

An international perspective on well-being, families and investment in children

Seminar presentation:

National Family Well-being Symposium,
University House,
The Australian National University, Canberra

20-21 June, 2007

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(www.oecd.org/els/social)



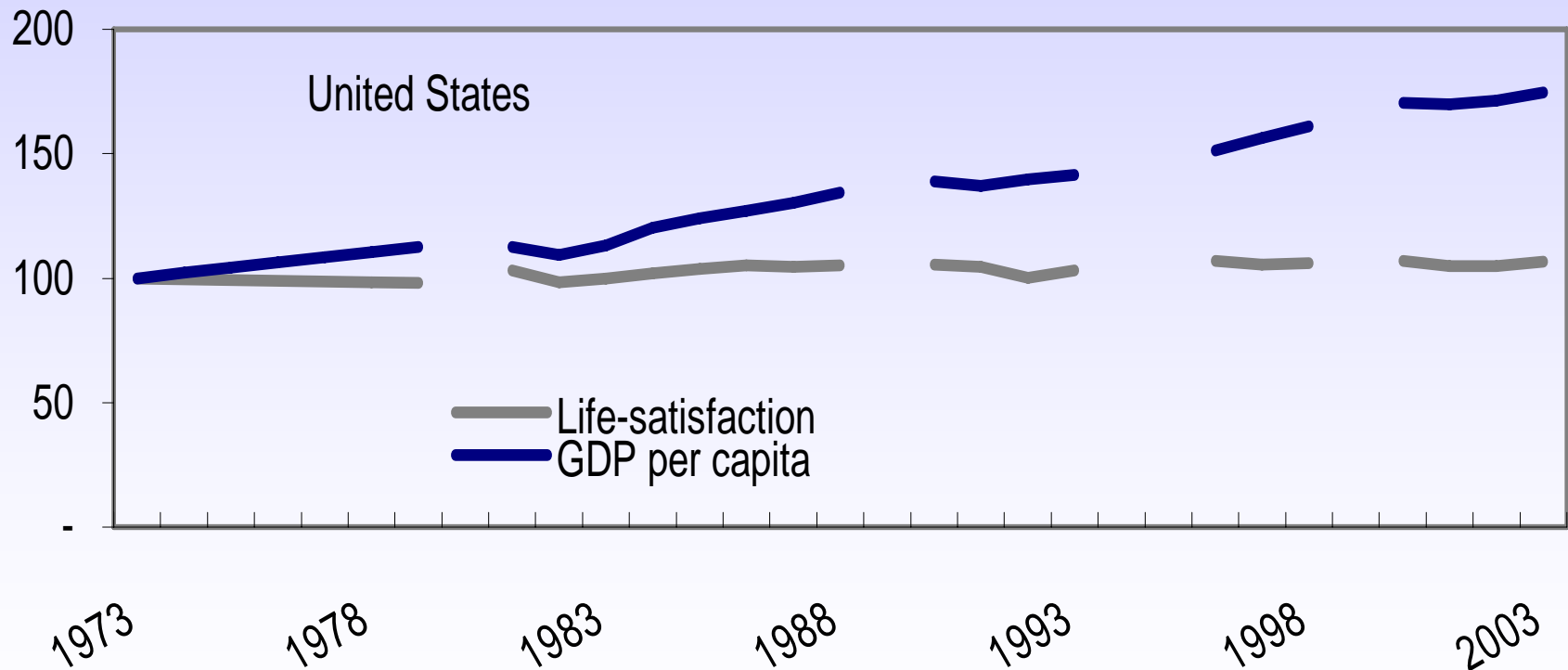
Overview

- Drawing on OECD *Social Indicators*, *Babies and Bosses*, the *Family database*, and ongoing work on Child well-being
- Aggregate well-being and subjective measures
- The family notion across the OECD and intra-family trade-offs
- Child well-being and policies for 0-3s

