

# Guernsey Annual Better Life Indicators Report

**2018**

**Issue date 20th December 2019**

This report contains an adapted version of the Regional Well-being framework from the OECD Better Life initiative. It gives an overall impression of quality of life in Guernsey compared to other jurisdictions, via a set of internationally comparable indicators.



States of Guernsey  
Data and Analysis

## 1.1 Introduction

In June 2017, the States of Guernsey agreed to use the Regional Well-Being Index developed by the Organisation for Economic Development and Cooperation (OECD) to monitor progress against the Future Guernsey Plan ([www.gov.gg/futureguernsey](http://www.gov.gg/futureguernsey)). This index looks, not only at the economic well-being of a region, but also at the experiences and living conditions of its population. Following further research, it was agreed in June 2018 that the Policy & Resources Committee would publish an annual monitoring report containing an adapted version of the OECD Regional Well-Being framework, taken from the OECD Better Life initiative.

The framework for measuring well-being was developed by the OECD to address a gap in the statistics available. It is intended to give a broad picture of the living conditions experienced by a population, since these are not always illustrated well by measures of economic growth. The framework uses several different measures to assess overall well-being levels.

This is the second such report and it will be used to support the States of Guernsey's policy planning and monitoring process. It will also provide a framework against which progress can be measured. It provides an overall impression of living conditions in Guernsey, which is intended to help give an objective view of the effectiveness of the policies of the States and help highlight areas that need attention. It should be noted that the measures presented are intended to be evaluated over the long-term and, since this is only the second edition, only four years worth of information is presented for most indicators. It should also be noted that the information is historical (relating to 2018 and earlier), so provides a reflection of the past policies of the States as well as recent global and island conditions.

Information is incomplete in some areas of this edition. Work is underway to source the missing data but, in the pursuit of openness and transparency, the report is being published with the gaps highlighted. It is hoped that this report can still usefully inform the public, States Members and any proposed changes to the policy priorities or work streams of the States.

The majority of the indicators in this report have been selected from the OECD Regional Well-Being and Better Life frameworks. Additional indicators have been added to ensure the framework is broad enough to cover the range of policy areas in the Future Guernsey Plan. The indicators used in this report are broken down into four categories, aligned with the themes in the Plan:

- Our economy
- Our quality of life
- Our community
- Our place in the world

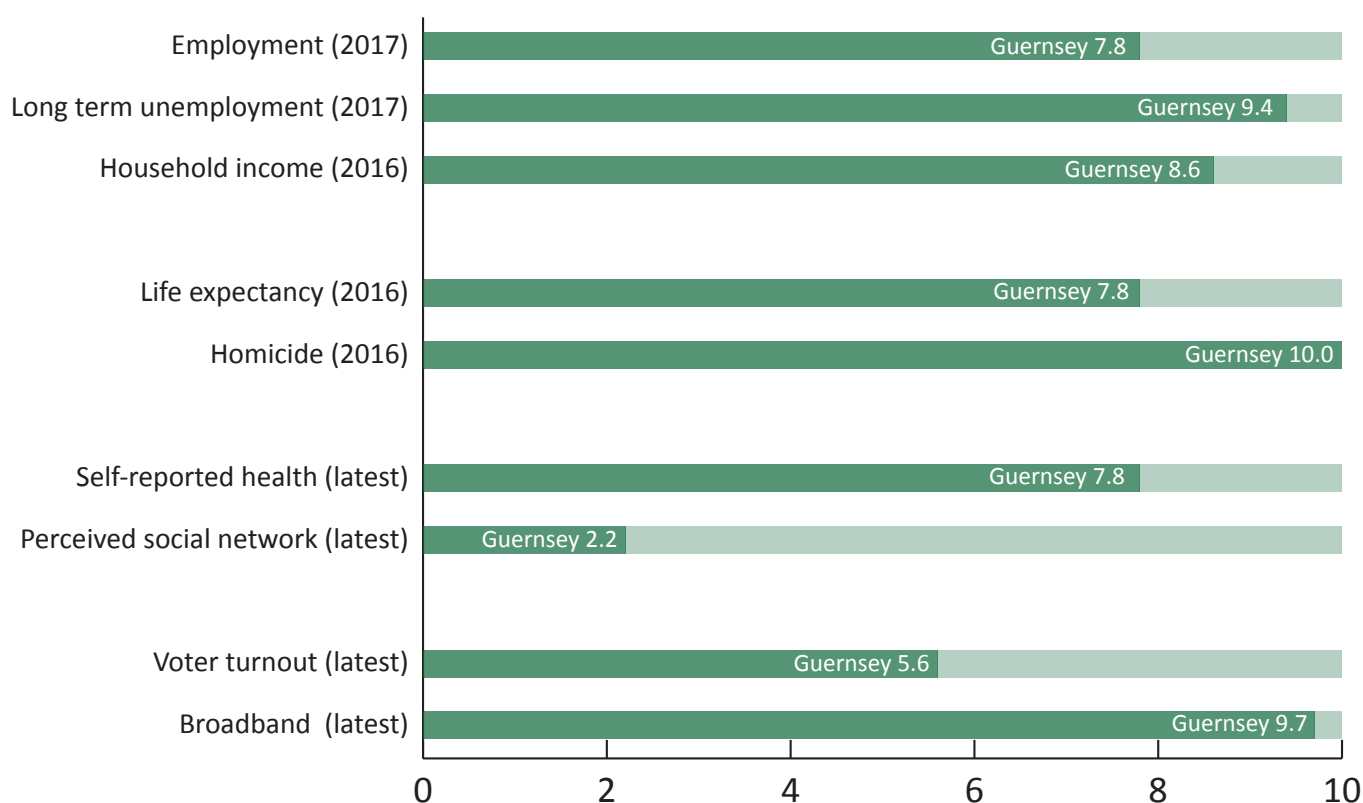
Full data is not available for all indicators. Details regarding why the data is not available or is incomplete and actions that are being taken in order to fill the data gaps is included in the relevant sections. The framework may evolve over time as priorities change, but the intention is for it to remain broadly aligned with the OECD Regional Well-Being framework.

