



# **SNA RESEARCH AGENDA - THE TOPIC OF WELL-BEING AND SUSTAINABILITY**

**50<sup>th</sup> Session of the United Nations Statistical Commission  
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# Introduction

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- Concerns about the way in which **globalization** and **digitalization** are being addressed in the national accounts
- Continuous debate about the way in which issues related to **well-being and sustainability** can be better reflected
- These three topics are the priority areas on the **SNA Research Agenda**





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# Well-being and Sustainability





# Well-being and sustainability

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- **Lots of criticism on GDP** in providing adequate guidance for policy:
  - Does not appropriately measure **well-being** (including its distribution), or progress of society more generally
  - Does not address **environmental issues** and ecological boundaries
- **GDP  $\neq$  (sustainable) well-being**
- **GDP  $\approx$  measure of economic activity**
- **Well-being** is a **multi-dimensional** phenomenon
  
- **How can we address this issue?**





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**Within  
the Current System of National Accounts**





## Within the current system of national accounts

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- Putting **more emphasis on households** within the system of national accounts
  - Putting people at the centre
  - Fully consistent with the recommendations of the **2009 Stiglitz-Sen-Fitoussi** report
  - More emphasis on **household-related indicators** such as household disposable income, saving and debt
  - Including **distributional measures** of household income, consumption and wealth (see work of [OECD-Eurostat EG DNA](#))
- **Implementing balance sheets fully** including non-produced assets, in particular land (see [Eurostat-OECD compilation guide on Land](#))





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# Going Beyond the Current System of National Accounts





# Going beyond the current system

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- Estimating **unpaid household activities**
  - Currently outside the production boundary
  - Need for standardized framework and harmonized methodology
- Implementing **System of Environmental-Economic Accounting (SEEA)**
  - Multi-purpose framework describing interactions between environment and economy
  - Implementation
  - Use cases – SEEA at work!
  - Also accounting for stocks and degradation of ecosystems (see [SEEA Experimental Ecosystem Accounting](#))
- More emphasis on **education and health** (see [TF on Education and Training](#) and [System of Health Accounts](#))







## Need for a broader framework

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- **Need to link** the current macro-economic framework and the work on well-being and sustainability
- **Develop a conceptual framework** which includes:
  - National “economic” accounts (= current SNA)
  - System of Environmental Economic Accounts (= SEEA)
  - Unpaid household activities
  - Health satellite accounts
  - Satellite accounts for education
  - ...
- This would provide an improved basis for analysing **trade-offs and win-wins** between various aspects of well-being and sustainability





## Next steps on SNA Research Agenda

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- ISWGNA will create **three sub-groups** on:
  - Globalisation
  - Digitalisation
  - Well-being and sustainability
- Groups will be led by **AEG members** and consist of experts from various domains
- They will **address specific issues** as listed on the **SNA Research Agenda**
- They will report back to the ISWGNA and prepare **guidance notes**





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**Thank you for your attention!**





