that can explain differences between micro and macro sources. Overall, micro and macro totals are closer to each other for income components than for consumption and wealth components. The results also show that there is greater heterogeneity in results across countries for consumption components. Once the identified reasons for the differences that could be quantified are isolated, income components from micro sources are relatively well aligned with the total amounts recorded in the National Accounts and provide information for most of the major components of the National Accounts aggregates. Three countries (of which France) are ready to publish their results, six countries will be ready at short term and seven countries at medium term because of data improvement needed. Work is still in progress; the objective is to make progress on the various methodological challenges or to extend to wealth data. The Expert-Group will take advantage of the work⁷ undertaken by another OECD Expert group made up of 17 NSIs of which 7 European NSIs (DK, NL, PL, PT, RO, CH, UK) on Micro Statistics on Income, Consumption and Wealth. In a second step, the objective is to extend the exercise to have reliable estimates for income/consumption growth by household category.

24- Definition of a first set of quality of life indicators at EU level

To implement the Sponsorship's recommendations on quality of life, Eurostat has set up an Expert Group, which is currently formed by representatives of NSIs from 10 Member States (DK, DE, ES, FR, II, NL, PL, UK, FI, LU), along with private experts (3 from Academia) and international organizations (OECD) and Eurostat staff.

The mandate of the group is to further work on the set of indicators on quality of life, with the objectives of (1) setting up the overall list, (2) developing synthetic indicators – and their corresponding dissemination formats whenever feasible– and (3) establish the composition of the scoreboard based on the different types of indicators.

The Expert Group has issued a final structure of dimensions, topics and subtopics regarding quality of life (QoL) and well-being, and identified a first overall set of variables and indicators for their measurement. EU-SILC is regarded as the core instrument for measuring QoL, complemented with additional data from existing surveys and administrative sources within the ESS whenever available: The Expert Group has concluded to firstly disseminate a subset of non-controversial indicators⁸ and then progressively enhance the scoreboard in order to achieve a comprehensive set. The next

⁶ [A cross-country comparison of household income, consumption and wealth between micro sources and national accounts aggregates](#)

[Distribution measures across household groups in a national accounts framework](#)

[European household income by groups of households](#)

⁷ [OECD guidelines for micro statistics on Household wealth](#)
[OECD framework for statistics on the distribution of household income, consumption and wealth \(at micro level\)](#)

⁸ [a first set of Quality of life indicators](#)

dissemination enhancement is planned for 2015, when the results of the SILC ad hoc module 2013 will be disseminated.

In the mid to long term, EU Survey on Income and Living Condition (EU-SILC) should be further developed in order to cover better the quality of life dimensions, either through its basic yearly questions and dedicated rolling or ad hoc modules. Labour Force Survey (LFS), Adult Education Survey (AES), European Health Interview Survey (EHIS) and European Crime and Safety Survey (ECSS) should be developed considering quality of life aspects. A greater use of the Time Use Survey (TUS) and the Household Budget Survey (HBS) should be carried out, taking the US model as an example, and promoting stronger harmonisation and coverage of these instruments. In the future, questions to measure the satisfaction coming from activities could be included in the Time Use Survey diary. It is expected as well that advance techniques be used in order to improve timeliness of SILC and simultaneous use of the information available in different surveys (data imputation statistical matching, improved coverage and harmonisation of core variable). Finally, for each dimension possible gaps which should be tackled in the future statistical agenda were highlighted, since some of them will need further development of existing ESS data sources in order to ensure a better coverage (e.g. governance and basic rights, subjective wellbeing).

25. Adoption of European new regulations to harmonise statistics

The European Statistical System is adopting regulations, which contribute to the increase of the data transmitted, its timeliness and its harmonization. According to the Commission Regulation (EU) No 62/2012 of 24 January 2012⁹, EU NSIs have to implement an ad-module on subjective well being in the European Survey on Income and Living Conditions (EU-SILC) 2013. Thanks to it, for the first time in Europe, NSIs are going to publish harmonized data on subjective well-being. Most of the variables added, have been already tested in national survey.

In the same way, regulations have been adopted concerning the system of economic and environmental accounting (SEEA), which provides a consistent, comprehensive and internationally harmonized statistical framework. SEEA encompasses different modules, grouped under three main headings:

- Physical flow accounts, measure in physical unites, such as mass (resource use, energy, air emissions, waste water, material flows etc.)
- Monetary flow accounts measured in monetary units, such as currency (environmental protection expenditure, environmentally -related taxes and rents, subsidies, goods and services, etc...)
- Asset Accounts measured in physical units and where possible, also in monetary units (natural resources, water, forests etc...)

The ESS approach is to implement the different modules gradually in a step-by-step manner. A first phase of this strategy corresponds to setting up the regulation N°691/2011 of the European Parliament and of the council of 6 July 2011¹⁰ for the modules on air emissions accounts (including greenhouse gases), economy-wide material flow accounts and environmentally-related taxes by economic activity. These European statistics, for the years 2008 to 2011 and with a breakdown of 60 economic activities, will be made available by Member States in late 2013 and early 2014, and will then be updated annually, though only within 21 and 24 months of the end of the reference.

⁹ [Regulation N°62/2012](#)

¹⁰ [regulation N° 691/2011](#)

Derogations are granted to Austria, Cyprus, France, Malta, Poland and Spain during a transitional period to adapt their national statistical system. This regulation marks a key milestone, as it is the first piece of statistical EU legislation in the environmental sphere since the adoption of the Waste Statistics Regulation 2002 and only the second overall. An other regulation¹¹ was adopted 16 April 2014, which focuses on modules on energy accounts, environmental protection expenditure and environmental goods and services (first data transmission in 2017 on data 2015). The second and third of these modules are especially important for the resource efficiency strategy, as they capture the size of the market for green products and services from both the supply (EGSS) and the demand side (EPE).

26. Other actions

Part II on NSIs implications in coordinate activities at international level reports only on some major activities with significant results. Many other activities are not mentioned¹² or are under way.

For instance, a joint Eurostat-OECD Task Force (TF) on Land and other non-financial assets was launched, made up of 11 EU Member States, 8 (other) OECD countries and the European Central Bank. Indeed, 'balance sheets for non-financial assets' are of a growing importance, because it provides valuable information on assets and, more general, countries' wealth, therefore on sustainability. This initiative paves the way to the generalization of the construction of balance sheet as recommended in the Stiglitz report. The goal is to have at the end of 2014, a compilation guidance handbook on the measurement of land, which includes descriptions of sources and methods, practical guidance and numerical country examples. At that point, further work may involve research into other non-financial assets

Another example can be mentioned concerning Time Use Surveys, which provide important information in the measurement of well being. Therefore Eurostat is working with Member States in order to collect on voluntary basis the data coming from the national TUS every 10 years. Currently, Eurostat has launched the financial procedure (call for proposal) to support the 2010 data collection performed according to the manual "Harmonised European time use survey, 2008 guidelines"¹³.

27- What is coming soon?

A Eurostat 2-year project to assess how social transfers might be valued in household surveys in a harmonized way across the EU, is coming at its end. A study report will present ways and methods to take account of redistributive effects in household statistics. This initiative carries out the Stiglitz' recommendation to improve the measurement of the social in kind services. Indeed, they have a redistributive impact on household income. Another output of the project is the inclusion of additional questions on social transfers in kind, as received by households, in the EU Statistics on Income and Living Conditions (EU-SILC) from 2016 onwards.

¹¹ [Regulation 538/2014](#)

¹² Some EU NSIS participated in the review of the OECD's publication «[How's life?](#) » or in the "[OECD guidelines on measuring subjective well-being](#)OECD guidelines on measuring subjective well-being". Some countries (BE, SE, UK) played a leading role in developing System of Environmental-economic Accounting (SEEA) Central framework, which was endorsed by the UN as an International Standard in February 2012.

¹³ [Harmonised European time use surveys: 2008 guidelines](#)

The results of the 2013 EU-SILC module on subjective well-being will be soon available (planned for summer 2014). Then, they will feed the nine QoL dimensions and complement indicators from existing surveys and data collections. Some of the variables from the 2013 EU-SILC module on subjective well-being will be included in the core of the EU-SILC instrument and collected on an annual basis.

In order to reduce the complexity of the data and to allow for analysis between the nine dimensions of QoL, a set of synthetic indicators for each QoL dimension will be developed, to the extent that the variables of interest in the dimension are highly correlated. A Handbook on policy use of well-being indicators (based on examples) will be released by February 2014.

III- National initiatives in the measurement of progress, well-being and sustainability

In addition, many EU Member States have launched their own initiatives and action plans to go beyond GDP. Indeed, countries have also to meet the national demand for statistics for special needs. Moreover, the Rio +20 summit has given a clear signal to countries worldwide that measuring progress with indicators and in particular complementing GDP is a prerequisite for good governance and societal success. This paragraph is mentioning the most significant practices for the measurement of progress and Sustainable development within National Statistical Institutes as reported by European NSIs, which have responded to a questionnaire¹⁴ sent to them in June 2013.

31. Measurement of quality of life

Much has been done. All countries are involved in the measurement of quality of life. They have all implemented a multidimensional quality of life framework - the same as the one recommended by Eurostat or one slightly different to be adapted to their national context- Some of them summarize the information with composite or synthetic indicators (global or by domain). The NSIs, which have little means to invest in this domain, benefit from the investments done at the European level. They have implemented the 2013 EU-SILC with its ad-hoc module on subjective well-being and have adopted the European multidimensional framework (8+1 dimensions). Therefore, each EU NSI is going to publish at the latest early 2015, data on their national life satisfaction. All NSIs strive to ensure proper diffusion of these new indicators. Their data are/or will be available on their website, often with links towards the Eurostat website. Reports are often published to comment these indicators. NSIs sometimes rely on new technologies that make use of new products and new ways of communication. For instance, the British National Statistical Office has implemented a “National Well Being Wheel” in order to communicate more easily on the quality of life in the United Kingdom.

Some countries (*ONS in UK with the MNW programme or ISTAT with Bes initiative*) have engaged national wide consultations while others (*Destatis in Germany with the w3 indicators or Finland with the Finindicators*) have set up parliamentary commissions or expert round tables (*Italy with Bes initiative or Spain*) to select domains of quality of life and indicators sets on what matters for people in order to ensure that the selection of indicators is relevant for policy-makers.

Some countries have implemented new surveys (France, Poland); others have adapted existing surveys (Ireland, United Kingdom, The Netherlands). Some countries (France, Italy, United Kingdom, Netherlands...) have made methodological investments to study drivers of well being, correlations between different dimensions of quality of life, effects of heterogeneity between individuals or of the scale chosen to evaluate well being.

