OECD Social Indicators

The Organisation for Economic Co-operation and Development social indicators framework has been informed by experiences in other parts of the OECD on policy and outcome assessment in a variety of fields. It draws, in particular, on the OECD experience with environmental indicators. These indicators are organised in a framework known as 'Pressure-State-Response' (PSR).*

In this framework human activities exert pressures on the environment, which affect natural resources and environmental conditions (state), and which prompt society to respond to these changes through various policies (societal response). The PSR framework highlights these sequential links which in turn helps decision-makers and the public see often over-looked interconnections.

The OECD 2009 Society at a Glance uses this framework through a set of headline indicators:

i) to describe outcomes;

ii) to inform about the broad set of measures included in the four dimensions of the OECD social indicators taxonomy (self-sufficiency, equity, health and social cohesion);

iii) to cover the largest possible number of OECD countries; and

iv) to allow monitoring of how social status evolves over time.

Society at a Glance offers a concise overview of quantitative social trends and policies across the OECD. This 2009 edition includes a wide range of information on social issues, such as demography and family characteristics, employment and unemployment, poverty and inequality, social and health care expenditure, and work and life satisfaction,as well as a guide to help readers understand the structure of OECD social indicators.

REF:
OECD(2009), Society at a Glance 2009 - OECD Social Indicators
http://www.oecd.org/els/social/indicators/SAG

Dimensions of this framework

- ### Equity

  Equity is a concept relevant to a broad range of outcomes, such as income, health, and education. But few of the equity measures currently available have broad country coverage, good comparability, and are available at regular intervals.

  #### Sub-dimensions of this framework

  - ##### Adequacy of benefits of last resort

    Compared to after-tax incomes from employment, net incomes of benefit recipients measure the financial incentives to take up work for those without a job. When compared to the income cutting off points that are used to identify poor families, they inform about the capacity of benefit systems to ensure an adequate standard of living.

  - ##### Income inequality

    Measures of income inequality are based on data on household disposable income. Disposable income is gross household income following deduction of direct taxes and payment of social security contributions. Household income is adjusted to take account of household size by assuming a common equivalence scale of 0.5.

    The main indicator of income distribution used is the Gini coefficient. Values of the Gini coefficient range between 0 in the case of "perfect equality" and 1 in the case of "perfect inequality".

  - ##### Poverty

    No commonly agreed measure of poverty across OECD countries exists. As with income inequality, the starting point for poverty measurement is equivalised household disposable income provided by national

consultants. People are classified as poor when their equivalised household disposable income is less than half of the median prevailing in each country. The use of a relative income-threshold means that richer countries have higher poverty thresholds than poor countries.

Poverty is considered in terms of poverty rate and poverty gap. The poverty rate is a headcount of how many people fall below the poverty line. The poverty gap measures the extent to which the income of the poor falls below the poverty line.

- ### Poverty among children

  Children are defined as poor when they live in households whose equivalised household disposable income is less than half of the median in a given country. Children, defined as all those aged under 18, are considered as sharing the income earned by other household members. The basic indicator of child poverty is poverty rate, measured as the share of children with an equivalised income of less than 50% of the median.

- ### Public social spending

  A wide range of people and social institutions provide social support to those in need through a variety of means. Much of this support takes the form of social expenditure, which comprises both financial support and "in-kind" provision of goods and services. To be included in social spending, benefits have to address one or more contingences, such as low-income, old-age, unemployment and disability. The indicator of social spending used for cross-country comparisons is public spending as a share of Net National Income (NNI).

- ### Total social spending

  A comprehensive account of the total amount of resources that each OECD country devotes to social support has to account both public and private social expenditure, and the extent to which the tax system affects the effective amount of support provided.

  To capture the effect of the tax system on gross, before tax social expenditures, account should be taken of the government claw back though the direct taxation of benefit-income and the indirect taxation of goods and services consumed by benefit recipients. Moreover, governments can pursue social goals via tax breaks for social purposes, which tends to make total social spending in excess of gross spending.

  From a social perspective of society, net after tax social expenditure, form both public and private sources, gives a better indication of the resources committed to social goals.

Health

The links between social and health conditions are strong. Indeed, growth in living standards and education, accompanied by better access to health care and continuing progress in medical technology, has contributed to significant improvements in health status, as measured by life expectancy. Equally important and supplementary to measures of life expectancy are people's self-assessed perceptions of their state of health. The two main dimensions of health status are mortality and morbidity.

