



# How's Life? 2024

WELL-BEING AND RESILIENCE IN TIMES OF CRISIS





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# Foreword

*How's Life?* is the OECD's flagship publication on the state of well-being for people, the planet and future generations. Drawing on the OECD Well-being Framework, it is a statistical report that documents a wide range of well-being outcomes and how they vary over time, between population groups, and across countries. Although the report itself does not provide policy recommendations, it can serve as a diagnostic tool for decision makers in that its findings provide a comprehensive picture of people's lives and can help identify areas that might warrant policy intervention.

*How's Life?* was first launched alongside the OECD Better Life Initiative in 2011, in line with the organisation's overarching mission to promote "Better Policies for Better Lives". This 6th edition is the first regular report in the series since *How's Life? 2020* was released just before the COVID-19 pandemic (a 2021 special issue, *COVID-19 and Well-being: Life in the Pandemic*, drew on alternative and in some cases experimental data sources to explore the immediate implications of the pandemic for well-being). *How's Life? 2024* now again presents the latest evidence on well-being from an updated set of the over 80 indicators in the Framework. The format of the report has been streamlined and focuses on key messages that arise from the joint analysis of trends across areas of well-being. Detailed information about each well-being indicator is available in the *How's Life? Well-being Database* (available online here: <http://data-explorer.oecd.org/s/fu> and updated on a quarterly basis). A complementary interactive online datahub will be released in 2025, to allow users to explore the insights presented in the *How's Life?* reports and access the most up-to-date well-being indicators in a user-friendly way.

The report was prepared by the OECD Centre on Well-being, Inclusion, Sustainability and Equal Opportunity (WISE). Lara Fleischer was the lead author and editor, with contributions from Kate Chalmers, Jessica Mahoney and Elena Tosetto, and the work was carried out under the supervision of Romina Boarini and Carrie Exton. Martine Zaïda and Anne-Lise Faron provided essential support throughout on communication coordination and formatting. Patrick Hamm provided editorial guidance.

We are grateful to many colleagues around the OECD, specifically from the Directorate for Education and Skills; the Directorate for Employment, Labour and Social Affairs; the Directorate for Public Governance; the Economics Department; the Environment Directorate and the Statistics and Data Directorate for their help, comments and insights. We are especially grateful to the Communications Impact Team of the OECD Directorate for Communications (Ken Omanovic, Stefano Contratto, Chloé Arsenne and Olivia Guechtoum-Ruddick) for running multiple focus groups that were essential for shaping the messages of this report early on, and to all external and internal focus group participants for their time.

The report has benefited from helpful comments on early drafts provided by national delegates to the OECD Committee on Statistics and Statistical Policy (CSSP). Their contributions and advice are kindly acknowledged, and we hope the resulting product can be useful for their work.

# Editorial

## Time for change

This report marks the 6th edition of *How's Life?*, the flagship publication that charts the state of well-being in OECD countries along the key dimensions that matter to people, taking account of both current outcomes and resources for the future. The 1st edition of *How's Life?* was released in the immediate aftermath of the Global Financial Crisis. This latest edition comes at an equally challenging time. Our economies and societies have yet to fully recover from the successive shocks brought about by the COVID-19 pandemic and the cost-of-living crisis. Rising geopolitical tensions and enduring conflicts in different regions of the world are also of high concern, as they bring into question the capacity for multilateral action on increasingly urgent and common issues. While Russia's war of aggression in Ukraine is heading towards its third year and the conflicts in the Middle East and in Sudan risk spreading to entire regions, threats to present and future well-being have not abated, as news of climate-related disasters repeatedly remind us, and the path to achieving the UN 2030 Agenda and Sustainable Development Goals (SDGs) grows narrower.

Crises provide opportunities for learning and for action. Governments have drawn many important lessons from the Global Financial Crisis which have helped them meet successive challenges. Policy responses to recent shocks have contributed to protect people's lives and livelihoods more effectively than in the past. These responses have also been forward-looking and have sought to foster greater resilience in our economies and societies and rebuild them in ways that are more environmentally sustainable. Reflecting this, while the COVID-19 pandemic and cost-of-living crisis have brought significant disruption, their negative impact on well-being has been less severe than was the case during the Global Financial Crisis.

Well-being provides a comprehensive perspective that highlights the key areas for action and can help design whole-of-government approaches for addressing challenges. As this report shows, many priorities for action lie in the social and environmental spheres. Market failures and the growing complexity of today's economies and societies mean that these issues cannot be left to resolve themselves, nor can they be resolved in isolation. For governments and for citizens, there is an urgent and shared need to rebuild economies on bases that are more inclusive and that respect planetary boundaries.

## Promoting inclusive well-being

The report shows that financial concerns and insecurity remain widespread among the population. Currently, across the OECD, one person out of every five reports experiencing financial difficulties. Compared to the pre-pandemic period, housing costs have risen – notably for low-income households – and energy poverty has also been on an upward trend. For example, in 2023 one in 11 people in European OECD countries reported that they could not afford to keep their house adequately warm.

Government interventions have been largely successful in protecting average income and employment after 2019. However, this takes place against a backdrop of enduring material inequalities in income and

wealth. More needs to be done to reduce economic disparities and promote social mobility. The gradual fall in income inequality observed since 2010 has stalled after 2019. In 2022, the top 20% of the income distribution earned on average 5.6 times more income than the bottom 20%. On average across OECD countries, the wealthiest ten percent of households own half of all household wealth. At the other end of the spectrum, households in the bottom 40 percent of the wealth distribution own little to no net wealth.

Inequalities go beyond economic divides and cut across different dimensions of well-being. Across OECD countries, people who have completed tertiary-level education do better than those who have achieved up to secondary-level education on all of the well-being outcomes considered in this report. This is true for employment outcomes, but also for non-material aspects of well-being, such as social connectedness and health. For the most part, these inequalities are not only large but also persistent, and there has been no clear change in the size of well-being gaps by education for the majority of indicators since 2010.

Significant divides in well-being continue to also be observed by age and gender. While some of these gaps have narrowed over the past decade, this has not always meant better outcomes for everyone. For instance, young people – while still outperforming older age groups in areas such as loneliness, health and some areas of emotional well-being – have seen a relative larger decline compared to other age groups in these aspects of their lives. In this respect, decreasing inequalities may also signal the emergence of new risks for particular groups, in this case for youth in terms of subjective well-being and social connectedness.

A similar picture can be seen when looking at gender divides in well-being. In over half of the well-being outcomes studied, this report finds that gender gaps have narrowed and women have started to catch up with men in many labour market outcomes and in political representation, albeit still being far from parity. Nevertheless, women still face considerable challenges. On average, they remain less likely to be employed and fare worse on some aspects of non-economic well-being such as physical pain, loneliness and feelings of security. Men face specific challenges too. On average, they live shorter lives, are more likely to report very low satisfaction with personal relationships, as well as facing much higher risk of death by homicide or suicide, overdose and alcohol abuse (the so-called “deaths of despair”).

Inequalities and well-being deprivations, especially when they compound over several important domains of life, undermine the shared bonds of society and lay the ground for polarisation. They erode trust in others and in institutions, reducing solidarity and the capacity for collective action and thereby depriving economies and societies of the resources and resilience they need to overcome new shocks and successfully navigate the large transitions they face. Reinforcing democracy means building trust and renewed legitimacy for public action. For governments, this implies a strong commitment to delivering better lives for people (and with people), for the planet and for future generations. Only at that condition we can hope to ensure sufficiently broad public support and acceptability for the policy changes made necessary by the ecological transition and societal transformations that lie ahead.

## Ensuring that well-being is sustainable

Governments cannot focus only on current levels of well-being, important as they are. Properly designed well-being policies must also improve outcomes in a sustainable manner. This implies action on several fronts, starting with climate and nature. Average GHG emissions per capita have been on a downward trajectory in the decade preceding the COVID-19 pandemic, a trend that gathered further pace during the first year of the pandemic. Despite this, no OECD country is expected to reach the climate targets included in the SDGs and other international agreements by 2030. Meanwhile, climate change has increasingly impacted people’s lives, with almost 15% of the population across the OECD exposed to extreme heat in 2023 up from 13% in the 2010s. Finally, efforts to preserve natural resources could be at risk of plateauing, with progress in recycling rates and in the creation of protected areas slowing down in recent years. Risks to biodiversity have also increased in the majority of OECD countries, both in the medium- and short-term.

Social capital constitutes another important source of well-being for future generations. In this respect, the recent decline in levels of trust in government observed in some OECD countries require monitoring and possibly action. Other indicators of social capital, such as trust in others and stakeholders engagement in regulatory processes have shown no progress. Social and human capital are known to be strong determinants of resilience and enablers of positive adaptation to economic and social change. From this perspective, the decline in PISA outcomes observed in nearly all OECD countries, as well as the large differences in civic participation and engagement between socio-economic groups, offer reasons for concern.

In order to promote people's well-being in a way that respects planetary boundaries, policies will need to accompany significant changes in behaviour affecting how we live, what we consume and produce, and tackle fundamental issues such as mental health, social connectedness, pain, worries and sadness. Putting increased emphasis on relational and social well-being, as opposed to material consumption, can help strengthen economies and societies by providing individuals with the means to find a renewed sense of purpose in life and sense of belonging within their own communities, of birth or of choice. Having agency in all spheres of life and opportunities to exert that agency (in the workplace or home for instance), rethinking the use of time and how it is spent, valuing care and cooperative activities beyond their economic returns, these issues are all central to a well-being approach. Raising and addressing them can help outline and enable modes of living that are collectively sustainable.

## People's well-being in the twin transitions

Technological change is a constant and continual process. Today, digitalization and Artificial Intelligence bring new economic opportunities, but also new conditions and challenges to which societies must adapt. Furthermore, the digital transition takes place alongside the green transition, which is also profoundly transforming the structure of economies and the distribution of material and non-material well-being. While this report does not study these issues in depth, its analysis provides a comprehensive and detailed picture of the social context that will frame these transitions and supplies the indicators that will help monitor their effects on people. Understanding this context is essential to get transition policies right.

The report is mainly addressed to governments, providing them with essential information on where their countries stand in terms of population well-being, how this has changed in the last decade, and what the prospects for future well-being are. In doing so, it aims to help them design whole-of-government approaches that can address economic, social and environmental challenges more effectively.

Promoting inclusive and sustainable well-being requires action beyond government however. The levers for improving well-being outcomes are many and interrelated. As a result, policy goals cannot be achieved without coordinated action and broad and sustained engagement with a wide range of actors. For instance, community-level action is needed to foster better mental health and social connectedness, but also to build social capital. Besides their traditional economic mission, corporate actors and investors have an important role to play – and a strong responsibility – in shaping non-material well-being outcomes (for instance job quality, well-being in the workplace...) and in preserving and possibly increasing human, natural and social capital.

## The challenges we face are growing, but so is our understanding and capacity to tackle them

The challenges that governments and societies face today are no less daunting and consequential than those encountered by their predecessors when the 1st edition of this report was released in 2011. However, our ability to assess these challenges has significantly progressed since then. On the statistical side, the OECD indicators that underpin the analysis in this report are more robust, more granular and



offer greater timeliness and national coverage than fifteen years ago. These advancements reflect the broader work done by the international statistical community, coordinated by the United Nations, OECD and Eurostat; made possible by the intensive work of National Statistical Offices, and further encouraged by the Pact for the Future.

At the same time, many OECD governments have launched initiatives designed to monitor and advance well-being policy objectives through the use of innovative tools and programmes. Today, more than two-thirds of OECD countries have initiatives of this kind in place. In an effort to better support its Members in their efforts to systematically integrate well-being into policy, the OECD has created the Knowledge Exchange Platform on Well-being Metrics and Policy Practice (KEP) as a space for peer-learning by governments and mutual progress in implementing well-being policies. The KEP builds on the momentum created in the G7 Finance Track under the Japanese and Italian presidencies in 2023 and 2024. Its insights will be showcased, and we hope further amplified, in the context of the 7th OECD World Forum on Well-being in Rome, where this report will be launched.

A handwritten signature in black ink, appearing to read 'Romina Boarini', with a long horizontal stroke extending to the right.

**Romina Boarini,**

Director of the OECD Centre on Well-Being, Inclusion, Sustainability and Equal Opportunity (WISE)

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# Reader's guide

This guide provides information for readers on how to interpret the findings in this report as well as on changes made to the underlying indicator set since the previous edition of *How's Life? (2020<sub>[11]</sub>)*.

## Conventions

- In each figure, data labelled “OECD” are simple mean averages of the OECD countries displayed, unless otherwise indicated. Whenever data are available for fewer than all 38 OECD countries, the number of countries included in the calculation is specified in the figure (e.g. OECD 33).
- A weighted OECD average (or OECD total) is shown in instances where the OECD convention is to provide this type of average. Where used, this is specified in the figure notes. For example, when data are population-weighted this is done according to the size of the population in different countries, as a proportion of the total OECD population. The OECD total treats the sum of all the OECD countries as a single entity, to which each country contributes proportionally.
- In analysis changes over time and trendlines, the OECD averages refer to only those countries with data available for every year shown, since the sample of countries needs to be held constant across all years. Since this means that only countries with a complete time series can be included, this can sometimes lead to different OECD averages for trendlines showing all years versus those showing only specific points in time (e.g. 2010, 2019 and the latest available year).
- Each figure specifies the time period covered, and figure notes provide further details when data refer to different years for different countries. Countries are denoted by their ISO3 codes (Table 1).
- While some OECD accession (Brazil) and partner countries (South Africa) are already included in the *How's Life? Well-being Database*, other accession countries (Argentina, Bulgaria, Croatia, Indonesia, Peru and Romania) are still in the process of being systematically added. For this reason, and since this report focuses mainly on overall trends for the OECD average, accession and partner countries are not covered in this version of *How's Life?*

**Table 1. ISO3 codes for OECD countries**

<b>AUS</b>	Australia	<b>ISL</b>	Iceland
<b>AUT</b>	Austria	<b>ISR</b>	Israel
<b>BEL</b>	Belgium	<b>ITA</b>	Italy
<b>CAN</b>	Canada	<b>JPN</b>	Japan
<b>CHE</b>	Switzerland	<b>KOR</b>	Korea
<b>CHL</b>	Chile	<b>LTU</b>	Lithuania
<b>COL</b>	Colombia	<b>LUX</b>	Luxembourg
<b>CRI</b>	Costa Rica	<b>LVA</b>	Latvia
<b>CZE</b>	Czechia	<b>MEX</b>	Mexico
<b>DEU</b>	Germany	<b>NLD</b>	Netherlands

<b>DNK</b>	Denmark	<b>NOR</b>	Norway
<b>ESP</b>	Spain	<b>NZL</b>	New Zealand
<b>EST</b>	Estonia	<b>POL</b>	Poland
<b>FIN</b>	Finland	<b>PRT</b>	Portugal
<b>FRA</b>	France	<b>SVK</b>	Slovak Republic
<b>GBR</b>	United Kingdom	<b>SVN</b>	Slovenia
<b>GRC</b>	Greece	<b>SWE</b>	Sweden
<b>HUN</b>	Hungary	<b>TUR</b>	Türkiye
<b>IRL</b>	Ireland	<b>USA</b>	United States

## How's Life? indicator dashboard

*How's Life? 2024* features the dashboard of the over 80 well-being indicators operationalising the OECD Well-being Framework, reflecting its 11 dimensions of current well-being and four types of capitals for future well-being. Data for each indicator are published and updated monthly (where possible) for all 38 OECD Member countries, accession countries and South Africa, with time series starting in 2004, via the *How's Life? Well-being Database* (available online here: <http://data-explorer.oecd.org/s/fu>). A detailed description of the entire indicator dashboard, alongside relevant metadata information, can be found here: <https://www.oecd.org/wise/oecd-well-being-database-definitions.pdf>.

### Changes to the dashboard since 2020

The dashboard was last comprehensively updated in 2020, following a thorough review and stakeholder consultation (Exton and Fleischer, 2019<sup>[21]</sup>). Relative to *How's Life? 2020*, this 2024 edition includes a few additional updates (Table 2). Five new indicators were added, in cases where new data that allow for international comparisons have now become available, and/or where they address topics that have increased in policy relevance (such as health, social connectedness, climate change or households' ability to cope with inflation). Data collection at source has been discontinued for the indicator *poor households without access to sanitary facilities*, and consequently this has been removed from the dashboard. In two instances where indicators have not been updated since more than a decade, the source was changed to improve the timeliness of information (*having a say in government* and *volunteering*). Finally, the definition of the air pollution indicator has been adapted to reflect new international guidance.

**Table 2. Changes to the How's Life? indicator dashboard**

Change	Indicator	Definition	Source	Rationale
Addition	Loneliness (social connections)	Percentage of the population feeling lonely most or all of the time in the past four weeks	European Union Statistics on Income and Living Conditions (EU-SILC) and other surveys conducted by National Statistical Offices	Loneliness is an important aspect of social connectedness and has gained increased policy attention since prevalence increased during COVID-19
Addition	Energy poverty (housing)	Percentage of households reporting they cannot afford to keep their dwelling adequately warm	European Union Statistics on Income and Living Conditions (EU-SILC)	Feeling that one's home is not adequately warm and energy poverty are well-being deprivations. While this indicator does not provide information about why a household cannot afford to keep the dwelling warm (e.g. financial difficulties, rising energy prices, issues with the building), monitoring it can provide useful indications about households' experiences amidst the cost-of-living crisis and the green transition
Addition	Job satisfaction (work and job)	Mean average job satisfaction on a 0-10 scale,	European Union Statistics on Income and Living Conditions (EU-SILC)	Self-reported job satisfaction is an important (though not the only) component of job quality and complements objective measures such as earnings or

Change	Indicator	Definition	Source	Rationale
	quality)	from 0 (not at all satisfied) to 10 (completely satisfied)		long working hours
Addition	Exposure to extreme temperatures (environmental quality)	Percentage of the population exposed to hot days (maximum temperature > 35°C) for at least two weeks a year	OECD Exposure to Extreme Temperature Database	Exposure to extreme heat has documented impacts on health and other well-being outcomes, and is likely to increase in the face of climate change
Addition	Pain (subjective well-being)	Percentage of the population reporting experiencing a lot of physical pain the previous day	Gallup World Poll	Physical pain is a state associated not only with greater strains on the health care system, but also with an increased prevalence in mental health conditions. Given its importance for overall well-being, researchers in the field have called for pain to be given greater prominence in policy conversations, and they are encouraging governments to collect and publish relevant data
Removal	Poor households without access to sanitary facilities (housing)	Percentage of households below 50% of median equivalised disposable household income without indoor flushing toilet for the sole use of their household	OECD Affordable Housing Database, drawing on European Union Statistics on Income and Living Conditions (EU-SILC)	This indicator has been discontinued in the source database since near universal access to sanitation has been achieved in European OECD countries
Change of source	Having a say in government (civic engagement)	Percentage of respondents with a score of >= 6, on a scale of 0 (not at all) to 10 (a great deal) when asked “How much would you say the political system in your country allows people like you to have a say in what the government does?”	OECD Trust Survey (previously: OECD Program for the International Assessment of Adult Competencies (PIAAC))	Since 2021, the OECD Trust Survey has been conducted every two years, which is expected to continue
Change of source	Volunteering (social capital)	Percentage of the population answering yes to the question “Have you done any of the following in the past month? How about volunteered your time at an organisation?”	Gallup World Poll (previously: OECD Program for the International Assessment of Adult Competencies (PIAAC))	The Gallup World Poll is conducted annually. The second wave of the OECD PIAAC survey will be released in December 2024, and it will be assessed then whether the source for the volunteering indicator will be switched back
Change of definition	Air pollution (environmental quality)	Percentage of the population exposed to PM <sub>2.5</sub> above 5 micrograms/m <sup>3</sup>	OECD Exposure to Air Pollution Database	Following the newly updated World Health Organisation’s guidelines for air quality which recognise the increasing evidence that air pollution negatively impacts human health at even lower concentrations than previously understood, the threshold for harmful exposure has been lowered compared to previous editions of <i>How’s Life</i> (from 10 to 5 micrograms/m <sup>3</sup> )

### **Changes to the headline indicator set since 2020**

As in *How’s Life? 2020*, Chapters 1 and 4 of this report rely on a set of headline indicators for more concise communication (11 headline indicators of current well-being average outcomes, 13 indicators of current well-being inequalities (Table 3) and 12 indicators of resources for future well-being (Table 4).

The headline indicators have been chosen from the extended dashboard to jointly satisfy conceptual and practical criteria to the best possible extent. These include balance across the components (average outcomes and inequalities across all dimensions) of the OECD Well-being Framework; use in other international and national well-being initiatives; policy relevance; and strong performance on statistical quality (i.e. many headlines act as broad summary indicators of their respective dimensions, cover the

large majority of OECD countries and are more frequently collected and produced in a timelier manner than other indicators of the extended dashboard) (for more details on the criteria for headline indicator selection, see OECD (2020<sub>[1]</sub>)).

The headline indicator set is evaluated against these criteria on an ongoing basis to reflect updated data availability for new topics or for a larger set of countries, or to swap headline indicators that have not been as frequently updated as expected. Relative to *How's Life? 2020*, three headline indicators have been replaced:

- Within health, gap in life expectancy by education was replaced with fatalities from suicide, acute alcohol abuse and drug overdose (deaths of despair)
- Within environmental quality, access to green spaces was replaced with exposure to extreme temperatures
- Within natural capital, material footprint was replaced with renewable energy supply.

**Table 3. Headline indicators for current well-being**

Thematic cluster	Dimension	Indicator	Type
Material conditions	Income and wealth	Household income	Average outcome
		S80/S20 income share ratio	Inequality (vertical)
		Household wealth	Average outcome
	Work and job quality	Employment rate	Average outcome
		Gender wage gap	Inequality (horizontal)
		Long hours in paid work	Inequality (deprivation)
	Housing	Housing affordability	Average outcome
		Overcrowding rate	Inequality (deprivation)
Quality of life	Health	Life expectancy at birth	Average outcome
		Deaths of despair	Inequality (deprivation)
	Knowledge and skills	PISA score (maths)	Average outcome
		Students with low skills	Inequality (deprivation)
	Environmental quality	Air pollution	Inequality (deprivation)
		Exposure to extreme temperatures	Inequality (deprivation)
	Subjective well-being	Life satisfaction	Average outcome
		Negative affect balance	Inequality (deprivation)
Safety	Homicides	Average outcome	
	Gender gap in feeling safe	Inequality (horizontal)	
Community relationships	Work-life balance	Time off	Average outcome
		Gender gap in total hours worked	Inequality (horizontal)
	Social connections	Social interactions	Average outcome
		Lack of social support	Inequality (deprivation)
	Civic engagement	Voter turnout	Average outcome
		Having no say in government	Inequality (deprivation)

Note: The distribution of current well-being is taken into account by looking at three types of inequality: gaps between population groups (horizontal inequalities); gaps between those at the top and those at the bottom of the achievement scale in each dimension (vertical inequalities); and deprivations (i.e. the share of the population falling below a given threshold of achievement).



**Table 4. Headline indicators for resources for future well-being**

Capital	Indicator	Type
Natural capital	Greenhouse gas emissions per capita	Risk factor
	Renewable energy supply	Resilience factor
	Biodiversity (Red List Index of threatened species)	Stock
Social capital	Gender parity in politics	Resilience factor
	Trust in national government	Stock
	Trust in others	Stock
Economic capital	Financial net worth of government	Risk factor
	Household debt	Risk factor
	Produced fixed assets	Stock
Human capital	Premature mortality	Flow
	Labour underutilisation rate	Risk factor
	Educational attainment of young adults	Stock

## Breakdowns considered in inequalities analyses

The education and age ranges considered in the inequalities sections throughout this report have been selected to maximise international comparability with what is readily available in aggregate statistics.

- Education ranges refer to the highest level of education completed.
  - In most cases, they correspond to ISCED levels 0-2 for “below upper secondary” level (i.e. less than primary, primary and lower secondary); 3-4 for “upper secondary” level (i.e. secondary and post-secondary non-tertiary education); and 5-8 for “tertiary” level. For individual country-level mappings to the ISCED 2011 classifications, please see <https://isced.uis.unesco.org/data-mapping/>.
  - Indicators sourced from the Gallup World Poll correspond to: completed elementary education or less (up to eight years of basic education) for “primary” level; completed some secondary education up to three years tertiary education (9 to 15 years of education) for “secondary” level; and completed four years of education beyond “high school” and/or received a four-year college degree for “tertiary” level.
- The age ranges considered can differ between indicators and are detailed in the *How’s Life? Well-being Database* metadata information (available at <https://www.oecd.org/wise/oecd-well-being-database-definitions.pdf>).

## Change over time

To identify the areas of well-being that call for closer monitoring and policy attention, it is essential to know with some degree of confidence whether an outcome is improving or worsening over time. *How’s Life? 2024* assesses change over time as the simple point change between two periods (e.g. between 2010 and the latest available year). As in editions of *How’s Life?* since 2017, a country is classified as “improving”, “deteriorating” or showing “no clear change” in a specific area of well-being with reference to indicator-specific thresholds (Table 5, Table 6). This report uses terms like “clear”, “meaningful” or “significant” interchangeably throughout to refer to these classifications.

These thresholds take a number of factors into consideration, including the total magnitude of change observed among OECD countries, both in absolute unit values and in relative percentage change terms; the univariate distribution of values among OECD countries; the likely margin of error in the estimated

values; and where possible standardisation of thresholds across similar data sources and types of indicators.

As an additional robustness check, the resulting classifications were compared with an alternative method to assess change over time, taking into account the consistency of movement over a period (using the Spearman rank correlation coefficient between an observed value and time expressed in years) rather than the magnitude of change. Results were largely consistent (for instance, considering the OECD average, classifications matched for 75% of headline indicators with available time series since 2010).

**Table 5. Indicator-specific thresholds used to assess changes in current well-being**

Indicator	Definition	Threshold
<b>Income and wealth</b>		
Household income	Household net adjusted disposable income, measured in USD at 2021 Purchasing Power Parities (PPPs) per capita	+/- USD 1 100
S80/S20 income share ratio	Ratio of average (equivalised) household disposable income of the top 20% of the income distribution to the average income of the bottom 20%	+/- 0.3 point
Household wealth	Household median net wealth per household, measured in USD at 2021 PPPs	+/- USD 11 000
Household net wealth of the top 10%	Percentage of household net wealth held by the 10% of wealthiest households	+/- 1 percentage point
Relative income poverty	Percentage of people with (equivalised) household disposable income below 50% of the national median	+/- 0.6 percentage point
Difficulty making ends meet	Percentage of the population who report having difficulty or great difficulty in making ends meet	+/- 1.5 percentage point
Financial insecurity	Percentage of individuals who are financially insecure (defined as people who are not currently income-poor, but who have liquid financial wealth below three months of the annual national relative income poverty line)	+/- 5.5 percentage points
<b>Work and job quality</b>		
Employment rate	Employed people aged 25-64, as a percentage of the population of the same age	+/- 1 percentage point
Gender wage gap	Difference between male and female median wages, as a percentage of the male median wage	+/- 1 percentage point
Long-term unemployment rate	Percentage of the labour force unemployed for one year or more	+/- 0.2 percentage point
NEET	Percentage of youth (aged 15-24) not in employment, education or training	+/- 1 percentage point
Labour market insecurity	Average expected monetary loss associated with becoming and staying unemployed, as a share of previous earnings	+/- 0.3 percentage point
Job strain	Percentage of employees who experienced a number of job demands exceeding that of job resources	+/- 3 percentage points
Long hours in paid work	Percentage of employees usually working 50 hours or more every week	+/- 0.6 percentage point
Wages	Average annual wages per full-time employee, measured in USD at 2022 PPPs	+/- USD 1 100
Low wages	Percentage of full-time employees earning less than two-thirds of gross median earnings of all full-time employees	+/- 1.3 percentage point
P90/P10 ratio of wages	Ratio of full-time equivalent employees' earnings at the 90th percentile to earnings at the 10th percentile	+/- 0.1 point
Job satisfaction	Mean values for job satisfaction, reported on a 0-10 scale from 0 (not at all satisfied) to 10 (completely satisfied)	+/- 0.2 point
Low job satisfaction	Percentage of people reporting a score of 4 or below on a 0-10 scale for job satisfaction	+/- 0.5 percentage point
Vertical inequality in job satisfaction	Ratio of the score of the top 20% over the score of the bottom 20% for job satisfaction	+/- 0.1 point
<b>Housing</b>		
Overcrowding rate	Percentage of households living in overcrowded conditions	+/- 1.5 percentage point
Housing affordability	Percentage of household gross adjusted disposable income remaining after deducting housing rents and maintenance	+/- 0.5 percentage point
Housing cost overburden	Percentage of households in the bottom 40% of the income distribution spending over 40% of their disposable income on housing costs	+/- 1.2 percentage point

Indicator	Definition	Threshold
Households with high-speed Internet access	Percentage of households with broadband Internet access at home	+/- 1 percentage point
Energy poverty	Percentage of households reporting they cannot afford to keep their dwelling adequately warm	+/- 1.5 percentage point
<b>Health</b>		
Life expectancy at birth	Life expectancy at birth, measured in years	+/- 0.5 year
Perceived health	Percentage of the population aged 15 or over reporting "good" or "very good" health	+/- 3.5 percentage points
Deaths of despair	Combined deaths from suicide, acute alcohol abuse and drug overdose, measured per 100 000 population (age-standardised)	+/-1.9 deaths
Depressive symptoms	Percentage of the population 15 years or over reporting having experienced a range of depressive symptoms in the past two weeks	+/- 0.3 percentage point
<b>Knowledge and skills</b>		
PISA score (maths)	PISA mean scores in mathematics of 15-year-old students	Based on OECD's Programme for International Student Assessment (PISA) confidence intervals
PISA score (reading)	PISA mean scores in reading of 15-year-old students	
PISA score (science)	PISA mean scores in science of 15-year-old students	
Students with low skills	Share of 15-year-old students who score below Level 2 in mathematics, reading and science (i.e. all subjects combined)	+/- 3 percentage points
<b>Environmental quality</b>		
Air pollution	Percentage of the population exposed to PM <sub>2.5</sub> above 5 micrograms/m <sup>3</sup>	+/- 1.2 percentage point
Exposure to extreme temperatures	Percentage of the population exposed to hot days (maximum temperature > 35°C) for at least two weeks a year	+/- 2 percentage points
<b>Subjective well-being</b>		
Life satisfaction	Mean values for life satisfaction, reported on a 0-10 scale from 0 (not at all satisfied) to 10 (completely satisfied)	+/- 0.2 point
Low life satisfaction	Percentage of people reporting a score of 4 or below on a 0-10 scale for life satisfaction	+/- 0.5 percentage point
Vertical inequality in life satisfaction	Ratio of the score of the top 20% over the score of the bottom 20% for life satisfaction	+/- 0.1 point
Negative affect balance	Percentage of the population reporting more negative than positive feelings and states in a typical day	+/- 3 percentage points
Worry	Percentage of the population who reported experiencing worry a lot the previous day	+/- 3 percentage points
Sadness	Percentage of the population who reported experiencing sadness a lot the previous day	+/- 3 percentage points
Enjoyment	Percentage of the population who reported experiencing enjoyment a lot the previous day	+/- 3 percentage points
Smile/Laugh	Percentage of the population who reported smiling or laughing a lot the previous day	+/- 3 percentage points
Pain	Percentage of the population reporting experiencing physical pain a lot the previous day	+/- 3 percentage points
<b>Safety</b>		
Homicides	Deaths due to assault, age-standardised rate, per 100 000 population	+/- 0.3 death
Feeling safe at night	Percentage of people declaring that they feel safe when walking alone at night in the city or area where they live	+/- 3 percentage points
Road deaths	Road deaths, rate per 100 000 population	+/- 0.5 death
<b>Work-life balance</b>		
Time off	Time allocated to leisure and personal care, hours per day, people in full-time employment	+/- 20 minutes
Satisfaction with time use	Mean values for satisfaction with time use, reported on a 0-10 scale from 0 (not at all satisfied) to 10 (completely satisfied)	+/- 0.2 point
Low satisfaction with time use	Percentage of people reporting a score of 4 or below on a 0-10 scale for satisfaction with time use	+/- 0.5 percentage point
Vertical inequality in satisfaction with time use	Ratio of the score of the top 20% over the score of the bottom 20% for satisfaction with time use	+/- 0.1 point

Indicator	Definition	Threshold
<b>Social connections</b>		
Social support	Percentage of people reporting that they have relatives or friends they can count on to help them in times of trouble	+/- 3 percentage points
Social interactions	Time spent interacting with friends and family as primary activity, hours per week	+/- 20 minutes
Satisfaction with personal relationships	Mean values for satisfaction with personal relationships, reported on a 0-10 scale from 0 (not at all satisfied) to 10 (completely satisfied)	+/- 0.2 point
Low satisfaction with personal relationships	Percentage of people reporting a score of 4 or below on a 0-10 scale for satisfaction with personal relationship	+/- 0.5 percentage point
Loneliness	Percentage of people feeling lonely most or all of the time in the past four weeks	+/- 1.5 percentage point
<b>Civic engagement</b>		
Voter turnout	Votes cast among the population registered to vote in major national elections	+/- 3 percentage points
Having a say in government	Percentage of respondents with a score of $\geq 6$ , on a scale of 0 (not at all) to 10 (a great deal) when asked, "How much would you say the political system in your country allows people like you to have a say in what the government does?"	+/- 3 percentage points

Note: The following indicators have not been included in this table due to insufficient time series to evaluate change over time: long unpaid working hours, gender gap in total hours worked, adult skills in numeracy and literacy.

**Table 6. Indicator-specific thresholds used to assess changes in resources for future well-being**

Indicator	Definition	Threshold
<b>Natural capital</b>		
Greenhouse gas emissions per capita	Total greenhouse gas emissions from domestic production, excluding those from land use, land-use change and forestry (LULUCF), kilograms per capita, CO <sub>2</sub> equivalent, thousands	+/- 0.5 kilograms, thousands
Renewable energy supply	Renewable energy, as a percentage of the total primary energy supply	+/- 2.5 percentage points
Biodiversity (Red List Index of threatened species)	Red List Index, where 1.0 = all species qualifying as "Least Concern"; 0 = all species having gone extinct	Any change different from zero
Protected areas (terrestrial)	Terrestrial protected areas, as a percentage of total land area	Any change different from zero
Protected areas (marine)	Marine protected areas, as a percentage of each country's exclusive economic zone	
Water stress (internal)	Annual gross abstraction rates, as a percentage of internal resources	+/- 1.5 percentage point
Water stress (total)	Annual gross abstraction rates, as a percentage of total renewable resources	
Recycling rate	Municipal waste recycled or composted, as a percentage of all treated waste	+/- 2 percentage points
Loss/gain of natural and semi-natural land cover	Percentage of intensity of conversion to and from natural and semi-natural vegetated land	Any change different from zero
Intact forest landscapes	Intact forest landscapes, square kilometres	
Carbon footprint	Carbon dioxide emissions embodied in final domestic demand, tonnes per capita	+/- 0.5 tonne
Material footprint	Used raw material extracted to meet the economy's final demand per capita, tonnes per capita	+/- 2 tonnes
Soil nutrient balance	Nutrient surplus (nitrogen), kilograms per hectare of agricultural land	+/- 5.5 kilograms
<b>Social capital</b>		
Gender parity in politics	Percentage of women in national parliament, lower or single houses	+/- 2 percentage points
Trust in national government	Percentage of the population responding "yes" to a question about confidence in the national government	+/- 3 percentage points
Trust in others	Mean values for interpersonal trust, on a scale from 0 (not at all) to 10 (complete trust)	+/- 0.5 point
Low trust in others	Percentage of people reporting a score of 4 or below on a 0-10 scale for trust in others	+/- 0.5 percentage point
Government stakeholder engagement	Government stakeholder engagement when developing primary laws and subordinate regulations, 0 (no engagement) to 4 (maximum engagement) scale	Any change different from zero

Indicator	Definition	Threshold
Corruption	Corruption Perception Index, 0 (highly corrupt) to 100 (very clean) scale	Based on confidence intervals provided by Transparency International
Volunteering	Percentage of respondents who declared having volunteered through an organisation in the past month	+/- 3 percentage points
<b>Economic capital</b>		
Financial net worth of government	Adjusted financial net worth of general government as a percentage of GDP	+/- 3 percentage points
Household debt	Household debt as a percentage of household net disposable income	+/- 10 percentage points
Produced fixed assets	Produced fixed assets, measured in USD per capita at 2015 PPPs	+/- USD 7 700
Intellectual property assets	Intellectual property assets, measured in USD per capita at 2015 PPPs	+/- USD 600
Gross fixed capital formation	Gross fixed capital formation, annual growth rates	+/- 1 percentage point
Investment in R&D	R&D investment as a percentage of GDP	+/- 0.2 percentage point
Financial net worth of the total economy	Financial net worth of the total economy, measured in USD per capita at current PPPs	+/- USD 5 300
Leverage ratio of monetary financial institutions	Ratio of selected financial assets to financial institutions' own equity	+/- 3 points
<b>Human capital</b>		
Premature mortality	Potential years of life lost due to a range of medical conditions and fatal accidents, per 100 000 population (age standardised)	+/- 350 years
Labour underutilisation rate	Percentage of unemployed, discouraged (persons not in the labour force who did not actively look for work during the past four weeks but who wish and are available to work) and underemployed (full-time workers working less than usual during the survey reference week for economic reasons and part-time workers who wanted but could not find full-time work) workers in the total labour force	+/- 1 percentage point
Educational attainment of young adults	Percentage of people aged 25-34 with at least an upper secondary education	+/- 1 percentage point
Smoking prevalence	Percentage of people aged 15 or over who report smoking tobacco every day	+/- 1 percentage point
Obesity prevalence	Percentage of the population aged 15 or older who is obese, as reported from health interview surveys or measured through health examinations	+/- 1 percentage point

Note: The following indicator has not been included in this table due to insufficient time series to evaluate change over time: trust in the police.

## References

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# Executive summary

## Positive trends in incomes and employment outcomes but warning signs in housing costs and self-reported financial well-being

The COVID-19 pandemic and cost-of-living crisis have significantly disrupted economies and people's lives. Thanks to far-reaching government interventions to address the economic impacts of these compounding crises, and in particular to buffer financial shocks to households and business, incomes and employment outcomes have proven resilient: average disposable household incomes were sustained in real terms and by 2022 had not fallen significantly below pre-COVID levels in any OECD country, and after dropping in the first six months of 2020, OECD average employment rates were at historical highs by the first quarter of 2024.

At the same time, after several years of economic insecurity, cost-of-living pressures remain significant for many households, especially the most vulnerable. Since 2019, the share of low-income households overburdened by housing costs has increased in a third of OECD countries, and by 2023, one in 11 people in European OECD countries said they could not afford to keep their house adequately warm, up from one in 14 in 2019. In the decade prior to the pandemic, the average share of people saying they have difficulty making ends meet had fallen substantially across OECD countries, from 30% to 19%. This progress has now slowed dramatically, and almost 1 in 5 people still said they had financial difficulties in 2023.

## Limited resilience or worsening of critical non-economic aspects of well-being since 2019

People's quality of life, most notably their health, has also been adversely impacted by the crises of the past four years. Excess deaths during COVID-19 led to average life expectancy across OECD countries falling by almost half a year. At the same time, sustained reductions in OECD average fatalities from suicide, acute alcohol abuse and drug overdose (so-called "deaths of despair") in the years prior to 2019 have come to an abrupt halt since then.

There have also been negative trends in how people feel about their lives and about the quality of their relationships since the pandemic. In 2023, almost 30% of people experienced a lot of physical pain, with significant increases in two-fifths of OECD countries relative to pre-pandemic levels. Similarly, over the past four years feelings of worry and sadness worsened in many OECD economies, and trends in life satisfaction were mixed. In 2023, the share of people feeling lonely ranged from 4 to 14% across OECD countries.

## Inequalities in well-being remain striking, though some gaps have narrowed

Focusing solely on average outcomes can mask inequalities in people's circumstances and experiences, and indeed, wide gaps in well-being exist between population groups. While men in OECD countries fare

better than women in the majority of labour market outcomes, they are more likely to become a victim of homicide or to die from a suicide or drug overdose. Younger people tend to do relatively better when it comes to health, subjective well-being and social connectedness, whereas middle-aged adults are more likely to be employed and feel safer, and older people trust their government more. Those with tertiary education are systematically doing better than lower-educated peers. This is the case not only for employment outcomes, for which dividends to education are well established, but also for non-material aspects of well-being: compared to the population average, people with tertiary education are 1.5 times less likely to be lonely, and 1.3 times less likely to experience physical pain.

Over the past decade, the majority of age and gender gaps in well-being have narrowed. In some cases, this is because outcomes improved and comparatively more disadvantaged groups caught up: for example, since 2010, the share of women feeling safe walking alone at night increased at a higher rate than men's, and improvements in the long-term unemployment rate for young people doubled those of older age groups. Yet in other cases, gaps narrowed because outcomes worsened, especially for those (previously) faring better: age gaps in subjective well-being and social connectedness narrowed because younger people experienced the largest relative declines in these aspects of their lives. Narrowing gender gaps in feelings of worry, pain and loneliness were due to these outcomes worsening in particular for men.

### **Prioritising sustainability across natural, economic and social systems is key**

Much stronger action is needed to maintain today's well-being for future generations. While many OECD governments have accelerated action on climate change, reductions in greenhouse gas emissions are insufficient to keep global warming at bay. On average, one in seven people across OECD countries were exposed to extreme heat in 2023, and water stress is classified as "medium-high" in half of the OECD countries with available data. Progress in recycling rates and the creation of protected areas has slowed since 2019. Meanwhile, the Red List Index of threatened species indicates that biodiversity risks have increased in the majority of OECD countries in both the medium- and short-term.

Economic and social capital also show signs of strain. For example, inequalities in the financial net worth of government between countries have widened since 2019, and in 2023, on average 48% of people across the OECD said they trust their national government – a higher share than pre-pandemic levels, but a decline from its peak in the early years of the COVID-19 crisis.