## 1.2 Summary

Throughout this report, Guernsey's well-being indicators are presented in the context of the 36 OECD member countries wherever methodologies are comparable. Two or three of the indicators are comparable within each sector, but may not be for the latest years.

The comparable information can be used to give a summarised view of how Guernsey performs in relation to the other countries. **Figure 1.2.1** below presents this information visually, showing how Guernsey is positioned for several of the measures. Ten is the score given to the highest performing country and zero is the score allocated to the lowest.

**Figure 1.2.1 Summary of scores**



The Future Guernsey Plan sets out the following overarching aim,

*"We will be among the happiest and healthiest places in the world, where everyone has equal opportunity to achieve their potential. We will be a safe and inclusive community, which nurtures its unique heritage and environment and is underpinned by a diverse and successful economy."*

This summary shows that Guernsey is starting from a strong position in relation to OECD member countries for many of the areas, but is weaker in others.

## 2.1 Our economy

The OECD Regional Well-Being indicators in this theme include household disposable net income, employment rate and unemployment rate. Additional indicators included for Guernsey are GDP per capita and average surplus / deficit in public finances.

Gross Domestic Product (GDP) is a measure of the size of the economy and is an important indicator of the economic well-being of a region. Guernsey's GDP per capita grew between 2015 and 2018 (in real terms), continuing an upward trend over the longer term history. Further information can be found on [www.gov.gg/gdp](http://www.gov.gg/gdp).

Average surplus / deficit in public finances represents the fiscal stability of a jurisdiction and its ability to deliver public services with the money available to it. A positive figure indicates a surplus, whereas a negative figure would indicate a deficit. As shown below, the average surplus over five years (calculated in accordance with the accounting practice used in the 2017 accounts) grew between 2015 and 2018. See [www.gov.gg/accounts](http://www.gov.gg/accounts) for further information on the finances of the States of Guernsey.

The employment participation rate is calculated by dividing the number of employed and self-employed people by the total number of people aged 15 to 64 (to be comparable with the OECD). It should be noted that it is mandatory for 15 years olds in Guernsey to be in full-time education. The long term unemployment rate is the number of people who have been unemployed for a year or more divided by the total labour force i.e. the total number employed and self-employed or seeking work. Both these measures are good measures of the health of an economy and engagement of the population in its economy. Unemployment is closely associated with poor well-being. On the next pages these are shown compared to other jurisdictions and it can be seen that Guernsey compares very well. Further details are available from [www.gov.gg/population](http://www.gov.gg/population).

Guernsey's economy enjoys high employment participation and exceptionally low unemployment rates. Guernsey is able to sustain low unemployment rates, in part, by allowing the expansion of the workforce to meet the demand for labour by bringing in workers from outside the island. This practice is particularly evident in highly seasonal sectors like hostelry. This allows the workforce to expand and contract while placing less pressure on participation and unemployment rates. This pattern allows Guernsey to sustain significantly lower unemployment levels than are typically seen in larger jurisdictions while still meeting the demands of employers for skilled labour.

Household income is an important indicator of the resources available to the population to satisfy its basic needs. It can be a symbol of life satisfaction and perceived self-worth for individuals within a population. In this report, a household's net disposable income represents the resources available to a household after payment of tax but before housing costs, and is shown as a per capita figure - it should be noted that in the last report this was stated per household but, following further research, it was found that the OECD figures were stated on a per capita basis. The figures have been restated per capita in this edition. This figure increased between 2015 and 2017. Data for 2018 will become available in November 2020 and is published on [www.gov.gg/household](http://www.gov.gg/household), where more detailed information on household income is available. These figures are converted to Purchasing Power Parity, which adjusts for differences in currency exchange rates and differences in the cost of non-housing goods and services in different jurisdictions, using a UK conversion factor to allow comparison with other jurisdictions. Household income in Guernsey is fairly high relative to many comparator jurisdictions, reflecting low levels of unemployment and a high level of employment in sectors with a high level of added value.

## 2.1 Our economy (continued)

The Household Income report also contains information on the Gini coefficient - a measure of statistical dispersion intended to represent the income distribution of a nation's residents. A Gini coefficient of zero expresses perfect equality, where all values are the same (for example where everyone has the same income). A Gini coefficient of 1 expresses maximal inequality among values (e.g. where only one household has all the income within a population, and all others have none). In Guernsey the Gini coefficient for net equivalised income in 2017 was 0.37. The OECD average was 0.32.

**Table 2.1.1 "Our economy": Summary of indicators**

Indicator	2015	2016	2017	2018
Gross Domestic Product per capita (real £s)	47,981	49,452E	51,862E	52,531E
Five year average surplus / (deficit) in public finances (£000s)	5,746	17,704	48,406	42,343
Employment (% of population aged 15 to 64)	72	73	74	74
Long term unemployment (% of workforce)	0.23	0.19	0.21	0.17
Household net disposable income per capita (£s)	24,018	24,379	24,181	-
Household net disposable income per capita (US\$ PPP#)	34,707	34,877	34,994	-