Most countries have organised events to involve different stockholders in the process. Indeed, NSIs foster debate, communication and information sharing in order to promote shift from statistical measures to policy-use of well being indicators.

¹⁴ See Annex 1, the questionnaire. 21 NSIs have responded to the questionnaire, at least partially (AU, BE, CH, CZ, DE, DK, ES, FI, HU, IE, IT, LE, LI, NL, NO, PL, PT, RO, SE, SK, UK

311-Most of the countries have adapted the European multimensional quality of life model to their national specificities.

Austria

Austria has initiated the project titled “[How's Austria?](#)”. To a large extent, it implements recommendations made by the Insee-Eurostat Sponsorship Group. A number of consultation rounds with scientific institutions and special interest groups allowed for a broad national reconciliation of the indicators. Indicators are published for the ten dimensions suggested by the Sponsorship (Material living conditions, Productive activities and work, Education, Health, Social Participation, Leisure time, Physical insecurity, Natural and living environment, governance and social rights, overall satisfaction). All data source are from Official Statistics (EU-SILC, LFS, TUS). Austria does not publish any composite indicator. Some indicators¹⁵ can be broken down by region or sub-population. In the “How's Austria” Publication 2013, a special chapter is devoted to quality of life determinants of subjective well-being in Austria (interaction between dimensions, identification of disadvantaged groups drives of bad life).

Austria seeks to inform the overall agenda by providing relevant and easily communicable information on all areas of wellbeing to policy makers, media and the broader public. Communication and dissemination runs on a threefold strategy: i) providing quickly available and interactive information at a dedicated section of the website, ii) providing interpretation of developments over time and background information (level 2 on the website) and iii) providing deeper multivariate analyses of interdependencies of wellbeing dimensions once a year in special report on well-being in Austria.

Switzerland

In May 2012, [a set of 27 indicators](#) using existing statistical information was published on the Federal Statistical Office (FSO) Homepage, complementing GDP with additional information on the three areas of society, the environment and the economy. In a second phase, which aims to elaborate by 2014, an information system based on a sound conceptual basis (link between capital approach and well-being) on comprehensive well-being in general and the economic, social and environmental development of Switzerland in particular will be established. The information system mentioned is planned to cover objective domains (material situation/income, dwelling, working conditions, education, health, social contacts, security, participation, environmental quality) and subjective well-being (including satisfaction with the mentioned objective domains and live in general). The indicators based on SILC are also available for the NUTS2 region and for some socio-demographic groups. With the start in 2007 of the survey SILC in Switzerland, FSO included questions on subjective satisfaction with regard to several aspects of the quality of life. Moreover, in 2011, FSO conducted for the first time a household survey on the perception of environmental quality and environmental behaviour. All the indicators are published on Internet in an [excel file](#) that can be downloaded from a page dedicated to the satisfaction of life.

¹⁵ At risk of social exclusion; persistent deprivation (national definition); employment rate; unemployment rate; job satisfaction; subjective health perception; stable social relations assessment of the political system; physical insecurity; local environment

Netherlands

Statistics Netherlands (CBS^o) has also adopted a framework on quality of life containing 8 relevant domains (material living conditions, economic insecurity, safety, education and work, health, living environment, social relations, and participation and trust). For each of these domains, CBS has developed a table containing figures on happiness and life satisfaction in this domain. These tables are accessible through <http://statline.cbs.nl/StatWeb/dome/?LA=EN>. Select 'health and welfare' → 'welfare'. There, a number of tables on wellbeing, one table for each domain of quality of life can be found. The tables are filled with data available at the moment of their construction. However in the meantime a number of relevant questions are added to one of CBS social surveys. Therefore, the tables can be expanded in the near future with additional indicators.

Currently CBS has a social survey containing questions on the following topics: satisfaction with life and on the different dimensions of life; social contacts; health and lifestyle; worries about future (losing one's job, financial future); feelings of safety; education; job; trust (in institutions and social trust); participation (volunteering, political participation, clubs, etc.); loneliness; religion; supportive relationships. Indicators are available at the national level (share of persons that are satisfied with life, or happy for instance) and can be broken down by provinces, or by degree of urbanization. However, no specific indicators are (to be) developed for regions in the Netherlands. All indicators available in the tables mentioned above include breakdowns by gender, age and country of origin. In the future CBS would like to add more relevant breakdowns, such as level of education, household type, etc.

CBS is investing in methodological work on the scale to measure well-being. An experiment is carrying out in which numeric 0-10 scale is compared to the numeric scale Statistics Netherlands used to have. Moreover, a study on the drivers of happiness/wellbeing (only in Dutch) have been carried out. The main conclusion of this research is that good health and social contacts are very strongly related to high well being.

Hungary

In 2013, Hungarian Central Statistics Office (HCSO) started to develop a national multidimensional quality of life indicator system. The dimensions and indicators of it are still under debate. It contains objective and subjective dimensions (based on EU-SILC module 2013 on well-being), single and synthetic indicators as well. HCSO plans to publish the first results by the end of 2013. It will be the first publication of a serie.

The main domains proposed by Hungarian Central Statistical Office are based on the OECD's Better life index and on the European Statistical suggestions (material living conditions, work and life balance, education, health, living environment and infrastructure, social connections, democracy and active citizenship, subjective well-being). But HCSO plans to add two more "national" dimensions: social integration/inclusion, and social norms/anomie: data on gypsies in the social integration/inclusion dimension.

HCSO plans to create a website on the topic and produce an annual report based on the indicators set.

Romania

Romania follows very closely the Eurostat programme for quality of life measurement, carrying out two main surveys (EU-SILC and Household Budget Survey (HBS)). Eight relevant domains have been adopted (income/expenditure, endowments with durable goods, problem with dwellings, health, education, needs for leisure activities, economic activity, subjective domain). Indicators are available at region level. Information can be gotten from the online database [TEMPO](#), which contains chapter, dedicated to this topic. No specific investment in methodology is undertaken because of a lack of human resources.

Czech Republic

Apart from obligatory EU-SILC project, Czech Statistical office has undertaken no specific actions at national level. It is planned to improve communication on national quality of life when the results of EU-SILC 2013 Module are available.

Slovakia

The Statistical Office of the Slovakia Republic follows the Eurostat recommendations and EU-SILC project. It plans to publish a set of quality of life indicators updated annually on website from 2014. It also plans to prepare an analytic publication with data from EU-SILC module regarding wellbeing. In connection with the new Strategy of the Statistical Office of Slovakia to 2017, a new action plan to timeliness of EU-SILC will be proposed.

Lithuania

Statistics Lithuania follows the recommendations and the EU-SILC project. Since 2012, Statistics Lithuania started releasing [available well-being indicators](#), which will be later supplemented with the one entered in the final list developed by Eurostat.

Norway

Quality of life is a part of statistics on living conditions, but not labelled quality of life because Statistics Norway does not like the “concept “quality of life”. From 2011 on, a redesign of the surveys on living conditions integrated needs for national data with the collection of data for the EU-SILC, combining objective dimensions such as income, labor, housing conditions and economic strain with data on social capital, outdoor and leisure activities, physical activities and cultural participation. The design is annual data collection of the core data for EU-SILC, combined with modules rotating in a three-year plan. Indicators are published by theme. All indicators are published by region and by education, economic status and family cycle. An annual report called [Economy and Living Conditions in low-income groups](#) (in Norwegian only) is published.

Latvia

The Central Statistic Bureau (CSB) continues efforts to set up a system of Quality of life (QoL) indicators to be placed on Latvian web site. In addition, series of analytical publications on different aspects of OoL devoted to specific groups of population are under preparation. The first publication “Seniors in Latvia” was published in 2012, the next one “Children in Latvia” in 2013.

Belgium

In Belgium, the Federal Planning Bureau (FPB), based on figures from Statistics Belgium and other sources, does much of the work. But the FPB has not adopted the Eurostat multidimensional framework of quality of life. To monitor social progress and the degree to which targets are or will be likely to be met, the FPB Task Force on Sustainable Development has selected 18 indicators in 11 domains among the 78 sustainable development indicators set that monitor social, ecological and economic aspects of development. The FPB has presented this approach – which has the advantage to be in line with the approach followed by the federal long-term vision of sustainable development discussed in 2012- at the Working Group of the Belgian Senate ‘New indicators of economic performance, social progress, quality of life and happiness’.

Moreover, through the Indicators Sub-Group of the social protection committee, the FTP has contributed to the development of poverty indicators and indicators describing social aspects of development such as at risk of poverty and social exclusion and indicators related to child poverty and the adequacy of pensions. In 2013 a publication dealt with income inequality in Belgium and discuss the Gini index to measure inequalities.

Sweden

Statistics Sweden hasn't started or is planning to start any specific actions or programmes due to measurement of quality of life. There is and has been an overall improvement in communication of statistics, figures, analyses etc. but no specific improvement of quality of life measures as there is no specific actions or programs on measuring quality of life apart from other national statistics.

Statistics Sweden has implemented *a survey on living conditions* yearly since 1974, *time use surveys* every 10th year, *Labour Force surveys quarterly/monthly/yearly* since 1959, *Statistics on gender, integration etc.*, are also available on the Swedish website.

In general, information is available on the [Swedish website](#), on statistics about working conditions, work related problems, disability, salary, vacancies. For every survey, there is information about publications, methodology, quality etc connected to the webpage and the databases.

312- Composite or synthetic indicator for Spain or Portugal

Spain

In Spain, the Permanent Commission of the Higher Council of Statistics (INE) decided in July 2011 to create a Working Group to analyze the various initiatives in measuring well being from the statistical perspective and to adapt them to the Spanish statistical system. The preliminary indicators table keeps the 8+1 dimensions of quality of life table.

INE published in January 2013 a working paper “[Alternatives in the construction of a multidimensional quality of life indicator](#)”. Indeed, different international initiatives encourage the compiling of reports on quality of life and in particular the development of indicators set out to synthesize measurement in a single indicator.

The Spanish analysis is an initial approach to the trend in the quality of life in Spain over the period 2007-2012 based on the study of nine dimensions, using as sources various surveys, prominent amongst which is the Survey on Income and Living Conditions (EU-SILC). In addition, two alternative ways of synthesizing that measurement are put forward, each with global indicators. Finally, the challenges official statistics are facing in measuring quality of life are examined briefly.