### **A focus on well-being can help navigate an increasingly complex world**

As the findings of this report demonstrate, relying on single metrics to assess crisis recovery and monitor the economic system – or indeed the outcomes of policy choices – yields an incomplete picture. Considering a range of economic, social and environmental outcomes can help direct government action to where it is most needed. This means continuing the mitigation of income and employment shocks, while also taking seriously the impacts of the cost-of-living crisis evident in housing costs and self-reported measures of financial insecurity, addressing the non-material aspects of people's lives that show clear signs of deterioration, and prioritising sustainability concerns. It also means developing the tools and processes to systematically reflect well-being evidence in policy decisions, including strategic goal-setting, assessing trade-offs and synergies in policy appraisal and impact evaluation, and informing resource allocation. Taking a more multidimensional, people-focused and forward-looking approach will be especially important in addressing major societal shifts, from population ageing, to the deep structural transformation of digitalisation and AI, and the already very real threat of climate change. Each of these have complex, interactive effects across a wide range of outcomes for people, making integrated evidence on economic, social and environmental impacts, and well-coordinated policy responses, essential.

# 1 The state of well-being in OECD countries today

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To understand the progress of societies and to design effective public policies to improve well-being and to build resilience to crises, governments need to take an integrated approach to a range of economic, social and environmental outcomes that matter to people's lives. This short chapter introduces the OECD Well-being Framework as a basis to assess whether life as a whole is getting better for people, the planet and future generations. It illustrates the components of the Framework by presenting the latest available data on the headline indicators that span material conditions, quality of life, community relations – and inequalities in these – as well as on the natural, economic and social resources needed to maintain well-being in the future.

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In recent years, people around the globe have been hit by a series of multiple interacting shocks, sometimes referred to as “polycrises”. The COVID-19 pandemic’s far-reaching consequences for people’s lives has been followed by a cost-of-living crisis, alongside new geopolitical risks and conflicts. These shocks are occurring at the same time as policy makers grapple with major societal shifts, including population ageing, the deep structural transformation of digitalisation and AI, and the already very real impacts of climate change. In the face of these events, it is crucial to monitor whether the economic system and current policies are fit for purpose and future-proof. Delivering better lives for people, the planet and future generations not only is essential for well-being but can also boost public support for policy reforms and increase trust in the institutions that represent and serve citizens.

The *How’s Life?* publication series provides a compass to understand whether economies and societies are successfully navigating these broad challenges. The series pieces together statistics on whether life is indeed getting better for people living in OECD countries, and whether progress has been inclusive and sustainable. Building on the OECD’s pioneering Well-being Framework (Box 1.1), *How’s Life?* benchmarks countries’ performance across multiple dimensions that reflect people’s diverse experiences and circumstances today, including income, health, life satisfaction, safety and social connections, as well as the systemic resources needed to sustain standards of living in the future. The importance of such a comprehensive view of what progress entails is now widely recognised – today, more than two-thirds of OECD countries have developed national frameworks, development plans or surveys with a multidimensional well-being focus, and many governments are increasingly using well-being evidence to inform policy processes, including via strategic goal-setting, assessing trade-offs and synergies in policy appraisal and impact evaluation, and informing resource allocation (Barahona et al., 2023<sup>[1]</sup>). Considerable efforts over the past decade have been made to improve the international harmonisation of well-being indicators, including in areas such as subjective well-being and trust, and the System of National Accounts will be updated in 2025 with a view to include important well-being factors such as unpaid household work, the distribution of income and the depletion of natural capital (Barahona et al., 2023<sup>[1]</sup>). At the level of the United Nations and the European Parliament, there have also been renewed calls to develop measures of progress (and policy goals) “beyond GDP” in recognition of the multiple and interconnected challenges societies are facing today (United Nations, 2023<sup>[2]</sup>; UNECE, 2023<sup>[3]</sup>; European Parliament, 2023<sup>[4]</sup>).

*How’s Life? 2024* shines a light on well-being in OECD countries from different angles. The present (first) chapter briefly introduces the OECD Well-being Framework and illustrates its different components by showcasing what the latest available data tells us about **the state of well-being today**. The second chapter identifies **areas of well-being that require policy attention**, either because progress in the years after 2019 (and hence during the adverse shocks of the COVID-19 pandemic and the cost-of-living crisis) has slowed down, or because signs are emerging that progress might *reverse* unless action is taken. The third chapter examines **differences in well-being outcomes between population groups** to assess where gaps have narrowed or widened over the past decade. Readers interested in **trends in well-being in different OECD countries since 2010** are invited to turn to Chapter 4 for a summary of these. More detailed well-being statistics for each OECD country are available in the online country profiles accompanying this report.

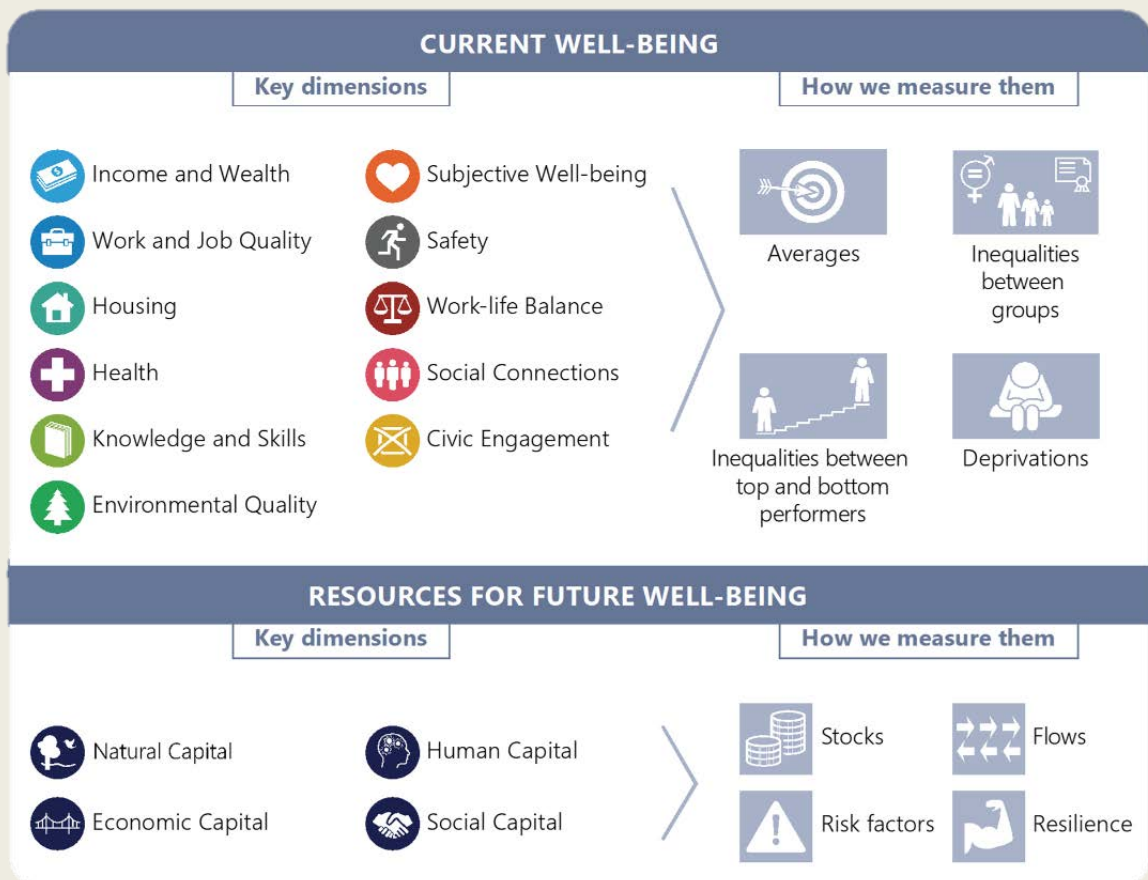
The first three chapters thus generally focus on overall patterns for the OECD average (although many figures also show country-specific results). In the spirit of concise and effective communication, Chapters 1 and 4 in most cases rely on the headline indicator set described in the Reader’s Guide. Chapters 2 and 3 draw on the full dashboard of the *OECD How’s Life? Well-being Database*.

### Box 1.1. The OECD Well-being Framework

The OECD Well-being Framework, first launched in 2011, guides the OECD’s work to assess whether life as a whole is getting better for people living in OECD countries (Figure 1.1). It includes current well-being outcomes, their distribution across the population, and the systemic resources that help to sustain outcomes over time and for future generations. This ensures a comprehensive approach to well-being, inclusion and sustainability (spanning economic, social, relational and environmental aspects).

**Current well-being** data focus on living conditions at the individual, household and community levels and describe how people experience their lives “here and now”. These data are complemented by statistics on the **resources that help to sustain well-being over time**: specifically, via four types of capital, countries’ investments in (or depletions of) these, and risk and resilience factors that will shape future changes in well-being. Separating the reporting of current well-being and its sustainability helps to assess whether maximising the former comes at the cost of compromising the latter (or vice versa), which can inform intertemporal trade-offs in policy design and indicate the intergenerational outlook for a country’s well-being.<sup>1</sup>

Figure 1.1. The OECD Well-being Framework



Source: OECD (2020<sup>[5]</sup>) *How's Life? 2020: Measuring Well-being*, OECD Publishing, Paris, <https://doi.org/10.1787/23089679>.

Current well-being is comprised of 11 dimensions. These dimensions relate to **material conditions** that shape people's economic options (income and wealth, work and job quality, housing) and **quality-of-life** factors that encompass how well people are (and how well they feel they are), what they know and can do, and how healthy and safe their places of living are (health, knowledge and skills, environmental quality, subjective well-being, safety). Quality of life also encompasses **community relationships**, or how connected and engaged people are, and how and with whom they spend their time (work-life balance, social connections, civic engagement).

As national averages often mask large inequalities in how different parts of the population are doing, the distribution of current well-being is taken into account by looking at **three types of inequality**: gaps between population groups (e.g. between men and women, old and young people, etc., collectively described as horizontal inequalities); gaps between those at the top and those at the bottom of the achievement scale in each dimension (e.g. the income of the richest 20% of individuals compared to that of the poorest 20%), referred to as vertical inequalities; and deprivations (i.e. the share of the population falling below a given threshold, such as a minimum level of skills or health).

The systemic resources that support future well-being over time are expressed in terms of four types of capital, i.e. stocks that last over time but are also affected by decisions taken (or not taken) today. **Economic capital** includes both man-made and financial assets; **natural capital** encompasses naturally occurring assets and ecosystems, from tradable items such as minerals and timbers through to oceans and the atmosphere; **human capital** refers to the skills and future health of individuals; and **social capital** refers to the social norms, shared values and institutional arrangements that foster co-operation. Many of these capital stocks stretch well beyond those "owned" by private agents and are, effectively, public goods: for example, an individual's beliefs in how much others can be trusted contributes to the overall atmosphere of interpersonal trust in a country or community, while greenhouse gas emissions in one country influence the world's overall climate. In addition to considering capital stocks and flows, the How's Life? Well-being dashboard also includes some key risk and resilience factors that might affect the well-being value of those stocks and flows in future. For example, high levels of household debt can pose risks to future economic prospects, while the inclusiveness of decision-making in politics can be a protective factor for well-being.

Note:

1. People's perceptions of the ability of government to make fair decisions towards different generations has been found to be an impactful driver of trust in public institutions (OECD, 2024<sup>[6]</sup>).

## The state of well-being in OECD countries today

The following sections present the latest available data, for the OECD average, on the range of aspects that make up current well-being and resources for future well-being in the OECD Well-being Framework (Box 1.2). More recent trends in well-being during the pandemic and cost-of-living crisis and country-specific results are discussed in Chapters 2 and 4.

### Box 1.2. What does the latest available well-being data capture – a note on timeliness and frequency

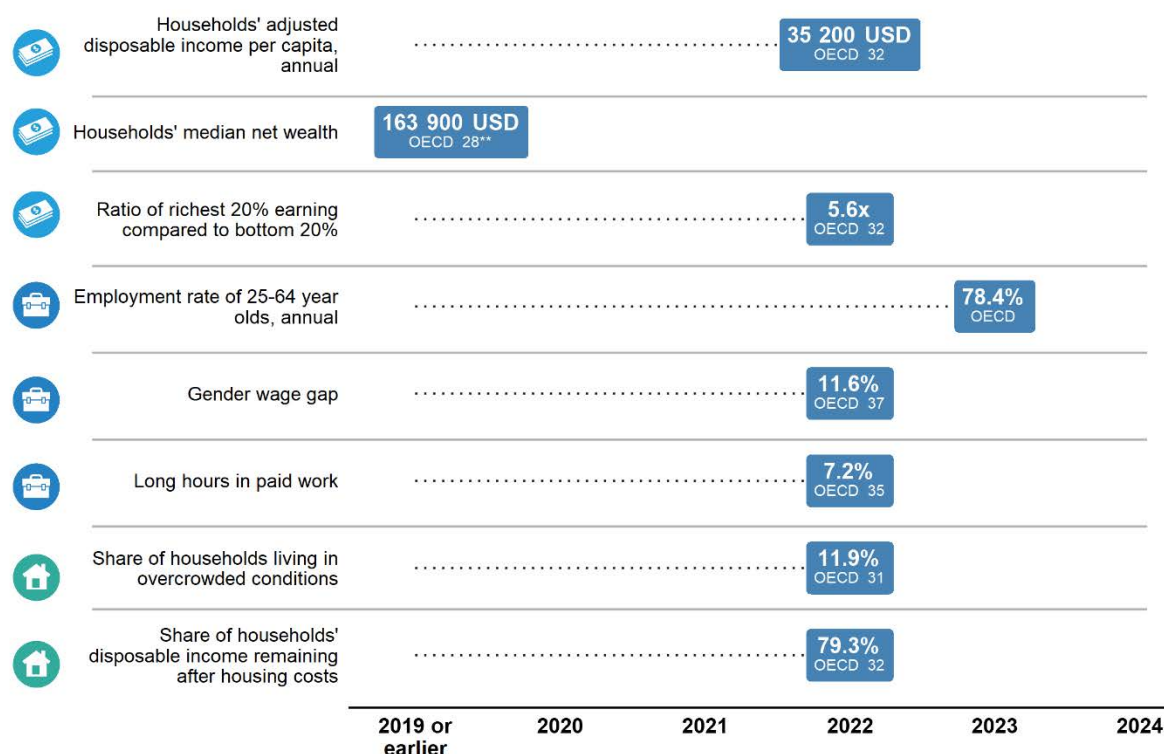
Effective policy formulation and evaluation relies on up-to-date information that can ideally be benchmarked against baseline values. Furthermore, assessing how well-being has fared during recent crises (and whether it has recovered) requires data that were collected before as well as during or after these specific events occurred. The majority of headline indicators used in this report fulfil these criteria well and can be analysed for the period of the ongoing recovery from the COVID-19 pandemic and the onset of the cost-of-living crisis. Indeed, almost all the headline indicators capturing people's material conditions and quality of life (under current well-being) and six out of the nine headline indicators capturing resources for future well-being are available from 2022 or later. However, when it comes to assessing the state of community relationships, half of the six respective headline indicators rely on time use surveys, which are unfortunately conducted very infrequently. With a few exceptions (e.g. Austria and the United States for which time use data is available up to 2022), relevant information for most countries was collected before 2018, and in some cases the most recent data point goes back as far as 2006.

### ***Current well-being: Material conditions***

The average household in OECD countries had about USD 35 200 per capita available to spend (after taxes and transfers) in 2022 and USD 163 900 annual median household net wealth in 2019 (Figure 1.2).<sup>1</sup> In 2023, 78% of those aged 25-64 were employed (Figure 1.2).<sup>2</sup> Around one in 14 employees in OECD countries routinely worked long hours (50 or more) each week in 2022, potentially impinging on their leisure time, personal care, and ability to contribute to unpaid work within a household (Figure 1.2). In the same year, on average, almost 12% of OECD households were living in overcrowded conditions, and on average they had 79% of their disposable income left after housing rents and maintenance costs (Figure 1.2). When it comes to inequalities in material conditions, men earned about 12% more than women in OECD countries, and the richest 20% (of the income distribution) received on average 5.6 times more income than the poorest 20% in 2022 (Figure 1.2).

## Figure 1.2. Well-being today: Material conditions

Headline indicators for the dimensions of income and wealth, work and job quality, and housing, OECD average, latest available year



Note: \*\* denotes indicators for which the latest available year falls between 2016 and 2019.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[7]</sup>), <http://data-explorer.oecd.org/s/fu>.

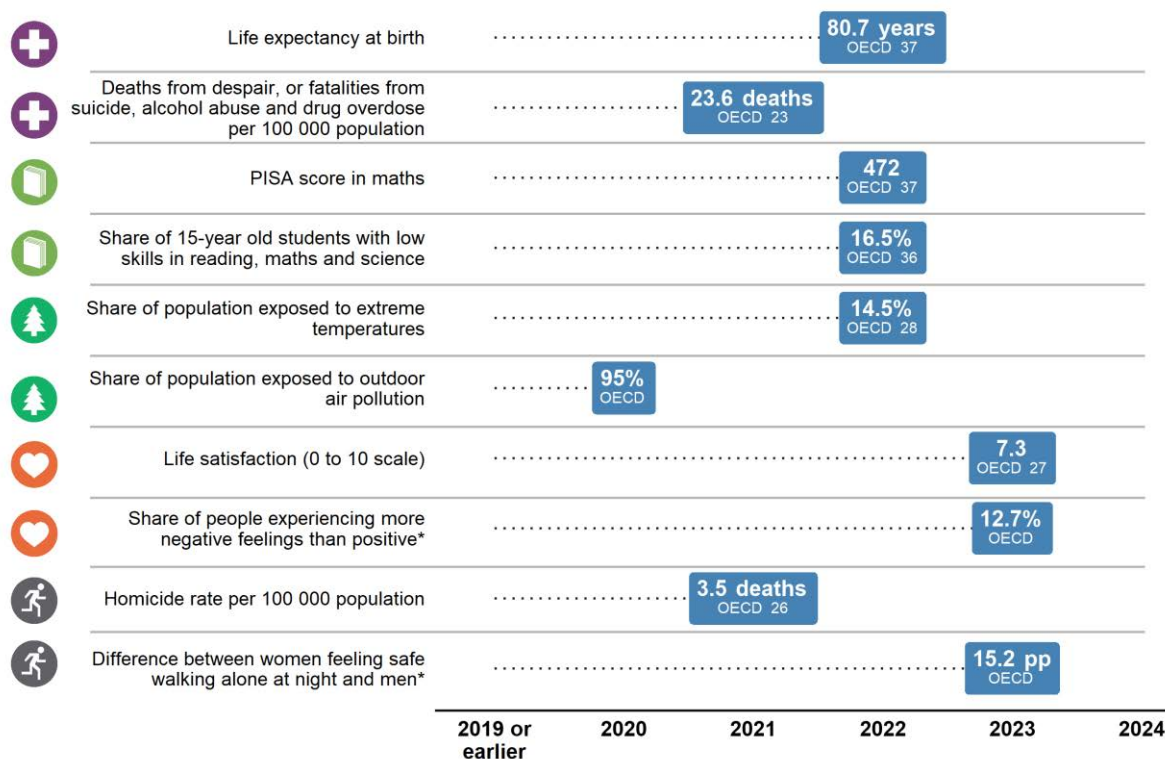
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### Current well-being: Quality of life

A newborn in 2022 could expect to live 80.7 years, on average, across all OECD countries. In the same year, approximately one out of every six 15-year-old students in OECD countries had skills below “baseline” levels, meaning they scored low in all three subjects of maths, reading and science, as assessed by the OECD’s PISA survey (Figure 1.3). Deaths of despair (i.e. fatalities from suicide, acute alcohol abuse and drug overdose) averaged 23.6 deaths per 100 000 population in 2021 – more than sixfold the number of average homicides (3.5 deaths per 100 000 population) (Figure 1.3). On average in the OECD, men report feeling safer than women: 82% of men compared with 67% of women in 2022-23 said they feel safe when walking alone at night in the neighbourhoods where they live.


### Figure 1.3. Well-being today: Quality of life

Headline indicators for the dimensions of health, knowledge and skills, environmental quality, subjective well-being and safety, OECD average, latest available year



Note: \* denotes indicators for which values are pooled over multiyear periods (due to sample size) and for which only the latest year is displayed. Exposure to extreme temperatures refers to the OECD total.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>(7)</sup>), <http://data-explorer.oecd.org/s/fu>.

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When people were asked how satisfied they are with their lives on a scale from 0 (not at all satisfied) to 10 (completely satisfied), the average evaluation in OECD countries in 2023 was 7.3. Meanwhile, approximately one in eight people experienced more negative feelings (anger, sadness, worry) than positive ones (enjoyment, laughing or smiling a lot, well-rested) in a typical day (Figure 1.3). Finally, indicators of environmental quality point to worrying patterns: nearly the entire population across OECD countries were exposed to harmful levels of air pollution in 2020.<sup>3</sup> And in 2023, almost 15% of the population experienced at least two weeks of days with a maximum temperature of over 35°C per year (Figure 1.3).

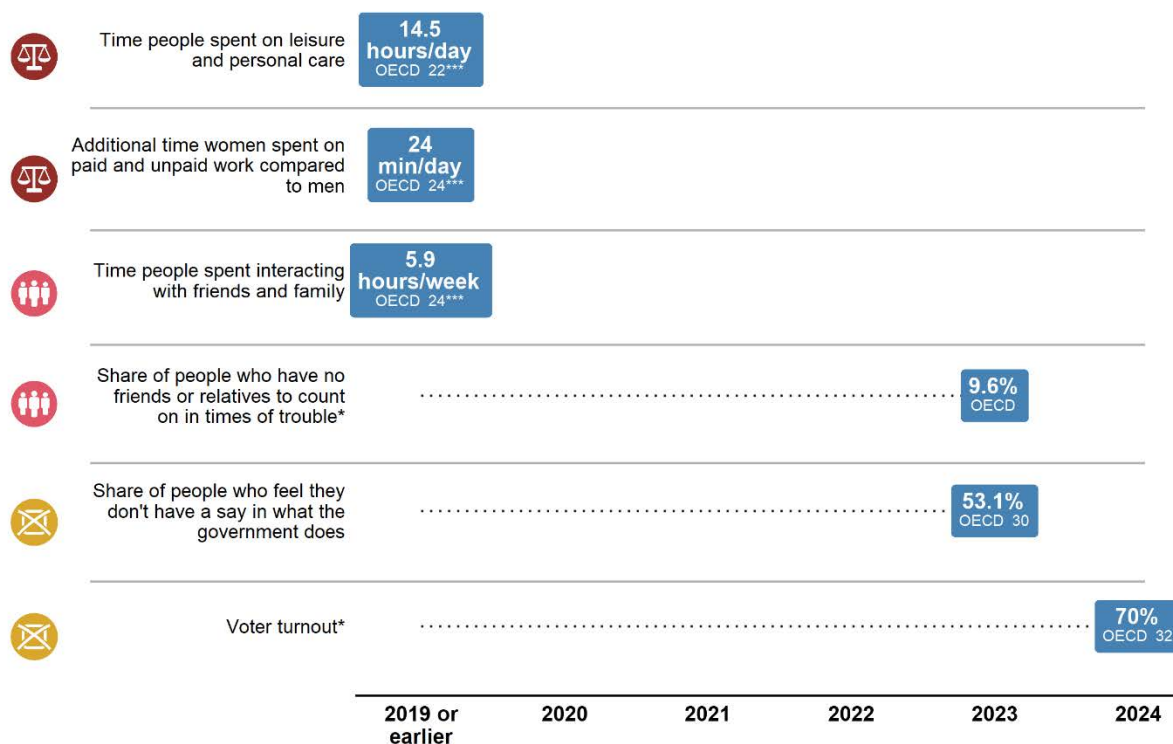
#### Current well-being: Community relationships

Depending on the country, the community relationships indicators relying on time use surveys mostly mainly refer to the period between 2012 and 2018, before the most recent crises.<sup>4</sup> According to these older estimates, people across OECD countries spend on average about 14.5 hours per day on leisure and personal care (including sleep), and around 6 hours per week in social interactions (such as talking with family members or going out with friends). If both paid and unpaid work are taken into account, women work longer hours than men in almost every OECD country, on average by 24 minutes per day, or 12 hours per month (Figure 1.4). More recently collected data indicate that almost one in 10 people across OECD

countries said they had no friends or relatives to count on in time of trouble in 2022-23 (Figure 1.4). In parliamentary or presidential elections between 2019-24, on average 70% of people registered to vote turned up to cast a ballot; however, in 2023 more than half of the population in the OECD felt they do not have a say in what the government does (Figure 1.4).


### Figure 1.4. Well-being today: Community relationships

Headline indicators for the dimensions of work-life balance, social connections and civic engagement, OECD average, latest available year



Note: \* denotes indicators for which values are pooled over multiyear periods (due to sample size) and for which only the latest year is displayed. \*\*\* denotes indicators for which the latest available year falls between 2006 and 2022.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.(7)), <http://data-explorer.oecd.org/s/fu>.

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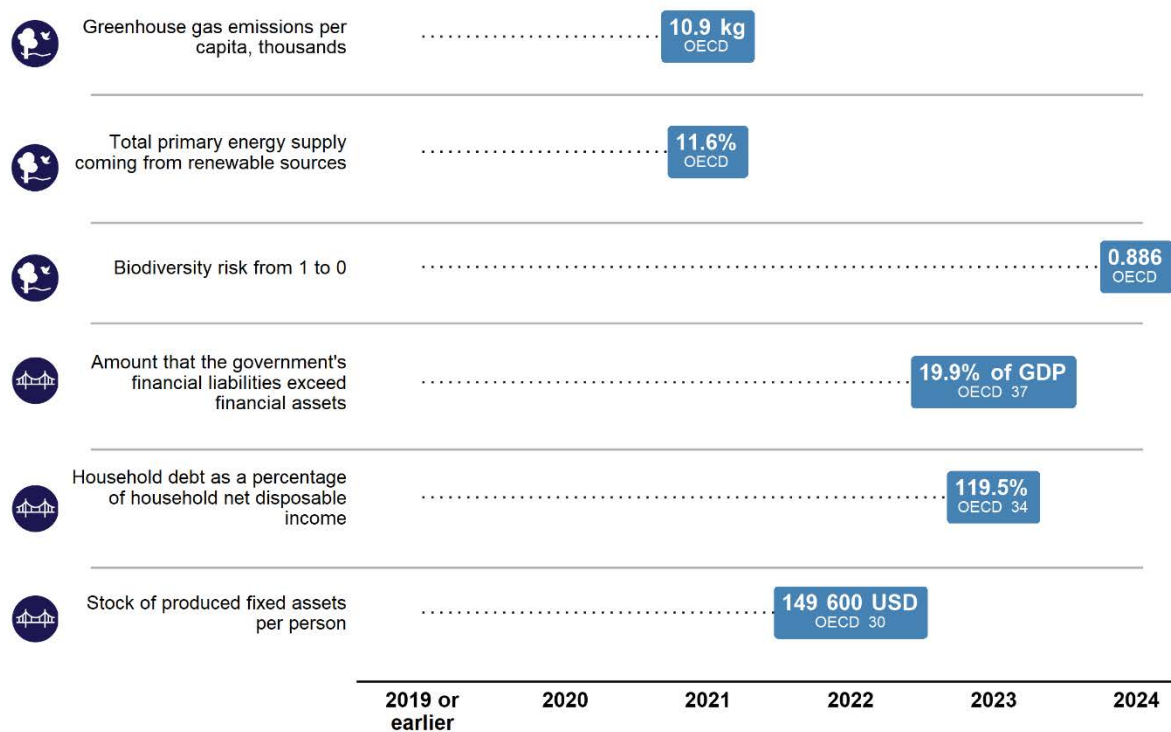
### Resources for future well-being

Sufficient material conditions, good quality of life and strong community relationships for all parts of the population can last over time only if the resources that sustain well-being today are maintained and if risks to the economic, natural and societal systems are detected and appropriately managed. Accordingly, the OECD Well-being Framework includes sustainability in the form of natural, social, economic and human capital.

Natural capital concerns both natural assets (e.g. natural land cover, biodiversity) and ecosystems and their services (e.g. oceans, forests, soil and the atmosphere). According to the most recent headline indicators, average greenhouse gas emissions (CO<sub>2</sub> equivalent) were at around 10 900 kilograms per capita across OECD countries and 12% of the total primary energy supply came from renewable sources in 2021 (Figure 1.5). The average Red List Index (which considers the overall extinction risk for species including birds, mammals, amphibians, cycads and corals) for OECD countries stood at 0.886 in 2024 (on a scale of 1 to 0, where 1 means that all species fall into the least concern category and 0 means all species are extinct) (Figure 1.5).

### Figure 1.5. Well-being tomorrow: Natural and economic resources for future well-being

Headline indicators for natural and economic capitals, OECD average, latest year available



Note: Greenhouse gas emissions and renewable energy refer to the OECD total.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[7]</sup>), <http://data-explorer.oecd.org/s/fu>.

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Economic capital consists of the different produced and financial capital stocks of countries. Across OECD countries, government financial liabilities exceeded financial assets by about 20% of GDP in 2023 (Figure 1.5). In the same year, at the household level, average household debt equated to around 120% of household disposable income across the OECD (Figure 1.5). The OECD average stock of produced fixed assets per person stood at USD 149 600 in 2022 (Figure 1.5).

Human capital refers to the skills, competencies and health of people in an economy, with a view to their future contributions to well-being. On average more than 86% of young adults in OECD countries had completed at least upper secondary education in 2022 (Figure 1.6). About one in eight individuals in the labour force were unemployed, discouraged from seeking work or underemployed (e.g. involuntarily working part-time), indicating their unrealised potential and the risk of skills degradation (Figure 1.6). In

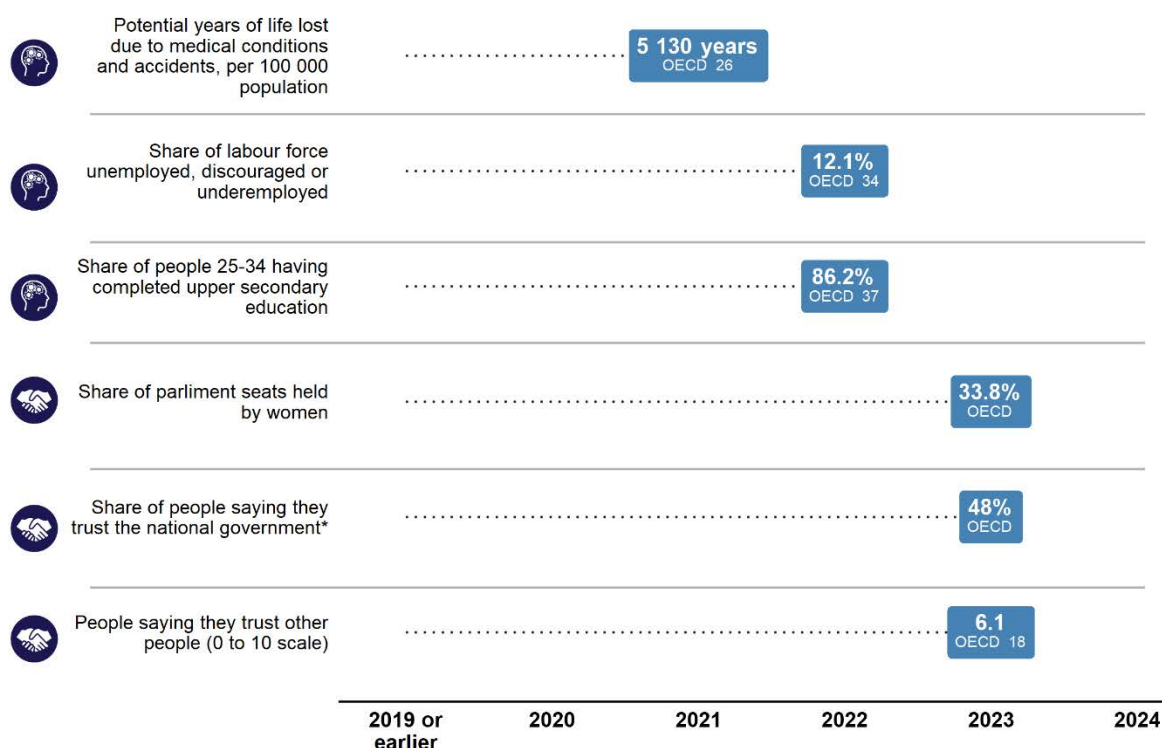


2021, estimates of average premature mortality for the OECD pointed to 5 130 potential years of life lost per 100 000 population due to a range of medical conditions and fatal accidents (Figure 1.6).


Social capital is about a society's networks, norms and shared values that foster co-operation among different groups. When people across OECD countries are asked whether they trust others in general (on a scale from 0 to 10, where 0 means "not at all" and 10 means "completely") the average mean score was 6.1 in 2023 (Figure 1.6). In the same year, close to half of the population (48%) said they trusted their national government (Figure 1.6). For the OECD as whole, gender parity in public decision-making has not yet been reached in 2023: on average, women held just over a third of parliamentary seats (Figure 1.6).

### Figure 1.6. Well-being tomorrow: Human and social resources for future well-being

Headline indicators for human and social capitals, OECD average, latest available year



Note: \* denotes indicators for which values are pooled over multiyear periods (due to sample size) and for which only the latest year is displayed.  
Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[7]</sup>), <http://data-explorer.oecd.org/s/fu>.

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## Notes

<sup>1</sup> More recent quarterly data show that the average household in OECD countries had about USD 7 350 per capita available to spend (after taxes and transfers, *excluding* transfers in kind) in the first quarter of 2024. Quarterly and annual household income statistics are not directly comparable.

<sup>2</sup> More recent quarterly data show that the employment rate of the entire working age population (aged 15 to 64) was at an all-time high of 70.2% in the first quarter of 2024. Quarterly and annual employment statistics as used in this report are not directly comparable, as they refer to different age ranges.

<sup>3</sup> Following the newly updated World Health Organisation's 2021 guidelines for air quality which recognise the increasing evidence that air pollution affects negatively impacts human health at even lower concentrations than previously understood (WHO, 2021<sup>[8]</sup>).

<sup>4</sup> Only Austria, Japan and the United States have time use data after 2021 that were able to be incorporated into this report.

## 2 How has well-being fared during recent crises?

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The interrelated crises of the past four years have affected many dimensions of well-being. While employment outcomes have proven to be resilient and average household incomes have not deteriorated, progress in other aspects of people's material conditions has slowed down post-2019. The impact of the cost-of-living crisis becomes particularly apparent when asking people themselves how they evaluate their financial circumstances. Meanwhile, life expectancy and student skills decreased across OECD countries in the context of the pandemic, and well-being dimensions such as subjective well-being and social connectedness exhibit signs of downward risks, should their current trajectory continue. There are also warning signs across some resources for future well-being, particularly natural and social capital.

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The past four years, starting with the COVID-19 pandemic in 2020 followed by the cost-of-living crisis in mid-2021, have brought about disruptive change to OECD economies. This chapter contrasts short-term developments in well-being since 2019 with medium-term trends since 2010 to understand how different aspects of well-being are being affected over time (see Box 2.1 for more details).<sup>1</sup>

In many cases, the latest available data show that average well-being outcomes today are significantly higher than around a decade ago (when the world was in the aftermath of another disruptive event, the 2008 global financial crisis) (see also Chapter 4). The series of recent shocks has nonetheless impacted many areas of well-being. While employment outcomes have bounced back and average household incomes have not deteriorated relative to 2019, progress in other aspects of people's material conditions has slowed down since then. The impact of the cost-of-living crisis becomes particularly apparent when asking people themselves how they evaluate their financial circumstances. Meanwhile, life expectancy and student skills have decreased across OECD countries in the context of the pandemic, and well-being dimensions such as subjective well-being and social connectedness exhibit signs of downward risks, should their current trajectory continue. There are also warning signs across some areas of resources for future well-being, particularly natural and social capital.

Many aspects of economic capital have on average proven to be resilient to recent crises, although countries' trajectories are diverging for some indicators, including the financial net worth of government. There are clear warning signs for natural capital, where much stronger action is needed to combat climate change. Across OECD countries, progress in recycling rates and the creation of protected areas has slowed down since 2019. The risks to biodiversity as measured by the Red List Index of threatened species have risen in the majority of OECD countries in both the medium- and short-term and almost 15% of the population for the OECD on average was exposed to extreme heat in 2023, up from 13% in 2010. Trends in social capital, including recently declining rates of trust in government and little progress on perceived public sector integrity, should also be closely monitored by policy makers.

## Box 2.1. Analytical approach for contrasting medium- vs short-term developments in well-being

This chapter assesses trends in well-being in two ways:

- **Indicator-specific thresholds** are used to classify change between two points in time as genuine improvement, deterioration, or no clear trend (see the Reader's Guide for more details)
- **Annualised changes** are examined for each indicator in different periods of time, to identify patterns in the historical context that can be considered "unusual" (within the constraints of data availability).

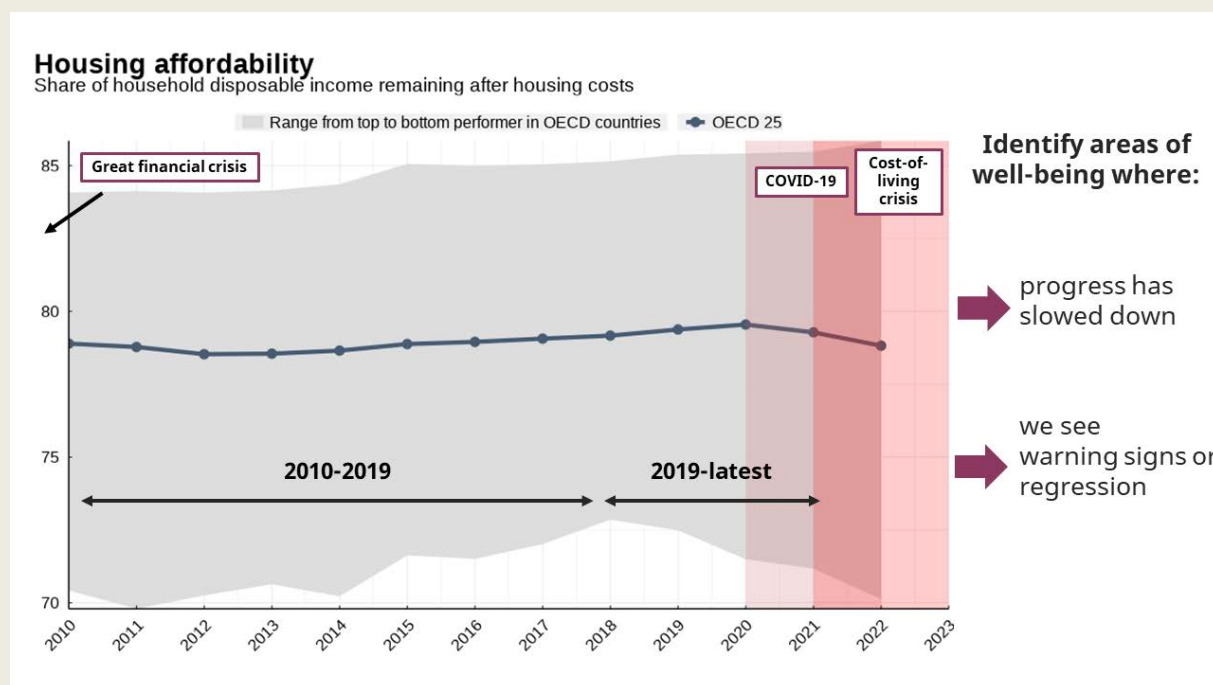
### Time periods

To assess both **medium-term** and **short-term** trends in well-being, this chapter considers three points in time for each indicator: a first baseline year of **~2010** (to represent what well-being looked like just over a decade ago), a second baseline year of **2019** (before the COVID-19 pandemic), and the **latest available year** (the state of well-being today) (Figure 2.1).

2010 was chosen as the first baseline year to maximise country coverage for the time series. Given that 2010 came in aftermath of the 2008 global financial crisis, a time when many well-being outcomes had deteriorated in OECD countries, the analysis presented in this chapter was repeated with alternative baseline years before and after the financial crisis (2007, 2013). These robustness checks confirmed that overall, the patterns were similar, no matter the year considered.

### Figure 2.1. Time periods considered for assessing changes in well-being

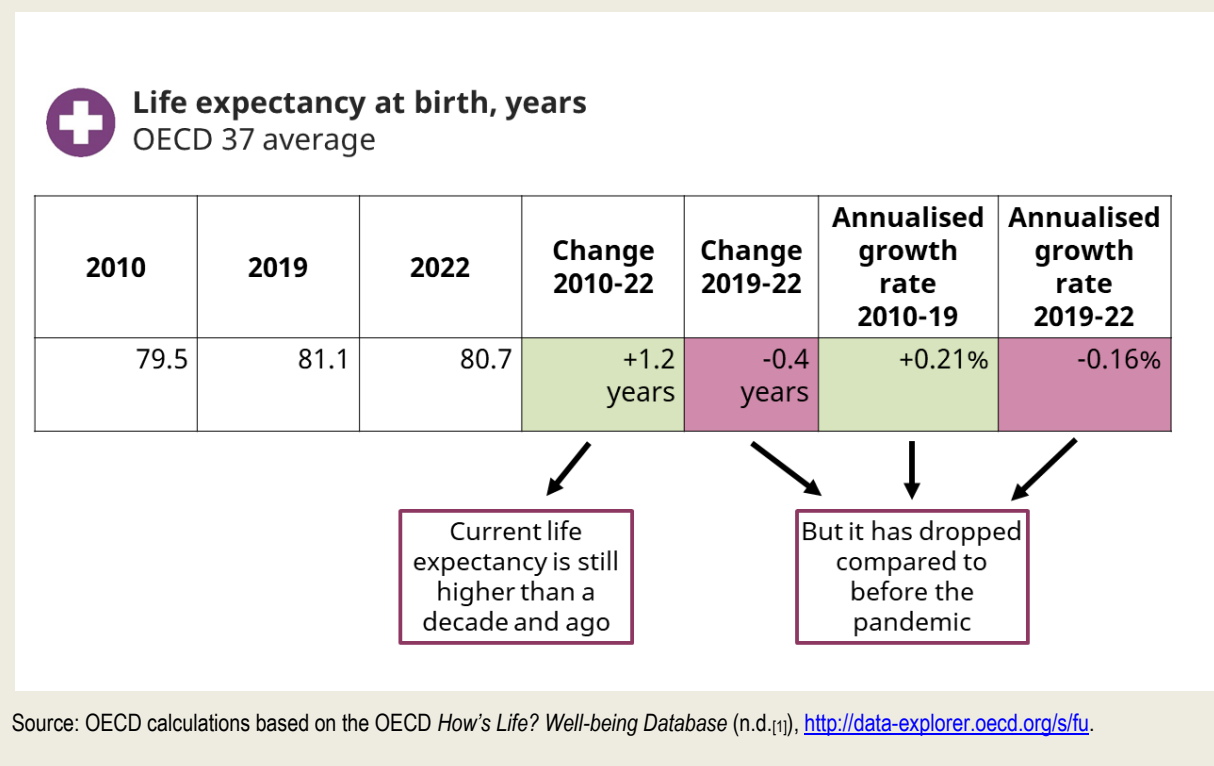
Time periods considered in this chapter, illustrated for the indicator of housing affordability



Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

Using the example of life expectancy, Figure 2.2 illustrates how data is interpreted in this chapter using above methods. In the latest available year, 2022, a newborn could, on average across OECD countries, expect to live 80.7 years. This is more than one year higher than around a decade ago, an improvement according to the indicator-specific threshold for meaningful change (see Reader's Guide). But average life expectancy today is lower than in 2019, just before the COVID-19. This trend is also visible when comparing annualised growth rates between 2010-19 (positive, at 0.21%), and 2019-the latest available year (negative, at -0.16%).