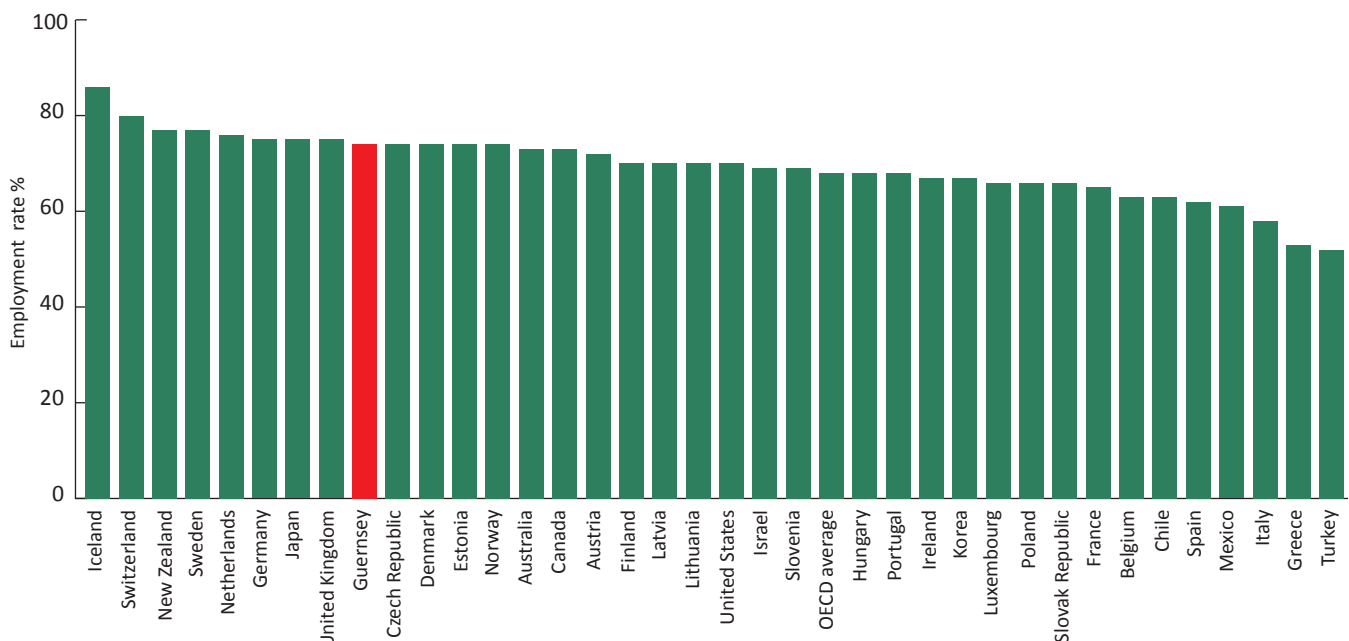
E = estimated

# purchasing power parity

Sources: Treasury, Rolling Electronic Census, Data & Analysis

The OECD publish the data for their member countries on <https://stats.oecd.org/>. Figures are taken from there for comparison with Guernsey and only those that are directly comparable are presented, and only for the relevant years.