The first alternative is a composite quality of life indicator that combines the nine dimensions by aggregation, each dimension being not weighted. For this purpose it is first of all to have a single indicator for each dimension. With the composite indicator and radar charts to represent level of the sub-indicators for each dimension, different groups of population (age, gender, type of household, household income level, autonomous community, nationality, size of municipality) can be compared.

The second alternative is constructing a synthetic indicator from a single source, in this case, the Living Conditions Survey. This survey includes questions from 5 of the 9 dimensions. For each individual in the sample, 6 hardships from the 5 dimensions are calculated, and associate each person with one class according to the number of hardships he or she has, defining 4 different classes. The whole population of the sample is grouped into these four classes and for each human group is created a synthetic quality of life index. This index is calculated by: age, gender, type of household, household income level, autonomous community, nationality and size of municipality.

As regards plans for the future, INE is working on a micro site within www.ine.es that will be available in 2014 with a dashboard of quality of life indicators following the guidelines of the expert group of Eurostat.

Portugal

Statistics Portugal has also started a new project to build a national Well-being Index ("[Indices de Bem-estar](#)") to be published by the end of the current year, reusing information mainly from Statistics Portugal and the European Statistical System and covering the period 2004-2011. The main results will be composed by 10 synthetic indexes, one by each domain, and a final global index of well-being, 2014 being the base year. The methodology is similar to the one used by Statistics Canada in the "[Canadian Index of Wellbeing](#)" Canadian Index of Wellbeing". The concept of quality of life is articulated with the following domains: a) Economic well-being; b) Economic vulnerability; c) Work and wages; d) Health; e) Work-life balance; f) Education, knowledge and skills; g) Social relations and subjective well-being; h) Civic participation and governance, i) Personal Security; j) Environment.

Netherlands

Given the multidimensionality of satisfaction with life, the question arose at CBS whether it would be possible to measure satisfaction with respect to various life domains using a composite index that could compete with our existing general question on satisfaction with life. Therefore, the construct validity of the multidimensional [Personal Wellbeing Index \(PWI\)](#) for the Netherlands has been analysed. The report shows that the original scale has sufficient construct validity. Six of the eight distinguished life domains contribute significantly to the explained variance of the overall quality of life. Further, PWI indicators are related to other items and alternative dependent variables as expected from theory. Lastly, the eight life domains can be aggregated into one PWI scale with high construct validity. CBS concludes that the PWI can be used as a quality of life measure instead of a single life satisfaction indicator in order to reveal the multidimensionality of quality of life.

313- Some of them have implemented or adapted new surveys.

Poland

In 2011, Central Statistic Office (CSO) in *Poland* carried out the Multidimensional Social Cohesion Survey, preceded by the pilot survey, undertaken in 2008, integrating questions on various dimensions of quality of life, both in their objective and subjective aspects. The survey's outcomes significantly extended the information basis. Results are published in a note available on the CSO website "[Quality of life, social capital, poverty and social exclusion in Poland](#)". This survey is planned to be carried out on a regular basis (every 4-5 years with a first edition in 2011, a second one in 2015). Repeating this survey periodically, will make it possible to monitor the changes in social progress and assess the effectiveness of undertaken actions aimed at counteracting the poverty, enhancing social integration and development of human and social capital.

CSO worked out few indicators of quality of life at national and sub national level (NUT1 and NUT2):

- global life satisfaction indicators
- aggregated good and bad mental health indicators (estimated on 9 elements, referring to good and bad experiences of respondents)
- aggregated living conditions poverty indicator (aggregating 30 elements)
- aggregated budget balance poverty indicator (aggregating 7 elements)
- multidimensional poverty indicator (built of 3 elements: income poverty, living conditions poverty and budget balance poverty)
- aggregated indicator of social relations and social isolation-describing frequency of respondents' relationships, referring to family, friends, neighbours and respondents' participation in various organizations
- indicator of social exclusion-defined as co-occurrence at least one form of poverty and social isolation
- aggregated indicator of the formal social capital referring to activities of respondents in the different formal associations, i.e. NGO's, churches, political parties, trade unions, etc.
- indicator of informal social capital referring to informal groups and social relations, such as family, friends and neighbours. Constructing this indicator, we considered respondents relationships that respondents could get material and mental support from.
- indicator of the socio-religious activity-referring to different dimensions of respondents' religious life, from

Indicators are analysed for different social demographic characteristics. CSO analyzed the interactions between different dimensions and drivers of life satisfaction, by using the analysis of distributions and econometrical models of studied phenomenon

CSO has also adapted the Time Use Survey 2013 with question to rate individual activities. Survey's result will give also information on changes in some aspects of leisure, such as organizing household's time and leisure, satisfaction of life, the circle of life and economical aspects of leisure. Results of Time Use Survey will be available in last months of 2014.

Ireland

Ireland has attached a module on quality of life to the Quarterly National Household Survey for Quarter 3 of 2013. Five questions are asked of all individuals aged 16 or over inquiring about their degree of satisfaction with their life; to what extent the things they do in life are worthwhile; how happy did they feel yesterday; how anxious did they feel

yesterday; how satisfied are they with their level of education and, finally, how is their health. They are asked to respond on an eleven-point scale for all except the health question, which has a five-point scale. It is intended, following assessment of the results from this first such survey, to repeat the first four of those questions in each quarter. The basic indicators collected will be broken down in a number of dimensions i.e. sex, age group, education level, economic status, region and urban/rural. When results become available they will be published in a short special report which will be made available free of charge on Irish [CSO website](#)

France

In order to shed light on subjective well-being, from 2010 onwards, **France** has conducted one specific survey and several experimental modules were added to existing surveys. INSEE has added some new questions to the French version of the European survey on living conditions (EU-SILC) ([Life satisfaction: French people give themselves an average score of 7 out of 10](#)) (Pascal Godefroy (2011)). These questions aim at assessing global satisfaction on a scale from 0 to 10 and relate to the following five items: dwellings, job security (if employed), leisure, relations with close relatives, global satisfaction drawn from current life. A self-administrated questionnaire for a subset of households has also been introduced on subjective well-being. It provides information on feelings about the future, attitudes toward risk and comparisons with other people. It presents also short scenarios for calibrating responses and better understanding people's opinions. Second, in the 2009 French Time Use Survey, for a subset of households, questions were introduced to grade the quality of time spent on each activity of the respondent's ten-minute interval diary, on a scale from -3 to +3 ([The enjoyable moments of day- to- day life](#)) (Ricroch (2011)). They have to indicate if the time spent was enjoyable or not, taking into account the activity itself but also the context. Questions are posed about the use of time in order to understand whether people are short of time and thus need to reduce their sleeping time, or on the contrary have free time and do not know what to do with it. In addition, INSEE has also launched in 2011 an innovative experimental survey, which aims at exploring, in a single statistical source, the different dimensions of both objective and subjective Quality of Life as highlighted in the Stiglitz Report ([Low income, city dwellers accumulate the most difficulties in term of quality of life](#)) (Amiel, Godefroy and Lollivier (2012)). It allows statisticians to study, for the first time at the individual level, the accumulation of deprivations. More importantly, it also facilitates a better understanding of the links between objective determinants of Quality of Life (such as health, education or marital status) and subjective well-being. The first results were published in 2012 [Quality of life and Well-being often go hand in hand](#) (Marie-Hélène Amiel, Pascal Godefroy and Stefan Lollivier, (2013).

INSEE has already begun to draw some lessons from these experimental initiatives. First, whereas it was recommended by the Stiglitz report, summarizing physical and economic insecurity into a single indicator does not seem to make sense. This experimental survey tends to show that, in the future, it would be preferable to split this synthetic indicator into two sub-indicators, one covering physical insecurity, and the other economic insecurity. INSEE is also studying drivers of global life satisfaction, focusing if the links observed are the effect of a specific cause rather than expressing the heterogeneity between individuals. Indeed, global life satisfaction depends on objective circumstances (specific facts) but also, in part, with respondent's personality traits such as risk aversion, preference for present and optimism. To address these questions of heterogeneity between individuals, INSEE have to follow over time the same people with the EU SILC panel. Initial investigations seem to suggest that, for those quality of life

variables, which are common to the panell and the survey used here, the links observed, are indeed causal links, although their effects are slightly reduced.

United Kingdom

New questions were added to various surveys. The measures of national well-being 'wheel of measures' cover both objective and subjective measures. ONS covers some QoL elements in the Eurostat ad hoc module 2013 (EU-SILC) and through the UK Cabinet Office's Community Life Survey; data from both of these resources are included in the MNW 'Measures of National Well-being' indicator set. In addition, the MNW program introduced four subjective well-being questions to its ONS household surveys in April 2011. These questions represent a balanced approach to the measurement of subjective well-being drawing on the three main theoretical approaches identified, the 'evaluative', 'eudemonic' and 'experience' approach and were designed to collect information on different aspects of people's subjective well-being. These questions are:

1. Overall, how satisfied are you with your life nowadays? (Evaluative approach),
2. Overall, to what extent do you feel the things you do in your life are worthwhile? (Eudemonic approach),
3. Overall, how happy did you feel yesterday? (Experience approach),
4. Overall, how anxious did you feel yesterday? (Experience approach).

All answered using a 0 to 10 scale where 0 is 'not at all' and 10 is 'completely' Further information on the ONS approach to measuring subjective well-being can be found in the paper <http://www.ons.gov.uk/ons/guide-method/user-guidance/well-being/wellbeing-knowledge-bank/understanding-wellbeing/measuring-subjective-well-being.pdf> published by ONS in July 2011.

Stephen Hicks published a paper on 'New Approaches to the Measurement of Quality of Life, at

https://www.destatis.de/EN/AboutUs/Events/DGINS/Document_PaperONS_UK.pdf?__blob=publicationFile

Switzerland

In 2011, Switzerland conducted for the first time a household survey on the perception of environmental quality and environmental behavior.

Netherlands

A number of relevant questions are added to CBS social surveys, in order to extend the data collection on wellbeing or quality of life. Currently CBS has a social survey containing questions on the following topics: satisfaction with life and on the different dimensions of life; social contacts; health and lifestyle; worries about future (losing one's job, financial future); feelings of safety; education; job; trust (in institutions and social trust); participation (volunteering, political participation, clubs, etc.); loneliness; religion; supportive relationships.

314- Wide consultations: expert round tables, parliamentary commissions, and Nation consultation

These consultations range from nation-wide consultations (such as the one launched by Prime Minister David Cameron in the United Kingdom), to parliamentary commissions (such as the ones established in Germany and Finland), to expert round tables tasked with proposing indicator sets based on existing statistics (Italy, Spain).