**Figure 2.2. Example: Interpretation of changes over time for life expectancy**



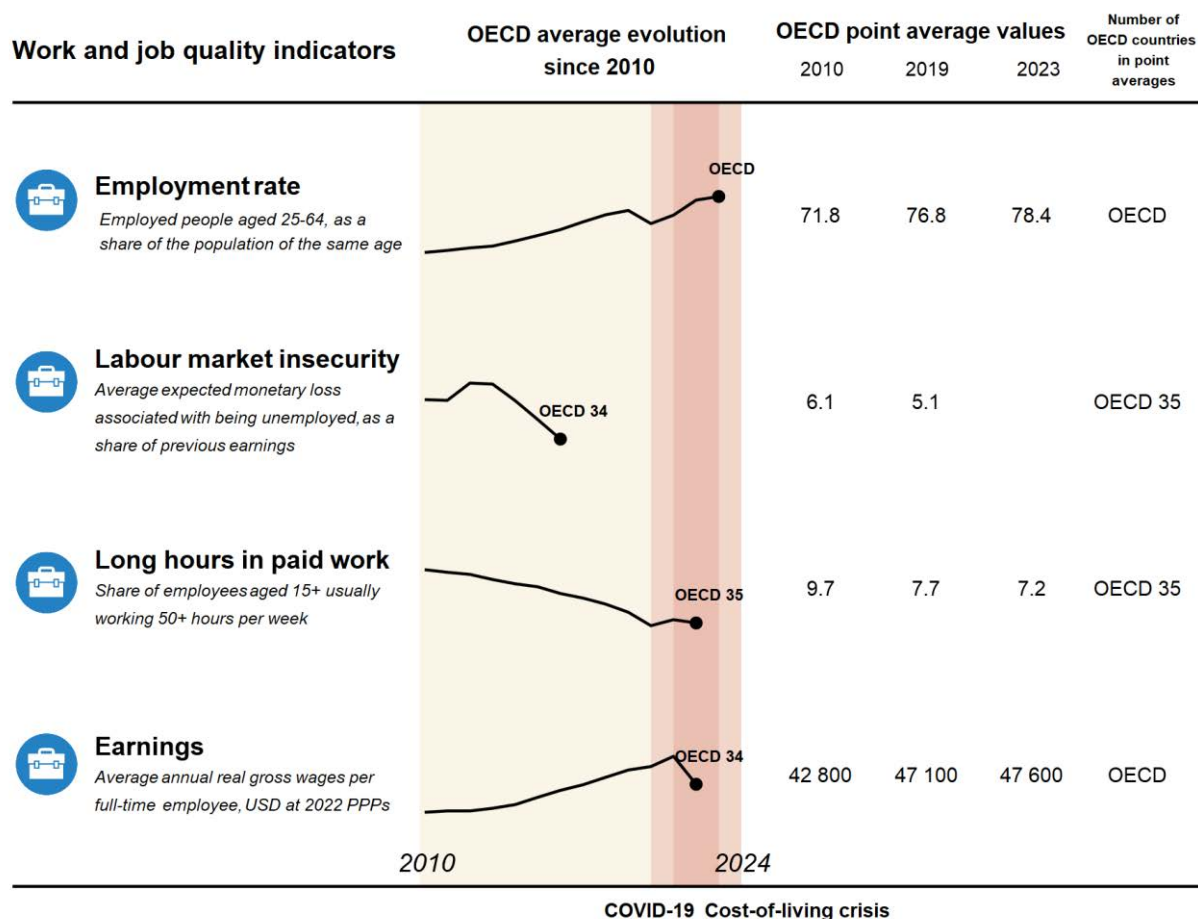
## Post-2019, many material conditions that had on average been improving over the past decade have now stagnated

Several aspects of household's material conditions across OECD countries have, on average, proven resilient to the shocks of the past four years, and did not deteriorate relative to 2019. This was partly due to governments taking a sequence of far-reaching actions aimed at containing the pandemic, buffering income shocks to households and businesses, and addressing inflation, which supported employment outcomes and average household incomes in particular. Despite this, progress relative to pre-pandemic levels has slowed down or reversed in several other aspects of material conditions. This is most visible when it comes to people's own evaluations and feelings about their economic circumstances.

## Work and job quality

Figure 2.3. At a glance: Work and job quality outcomes over time

Selected work and job quality indicators, OECD average, 2010-23 or latest available year



Note: 2010 refers to 2010 or the earliest year available (between 2010-15); 2019 refers to 2019 or the closest pre-pandemic year available (between 2016-19); 2023 refers to 2023 or the latest year available (between 2020-23). The trendlines in the OECD average evolution since 2010 refer to only those countries with data available for every year shown in order to keep the sample constant across all years. This means that only countries with a complete time series are included and the time series are not always directly comparable with the point averages. Refer to the Reader's Guide for further details.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[11]</sup>), <http://data-explorer.oecd.org/s/fu>.

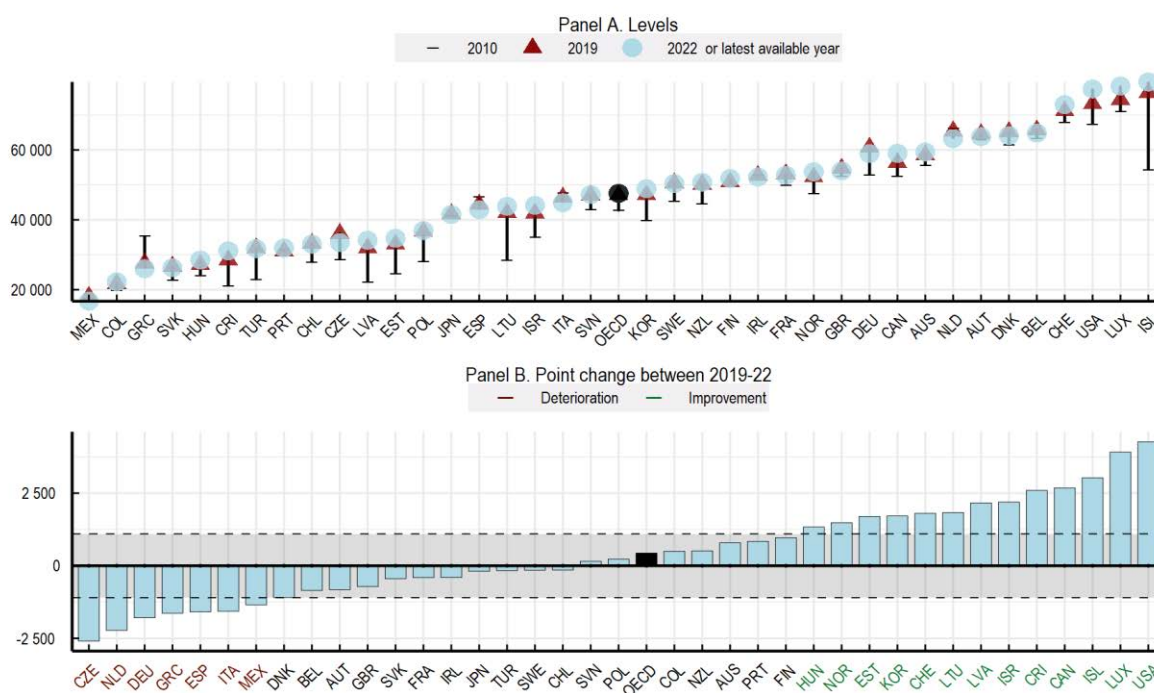
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From a purely quantitative perspective, labour markets in OECD countries have generally proven resilient to the recent series of economic shocks, including to inflationary pressures. After employment dropped in the first six months of 2020, many countries saw it reach historically high levels in 2023, alongside low levels of unemployment (OECD, 2024<sup>[21]</sup>). For instance, the average OECD employment rate (for people aged 25-64) stood at 78.4% in 2023, 1.6 percentage points higher than before the COVID-19 crisis (Figure 2.3). Quarterly employment rates also remained at record historical values by Q1 2024. Meanwhile, the OECD unemployment rate (which rose in the beginning of the pandemic but was already back to its pre-COVID-19 level in January 2022) reached a record low of 4.9% in December 2023 and remained at this value in the first half of 2024 (OECD, 2024<sup>[21]</sup>).

From a qualitative perspective, job quality trends have been mixed. On the one hand, labour market insecurity (which measures the expected monetary loss associated with becoming and staying unemployed as a share of previous earnings) improved in most OECD countries between 2015 and 2022 (Figure 2.3) (OECD, 2024<sup>[2]</sup>). The share of employees affected by long working hours across OECD countries had already been falling before COVID-19, by an average of 0.2 percentage points per year between 2010 and 2019. This average trend continued at a similar pace up until today, and contrary to initial fears that the availability of remote work in some sectors would lead to blurred boundaries between personal and working time the rise in long working hours in the first year of the COVID-19 pandemic was temporary (OECD, 2021<sup>[3]</sup>). In the latest available year, 2022, around 7% of employees across OECD countries regularly worked 50 hours or more a week (Figure 2.3).

**Figure 2.4. Since 2019, annual real wages rose in around one-third of OECD countries but declined in almost one-fifth**

Average annual real gross wages per full-time employee, USD at 2022 PPPs



Note: Real compensation per employee (instead of real wages) are considered for Iceland, Mexico and New Zealand. Average wages per full-time equivalent employee are converted using 2022 USD Purchasing Power Parities (PPPs) for private consumption and are deflated by a price deflator for private final consumption expenditures in 2022 prices. The latest available year is 2021 for Chile, Colombia and Costa Rica; and 2020 for Türkiye. In panel B, the dashed lines identify levels beyond which the magnitude of change is considered meaningful (i.e. higher/lower than +/- USD 1 100). Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>

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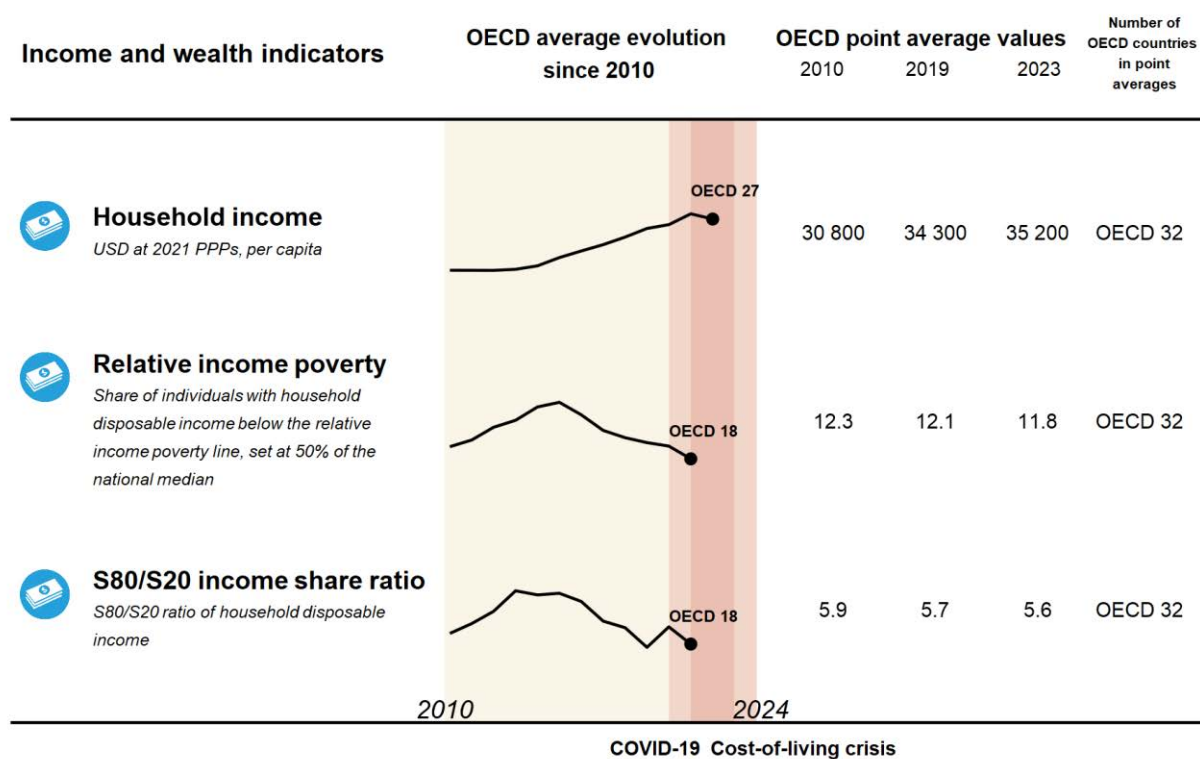


On the other hand, real wages across OECD countries grew at a less sustained pace in recent years. Between 2010 and 2019, OECD average annual real wages were growing by an annualised 1.1%. After 2019, this rate dropped to an annualised 0.3% and wages declined (i.e. fell by at least USD 1 100) in seven OECD countries (Figure 2.4, Panels A and B). In 2022, full-time employees in the OECD earned on average USD 47 600 annually (Figure 2.4, panel A). More recent quarterly data show that, while annual wage growth turned positive in a number of countries as inflation has moderated, by Q3 2023 real wages were still below their Q4 2019 level in 20 out of 35 OECD countries (OECD, 2024<sup>[2]</sup>). In addition, while earnings quality (which accounts for both the average level of earnings and their distribution across workers) was generally better across the OECD in 2021 than in 2015, it worsened between 2021 and 2022 in a context of inflation hikes and slow wage adjustment in 14 of 17 countries with available data (OECD, 2024<sup>[2]</sup>).

### Income and wealth

Figure 2.5. At a glance: Income and wealth outcomes over time

Selected income and wealth indicators, OECD average, 2010-23 or latest available year



Note: 2010 refers to 2010 or the earliest year available (between 2010-15); 2019 refers to 2019 or the closest pre-pandemic year available (between 2016-19); 2023 refers to 2023 or the latest year available (between 2020-23). The trendlines in the OECD average evolution since 2010 refer to only those countries with data available for every year shown in order to keep the sample constant across all years. This means that only countries with a complete time series are included and the time series are not always directly comparable with the point averages. Refer to the Reader's Guide for further details.

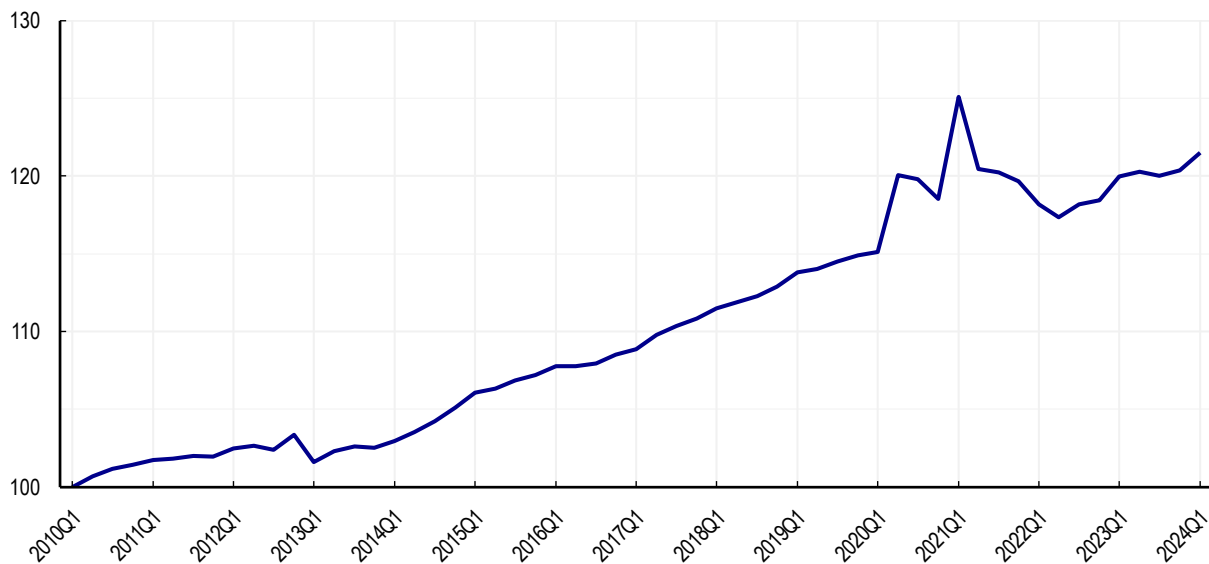
Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

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During the 2010-19 period, growth in mean household net adjusted disposable incomes for the OECD as a whole was generally sluggish at an annualised 1.2% (Figure 2.5). During the COVID-19 and cost-of-living crises, government interventions have helped to minimise job losses and sustain average incomes (OECD, 2020<sup>[4]</sup>; 2022<sup>[5]</sup>; 2022<sup>[6]</sup>; 2022<sup>[7]</sup>; OECD, 2021<sup>[3]</sup>). Thus, mean household net adjusted disposable incomes in real terms in 2022 was not significantly lower than pre-COVID levels in any OECD country, and households had on average USD 35 200 per capita available after paying taxes and accounting for transfers (Figure 2.5). More recent quarterly data up to the first quarter of 2024 on *gross* disposable household income is available for a smaller selection of OECD countries.<sup>2</sup> This more granular evolution of household income for the OECD average shows a sharp increase as governments expanded support to households during the early years of recent crisis, up to a peak in the first quarter of 2021, followed by relative decline and subsequent recovery starting in the third quarter of 2022 (Figure 2.6).


**Figure 2.6. During recent crises, household income varied year-on-year, but remained above pre-pandemic levels**

Real household gross disposable income per capita, index (2010Q1=100), OECD Total



Note: For further details, please refer to the following methodological note: <https://www.oecd.org/content/dam/oecd/en/data/methods/QSA-Methodological-Note.pdf>.

Source: OECD Household Dashboard (n.d.<sup>[8]</sup>) (database), <http://data-explorer.oecd.org/s/hk>.

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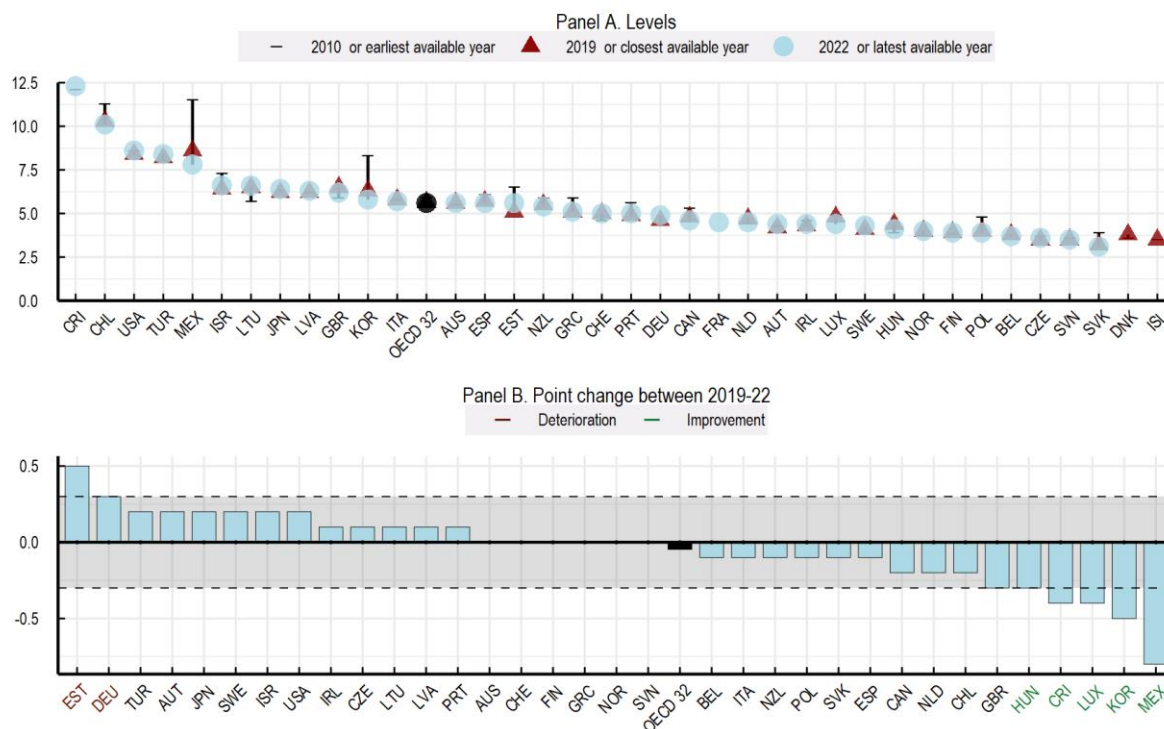
Relative income poverty has proven hard to tackle over the past decade though in many countries, concerted government efforts helped to stop it from rising post-2019. Between 2010 and 2019, the share of people across OECD countries with household disposable income below 50% of the national median fell at an average annual rate of only 0.02 percentage points (Figure 2.5). Over the 2019-22 period, the average pace of poverty reduction was then slightly more sustained (at an annualised rate of 0.1 percentage points). For the majority of OECD countries, relative income poverty over this short-term period remained stable (in 18 out of 34 countries with available data) or improved (in 11 countries it cumulatively fell by more than 0.6 percentage points) (OECD, n.d.<sup>[8]</sup>). In 2022, just under 12% of people across OECD countries lived in relative income poverty (Figure 2.5).

Meanwhile, progress on the reduction of income inequality, measured by the ratio of household disposable income of the richest 20% (of the income distribution) relative to that of the poorest 20%, has stalled. For

the OECD as a whole, the income quintile ratio fell at an (already slow) average annual rate of 0.03 between 2010 and 2019. However, between 2019 and 2022 the fall slowed to half of this prior rate, and income inequality did not significantly change for the majority of OECD countries (Figure 2.7, Panels A and B). In 2022, the top 20% of the income distribution received on average 5.6 times more income than the bottom 20% (Figure 2.7, Panel A).


**Figure 2.7. Progress in reducing income inequality since 2010 stalled post-2019**

Ratio of the average (equivalised) household disposable income of the top 20% of the income distribution to the average income of the bottom 20% (S80/S20 or income quintile share ratio)



Note: Household disposable income is “equivalised”, i.e. adjusted by an equivalence scale that divides the income of each household by the square root of household size, to account for economies of scale in household needs (i.e. the notion that any additional household member needs a less than proportionate increase of household income to maintain a given level of welfare). The latest available year is 2022 for Chile, Costa Rica, Finland, Korea, Mexico, Norway, Sweden and the United States; 2020 for Australia, Germany, New Zealand and Switzerland; and 2021 for all the other countries. The earliest available year is 2011 for Chile, Denmark, Germany, Israel, Korea, the Netherlands and Türkiye; 2012 for Australia and Mexico; 2013 for Estonia, Sweden and the United States; and 2015 for Luxembourg. Data refer to 2018, instead of 2019, for Australia, Japan and Mexico, and to 2017 for Chile and Iceland. The OECD average excludes Belgium, Colombia, Denmark, France, Iceland and Japan, due to incomplete time series or a break in the series. In Panel B, the dashed lines identify levels beyond which changes are considered meaningful (i.e. higher/lower than +/- 0.3). Country names shaded in red are classified as deteriorating and names shaded in green as improving between 2019 and the latest available year.

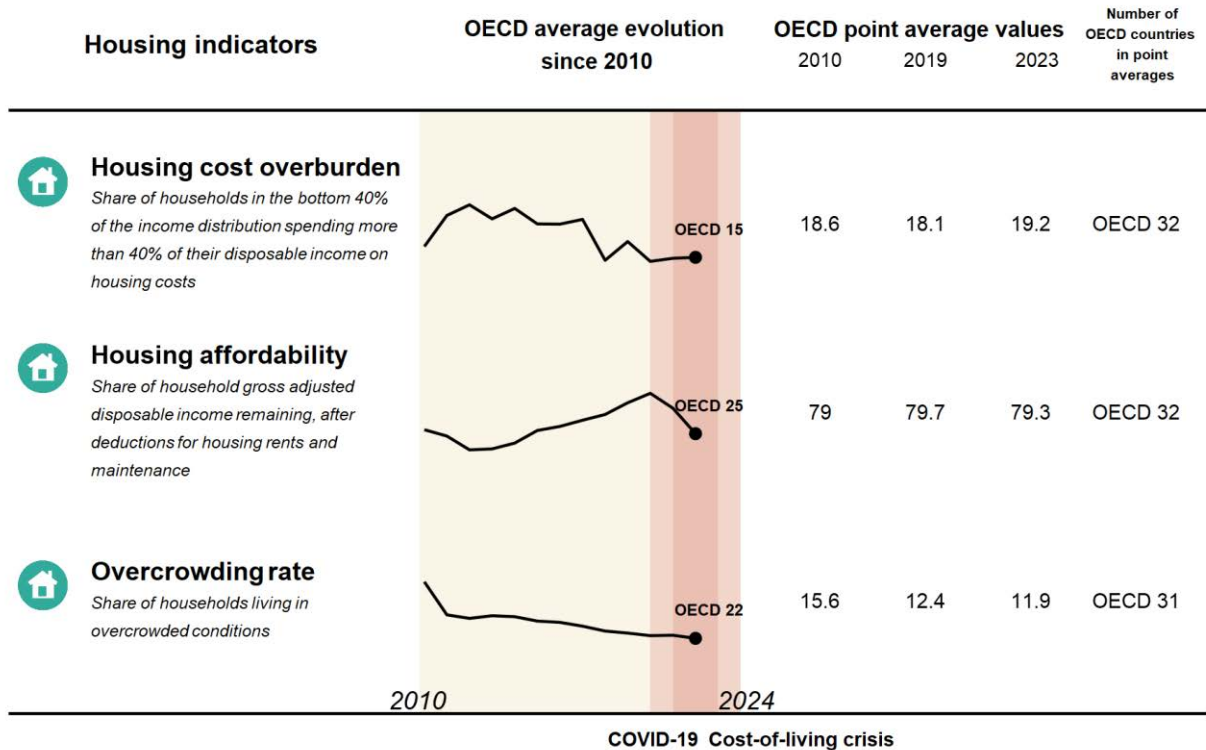
Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[11]</sup>), <http://data-explorer.oecd.org/s/fu>.

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## Housing

Figure 2.8. At a glance: Housing outcomes over time

Selected housing indicators, OECD average, 2010-23 or latest available year



Note: 2010 refers to 2010 or the earliest year available (between 2010-15); 2019 refers to 2019 or the closest pre-pandemic year available (between 2016-19); 2023 refers to 2023 or the latest year available (between 2020-23). The trendlines in the OECD average evolution since 2010 refer to only those countries with data available for every year shown in order to keep the sample constant across all years. This means that only countries with a complete time series are included and the time series are not always directly comparable with the point averages. Refer to the Reader's Guide for further details.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

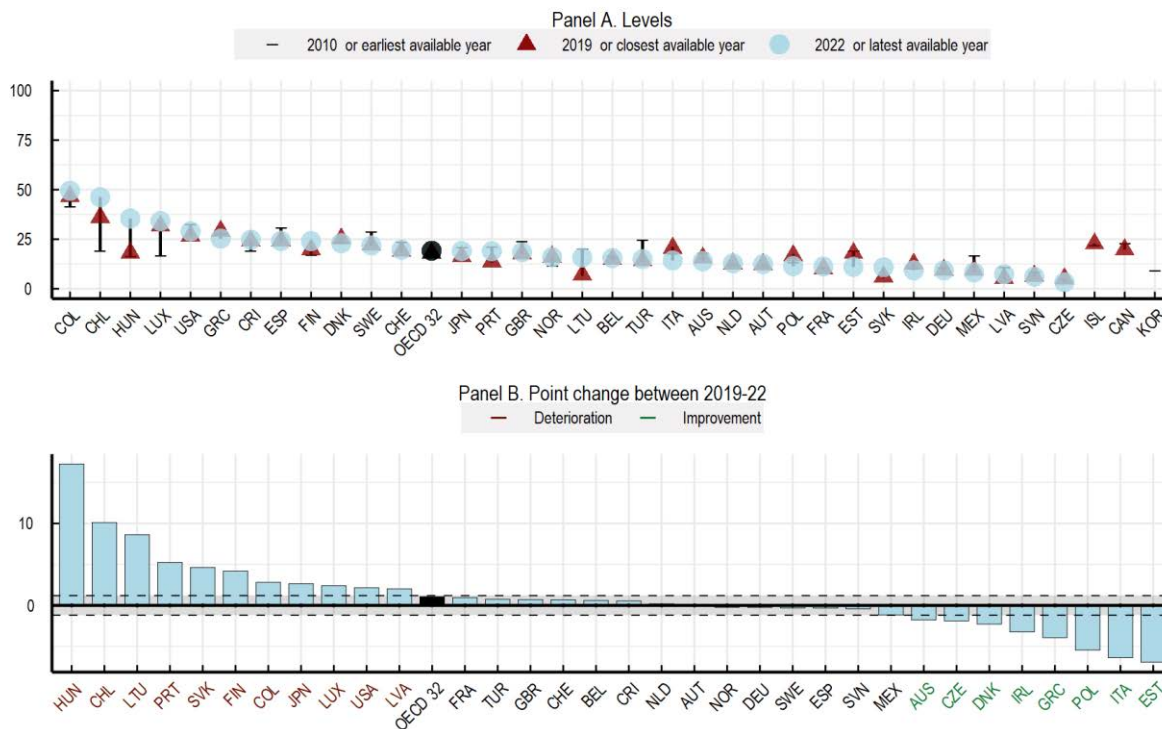
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Low-income households are particularly vulnerable when a high share of their income is devoted to housing costs, since this limits spending on other essential goods and services, such as food, health care and education. Across OECD countries, in 2022 almost one in five households in the bottom 40% of the income distribution spent more than 40% of their disposable income on housing (i.e. rent and mortgage costs) (Figure 2.9, Panel A). The OECD average for this “housing cost overburden” slightly improved between 2010 and 2019 (at an annualised reduction rate of 0.06 percentage points) but reversed between 2019 and 2022 (during which the housing cost overburden rose by 0.4 percentage points per year on average). This reversal was driven by a deterioration in one-third of the OECD countries with available data, whilst just under half stagnated (Figure 2.9, Panel B).

When it comes to other housing outcomes for the OECD as a whole, the average share of income that households have left after housing costs has remained stable (just under 80%) in both the medium- and short-term, whereas the share of households living in overcrowded conditions continued to improve, from 16% in 2010 to 12% in 2022 (Figure 2.8).

**Figure 2.9. Almost 20% of lower-income households were overburdened by housing costs in 2022, and the situation worsened in a third of OECD countries since 2019**

Percentage of households in the bottom 40% of the income distribution spending over 40% of their disposable income on housing costs



Note: The latest available year is 2021 for Australia, Japan, Switzerland and the United States; and 2020 for Norway, Türkiye and the United Kingdom. The earliest available year refers to 2011 for Chile and Costa Rica; 2012 for Belgium, Colombia, Hungary and Korea; and 2015 for France. Data refers to 2018, instead of 2019, for Iceland and Mexico; and to 2017 for Chile. The OECD average excludes Canada, Czechia, Iceland, Israel, Korea and New Zealand, due to incomplete time series or missing data. In Panel B, the dashed lines identify levels beyond which changes are considered meaningful (i.e. higher/lower than +/- 1.2 percentage points). Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

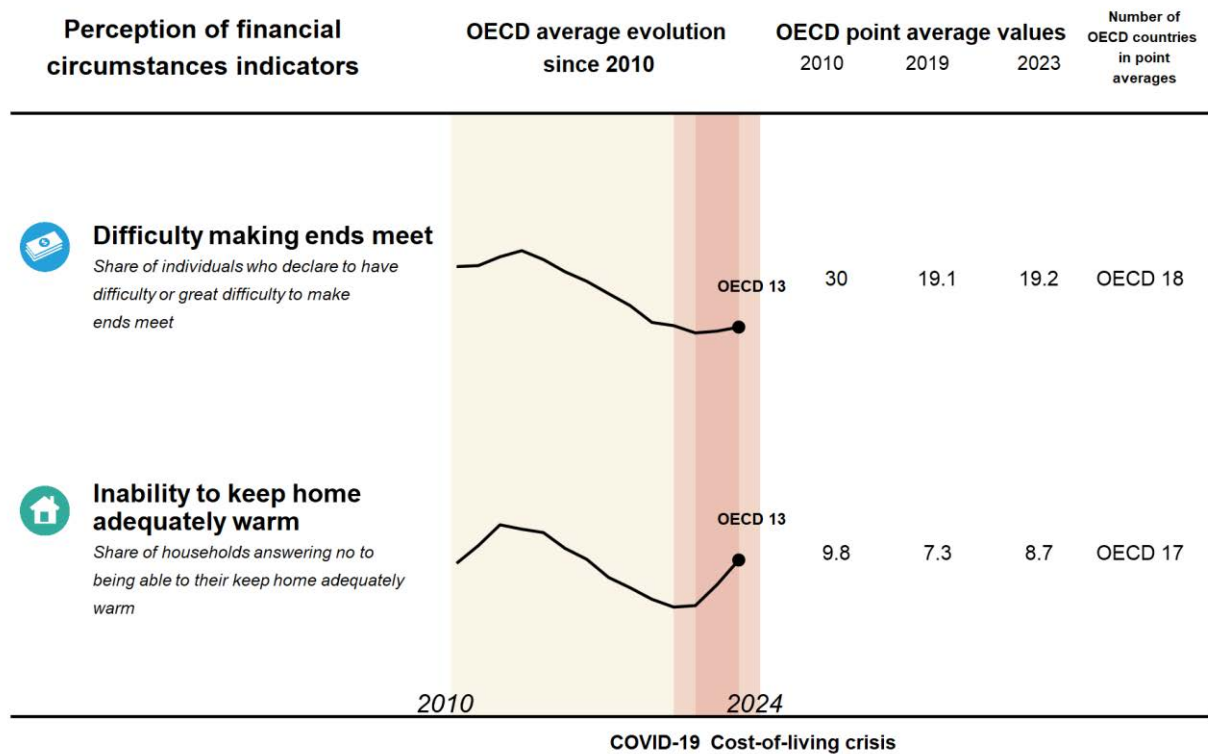
Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

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## Subjective evaluations of people's economic circumstances


Figure 2.10. At a glance: Perceptions of financial circumstances over time

Selected indicators of people's perceptions of their financial circumstances, OECD average, 2010-23 or latest available year



Note: 2010 refers to 2010 or the earliest year available (between 2010-15); 2019 refers to 2019 or the closest pre-pandemic year available (between 2016-19); 2023 refers to 2023 or the latest year available (between 2020-23). The trendlines in the OECD average evolution since 2010 refer to only those countries with data available for every year shown in order to keep the sample constant across all years. This means that only countries with a complete time series are included and the time series are not always directly comparable with the point averages. Refer to the Reader's Guide for further details.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[11]</sup>), <http://data-explorer.oecd.org/s/fu>.

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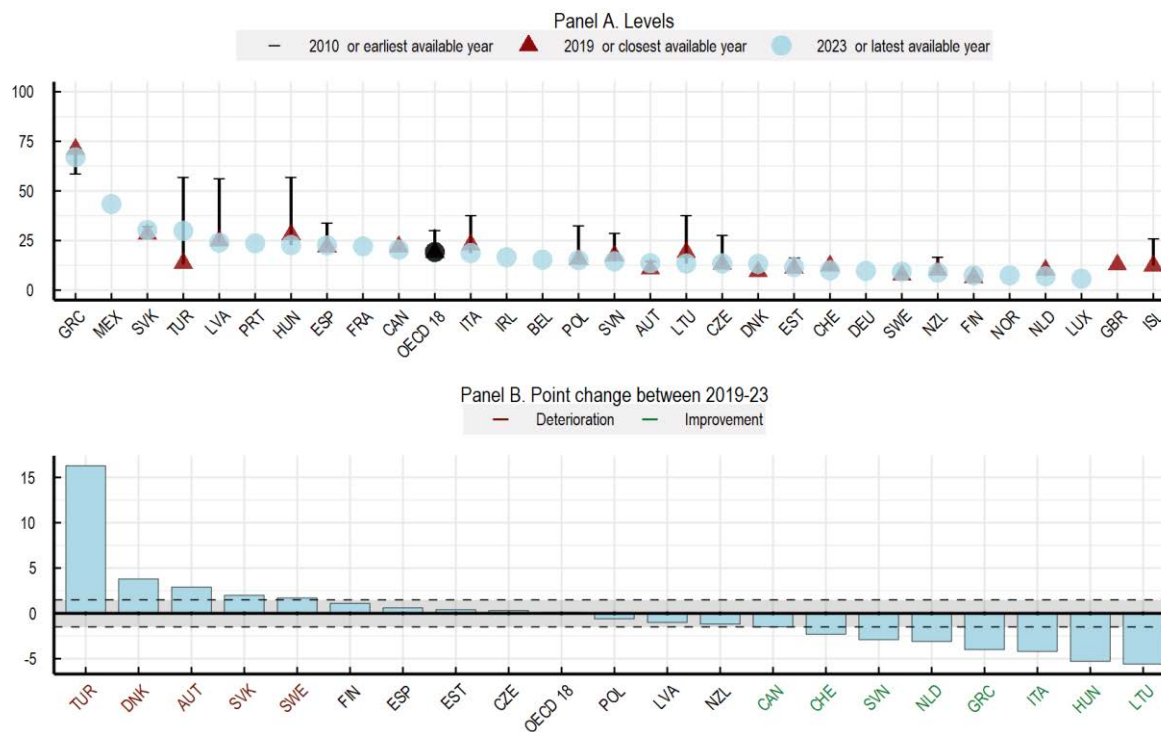
So far, material conditions have been described by conventional indicators of income inequality and poverty, highlighting some areas in which progress has slowed down and others in which it was more resilient. However, these conventional indicators often fail to capture economic insecurity and stress related to material hardship – this is why they can be usefully complemented by perception-based data that capture how people assess and feel about their own circumstances. These data show that the impact of the cost-of-living crisis may be more widespread than suggested by more conventional measures (Figure 2.10).

For instance, in 2023, almost one in five people across 18 OECD countries said it was difficult or very difficult to make ends meet (Figure 2.11, Panel A). This finding came despite the remarkable progress over the past decade in the share of people reporting financial difficulties, which fell in almost all countries with available data since the aftermath of the global financial crisis and which decreased for the OECD as a whole by an average of 1.2 percentage points a year between 2010 and 2019. However, between 2019 and 2023, the share of people with difficulty making ends meet, for the OECD on average, rose by an

annualised 0.03 percentage points, and significantly worsened in five out of 20 countries with available data (Figure 2.11, Panel B).<sup>3</sup>


**Figure 2.11. There have been strong medium-term reductions in the share of people with financial difficulties, but progress since then stalled**

Percentage of individuals who have difficulty or great difficulty in making ends meet



Note: The latest available year is 2022 for Switzerland; and 2021 for Canada, Mexico, New Zealand and Türkiye. The earliest available year refers to 2011 for Poland and Türkiye; and 2015 for Estonia and Switzerland. Data refers to 2018, instead of 2019, for Canada, New Zealand, Türkiye and the United Kingdom. The OECD average excludes Australia, Belgium, Canada, Chile, Colombia, Costa Rica, France, Germany, Iceland, Ireland, Israel, Japan, Korea, Luxembourg, Mexico, the Netherlands, Norway, Portugal, the United Kingdom and the United States, due to incomplete time series or a break in the series. Data for Canada refer to the percentage of people who declared it was difficult or very difficult for the household to meet its financial needs in terms of transportation, housing, food, clothing and other necessary expenses in the past 12 months and cover 10 provinces only. Data for Mexico refer to the percentage of people who declare that next month, they or their household won't have enough income to pay for all their household necessities for a month. In Panel B, the dashed lines identify levels beyond which changes are considered meaningful (i.e. higher/lower than +/- 1.5 percentage points). Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

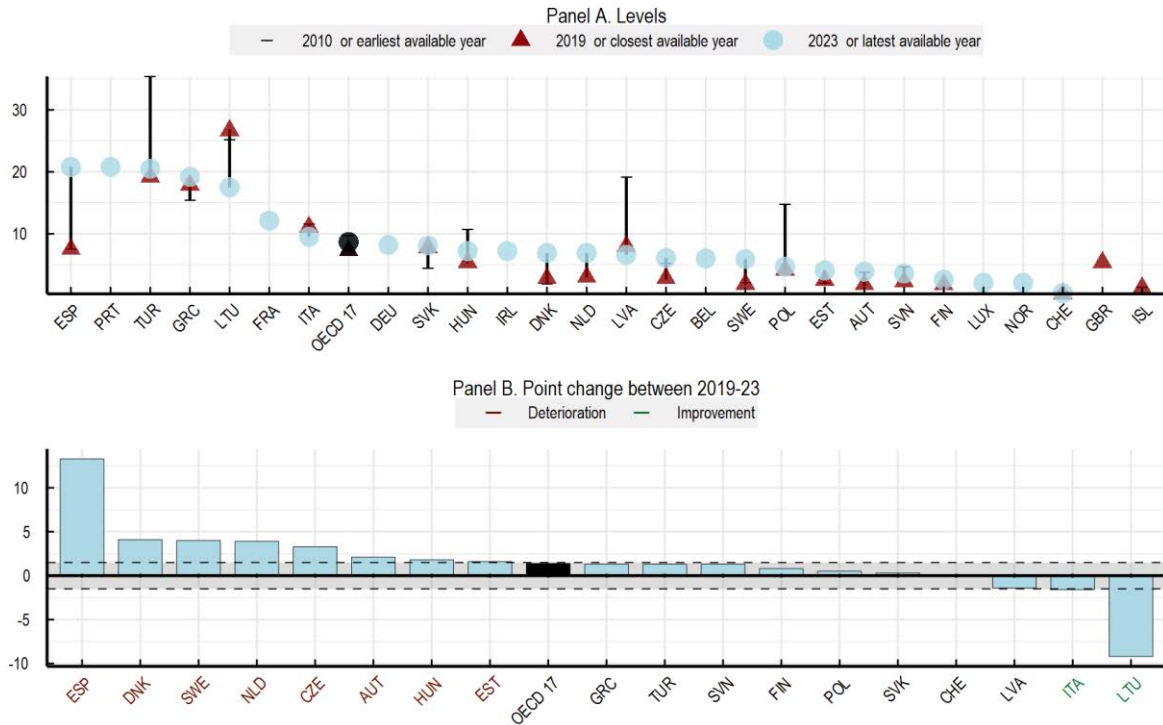
Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

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Feeling that one's home is not warm enough is a well-being deprivation in itself, but it can also point to potential energy poverty due to financial difficulties or rising energy prices (OECD, 2022<sup>[9]</sup>). In 2023, on average just under 9% of people in 17 European OECD countries said they could not keep their house adequately warm (Figure 2.12, Panel A). This share had decreased over the past decade (by an annualised 0.3 percentage points between 2010-19) but increased by an average of 0.4 percentage points a year between 2019-23. Indeed, over this short-term period, energy poverty outcomes either stagnated or worsened in the majority of countries with available data (Figure 2.12, Panel B).