**Figure 2.1.1 Employment - comparison with OECD member countries (2017 figures)**

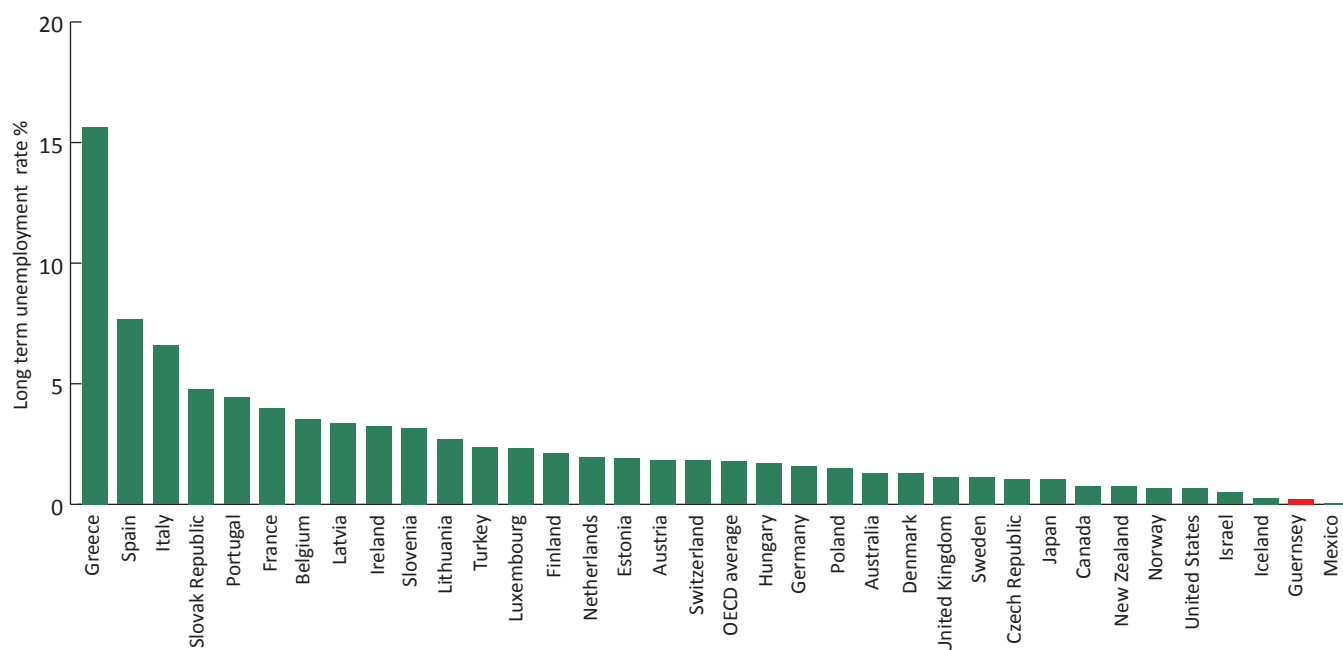


The figure for Jersey was 79% in 2016

Source: OECD.Stat, Statistics Jersey

## 2.1 Our economy (continued)

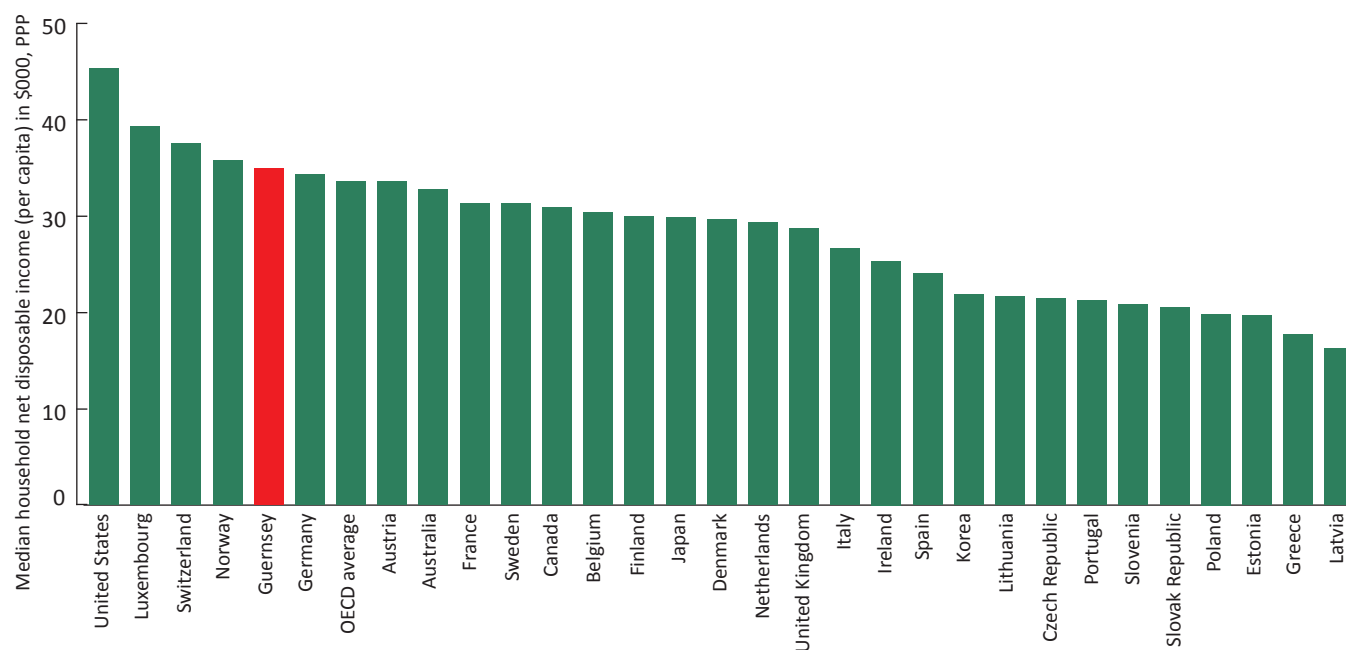
**Figure 2.1.2 Long term unemployment - comparison with OECD member countries (2017 figures)**



The figure for Jersey was 0.5% in 2016

Source: OECD.Stat, Statistics Jersey

**Figure 2.1.3 Household income per capita - comparison with OECD member countries (2016 figures)**



The figures for Jersey was estimated as \$27,700 in 2018

Source: OECD.Stat, Statistics Jersey

## 2.2 Our quality of life

Personal security, health and housing conditions are used as indicators of the quality of life of a population. Six measures are used to give a high-level picture of the quality of life in Guernsey.

**Table 2.2.1 “Our quality of life”: summary of indicators**

Indicator	2015	2016	2017	2018
Number of bedrooms per person	1.1	1.4	1.3	1.4
Income spent on housing (% of total income)	latest available 2012			
Life expectancy at birth in years (3 year average)	83.1	82.7	82.3	82.1
Mortality rate (per 1,000 people, revised methodology)	8.4	8.6	8.9	8.9
Number of homicides per 10,000 population	0	0	0	0
Number of violent crimes per 10,000 population	63	59	63	114 <sup>#</sup>

<sup>#</sup> Change in methodology in 2018

Sources: Rolling Electronic Census, Data & Analysis, Guernsey Public Health Services, Guernsey Police Annual Report

The number of bedrooms per person is an indication of whether housing is over-crowded or under-utilized. Bedroom data is currently available for approximately 84% of the residential property in the island and this showed that overall, there were 1.4 bedrooms per person, which was slightly higher than in 2015. More information on the domestic housing stock of Guernsey is available from [www.gov.gg/property](http://www.gov.gg/property).

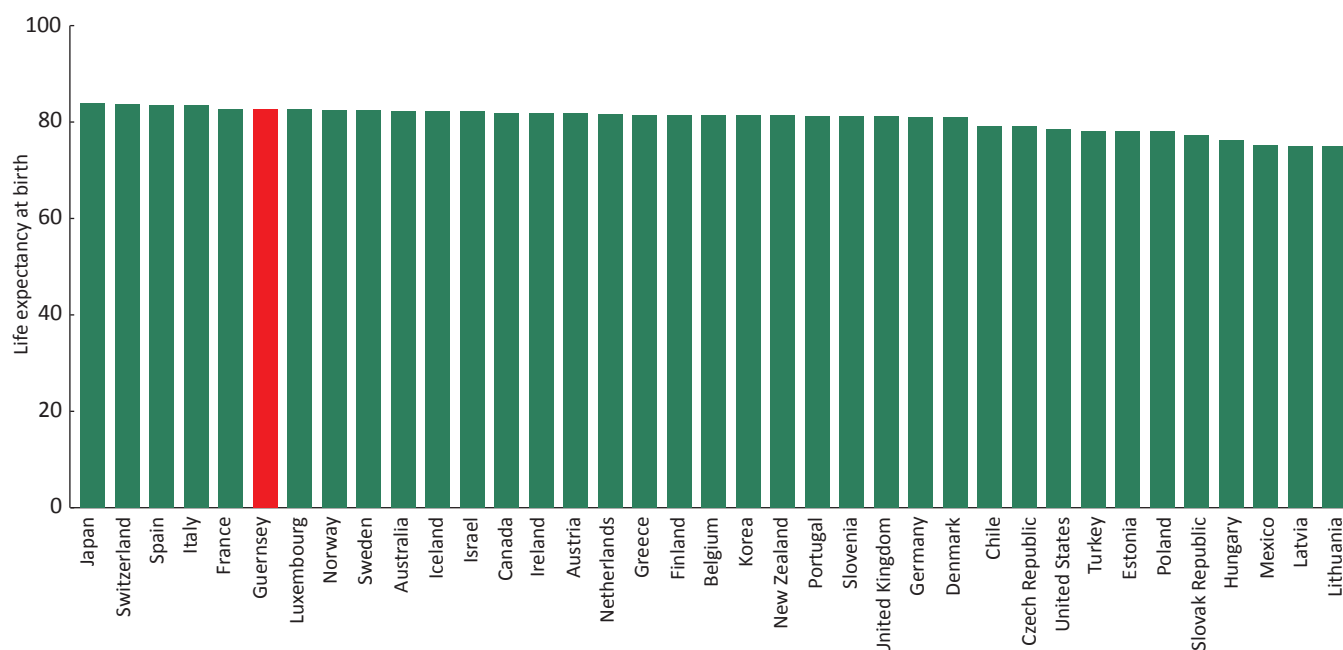
Housing expenditure (including fuel and maintenance) as a percentage of net disposable income is an indicator of household wellbeing. The latest such figure available for Guernsey was from 2012 and is not deemed relevant for the purposes of this report. A comparable figure will be calculated from the data gathered in the 2019 Household Expenditure Survey and will be published in the next Better Life Indicators report.