Measuring National Well-being (MNW) Programme in United Kingdom

Six months of National debate to focus on “what matters”

On 25 November 2010, Prime Minister invited the National Statistician to lead a national debate on the measurement of well-being. In response to this request, the Office for National Statistics (ONS) Measuring National Well-being Program carried out a NATIONAL Debate from 25 November 2010 to 15 April 2011. The National Debate focused on ‘what matters’, to understand what measures of well-being should include. This generated 175 events, with 7,250 people and 34,000 responses received online or via other channels. The results from the national debate can be found at, <http://www.ons.gov.uk/ons/guide-method/user-guidance/well-being/publications/findings-from-the-national-well-being-debate.pdf>

Developing a share framework of Well-being

The ONS Measuring National Well-being (MNW) Programme was also launched in November 2010. The aim is to develop and publish an accepted and trusted set of National Statistics which help people understand and monitor well-being’. The MNW programme has developed a framework for measuring national well-being consisting of 10 domains¹⁶ and around 40 headline measures of well-being. The full list of domains and measures can be found at, <http://www.ons.gov.uk/ons/rel/wellbeing/measuring-national-well-being/first-annual-report-on-measuring-national-well-being/rft--annex-a-table-1.xls>

Since the programme’s inception a range of outputs have been published. Questions on individual well-being have been added to ONS household surveys; interactive maps and graphs have been developed and a series of articles, which provide more information on each of the domains, have been published. A full list of MNW outputs can be found at, <http://www.ons.gov.uk/ons/guide-method/user-guidance/well-being/publications/index.html>

Main output

Since the programme’s inception a range of outputs have been published. Questions on individual well-being have been added to ONS household surveys (see part 313); interactive maps and graphs have been developed (Measuring well-being wheel) and a series of articles, which provide more information on each of the domains, have been published. A full list of MNW outputs can be found at, <http://www.ons.gov.uk/ons/guide-method/user-guidance/well-being/publications/index.html>

In November 2012 the MNW programme published the ‘Measuring National Well-being – Life in the UK 2012’ report which provides a richer picture on ‘how society is doing’.

¹⁶ The ten domains are Individual well-being, relationships, health, what we do, what we live, personal finance, education and skills, the economy, governance, the natural environment.

The report is the first snapshot of life in the UK to be delivered by the MNW programme and will be updated and published annually.

http://www.ons.gov.uk/ons/dcp171766_287415.pdf

Together with the first annual report, the programme published an interactive “wheel of measures” which shows the latest data for each measure and a selection of interactive maps, graphs and charts which allow users to look at local level information using subjective well-being data. <http://www.ons.gov.uk/ons/guide-method/user-guidance/well-being/index.html>
<http://www.neighbourhood.statistics.gov.uk/HTMLDocs/dvc146/wrapper.html>

The MNW programme published a roadmap to include natural capital and ecosystems into the UK Environmental Accounts by 2020. The roadmap set up out the priorities and the plans that the UK intends to do to develop natural capital and ecosystem accounting. As part of this, the MNW programme is also developing natural capital estimates based on the comprehensive wealth estimates developed by the UN and the World Bank. The link to roadmap could be found at: <http://www.ons.gov.uk/ons/about-ons/user-engagement/consultations-and-surveys/archived-consultations/2012/accounting-for-the-value-of-nature-in-the-uk/index.html>

Link to Defra’s Sustainable Development Indicators

<https://www.gov.uk/government/consultations/consultation-on-new-sustainable-development-indicators>

BES initiative in Italy

The BES¹⁷ initiative’s objectives were to:

1. develop a shared definition of progress in Italian society, by defining the most relevant economic, social and environmental dimensions;
2. select a set of high-quality statistical indicators that are representative of the different domains;
3. communicate the results of this process, informing citizens of indicator values in the most thorough possible way. The set of indicators defined is in fact intended for a broad public audience as well as for policy users.

Governance of the project

In December 2010, the National Council for Economics and Labor (Cnel) and the Italian National Institute of Statistics (Istat) committed themselves to provide the society with a measurement tool capable of identifying the underlying elements of well-being in Italy. CNEL leadership of the process, is a guarantee for its legitimacy: CNEL is in fact a council established by the Italian Constitution and composed of representatives of all major working categories, including representatives of entrepreneurs, unions and of the third sector, for a total of more than 100 counselors representing different citizens’ groups. CNEL working groups and its assembly will also serve as places for deliberation over controversial issues and trade-offs.

The BES initiative delivered a dashboard of indicators providing a shared view of the progress of Italian society in a process lasting 18 months. The dashboard is being built on a deliberative process based on three components:

¹⁷ The initiative for measuring equitable and Sustainable Well-being (BES, based on its Italian acronym)

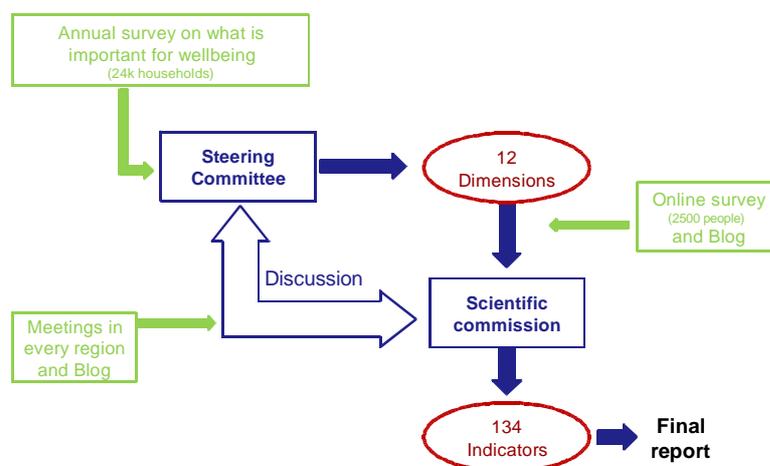
-first, a Steering Committee with 33 stakeholders (entrepreneurs, unions, NGO networks, women, consumers, environmental organizations), to identify domains and agree on a final list of indicators;

- second, a Scientific Commission of 80 experts from academic and research institutions, to identify the best indicators from each domain;

- third, public consultations through a national survey, on line survey, blog and regional meetings. With the annual Multipurpose survey, 24 000 families are invited to express what is important for well-being in order to add a robust assessment of people’s priorities to the debate guaranteeing a solid legitimacy to the final output. The [dedicated website](#) is similar to the one proposed by ONS in the UK.

Finally, a [final report](#) and various tools for dissemination/communication were developed.

BES: a complex approach



Indicators available

BES initiative foresees the monitoring of [134 indicators](#) divided in [12 domains](#). The 12 selected domains presented in November 2011 are: Environment, Health, Economic wellbeing, Education and training, Work and life balance, Social relationships, Security, Subjective wellbeing, Landscape and cultural heritage, Research and innovation, Quality of services, Policy and institutions.

All Bes indicators are available at NUTS2 level and some of them at NUTS3. Most indicators can be disaggregated by region, gender and age. A big methodological investment was necessary for this project:

- 1) theoretical definition of the Bes framework;
- 2) developing new indicators using the existing data sources;
- 3) definition of composite indicators for each domains;
- 4) measuring inequality on well-being;
- 5) defining and measuring sustainability.

Conditions of success

To be shared, the process needs a broad discussion with different actors. This required a great capacity of organization of the work and above all a great capacity of mediation of the different request. For ISTAT it was a completely new way of working where the need of taking into account specifics “political need” in some case was more important than the methodological or technical considerations. For example from Istat point of view there should be no domain on quality of services because this aspect could be considered in each domain. Finally Istat agreed of having this domain because it was extremely politically relevant for part of the steering group.

The framework of the BES has been enriched and enforced by the debate and by the contribution of all and also the online consultation has been very useful to identify point of weakness (such as the quality of food) that were not identified by the Steering Group. The survey carried out on a representative sample on what is important for the well-being of the citizens has been a strong point of departure for the process of definition of our well-being framework. The results of the survey gave us precise ideas of which are the most important dimensions for people and which are the priorities among dimensions.

It requires a very strict organization otherwise it could become to time consuming.

Way forward

Cnel and Istat are developing the measurement of wellbeing at local level with the project Urbes. This projects aims to extend the Bes framework to the local level measuring the well-being of 15 of the biggest Italian cities. A first Urbes report has been published in June: <http://www.istat.it/it/archivio/92375> but it represents only a first step in a process that will involve Istat, Cnel and the municipalities in a challenging process of definition of what we mean for “quality of life” at local level. The project has close connections with the stream of research and works on “smart cities” where the smartness of a city (or a community) is a tool for achieving a better quality of life.

Germany:

Initiatives at all government levels

For Germany, there are a wealth of initiatives regarding the monitoring and measurement of societal progress at all government levels. Some of those initiatives have quite a long tradition. Recently it has been observed, however, that evidence-based policies are getting more and more important especially for complex fields of political decision-making. The goal here is to interactively embed such policies in the society and the economy. Especially for the area of measuring progress and major sub-areas such as “well-being” or “quality of life”, politics initiated an intensive exchange of information in all phases of the design and co-ordination process in order to achieve networking with all parties involved. Many events have been organized to force the debate with different stakeholders. For instance, a scientific colloquium on Welfare Measurement (discussion with Universities, Ministries, Statisticians and other stakeholders). was organized in November 2010. A dialogue on German’s future was initiated by the German Chancellor (2011/2012). An international German Forum hosted by the Chancellor on well-being and progress was organized in June 2013. Finally, regarding the international cooperation, a [joint report](#) of the German and French Council of Economic experts on monitoring Economic Performance, Quality of life and Sustainability was published in December 2010. All approaches illustrate that

- (1) comprehensive and integrated approaches have priority,
- (2) an output-oriented or outcome-oriented perspective is aimed at and
- (3) fact-based, regular monitoring or, in part, even performance control is applied, often on the basis of data from official statistics.

The W3 initiative

It is common sense between politicians and academic researchers that Gross Domestic Product (GDP) is an important economic indicator but does not provide sufficient and

comprehensive information on well-being and progress of the society. Taking this into account, at the end of 2010, the German Bundestag, the Federal Parliament, established a Study Commission (Enquete Kommission) dealing with the subject of growth, well-being and quality of life. One of the specific tasks of this commission was to examine the opportunity of developing a “holistic indicator of (societal) well-being and progress.”