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# Annex slides





# Unpaid household activities

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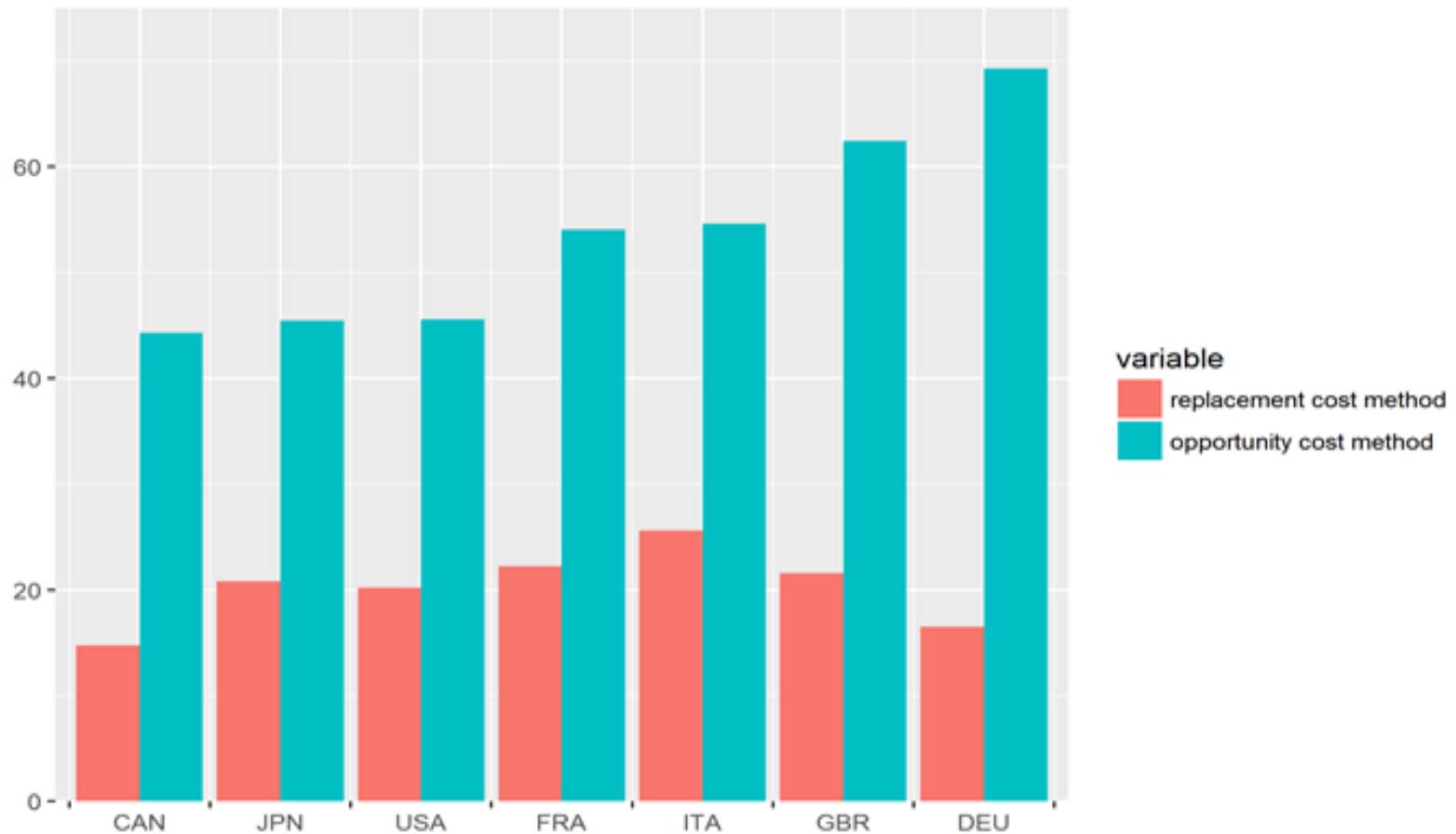
- **Valuation of services => cost-based approaches:**
  - Replacement cost approach: wage costs of similar activities
  - Opportunity cost approach: income foregone
  - Differences in labour productivity and quality of the output?
- Distinction between time spent on unpaid activities and **leisure** time
- **Time use survey data:** frequency, details and timeliness need (substantial) improvement





# Experimental results

Value of own-account production of unpaid household services (% of GDP), 2015



Source: Van de Ven, Zwijnenburg and DeQueljoe (2018), "[Including unpaid household activities](#)"