**Figure 2.12. The share of people with difficulty to keep their dwelling warm increased in eight out of 18 European OECD countries between 2019 and 2023**

Percentage of the population who have difficulty to keep their dwelling warm



Note: The latest available year is 2022 for Lithuania, Luxembourg, Norway and Switzerland; and 2021 for Türkiye. The earliest available year refers to 2011 for Türkiye; and 2015 for Estonia and Switzerland. Data refers to 2018, instead of 2019, for the United Kingdom. The OECD average excludes Australia, Belgium, Canada, Chile, Colombia, Costa Rica, France, Germany, Iceland, Ireland, Israel, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Portugal, the United Kingdom and the United States, due to incomplete time series or a break in the series. In Panel B, the dashed lines identify levels beyond which changes are considered meaningful (i.e. high/lower than +/- 1.5 percentage points). Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[11]</sup>), <http://data-explorer.oecd.org/s/fu>.

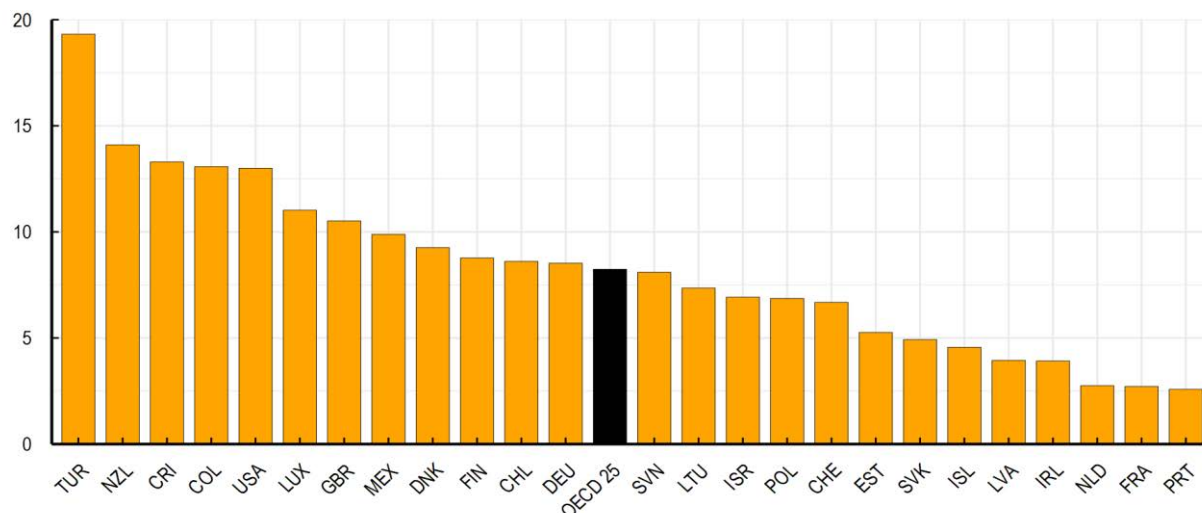
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In 2022, 8% of 15-year-old students in OECD countries reported that, within the previous 30 days, there was at least one day a week when they had not eaten because there was not enough money to buy food (Figure 2.13). Food insecurity negatively impacts students' not only physical health, but also their school performance, educational opportunities and overall quality of life (OECD, 2023<sup>[10]</sup>). While there is no data available to assess trends over time in the food security of high school students, national data suggests that food insecurity for households with children might have risen more generally in recent years – for instance, in the United States in 2022, 17% of households with children were unable to acquire enough food to meet the needs of all their members because they had insufficient money or other resources, almost 5 percentage points more than in 2021 (USDA, 2022<sup>[11]</sup>).




**Figure 2.13. 8% of students in OECD countries experienced food insecurity in 2022**

Percentage of 15-year-old students reporting not having eaten during at least one day a week within the previous 30 days because there was not enough money to buy food



Source: OECD (2023<sup>[10]</sup>), *PISA 2022 Results (Volume I): The State of Learning and Equity in Education*, PISA, OECD Publishing, Paris, <https://doi.org/10.1787/53f23881-en>.

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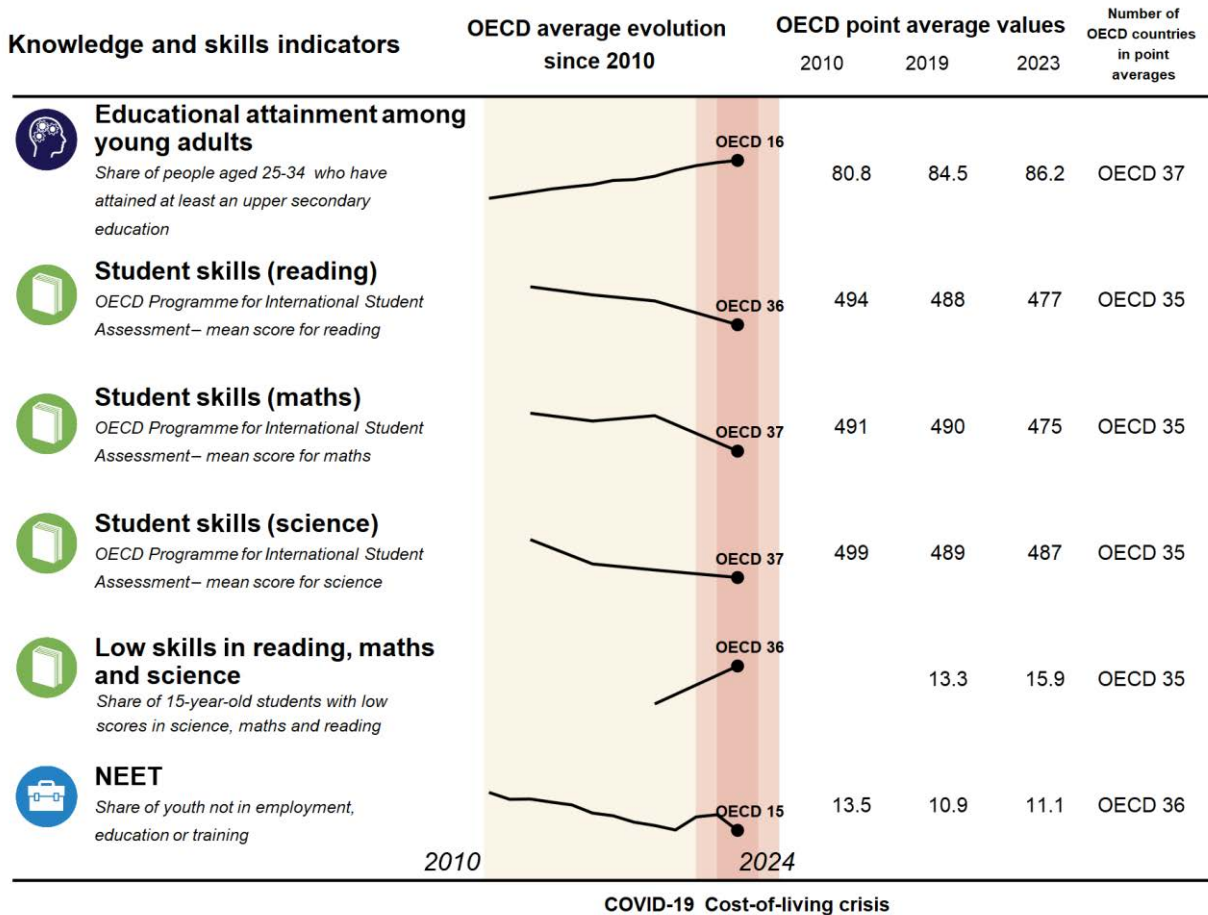
## There are warning signs across many non-material aspects of well-being since 2019

Well-being in the here and now is also about people's quality of life and their relationships. Several outcomes across the dimensions of knowledge and skills, health, subjective well-being and social connectedness exhibit signs of downward risks, should their current trajectory continue. These risks should be closely monitored and appropriately addressed by policy makers.

## Knowledge and skills

Figure 2.14. At a glance: Knowledge and skills outcomes over time

Selected knowledge and skills indicators, OECD average, 2010-23 or latest available year



Note: 2010 refers to 2010 or the earliest year available (between 2010-15); 2019 refers to 2019 or the closest pre-pandemic year available (between 2016-19); 2023 refers to 2023 or the latest year available (between 2020-23). The trendlines in the OECD average evolution since 2010 refer to only those countries with data available for every year shown in order to keep the sample constant across all years. This means that only countries with a complete time series are included and the time series are not always directly comparable with the point averages. Refer to the Reader's Guide for further details.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[11]</sup>), <http://data-explorer.oecd.org/s/fu>.

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By 2022, more young people than ever had attained upper secondary education across OECD countries. At 86%, the average share of young adults (aged 25 to 34) with at least an upper secondary education in the OECD was the highest since records started. It progressed at a steady pace since 2010 (when it stood at around 81%) and growth was not slowed down by the immediate effects of the COVID-19 pandemic (Figure 2.14).

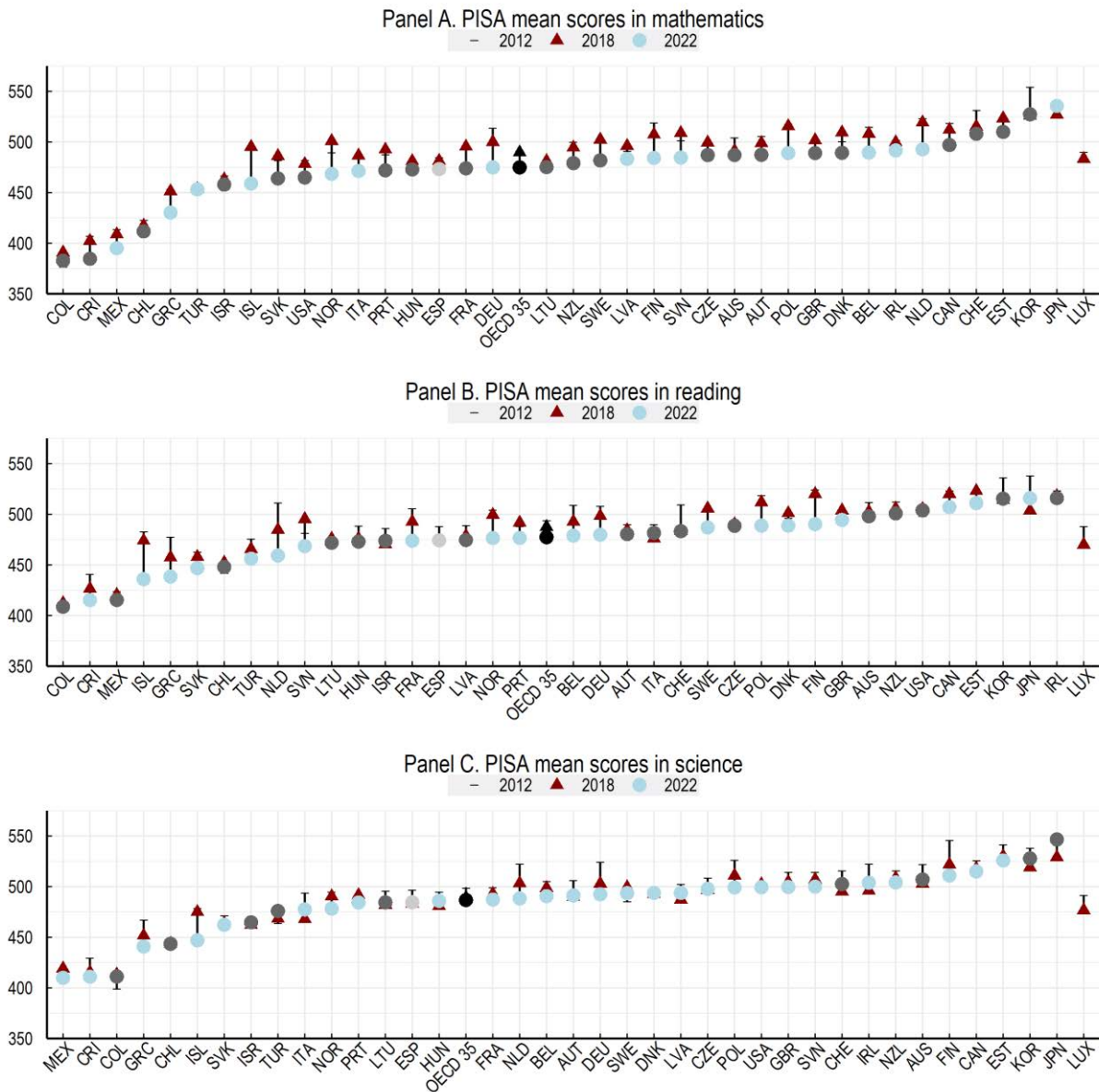
However, the pandemic and its associated restrictions on learning environments in schools adversely impacted the actual skills students have been acquiring. The OECD PISA triennial survey of 15-year-old students tests achievements in three core subjects (reading, mathematics and science), with the latest survey having taken place in 2022. While students' performance, particularly in reading and science had

been on a negative trajectory for a decade, well before the pandemic, the OECD average score had never changed between consecutive assessments by more than five points in reading or four points in mathematics (OECD, 2023<sub>[10]</sub>). Compared to 2018, 2022 PISA science scores remained broadly stable in many OECD countries, but average reading and mathematics scores dropped by a record 10 and 15 score points, respectively (Figure 2.15). This deterioration corresponds to half a school year's worth of learning in reading and three-quarters of a year in mathematics (OECD, 2023<sub>[10]</sub>). Students were affected right across the spectrum of performance, meaning that the average gap between the highest-scoring students (those in the 10% with the highest scores) and the weakest students (those in the 10% with the lowest scores) increased only modestly (OECD, 2023<sub>[10]</sub>). Furthermore, for the OECD on average, the share of students with low scores in all three PISA subjects increased markedly, from 13% in 2018 to 16% in 2022 (Figure 2.14).

The share of young adults not in employment, education or training (NEET) had been on a downward trend in the majority of OECD countries between 2010 and 2019 and fell by an average of 0.3 percentage points a year for the OECD as a whole over this period (Figure 2.16, Panel A). However, countries' experiences have diverged since then: between 2019 and 2022, the NEET rate significantly decreased in more than one-third of countries with available data while increasing in one-fifth (Figure 2.16, Panel B). Overall, this led to the average OECD NEET rate rising by an annualised 0.05 percentage points in the short-term. In 2022, 11% of young adults were NEET across OECD countries (Figure 2.16, Panel A).

**Figure 2.15. PISA performance in maths and reading worsened significantly between 2018 and 2022**

PISA mean scores, 15-year-old students



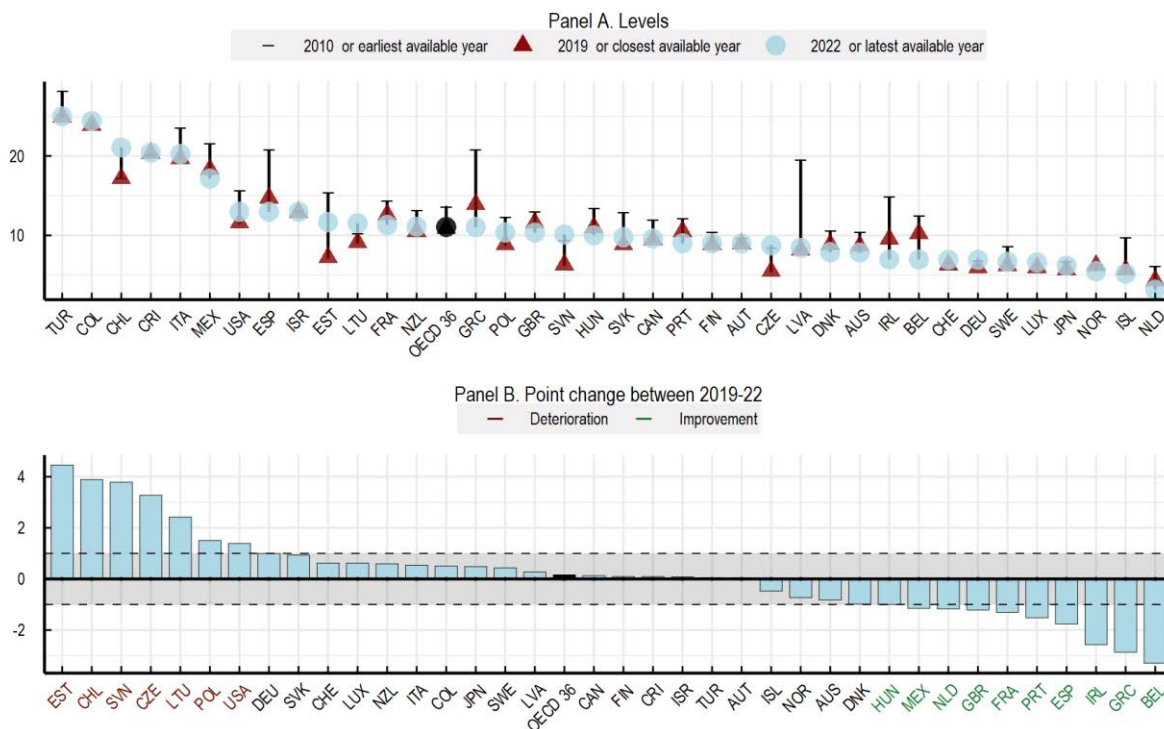
Note: Circles in dark grey indicate 2022 values that are not statistically different from 2018 values. Circles in light grey indicate that no change over time can be evaluated. The OECD average excludes Costa Rica, Luxembourg and Spain, due to incomplete time series.

Source: OECD (2023<sup>[10]</sup>), *PISA 2022 Results (Volume I): The State of Learning and Equity in Education*, PISA, OECD Publishing, Paris, <https://doi.org/10.1787/53f23881-en>.

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**Figure 2.16. After a decade-long decline, the share of youth not in employment, education or training has risen in one-fifth of countries**

Percentage of youth (aged 15-24) not in employment, education or training (NEET)



Note: The latest available year is 2020 for Chile, Luxembourg and Switzerland. The earliest available year refers to 2010 for Austria, Canada, Colombia, Estonia, Finland, France, Hungary, Iceland, Latvia, Mexico, New Zealand, Norway, Portugal, Spain and the United States; 2013 for Chile and Costa Rica; and 2014 for all the other countries. Data refers to 2018, instead of 2019, for Luxembourg; and to 2017 for Chile. The OECD average excludes Korea and Switzerland, due to missing data. In Panel B, the dashed lines identify levels beyond which changes are considered meaningful (i.e. higher/lower than +/- 1 percentage point). Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

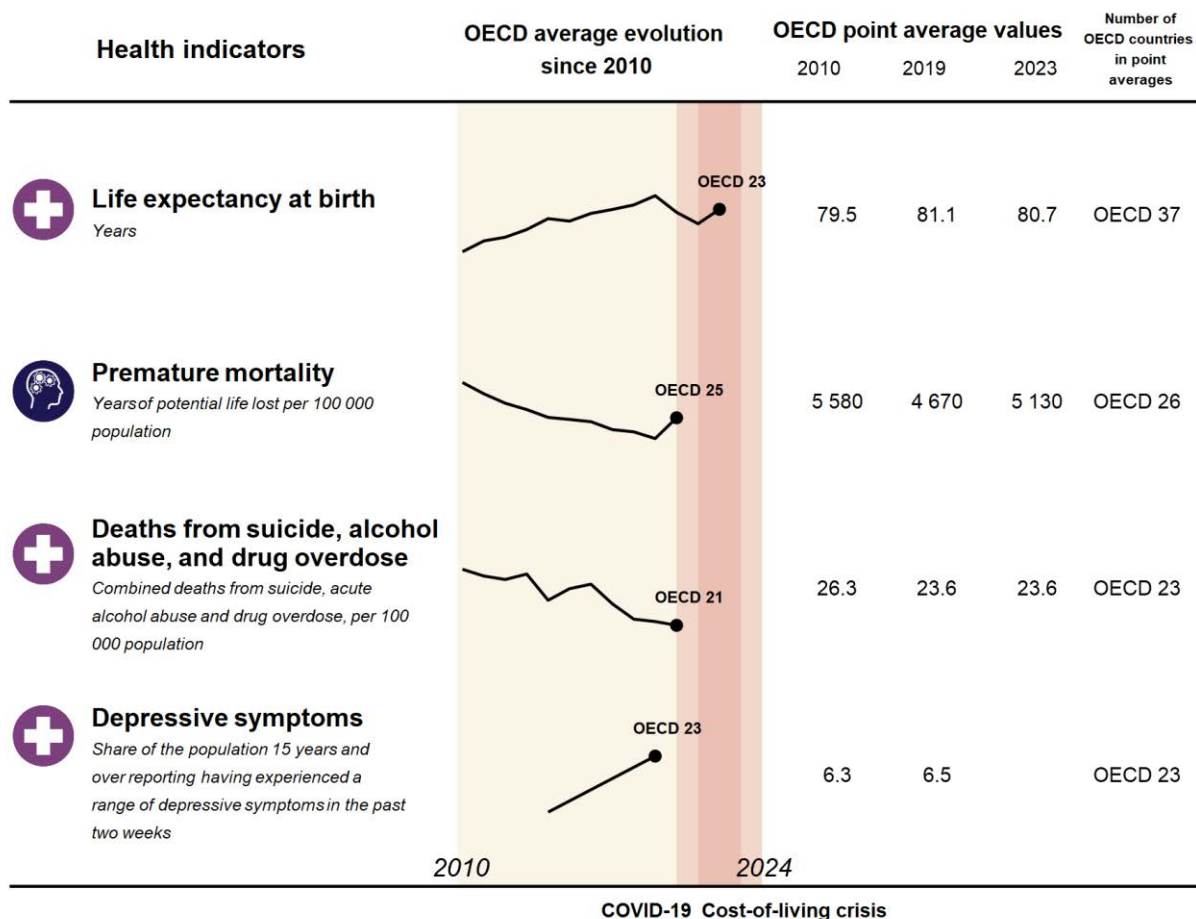
Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

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## Health

Figure 2.17. At a glance: Health outcomes over time

Selected health indicators, OECD average, 2010-23 or latest available year



Note: 2010 refers to 2010 or the earliest year available (between 2010-15); 2019 refers to 2019 or the closest pre-pandemic year available (between 2016-19); 2023 refers to 2023 or the latest year available (between 2020-23). The trendlines in the OECD average evolution since 2010 refer to only those countries with data available for every year shown in order to keep the sample constant across all years. This means that only countries with a complete time series are included and the time series are not always directly comparable with the point averages. Refer to the Reader's Guide for further details.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[11]</sup>), <http://data-explorer.oecd.org/s/fu>.

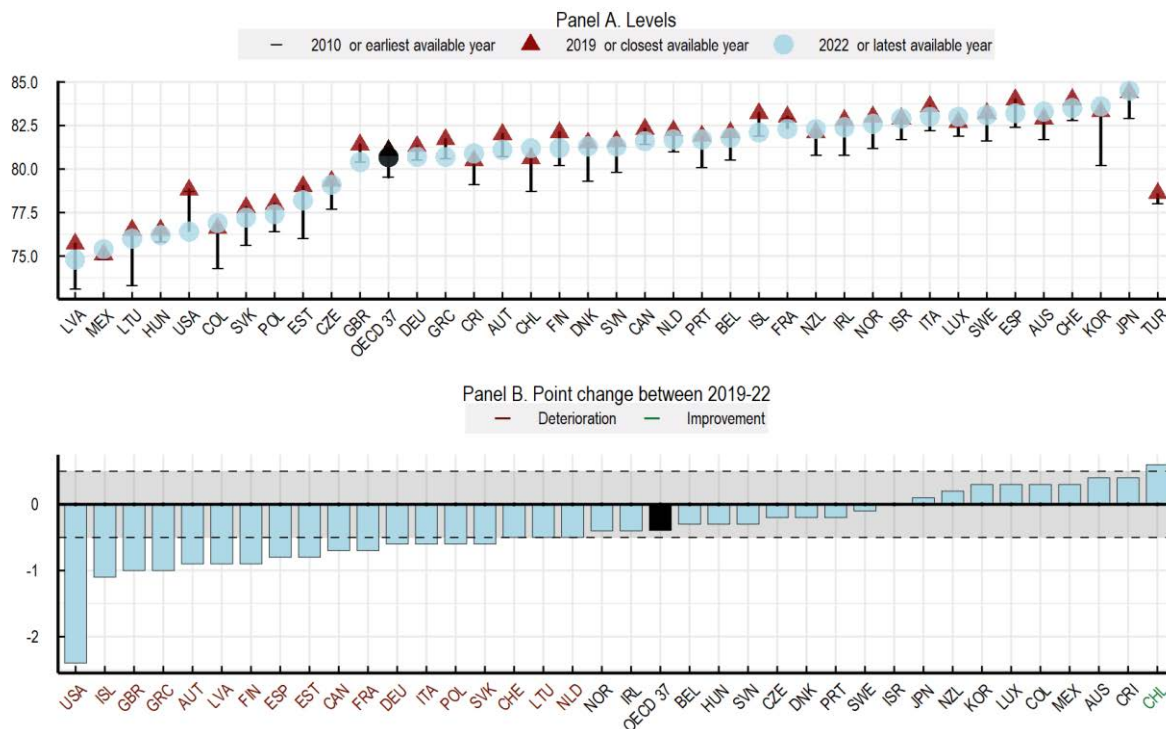
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Gains in life expectancy had already been slowing down over the past decade (average annualised growth for the OECD average was only 0.2% between 2010 and 2019), but the COVID-19 pandemic (and in some countries, other factors such as increased opioid use) had a major negative impact due to the exceptionally high number of excess deaths (OECD, 2023<sup>[12]</sup>). Compared to pre-pandemic levels in 2019, almost half of OECD countries had lost at least half a year of life expectancy by 2022, turning the OECD's average annualised growth rate into a negative -0.2% over this period (Figure 2.18, Panel B). In 2022, a newborn in the average OECD country could expect to live 80.7 years (Figure 2.18, Panel A). Similarly, average premature mortality (i.e. potential years of life lost due to a range of medical conditions or fatal accidents) across OECD countries, which had fallen by an annualised rate of -2% between 2010-19, rose by an

annualised 10% between 2019-21. In 2021, around 5 100 potential years of life were lost per 100 000 inhabitants for the OECD as a whole (Figure 2.17).

**Figure 2.18. COVID-19, combined with other causes of mortality, led to a decline in life expectancy in almost half of OECD countries**

Life expectancy at birth, years



Note: The latest available year is 2021 for Australia, Canada, Ireland, Japan, Korea, Mexico, New Zealand and the United States; and 2020 for the United Kingdom. The earliest available year is 2012 for Belgium and Switzerland; 2013 for Hungary and Luxembourg; 2014 for France and Türkiye. The OECD average excludes Türkiye, due to incomplete time series. In Panel B, the dashed lines identify levels beyond which changes are considered meaningful (i.e. higher/lower than +/-0.5 years). Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[11]</sup>), <http://data-explorer.oecd.org/s/fu>.

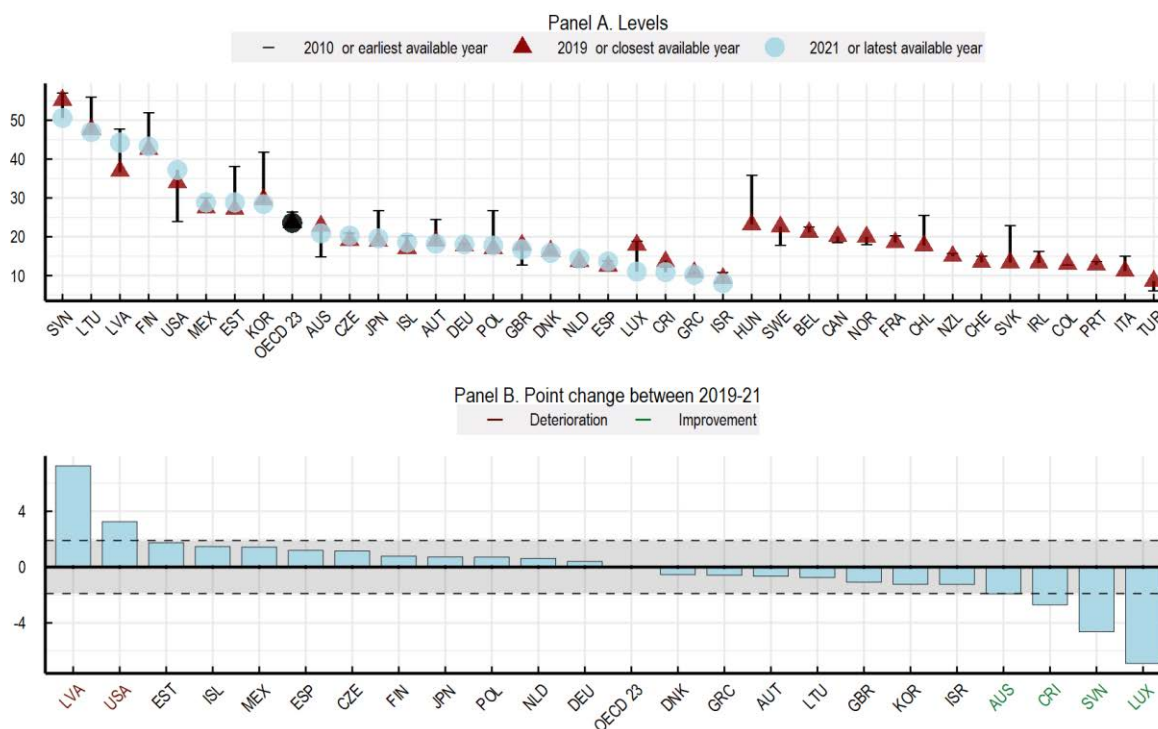
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Mental health plays a central role in people’s lives and is intrinsically tied to many other aspects of people’s wider well-being (OECD, 2023<sup>[13]</sup>). Fatalities from suicide, acute alcohol abuse and drug overdose, so-called “deaths of despair”, represent an important measure of severe mental illness and addiction among the population (OECD, 2020<sup>[14]</sup>). Deaths of despair have fallen between 2010 and 2019 in most OECD countries (and the OECD average fell by an annualised 1.2% over this period), but progress has stalled since the onset of the COVID-19 pandemic. In 2021, on average 23.6 people per 100 000 in OECD countries died from such causes, a rate identical to 2019 levels (Figure 2.19, Panels A and B).

When it comes to common mental health symptoms, harmonised international data are available only for European OECD countries in 2019, before the COVID-19 pandemic (Figure 2.17). Previous OECD work relying on national estimates and unofficial surveys has documented that the share of the population reporting symptoms of anxiety and depression increased in all countries with available data at the start of the pandemic, and as much as doubled in some (OECD, 2023<sup>[12]</sup>). Indeed, more than a quarter of the population were at risk of anxiety and depression in 2020 and 2021 (OECD, 2021<sup>[3]</sup>). These (non-harmonised) national estimates and unofficial surveys point to some recovery in population mental health by 2022; however, the prevalence of depression remained elevated relative to pre-pandemic levels (OECD, 2023<sup>[12]</sup>).

**Figure 2.19. Progress in reducing deaths of despair stalled during the COVID-19 pandemic**

Combined deaths from suicide, acute alcohol and drug use abuse, per 100 000 population (age-standardised)



Note: The latest available year is 2021 for Australia, Austria, Czechia, Iceland, Latvia, Lithuania, Luxembourg and Spain and 2020 for all the other countries. The earliest available year refers to 2014 for Greece. Data refers to 2018, instead of 2019, for Belgium, Chile, Ireland, Portugal and Sweden, to 2017 for France; and to 2016 for New Zealand and Norway. The OECD average excludes Belgium, Canada, Chile, Colombia, France, Hungary, Ireland, Italy, New Zealand, Norway, Portugal, the Slovak Republic, Sweden, Switzerland and Türkiye, due to incomplete time series. In Panel B, the dashed lines identify levels beyond which changes are considered meaningful (i.e. higher/lower than  $\pm 1.9$  deaths). Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[11]</sup>), <http://data-explorer.oecd.org/s/fu>.

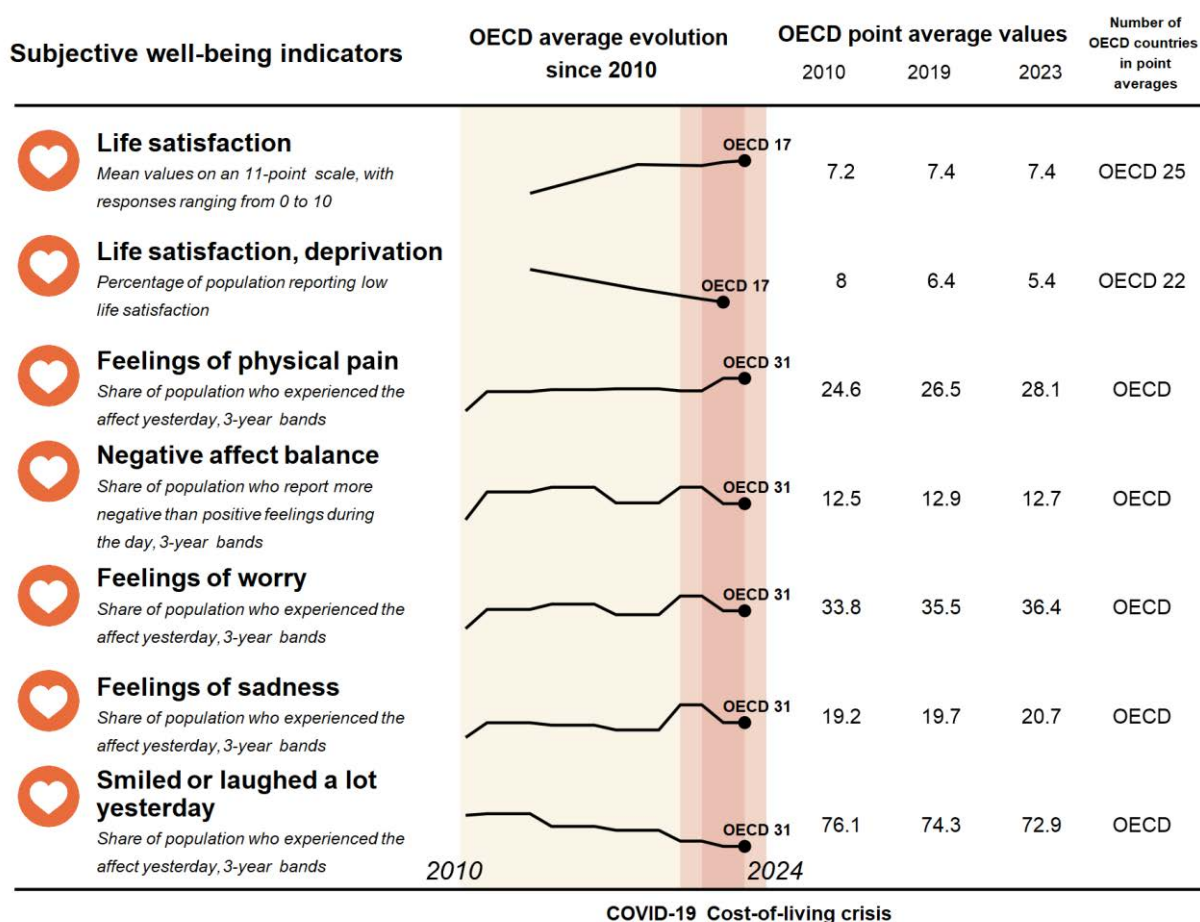
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## Subjective well-being


Figure 2.20. At a glance: Subjective well-being outcomes over time

Selected subjective well-being indicators, OECD average, 2010-23 or latest available year



Note: 2010 refers to 2010 or the earliest year available (between 2010-15); 2019 refers to 2019 or the closest pre-pandemic year available (between 2016-19); 2023 refers to 2023 or the latest year available (between 2020-23). The trendlines in the OECD average evolution since 2010 refer to only those countries with data available for every year shown in order to keep the sample constant across all years. This means that only countries with a complete time series are included and the time series are not always directly comparable with the point averages. Refer to the Reader's Guide for further details.

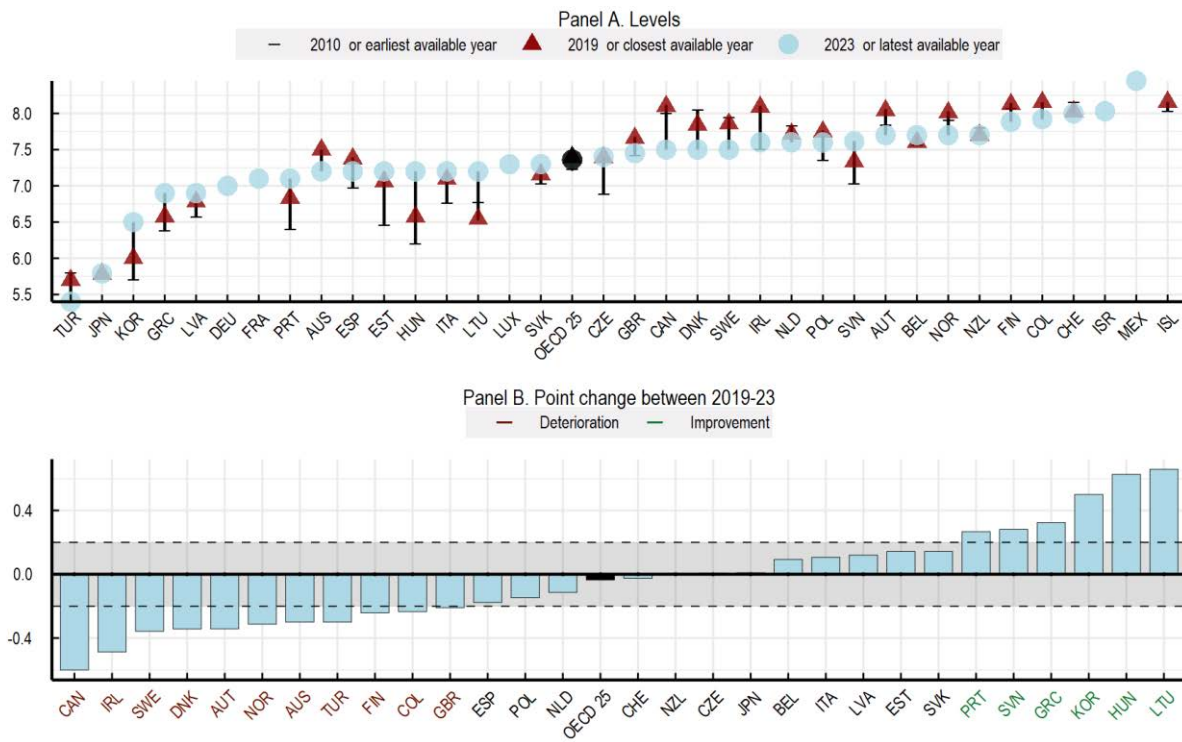
Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[11]</sup>), <http://data-explorer.oecd.org/s/fu>.

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Average life satisfaction in the OECD, on a scale from 0 (not at all satisfied) to 10 (completely satisfied), improved between 2013 and 2018 (by an average annual 0.04 points). However, progress has stalled since the onset of the COVID-19 pandemic: in 2023, life satisfaction across OECD countries stood at 7.4, similar to its 2018 level (Figure 2.21, Panel A). Indeed, between 2019 and 2023, life satisfaction either remained stable or deteriorated in most countries with available data (Figure 2.21, Panel B). Meanwhile, outcomes improved for those with very low satisfaction with life in both the medium- and short-term: the average share of people with a life satisfaction score of 4 or below on a 0-10 scale stood at 8% in 2013, falling to around 6% in 2018 and an eventual 5% in 2022 (Figure 2.20).