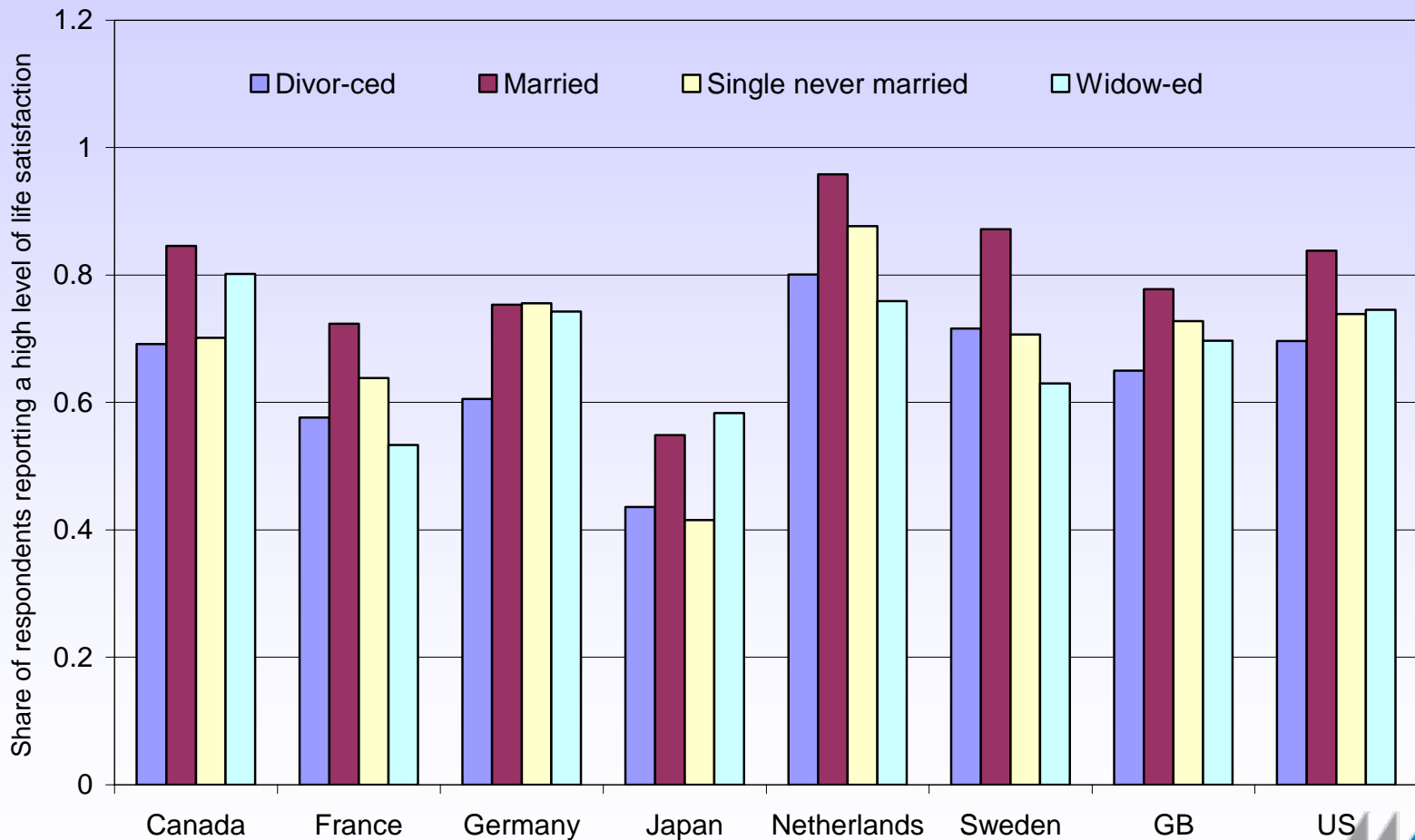
Defining and measuring well-being

- A monetary measure as GDP per capita provides an accurate measure of a country's capacity to deal with the material needs of its residents.
- The use of GDP per capita is less obvious as societies move from a situation of scarcity to a situation of plenty, as it does not account for non-monetary multi-dimensional aspects of well-being.
- Subjective measures of happiness as in the World Values Survey give an indication of how satisfied people are with their lives.