Life expectancy may indicate the level of access to health services in a region. The life expectancy at birth for Guernsey is presented as a three year rolling average ending in the year indicated, due to the relatively low size of the population in Guernsey. Long life expectancy is generally associated with high living standards. Factors such as the quality of sanitation, diet, health care, working conditions and community support services all contribute to longer life expectancies. The figure decreased between 2015 and 2018, but is stable over the longer historic trend, which is included in the Facts and Figures Booklet at [www.gov.gg/ff](http://www.gov.gg/ff). The figure for 2016 is included in **Figure 2.2.1** as a comparison with the latest available for OECD countries.

Guernsey’s age adjusted mortality rate (the number of deaths as a proportion of the population, adjusted for the different age profiles of the jurisdiction) was 8.9 per 1,000 people in the three year period ending in 2018. The methodology used in the calculation has been updated, so the figures have been restated since the previous report. They are age-standardised based on the European Standard population rather than the OECD population so are not directly comparable.

## 2.2 Our quality of life (continued)

**Figure 2.2.1 Life expectancy at birth - comparison with OECD member countries (2016 figures)**

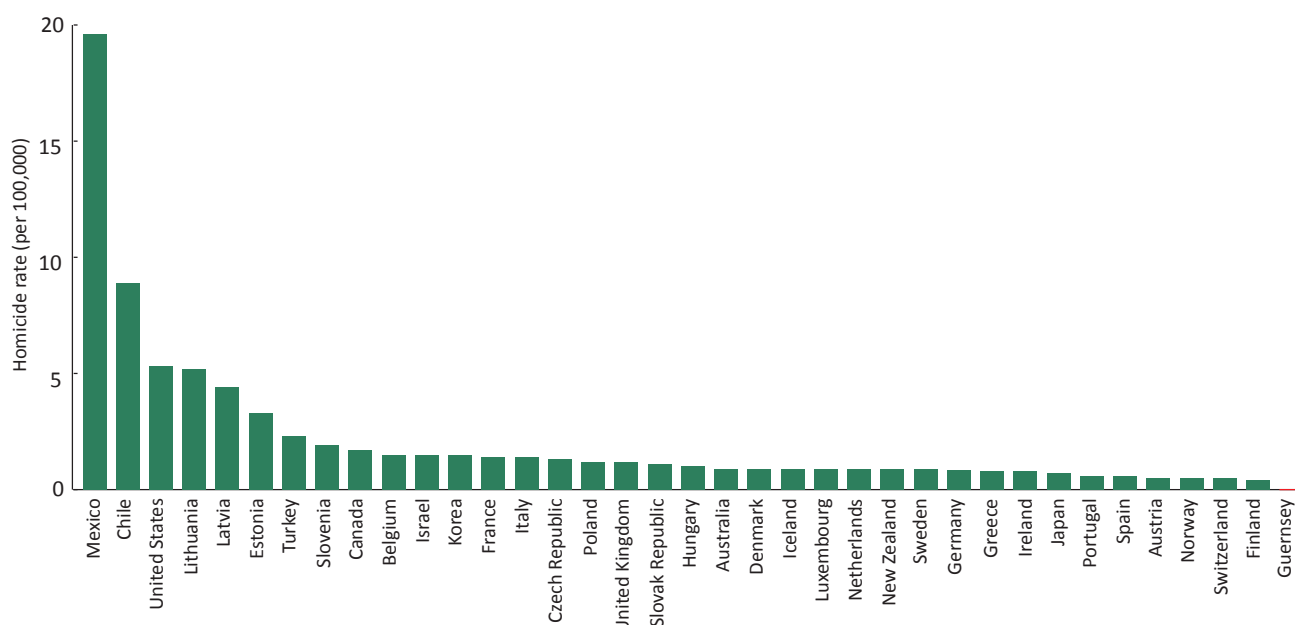


The figure for Jersey was 82.6 years for the period ending in 2017

Source: OECD.Stat

The homicide rate is the official measure used in the Regional Well-Being Index but homicides are rare in Guernsey. The violent crime rate is added for context (previous page). Violent crime, which includes murder or homicide, assault, robbery, grievous bodily harm and harassment, can negatively affect the people living in the region where the crimes take place. There was a change in recording methodology in 2018, resulting in more incidents being recorded as crimes, so care should be taken when making comparisons with previous years.

**Figure 2.2.3 Homicide rate - comparison with OECD member countries (2016 figures)**



The figure for Jersey was 0.6 for the period ending in 2016

Source: OECD.Stat



## 2.3 Our community

The Guernsey and Alderney Wellbeing Survey 2018 ([www.gov.gg/wellbeingsurveys](http://www.gov.gg/wellbeingsurveys)) surveyed more than 2,600 people and the results were published in December 2019.