**Figure 2.21. Since 2018, life satisfaction remained stable in 12 OECD countries, deteriorated in 11 and improved in six**

Mean values for life satisfaction, reported on a scale from 0 “not at all satisfied” to 10 “completely satisfied”



Note: The latest available year is 2022 for Canada, Colombia, Finland, Korea, Luxembourg, Norway, Slovenia, Switzerland, Türkiye and the United Kingdom; 2021 for Israel, Mexico and New Zealand; and 2020 for Australia. The earliest available year is 2010 for Canada and Switzerland; 2014 for New Zealand; and 2013 for all the other countries. Data refers to 2019 for Australia, Canada, Colombia, Japan, Korea, Switzerland and the United Kingdom; and to 2018 for all the other countries. The OECD average does not include Australia, Chile, Colombia, Costa Rica, France, Germany, Iceland, Israel, Japan, Korea, Luxembourg, Mexico and the United States, due to incomplete time series or methodological discrepancies. In Panel B, the dashed lines identify levels beyond which changes are considered meaningful (i.e. higher/lower than +/- 0.2 scale points). Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

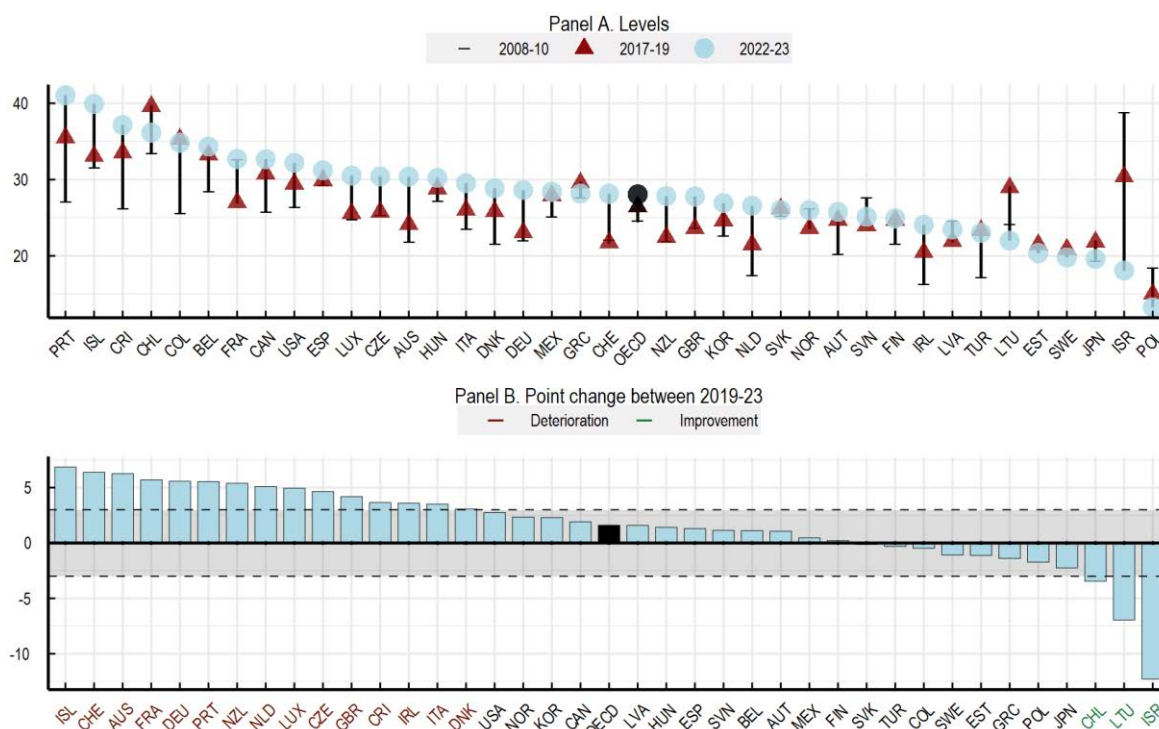
Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[11]</sup>), <http://data-explorer.oecd.org/s/fu>.

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Almost 30% of people in OECD countries reported experiencing a lot of physical pain in 2022-23 (Figure 2.22, Panel A). Physical pain had already been on the rise in the decade prior to COVID-19 and had increased by an average annual 0.2 percentage points between 2008-10 and 2017-19. This trend then further accelerated, with the prevalence of pain rising by an annualised 0.4 percentage points between 2017-19 and 2022-23. Indeed, the share of people experiencing a lot of pain increased by at least 3 percentage points in two-fifths of OECD countries relative to their 2017-19 pre-pandemic levels (Figure 2.22, Panel B).

**Figure 2.22. The prevalence of physical pain already rose in the decade prior to the COVID-19 pandemic, a trend that has further accelerated since then**

Percentage of the population who reported experiencing physical pain a lot the previous day



Note: The earliest available period refers to 2011-13 for Estonia and Latvia; 2012-13 for Iceland; and to 2012 for Norway and Switzerland. 2017-19 refers to 2017-18 for Czechia. In Panel B, the dashed lines identify levels beyond which changes are considered meaningful (i.e. higher/lower than +/- 3 percentage points). Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

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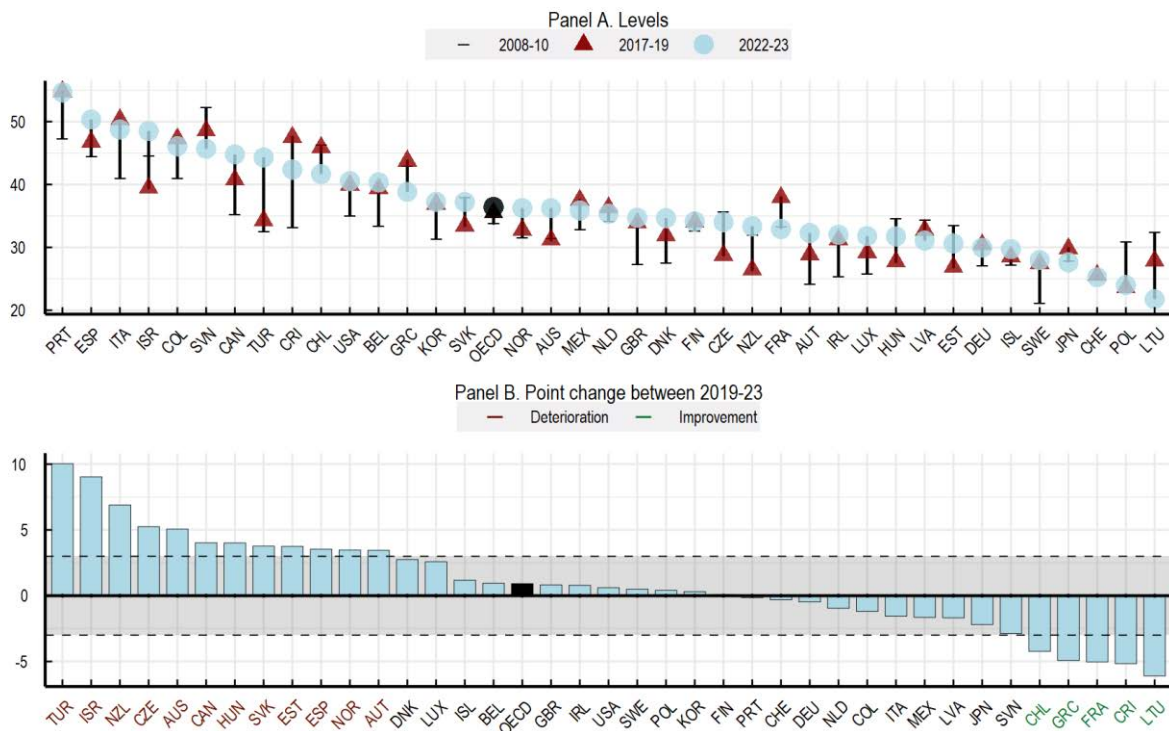
In 2022-23, on average one in eight people across OECD countries reported more negative feelings (anger, sadness, worry) than positive feelings (enjoyment, laughing or smiling a lot, well-rested) on the previous day – also known as “negative affect balance” (Figure 2.20). This edition of *How's Life?* assesses how *individual* emotions within this aggregate measure have developed. On the one hand, the share of people reporting positive emotions of being well-rested and feeling enjoyment has remained stable for the majority of OECD countries both in the medium- and short-term, while feelings of anger have been consistently decreasing (OECD, n.d.<sup>[1]</sup>). On the other hand, concerning trends in the cases of worry, sadness, and laughter warrant closer monitoring (Figure 2.20).

In 2022-23, 36% of the OECD population reported experiencing a lot of worry the previous day (Figure 2.23, Panel A). Feelings of worry have been on a negative trajectory over the past decade: between 2008-10 and 2017-19, the share of the population experiencing a lot of worry increased by an annualised 0.2 percentage points for the OECD average. This average trend continued between 2017-19 and 2022-23 (Figure 2.17). At the national level, outcomes predominantly stagnated (in 21 out of 38 OECD countries) or deteriorated (in 12 countries) over the last four years (Figure 2.23, Panel B).

The share of people feeling sad has also increased across OECD countries, particularly in the short-term. While the OECD average for the prevalence of sadness rose only by an annualised 0.06 percentage points between 2008-10 and 2017-19, this rate increased five-fold to 0.3 percentage points between 2017-19 and 2022-23. At the national level, outcomes predominantly stagnated (in 24 out of 38 OECD countries) or deteriorated (in 10 countries) over the past four years (Figure 2.24, Panel B). In 2022-23, 21% of people across OECD countries said they felt a lot of sadness the previous day (Figure 2.24, Panel A). Feelings of laughter followed a similar trajectory, with average outcomes across OECD countries on a slight downward trajectory over the medium-term, a trend that accelerated during the COVID-19 pandemic (Figure 2.20).

**Figure 2.23. Relative to 2017-19, feelings of worry either stagnated or increased in the majority of OECD countries**

Percentage of the population who reported experiencing worry a lot the previous day



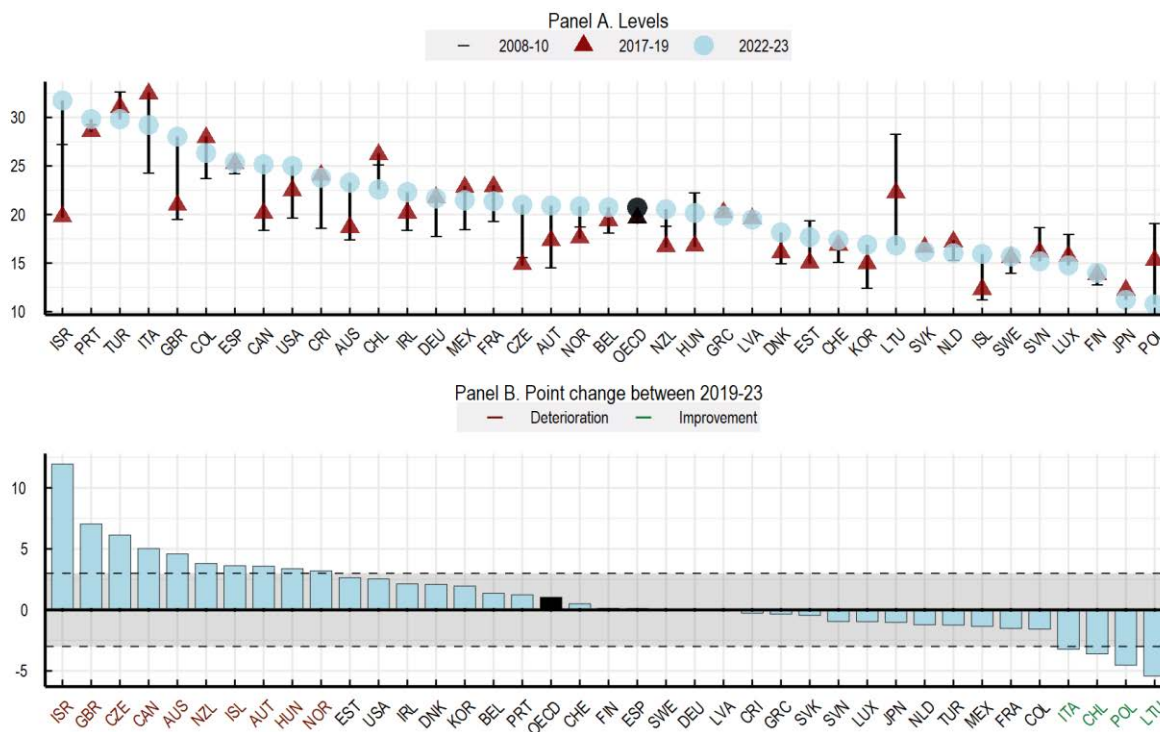
Note: The earliest available period refers to 2011-13 for Estonia and Latvia; 2012-13 for Iceland; and to 2012 for Norway and Switzerland. 2017-19 refers to 2017-18 for Czechia. In Panel B, the dashed lines identify levels beyond which changes are considered meaningful (i.e. higher/lower than +/- 3 percentage points). Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

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**Figure 2.24. The prevalence of sadness picked up pace during the COVID-19 pandemic**

Percentage of the population who reported experiencing sadness a lot the previous day



Note: The earliest available period refers to 2011-13 for Estonia and Latvia; 2012-13 for Iceland; and to 2012 for Norway and Switzerland. 2017-19 refers to 2017-18 for Czechia. In Panel B, the dashed lines identify levels beyond which changes are considered meaningful (i.e. higher/lower than +/- 3 percentage points). Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

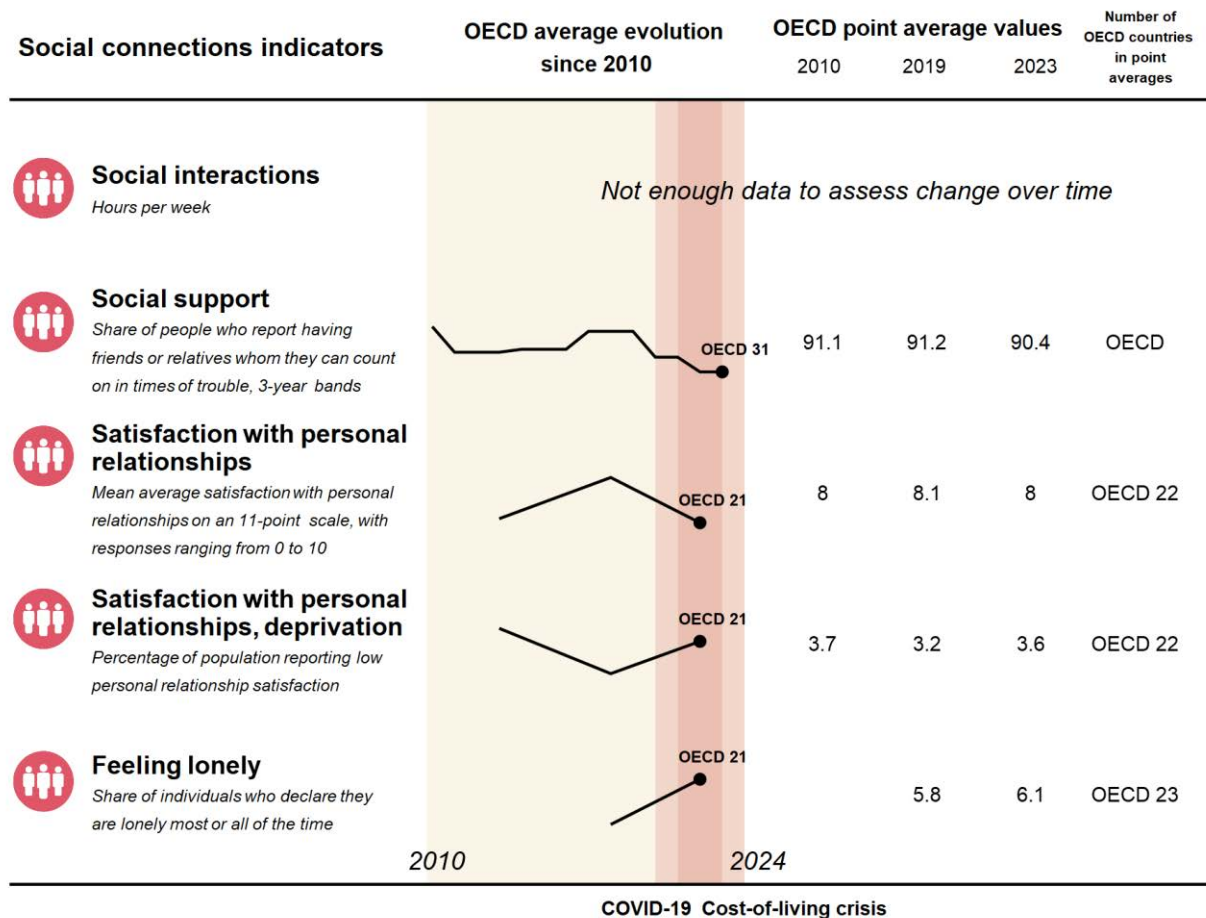
Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

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## Social connections

Figure 2.25. At a glance: Social connections outcomes over time

Selected social connections indicators, OECD average, 2010-23 or latest available year



Note: 2010 refers to 2010 or the earliest year available (between 2010-15); 2019 refers to 2019 or the closest pre-pandemic year available (between 2016-19); 2023 refers to 2023 or the latest year available (between 2020-23). The trendlines in the OECD average evolution since 2010 refer to only those countries with data available for every year shown in order to keep the sample constant across all years. This means that only countries with a complete time series are included and the time series are not always directly comparable with the point averages. Refer to the Reader's Guide for further details.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

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The time people spend together, the activities they engage in with one another, and the quality and diversity of their relationships play a large role in determining overall health, happiness and well-being.<sup>4</sup> It is difficult to assess medium-term trends in objective indicators of social connectedness since data relying on time use surveys are not regularly collected (Figure 2.25). However, there is tentative evidence of declines in subjective social connectedness outcomes, particularly in the context of the COVID-19 pandemic.

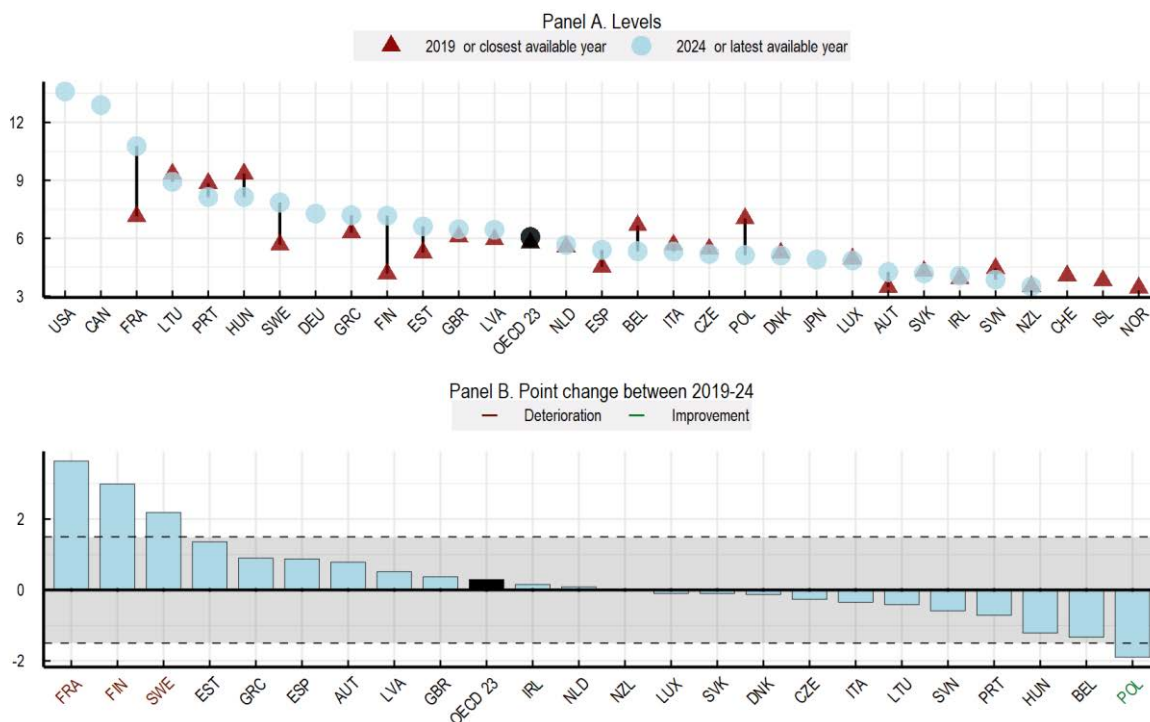
Around 2018, people across OECD countries spent on average six hours a week interacting with friends and family (OECD, n.d.<sup>[1]</sup>). In three countries with available time series (Canada, Japan and the United States), the average weekly time spent in social interactions declined by 40 minutes between 2009-11 and 2015-22. This trend mirrors national time use data on other objective measures of social exposure: for

instance, in the United States, the average time spent alone increased from 35.6 hours/week in 2003 to 38.6 hours/week in 2019 and continued to rise to 41.6 hours/week in 2020 (Kannan and Veazie, 2023<sup>[15]</sup>).

In 2022-23, 9 out of 10 people across OECD countries reported having friends or family to rely on in times of need. Perceptions of social support on average remained stable in the decade prior to COVID-19, but since then slightly declined (Figure 2.25). Between 2017-19 and 2022-23, the share of people reporting they have friends or family to rely on decreased by an average of 0.2 percentage points per year (Figure 2.25). Indeed, while there were no clear changes in perceived social support in the majority of OECD countries over this period, it deteriorated by at least 3 percentage points in six countries and improved by the same magnitude in only one (OECD, n.d.<sup>[11]</sup>).<sup>5</sup> Patterns are similar for satisfaction with personal relationships, which stood at 8 on a scale from 0 (not at all satisfied) to 10 (completely satisfied) for the OECD average in 2022. While the OECD average satisfaction with relationships did not clearly change in the medium- or short-term, all meaningful changes at the national level (in seven countries in which changes between 2018-22 exceeded 0.2 points) were deteriorations (Figure 2.25), (OECD, n.d.<sup>[11]</sup>).

**Figure 2.26. Feelings of loneliness range from below 4% to close to 14% in OECD countries with available data**

Percentage of people feeling lonely most or all of the time in the past four weeks



Note: The latest available year is 2024 for the United States; 2023 for Canada; 2021 for New Zealand and the United Kingdom; and 2022 for all the other countries. Data refers to 2019 for the United Kingdom; and to 2018 for all the other countries. The OECD average excludes Australia, Canada, Chile, Colombia, Costa Rica, Germany, Iceland, Israel, Japan, Korea, Mexico, Norway, Switzerland, Türkiye and the United States, due to a break in the series or missing data. In Panel B, the dashed lines identify levels beyond which changes are considered meaningful (i.e. higher/lower than +/- 1.5 percentage points). Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[11]</sup>), <http://data-explorer.oecd.org/s/fu>.

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While the social isolation of the elderly had already been a growing concern before 2020, social distancing and containment measures during the COVID-19 pandemic led to spikes in reported loneliness for all age groups, including youth (OECD, 2021<sup>[3]</sup>). High-quality information on loneliness collected by national statistical offices is increasingly available, and estimates show that prevalence of loneliness ranged from below 4% to close to 14% in OECD countries with available data in 2023 (Figure 2.26, Panel A).<sup>6</sup> Relative to 2018, the share of people feeling lonely across OECD countries slightly increased, by an average of 0.06 percentage points per year (Figure 2.26, Panel B).

## **There are warning signs for the resilience of future well-being, particularly for natural and social capital**

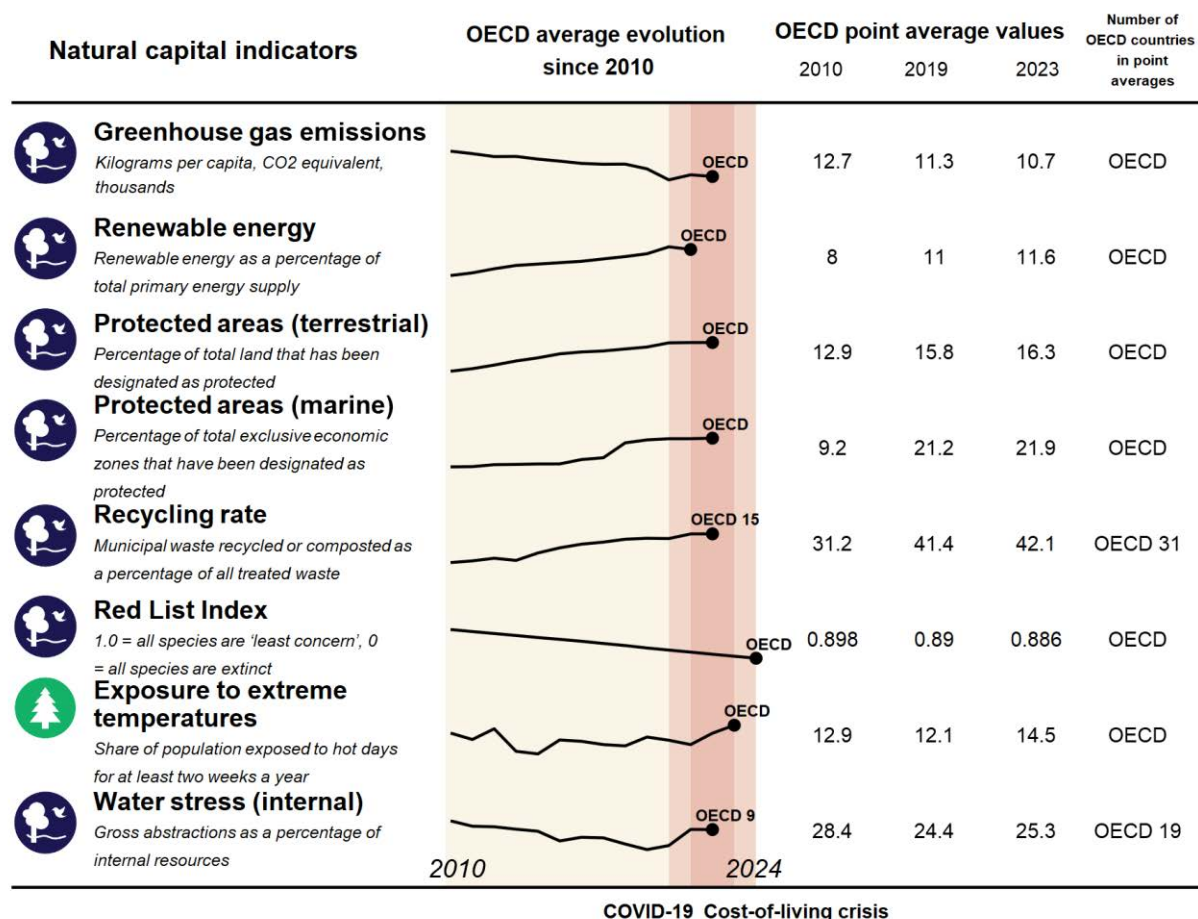
This section assesses medium- and short-term trends across the natural, economic and social systems that are needed to maintain today's well-being for future generations.<sup>7</sup> Many areas of economic capital have on average proven to be resilient to recent crises, although countries' trajectories are diverging for indicators such as the financial net worth of government. There are clear warning signs for natural capital, where much stronger action is needed to combat climate change. Across OECD countries, progress in recycling rates and in the creation of protected areas has slowed down since 2019. Risks to biodiversity as measured by the Red List Index of threatened species have increased in the majority of OECD countries in both the medium- and short-term and almost 15% of the population across OECD countries was exposed to extreme heat in 2023, up from 13% in 2010. Negative trends in social capital, including recently declining rates of trust in government and little progress on perceived public sector integrity, should also be closely monitored by policy makers.



## Natural capital

Figure 2.27. At a glance: Natural capital indicators over time

Selected natural capital indicators, OECD average, 2010-23 or latest available year



Note: 2010 refers to 2010 or the earliest year available (between 2010-15); 2019 refers to 2019 or the closest pre-pandemic year available (between 2016-19); 2023 refers to 2023 or the latest year available (between 2020-24). The trendlines in the OECD average evolution since 2010 refer to only those countries with data available for every year shown in order to keep the sample constant across all years. This means that only countries with a complete time series are included and the time series are not always directly comparable with the point averages. Greenhouse gas emission, renewable energy, protected areas (terrestrial and marine), exposure to extreme temperature and water stress refer to the OECD total. Refer to the Reader's Guide for further details.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[11]</sup>), <http://data-explorer.oecd.org/s/fu>.

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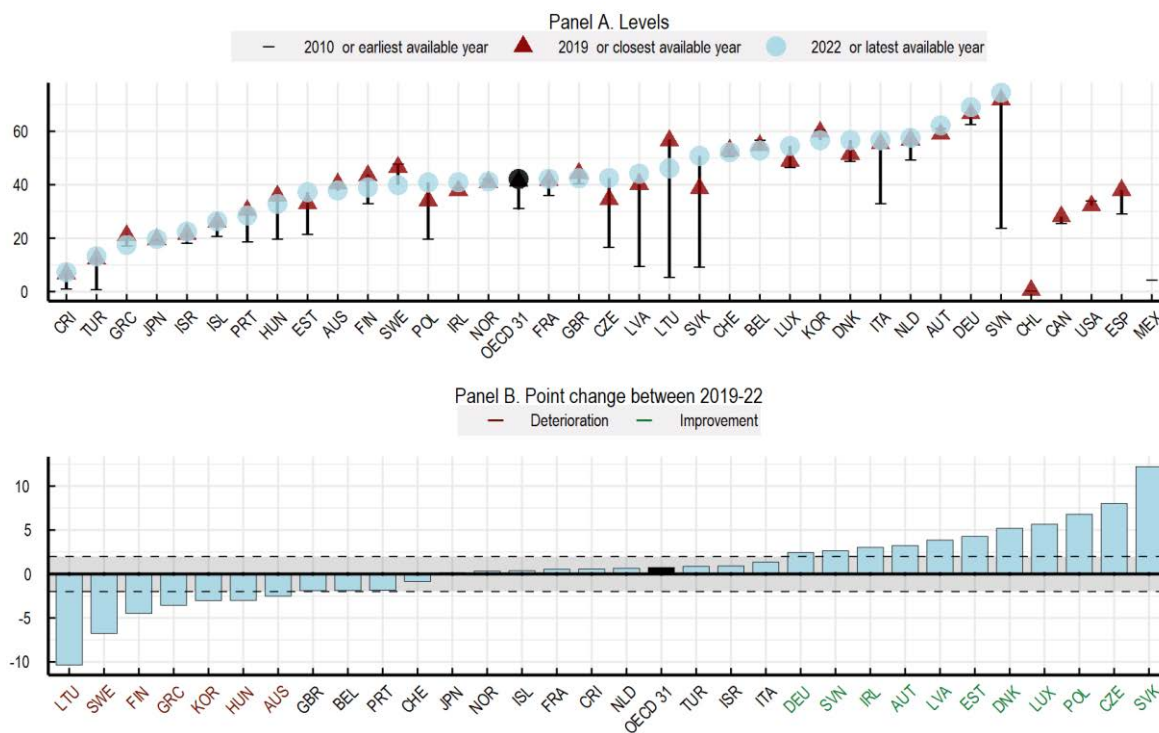
In 2021, OECD greenhouse gas (GHG) emissions stood at 10.9 tonnes per capita on average (Figure 2.27). Average GHG emissions per capita were on a downward trajectory in the decade before the COVID-19 pandemic and decreased by an annualised 1.3% between 2010 and 2019 (Figure 2.27). This pace accelerated to an annualised 2.2% reduction between 2019 and 2021, partly driven by restrictions on human activities particularly in the first year of the pandemic (OECD, 2023<sup>[16]</sup>). However, it is clear that countries' efforts are insufficient to date, and climate change is increasingly impacting people's lives (OECD, 2023<sup>[16]</sup>).

Renewables, although increasing, still play a relatively minor role in energy mixes. Across OECD countries, only 12% of the total primary energy supply came from renewable sources in 2021 (Figure 2.27). The OECD average share of renewables in the energy mix increased by an average of 0.3 percentage points per year between 2010 and 2019. It continued at a similar annualised pace between 2019 and 2021 in the context of rising energy prices (Figure 2.27).

Protected areas covered 16% of total land area and 22% of marine exclusive economic zones on average across OECD countries in 2022 (Figure 2.27).<sup>8</sup> Twenty-six OECD countries have now met the Aichi 2020 target to protect at least 17% of their land area and 20 countries have met the Aichi 2020 target to protect at least 10% of coastal and marine areas (OECD, 2023<sub>[16]</sub>). However, only nine and seven OECD countries, respectively, are currently meeting the Kunming-Montreal Global Biodiversity Framework Target 3 to protect 30% of both terrestrial and marine areas by 2030 (OECD, 2023<sub>[16]</sub>). Between 2010 and 2019, OECD countries expanded their protected areas: the average share of land designated as terrestrial protected area and the average share of exclusive economic zones classified as marine protected area increased by an annualised 0.3 and 1.3 percentage points, respectively. However, progress has slowed down since then, with both types of protected areas only expanding by an average annual 0.2 percentage points between 2019 and 2022 (Figure 2.27).

**Figure 2.28. Progress in recycling municipal waste has slowed after 2019**

Municipal waste recycled or composted, as a share of treated waste



Note: The latest available year is 2021 for Australia, Austria, Czechia, Finland, Greece, Italy, Japan, Korea, Latvia, Lithuania, Portugal and Türkiye; and 2020 for Iceland and Ireland. The earliest available year refers to 2013 for Israel; 2014 for Chile; and 2015 for Costa Rica. Data refers to 2018, instead of 2019, for Canada, Chile and the United States. The OECD average excludes Canada, Chile, Colombia, Mexico, New Zealand, Spain and the United States, due to incomplete time series. In Panel B, the dashed lines identify levels beyond which changes are considered meaningful (i.e. higher/lower than +/- 2 percentage points). Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

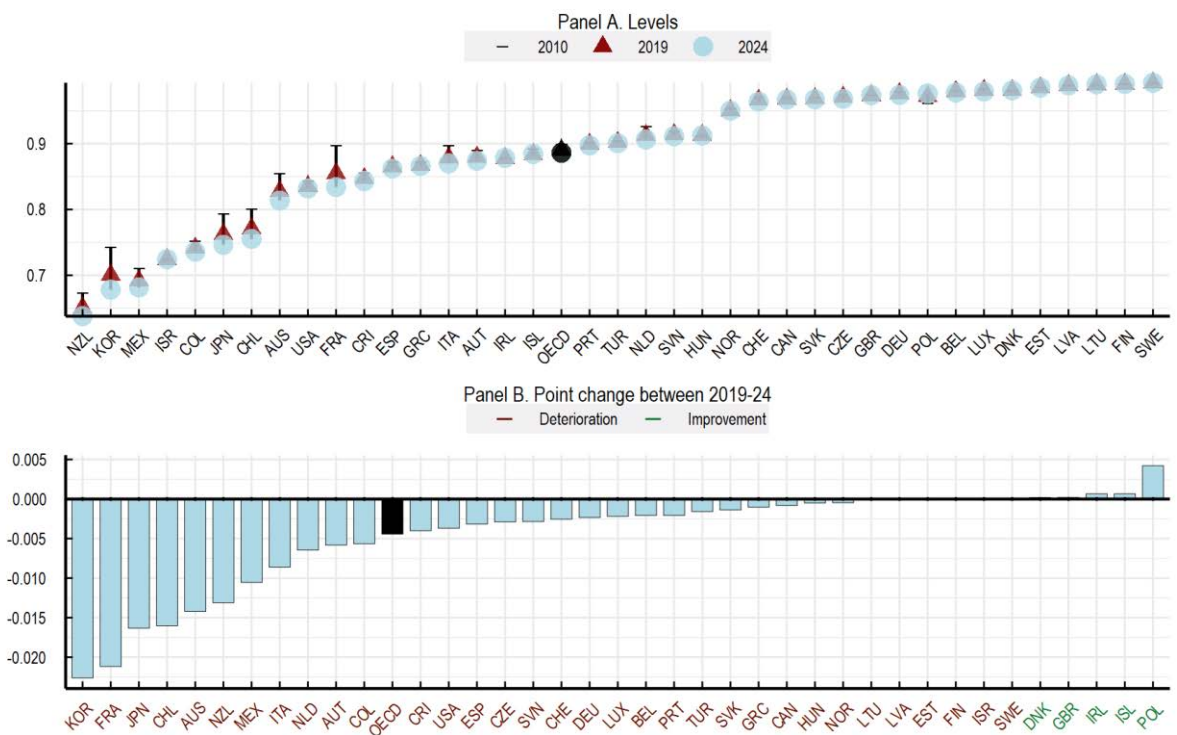
Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sub>[11]</sub>), <http://data-explorer.oecd.org/s/fu>.

Progress in recovering materials from waste has also slowed down in recent years. In 2022, on average 42% of municipal treated waste was recycled or composted across OECD countries (Figure 2.28, Panel A). This share had been growing over the past decade, with the recycling rate for the OECD average increasing by an annualised 1.1 percentage points between 2010 and 2019. However, between 2019 and 2022, it grew by only 0.2 percentage points a year. While it either remained stable or improved in the more than two-thirds of OECD countries with available data over this period, it also deteriorated in seven (Figure 2.28, Panel B).

The OECD average Red List Index (which considers the combined extinction risk for birds, mammals, amphibians, cycads and corals) stood at 0.886 in 2024 (on a scale of 1 to 0, where 1 means that all species fall into the least concern category and 0 means all species are extinct) (Figure 2.29, Panel A). The risks to biodiversity have continued to increase across OECD countries in both the medium- and short-term, with similar rates of annualised decline (of around 0.1%) in the Red List Index between 2010-19 and 2019-24. Thirty-three out of 38 OECD countries recorded a heightened risk of species extinction of species in this latter period (Figure 2.29, Panel B).

**Figure 2.29. The Red List Index has continued to decline in almost all OECD countries in recent years**

Red List Index, where 0 = all species having gone extinct and 1.0 = all species qualifying as “Least Concern”



Note: In Panel B, according to confidence intervals provided by the IUCN Red List, all changes are considered meaningful. Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

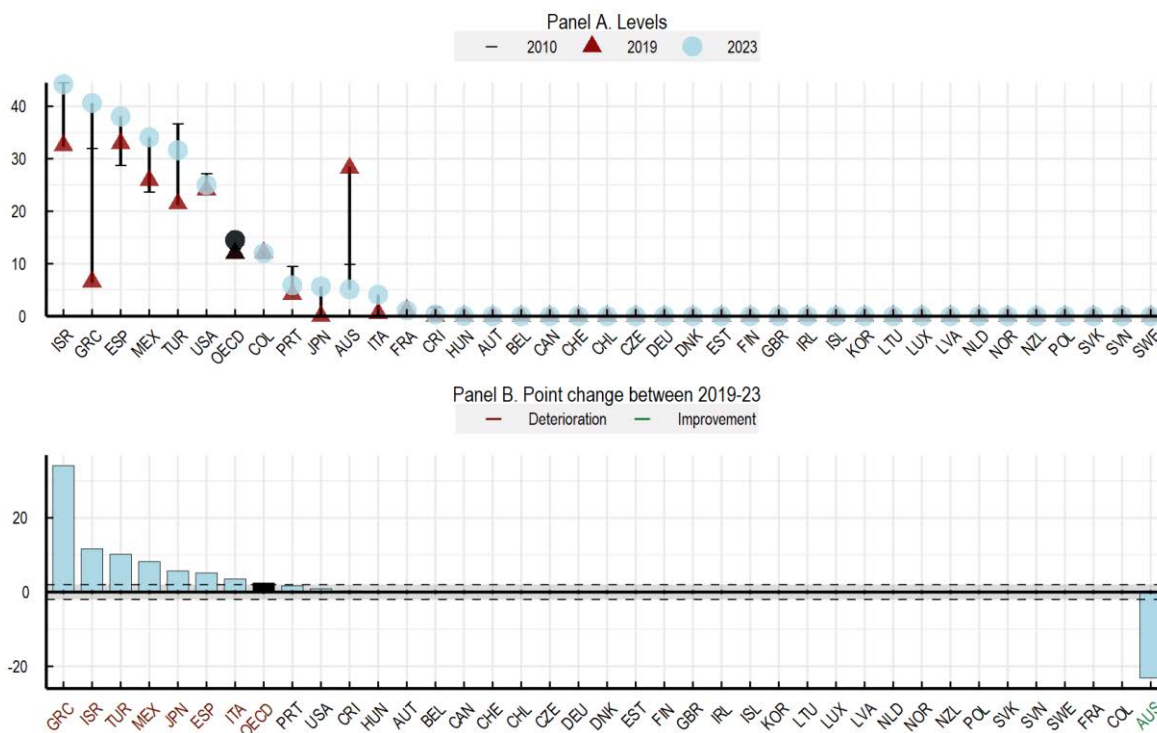
Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.(1)), <http://data-explorer.oecd.org/s/fu>.

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In 2023, one in seven people across OECD countries was exposed to extreme heat, defined as days with a maximum temperature over 35°C for at least two weeks a year (Figure 2.30, Panel A). Although temperature measurements are variable over time, this is significantly higher than in 2010, when one in eight people experienced extreme heat for the OECD average. In the short-term, compared to 2019, exposure to extreme heat significantly increased in seven OECD countries and only decreased in one. Almost all increases occurred in countries in which exposure to extreme temperature was already above the OECD average (Figure 2.30, Panel B).

**Figure 2.30. 15% of people across OECD countries are exposed to extreme temperatures**

Percentage of population exposed to at least two weeks of hot days a year



Note: In both panels, OECD refers to the OECD total. In Panel B, the dashed lines identify levels beyond which changes are considered meaningful (i.e. higher/lower than +/- 2 percentage points). Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sub>[1]</sub>), <http://data-explorer.oecd.org/s/fu>.