Trends in life satisfaction confirm that once a level of material needs has been met, there is a divergence between added income and added well-being



Life satisfaction depends on a range of factors but married couple families seem happier than individuals who are not married

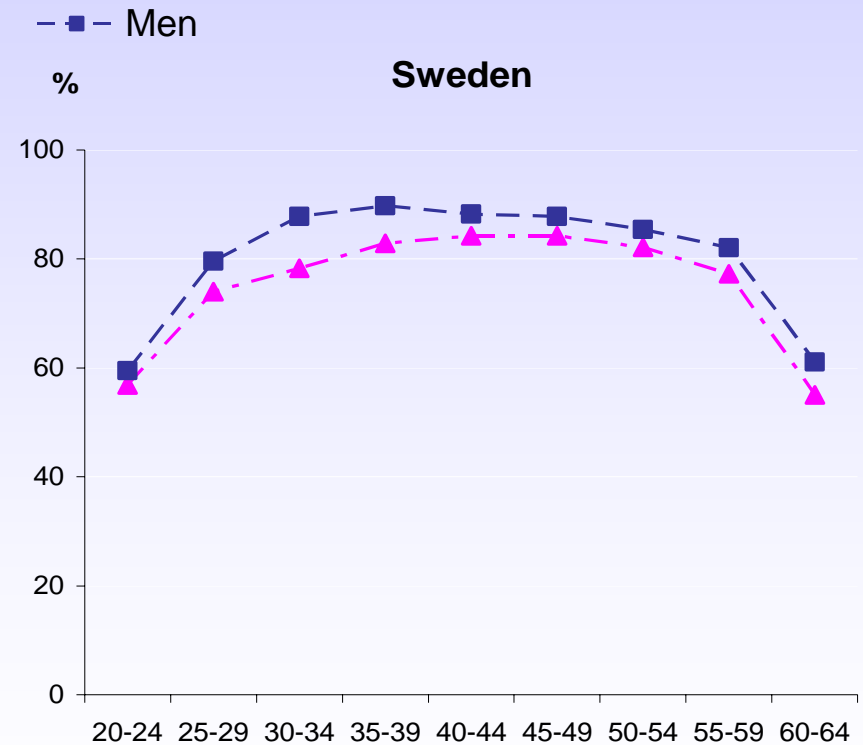
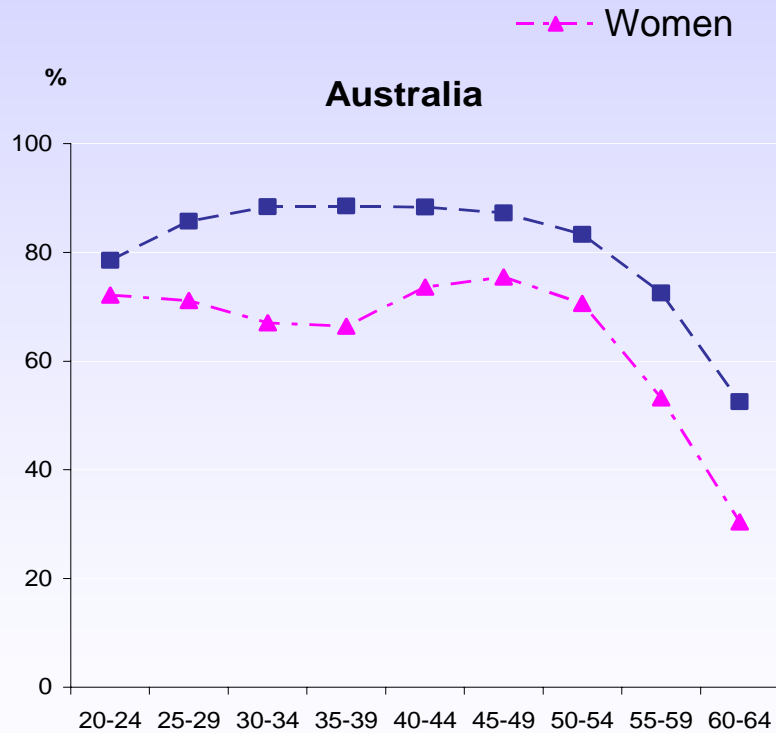


