

NERI Labour Market Conference 2023.

Some Missing Links in Ireland's National Wellbeing Framework.

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Introduction

- **Ireland's First Well-Being Framework published in late 2021**
 - Early stages of development
 - Goal = *“provide more comprehensive policy analysis through a broader perspective developing a Framework which is integrated with policymaking”* (NESC, 2021).
- **Concerted Global Effort to Move Beyond GDP over past decades**
 - International progress by OECD, United Nations, World Bank. New Zealand Leader at the National Level since 2009.
 - Developments across Europe too e.g. Dutch Monitor of Well-Being 2019.

Contribution

- **A systematic review focusing on two key missing links whose omission weakens the framework's coherence.**
 - 1) Clarity around the concept of Sustainable Development.
 - Risk of distorting Current Well -Being and Future Well-Being trade-offs.
 - Paper builds on McGrath, Hynes & McHale (2020) *Economic and Social Review*.
 - 2) Regional Integration
 - Risk of distorting policy choices/evaluation in relation to regional development.
 - Considerations for regional integration + practical policy application wrt the NPF.

Overview of the National Well -Being Framework

The initial well-being framework contains 11 themes: 35 indicators

- Income & wealth
- Knowledge, skills & innovation
- Mental & physical health
- Subjective well-being
- Safety & security
- Housing & local area
- Environment, climate & biodiversity
- Work & job quality
- Time use
- Community, social connections & community participation
- Civic engagement & cultural expression.

The Missing Link of Sustainable Development (SD)

- **Lack of Clarity around SD**

- SD = not limiting well-being possibilities of future gens.

- **Critical to distinguish between Current & Future Well -Being**

The assessment of sustainability [future well-being] is complementary to the question of current well-being.. This may sound trivial and yet it deserves emphasis, because some existing approaches fail to adopt this principle, leading to potentially confusing messages. Confusion may arise when one tries to combine current well-being and sustainability” (Stiglitz et al., 2009).

- **Avoid Short-termism – SD is about Longer Term**

- “Capital” Approach focuses on Intergenerational Well-Being



Lack of “Natural Capital” Coverage

National Well-Being Framework	Indicator	Source
Theme		
Environment, Climate & Biodiversity	Pollution, Grime and oth. Environmental Problems	Survey on Income and Living Conditions
	Greenhouse Gas Emissions	Environmental Accounts Air Emissions, CSO
	Waste to Landfill	Measuring Ireland's Progress, CSO
	Water Bodies assessed as High or Good Quality	Ireland's UN SDGs - Report on Indicators for Goal 6 Clean Water and Sanitation, CSO

The CES Framework for Measuring SD

- **Council of European Statisticians (CES) Framework 2014; 2016**
 - Based on “Capital” or economic approach
 - *“an endorsed and universal framework for measuring sustainable development combining a strong theoretical basis and a clear link with policy needs” (UNECE, 2016).*

3 Dimensions 20 themes

- Current Well-Being
 (“Here and Now”)
- Future Well-Being
 (“Later”)
- Transboundary Impacts
 (“Elsewhere”)

Well-Being Dimension	Theme	
Current Well-Being (“Here and Now”)	Subjective Well-Being Consumption & Income Nutrition Health Labour Education Leisure	Housing Physical Safety Land and Ecosystems Water Air Quality Trust Institutions Mobility

Future Well -Being/SD in the CES Framework

Well-Being Dimension	Sub-Dimension	Theme
Future Well-being ("Later")	Economic/Physical Capital	Physical Capital Knowledge Capital Financial Capital <i>Monetary - EconomicCapital</i>
	Natural Capital	Energy Resources Mineral Resources Land and Ecosystems Water Air Quality Climate <i>Monetary – Natural Capital</i>
	Human Capital	Labour Education Health <i>Monetary – Human Capital</i>
	Social Capital	Trust Institutions <i>Monetary – SocialCapital</i>

- **Acknowledges lack of clarity + initial focus on Current Well -Being**

- Recommendations: tag a subset of original indicators as “sustainability” + have clearer messaging.

1) Are the original indicators best for Sustainability monitoring?

- Distinct lack of “Natural Capital” coverage no equivalent to CES “Natural Capital” themes of “mineral resources” “energy resources” or “land & ecosystems”.

2) Meshing Current and Future Well-Being seems to be leading to confusion.

- *“...the dashboard paints a generally positive picture*
- *while the dashboard provides a positive picture...specific areas...suggest sustained issues on medium-term across quality of life, sustainability and equality”.*
- *“...the dashboard provides a positive picture of the country’s medterm progress”.*
- *“the issue of the environment, climate and biodiversity has been highlighted as an area of significant and persistent concern....a sustained and increasingly urgent concern.”*

Linking the WB Framework w/CES approach

- I suggest an amended Dashboard based on CES Framework

Current Well-Being: consisting of 9 themes:

- Income
- Work & job quality
- Housing & local area
- Mental & physical health
- Leisure & recreation
- Knowledge, skills & innovation
- Inclusion, safety & community
- Environment, climate & biodiversity
- Subjective well-being.