One of the questions in the survey asked people to evaluate their life satisfaction on a scale of 1 to 8. This self-reported indicator of wellbeing shows how people feel about their lives. The OECD index ranges from 0 to 10 so the figures are not directly comparable. In addition, the OECD survey includes respondents aged 15 and older whereas the Guernsey survey included ages 16 and older.

Respondents were also asked, “How is your health in general?”. 76% of people thought their health was good or very good, compared with the OECD average of 69%.

A question was asked about perception of the respondent’s social network - did they feel they had plenty of people they could rely when they had problems? 86% thought they did have people they could rely on, which is a lower percentage than many OECD countries. It should be noted that the question was worded slightly differently in the OECD surveys - “If you were in trouble, do you have relatives or friends you can count on to help you whenever you need them?”

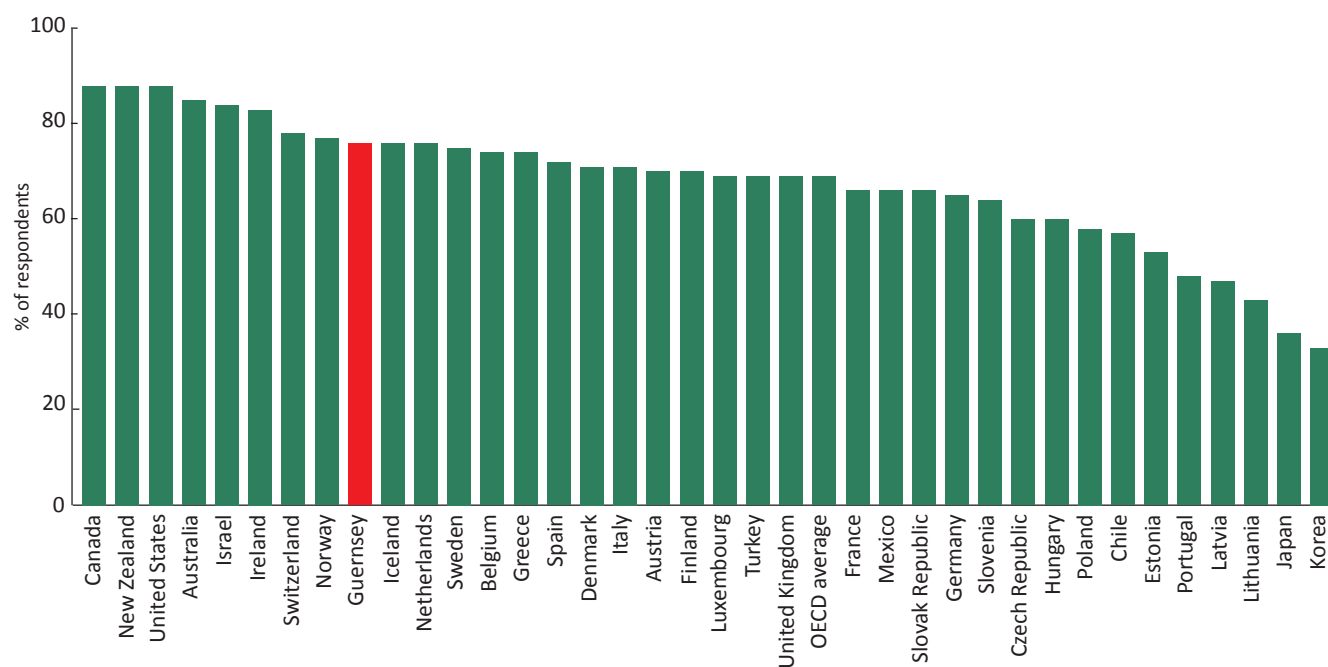
The overall level of education of a region can affect its productivity and crime rate and levels of political engagement. However, wide differences in educational attainment within a region can lead to divergence in the range of earnings. The Wellbeing survey asked about educational attainment, with 85% having completed formal education to at least secondary level. This figure is not directly comparable to that in the OECD statistics.

**Table 2.3.1 “Our community”: summary of indicators**

Indicator	2018
Life satisfaction - response of 5 or more (scale of 1 to 8)	80%
Self-reported health - response of good or very good	76%
Perceived quality of support network	86%
At least secondary level education	85%

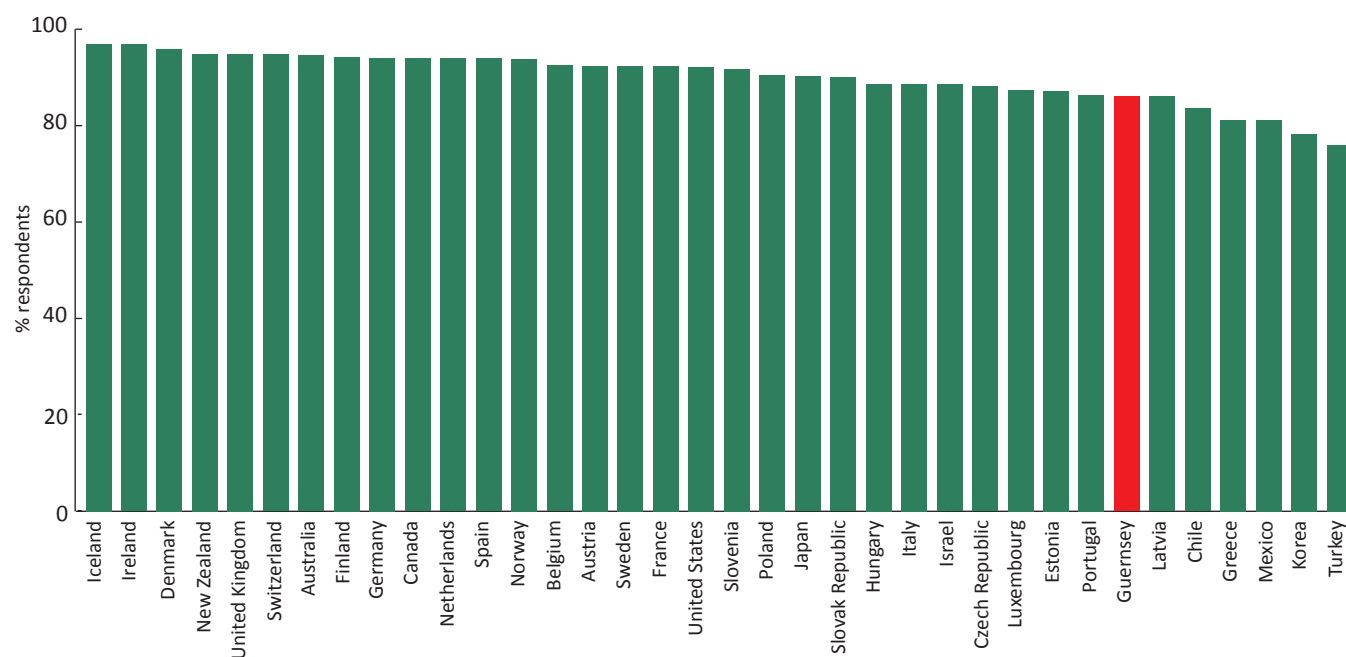
## 2.3 Our community (continued)