There is no cross-country agreement on what establishes a family.

- The Working definition of “families” for the Babies and Bosses review is: “Each household of one or more adults living together with and taking responsibility for the care and rearing of one or more children”
- But this does not account for elderly care and extended families, and
- Marriage is not universally seen as a social policy objective
- OECD work focuses on individual well-being, and since the 2005 Social Policy Ministerial, child well-being in particular.

In the work/family area, women rather than men trade-off labour market participation with other household interests

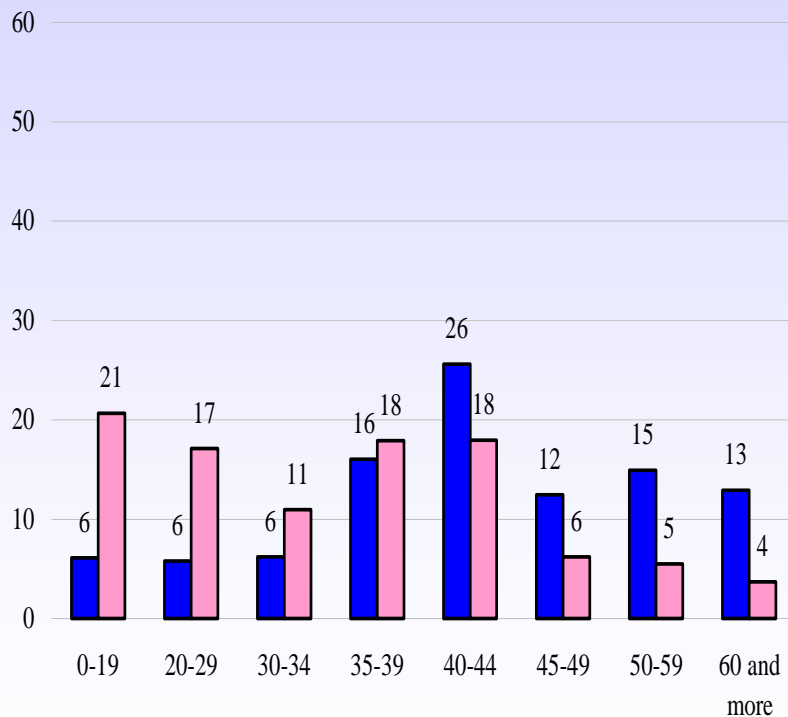
Employment rates based on synthetic cross-cohort data.



