

# Well-being indicators for policy making in Italy

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#### Well-being indicators in the new Budget law

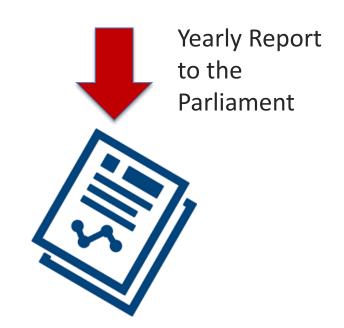
The new Italian Budget Law (8/2016) establishes that public policies are regularly monitored and evaluated also through the effects on well-being indicators

Document on economy and finance measures





Trend vs policy evaluation





# The selection process

A high level committee was set up to propose the list of well-being indicators. Members:

- The Minister of Economy and Finance
- The Istat President
- The Governor of the Bank of Italy
- And 2 recognized experts

The committee proposal has to be discussed and approved by the Parliament, then comes into force by decree



#### The initial choice

 The reference framework is the Italian set of measures on well-being

#### BES

- Well-being (Benessere): multidimensional analysis of aspects relevant for quality of life
- Equitable (Equo): focus on distributional aspects
- Sustainable (Sostenibile): to ensure the possibility of the same level of well-being to future generations



### BES

- The project started in 2010 as an Istat-CNEL initiative to produce a set of indicators to provide a shared view of the progress of Italian society
- Built through a participative process involving:
  - a) Steering Committee: stakeholders and Istat experts, to identify the domains and to agree on the final list of indicators;
  - b) Scientific Commission: experts in different fields, to select potential indicators
  - c) Public consultation
- Wide dissemination:
  - Annual reports
  - Webpage: documents, data, dashboard



#### The complete framework

 Health 1 Education and Training 2 Work and Life balance 3 • Economic well-being 4 Social relationships 5 Politics and Institutions 6 Safety Subjective well-being 8 Landscape and Cultural heritage 9 10 **Environment**  Research and Innovation 11 Quality of services 12

# 130 indicators

- Objective
- Subjective
- + composite indicators



#### **More considerations**

- Composite vs simple indicators?
- Subjective indicators?
- Territorial level
- International indicators



#### **Selection criteria**

- Sensitivity to public policies
- Parsimony
- Practicability
- Timeliness, extension and frequency of time series
- Transparency and accountability







#### The approval process

Committee

**Parliament** 

Ministry of Economy and Finance

12.2016

Set up

6.2017

Final Report

8/9. 2017

Discussion and approval of the proposed list

16.10.2017 Decree published



#### The final set of indicators

- 1. Mean adjusted income (per capita)
- 2. Income inequality (quintile ratio)
- 3. Incidence of absolute poverty
- 4. Life expectancy in good health (at birth)
- 5. Overweight and obesity
- 6. Early school leavers
- 7. Non-participation in employment
- 8. Employment rate of women aged 25-49 with/without preschool children
- Victims of predatory crime (robberies, burglaries and mugging)
- 10. Mean length of civil justice trials
- 11. CO<sub>2</sub> and other greenhouse gas emissions
- 12. Illegal Building

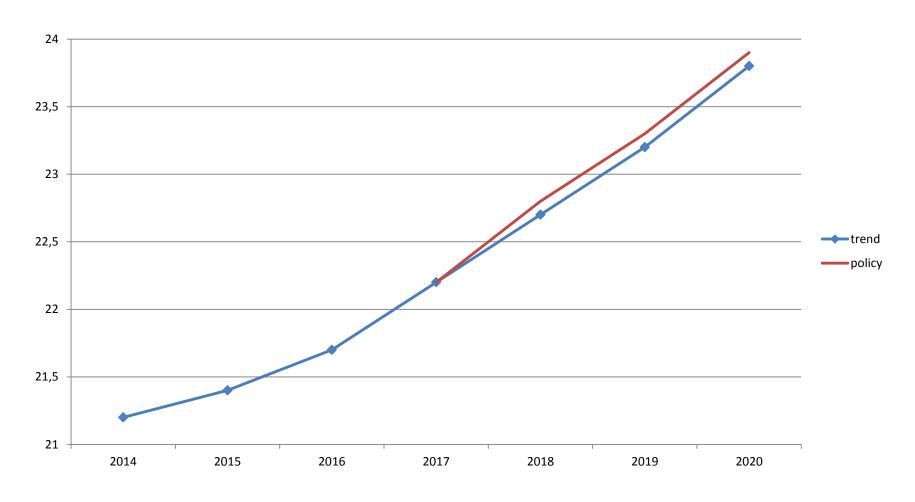
#### The first exercise



- April 2017: First exercise for Bes in DEF
- The preliminary selection included only 4 indicators:
  - Mean adjusted income (per capita)
  - Non-participation in employment (rate)
  - Income inequality index (quintile ratio)
  - CO<sub>2</sub> and other greenhouse gas emissions (tons x inhab.)



## Mean adjusted income (1,000 euros per capita)

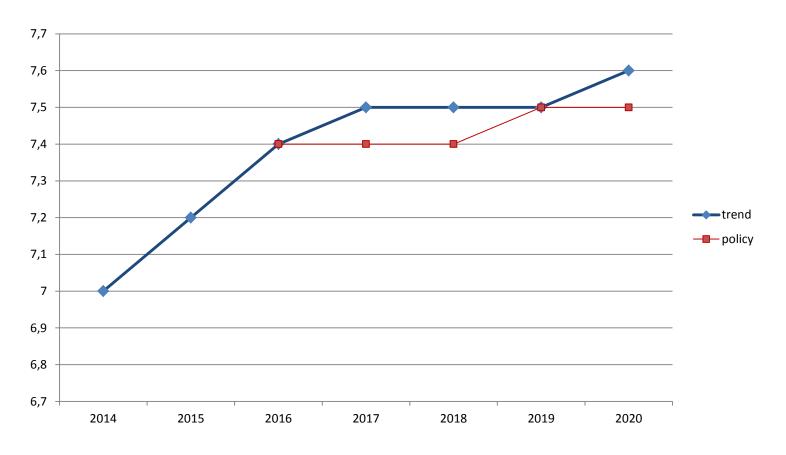


Source: Istat (2014 - 2016); MEF (2017-2020)



# CO<sub>2</sub> and other greenhouse gas emissions

(equivalent tons x inhab.)



Source: Istat (2014 - 2016); MEF (2017-2020)



#### **Next steps**

- Report to the Parliament
- ✓ Fully integrate the 12 well-being indicators into the policy making process and develop evaluation models



- ✓ Increase data timeliness
- Keep the indicators up-to-date with methodological and conceptual developments
- Spread the understanding and use of well-being indicators for policy making