Sub-dimensions of this framework

- ### Health care expenditure

  Total health expenditure measures the final consumption of health goods and services plus capital investment in health care infrastructure. It includes both public and private spending on personal health care, and collective health service (public health and prevention programmes and administration). It excludes health-related expenditures such as training, research and environmental health.

  To compare health care expenditure across countries and time, health expenditure per capita is deflated by a national price index and converted to US dollars using purchasing power parity (PPP) exchange rates.

- ### Height

  The height data focuses on people aged 20 to 49 years old. Below age 20 height growth may still occur

and above 50 people start physically shrinking. Measured height is preferred self-reported height as evidence suggests that respondents tend to overestimate their own stature. The self-reporting bias varies according to age, sex, education, mode of interview, and purpose of the survey.

Infant health

The World Health Organisation (WHO) defines low birth weight as a birth weight below 2,500 grams, irrespective of gestational age. This cut-off is based on epidemiological observations about the increased risk of death of infant. The number of low birth weight is then expressed as a percentage of total live births. The majority of the data comes from birth registers. However, data for the Netherlands and Turkey comes from a national health interview survey.

The infant mortality rate is the annual number of deaths of children under on year of age per 1,000 live births.

Life expectancy

Life expectancy is the most general and best known measure of the health status of the population. It is defined as the average number of years that a person could expect to live if the person experienced the age-specific mortality rates in a given country in a particular year. Each country calculates its life expectancy according to somewhat varying methodologies. These methodological differences can affect the comparability of reported estimates.

Long-term care recipients

Long-term care recipients are those receiving formal paid care for an extended period of time due to issues of functional physical or cognitive capacity. Recipients are dependent on help with activities such as bathing, dressing, eating, getting into and out of bed or chair, moving around and using the bathroom. Help is frequently provided in combination with basic medical services. Long-term care can be received in an institution or at home. The international data comparability is limited.

Mental health

As part of the WHO World Mental Health Survey Initiative (WMHSI), ten OECD countries conducted large-scale epidemiological surveys between 2002 and 2005. These countries used Composite International Diagnostic Instrument (CIDI) to measure the occurrence of various types of disorders, their nature and intensity, and the treatment provided.

Disorders considered in the surveys include anxiety disorders, mood disorders, disorders linked to impulse control, and disorders due to use of alcohol and drugs. All disorders are classified as serious, moderate, or mild.

The WMHSI data cover all people aged 18 and over. However, the age limit is 16 years in New Zealand, 20 years in Japan and 18-65 years in Mexico. Sample sizes range between 2,000 and 13,000. Response rates vary between 50% and 80%.

Obesity

The most frequently used measure of being over-weight or obese is based on the body mass index (BMI). The BMI is defined as weight/ heighy2 (with weight in kilograms and height in metres). Adults with a BMI between 25 and 30 are defined as overweight and those with a BMI over 30 as obese. This classification may not be suitable for all ethnic groups and adult thresholds are not suitable for children.

For most countries, estimates of overweight and obesity rates are based on self-reports of height and weigh from health interview surveys.

Perceived health status

Most OECD countries conduct regular health interview surveys asking questions such as "How is your health in general? Very good, good, fair, poor, very poor". Despite the general subjective nature of this question, indicators of perceived health status have been found to be a good predictor of future health care use and mortality.

Self-sufficiency

- ## Self-sufficiency

  People's self-sufficiency mainly depends on access to jobs and on their skills. With respect to work, a suitable indicator of labour market outcomes is the employment rate for the working-age population. This indicator, based on comparable labour force survey definitions, is available yearly for all OECD countries. Relative to other measures of labour market slack like unemployment rates, the employment rate is less affected by people's decisions to withdraw from the labour market when job prospects are poor.

  ### Sub-dimensions of this framework

  - #### Age of labour force exit

    Retirement is associated with cessation of work and receipt of a pension. Actual retirement ages are difficult to measure directly without internationally comparable longitudinal data, so international comparisons must rely on indirect measures from cross-sectional data. Indirect measures regard persons above a specified age as "retired" if they are not in the labour force at the time of a survey.

  - #### Childcare

    Childcare enrolment rates for children aged 0-2 years include enrolment in formal arrangements such as childcare centres, registered child minders, as well as care provided by someone who is not a family member. Enrolment rates for children aged 3-5 years refer to those enrolled in formal pre-school services, and in some countries for children aged 4-5 years in primary schools.

