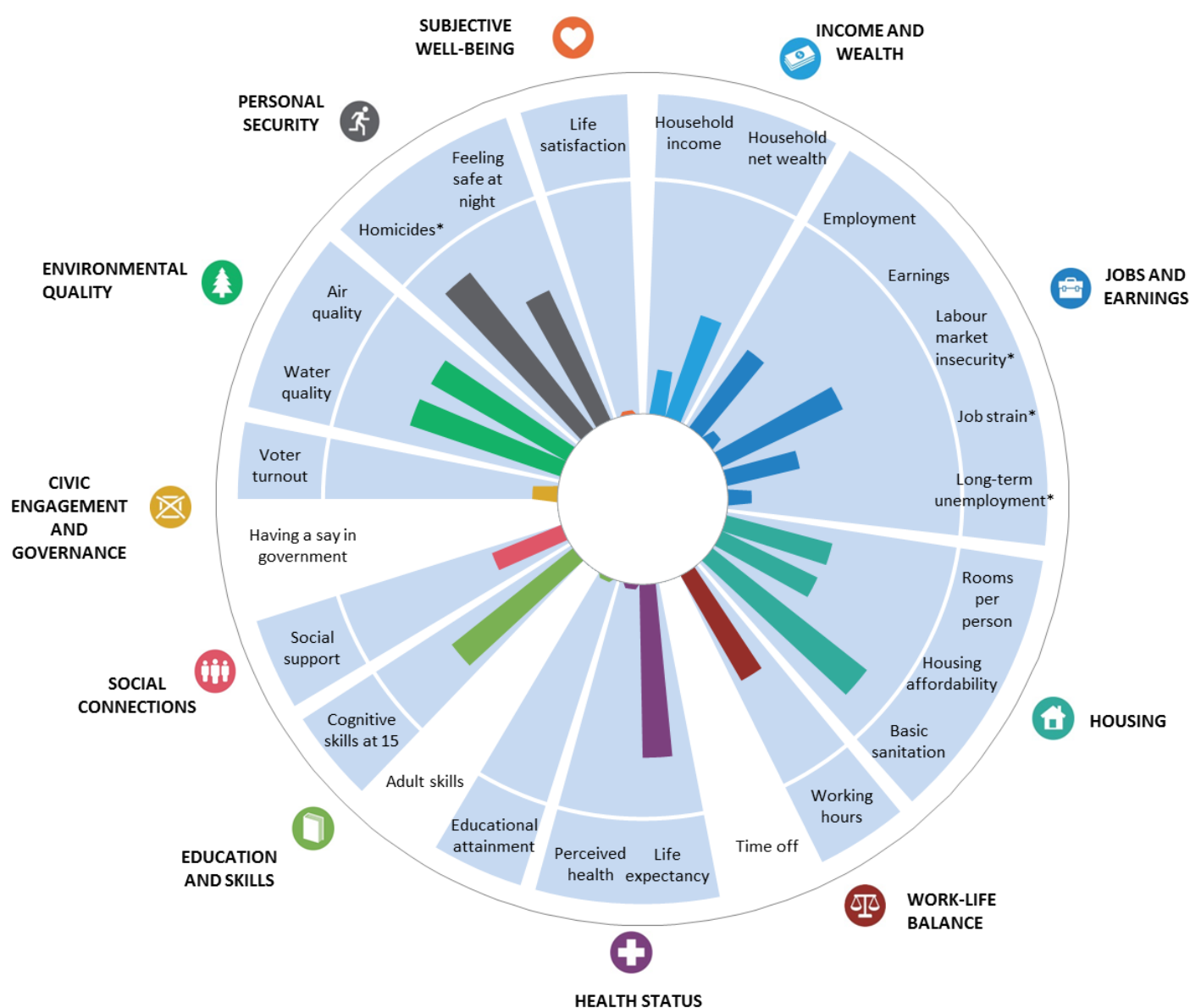


How's Life in Portugal?

Relative to other OECD countries, Portugal has a mixed performance across the different well-being dimensions. For example, it is in the bottom third of the OECD in terms of **household net adjusted disposable income**, **average earnings** and **long-term unemployment**, **social support** and **life satisfaction**. On the other hand, while both **housing affordability** and the average **number of rooms per person** are below the OECD average, only 1% of Portuguese people still live in housing without **basic sanitation**, compared to an OECD average of 2.2%. **Life expectancy** at birth is one year higher than the OECD average, and Portugal fares reasonably well in terms of environmental quality and personal security, where it stands above the OECD average across all the available indicators. In terms of education and skills, the country's performance is mixed: while only 47% of working-age adults have attained at least an upper secondary education, among the lowest in the OECD, students' **cognitive skills** at age 15 are above the OECD average level.

Portugal's average level of current well-being: Comparative strengths and weaknesses














Note: This chart shows Portugal's relative strengths and weaknesses in well-being when compared with other OECD countries. For both positive and negative indicators (such as homicides, marked with an "**"), longer bars always indicate better outcomes (i.e. higher well-being), whereas shorter bars always indicate worse outcomes (i.e. lower well-being). If data are missing for any given indicator, the relevant segment of the circle is shaded in white.