Figure 2.3.1 Self-reported health (OECD 2016)



Source: OECD.Stat, Guernsey and Alderney Wellbeing Survey 2018

Figure 2.3.2 Perceived social network (OECD 2015-2017)



Source: OECD.Stat, Guernsey and Alderney Wellbeing Survey 2018

## 2.4 Our place in the world

The quality of the local environment and people's engagement with the wider community are important factors in the current and future well-being of a country. Air pollution and bathing water quality, (also used in the Annual Indicators of Poverty Report, which can be found on [www.gov.gg/indicators](http://www.gov.gg/indicators)) have been selected as quantitative measures of this aspect.

Air pollution levels fluctuate year on year, but are decreasing over the longer historic trend included in the Annual Indicators of Poverty Report, which can be found on [www.gov.gg/indicators](http://www.gov.gg/indicators). The method used in Guernsey differs from that used in the OECD, so comparisons are not made in this report. Thirteen of Guernsey's beaches are tested several times each year and are given an assessment of 'excellent', 'good', 'sufficient' or 'poor'. The percentage of beaches gaining 'sufficient' or higher is reported below.

Voter turnout gives an indication of the public's trust in government and of their willingness to participate in their own governance. This figure will be updated after each general election and in the event of by-elections being held in the intervening years, such as that in 2017, the turnout for those will also be included. The 2016 general election had a record high turnout, at 73% of the people on the electoral roll. This equated to 35% of the island's population. In the 2017 by-election, the turnout was 72%. **Figure 2.4.1** shows the percentage of people with voting rights who participated in the latest election in each country. Voting is compulsory in some countries (such as Australia), with varying degrees of enforcement. In Guernsey you need to be eligible to vote and on the electoral roll to have the right to vote in an election.

Access to services, such as broadband, is a measure of how easy it is for people to access information and obtain what they need or want for a satisfactory life. The percentage of households with access to broadband increased between 2015 and 2018. This figure was calculated by applying the number of broadband subscriptions to the number of households in Guernsey. **Figure 2.4.2** shows how the percentage of households with broadband in Guernsey compares with other OECD member countries. It is positioned between Korea and the Netherlands towards the top of the rankings.

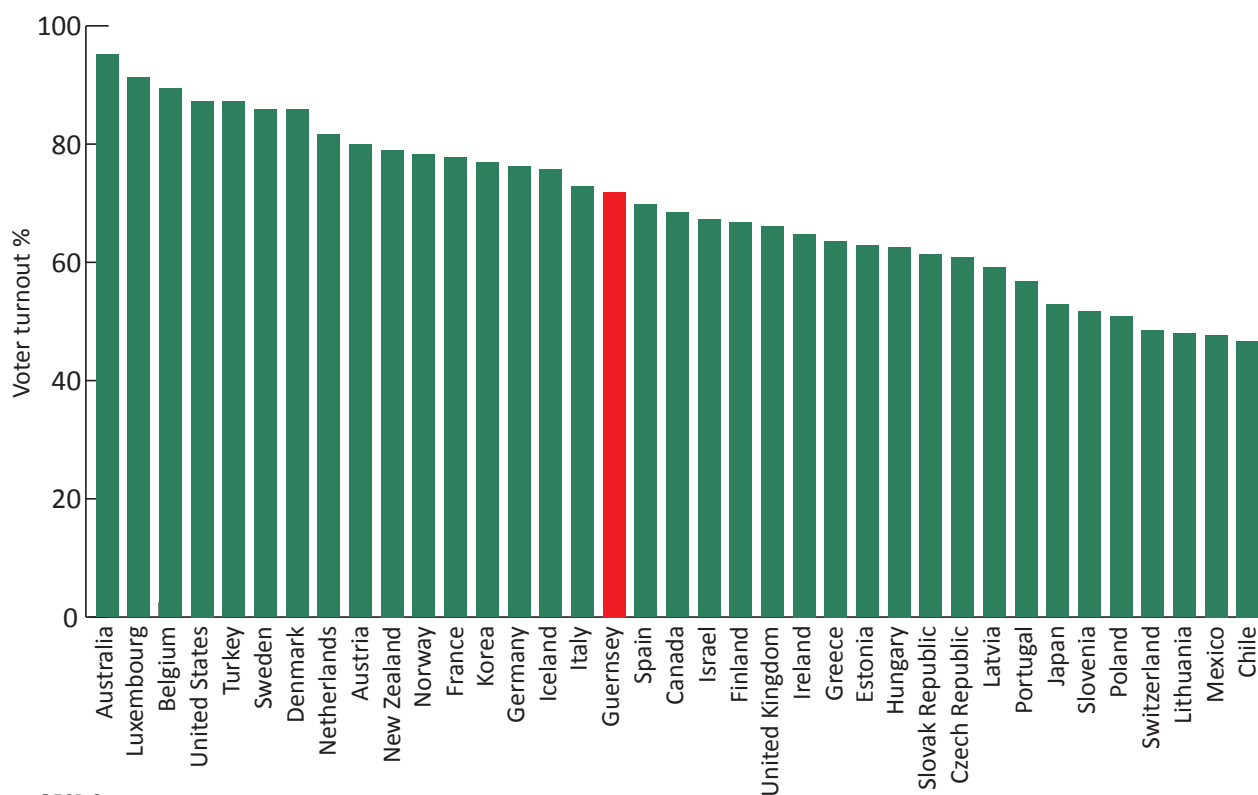
**Table 2.4.1 "Our place in the world": summary of indicators**