The Study Commission submitted its final report to the Parliament where it was adopted in June 2013. On the issue of measuring progress and well-being the Commission proposed developing a set of indicators instead of one single indicator, as it was assessed as not being possible to reduce citizens' very different wishes and expectations to only one "common denominator." The indicator set which was proposed in the commission's report consists of ten headline indicators covering three dimensions, namely material well-being, social inclusion and environment. The set was named W³indicators. The Commission proposes these 10 indicators to be observed and commented every year.

Nine so-called «warning lights» referring to the same three dimensions shall complement this set of ten headline indicators. These indicators shall only be part of the reporting when crossing certain thresholds (upwards or downwards), which were also proposed by the study commission.

A last indicator called "Hinweislampe" (information light) can be seen as a kind of a memorandum item to remind that not only market production which is included in GDP but also non-market production contributes in a significant share to material well-being of the society.

Material prosperity	Social inclusion		Environment
Headline indicators			
GDP per person/GDP change rate on the previous year per person	Employment: Employment rate	Education: Upper secondary attainment rate	Greenhouse gas emissions national
Income distribution P80/P20	Health: Life expectancy		Nitrogen surplus national
General government debt as a percentage of GDP	Freedom: World Bank indicator „Voice and Accountability“		Species diversity national
Warning Lights			
Net fix capital formation as a percentage of GDP	Quality of employment: Under employment rate		Greenhouse gas emissions global
Wealth distribution P90/P50	Life long learning: Participation in formal and non-formal education		Nitrogen surplus global
Financial sustainability of pHH: Credit to GDP gap, Property price gap and equity price gap	Health: Healthy life years		Species diversity global: Bird index
Information light			

Moreover, Destatis has launched a new time survey in 2012 (data collection from 2012 to July 2013) including questions on the perception of well-being connected with various activities. Pilot projects on this issue are planned at the level of federal states (“Bundeslander”).

Finland and the Indicators

A long experience in measuring quality of life

Statistics Finland has been reporting on societal quality of life for a long time, at least since the 1970's. Finland published a compendium on well being in Finland in 1975, 1984 and a quarterly periodical Welfare Review has been publishing since 1990. The main idea has always been a multidimensional outlook (health, family, income, work, education, time use, leisure among other things), i.e. not single indicators, but on individuals' resources for pursuing a good life on several walks of life. Most statistics are available regionally and for different sub populations (urban indicators, child well-being, youth well-being, old-age well-being, immigrants' well-being, municipal indicators). Objective measures dominate and measurement usually focuses on socio-politically relevant themes and domains. Subjective measures have been collected and published in lesser scope by Statistics Finland. Leisure and time-use surveys, and quality of life surveys, however, are exceptions to this general rule: they include a lot of subjective evaluations of the specific dimensions. For example, Time use survey 2009 included the question: Of the activities you just reported, "which one did you enjoy the most?"

These statistics are based on various surveys: Survey on living conditions in 1978, 1986, 1994; ECHP in 1996-2001; EU-SILC from 2004; Time use surveys in 1989, 1999, 2009; Quality of Work Life Survey in 1977, 1984, 1990, 1997, 2003, 2008, 2013; Leisure surveys in 1981, 1991, 2002, possibly 2014; Income distribution surveys yearly since 1976; Household Budget surveys in 1966,1971,1976,1981,1986,1991,1996, 2001, 2006, and 2012.

Finland is developing wealth surveys, registered-based income data and analysis methods, especially micro simulation of economic of economic/welfare situation. Outside Finnish national statistical system, Statistics Finland has also gained experience in measuring different dimensions of quality of life by collecting and producing data for e.g. European Social Survey and Eurostudent survey. Several cognitive laboratory testing studies of subjective satisfaction questions (on material well-being, subjective well-being / satisfaction, affects scale, etc.) and other questions in the domain of social capital and values on certain aspects of life have been carried out.

A special focus on marketing and dissemination of statistical information

Considering indicators are much wanted but less often used, Statistics Finland has been deeply involved with the Prime Minister's Office in providing statistical information in a friendly way, that is to say, easy to find it, updated, matching the user needs, well documented and policy relevant. 15 members of the Parliament, expert of ministries and research institutes were consulted. The Feasibility study began in Spring 2008, the service was built Autumn 2008 -2009, then launched in October 2009 with a big event - the Prime Minister "clicked" the page open, real users (a politician and a journalist) as testers. The service was upgraded in March 2012 (usability study, face book, Google friendliness, language version). Now, under development is to add a search term and reference to the concept of well-being to the service. The service includes over 100 indicators for social progress. It is based on solutions enabling automatic updates directly

from a database StatFin maintained by Statistics Finland. Efforts have been made to ensure that the technical infrastructure of the service is as user-friendly as possible.

[Indicators](#) have been successful because the users have been engaged in the development process. It increased interest, commitment, remarketing. The policy relevance is ensured by the involvement of the users, the Prime Minister's office and a feedback function. Finally, the information is easy to use.

315- State of play in the development of new indicators of quality of life

A lot of work has been done at national level even if harmonization, timeliness and frequency should still be improved. Thanks to the regulation on EU-SILC 2013, data on physical security, supportive relationship, trust in/or satisfaction with public services, overall satisfaction and emotional well-being/affect are going to be available on reference year 2013. These national initiatives are very useful because they feed the European reflection. Nevertheless, the work conducted at European Statistical system is needed to produce harmonized data, necessary condition to have indicators so visible as GDP. On Eurostat's website [a special page](#) is dedicated to an agreed quality of life indicator set, mentioning indicators to be developed and references.

Table 1: Availability of quality of life indicators

	DE	AU	ES	HU	IE	IT	NO	NL	FI	PL	PT	RO	SK	CH	UK	CZ
Constraint consumption ¹																
Debt burden ²																
Likelihood to loose one's job																
Quality of employment																
Work life balance																
Quality of leisure																
Trust in institutions																
Physical insecurity																
Supportive relationship																
Trust in and/or satisfaction with public services																
Overall life satisfaction																
Emotional well-being/affect																

Source: Questionnaire responses

1= basic expenses to total households budget ratio

2= debt to asset ratio

Legend:

	Regularly published
	Not regularly published
	Future planned
	Available with EU SILC 2013

32- Emphasising the household perspective in the National Accounts

Among recommendations aimed at improving the measurement of wellbeing, the Stiglitz/Sen/Fitoussi report includes the following: ‘While it is informative to track the performance of economies as a whole, trends in citizens’ material living standards are better followed through measures of household income, consumption and wealth.’¹⁸, and their distribution. In practice, different paths may be followed to implement this recommendation. One idea is to look at existing National Accounts data on households’ income and consumption and re-focus / rearrange them to better emphasize the household perspective.

The Stiglitz Sponsorship invites:

- Better promoting existing National Accounts data on household income and consumption;
- Encouraging the compilation of balance sheet accounts for households;
- Providing information on the distribution of household income, consumption and wealth;
- Broadening income measurement to non-market domestic activities and leisure time.

Since the Stiglitz report many national actions have been implemented.

321- Better promoting existing National Accounts data on household income and consumption

Most of the data concerning household income and consumption are available under the current ESA transmission programme. However, for a long time, there was little or no attention to this type of data in National accounts publications. Moreover, many data on income and consumption were published only in nominal terms. Something has now changed in many countries: more data are available in real term per unit (capita, household but still rarely unit consumption) and the presentation of the household accounts has improved. More countries are now publishing data on adjusted disposable income and actual consumption in real terms, or planned to do it soon. . Nevertheless, to have data internationally comparable, the delineation of the household sector should be the same, which is not yet the case.

Netherlands

Since December 2012, the Dutch Statistics Office (CBS) issue a [short quarterly news release](#) (in Dutch and in English) on the household sector (including non-profit institutions serving households (NPISH) in which it highlights recent results from the Dutch Quarterly Sector Accounts, including the variables (real) disposable income, consumption and saving. Adjusted disposable income per consumption unit / per capita will be included in the news release for mid 2014. Figures are not included in the news release itself but can be found in the relevant tables of the Statline database of Statistics Netherlands, which are available both in English and Dutch. Annual and quarterly data on individual consumption expenditure and on gross disposable income are available currently both in nominal and real terms per capita and will be up to 2015 published by consumption unit as requested by the Stiglitz Sponsorship.

¹⁸ Recommendation 2, page 13.

United Kingdom

Since the publication for 2011 Q4 in March 2012 household adjusted disposable income per capita and household adjusted consumption per capita (both in real terms) have been published as part of the National Accounts production of statistical estimates for the United Kingdom Economic Accounts on a quarterly basis. Additionally, further information on these is available in an [additional quarterly release](#) emphasising the household perspective. This provides information on the breakdown of adjusted disposable income and consumption as recommended by the Eurostat Taskforce on the Household perspective and distributional aspects of income, consumption and wealth. Adjusted disposable income is currently published on a per capita basis in real terms, with no current plans to publish on per consumption unit.

Austria

Since October 2013, Austrian Statistical Office has been publishing disposable income per capita in real terms in the course of How's Austria and on its [statistical website](#), to make this indicator more visible.

Finland

Finland has traditionally published annual and quarterly household accounts. Key indicators including households' adjusted disposable income both at current prices and in real terms are published annually. In their [publication](#) in July 2013, Statistics Finland underlines the usefulness of the adjusted income as a measure of the economic welfare of households. To make them headline indicators, used easily by everybody, it is planned to add this indicator to the Findicator service, a service providing up-to-date statistical information on key social indicators as a joint effort of the Prime Minister's Office and Statistics Finland. In October 2012, it started to publish Quarterly Sector Accounts including separate accounts for household sector. This [statistics](#) too include data on adjusted disposable income.

France

Besides the statistics on household disposable income and consumption, INSEE has also given more visibility to adjusted disposable income and actual consumption. All the indicators are now published in real terms per capita, per household but also per unit consumption as recommended by the Stiglitz commission. These indicators are available at the Front page of the sheet on Households national accounts on [Insee website](#) and are regularly commented when analyzing the economy evolution. France has also published data on [arbitrable disposable income](#) of households and evolution of the arbitrable purchasing power per person, household and consumption unit, referring to the notion of constraint expenses (rent, assurance.).

Italy

Italy does not yet publish adjusted disposable income but plans to include it in the release of sector accounts (both annual and quarterly) by next National Account benchmarking revision in 2014.

Germany

In German National Accounts, the household sector is for the time being not available separately together with the Sector 15 (NPSIH) In accordance to ESA 2010, German statistics will separate household sector (S14) and NPSIH (S15) in 2014.