Future Well-Being: consisting of 4 themes:

- Natural capital
- Economic capital
- Human capital
- Social capital.



Key Changes Relate to Future Well-Being

Future Well-Being	Natural Capital	Greenhouse gas emissions Tonnes of CO ₂ equivalent per capita Water Bodies assessed as High or Good Local Air Pollution Emissions and Damage costs* (EPA; Public Spending Code) Ecological Footprint (Global Footprint Network) Renewable electricity capacity* (SEAI/CRU)
	Economic Capital	Gross Capital formation/Net Capital Formation* (National Accounts) Median Household Net Wealth Government Net Worth Household Debt* (National Accounts)
	Human Capital	R&D expenditures* (National Accounts) Education Expenditures* (Dept of Education) Educational Attainment* (Census)
	Social Capital	Pop. with at least 2 people close enough to count on Pop. who did not Feel Depressed or Downhearted in the Last 4 Weeks Pop. who worries they could be a Victim of a Crime (self-reported) Voter Turnout* (CSO) Satisfaction with How Democracy Works in Ireland Rate of Volunteering* (CSO module on Volunteering)

The Missing Link of Regional Integration

- **Heavily Nationally Focused**
 - Just 3/35 indicators have a regional breakdown of which = Urban/Rural.
- **Ideal approach = linking regional indicators across the themes and dimensions of the framework.**
 - Benefits = It would align closely with the CES recommendations, the Regional Monitor of Well -Being in the Netherlands, and with the approach that underpins Project Ireland 2040, Ireland's overarching planning framework.
 - Challenges = data!, spatial scales etc.,

Integrating Regional Issues

Dimension	Theme	County Level	Potential Sources	NUTS 2/3 Regional Level	Potential Sources
Future Well-being	Natural Capital	Beach Flag & Coast Awards Bioeconomy Employment Mineral & Energy Resources Timber Resources Biodiversity Indicators Renewable Energy Capacity	An Taisce Census CSO Business Minerals Ireland Bord na Mona Bord Gais Demography Teagasc	Beach Flag & Coast Awards Bioeconomy Employment Mineral & Energy Resources Timber Resources Biodiversity Indicators Renewable Energy Capacity	An Taisce Census CSO Business Demography Minerals Ireland Bord na Mona Bord Gais Demography Teagasc
	Economic Capital	Housing Stock Pavement Surface Condition Index Road, rail, & inland waterways networks	Dept. of Housing Census LGMA TII/NTA Irish Rail	Gross Fixed Capital Formation Household Wealth Pavement Surface Condition Index Road, rail, & inland waterways networks	National Accounts LGMA TII/NTA Irish Rail
	Human Capital	Population Demographics Dependency Ratios Third Level Grants awarded Educational Attainment Population Growth	Census Dept. of Housing CSO	Population Demographics Dependency Ratios R&D expenditures Third Level Grants awarded Population Growth EU Competitiveness Index	Census CSO/Eurostat Regional Database
	Social Capital	Voter Turnout Deaths due to mental health	CSO CSO Vital Statistics	Voter Turnout Deaths due to mental health	CSO CSO Vital Statistics

Practical Policy Integration – NPF (1)

NSO Theme	Potential Indicators	Related Well-Being Theme	Potential Source	Regional Breakdown Feasibility
Compact Growth	Population Growth Targets within NPF	Human Capital	Census Irish Population Estimates from Administrative Data Sources	ED Level
Enhanced Regional Accessibility	Rural mobility index Journey times to urban centres etc., Regional NDP Projects & Expenditure TII strategy indicators	N/A – Potential Well-Being gap	Western Development Commission (forthcoming) TII (forthcoming) NTA CSO	Limited ED level
Strengthened Rural Economies & Communities	Broadband Access Employment Incomes URDF/RRDF/ERDF Investment Jobs supported by EI/IDA	Inclusion, Safety & Community	Census CSO Business Demography Dept of Housing DRCD Regional Assemblies EI/IDA	Limited ED level
Sustainable Mobility	Active travel indicators: Mode of transportation LEV Uptake EV infrastructure	N/A – Potential Well-Being gap	Western Development Commission (forthcoming) CSO Transport Statistics CRU ESB Networks	Limited ED Level
A strong Economy Supported by Enterprise Innovation & Skills	Business Enterprise & employment growth Employment in Knowledge Intensive Services Education, skills, & training	Knowledge, Skills & Innovation	CSO Business Demography Census Labour Force Survey Census	Limited ED level