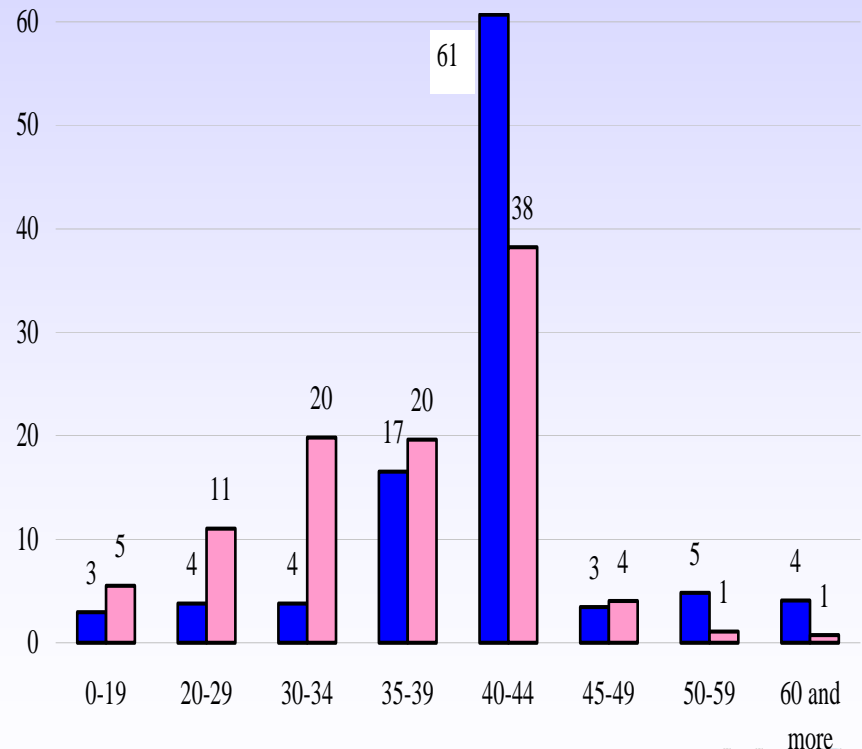
...also in terms of the intensity of usual labour market participation....

Incidence of actual weekly hours of work among workers age 20-54, 2005, percentages