322- Encouraging the compilation of balance sheet accounts for households

The balance sheet of households is a vital indicator of its financial status and of sustainability. However, to construct the balance sheet accounts for households, a comprehensive accounts of their assets (mostly dwellings and land) and their liabilities are needed. Unfortunately, they are not always available, especially considerable gaps occur in the area of non-financial assets. That's why the construction of balance sheet should be encouraged and for this purpose, a Eurostat task force was launched to provide guidelines to measure land assets has been launched (*see part 26 of this report*).

Three countries (**France, Netherlands and Czech Republic**) declare to compile the whole system of accounts from the opening to closing balance sheet. Many countries compile only financial assets (such as **Belgium, Spain, Slovakia, Switzerland**). Concerning non-financial assets, when compiling, it is often limited to some items (dwelling, lands). The delineation of Household sector varies from NSIs to another one. Statistics Finland is developing the complete sequence of balance sheet for non-financial accounts as part of ESA 2010 revision.

Netherlands

Currently, the Netherlands publish estimates of financial assets only for households including NPISH, but after the ESA revision, estimates for the households and NPISH sectors will be available separately (annual data available by mid 2014, quarterly data available by mid 2015). [Data](#) are available on a quarterly basis. Only data on an annual basis are available for non-financial assets for the households and NPISH sectors separately, data being updated each summer. [Non-financial balance sheets](#) and [Capital stock](#) data are available on Dutch web site (only Dutch version; English version will be published by summer 2013).

Czech Republic

Czech Statistics compiles on annual basis, full sequence of household sector in line with ESA95. It also covers balance sheets with detailed breakdown (type of asset). Father delineation for social groups will be done in future.

Italy

In the last years, much work has been carried on in Istat, in cooperation with the Bank of Italy and the Real Estate and Land Registry Agency, to provide comprehensive estimates of the main non-financial assets owned by Households. Draft results have been presented in a number of national/international *fora* (TF QSA, *Conference on Strengthening Sectoral Position and Flow Data in the Macroeconomic Accounts* IMF - OECD, 2011; TF on Households Perspective; *Eurostat-OECD TF on land and other non-financial assets*). To date, draft estimates by institutional sector have been produced for Dwellings (AN.1111); -Non residential buildings and other structures (AN.1112); Machinery and equipment (AN.1113); Computer software (AN.1122); Land underlying buildings and structures (AN.2111); Land under cultivation (AN.2112); Consumer durables. A number of methodological issues still stand unsolved (measurement of the value of land underlying buildings, valuation of monuments...): they will hopefully be clarified in the forthcoming Manual, which is being developed by the TF on non-financial assets (in which Italy takes part).

Germany compiles the balance sheet accounts for the broader household sector (S14 +S15) in cooperation with the German Central Bank (*Deutsche Bundesbank and Statistisches Bundesamt (2012): Balance sheets for institutional sectors and the total economy 1991-2011*). Considerable gaps occur only in the area of non-financial assets, as data are not available for all of the non-financial assets categories defined in ESA 95. Corresponding data are not available for either inventories or valuables, or for non-produced assets other than developed land, such as subsoil assets, water resources and

the like. Detailed information for tangible fixed assets is provided (cultivated assets, machinery and equipment, Dwelling and other building and structure) as well as for financial assets (currency and deposits, securities, shares, pension funds, etc). Information on Land underlying buildings and structures is also provided as well as an additional table for consumer durables. Last date available is end 2011 (1991-2011) and is yearly updated. It is planned to improve in the near future the estimation of Land (participation in the Task force OECD-Eurostat non-financial assets).

United Kingdom

Transactions and transfers between sectors are compiled as part of the National Accounts production of statistical estimates for the United Kingdom Economic Accounts on a quarterly basis. As of 2 May 2013 the latest quarter available was Quarter four 2012. The precise breakdown can be found in the publication [United Economic Accounts](#), Q4 2013. A [spreadsheet](#) showing the household and NPISH breakdown on ONS's web site.

At present the household sector is not separated from the Non-Profit Institutions Serving the Household sector (NPISH). This means that the tables in the above publication A37 to A41 are for the ESA95 sectors S.14 and S.15. The UK is currently undertaking a work programme to improve estimates of the NPISH sector and will introduce these estimates as part of the annual National Accounts publication in September 2014 (Blue Book 2014). However, the separation of the household sector and the NPISH sector is planned for 2016 because of the resource requirement to accurately trace transactions and transfers.

Ireland

Central Statistics Office (CSO) Ireland compiles annual balance sheets and transactions for all sectors of the economy including the household sector. The Central Bank of Ireland compiles the [quarterly financial accounts](#). There is also an ongoing work programme between the Central Bank and CSO to improve the quality of Financial Accounts estimates for all sectors including the household sector. CSO is also trying to incorporate elements of a household wealth survey, currently in the field, if possible.

Denmark

Balance sheet accounts for the financial asset are produced according to the ESA95, following the required instrument breakdown of asset required by the transmission program. Last data available are for the reference year 2012. Normally data are available at t+6 months. At t+11 months data are revised. Currently the household sector is published together with non-profit institutions serving households, but Danish Statistics are able to make the split. In the new ESA2010, according to the new transmission programme required by Eurostat, the household assets will be published alone

Austria

Financial assets are compiled by national central bank. The estimates of non-financial assets are limited to gross fixed capital formation. Austria is a member of Eurostat Taskforce on Land / assets.

Norway

As many countries, Norway [publishes](#) relatively few items on non-financial assets, and more details on financial assets.

Portugal

Portugal has not yet data on balance sheet of non-financial assets. This work is currently being developed in line with the implementation of the new ESA 2010 and the new transmission programme

Sweden

Financial-assets balance sheet is published for both asset and liabilities side annually and quarterly.

Slovakia

Slovakia does not compile complete balance sheet for household sector as a whole. On an annual basis, data are produced on financial stocks within ESA 95 (transmission table 7).

Hungary

Hungary publishes the balance sheets for financial assets of households, quarterly. The Hungarian National Bank is responsible for the compilation of financial accounts. The delineation of the household sector is made according to ESA95. There are no data for the non-financial assets of households except for dwellings and there are neither financial, nor human resources for a new benchmark survey on this topic in the near future

Poland

Household sector – includes own-account workers in private farms in agriculture as well as natural persons working outside private farms in agriculture, employing up to 9 persons and keeping simplified accounting books, as well as natural persons obtaining income from hired work and non-earned sources. There are no plans for further improvements

Switzerland

Concerning financial assets of households, the FSO publishes in cooperation with the Swiss National Bank every year comprehensive financial accounts detailing households' real estate, financial assets and liabilities. As for the near future, no further improvements are planned

Finland

As part of the ESA2010 revision, Statistics Finland is developing the sequence of balance sheets of non-financial assets. So far we have only published the data of fixed capital from the capital stock model, but now we aim to enlarge the system with the estimates of value of land by sector. Our preliminary plan is to start publishing the first set of ESA2010 non-financial balance sheets, including land, in 2014. During the recent years we have also made test calculations to compile accrued pension entitlements according to the new ESA 2010. Our preliminary plan is to start publishing the satellite table of pensions already in 2014

323- Providing information on the distribution of household income, consumption and wealth;

There is a strong need to reconcile National Accounts (NA) aggregates with household survey data, to better capture distributional aspects in our societies'. The objective is then to use household surveys to provide macro-economic information on the distribution of income, consumption and wealth. This work is undertaken in an OECD-Eurostat task force and is described in part 23 of this report. Twelve European NSIs take part in this activity. Some countries have pioneering experiences on this subject. Three countries (of which France and Netherlands) are ready to publish their results, six countries will be ready at short term and seven countries at medium term because of data improvement needed.

Netherlands

NL (CBS) has a long tradition of expanding national account macro-economic aggregates into matrices describing how these aggregates are distributed through population. These so-called "social account matrices" (SAM) are compiled both on the demand side (12 categories by sex and highest educational attainment) and the supply side (10 household categories: Main source of income × Household composition) of the labor market. Once the decomposition of the Household sector into 10 household groups is achieved for primary income, secondary distribution account and consumption expenditures are also decomposed.

CBS has been publishing such SAM since the beginning of the 90's. In particular, household revenues derived from fiscal declarations are individually matched with survey data. Wealth is not a part of this set of tables. The publication in the National Accounts consists of the absolute results for a small time series (these are also published online in Dutch only

<http://statline.cbs.nl/StatWeb/publication/default.aspx?DM=SLNL&PA=81482NED&D1=0-2&D2=a&D3=a&VW=T>), a table where the means and uses of the household groups are presented as a percentage of disposable income for one year and another table where consumption per group of goods is presented as a percentage of total consumption for one year. The household groups are a combination of the main source of income and the household composition. The absolute results are presented as a three-year average because of data quality.

In the short term these tables will be replaced by the outcomes of the breakdown of household income, consumption and wealth, which is closely related to the OECD expert group on disparities in a national accounts framework (EGDNA). These outcomes are different from the current publication in a few ways, some of the most important being:

- the household categories that are chosen are better suited to the needs of the users
- wealth (financial and non-financial) is added to the stock of information
- the absolute outcomes are no longer presented as a three-year average but show the NA total for

France

Since mid 2007, INSEE has embarked on a long-term project, consisting in breaking down the Households' account by category. The initial aim of this project was to reconcile macro-economic figures on purchasing power with public's perception. Since then, providing information on the distribution of income, consumption and wealth within the national account framework has become one of the central recommendations of the "Stiglitz' report.

The first results (disposable income and household consumption expenditure for reference year 2003) have been published in June 2009, after two years of preliminary work. The project was extended to cover individualized consumption expenditure provided by general government and NPISH and then to provide balance sheet accounts by category of households. These [data](#) and the main results are available on INSEE's website.

[Inequalities between households in the national accounts: breakdown of households accounts](#) (2009)

[Inequalities between households in the national accounts: wider gaps in income than in consumption](#) (2009)

[The transfers in kind attenuate inequality](#) (2009)

[Disparities between households in the national accounts: from saving to wealth](#) (2012)

It is planned to do again the same exercise (Breakdown of household accounts according to five categories: living standards, composition, age, socio-professional category, and urban or rural location) relative to 2010 data, in the ESA 2010 framework. The work will start in 2014, with results expected end 2015. It is also planned to study the changes over the last ten years in incomes, consumption, and assets of the different categories of household.

Currently, Ireland publishes quarterly the actual consumption for different categories of households. **Czech Republic** plans to publish in the future a breakdown of its National accounts.