  - #### Employment

    A person is employed if working for pay, profit or family gain for at least one hour per week, even if temporarily absent from work because of illness, holidays or industrial disputes. The data from labour force surveys of OECD countries rely on this definition during a survey reference week. The basic indicator for employment is the proportion of the working-age population aged 15-64 who are employed.

  - #### Not in employment, education or training

    This indicator records those aged 15-19 years not in education,employment or training as a proportion of the population of the same age group . Education includes part-time and full-time education and excludes non-formal and very short duration education.

  - #### Spending on education

    Spending on education as a proportion of net national income (NNI) gives a measure of how much money is invested in human capital (it excludes consideration of parental time inputs or on-the-job learning or training) relative to the total flow of monetary resources available to the society. This indicator measures both public and private expenditure on educational institutions (including public subsidies) and family spending in so far as it translates into payments to educational institutions.

  - #### Student performance

    Student performance can be assessed through results form the OECD Programme for International Student Assessment (PISA). PISA is the most comprehensive international effort to measure the skills of students towards the end of the period of compulsory education.

  - #### Unemployment

    The unemployment rate is the ratio of people out of work and actively seeking it to the population of working age (15-64 years old) either in work or actively seeking it. The data are gathered through labour force surveys of OECD member countries.

- ## Social cohesion

  Social cohesion has both positive and negative dimensions. On the positive side, it includes people's participation into community life and their attitudes to others. On the negative side, lack of social cohesion may

be revealed by a variety of pathologies such as suicides, risky behaviours or crime.

Sub-dimensions of this framework

Bullying

Bullying includes hitting and teasing, as well as more passive forms such as exclusion from conversations and play. Bullying does not include fighting between equally strong children. The broad definition of bullying does not show which forms are most prevalent in which country, or the duration and intensity of bullying.

Data are drawn from school-based samples from the Health Behaviour in School-aged Children Survey. Bullying estimates are calculated using reported rates of bullying and being bullied weighted by sample numbers for 11-, 13- and 15-year-old boys and girls.

Crime victimisation

Crime comparisons between countries can be made via surveys designed to assess experience with actual criminal victimisation. Crime statistics are based on the 2005 International Crime Victim Survey (ICVS). The ICVS focuses on ten types of "conventional" crimes. Respondents are asked about victimisation by these conventional crimes that they themselves or their households experienced. These crimes cover vehicle-related crimes, burglary, theft of personal property, and contact crimes.

Life satisfaction

The main indicator of life satisfaction used by the OECD countries is average country score. The indicator is from the Gallup World Poll 2006 that is based on nationally representative samples of people aged 15 years and older. The Gallup World Poll asks respondents to "image an eleven-rung ladder where the bottom (0) represents the worst possible life for you and the top (10) represents the best possible life for you. On which step of the ladder do you personally stand at the present time?". The same questionnaire is used in countries.

Risky behaviour

Risky behaviour refers to actions undertaken by children which are normally considered adult behaviours and can negatively affect their lives. Levels of risky behaviour in each country show the extent to which children are receiving suitable guardianship or information regarding age appropriate activities.

Risky behaviour indicators include rates and trends of self-reported excessive drinking and regular smoking in early adolescence. As well, risky behaviour includes self-reported rates of early sexual experiences, and non-use of condoms to protect unwanted pregnancy and sexually transmitted diseases. Data for risky behaviour indicators are taken from the Health Behaviour in School-aged Children Survey (HBSC).

Suicides

Data on suicide rates are based on official registers on causes of death. They are standardised using the OECD population structure of 1980, accounting for changes in the age structure across countries and over time. Suicide rates are expressed in deaths per 100, 000 individuals.

Countries have different procedures for recording suicide as the underlying cause of death, despite the development of the International Statistical Classification of Diseases and Related Health Problems (ICD), and procedures may have changed over time. In addition, suicide may be under-reported because of societal stigma attached to suicide. This socio-cultural norm may vary across countries and over time.

Work satisfaction

The basic indicator of work satisfaction is the percentage of all employees reporting that they felt "completely", "very" or "fairly" satisfied in their main job. Measures of work satisfaction are taken from Wave III of the International Social Science Programme (ISSP) The survey is addressed to people aged 16 and over working either as an employee or as a self-employed. 21 OECD countries participated in the latest wave of survey. The survey has high and variable rates of non-response between countries and

over time, as well as different country sampling frames, all of which may undermine comparability.