Australia

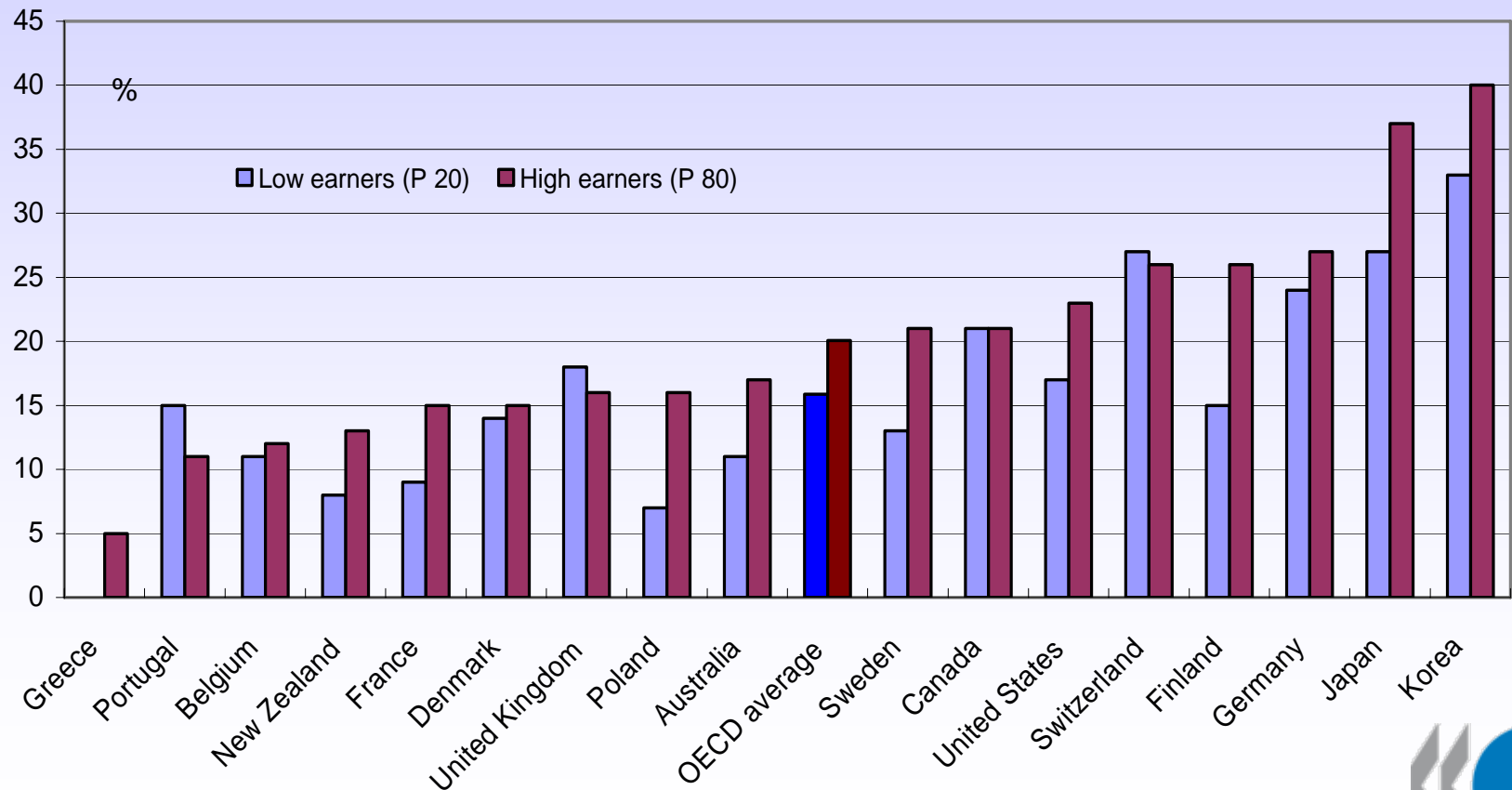


Sweden



...which contribute to persistent gender wage gaps and reduced career profiles

Gender pay differences at the top and bottom of the earnings distribution, 2003 or latest year available