# Implementing environmental accounts

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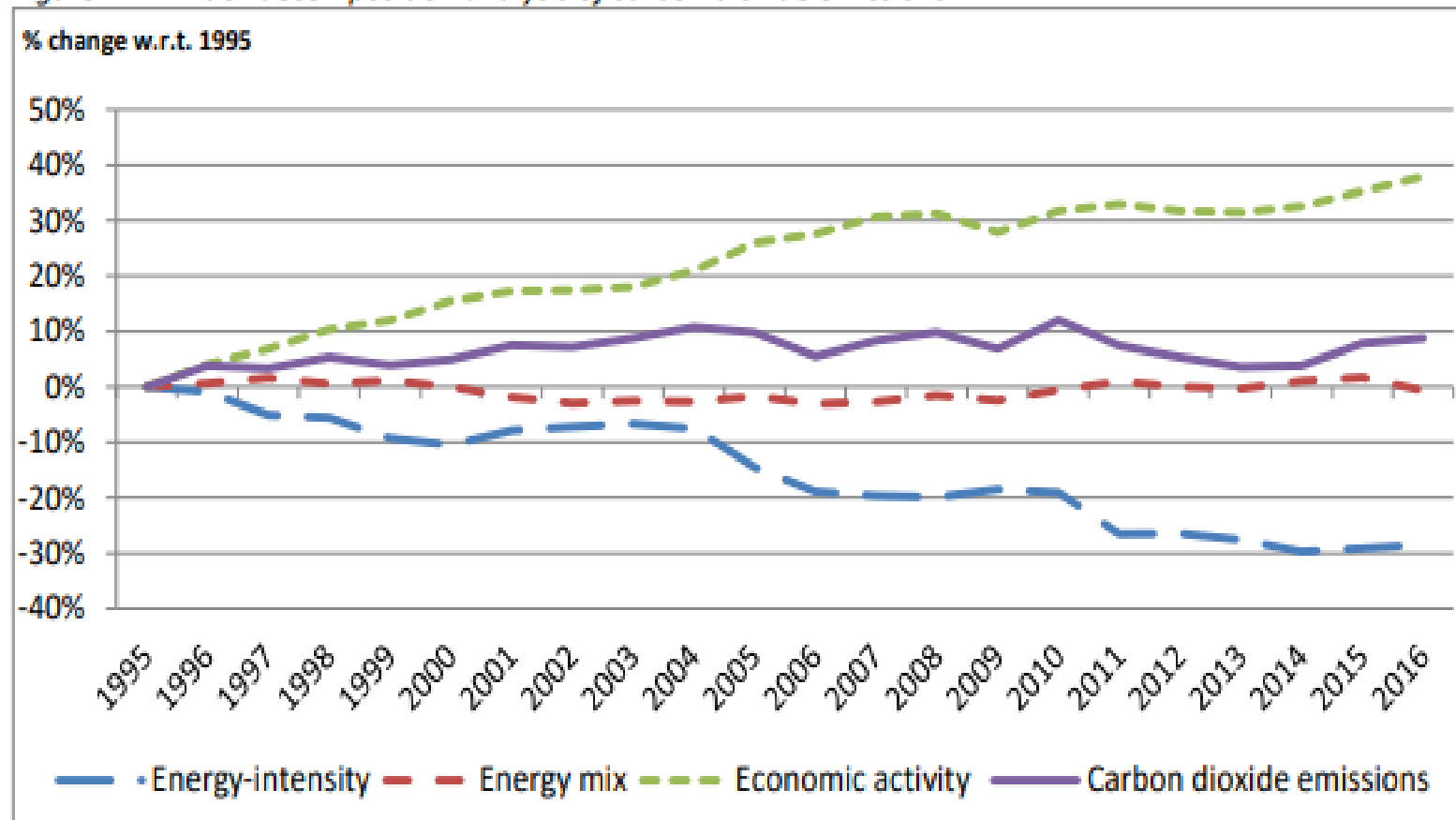
- **System of Environmental-Economic Accounting (SEEA) Central Framework**
  - Multi-purpose framework describing interactions between environment and economy
  - Links macro-economic data to environmental statistics on e.g. emissions to air and water, includes a broader set of assets
  - Uptake relatively good (goal of 100 countries by 2020)
  - Depletion adjusted GDP/NDP?
- **Accounting for stocks and degradation of ecosystems**
  - Experimental status, but much progress being made and consensus arising
  - Accounting for (degradation of) “free” ecosystems assets within national accounts?





# Decomposition analysis

Figure 2.4.1 Index decomposition analysis of carbon dioxide emissions



Source: Schoenaker and Delahaye (2017), "[Environmental Input-Output Analyses for the Netherlands](#)"