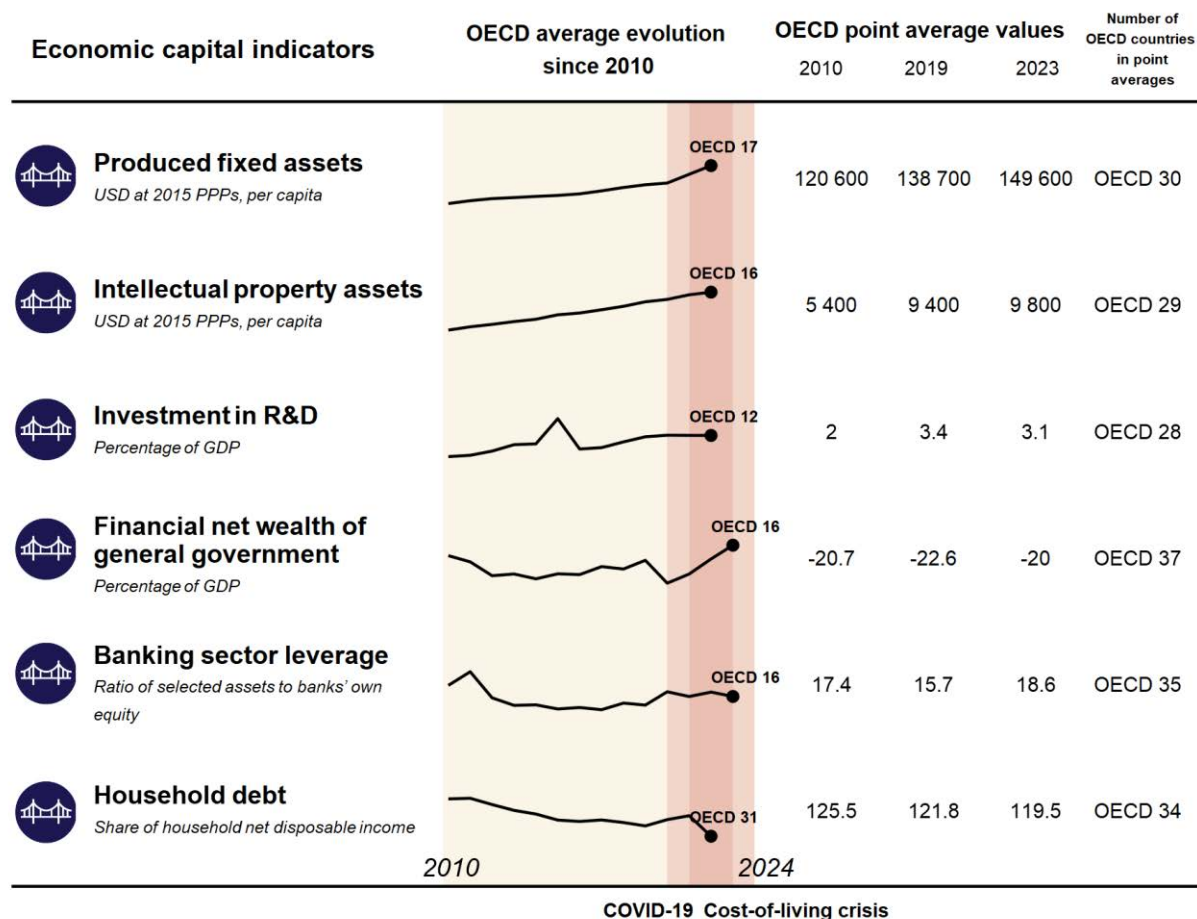
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In 2022, average annual water use represented just over 25% of OECD countries' internal water resources (Figure 2.27). Water use is placing resources under stress in several countries: in nine out of 22 OECD countries with available data, water stress is considered at least "medium-high" (i.e. annual gross water abstraction rates above 20% of internal resources), implying that both supply and demand need to be managed and conflicts among competing users need to be resolved (OECD, 2024<sub>[17]</sub>). Between 2010 and 2019, average OECD water use from internal water resources decreased by an annualised 0.4 percentage points. However, this trend reversed in recent years, with water use increasing by on average 0.3 percentage points a year between 2019 and 2022 (Figure 2.27).<sup>9</sup> Water use as a share of total renewable resources (including inflows from neighbouring countries) followed a similar pattern (OECD, n.d.<sub>[1]</sub>).

## Economic capital


Figure 2.31. At a glance: Economic capital indicators over time

Selected economic capital indicators, OECD average, 2010-23 or latest available year



Note: 2010 refers to 2010 or the earliest year available (between 2010-15); 2019 refers to 2019 or the closest pre-pandemic year available (between 2016-19); 2023 refers to 2023 or the latest year available (between 2020-23). The trendlines in the OECD average evolution since 2010 refer to only those countries with data available for every year shown in order to keep the sample constant across all years. This means that only countries with a complete time series are included and the time series are not always directly comparable with the point averages. Refer to the Reader's Guide for further details.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

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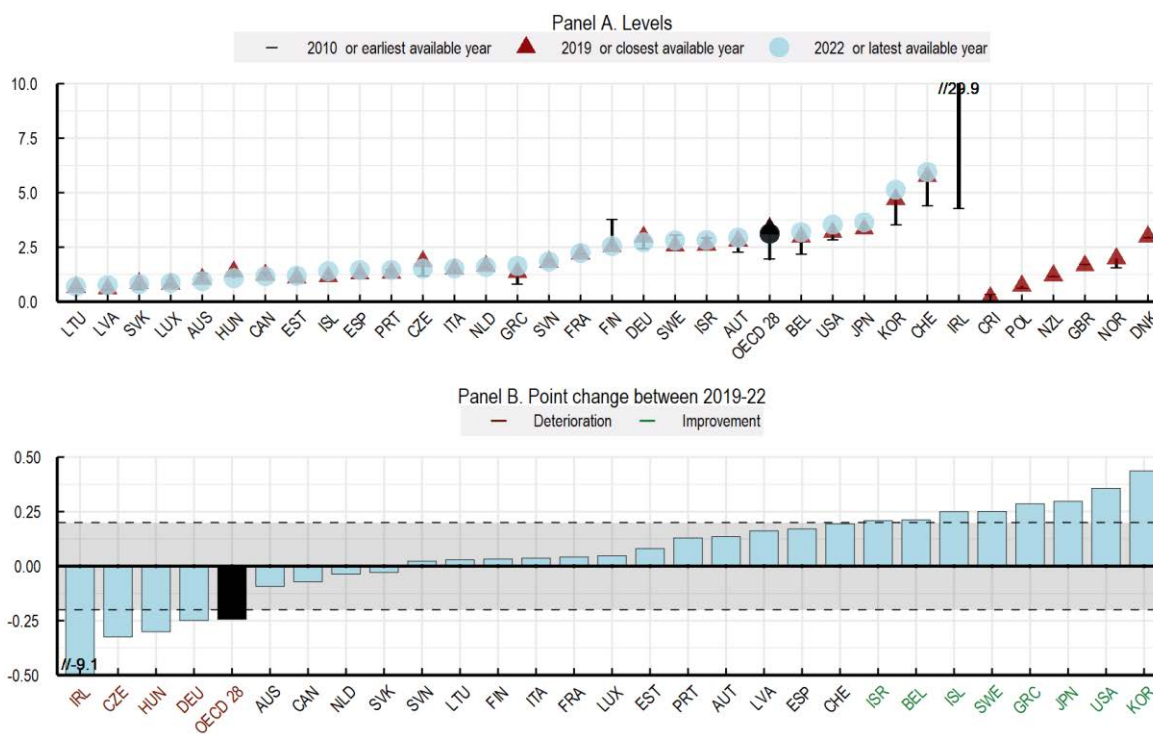
In 2022, the OECD average stock value of produced fixed assets per capita (including buildings, machinery and infrastructure) was close to USD 150 000 (Figure 2.31). It had already increased at an annualised rate of 1.6% between 2010-19, which then further accelerated to 2.6% between 2019-22. Indeed, since 2019, the average value of produced fixed assets increased by at least USD 7 700 per capita in two-third of OECD countries and remained stable in the remaining third (OECD, n.d.<sup>[1]</sup>).

As for intellectual property assets, between 2010 and 2019, the OECD average stock of these increased by an annualised 6.5%, but only by an annualised 1.2% since then (Figure 2.31).<sup>10</sup> The indicator showed no clear changes in two-thirds of OECD countries between 2019 and 2022 (OECD, n.d.<sup>[1]</sup>). In 2022, the OECD average stock of intellectual property assets was worth USD 9 800 per capita (Figure 2.31).

Similarly, the average OECD investment in research and development (R&D) as share of a GDP rose at an annualised rate of 0.2 percentage points between 2010 and 2019, but fell by an average 0.1 percentage point annually in the following three years (Figure 2.32, Panel A).<sup>11</sup> Since 2019, investment in R&D has remained stable in more than half of OECD countries with available data, while increasing in eight, including some of the countries with the highest levels of R&D investment to begin with (Figure 2.32, Panel B). In 2022, OECD countries were on average investing 3.1% of their GDP in R&D (Figure 2.32, Panel A).

**Figure 2.32. Since 2019, R&D investment increased in some of the OECD countries in which investment was already high**

R&D investment, percentage of GDP



Note: The latest available year is 2021 for Canada, Estonia, Greece, Iceland, Israel, Portugal, the Slovak Republic, Slovenia, Spain, Switzerland and the United States; and 2020 for Ireland, Latvia, Lithuania, Luxembourg and Sweden. The earliest available year is 2011 for Greece; and 2012 for Costa Rica. Data refer to 2016, instead of 2019, for Costa Rica and New Zealand. The OECD average excludes Chile, Colombia, Costa Rica, Denmark, Mexico, New Zealand, Norway, Poland, Türkiye and the United Kingdom, due to incomplete time series or missing data. In Panel B, the dashed lines identify levels beyond which changes are considered meaningful (i.e. higher/lower than +/- 0.2 percentage points). Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

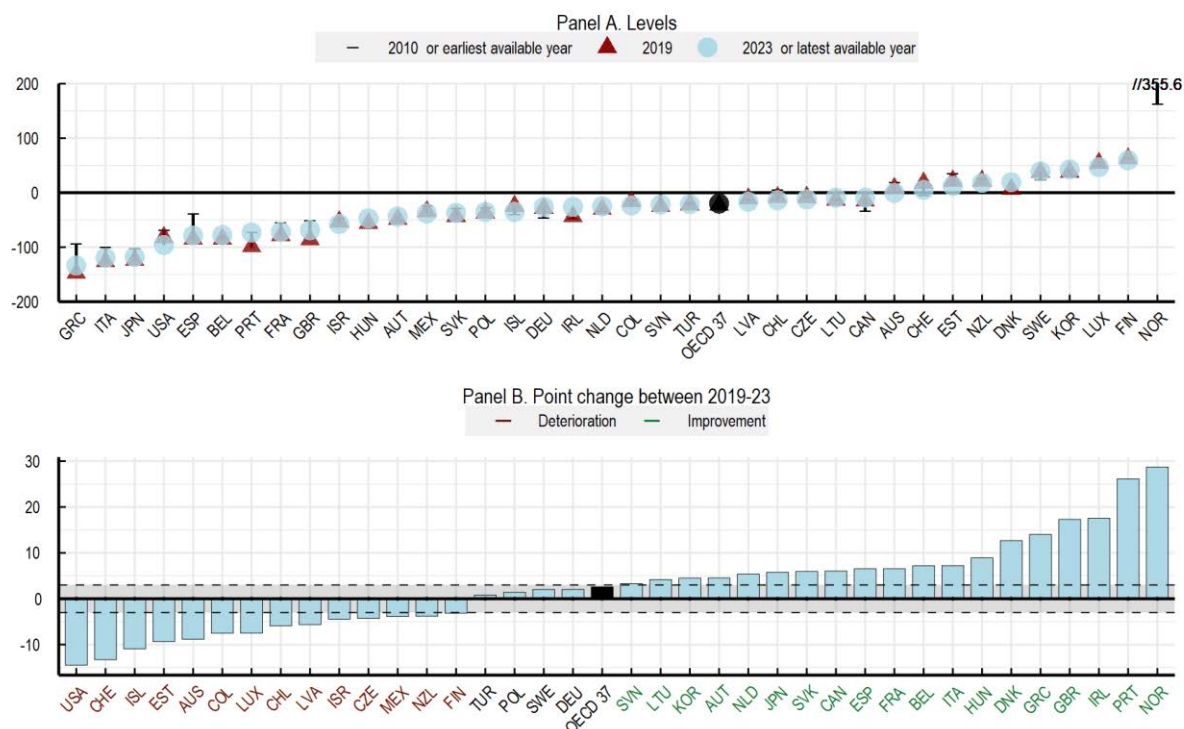
Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

StatLink  <https://stat.link/ynodus9>

In 2022, across OECD countries, government financial liabilities exceeded financial assets to the tune of 20 percentage points of GDP (Figure 2.33, Panel A). The OECD average financial net worth of general government decreased by a cumulative 1.6 percentage points between 2010 and 2019 but reverted to a cumulative increase of 2.6 percentage points since then. This positive average trend masks diverging trajectories between OECD countries, with financial net worth of government improving in 19 countries and deteriorating in 14 between 2019 and 2022 (Figure 2.33, Panel B).


**Figure 2.33. Trends in financial net worth of government diverged between countries**

Financial net worth of the general government sector, percentage of GDP



Note: The latest available year is 2023 for Australia, Belgium, Canada, Chile, Colombia, Denmark, France, Greece, Korea, Norway, Poland, Portugal, the Slovak Republic, Spain, Switzerland, the United Kingdom and the United States; and 2021 for Israel; and 2022 for all other countries. The earliest available year is 2015 for Colombia. The OECD average excludes Costa Rica, due to missing data. In Panel B, the dashed lines identify levels beyond which changes are considered meaningful (i.e. higher/lower than +/- 3 percentage points). Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

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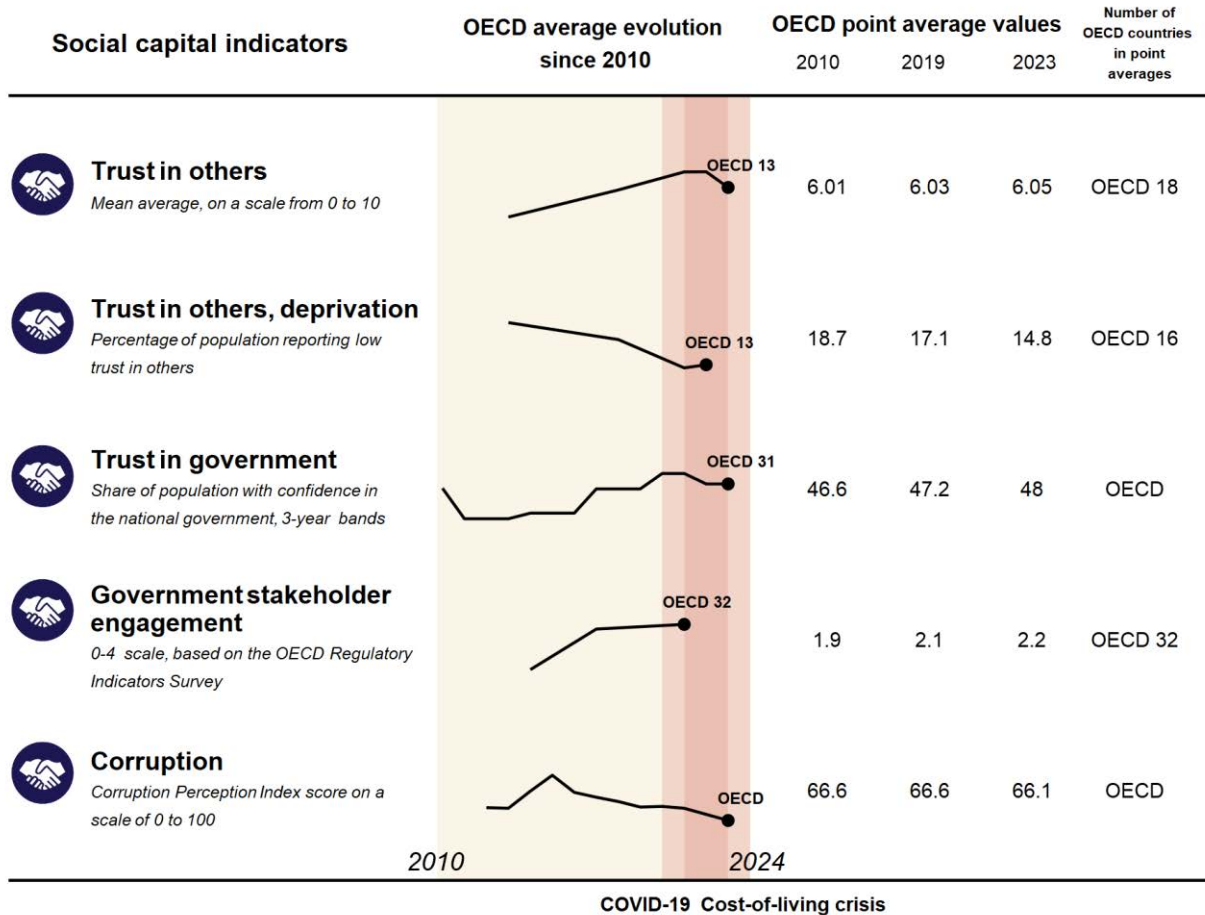
The OECD leverage ratio of monetary financial institutions (i.e the ratio between their financial assets and their equities) was 18.6 in 2022 (Figure 2.31). Compared to 2019, this ratio widened, potentially heightening the financial system's exposure to risk and cyclical downturns. While the ratio fell by an average of 0.2 points a year between 2010 and 2019, this trend reversed, with an annualised increase of almost 1 point since then (Figure 2.31). Between 2019 and 2022, the leverage ratio of monetary financial institutions increased by at least 3 points in close to half of OECD countries and showed no clear change in the others (OECD, n.d.<sup>[1]</sup>).

Average household debt across OECD countries was falling in the decade before the COVID-19 pandemic at an annualised pace of 0.4 percentage points. Between 2019 and 2022, this trend accelerated to average annual reductions of 0.8 percentage points, driven by household debt decreasing by at least 3 percentage points in one-quarter of OECD countries and remaining broadly unchanged in three-fourths (OECD, n.d.<sup>[1]</sup>). In 2022, the OECD average household debt stood at 120% of household net disposable income (Figure 2.31), and levels of household debt exceeded income in more than half of OECD countries (OECD, n.d.<sup>[1]</sup>).

## Social capital


Figure 2.34. At a glance: Social capital indicators over time

Selected social capital indicators, OECD average, 2010-23 or latest available year



Note: 2010 refers to 2010 or the earliest year available (between 2010-15); 2019 refers to 2019 or the closest pre-pandemic year available (between 2016-19); 2023 refers to 2023 or the latest year available (between 2020-23). The trendlines in the OECD average evolution since 2010 refer to only those countries with data available for every year shown in order to keep the sample constant across all years. This means that only countries with a complete time series are included and the time series are not always directly comparable with the point averages. Refer to the Reader's Guide for further details.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[11]</sup>), <http://data-explorer.oecd.org/s/fu>.

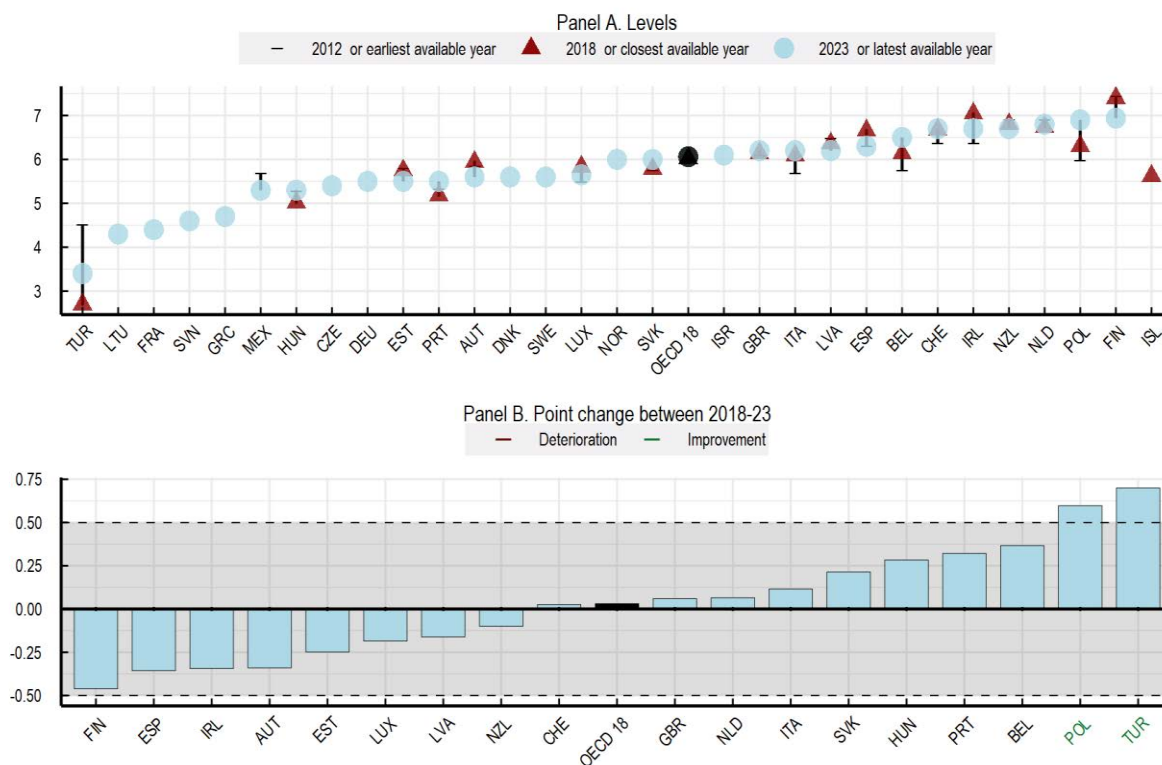
StatLink  <https://stat.link/f60ldi>

Average trust in other people in 2023, across 18 OECD countries with available data, essentially remained at its values of 2013 and 2018 (Figure 2.35, Panels A and B). In 2023, the OECD average for the mean interpersonal trust score was 6.1, on a scale from 0 (you do not trust anyone) to 10 (most people can be trusted). Meanwhile, just under 15% of people across OECD countries had very low trust in others (i.e. they reported a score of 4 or below on a 0-10 scale) (Figure 2.34). Outcomes for those at the lower end of the trust distribution improved over the past decade and particularly so in the short-term: the OECD average share of people with very low trust in others decreased between 2013 and 2018, by on average 0.3 percentage points a year. It then continued to fall at double this pace between 2018 and 2022 (Figure 2.34).




**Figure 2.35. Since 2018, trust in others has not changed in the majority of OECD countries with available data**

Mean values for interpersonal trust, on a scale from 0 (not at all) to 10 (complete trust)



Note: The latest available year is 2022 for Finland, Luxembourg, Switzerland, Türkiye and the United Kingdom; and 2021 for Israel, Mexico and New Zealand. The earliest available year refers to 2012 for Mexico; 2014 for New Zealand; and 2013 for all other countries. The OECD average excludes Australia, Canada, Chile, Colombia, Costa Rica, Czechia, Denmark, France, Germany, Greece, Iceland, Israel, Japan, Korea, Lithuania, Mexico, Norway, Slovenia, Sweden and the United States, due to missing data or breaks in the series, in many cases related to non-systematic changes in the EU-SILC questionnaire of individual countries from asking about trust in other people in general to asking about trust in people you do not know personally. In Panel B, the dashed lines identify levels beyond which changes are considered meaningful (i.e. higher/lower than +/- 0.5 scale points). Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

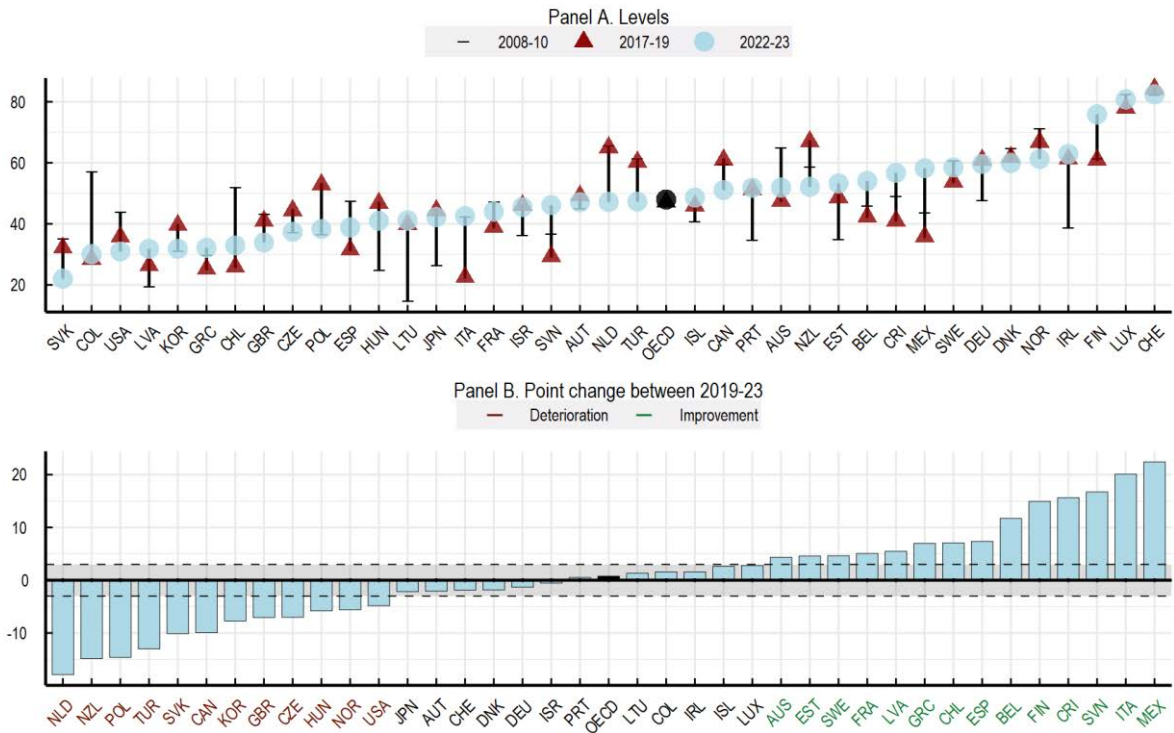
Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.(1)), <http://data-explorer.oecd.org/s/fu>.

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The OECD average for levels of trust in government fluctuated over the past decade, with lower scores in the early 2010s and a peak in trust at the onset of the COVID-19 crisis following a “rallying around the flag effect”. However, this started to decline again in 2022-23, though most recent estimates remain slightly above those observed just before the pandemic (Figure 2.34). In 2022-23, 48% of people across OECD countries said they trusted their national government (Figure 2.36, Panel A). Trends over the past four years have been diverging across countries, with trust in government rising in one-third of OECD countries and falling in another third between 2017-19 and 2022-23 (Figure 2.36, Panel B). The OECD has also started to collect additional in-depth information on different aspects of trust in institutions via the *OECD Survey on Drivers of Trust in Public Institutions* (Box 2.2).

**Figure 2.36. Compared to pre-pandemic levels, trust in government has improved in one-third of OECD countries but declined in another third**

Percentage of the population responding “yes” to a question about confidence in the national government



Note: The earliest available period refers to 2011-13 for Estonia and Latvia; 2012-13 for Iceland; and to 2012 for Norway and Switzerland. 2017-19 refers to 2017-18 for Czechia. In Panel B, the dashed lines identify levels beyond which changes are considered meaningful (i.e. higher/lower than +/- 3 percentage points). Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

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## Box 2.2. The OECD Survey on Drivers of Trust in Public Institutions

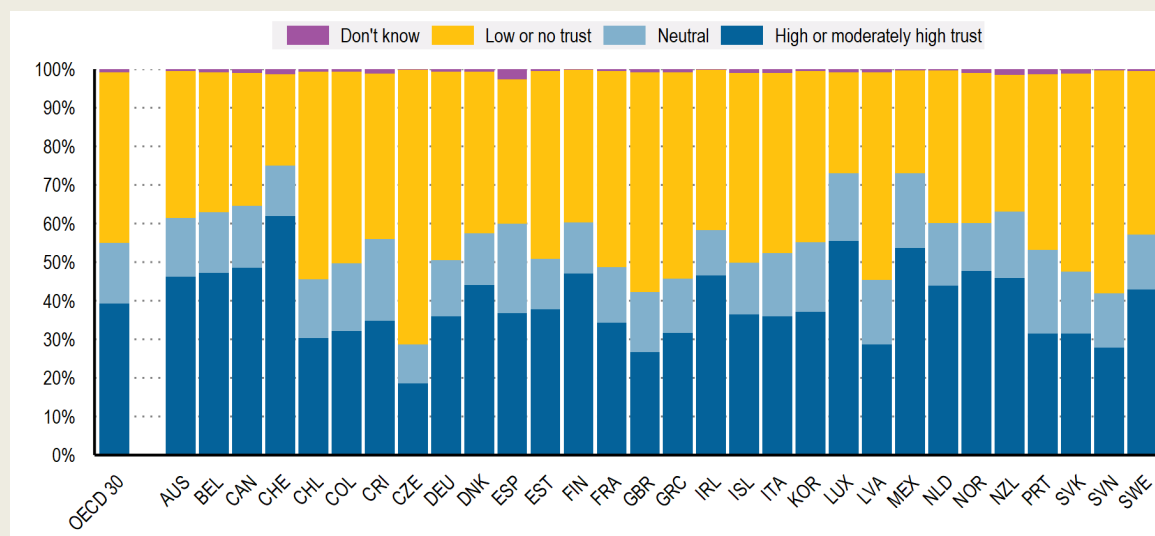
The *OECD Survey on Drivers of Trust in Public Institutions* examines how people's expectations of and experiences with public institutions influence their trust in government and other public institutions. The survey, developed over the course of a decade, was first implemented in 20 OECD countries in 2021 and in 30 OECD countries in 2023 (OECD, 2024<sup>[18]</sup>). Going forward, it will be carried out every two years.

The current *How's Life?* edition uses the Trust Survey as a source only for the indicator on "Having a say in government", and not yet for trust in the national government. Measured levels of trust differ between the currently used source of the Gallup World Poll (which at the time of publication had longer time series available) and the Trust Survey, due to differences in survey timing and the response scale, but overall patterns are similar (OECD, 2024<sup>[19]</sup>).

According to the OECD Trust Survey, in late 2023, a higher share of people (44%) across OECD countries had low or no trust in the national government than high or moderately high trust (39%), but with significant variations across countries and population groups (Figure 2.37).


**Figure 2.37. Trust in government according to the 2023 OECD Trust Survey**

Share of population who indicate different levels of trust in their national government, 2023



Note: The figure presents the within-country distributions of responses to the question "On a scale of 0 to 10, where 0 is not at all and 10 is completely, how much do you trust the national government?". A 0-4 response corresponds to "low or no trust", a 5 to "neutral" and a 6-10 to "high or moderately high trust". "OECD 30" presents the unweighted average across countries.

Source: OECD (2024<sup>[18]</sup>) *OECD Survey on Drivers of Trust in Public Institutions – 2024 Results: Building Trust in a Complex Policy Environment*, OECD Publishing, Paris, <https://doi.org/10.1787/9a20554b-en>.

StatLink  <https://stat.link/9vdiz8>

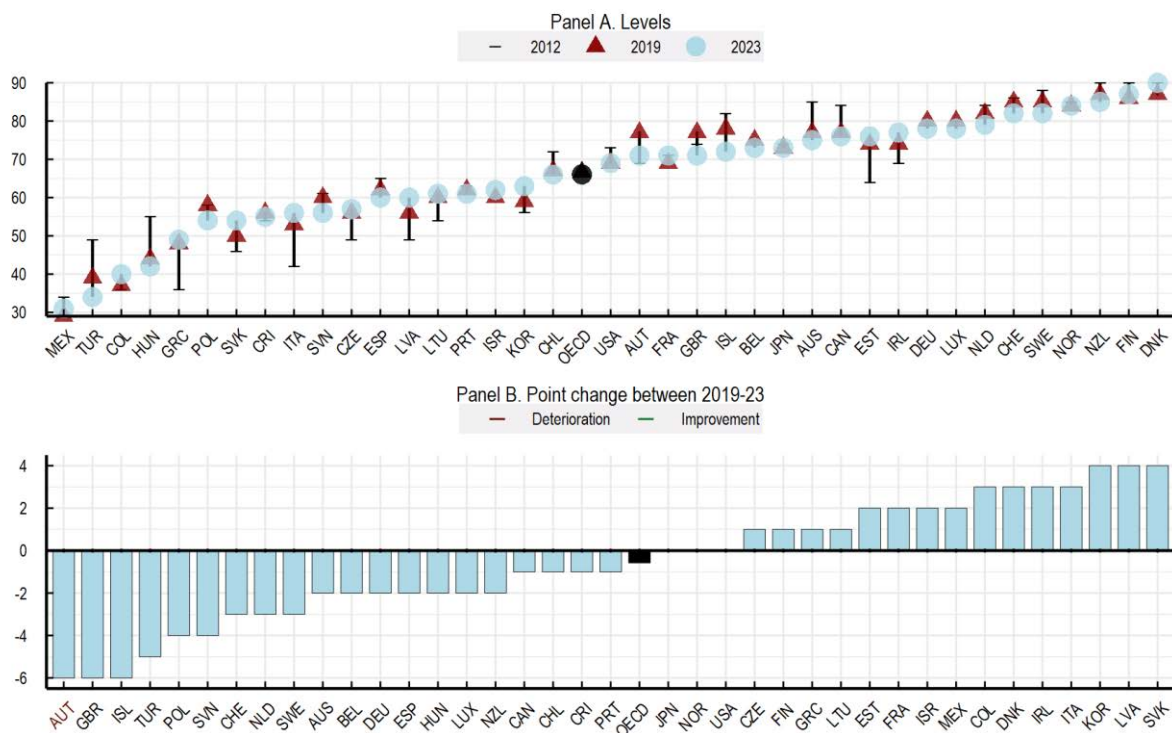
The OECD average for the extent to which governments have sound stakeholder engagement rules and practices when developing laws, on a scale from 0 (no engagement) to 4 (maximum engagement) was 2.1 in 2017 (Figure 2.34). Stakeholder engagement slightly improved between 2014-17, during which the OECD average rose by an annualised 0.07 scale points, but progress slowed down at less than half of this prior rate between 2017-21 (Figure 2.34). Country trends diverged during this latter period, with one-third

of OECD countries experiencing improvement in government stakeholder engagement and another third deterioration (OECD, n.d.<sup>[1]</sup>). Relative to 2017, countries improved their stakeholder engagement practices with respect to subordinate regulations (which were fewer to begin with) to a greater extent than to primary laws (where improvements were mainly driven by an increase in virtual consultations and a greater variety of documents shared when consulting stakeholders (OECD, 2021<sup>[20]</sup>). Most OECD countries have overall room for improvement, as only a few systematically consult at *earlier* stages of policy development (OECD, 2021<sup>[20]</sup>).

In recent years, there has been little progress in tackling perceptions of public sector corruption across OECD countries. According to the assessments of experts and businesspeople in Transparency International's Corruption Perception Index, the OECD average level of perceived corruption in the public sector in 2023 was 66, on a scale from 0 (highly corrupt) to 100 (the total absence of corruption) (Figure 2.38, Panel A). This average value is similar to estimates in 2010 and in 2019. Over the 2019-23 period, no OECD country managed to significantly improve perceived public sector integrity (Figure 2.38, Panel B).

**Figure 2.38. No OECD country has significantly improved perceived public sector integrity since 2019**

Corruption Perception Index, 0 (highly corrupt) – 100 (very clean) scale



Note: In Panel B, coloured country names identify changes that are statistically significant. Country names in red font are classified as deteriorating and names in green font as improving between 2019 and the latest available year.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

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## Notes

<sup>1</sup> Understanding the impact of these events on all aspects of people’s lives in real time was often not possible with the (high-quality, large-sample) data sources governments and international organisations such as the OECD typically use for their policy analysis. Indeed, in many cases, especially when it comes to information on non-economic outcomes, data are often collected infrequently and/or published with a considerable time lag (in addition to the challenges of data collection during a pandemic). This does not mean it was impossible to uncover insights about the impact of these crises – in fact, some national statistical offices and many academics in the OECD area responded with significant innovations in high-frequency data collection especially during the COVID-19 pandemic, including household “pulse” surveys and new Internet-based surveys (OECD, 2021<sup>[3]</sup>). The OECD also stepped up its forecasting techniques and where possible (mostly for analyses on macroeconomic and labour market outcomes) relied on quarterly estimates (OECD, 2021<sup>[3]</sup>; 2023<sup>[23]</sup>; 2024<sup>[2]</sup>). Although much more needs to be done to increase the frequency and timeliness of data collection, several of the high-quality annual sources on social, economic and environmental well-being outcomes that the *How’s Life?* series of reports relies on have now become available for 2022 and 2023, and in some cases even up to 2024.

<sup>2</sup> I.e. excluding social transfers in kind (such as health or education provided for free or at reduced prices by governments and non-profit institutions serving households) and not deducting the amount needed to replace the capital assets of households (i.e. dwellings and equipment of unincorporated enterprises).

<sup>3</sup> The OECD average trends are partly driven by Türkiye, in which the share of people with difficulty making ends meet rose markedly in a context of hyperinflation. If this outlier is excluded, the OECD average for this indicator experiences a slow-down in progress rather than a short-term trend reversal, with average annual reduction rates of 1 percentage point between 2010-19 and of 0.2 percentage points between 2019-23.

<sup>4</sup> There is ample evidence illustrating the harmful causal impacts of social isolation and loneliness on other well-being dimensions, including health, labour market, economic and educational outcomes and civic engagement (Mahoney et al., 2024<sup>[24]</sup>). Several OECD countries and international organisations have begun to recognise social connections as a policy priority, with various dedicated strategies to promote connectedness having been launched in the past five years amidst a growing sense that that loneliness and isolation are on the rise (Mahoney et al., 2024<sup>[24]</sup>). A separate working paper under the umbrella of the *How’s Life?* series will be released in 2025 to examine trends and inequalities in social connectedness in depth, complementing the high-level findings in this section.

<sup>5</sup> Social support between 2017-19 and 2022-23 deteriorated in Austria, France, Italy, Switzerland, the United Kingdom and the United States and improved in Greece (OECD, n.d.<sup>[11]</sup>).

<sup>6</sup> These estimates are lower than some of the unofficial data on loneliness that have recently been published by the Gallup Word Poll, which estimates 2023 prevalence rates in OECD countries at around 20% (Gallup World Poll, 2023<sup>[22]</sup>). Upcoming OECD work will explore whether and to what extent survey design affects prevalence estimates.

<sup>7</sup> Health outcomes and skills, which are both important for well-being today and in the future by contributing to human capital, have already been addressed in the previous sections.

<sup>8</sup> It is still difficult to evaluate biodiversity outcomes and actual protection levels, as they depend on the designation of the geographic area and on its effective management. Indeed, protected areas have been

changing over time, including the addition of new areas, the revision of boundaries, and the destruction of some sites due to pressures from economic development or natural processes. Additionally, there are large variations in the management objectives of terrestrial protected areas across OECD countries, which can be partly explained by differences in geography and ecology and in the pre-existing patterns of human settlement in the territory (OECD, 2023<sup>[16]</sup>).

<sup>9</sup> The OECD average trends are partly driven by Israel, in which water use as share of internal water resources increased by 12 percentage points between 2019-22. If this outlier is excluded, the OECD average for this indicator experiences a slow-down in progress rather than a short-term trend reversal, with annualised reduction rates of 0.4 percentage points between 2010-19 and of 0.03 percentage points between 2019-22.

<sup>10</sup> The OECD average trends are partly driven by Ireland due to the relocation of preexisting intangible assets by multinationals to their Irish subsidiaries in Q2 2019 and Q4 2019, (Montornès and Khder, 2021<sup>[21]</sup>). If this outlier is excluded, the OECD average for this indicator grows at an annualised rate of 2.4% between 2010-19, and by a slightly lower annualised 2.1% between 2019-22.

<sup>11</sup> The OECD average trends are partly driven by Ireland due to the relocation of preexisting intangible assets by multinationals to their Irish subsidiaries in Q2 2019 and Q4 2019, (Montornès and Khder, 2021<sup>[21]</sup>). If this outlier is excluded, the OECD average for this indicator grows at an annualised rate of 0.02 percentage points between 2010-19, and by a slightly higher 0.03 percentage points between 2019-22.



# 3 Has well-being become more inclusive over the past decade?

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This chapter assesses current well-being outcomes for different parts of the population and whether existing gaps narrowed or widened over the past decade. Well-being gaps by gender, age and educational attainment remain substantial. Compared to around 2010, outcomes have generally improved across the board, and gaps between population groups have slightly narrowed for aspects of work and job quality, safety, and in some cases trust in government. However, narrowing gaps in subjective well-being and the quality of social connections have been driven mainly by outcomes for younger people, and, in the latter case, also by outcomes for men, declining to a comparatively larger extent than for other population groups.

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It is essential to understand not only whether life has been getting better or worse as a whole, but also, for whom. In many cases, inequalities in well-being between population groups run deep (OECD, 2020<sup>[1]</sup>; 2017<sup>[2]</sup>). This chapter considers gaps in well-being outcomes that can be compared across countries: by gender, age and educational background (Box 3.1).

### Box 3.1. How to read this chapter – background information

#### Well-being gaps for different parts of the population

This part of the report presents how men and women, people of different ages, and those with different educational achievements are faring when it comes to current well-being.<sup>1</sup> For each group, gaps vis-à-vis the population average are presented for the latest available year across the thematic areas of material conditions, quality of life and community relationships (as well as some aspects of social capital). This chapter focuses on results for the OECD average; more details about well-being inequalities for each OECD country are available in the online country profiles accompanying this report.

#### How to interpret population breakdowns

Age ranges differ according to each indicator and are only broadly comparable – they generally refer to 15-24/29 years for younger people, 25/30 to 45/54 years for the middle-aged, and 50 years or over for older people. Full details for each indicator can be found in the *How's Life? Well-being Database* (OECD, n.d.<sup>[3]</sup>) metadata information available at <https://www.oecd.org/wise/oecd-well-being-database-definitions.pdf>.

People with only a primary level of education tend to make up only a small share of the total population in most OECD countries, meaning that statistically robust data (with adequate sample sizes for this educational category) are available only for a limited number of indicators. This chapter hence focuses on people who have completed either upper secondary or tertiary degrees as their highest educational level. Those with only primary education are nevertheless included in the calculation of the total population average.

#### Change over time

The indicators discussed here are restricted to those for which time series are long enough to show trends over time (for a discussion on well-being inequalities for which no time series exist, such as considerable gender gaps in unpaid work, see (OECD, 2020<sup>[1]</sup>)). For some indicators, estimates were pooled across years to boost the sample size (particularly for outcomes for younger people). In order to standardise the approach across the dashboard, trends over time with a few exceptions hence refer to changes from around 2010 until the latest available year, rather than to those that occurred during the COVID-19 pandemic or cost-of-living crisis.