Source: OECD Distribution of Earnings database



There can be trade-offs between parental work and child development

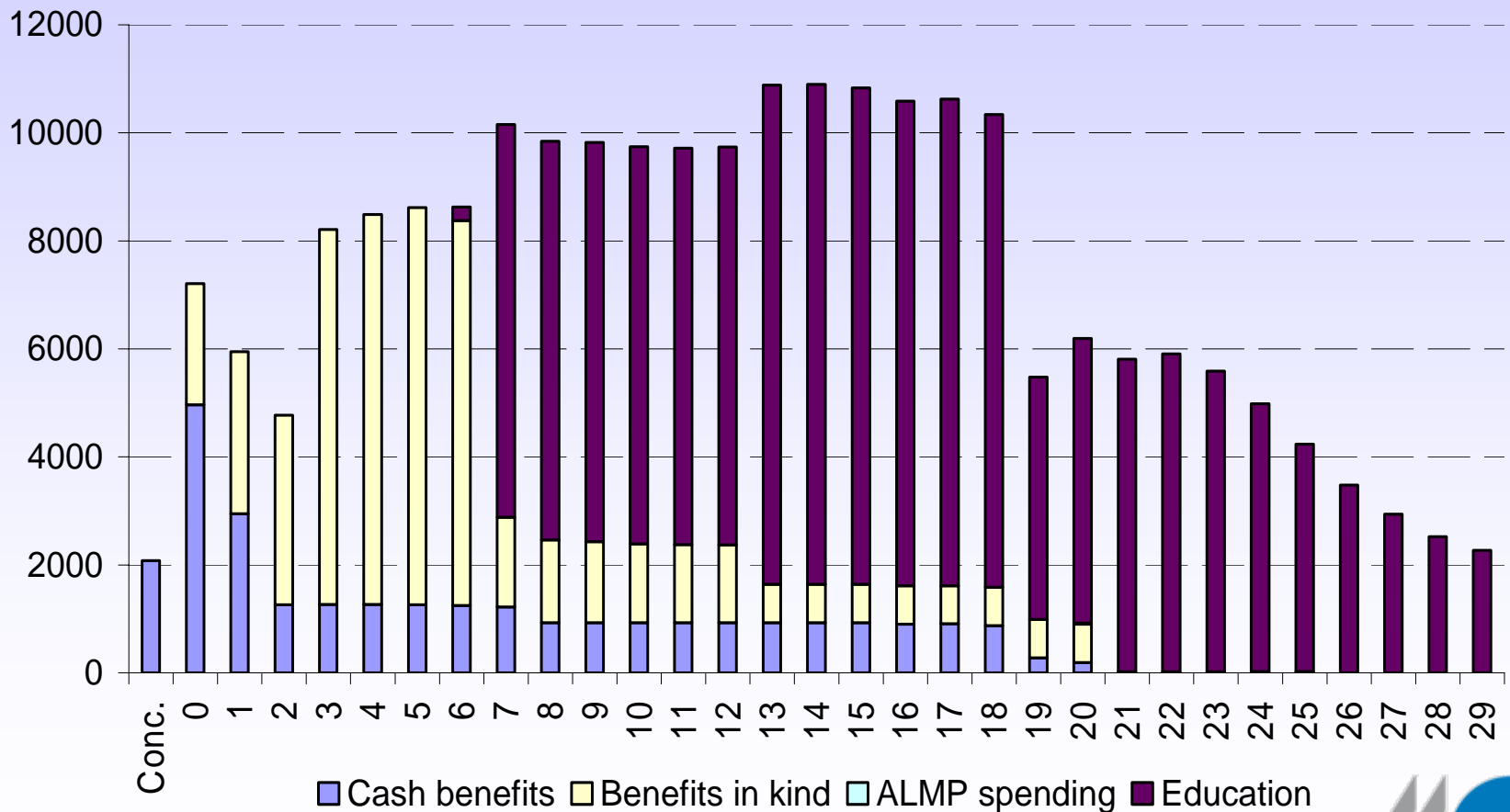
- Evidence seems to suggest:
 - Participation in formal care can be beneficial as from age 2
 - There can be negative effects from participation before age 6 months
 - Evidence on intermittent period is inconclusive
- To what extent does current leave policy reflect the balance of gender equity, child development, labour supply objectives, and how does it fit in with other policies for children under 3?

Policy for the under 3s: a mixed bag of tools across countries and Health, Youth and Social Service agencies

Life cycle stage	Prenatal	Birth	Postnatal
More universal policies.....	<p>Prenatal care schedule</p> <p>Maternal health books</p> <p>Prenatal maternal leave</p>	<p>Hospital care at birth</p> <p>Birth grants (cash or kind)</p>	<p>Postnatal care schedule (including vaccination)</p> <p>Child health books</p> <p>Age variation in child benefits</p> <p>Postnatal parental leave</p>
to less universal policies	<p>Prenatal health and nutrition programmes</p>		<p>Childcare/ECE provision</p> <p>Targeted home visiting</p> <p>Child protection services</p>