324-Broadening income measurement to non-market domestic activities and leisure time

Although leisure time is part of wellbeing, and can be captured through e.g. Time Use Surveys (TUS), it falls outside the scope of national accounts, which aim at recording production, expenditure and income. However, the measurements of living standards based solely on market activities might be biased by the fact that the locus of production is increasingly shifted from households to markets. Hence, the level of market production varies with the amount of production that is outsourced by households. That is why the report of the Stiglitz Commission recommends broader measurement of household economic activity.

At present, there is *no EU regulation* that provides for the production of *regular Time Use Surveys (TUS)* in the European Union. However, Eurostat has provided methodological guidance through guidelines on Harmonized European Time Use Surveys (HETUS) (*Eurostat, 2008*). Concerning *household accounts*, there is no EU provision either, but in 2003 Eurostat issued a set of methodological proposals (Eurostat 2003). These proposals focus on the so-called *input approach*, which values household production by the sum of its inputs (labor input, intermediate consumption, capital costs). The *output approach*, on the other hand, imputes the value of similar market production and is thus analogous to the valuation of own-account production in the core national accounts.

Estimation of time spent on non-market activities with or without TUS

Some EU NSIs are involved in measuring non-market domestic activities and leisure time. For instance, some of them implement regularly TUS and estimate the time spent on market and non-market activity. **Italy** provided estimation every 5 years with TUS of the time spent on market and non-market activity. As for **Austria**, it has updated “un-paid work” (household/elder care/child care) and “leisure time” with its last TUS 2008/09.

These indicators are part of the indicator set “How’s Austria?” Other countries, such as *Ireland*, prefer “lighter” surveys (a module in the Irish quarterly national household survey) to evaluate volunteering.

Household satellite accounts

Some countries are constructing national accounts. An updated version of the *Spanish satellite account* of the unpaid work at home released in 2003, using TUS, is in the pipeline. It goes the same with the *Hungarian satellite accounts*, which is planned¹⁹ for 2014. The last one was compiled in 2001-2002 with the supplementary information, which was brought by TUS²⁰, for the non-market domestic activities. *Switzerland* has been publishing since 2004 a household production satellite account. Every 3-4 years, new data are available and therefore, the household production account is updated. The last updated version was with the latest figures concerning the year 2010: the Finnish Consumption Research Centre in close cooperation with Statistics Finland has developed a household satellite account. The [latest updating](#) was published in June 2013.

Valuation with input or output methods

Germany has a long tradition in the compilation of Time Use Surveys. They are carried out every 10 to 12 years since the first one was produced in year 1991. For the years in which information is available (1992, 2001) German Statistics Office has compiled estimates on non-market domestic activities using different valuation approaches within the frame of a satellite account. These calculations have been published both for the year 1992 and 2001. Destatis plans again (probably in 2015) to estimate non-market domestic activities, when the results of the survey 2012/13 are available. These calculations are very elaborated and the survey is very time consuming and therefore very costly. Extra resources and personal are needed, because they are not included within the standard programme for official statistics in Germany.

United Kingdom is also currently developing measures of non-market domestic activities using an output-based approach. This updates work previously published in ONS at, <http://www.ons.gov.uk/ons/guide-method/method-quality/specific/social-and-welfare-methodology/household-satellite-account/household-satellite-account-publications.html> The methodology ONS is using is based on *an output approach* rather than focusing on the time spent by households on these activities. In 2000 the ONS conducted a time use survey to collect this information but has not had a time use survey since and has no immediate plans to run one. Time use surveys are valuable but expensive surveys, and in a time of severely constrained resources an extremely strong business case would be required to collect more time use data.

France has also estimated the value of French domestic production in 2010, based of the TUS, using the input method. The productive activities not currently covered by the system of national accounts (SNA) are described in a household satellite account (HHSA), following the recommendations of Eurostat. In line with previous studies in many developed countries, remodelling the frontier of production to include domestic activities (house chores, cooking, care...) would have in France a sizeable effect on key macroeconomic indicators (the equivalent of 36% of the GDP, 55% of the disposable income, 63% of the consumption, and -_5 percentage points for the savings ratio). These estimates bring up several methodological issues. Most importantly, the sensitivity to technical choices has been tested, sensibility which has not yet been settled by an international benchmark. The two most important issues are: first, the boundary of household production, - and it is advocated using a relatively narrow definition;- second, the use of a gross or a net wage in the valuation of domestic work time. Valuating home production in order to build a HHSA is a very different exercise from valuating it in a welfare

¹⁹ It was planned previously for 2013, but postponed to 2014 because of a lack of financial resources.

²⁰ The Hungarian TUS is conducted every 7 or 10 years.

economics perspective. Openly choosing one or the other can help settling some of the pending issues. This work should allow further harmonisation and development of Household Satellite Accounts.

http://www.insee.fr/fr/publications-et-services/docs_doc_travail/G2013-14bis.pdf

Norway publishes every ten years (since 1990), estimates on value added for non-market domestic activities. The main source is the *time use survey*, which is conducted every ten years. The method used is the input method (the same cost as a professional). The final estimates are for the year 2010. Information is available in Norwegian on web site at <http://www.ssb.no/kultur-og-fritid/artikler-og-publikasjoner/verdien-av-ulonnet-husholdsarbeid>

and <http://www.ssb.no/kultur-og-fritid/artikler-og-publikasjoner/oppvask-oppussing-og-barnepass-hva-hvis-noen-andre-hadde-gjort-det-i-stedet>

In addition to estimates on an annual basis domestic household work, Norwegian Statistics compiles satellite accounts for Non-Profit Institutions. In these accounts, estimates are integrated of unpaid voluntary work. See web site:

<https://www.ssb.no/statistikkbanken/selecttable/hovedtabellHjem.asp?KortNavnWeb=orgsat&CMSSubjectArea=nasjonalregnskap-og-konjunkturer&PLanguage=1&checked=true>

33- Improvement in the measurement of environmental sustainability

331- Most countries have developed a set of sustainable development indicators

Most countries have developed a set of sustainable development (SD) indicators set together with the development of their National Sustainable development strategy (NSDS), except for three countries: [Poland](#), Netherlands and the [United Kingdom](#). The Hungarian Parliament adopted a new framework strategy for sustainable development in March 2013 and the SDI set is under development. France and Finland are in the process of reviewing their strategy and their SDI set.

Most countries provide space for debate, consultation and information exchange to define the NSDS and the SDI set, even if the implementation of participation process may differ in terms of the involvement of stakeholders and responsible institutions. The involvement in the participation varies from ministries, local authorities, business, social partners, advisory councils or non-government organizations. Countries consider as essential the good interaction with policy-makers.

The number of SD indicators ranges from a small number of 19 key indicators in Norway to the largest number of Italy or [Hungary](#) with 150 and 155 indicators, respectively. However, the majority of countries uses between 70 and 100 indicators, with an average of 80 indicators (e.g. [Austria](#) with 82). [Germany](#) and [Finland](#) use respectively 38 and 34 indicators. Additionally, few countries make use of headline indicators (e.g. [Austria](#), [Belgium](#), [France](#)), mainly for communication purposes. For instance, in France, 54 indicators are selected, divided into 3 categories: fifteen indicators relating directly to the issues covered by the strategy, four economic and social context indicators and thirty five additional indicators relating to strategic choices. Indicators are often published at the regional levels (Switzerland, Poland, France.)

In several countries the national statistical offices are responsible for the development and monitoring of SD indicators (e.g. Estonia, France, Germany, Hungary, Italy, [Sweden](#), Switzerland). In other countries, different bodies has this responsibility, for instance, in Belgium, Sustainable development indicators are published by the Task Force on Sustainable Development (TFSD) of the Federal Planning Bureau (FPB) as part of the Federal Reports on Sustainable Development. In Denmark, monitoring and reporting are coordinated by the Danish Environmental Protection Agency, although there are no exact deadlines or exact format for reports on the strategy.

The monitoring reports show the status and progress of SD within the country. Only a few countries have developed regular SDI monitoring cycles. These monitoring cycles are usually on a yearly basis (e.g. France, Italy, Romania, Slovenia) or are performed bi-annually (e.g. Austria, Estonia, Germany, Latvia). There are also countries that have monitoring processes different times but have not regular and fixed reporting mechanisms (e.g. Czech Republic). Concerning France or Ireland, the request to produce a sustainable development report is written in the law. The [sustainable development indicators Ireland 2013](#), published in February 2013, were sent to all Governments, stakeholders, Eurostat and the national media to widely share the information. The Department of the Environment chairs a High Level Inter-Departmental Group for Sustainable Development that reviews progress on the implementation of the strategy.

In Switzerland, the Swiss Federal Statistical Office (SFSO), the Federal Office for Spatial Development (ARE) and the Federal Office for the Environment (FOEN) joined

Table 3: Availability of some environmental data

	AT	BE	CH	CZ	DE	DK	FI	FR	HU	IE	IT	LV	LT	NL	NO	PL	PT	SE	SK	UK	
Energy consumption by economic activity (NACE breakdown)																					
Energy efficiency by economic activity																					
Energy productivity of the economic sectors																					
Carbon intensity by economic activity (NACE breakdown)																					
Carbon productivity by economic activity																					
Expenditure related to climate change adaptation																			3		
“Green” employment																		2			
Turnover generated by “green” economy				2		?AEE															
National expenditure on environmental protection ¹																					
Depletion (change in stock levels) of natural resources assets ²																					
National saving net of total natural resource depletion																			3		
Expected life length of a natural resource asset																				1	
Landscape state and biodiversity (precise the indicator(s))	?EAE						?AEE													1	
Change in land use (precise the indicator(s))	?EAE						?AEE														2
Water abstraction and use river basin or region	?EAE						?GEUS														1 Defra
Water use by economic activity (Nace breakdown)																					Defra
Waste recycled by economic activity																					Defra
Recycling rate of waste by economic activity																					Defra
...Eo-industries																					
Consumer perspective: SUIOT																					
Consumer perspective: Direct estimation																					
Consumer perspective: Other techniques																					
Emissions embedded in import															2						
Emissions induce by final use of products															2						
National carbon footprint															2						
Early estimate of CO2 emissions																					
Raw Material consumption	2										2				2						2

A National expenditure on environmental protection¹ and expenditure by environmental domain (air and climate, wastewater, waste, other)
 B Depletion (change in stock levels) of natural resources assets, e.g. energy reserves
 1-Some element are given 2- On going 3-Pilot study
 Source: Responses to the E-frame questionnaire, Summer 2013

from where consistent indicators can be drawn. As example, we can quote Statistics Netherlands (CBS), which annually publishes the report “[Environmental Accounts of the Netherlands](#)” presenting a quantitative overview of the state of environment, with a table with key figures that can be derived from the environmental accounts. A lot of statistics come out from the SEEA for Sweden which has been deeply involved in developing the SEEA since 1992, working both at UN, Eurostat level. It goes the same in [Germany](#).