As it is important to understand why gaps might have narrowed or widened (i.e. a reduction in inequality might have been the result of outcomes worsening for one group, which is not a positive development for well-being overall), summary figures throughout also show trends from 2010 up to the latest available year specific to each population subgroup.

#### Intersectionality

Due to internationally comparable data availability and sample size constraints, the indicators discussed in this chapter refer to outcomes for specific single population groups, whereas an intersectional approach to data would identify well-being inequalities within and between groups based on how multiple factors of a person's identity come together (e.g. gender, age, socioeconomic background, racial and ethnic background, immigration status). Nevertheless, several national well-being monitoring

initiatives in OECD countries are increasingly highlighting the importance of intersectional analyses and are strengthening data collection in this area (Statistics Canada, 2024<sup>[4]</sup>).

Note:

1. Gender-diverse data is not included in the *How's Life? well-being database*, due to gaps in internationally comparable information, although several countries are increasingly collecting metrics.

## Well-being gaps by gender

Across OECD countries, men and women each face specific well-being challenges (Figure 3.1). On the one hand, compared to the population as a whole, women are on average less likely to be employed and tend to fare worse on a range of quality-of-life aspects (e.g. they perceive their health as worse, are more likely to report more negative than positive emotions, including physical pain, and feel more lonely and less safe in their neighbourhoods at night). On the other hand, men live shorter lives on average, are more likely to report very low satisfaction with personal relationships and are considerably more likely to work longer hours in paid work or to die as a victim of homicide or from a death of despair (due to suicide, drug overdose or acute alcohol abuse) (Figure 3.2).

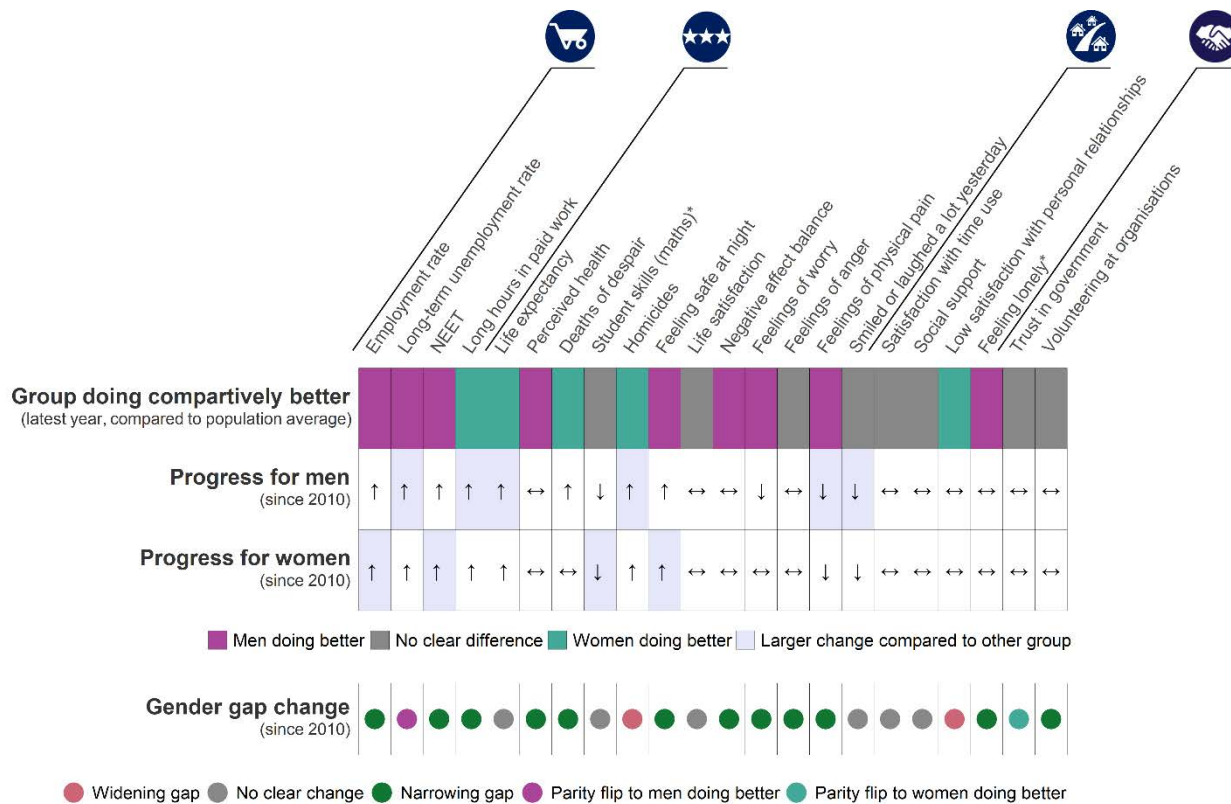
Looking at changes in the gender gap in the last decade, across the 22 well-being indicators illustrated in this chapter, gender gaps have narrowed in more than half, widened in just two and remained stable for just over one-quarter (Figure 3.1). As it is important to understand why gaps might have narrowed or widened, both the direction of the gap and the direction of trends for all groups need to be considered jointly.

Several well-being outcomes have improved for both genders over the past decade, but more so for the comparatively more disadvantaged group in each respective instance (Figure 3.1). This has led to narrowing gender gaps for some aspects of work and job quality and safety, where women are catching up with men, such as the employment rate, the share of young people not in education, employment or training (NEET) and feelings of safety when walking alone at night. Meanwhile, men are catching up with women when it comes to fewer people working very long hours in paid work. Both men and women have also seen improvements since 2010 in the long-term unemployment rate, deaths due to assault as well as life expectancy, though this has not led to a narrowing of gender gaps overall.

However, in other instances progress has been more mixed (Figure 3.2). For example, gender inequalities in deaths from suicide, drug abuse or acute alcohol abuse have decreased as a result of fewer male fatalities, while reductions in these deaths of despair have essentially stalled for women over the past decade (and increased in the short-term, as discussed later in this section). Similarly, narrowing gender gaps in the cases of feelings of worry, pain and loneliness were due to these outcomes worsening in particular for men.<sup>1</sup> OECD average student skills in mathematics worsened for both boys and girls over the past decade, with no clear change in the gender gap. These developments are described in more detail in the remainder of this section.

**Figure 3.1. Current well-being outcomes and trends since 2010 by gender**

Current performance compared to the population average, progress for each group and change in gender gaps since 2010 until the 2023 or the latest available year, OECD average



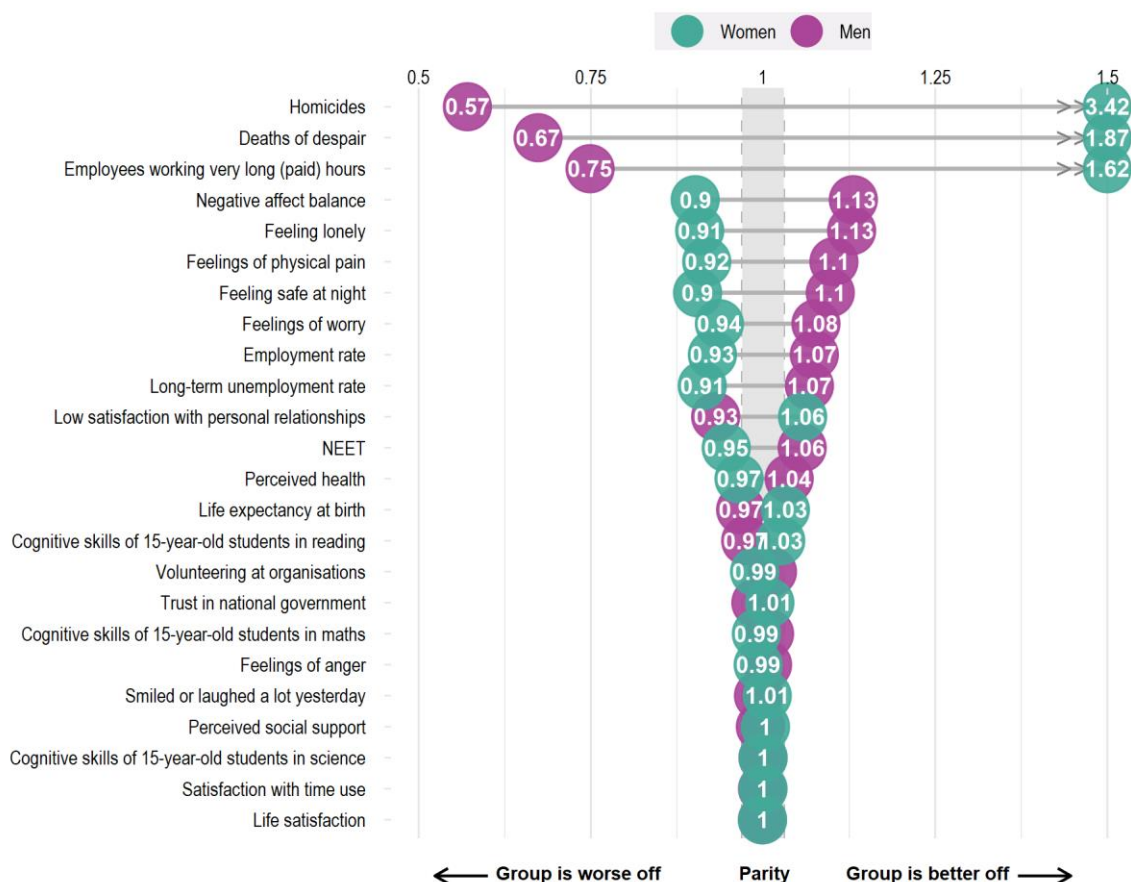
Note: The first row (“group doing comparatively better”) details for each well-being outcome which population group (in this case, men or women) is doing comparatively better relative to the population average for the latest year available. It is classified as “no clear difference” when all groups are within ±0.03 points of distance to parity with the population average. The second and third rows show the direction of progress made since 2010 until the latest available year for each population group: ↑ signifies improvement, ↓ signifies deterioration and ↔ signifies no clear change with respect to indicator-specific thresholds for meaningful change (see the Reader’s Guide for more details). A shaded cell means the respective change over time for one group was comparatively larger than for the other group. The last row “gender gap change” shows the development of the ratio between population groups (in this case, men and women) since 2010 until the latest available year. It is classified as either widening or narrowing if a change of at least ±0.01 points in the ratio between groups has occurred for a specific indicator. Throughout, the compared periods refer to 2008-10 and 2022-23 for feeling safe at night, all affect indicators, perceived social support and volunteering. Indicators marked with \* denote that no longer term data were available and change over time refers to 2018 until the latest available year.

Source: OECD calculations based on the OECD *How’s Life? Well-being Database* (n.d.<sup>[3]</sup>), <http://data-explorer.oecd.org/s/fu>.

StatLink <https://stat.link/9iyts2>

**Figure 3.2. At a glance: Current well-being outcomes of men and women**

Distance from parity with the population average, by gender, 2023 or latest available year, OECD average



Note: Values refer to the ratio of outcomes for a specific population group relative to the population average. Indicators are scored relative to their direction for well-being: for example, compared to the population average, women are 3.42 times *less* likely to die due to assault, while men are 1.1 times *more* likely to feel safe when walking alone at night in their neighbourhoods. Ratios that fall within  $\pm 0.03$  points of parity are classified as no clear difference from the population average (indicated by the grey shaded area). In order to show the gap size for all indicators, ratios that fall outside of the figure's scale are set to 0.5 or 1.5 and are marked by << or >> with the actual ratio value indicated in the bubble.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[3]</sup>), <http://data-explorer.oecd.org/s/fu>.

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### **Material conditions by gender**

Gender gaps in material conditions have generally narrowed over the past decade.

Men across OECD countries clearly fare better when it comes to the majority of labour market outcomes - relative to the population average, they are more likely to be employed as well as less likely to be long-term unemployed, and younger men are also less likely not to be in education, employment or training (NEET) (Figure 3.2). However, over the past decade, women started to catch up, partly driven by a stronger recovery in labour market outcomes over the course of the COVID-19 pandemic (OECD, 2023<sup>[5]</sup>). For instance, the OECD average employment rate for women increased by 7.8 percentage points between 2010 and 2022 (from 64.2% to 72%), compared to an increase of 4.7 percentage points for men (from 79.4% to 84.1%). Similarly, gender gaps have narrowed for the average OECD NEET rate, which stood at 12% for women and 11% for men in 2022, compared to 15% and 13% in 2010, respectively (OECD, n.d.<sup>[3]</sup>). The average gender wage gap across OECD countries (not shown in Figure 3.1), while still at 11.6% in

2022, also clearly dropped (from 14.5% in 2010) (OECD, n.d.<sup>[3]</sup>). Only the long-term unemployment rate, which has decreased from an OECD average of 3.5% to 1.6% for men and from 3.2% to 1.9% for women has seen slightly better trends for men over this period, leading to a flip in the gender gap for this indicator (Figure 3.1).

Close to 10% of male employees across OECD countries continued to spend at least 50 hours a week in *paid* work in 2022, versus only 4% of female employees (OECD, n.d.<sup>[3]</sup>) (Figure 3.2). This gap has been narrowing over the past decade, driven by reductions in long working hours for both genders but to a larger degree for men (who recorded a drop of 3.4 percentage points since 2010, compared to 1.2 percentage points for women) (OECD, n.d.<sup>[3]</sup>). Nevertheless, once both paid and unpaid work are taken into account, women work more than men – on average almost 25 minutes a day – in almost every OECD country (OECD, 2020<sup>[1]</sup>).

### **Quality of life by gender**

Unlike gender gaps in material conditions, which have all narrowed over the past decade, gender gaps in quality of life have shown less consistent improvement over time.

Gender differences in the dimension of safety continue to be stark, but since 2010 outcomes have generally improved across the board and the gender gap in perceptions of safety has narrowed: in 2022-23, 68% of women and 82% of men felt safe walking alone at night, a significant improvement relative to 2008-10 (57% and 77%, respectively), with women making more rapid gains than men over time (OECD, n.d.<sup>[3]</sup>). In parallel, deaths due to assault reduced in *absolute* terms more dramatically for men (by 1.9 deaths per 100 000) than for women (by 0.4 deaths per 100 000) between 2010 and 2021 (OECD, n.d.<sup>[3]</sup>). However, men remain at much higher risk of homicide overall (at 6.3 vs 1.1 deaths per 100 000, and the gender gap has actually widened over time, since the *relative* change since 2010 was slightly larger for women) (OECD, n.d.<sup>[3]</sup>) (Figure 3.2).

When it comes to health outcomes, in 2022 women continued to have a higher life expectancy than men (at 83.3 years vs 78.1 years, with gender gaps slightly narrowing due to comparatively larger improvements for men since 2010) (OECD, n.d.<sup>[3]</sup>).<sup>2</sup> Women also remained less likely to rate their health as good (64% of women vs 69% of men), with gender gaps over the past decade largely unchanged. (OECD, n.d.<sup>[3]</sup>). Deaths of despair represent the second-largest level of gender inequality among all current well-being outcomes – in 2021, men in the typical OECD country were almost three times more likely than women to die from either a suicide, drug overdose or acute alcohol abuse (Figure 3.2). Gender differences in deaths of despair have shrunk, but this was almost entirely driven by falling deaths rates for men from 40.5 deaths per 100 000 in 2010 to 35 in 2021. Over the same time period, deaths of despair for women remained relatively stable (at 13.3 deaths per 100 000 population in 2010 and 12.6 in 2021) (OECD, n.d.<sup>[3]</sup>). Of particular note, deaths of despair for women have started to rise in recent years (by 0.3 deaths per 100 000 between 2019 and 2021), while male fatalities continued to fall (by 0.5 deaths) over the same period (OECD, n.d.<sup>[3]</sup>).

Women across OECD countries are slightly more likely than men to experience a lot of worry, physical pain or more negative than positive feelings the previous day (Figure 3.2). Gender gaps in feelings of worry and pain have narrowed relative to 2008-10, as outcomes have worsened across both genders, but particularly so for men. For instance, 34% of men in the typical OECD country reported feeling a lot of worry in 2022-23, compared to 31% around a decade ago. Worry also increased for women over this period, but by a smaller amount (from 37% to 39%).<sup>3</sup> The prevalence of pain across OECD countries also increased for both genders, with men up from 22% in 2008-10 to 25% in 2022-23, and for women up from 27% to 31% (OECD, n.d.<sup>[3]</sup>).

Lastly, there is no clear gender difference between male and female students vis-à-vis the population average for maths and science skills at age 15 (as assessed by the OECD 2022 PISA study). Since levels

of performance have *worsened* since 2018 for both genders, this gap has remained consistent over time (Figure 3.1). Trends for test scores in reading and science have followed similar patterns (OECD, 2023<sup>[6]</sup>).

### **Community relationships and social capital by gender**

Gender differences in community relationships and social capital also show diverging patterns depending on the indicator considered.

Across OECD countries, there is little difference in how satisfied men and women are with how they spend their time, and this has remained stable over the past decade (Figure 3.1, Figure 3.2). Interestingly, outcomes for both genders have moved in tandem since 2013: on a scale ranging from 0 (no satisfaction) to 10 (complete satisfaction), mean values for both men and women first deteriorated by more than 0.2 points between 2012 and 2018, and then improved by around 0.4 points over the course of the COVID-19 pandemic and associated changes in work patterns (OECD, n.d.<sup>[3]</sup>). In 2022, the mean score of satisfaction with time use across OECD countries was 7.3 for both genders (OECD, n.d.<sup>[3]</sup>).

Overall, women spend more time than men interacting with friends and family – around 20 minutes more per week (and men around 20 minutes less), while the OECD average was six hours per week around 2018 (OECD, 2020<sup>[1]</sup>).<sup>4</sup> However, with regard to the quality of social connections, women are more likely than men to feel lonely (Figure 3.2). Since 2018, this gender gap has narrowed – largely due to feelings of loneliness rising more for men than for women during COVID-19 (up from 4.8% to 5.4% in 2023 for men, and from 6.5% to 6.7% for women) (Figure 3.1) (OECD, n.d.<sup>[3]</sup>). During the pandemic, the share of men being very dissatisfied with their personal relationships also rose at a higher rate than it did for women, leading to a widening gender gap over time, and one in which men fare worse than women (Figure 3.1, Figure 3.2) (OECD, n.d.<sup>[3]</sup>).<sup>5</sup>

In terms of social capital, trust in national government and volunteering rates are very similar for men and women across OECD countries on average, and changes over the past decade have not been large enough to be classified as meaningful for either gender (Figure 3.1, Figure 3.2). In 2022-23, 49% of women and 48% of men expressed trust in their government, and 22% of women and 23% of men declared they volunteered in the past month (OECD, n.d.<sup>[3]</sup>).<sup>6</sup> Meanwhile, there has been encouraging progress towards gender parity in politics: the share of women members of parliament (not shown in Figure 3.1) increased from around one-fourth of seats in 2010 to just over one-third of seats in 2023, and two countries (New Zealand and Mexico, the latter with the support of quotas) have achieved parity in political decision-making (OECD, n.d.<sup>[3]</sup>).

### **Well-being gaps by age**

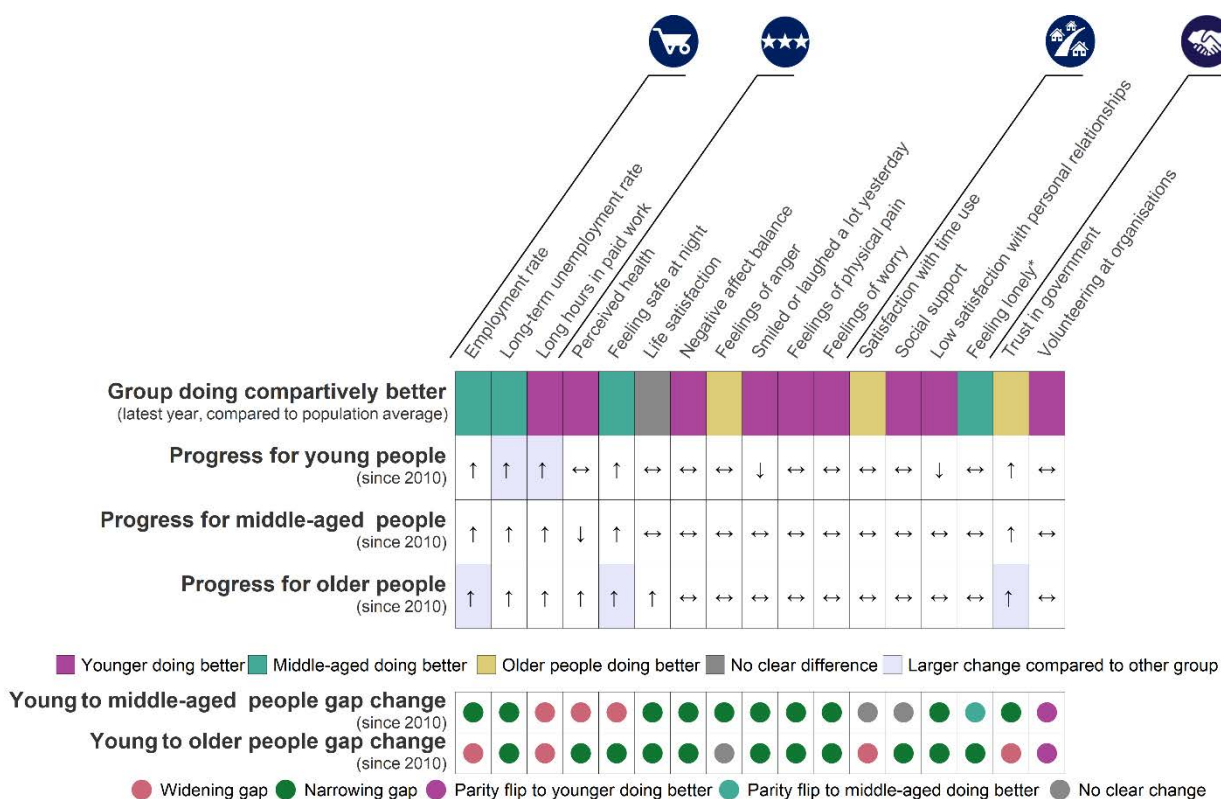
People of different ages have different comparative well-being advantages – generally speaking, younger people across OECD countries tend to do relatively better when it comes to health, subjective well-being (apart from feeling angry) and some aspects of social connectedness, whereas middle-aged adults are more likely to be employed and feel safer, and older people trust their government more and are less likely to experience anger (Figure 3.3, Figure 3.4). As some of these differences can partly be a function of age itself, such as differences in health, the nature of career trajectories, or as a result of having experienced major life events, it is especially important to examine whether age gaps are narrowing or widening over time, rather than only the absolute level of inequalities per se.

Since around 2010, labour market conditions, perceptions of safety and trust in government have improved across all age groups. In the majority of cases, older people experienced greater improvements than younger people, with the exception of long-term unemployment and very long working hours (Figure 3.3). Perceived health represents one of the areas with diverging trends across age groups, with outcomes improving since 2010 for older people but worsening for the middle-aged (Figure 3.3).

Going forward, it will be important to keep an eye on how younger people are faring with regard to quality of life and community relationships. Gaps between younger and older people have generally narrowed in aspects of subjective well-being and social connectedness over the past decade. However, this was because younger people experienced the largest comparative declines in these aspects of their lives (although changes over time were in most cases not yet large enough to be considered as a clear improvement or deterioration for any age group) (Figure 3.3). These developments are described in more detail in the remainder of this section.

**Figure 3.3. Current well-being outcomes and trends since 2010 by age**

Current performance compared to the population average, progress for each group and change in age gaps since 2010 until 2023 or the latest available year, OECD average



Note: The first row (“group doing comparatively better”) details for each well-being outcome which population group (in this case, younger, middle-aged and older people) is doing comparatively better relative to the population average for the latest year available. It is classified as “no clear difference” when all groups are within ±0.03 points of distance to parity with the population average. The second, third and fourth rows show the direction of progress made since 2010 until the latest available year for each population group: ↑ signifies improvement, ↓ signifies deterioration and ↔ signifies no clear change with respect to indicator-specific thresholds for meaningful change (see the Reader’s Guide for more details). A shaded cell means the respective change over time for one group was comparatively larger than for the other group. The last two rows show the development of the ratio between population groups (in this case, between younger and middle-aged and between younger and older people) since 2010 until the latest available year. It is classified as either widening or narrowing if a change of at least ±0.01 points in the ratio between groups has occurred for a specific indicator. Throughout, compared periods refer to 2010-16 and 2017-23 for feeling safe at night, all affect indicators, perceived social support and volunteering. Indicators marked with \* denote that no longer-term data were available and change over time refers to 2018 until the latest available year. Age ranges differ according to each indicator and are only broadly comparable – they generally refer to 15-24/29 years for younger people, 25/30 to 45/54 years for the middle-aged, and 50 years or over for older people. Full details can be found in the *How’s Life? Well-being Database* metadata information.

Source: OECD calculations based on the OECD *How’s Life? Well-being Database* (n.d.<sup>[3]</sup>), <http://data-explorer.oecd.org/s/fu>.




**Figure 3.4. At a glance: Current well-being outcomes of younger, middle-aged and older people**

Distance from parity with the population average, by age, 2023 or latest available year, OECD average



Note: Values refer to the ratio of outcomes for a specific population group relative to the population average. Indicators are scored relative to their direction for well-being: for example, compared to the population average, younger people are 1.44 times *less* likely to report experiencing a lot of physical pain, while middle-aged people are 1.05 times *more* likely to be employed. Values that fall within  $\pm 0.03$  points of parity are classified as no clear difference from the population average (indicated by the grey shaded area). Age ranges differ according to each indicator and are only broadly comparable – they generally refer to 15-24/29 years for younger people, 25/30 to 45/54 years for the middle-aged and 50 years or over for older people. Full details can be found in the *How's Life? Well-being Database* metadata information. In order to show the gap size for all indicators, ratios that fall outside of the figure's scale are set to 0.5 or 1.5 and are marked by >> with the actual ratio value indicated in the bubble.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[3]</sup>), <http://data-explorer.oecd.org/s/fu>.

StatLink  <https://stat.link/104ysp>

### **Material conditions by age**

Labour market participation across OECD countries is highest for middle-aged adults (at an employment rate of 82% and a long-term unemployment rate of just under 2% in 2022), followed by older people (at an employment rate of 65% and a long-term unemployment rate of 2%) and then the young (at an employment rate of 41% and a long-term unemployment rate of 2.5%) (OECD, n.d.<sup>[3]</sup>). Consequently, middle-aged employees are also most likely to work long hours: 8% worked 50 hours or more a week in 2022 (around 2 and 1 percentage points, respectively, more than the corresponding share among younger and older adults) (OECD, n.d.<sup>[3]</sup>) (Figure 3.4).

Work and job quality conditions across OECD countries generally improved for all age groups since 2010 (Figure 3.3). Younger people in the average OECD country experienced the comparatively highest improvements in several labour market aspects, which narrowed the gaps with people of other ages: at close to 3 percentage points, the reduction in their long-term unemployment rate was more than double that of older age groups. And, although younger people were already the least likely age group to work long hours, over the past decade their share working 50 hours or more a week at work also fell by almost 3 percentage points (about 1 percentage point more than for other ages) (OECD, n.d.<sup>[3]</sup>). On the other hand, older people saw an average rise of 12.6 percentage points in the share of employed since 2010, more than double that of their younger peers (OECD, n.d.<sup>[3]</sup>). Since this was partially due to increases in the effective age of labour market exit in OECD countries over the past decade, the impacts on older people's well-being are likely to depend on individual preferences regarding their desired retirement age (OECD, 2023<sup>[7]</sup>).

### ***Quality of life by age***

Perceptions of safety is the one quality-of-life indicator that has improved for adults of all ages over the past decade. Compared to 2010-16, the share of those feeling safe rose for all ages by at least 3.8 percentage points, and most of all for older people (by 5.4 percentage points) – this led to a narrowing of the age gap between younger and older people and a slight widening of the age gap between younger people and the middle-aged (Figure 3.3). In 2017-23, around 75% of both younger and older people felt safe when walking alone at night in their neighborhoods, while 77% of the middle-aged gave the same answer (Figure 3.4) (OECD, n.d.<sup>[3]</sup>).

There are large age-gradients in health outcomes, partly because health declines as one ages (Figure 3.4). In 2022, only 42% of older adults reported to be in good or very good health, compared with 65% of the middle-aged and 89% of younger people (these most recent estimates are all close to pre-pandemic levels) (OECD, n.d.<sup>[3]</sup>). Similarly, a much higher share of older adults (34%) reported experiencing a lot of physical pain in 2017-23 relative to the middle-aged (24%) and the young (19%) (OECD, n.d.<sup>[3]</sup>). Concerningly, perceived health worsened for the middle-aged (who experienced a drop of 6.2 percentage points since 2010 in the share of people rating their health positively), while it actually improved for older people (who saw a corresponding increase of the same magnitude) (OECD, n.d.<sup>[3]</sup>). Consequently, the gap in perceived health between younger and middle-aged adults widened, but narrowed compared with older adults (Figure 3.3).

Across the board, younger people across OECD countries experience slightly better affective outcomes than other age groups, and these then generally worsen with age (Figure 3.4). For instance, just over 10% of younger people reported more negative than positive feelings, compared to around 14% for both the middle-aged and older people in 2017-23 (OECD, n.d.<sup>[3]</sup>). The one exception to this pattern is anger – older people are the least likely age group to say they felt a lot of anger the previous day (13% on average, compared to around 17% for both younger age groups) (Figure 3.4).

For almost all affect indicators, gaps between younger and older ages narrowed over the past decade, but concerningly this was due to the outcomes of younger adults worsening to a comparatively larger degree (Figure 3.3) (OECD, n.d.<sup>[3]</sup>).<sup>7</sup> For instance, the share of younger people saying they smiled or laughed a lot the previous day dropped by 3 percentage points (from 84% in 2010-16 to 81% in 2017-23). The corresponding drop was only 1.3 percentage points for the middle-aged and 0.8 percentage points for older adults over the same period (OECD, n.d.<sup>[3]</sup>).

## **Community relationships and social capital by age**

Middle-aged people are the least satisfied with how they spend their time (Figure 3.4). In 2022, their mean satisfaction with time use on a scale from 0 “not at all satisfied” to 10 “completely satisfied” was 6.3, compared to 6.9 for younger people and 7.3 for older people (OECD, n.d.<sup>[3]</sup>). Relative to 2013, mean time use satisfaction scores of younger and middle-aged people each decreased by around 0.1 scale points, while those of older people increased by about the same amount.<sup>8</sup> This led to gaps in satisfaction with time use between younger and older people widening (Figure 3.3).

Older people have overall fewer and weaker social connections than younger age groups. In 14 OECD countries with available data, older and middle-aged adults spent on average nearly 2 hours 20 minutes per week less than younger people interacting with friends and family (OECD, 2020<sup>[1]</sup>).<sup>9</sup> In 2017-23, around 90% of older and middle-aged people across OECD countries said they had friends or family to rely on in times of need (compared to just under 95% of younger people). The prevalence of loneliness among older people in 2023 stood at 7.4%, relative to 4.6% for the younger two age groups (OECD, n.d.<sup>[3]</sup>).

However, younger people are an emerging additional risk group: the narrowing of the age gap in social connectedness outcomes, particularly since COVID-19, has been almost entirely driven by comparatively larger declines for youth (Figure 3.3). Indeed, while changes in social connectedness over the past decade were generally small, younger people across OECD countries often recorded the largest comparative declines, while other age groups were less affected (Figure 3.3). For instance, the share of youth who were dissatisfied with their relationships rose by 0.8 percentage points (from 2.7% in 2013 to 3.5% in 2022), while the corresponding share slightly dropped (by around 0.3 percentage points) for middle-aged and older adults (Figure 3.3) (OECD, n.d.<sup>[3]</sup>). Similarly, younger people were the only age group for which loneliness in 2023 had risen (by just over 1 percentage point) compared to pre-pandemic levels in 2018 (OECD, n.d.<sup>[3]</sup>). And, between 2010-16 and 2017-23, the share of people with friends and family to rely on in times of need declined by 0.8 percentage points for youth (compared to a drop of 0.25 percentage points for the middle-aged), while it actually increased by 1.1 percentage points for older people (OECD, n.d.<sup>[3]</sup>).

Age-related inequalities in social capital, while still apparent, are smaller than for other areas of well-being (Figure 3.4). Volunteering rates in 2017-23 were very similar across all age groups (around 21%) and did not change much compared to 2010-16 (Figure 3.3) (OECD, n.d.<sup>[3]</sup>). Meanwhile, middle-aged people were the least likely age group to trust their government (at 45% in 2017-23, compared to around 50% of younger and older adults) (OECD, n.d.<sup>[3]</sup>). Since 2010-16, trust in government improved across the board for all age groups by at least 4 percentage points, and most for older people (at just over 6 percentage points) (OECD, n.d.<sup>[3]</sup>). It should be noted that the estimates on trust in government by age were pooled over multiple years due to sample size, and hence include the pandemic years. As noted in Chapter 2, figures for the population overall show that the OECD average for levels of trust in government fluctuated over the past decade, with lower scores in the early 2010s and a peak in trust at the onset of the COVID-19 crisis, and now a decline again in 2022-23. This data should be further monitored for different ages once a longer time series becomes available.

## **Well-being gaps by educational attainment**

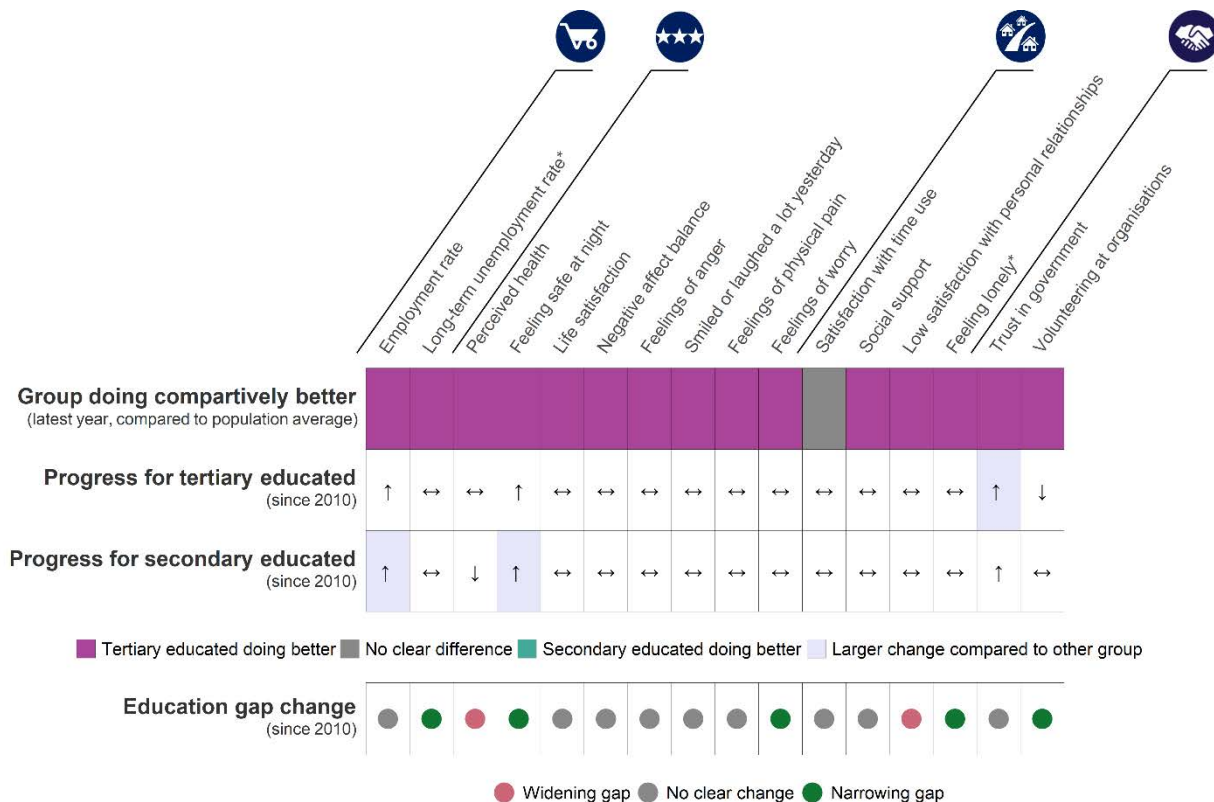
Inequalities in current well-being are perhaps nowhere as striking as when it comes to people with different levels of education. Indeed, across OECD countries, people who have completed tertiary education are systematically doing better than those who have achieved up to secondary education, across all the well-being outcomes considered here (Figure 3.5, Figure 3.6). This is the case not only for employment outcomes, for which dividends to education are well established, but also for non-material well-being aspects such as social connectedness and health.

The majority of these inequalities are not only large, but also persistent, and there have been no clear changes in the size of well-being gaps by education for the majority of indicators since 2010 (Figure 3.5). Notable positive exceptions for which outcomes improved for both groups over the past decade are the employment rate, feelings of safety when walking alone at night and trust in government (in the first two cases to a larger degree for people with secondary education).

But, concerningly, while education-related gaps in volunteering and feeling lonely or worried have narrowed since 2010, this was because outcomes stagnated or worsened across the board, and to a larger degree for people with tertiary degrees (though only in the case of the share of people volunteering was the magnitude of change greater than 3 percentage points, and therefore shown in Figure 3.5 as deteriorating). In other cases, in particular perceived health and low satisfaction with personal relationships, the outcomes worsened especially for people with only secondary education, thus widening the gap (Figure 3.5). These developments are described in more detail in the remainder of this section.

**Figure 3.5. Well-being outcomes and trends since 2010 by educational attainment**

Current performance compared to the population average, progress for each group and change in gaps by educational attainment since 2010 until 2023 or the latest available year, OECD average



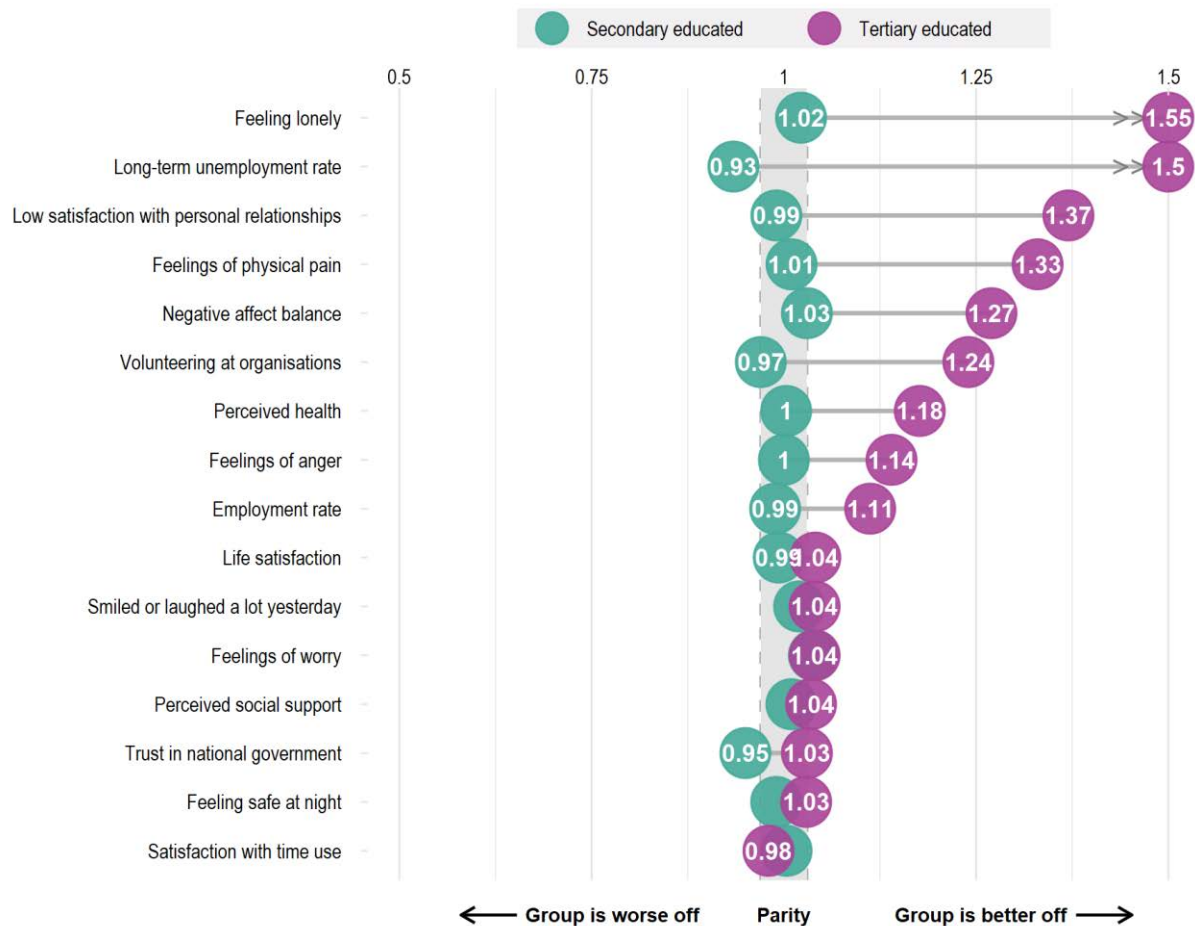
Note: The first row (“group doing comparatively better”) details for each well-being outcome which population group (in this case, people who have achieved tertiary education and those with only secondary education) is doing comparatively better relative to the population average for the latest year available. It is classified as “no clear difference” when all groups are within  $\pm 0.03$  points of distance to parity with the population average. The second and third rows show the direction of progress made since 2010 until the latest available year for each population group:  $\uparrow$  signifies improvement,  $\downarrow$  signifies deterioration and  $\leftrightarrow$  signifies no clear change with respect to indicator-specific thresholds for meaningful change (see the Reader’s Guide for more details). A cell shaded in light purple means the respective change over time for one group was comparatively larger than for the other group. The last row “education gap change” shows the development of the ratio between population groups (in this case, people who have achieved tertiary education and those with only secondary education) since 2010 until the latest available year. It is classified as either widening or narrowing if a change of at least  $\pm 0.01$  points in the ratio between groups has occurred for a specific indicator. Throughout, compared periods refer to 2009-13 and 2019-23 for feeling safe at night, all affect indicators, perceived social support and volunteering. Indicators marked with \* denote that no longer-term data were available and change over time refers to 2018-19 until the latest available year. For sample size reasons, people with only a primary level of education are not shown as a separate group in this figure, but are included in the calculation of the total population average.