Practical Policy Integration – NPF (2)

NSO Theme	Potential Indicators	Well-Being Theme	Potential Source	Regional Breakdown Feasibility
High-quality International Connectivity	Connectivity to & passenger/freight statistics at, airports & ports Tourism indicators	N/A – Potential Well-Being gap	CSO Transport Statistics TII Strategy Indicators	County Level
Enhanced amenity & heritage	Access to cultural & recreational services (e.g., walking routes, cycleways OPW sites heritage sites)	Leisure & Recreation Climate, Environ. & Biodiversity Natural Capital	OPW Coilte NPWS Failte Ireland	Limited ED level
Transition to a low carbon & Climate-resilient society	LEVs licensed. Household heating fuel type; BER ratings Sustainable Energy Communities	Climate, Environment & Biodiversity Natural Capital	CSO Vehicle Registrations Domestic Building Energy Ratings CSO Environ. Indicators	County Level
Sustainable management of Water, Waste, & other Resources	Waste & Environment indicators from EPA water quality & service statistics Climate Action Fund Investment	Climate, Environment & Biodiversity Natural Capital	LGMA Performance LGMA EPA DECC	County Level
Access to quality Childcare, education, & health	Access to services, Childcare & health statistics (e.g., primary care centres; ambulance response times)	N/A – Potential Well-Being gap	HSE Department of Health Healthy Ireland Survey	Limited ED level

Concluding Remarks

- **Considerable progress made**
 - Framework Development – Dashboard Analysis– Work Programme – Working Groups
- **Early Stages**
 - NZ Treasury first LSF in 2011 – 8 years prior first “well-being budget” in 2019
- **Considerations to strengthen Sustainable Development & Regional Issues.**
- **Future Work**
 - Develop + Analyse Regional Indicator Set



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Additional Slide 1

Country	Mechanism	Description	Policy Cycle	Lead Agency
France	Budget law, drawing on New Indicators of Wealth	Approved in April 2015, law 411 requires the Government to submit an annual report to Parliament on progress on 10 new indicators reflecting the country's economic, social and environmental situation. The report, which should include an assessment of the impact of the main reforms envisaged on these indicators, can be debated in Parliament upon request by the government.	Agenda-setting, policy formulation; policy evaluation	France Strategy and the Economic, Social and Environmental Council (EESC)
Italy	Budget law, drawing on Measures of equitable and sustainable well-being	Building on the National Statistical Institute's "Measures of equitable and sustainable well-being", a law approved in 2016 stipulated a narrow set of 12 indicators that should be annually reported to Parliament in the context of budgetary discussions.	Agenda-setting, policy formulation and evaluation	Ministry of Economics and Finance
Netherlands	"Accountability Day"	The annual "Monitor of well-being" produced by the National Statistical Institute will form the basis of Cabinet considerations on the state of well-being in the country. These Cabinet considerations will then be part of the accountability debate in the House of Representatives (in May each year). In addition, the policy assessment agencies in the country (the Netherlands Bureau for Economic Policy Analysis, the Netherlands Environmental Assessment Agency, and the Netherlands Institute for Social Research) are asked to "conduct a periodic exploration of well-being", based on the Monitor.	Agenda Setting	Netherlands Cabinet
Scotland	Scotland Performs	The Scottish government's National Performance Framework (NPF), first released as part of the 2007 Spending Review, defines a 10-year vision for the country based upon an outcomes-based approach (rather than inputs and outputs) to measuring the government's achievements. The NPF forms the basis of performance agreements with public service delivery bodies, including at local level, and is used to monitor their effectiveness.	Monitoring; Evaluation	Scottish Government
Sweden	New Measures for Prosperity	The New Measures of Well-being developed by the Swedish government as a complement to GDP have been integrated into the Budget Bill 2017.	Agenda-Setting	Ministry of Finance
United Kingdom	The What Works Centre for Wellbeing (	Efforts to bring well-being metrics into policy in the United Kingdom have taken several different forms. One is the What Works Centre for Wellbeing, an independent collaborative centre that aims to develop and boost the generation of high-quality evidence on well-being for decision makers in government, communities, businesses, and other organisations to use in their work.	Agenda-setting, policy formulation, policy evaluation	The What Works Centre for Wellbeing

The OECD Framework

Dimension	Theme
Current Well -Being	Income & Wealth
	Subjective Well-Being
	Jobs and Work Quality
	Safety
	Housing
	Work -Life Balance
	Health
	Social Connections
	Knowledge & Skills
	Civil Engagement
	Environmental Quality
Resources for Future Well-Being	Economic Capital
	Natural Capital
	Human Capital
	Social Capital