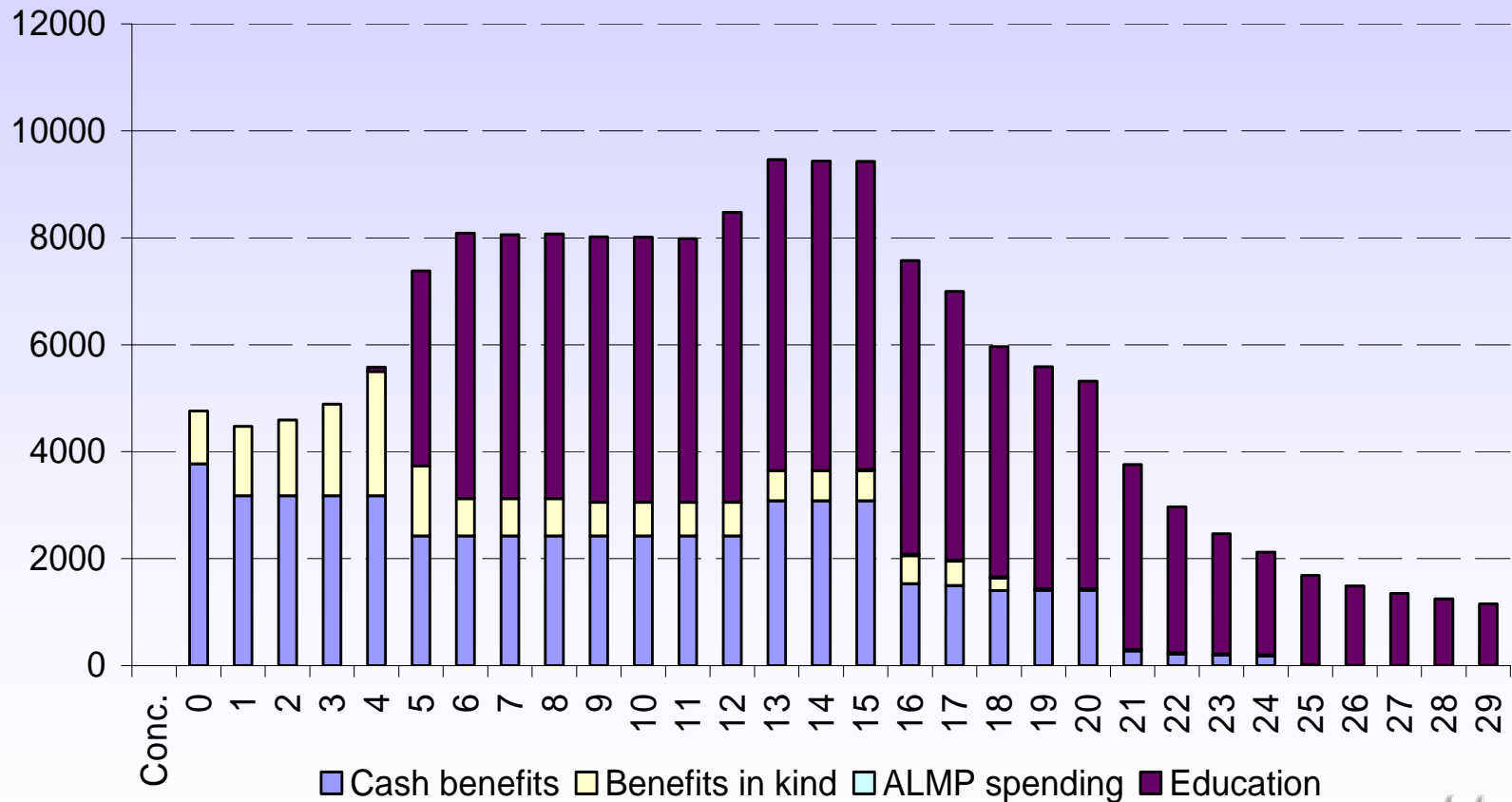
Public spending on children: Sweden invests on a continuous basis,....

Sweden: Spending by year of age (PPP\$ per capita)



....whereas in Australia there is a more significant increase when children start school.

Australia: Spending by year of age (PPP\$ per capita)



Concluding remarks

- Does policy design actually attempt to reduce intra-family trade-offs in well-being?
- Income support during the early years needs a stronger focus on child wellbeing: deal with disadvantage early
- Need more coherence across agencies in policy development and delivery

More information

OECD Family database - <http://www.oecd.org/els/social/family>

OECD (2007), *Society at a Glance, OECD Social Indicators*

OECD (2007), *Babies and Bosses, Reconciling Work and Family Life, Vol. 5, A Synthesis of Findings for OECD countries, forthcoming October/November.*

Chapple, S (2007), “The under age three package in a life cycle context in OECD countries ”, OECD, Social, Employment and Migration Working Paper, *forthcoming.*