# **Executive summary**

Is life really getting better? How can we tell? What are the key ingredients to improving life—is it better education, environment, healthcare, housing or working hours? Does progress mean the same thing to all people or in all countries and societies?

The OECD, a pioneer in this field of research, has been working for more than a decade to identify the best way to measure the progress of societies – moving beyond GDP and examining the areas that impact people's lives. In 2011, the culmination of this work was presented in the OECD Better Life Initiative.

#### **Better Life Initiative**

The OECD Better Life Initiative focuses on developing statistics to capture aspects of life that matter to people and that shape the quality of their lives. This allows for a better understanding of what drives the well-being of people and nations, and what needs to be done to achieve greater progress for all.

Drawing upon the recommendations of the Commission on the Measurement of Economic Performance and Social Progress (to which the OECD has been an important contributor), the OECD has identified 11 dimensions as being essential to well-being, from health and education to local environment, personal security and overall satisfaction with life, as well as more traditional measures such as income. The two core products of this initiative are the *How's Life?* reports and the *Better Life Index*. Additional elements, such as the <u>Guidelines for Measuring Subjective Wellbeing</u>, launched in 2013, help to address measurement gaps in dimensions such as Life Satisfaction.

## **Better Life Index**

The *Better Life Index* is an interactive web-based tool created to engage people in the debate on well-being and, through this process, learn what matters the most to them. The tool invites you to compare well-being across countries according to the importance you give to 11 topics: community, education, environment, civic engagement, health, housing, income, jobs, life satisfaction, safety and work-life balance. Once you have created your <u>own index</u>, you can see how countries' average achievements compare based on your priorities, as well as the differences in well-being between men and women in each country. You can then compare and share your index with other people who have created indexes, as well as with the OECD. You can also see the number of responses from users by country, age and gender, and what topics people think are most important for a better life.

The Better Life Index is updated every year with new data and additional information on measures such as inequality. The Index covers all OECD countries as well as the Russian Federation and Brazil and is currently available in English, French, German, Russian and Spanish, with a Portuguese and Japanese version to be added soon. The Better Life Index is optimised for use on portable devices (tablets and iPads) and can be embedded in websites and blogs.

## How's Life? report

<u>How's Life? Measuring Well-Being</u> is a report that comes out every two years. This paints a broad picture of how life is in OECD countries and other major economies, by looking at people's material conditions and quality of life in the 11 dimensions of the Better Life Initiative.

This report responds to a demand from citizens, analysts and for better and more comparable information on people's well-being and societal progress. The second edition of *How's Life?*, released in 2013, includes in-depth studies of four key cross-cutting issues: how well-being has changed during the global economic and financial crisis; gender differences in well-being; the quality of employment and well-being in the workplace; and sustainability of well-being over time.

#### What comes next?

In addition to the regular update of data and analysis on well-being, the OECD aims to continually adapt and fine tune the methodologies and indicators used as this field of study evolves. This will include a new report, *How's Life in your Region?*, which measures well-being on a regional level and is complemented by an interactive web based tool allowing for comparison between all the regions in the OECD countries. Since the launch of the Better Life Initiative, the discussion on well-being has expanded, and many governments and other actors have taken up the concept.