334-The consumer perspective

Some countries are working on the consumer perspective. Indeed, in a globalize economy, and for global environmental assets such as the climate system, direct and indirect pressures from consumption activities are also important to measure. Indirect pressures’ relate to the case where domestic production of goods and services, along with the associated environmental pressures, is substituted by imports from abroad. The Netherlands has a project currently underway to calculate carbon footprint using a combination of the data from CBS and the World Input-Output Database ([WIOD](#)).

[France](#) currently publishes the French carbon footprint. Attributing emissions from domestic production to final demand entails combining the input-output table (IOT) of the national accounts with the environmental accounts (in physical quantities), broken down by economic activity (*following the “national accounting matrix including environmental accounts” — or NAMEA — system*). Carbon footprint with CO2 emissions on production side has been chosen as a [sustainable development indicator](#) in the French sustainable development strategy. Germany also uses a regularly production of environmentally-extended Supply and Use Input/tables (ee-SUIOT) for energy and CO2 emissions but direct estimation through direct emission coefficients (life cycle analysis of products) for water (*water footprint of food consumption and production (exports explicitly), water footprint of cotton textiles (domestic consumption and exports)*) and for land-use (*land use for food consumption and production (exports explicitly)*) and for methane and NO2 with regard to food consumption (and exports).

The indicator measuring “Raw Material Consumption” (RMC) has already been published in [Finland](#), [France](#) and Germany and is under development in Austria, Ireland, Netherland and United Kingdom. Eurostat's work will ensure that lessons are learned from this experience and that future work by other Member Sates is coordinated and comparable

335-Other actions

United Kingdom (Statistical Office with Defra) is experimenting Ecosystems Accounts, (such as soil, fisheries or forest), which is a very challenging experimental area. They publish a roadmap of development to 2020.

Some indicators meet actually difficulties to be developed. For instance, Sweden has attempted to propose a classification of expenditures related to climate change adaptation. However there were no countries able to distinguish these expenditures in their budgets at the time. These expenditures are tangled up in general expenditure for infrastructure investments, health and insurances. It goes the same with National saving net of total natural resources depletion. Some experimental work was done by the National Institute of Economic Research in Sweden, but this was abandoned due to problems of finding data and valuation methods that were deemed worthwhile to use.

Annexe1: The questionnaire

Name:	
NSI :	
Country:	

GENERAL INFORMATION

1- Since the publication of the Stiglitz report in September 2009, what kind actions have you launched to improve the measurement of social progress and sustainability in your country?

List the activities with a short description of them and eventually give references and precise if the action is finished, is on going or is planned.

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2- Some international organisations (ONU, OECD, Eurostat) are trying to develop an harmonised framework to improve the comparability and the visibility of such indicators. Have you taken part in such activities? Which one?

List the activities you have taken part with a short a description and report on the results

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The questionnaire is going to be structured according to the final report of the Sponsorship on Measuring Progress, Well-being and Sustainable Development. The aim of this part of questionnaire is to precise your ability to answer to Sponsorship's recommendations (now or rather later and to evaluate the importance of investment required). You are asked to mention only work undertaken at a national level which is not mandatory at a European level.

IMPROVEMENT OF INFORMATION LINKED WITH NATIONAL ACCOUNTS DATA²¹

3 - Do you strengthen the household perspective (consumption, income, saving) in the National Accounts publications? Do you publish for instance adjusted disposable income per consumption unit (or per capita) in real terms? If no, is it planned?

4 -Do you provide information on the distribution of income, consumption and wealth in the National Accounts? If yes, what kind of initiatives?

Have you taken part in the methodological work conducted by OECD on measuring disparity in National accounts? If yes, report on your first results, and the perspectives.

5- Do you compile the balance sheet accounts for the households sector? If yes, which detailed information is available (concerning financial assets, non financial assets), last date available and frequency of updating? Precise the delineation of the household sector? Have you planned to introduce further improvements in a near future? Give an evaluation of the investment required to implement this recommendation?

²¹ Implemented by NSIs or by National Bank (household balance, wealth)

6- Have you taken initiatives to broaden income measurement to non market domestic activities? Do you collect information on the time spent by households on such activities (frequency of the collect)? Give an evaluation of the investment required to implement this recommendation?

7- See the list below

Indicate for each National Account indicator, if it is currently available. If yes, give information concerning the update frequency? If no, is it planned to produce it and when?

- 0- Consumption per unit
 - 1- Individual consumption expenditure, in volume, per consumption unit?
 - 2- Gross disposable income in real terms, per consumption unit
 - 3- Gross saving rate
 - 4- Decomposition of the actual individual consumption into:
 - Durable goods (e.g. cars, home appliance)
 - Food and non alcoholic beverages
 - Housing, water, electricity, gas and other fuels
 - Other non-durable goods
 - Social transfers in kind
 - 5- Decomposition of the gross adjusted disposable income into:
 - Labour income (wages and salaries)
 - Income of self entrepreneurs
 - Capital income (including from actual and imputed rents)
 - Social benefits and transfers in kind (and other current transfers)
 - Taxes and social contributions (compulsary contributions)
 - 6- Household adjusted disposable income per consumption unit, in real terms and in real terms using purchasing power standarts as deflators
 - 7- Adjusted gross disposable income for different categories of households (e.g. standard of living, household composition and age structure)
 - 8- Actual individual consumption for different categories of households
 - 9- Gross saving rate for the different categories of households
 - 10- Household gross debt (loans) as a share of their gross disposable income
 - 11- Value of household assets in “Dwellings” and “Land” as a share of their gross disposable income
 - 12- Household wealth (net financial assets+assets in dwellings and land) as a share of their gross disposable income
 - 13- Time spent by households on the different kinds of non-market production of goods and services
 - 14- Actual household consumption including value added from non-market domestic activities, in total and per consumption unit

IMPROVEMENT IN THE MEASUREMENT OF QUALITY OF LIFE

8 - Have you started to establish actions and programmes for the measurement of quality of life at national level? If yes, describe the actions carried out and the main results? (multidimensional measures of quality of life, measure of global satisfaction of life, measures of affects, measure of different dimensions of quality of life in its objective and subjective dimensions, synthetic indicators, improvement in timeliness or in update frequency...). Give references (publications, methodological guidelines etc..). Which initiatives and results are further planned?

9 - If you answer yes at the previous question, describe the main results:

- 1. Which are the domains with which the concept of quality of life is articulated?**
- 2. Have you developed indicators at the subnational level? (done, one going work or future planned). (*list the indicators*)**
- 3. Have you developed micro indicators of quality of life to compare sub-populations of high policy relevance? (*list the indicators*)**
- 4. Have you analysed interactions between dimensions and identified disadvantaged groups**
- 5. Have you studied the drivers of a bad life satisfaction?**
- 6. Have you invested in methodological work**
- 7. Other**

10 - Have you improved your communication on quality of life (special report, page dedicated of a website etc..)

11 - Have you developed indicators concerning the list below:

(For each indicator, precise if it is *done, ongoing, future planned and and the update frequency*)

job)	Constrained consumption (<i>basic expenses to total households budget ratio</i>) Economic security and vulnerability (<i>Debt burden (debt to asset ratio): likelihood to loose one's</i> Quality of employment (<i>if yes, precise the indicator</i>) Work/life balance (<i>if yes, precise the indicator</i>) Quality of leisure (<i>if yes precise the indicator</i>) Trust in institutions (<i>if yes precise the indicator</i>) Physical insecurity (<i>if yes precise the indicator</i>) Supportive relationships (<i>if yes precise the indicator</i>) Trust in and/or satisfaction with public services (<i>if yes precise the indicator</i>) Overall life satisfaction (<i>precise the indicator</i>) Emotional well-being /affects (<i>precise the indicator</i>)
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IMPROVEMENT IN THE MEASUREMENT OF ENVIRONMENTAL SUSTAINABILITY

12 - Have you a National Strategy for Sustainable Development?

Have you develop a set of indicators to monitor this strategy, or more generally, to evaluate sustainable development? How have you chosen this indicator? How were stakeholders involved?

How do you communicate about these indicators or the implementation of the national strategy? Have you a monitoring report to evaluate this strategy?

What is the frequency of updating these indicators?

Please give references with the list of indicators

13 - Have you already investigated the “consumer perspective” of global climate change or air pollution in order to develop footprint indicators

13.1 with a regularly production of environmentally-extended Supply and Use Input/tables (ee-SUIOT)

13.2 direct estimation through direct emission coefficients (life-cycle analysis of products)

13.3 Other techniques (precise which ones)

If yes, do you produce the following indicators (precise timeliness and frequency of updating)

Emissions "embedded" in imports

Emissions induced by final use of products, by product group

National carbon footprint

14 - Do you publish annual early estimates (now-casts) of CO₂ emissions from energy based on infra annual energy statistics? If no, is it planned and when?

15 - Do you publish indicator concerning Raw material consumption? If no, do you plan to produce this indicator and when?

16 - Do you publish these following indicators (if yes, precise the definition of the indicator, the frequency of updating, the last data available):

- Energy consumption by economic activity (NACE breakdown)
- Energy efficiency by economic activity
- Energy productivity of the economic sectors
- Carbon intensity by economic activity (NACE breakdown)
- Carbon productivity by economic activity
- Expenditure related to climate change adaptation
- “Green” employment
- Turnover generated by “green” economy
- National expenditure on environmental protection and expenditure by environmental domain (air and climate, wastewater, waste, other)
- Depletion (change in stock levels) of natural resources assets, e.g. energy reserves (*precise the indicator(s)*)
- National saving net of total natural resource depletion
- Expected life length of a natural resource asset
- Landscape state and biodiversity (*precise the indicator(s)*)
- Change in land use (*precise the indicator(s)*)
- Water abstraction and use river basin or region
- Water use by economic activity (Nace breakdown)
- Waste recycled by economic activity
- Recycling rate of waste by economic activity
- ...Eo-industries

17 - A proposal for a regulation of the European Parliament and of the council amending Regulation 691/2011 planned the transmission to Eurostat of three new modules of environmental economic accounts:

- a module for environmental protection expenditure accounts**
- a module for energy physical energy flow accounts**
- a module for the environmental goods and services sector**

Are you able to implement this planned regulation within the five next years?