Indicator	2015	2016	2017	2018
Air pollution levels ( $\mu\text{g}$ nitrogen dioxide per $\text{m}^3$ ) - rolling three year average	16.5	14.9	13.6	15.5
Bathing water quality (% of beaches obtaining a guideline level pass)	92	92	77	77
Voter turnout (% of population on electoral roll)	-	73	72	72
Households with access to broadband (% of households)	92	91	95	98

Sources: Environmental Health and Pollution Regulation, Data & Analysis, The Channel Islands Competition & Regulatory Authorities

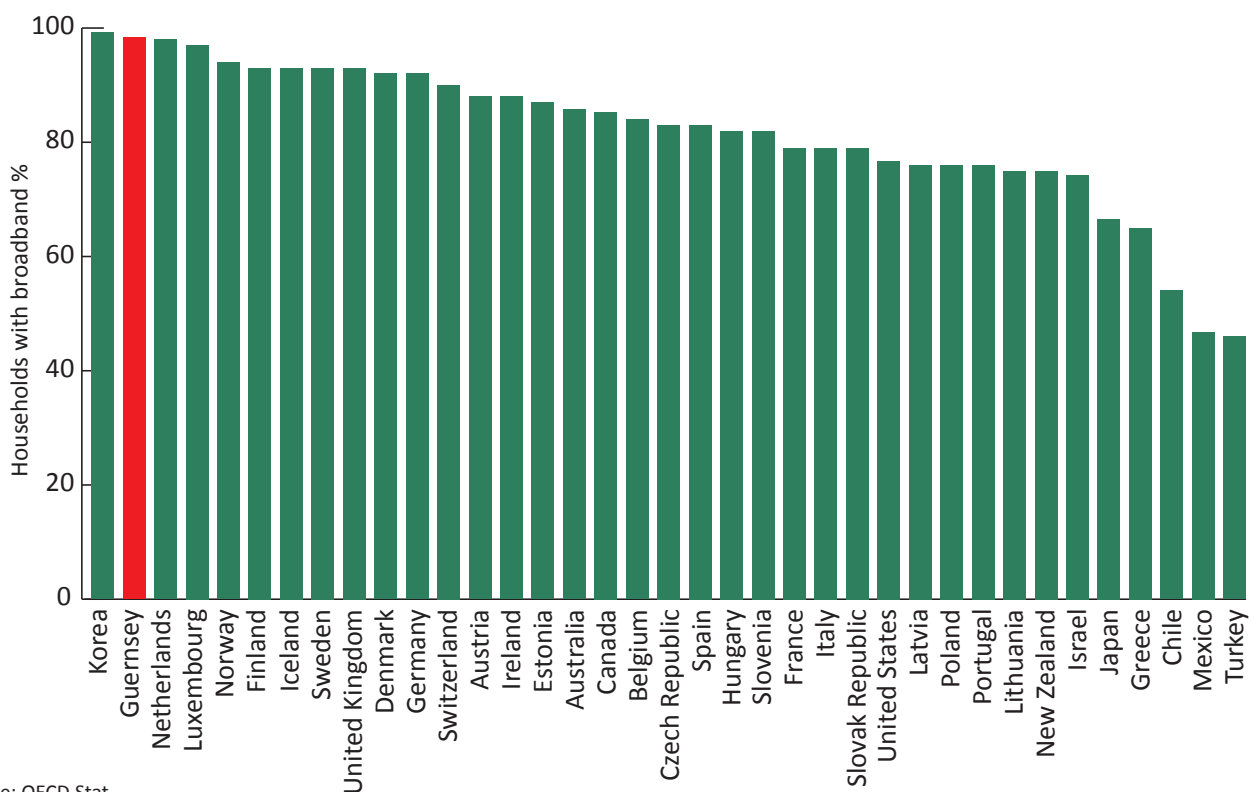
## 2.4 Our place in the world (continued)

**Figure 2.4.1: Voter turnout - comparison with OECD member countries (latest available)**



Source: OECD.Stat

**Figure 2.4.2 Households with access to broadband - comparison with OECD member countries (latest available)**



Source: OECD.Stat

## 3.1 Further information

The indicators presented in this report provide a baseline from where Guernsey's performance over time and in relation to OECD member countries can be monitored using a recognised methodology. The report is intended to provide a high level summary and to signpost readers towards sources of more detailed information. There are gaps in the report that need to be filled, but it provides a starting point. In future editions, trends will begin to emerge. Refinements will be made to the way some indicators are measured or presented, while maintaining the continuity of time series data as far as possible.

Work is ongoing to ensure performance measures are in place to monitor the progress towards achieving social policy objectives and also the objectives set out in each of the priority policy areas identified in the Future Guernsey Plan. Policy development and implementation is tracked against milestones and following implementation, the impact on the island is monitored. It is hoped that transparent and objective measurement, such as this, will add to the policy development and prioritisation process.

## 3.2 Contact details

You may also be interested in other States of Guernsey Data and Analysis publications, which are all available online at [www.gov.gg/data](http://www.gov.gg/data). Please contact us for further information.

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