Source: OECD calculations based on the OECD *How’s Life? Well-being Database* (n.d.[3]), <http://data-explorer.oecd.org/s/fu>.

StatLink <https://stat.link/7thkyv>

**Figure 3.6. At a glance: Current well-being outcomes of people with different levels of education**

Distance from parity with the population average, by educational attainment, 2023 or latest available year, OECD average



Note: Values refer to the ratio of outcomes for a specific population group relative to the population average. Indicators are scored relative to their direction for well-being: for example, compared to the population average, people with tertiary education are 1.55 times *less* likely to feel lonely and 1.11 times *more* likely to be employed. Values that fall within  $\pm 0.03$  points of parity are classified as no clear difference from the population average (indicated by the grey shaded area). For sample size reasons, people with only a primary level of education are not shown as a separate group in this figure, but are included in the calculation of the total population average. In order to show the gap size for all indicators, ratios that fall outside of the figure’s scale are set to 0.5 or 1.5 and are marked by << or >> with the actual ratio value indicated in the bubble.

Source: OECD calculations based on the OECD *How’s Life? Well-being Database* (n.d.<sup>[3]</sup>), <http://data-explorer.oecd.org/s/fu>.

StatLink  <https://stat.link/ipu5b8>

### **Material conditions by educational attainment**

The labour market dividends to education continue to be clearly visible when examining labour participation rates – between 2021 and 2022, people with tertiary education across OECD countries were 1.1 times more likely to be employed and 1.5 times less likely to be long-term unemployed compared to the overall population (Figure 3.6). While long-term unemployment rates remained stable, the likelihood to be employed rose for all levels of educational attainment over the past decade. It actually did so at a slightly higher pace for people with only secondary education (from 73% in 2010 to 77% in 2022) compared to

those with tertiary degrees (from 83% to 86%) (OECD, n.d.<sup>[3]</sup>). However, this was not enough to change the overall gap between the groups (Figure 3.5).

### ***Quality of life by educational attainment***

Among all quality-of-life indicators considered in this chapter, perceptions of safety is the only one in which both groups, people with secondary or tertiary degrees, experienced improvements over the past decade and in which the gap between the groups narrowed (Figure 3.5). In 2019-23, 77% of those with a tertiary degree said they felt safe walking alone at night, compared with 74% of those with only a secondary education. Relative to 2009-13, the share of people feeling safe increased by close to 5 percentage points for those with only a secondary education, around 1 percentage point more than for their tertiary-educated peers (OECD, n.d.<sup>[3]</sup>).

Trends in how people perceive their health have moved in the opposite direction, and the already substantial inequalities have further widened as the outcomes worsened for people with only secondary education (Figure 3.5, Figure 3.6). In 2022, around 68% of people with at most secondary education said they perceived their health as good or very good, more than 10 percentage points less than people with tertiary education (who on average self-reported rates for good health of close to 80%). Compared to 2010, the share of people with up to secondary education who rated their health positively fell by almost 4 percentage points, while there was virtually no change in outcomes for the more educated (OECD, n.d.<sup>[3]</sup>).

Education-related inequalities in subjective well-being have largely been persistent, with outcomes for either education group not changing much between 2009-13 and 2019-23 (Figure 3.5). Gaps are most visible when it comes to experiencing either pain or more negative than positive feelings on the previous day, with people with tertiary education around 1.3 times less likely than the overall population to report negative outcomes (Figure 3.6). People with tertiary degrees also have slightly better outcomes in the case of life satisfaction and specific feelings reported (such as anger, worry or laughter) (Figure 3.6). Feeling a lot of worry is the only indicator for which the education gap narrowed over the past decade, driven by a slight increase for people with tertiary education (OECD, n.d.<sup>[3]</sup>).<sup>10</sup>

### ***Community relationships and social capital by educational attainment***

Education-related differences in how socially connected people feel are clearly visible. In 2023, 6% of people with only secondary education felt lonely, and 3.7% felt very dissatisfied with their personal relationships, figures that were 2 and 1 percentage points, respectively, higher than their tertiary-educated peers (Figure 3.6).<sup>11</sup> Since 2018, over the course of the COVID-19 pandemic, the prevalence of loneliness and of dissatisfaction with relationships slightly increased for all education groups (by around 0.5 percentage points) and led to small changes in the respective education gaps, which should be monitored further by policy makers (Figure 3.5) (OECD, n.d.<sup>[3]</sup>).<sup>12</sup>

Fewer people across all levels of educational attainment have volunteered in recent years compared to a decade ago. For instance, 20% people with at most secondary education volunteered at least monthly in 2019-23, compared to 23% in 2009-13 (and the respective shares were 25% versus 30% for the tertiary educated) (OECD, n.d.<sup>[3]</sup>). Given the comparatively larger drop for the more highly educated, the gap between both groups narrowed over this period (Figure 3.5). It should be noted that volunteering rates by educational attainment were pooled over multiple years due to sample size, and hence include the pandemic years – and the decrease in volunteering could have potentially been driven by restrictions that prevented in-person social engagement. However, this is unlikely to be the case: figures for the population overall show that the share of people who regularly volunteer dropped between 2008-10 and 2017-19, *before* COVID-19, and actually rose since then (see also (OECD, 2021<sup>[8]</sup>)). Once a longer time series becomes available, this trend is also likely to be visible in the pooled educational inequality estimates.

Lastly, 50% of those with a tertiary education trusted their national government in 2019-23, compared to 47% of those with only secondary education (OECD, n.d.<sup>[3]</sup>). Relative to 2009-13, trust in government improved by more than 5 percentage points for both groups, although the overall education gap remained the same (Figure 3.5).

Satisfaction with time use is the only well-being aspect considered here for which those with tertiary education are not strictly better off than those with maximum secondary education (Figure 3.6). In 2022, those with up to secondary education reported an average of 7.0 on a scale of 0 to 10 when asked about how satisfied they are with how they spend their time, compared to a mean score of 6.8 for the tertiary educated. Relative to 2013, outcomes for neither group changed (Figure 3.5).

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## Notes

<sup>1</sup> In the case of loneliness, male progress is still below the threshold for what would have been counted as deterioration over time (see the Reader's Guide for more details).

<sup>2</sup> In the short-term since 2019 and during the COVID-19 pandemic, life expectancy declined at similar rates for both genders.

<sup>3</sup> This increase is just below the 3-percentage point threshold considered deterioration for this indicator (see the Reader's Guide for more details).

<sup>4</sup> Information on the quantity of social connections is available only from time use surveys, which do not permit the analysis of trends due to data gaps.

<sup>5</sup> However, changes in loneliness and low satisfaction with personal relationships for either gender were under the indicator-specific threshold of deterioration (of 1.5 percentage points, and 0.5 percentage points, respectively) (see the Reader's Guide for more details).

<sup>6</sup> This resulted in the gender gap in trust in government flipping compared to 2008-10.

<sup>7</sup> However, changes across subjective well-being outcomes and across age groups were generally not yet large enough to be considered as deterioration (see the Reader's Guide for more details).

<sup>8</sup> This increase is however below the 0.2-scale point threshold considered deterioration for this indicator (see the Reader's Guide for more details).

<sup>9</sup> Information on the quantity of social connections is available only from time use surveys, which do not permit the analysis of trends due to data gaps.

<sup>10</sup> This increase is just below the 3-percentage point threshold considered deterioration for this indicator (see the Reader's Guide for more details).

<sup>11</sup> For sample size reasons for other indicators, results for people with only primary education are generally not discussed in this chapter. However, it should be noted that in the case of social connectedness, disparities are especially large for this group: in 2023, 9.7% of those with only primary education experienced loneliness, and in 2022, 5.3% of those with only primary education were very dissatisfied with their relationships (OECD, n.d.<sup>[3]</sup>).

<sup>12</sup> However, changes in loneliness and low satisfaction with personal relationships for secondary- and tertiary-educated people were under the indicator-specific threshold of deterioration (of 1.5 percentage points, and 0.5 percentage points, respectively) (see the Reader's Guide for more details).

# 4 How has well-being developed at the country level over the past decade?

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This chapter provides a high-level overview of how headline indicators of current well-being and resources for future well-being have developed at the country level since 2010. Results suggest that well-being inequalities between OECD countries are persistent, and that the relative well-being performance around a decade ago is largely still predictive of relative performance right now. Furthermore, positive trends in some dimensions do not necessarily translate across the board: uneven trajectories across headline indicators – where countries often improve in one area of well-being but stagnate or worsen in another – highlight the need for balanced strategies across policy areas.

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Assessing well-being for the OECD as a whole is important to understand global societal trends. In order to inform national policy debates and country-specific reform agendas, this chapter documents the high-level “paths to well-being” that individual OECD countries have taken. To tease out more robust patterns, it focuses on how the headline indicators of the OECD Well-being Framework have developed in the medium term over the past decade. More detailed well-being statistics for each OECD country are available in the online country profiles accompanying this report.

The first section details, for each OECD country, whether outcomes across all areas of well-being have been improving or deteriorating since 2010. Positive developments in some aspects of life do not necessarily translate across the board and there is uneven growth across headline indicators, in that countries often improve in one area of well-being but stagnate or worsen in another. This affirms that multiple indicators are needed to comprehensively evaluate progress, and it highlights the need for balanced strategies across policy areas.

The next section assesses countries’ overall relative well-being performance across all headline indicators. On the one hand, results suggest that well-being inequalities *between* OECD countries are persistent, and that the relative well-being performance around a decade ago is largely still predictive of relative performance right now. On the other hand, there is also evidence of some path dependency between investing in sustainability and achieving higher levels of well-being later on: with some exceptions, the countries that are enjoying relatively high levels of current well-being in the present day are also the ones that performed comparatively strongly in resources for future well-being back in the early 2010s.

## Have country trends in well-being diverged since 2010?

A focus on the OECD average can obscure different trends across countries. Thus, looking at the number of countries that have improved or declined in each area of well-being can help assess whether patterns have been consistent. The results show that, overall, trends have often diverged not only between countries but also between the different clusters of current well-being (material conditions, quality of life, community relationships) and the resources for future well-being (natural, economic, human and social capital).

### ***Trends in current well-being since 2010, by country***

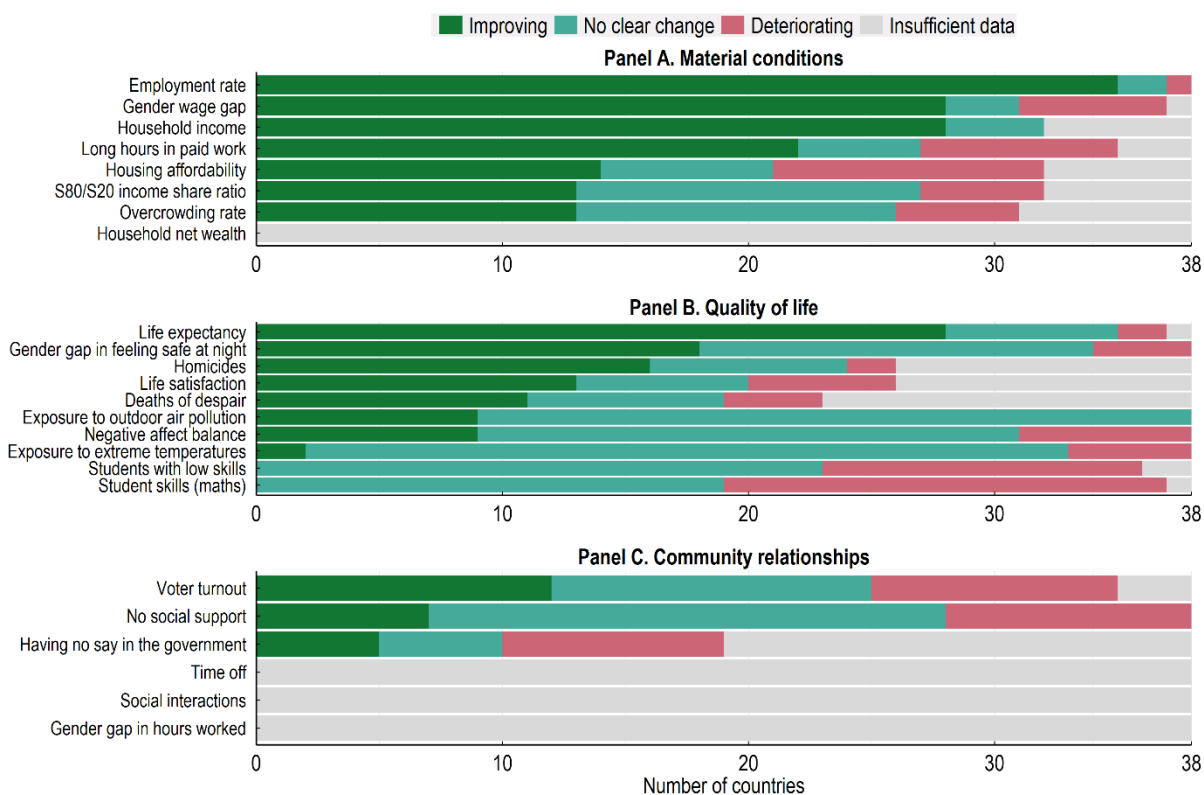
Material conditions (relating to income, jobs and housing) have improved for the largest share of OECD countries relative to other areas of current well-being, compared to a decade ago (Figure 4.1, Panel A). For instance, the employment rate has improved in the medium-term in all but three OECD countries, and household income and the gender wage gap in more than 28 out of 38 countries. Nevertheless, other indicators capturing material conditions, such as income inequality, household overcrowding and housing affordability improved in only up to 14 countries.

Over the same period of time, quality-of-life indicators have stagnated or deteriorated in most countries, with the exception of life expectancy (Figure 4.1, Panel B). For example, 2023 levels of exposure to outdoor air pollution and negative affect balance (i.e. the share of people experiencing more negative than positive feelings) were similar to their 2010 values for the majority of OECD countries. Concerningly, student skills have not improved in any OECD country – half of which experienced deterioration and half of which experienced stagnation both for scores in the PISA assessment of mathematics and for the share of students with low skills (i.e. students with below-average cognitive skills in science, mathematics and reading).

A true comparison between all areas of current well-being is being held back by a lack of data, and this is particularly so when it comes to community relationships (Figure 4.1, Panel C). Only two of the six headline indicators of community relationships, voter turnout and perceptions of social support, have data that is consistent enough to evaluate medium-term trends and both show diverging patterns – approximately equal shares of countries with available data either improved, stagnated or deteriorated since 2010. Data for the indicator of the share of people feeling they have no say in what the government does are available for 2021 and 2023 and thus allow only for an assessment of short-term trends for 19 OECD countries. Here as well the trends are diverging, with a slightly higher share of countries seeing a deterioration. This highlights the need for more frequent data collection across OECD countries, including time use surveys that supply information for half of the community relationship headlines.


**Figure 4.1. More countries have seen improvements in material conditions than in other areas of current well-being since 2010, although a lack of data make comparison difficult**

Performance across headline indicators of current well-being, 2010 to 2023 or latest available year, per number of OECD countries



Note: Performance is classified by whether the cumulative change in an indicator is improving, deteriorating or showing no clear change with respect to indicator-specific thresholds (see the Reader's Guide for more details). Insufficient data refers to indicators that are missing for a country or do not have the necessary time series to calculate trends over time. The latest year refers to the latest available year after 2019. Students with low skills refers to the change between 2018 and 2022. Having no say in the government refers to the change between 2021 and 2023.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

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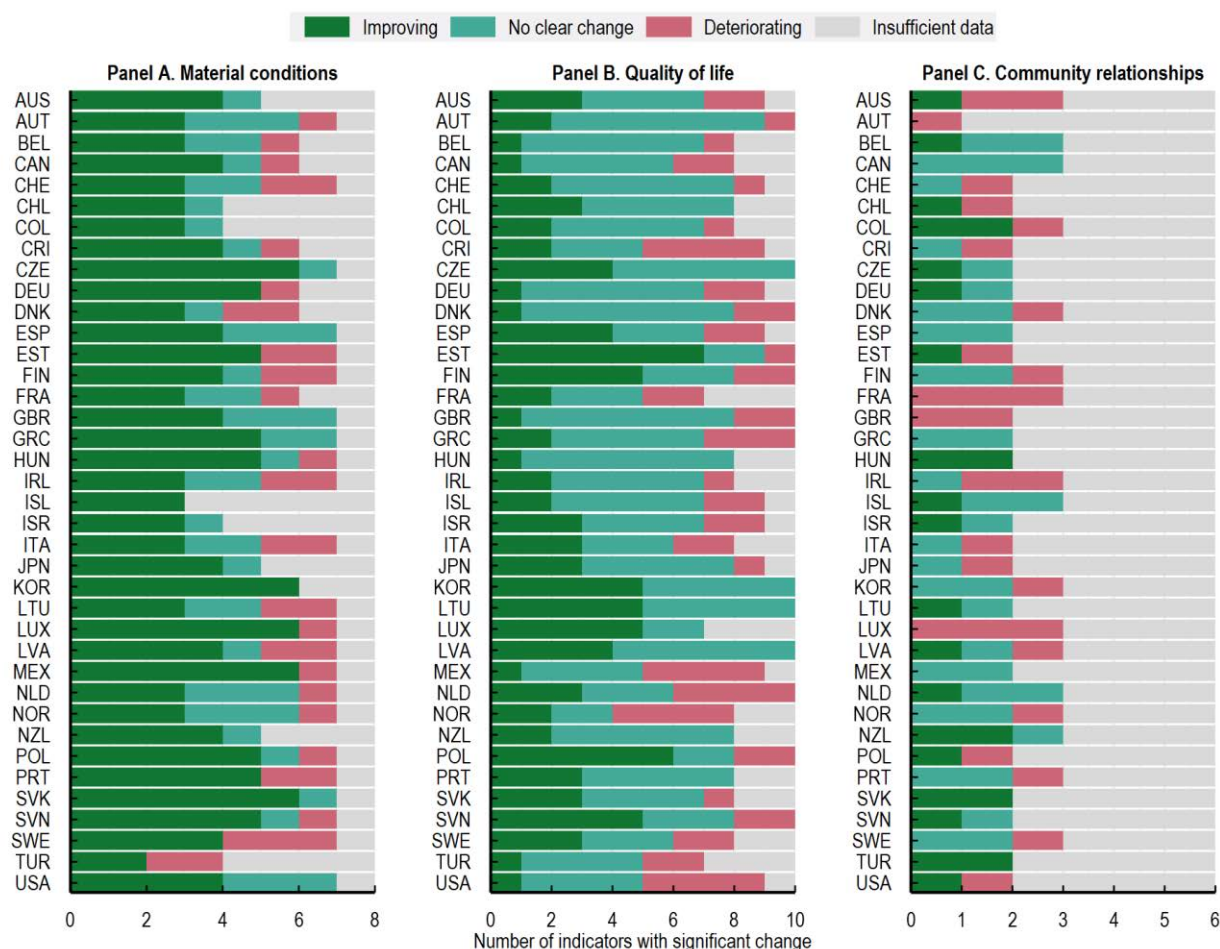
Looking at trends for each country specifically underscores some of the trade-offs that are inherent in policy decisions. Indeed, not a single country has improved or deteriorated in *all* aspects of current well-being over the past decade (Figure 4.2).

Overall, 23 OECD countries experienced improvements in at least half of the material conditions headline indicators since 2010. Most of the countries that improved the largest share of these over the past decade tended to have comparatively weaker performance in 2010, and thus had room to grow. Czechia, Korea, Luxembourg, Mexico and the Slovak Republic each consistently improved in six of the eight headline indicators for material conditions (Figure 4.2, Panel A). Except Luxembourg, these countries were found among the middle or lower performers for these indicators a decade ago. For instance, in 2010, Korea had worse outcomes than the OECD average for household income, income inequality, the employment rate and the gender wage gap, and Mexico was performing less well than other OECD countries in all material conditions headlines except the gender wage gap (OECD, n.d.<sup>[1]</sup>).

Fewer countries experienced improvements in non-material aspects of well-being over the past decade. Only two OECD countries, Estonia and Poland, have consistently improved in more than half of the quality-of-life headline indicators, while 19 countries, mostly in Europe and the Americas, have made progress in only up to two headline indicators (Figure 4.2, Panel B). This includes the United States, in which outcomes in headline indicators for material conditions had not worsened relative to 2010, but which deteriorated in four out of nine quality-of-life headlines with available data (homicides, deaths of despair, life expectancy and the share of people experiencing more negative than positive feelings) (Figure 4.2, Panels A and B). One country, Türkiye has seen very little progress when it comes to quality-of-life headlines. However, it was among the three OECD countries (alongside Hungary and the Slovak Republic) in which both of the community relationship headlines for which medium-term trends can be assessed – voter turnout and the share of people saying they have no friends or family to rely on in times of need – improved over the past decade (Figure 4.2, Panel C).<sup>1</sup> In France, Luxembourg and the United Kingdom, all community relationship outcomes with available data deteriorated over their respective time periods.

**Figure 4.2. There are trade-offs between different areas of well-being**

Performance across headline indicators of current well-being, 2010 to 2023 or latest available year, by country



Note: Performance is classified by whether the cumulative change in an indicator is improving, deteriorating or showing no clear change with respect to indicator-specific thresholds (see the Reader's Guide for more details). Insufficient data refers to indicators that are missing for a country or do not have the necessary time series to calculate trends over time. The latest year refers to the latest available year after 2019. Having no say in the government refers to the change between 2021 and 2023. Within material conditions, no country has sufficient data for household net wealth. Within community relationships, no country has sufficient data for time off, the gender gap in hours worked, and social interactions.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

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### ***Trends in resources for future well-being since 2010, by country***

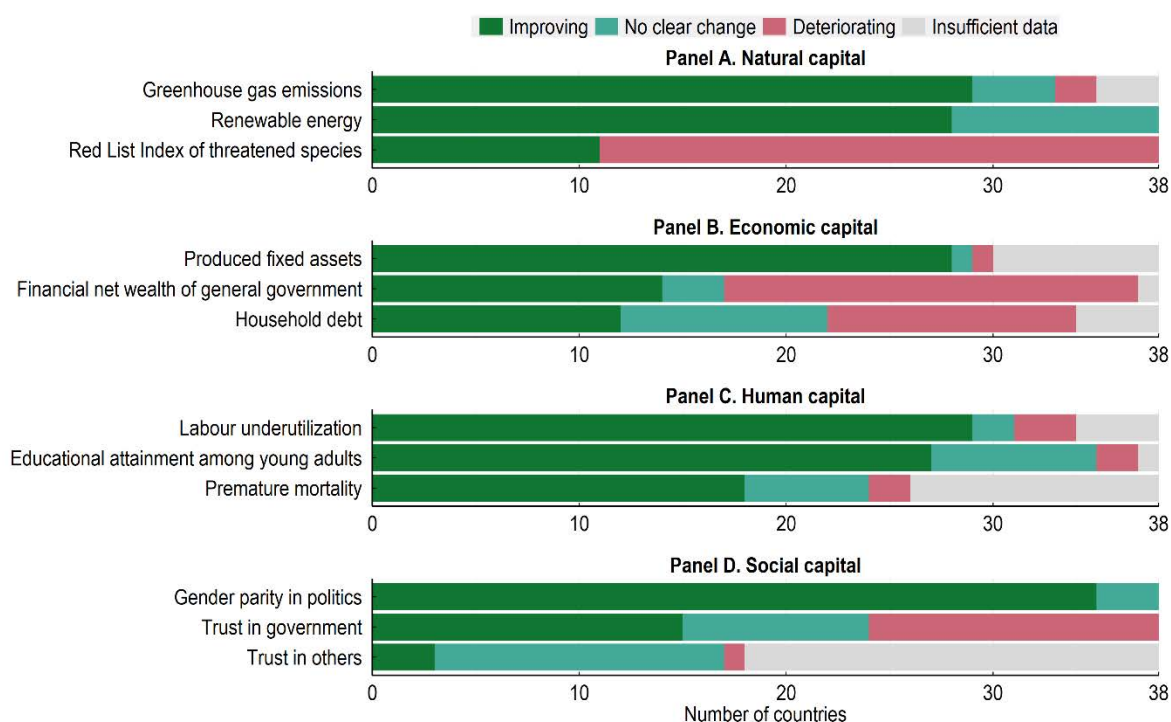
Over the past decade, many OECD countries have taken steps to tackle climate change, and nearly 30 OECD countries have reduced their greenhouse gas emissions per capita and boosted the share of renewables in their energy mix (Figure 4.3, Panel A). Nevertheless, it is clear that these efforts are insufficient to date, and climate change is continuing to increasingly impact people's lives (OECD, 2023<sup>[2]</sup>). One indication of this is that the situation in the majority of countries has worsened with respect to the third headline indicator of natural capital, which captures biodiversity risk via the Red List Index of threatened species. Here, only 11 countries improved their score, whereas outcomes have worsened in the 27 other countries over the past decade.

The vast majority of OECD countries (28 out of 30 countries with available data) improved their produced fixed assets per capita relative to 2010, and only one country (Greece, which was hit hard by the 2008 financial crisis) has deteriorated in this headline indicator of economic capital since then (Figure 4.3, Panel B). Trends between countries have been diverging for the other two headline indicators: the financial net worth of government worsened in more countries (20) than it improved in (14), and household debt has been improving, stagnating or deteriorating for almost equal shares of OECD countries over the past decade.

There have been broad gains in the headline indicators for human capital over the past decade that almost all OECD countries have shared in: both the percentage of adults with upper secondary education and the labour underutilisation rate have improved in 27 and 29 countries, respectively (Figure 4.3, Panel C).<sup>2</sup> Premature mortality has more data gaps than other human capital headlines, which makes assessment of medium-term trends more difficult, but still the majority of OECD countries improved here when compared to 2010.

### Figure 4.3. The majority of OECD countries have consistently improved their stocks of human capital over the past decade, while trends across natural, economic and social capital are diverging

Performance across headline indicators of resource for future well-being, 2010 to 2023 or latest available year, per number of OECD countries



Note: Performance is classified by whether the cumulative change in an indicator is improving, deteriorating or showing no clear change with respect to indicator-specific thresholds (see the Reader's Guide for more details). Insufficient data refers to indicators that are missing for a country or do not have the necessary time series to calculate trends over time. The latest year refers to the latest available year after 2019.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

StatLink  <https://stat.link/zod543>

As for natural and economic capital, trends in social capital are also mixed depending on the indicator considered. Almost all OECD countries have taken strides towards gender parity in politics, with the share of women in national parliament having increased in 35 OECD countries over the past decade (Figure 4.3, Panel D). The trajectories for trust in national government are much more mixed, with 15 OECD countries having improved since 2010 and 14 countries having deteriorated. Trust in other people, which is available mostly for European OECD countries, has broadly remained stable for the majority of countries.

Policy trade-offs are also visible when examining trends in resources for future well-being at the national level. As with current well-being outcomes, not a single country has improved in *all* headline indicators for future well-being over the past decade (Figure 4.4). However, two countries – Ireland and Hungary – managed to avoid deterioration in any of the headlines across natural, economic, human and social capital.

While the majority of OECD countries have improved in two of the three headline indicators for natural capital over the past decade, as countries strive to achieve sustainability targets, three countries (Costa Rica, Chile and Mexico) achieved no progress in any of the natural capital indicators for which they had data available (i.e. renewable energy and the Red List Index of threatened species) (Figure 4.4, Panel A). These countries were however already performing better than other OECD countries in most of these indicators in 2010.

Conversely, half of OECD countries improved in at least one headline indicator of economic capital while simultaneously deteriorating in another (Figure 4.4, Panel B). Only five of the countries with available data, most of them eastern European and Nordic states, improved in all three headline indicators of economic capital.

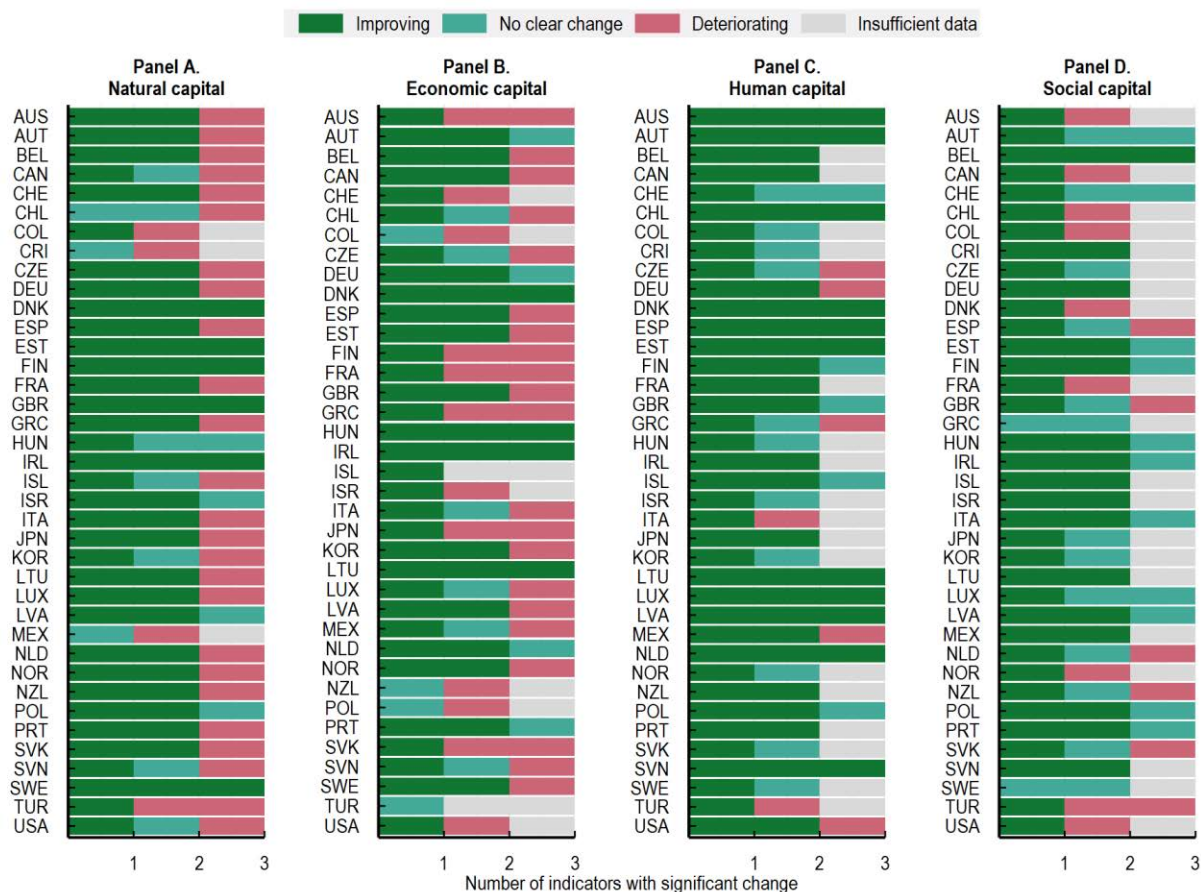
It is in the domain of human capital that progress has been the most consistent over the past decade in comparison with other resources for future well-being. Almost one-third of OECD countries have improved in all three of the headline indicators, and only seven countries have experienced any deterioration at all (Figure 4.4, Panel C). These were Czechia and Germany (in which the share of young adults with upper secondary education decreased compared to 2010), Greece, Italy and Türkiye (in which the labour underutilisation rate rose), and Mexico and the United States (in which premature mortality rose over this period) (OECD, n.d.<sup>[1]</sup>).

Sixteen out of 38 OECD countries have seen improvements in at least two of the three headline indicators for social capital over the past decade (Figure 4.4, Panel D). In most cases, these were gender parity in politics and trust in government, except for Italy and Poland in which levels of trust in government today were similar to those of a decade ago, but in which trust in others improved instead (OECD, n.d.<sup>[1]</sup>). Türkiye is the only country in which two out of three social capital headlines worsened, as both trust in others and trust in the government deteriorated relative to around 2010.



Figure 4.4. Progress in resources for future well-being over the past decade has been mixed

Performance across headline indicators of future well-being, 2010 to 2023 or latest available year, by country



Note: Performance is classified by whether the cumulative change in an indicator is improving, deteriorating or showing no clear change with respect to indicator-specific thresholds (see the Reader’s Guide for more details). Insufficient data refers to indicators that are missing for a country or do not have the necessary time series to calculate trends over time. The latest year refers to the latest available year after 2019.  
 Source: OECD calculations based on the OECD *How’s Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

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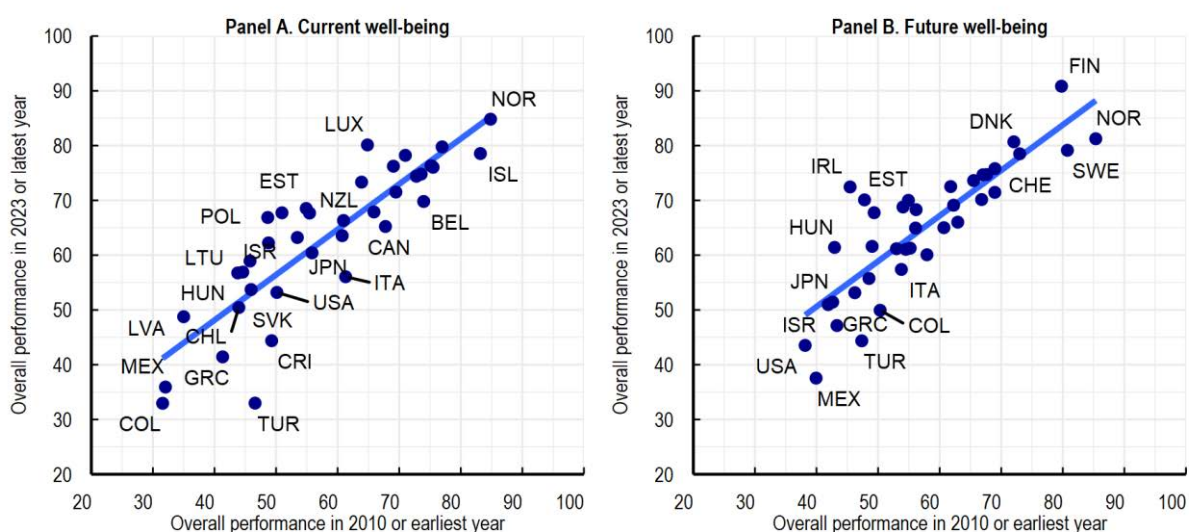
## Has the overall well-being performance of OECD countries changed since 2010?

Considering the overall aggregate performance in current well-being between 2010 and 2023, most OECD countries find themselves at broadly similar levels, relative to other countries, as around a decade ago. Indeed, for the most part, the countries in which people enjoyed comparatively high levels of current well-being in 2010 are still among the highest performers today across all 24 headline indicators considered (Figure 4.5, Panel A). These include most Nordic countries and the Netherlands, which all had comparative performances that were similarly strong in both 2010 and 2023. On the other hand, people in many of the OECD countries that were faring comparatively less well in 2010 are still experiencing relatively lower levels of well-being. This includes several countries in Latin American and in eastern Europe.

Nevertheless, several OECD countries have moved up the rankings since 2010, falling to the left of the trend line in Figure 4.5, Panel A. These include Estonia, Israel, Luxembourg, New Zealand, Slovenia and Poland, where above-average rates of progress across the 24 headline indicators of current well-being has been observed since 2010. Conversely, some countries' present-day aggregate current well-being is lower, relative to other countries, than it was a decade ago. Italy and Türkiye have lost ground since 2010.

### Figure 4.5. Well-being inequalities between countries persist for both current well-being and resources for future well-being

Comparative aggregate performance in current well-being and resources for future well-being, 2010 or earliest vs. 2023 or latest available year



Note: Relative performance is classified using min-max normalisation for the 36 headline indicators (see Reader's Guide for further details) with respect to the values for 2010 or the earliest available year. Higher numbers imply higher comparative well-being. The normalised value is first calculated across all countries with data available for the indicators. It is then averaged for each country within well-being dimensions to ensure equal weights for each dimension. Next, the value is averaged across all dimensions to calculate the country's overall performance score. The earliest year refers to the earliest available year for the respective indicator at or before 2015, except for having no say in the government which refers to 2021. The latest year refers to the latest available year after 2019. The adjusted r-squared value for the bivariate analysis in Panel A is 0.76 and 0.71 in Panel B. Missing indicators are excluded from each country's score, implying that scores may be under- or over-estimated in the case of data gaps.

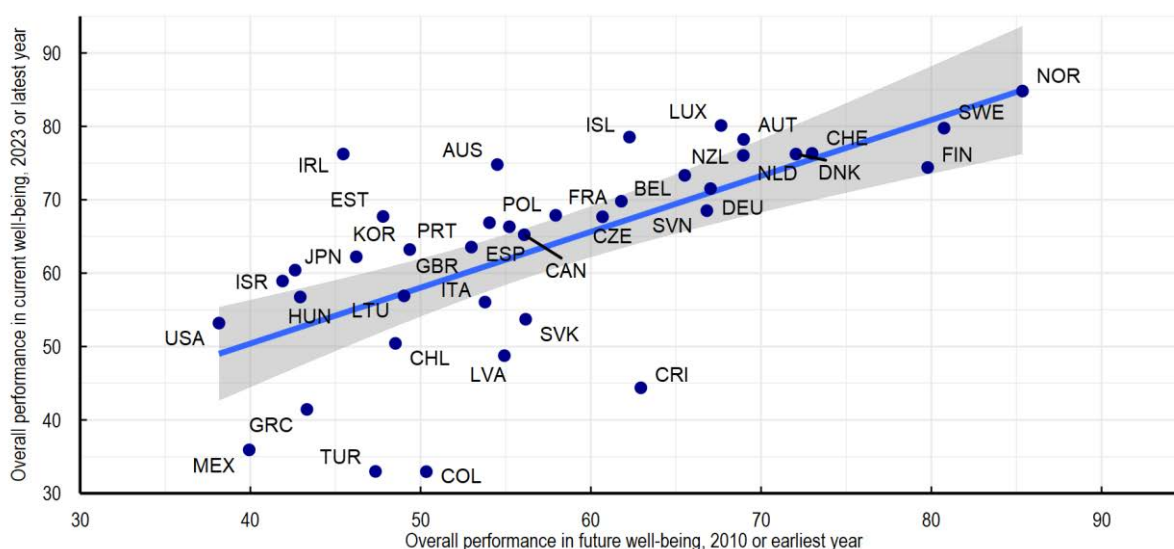
Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

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Countries' comparative aggregate performance across all 12 headline indicators of resources for future well-being shows a similar pattern for the most part (Figure 4.5, Panel B), indicating that there may be some path dependency. Basic correlations suggest some co-dependency: OECD countries with strong comparative performance in resources for future well-being in the early 2010s also had comparatively high levels of current well-being in 2023, and vice versa (Figure 4.6). Regardless, just under one-half of OECD countries fall inside of this trend. For example, Costa Rica, Latvia and the Slovak Republic have weaker current well-being outcomes today, relative to other countries, despite their comparatively higher performance in resources for well-being in a decade ago. On the flip side, current well-being in Australia, Estonia, Iceland and Ireland is comparatively high today, despite a weaker showing in resources for well-being in 2010. Future work to disentangle how and under which time horizon the stocks and flows of economic, natural, human and social capital combine to produce current well-being outcomes, and to understand which other factors might be at play, will be key to a better understanding of this relationship (OECD, 2020<sup>[3]</sup>).

### Figure 4.6. Countries' relative performance in sustainability a decade ago is correlated with their present-day relative performance in current well-being

Comparative aggregate performance in current well-being, 2023 or latest available year vs. resources for future well-being, 2010 or earliest available year



Note: Relative performance is classified using min-max normalisation for the 36 headline indicators (see Reader's Guide for further details). Higher numbers imply higher comparative well-being. The normalised value is first calculated across all countries with data available for the indicators. It is then averaged for each country within well-being dimensions to ensure equal weights for each dimension. Next, the value is averaged across all dimensions to calculate the country's overall performance score. The earliest year refers to the earliest available year for the respective indicator at or before 2015, except for having no say in the government which refers to 2021. The latest year refers to the latest available year after 2019. The adjusted r-squared value for the bivariate analysis is 0.45. Missing indicators are excluded from each country's score, implying that scores may be under- or over-estimated in the case of data gaps.

Source: OECD calculations based on the OECD *How's Life? Well-being Database* (n.d.<sup>[1]</sup>), <http://data-explorer.oecd.org/s/fu>.

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## Notes

<sup>1</sup> The third headline indicator for community relationships, having no say in the government, only assesses short-term change from 2021-2023.

<sup>2</sup> Most of the eight countries in which the upper secondary education stagnated over the past decade were mostly already at the top end of performance, with all but two being above the OECD's latest average of 86.2%.

# How's Life? 2024

## WELL-BEING AND RESILIENCE IN TIMES OF CRISIS

*How's Life?* assesses whether life is getting better for people living in OECD countries and whether progress has been sustainable and inclusive. This sixth edition presents the latest evidence from over 80 indicators covering current well-being outcomes, inequalities and resources for future well-being. It contrasts medium-term trends in well-being outcomes with developments since 2019 to understand the impact of the COVID-19 pandemic and the cost-of-living crisis, and to outline warning signs that require policy attention. While government interventions to address the economic impact of these shocks have contributed to the resilience of average incomes and employment outcomes, cost-of-living pressures as evidenced by housing costs and people's self-reported financial insecurity remain significant for many households. At the same time, there are warning signs in critical non-economic aspects of well-being – most notable in health, subjective well-being and social connectedness. Well-being inequalities between population groups run deep. Though many well-being gaps by age and gender have narrowed over the past decade, in some cases this was because outcomes for younger people and men declined to a comparatively larger extent. Much stronger action is also needed to maintain today's well-being for future generations, particularly when it comes to combatting climate change.



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