Additional information, including the data used in this country note, can be found at:


www.oecd.org/statistics/Better-Life-Initiative-2017-country-notes-data.xlsx


Change in Portugal's average well-being over the past 10 years

Dimension	Description	Change
 Income and wealth	In 2016, household net adjusted disposable income was close to the levels seen in 2005. After having improved slightly from 2006 to 2010, household income then fell sharply in 2011-12, and began to recover only in 2015. In 2013, household net wealth was 4% higher than in 2010 (in real terms).	↔ ↗
 Jobs and earnings	In contrast with the OECD average, real earnings dropped between 2005 and 2015. However, the employment rate grew slightly, and labour market insecurity fell. At 6.1% in 2016, the long-term unemployment rate is at the same level it was in 2011 (the earliest comparable year available), having peaked in 2013 at 9.1%. The proportion of employees experiencing job strain fell by almost 8 percentage points between 2005 and 2015.	↘ ↗ ↗ ↔ ↗
 Housing conditions	The average number of rooms per person has improved over the past decade, but is still slightly below the OECD average. Housing affordability worsened significantly over the 10-year period, with the share of disposable income spent on housing costs increasing from 16% in 2005 to 21% in 2015. On the other hand, the percentage of people living in dwellings without basic sanitary facilities has been reduced by two-thirds since 2005.	↗ ↘ ↗
 Work-life balance	The percentage of employees working 50 hours or more per week saw little change between 2011 and 2016 (comparable data are not available prior to 2011).	↔
 Health status	Despite stalling in 2015, life expectancy at birth is 3 years higher than it was a decade ago – a larger improvement than the OECD average. The percentage of adults reporting to be in “good” or “very good” health has remained relatively stable, but stands below the OECD average.	↗ ↔
 Education and skills	Since 2005, the proportion of adults having attained an upper secondary level of education has increased by 20.5 percentage points – more than in any other OECD country in that period.	↗
 Social connections	The percentage of people who have relatives or friends whom they can count on to help in case of need has fallen from 90% to 87% in the last 10 years.	↘
 Civic engagement	Voter turnout has fallen over the past decade, in line with other OECD countries. In the 2015 parliamentary elections, the percentage of votes cast among the population registered to vote was 56%, 8 points lower than in 2005.	↘
 Environmental quality	The share of people who are satisfied with their local water quality has remained relatively stable since the beginning of the past decade. However, air quality has improved: annual exposure to PM _{2.5} air pollution was 18% lower in 2013 than in 2005.	↔ ↗
 Personal security	While there has been little change in the rate of deaths due to assault over the past decade, the share of people saying that they feel safe when walking alone at night has risen by 8 percentage points, in line with the trend in over half of all OECD countries.	↔ ↗
 Subjective well-being	Life satisfaction in recent years is similar to the levels reported 10 years previously.	↔


Note: For each indicator in every dimension: ↗ refers to an improvement; ↔ indicates little or no change; and ↘ signals deterioration. This is based on a comparison of the starting year (2005 in most cases) and the latest available year (usually 2015 or 2016). The order of the arrows shown in column three corresponds to that of the indicators mentioned in column two.


Portugal's resources and risks for future well-being: Illustrative indicators

 Natural capital		
Indicator	Tier	Change
Greenhouse gas emissions from domestic production	1	↗ 2005-2015
CO ₂ emissions from domestic consumption	1	↗ 2001-2011
Exposure to PM _{2.5} air pollution	1	↗ 2005-2013
Forest area	2	↔ 2005-2014
Renewable freshwater resources	2	.. Long-term annual avg
Freshwater abstractions	3	.. 2007
Threatened birds	3	.. Latest available
Threatened mammals	2	.. Latest available
No data available on threatened plants.		

 Economic capital		
Indicator	Tier	Change
Produced fixed assets	3	↔ 2005-2014
Gross fixed capital formation	3	↔ 2005-2016
Financial net worth of total economy	3	↘ 2005-2016
Intellectual property assets	3	↗ 2005-2014
Investment in R&D	3	↗ 2005-2014
Household debt	2	↔ 2005-2016
Household net wealth	2	↗ 2010-2013
Financial net worth of government	3	↘ 2005-2016
Banking sector leverage	3	↔ 2005-2016

1	Top-performing OECD tier, latest available year
2	Middle-performing OECD tier, latest available year
3	Bottom-performing OECD tier, latest available year

 Human capital		
Indicator	Tier	Change
Young adult educational attainment	3	↗ 2005-2016
Educational expectancy	2	.. 2015
Cognitive skills at age 15	2	.. 2015
Long-term unemployment	3	↔ 2011-2016
Life expectancy at birth	2	↗ 2005-2015
Smoking prevalence	1	↗ 2006-2014
Obesity prevalence	2	↘ 2006-2014
No data available on adult skills.		

 Social capital		
Indicator	Tier	Change
Trust in others	3	.. 2013
Trust in the police	3	.. 2013
Trust in the national government	3	↘ 2005-2016
Voter turnout	3	↘ 2005-2015
Government stakeholder engagement	3	.. 2014
No data available on volunteering through organisations.		

↗	Improving over time
↘	Worsening over time
↔	No change
..	No data available

HOW LARGE ARE WELL-BEING INEQUALITIES IN PORTUGAL?

What is inequality and how is it measured? Measuring inequality means trying to describe **how unevenly distributed** outcomes are in society. *How's Life? 2017* adopts several different approaches:

- Measures of “**vertical**” inequalities address how unequally outcomes are spread across all people in society – for example, by looking at the size of the gap between people at the bottom of the distribution and people at the top
- Measures of “**horizontal**” inequalities focus on the gap between population groups defined by specific characteristics (such as men and women, young and old, people with higher and lower levels of education).
- Measures of “**deprivation**” report the share of people who live below a certain level of well-being (such as those who face income poverty or live in an overcrowded household).

Relative to other OECD countries, Portugal has high levels of **vertical inequality** in life satisfaction and earnings. For example, the top 10% of earners make on average almost 4 times more than the bottom 10%.

Across OECD countries, **women** typically fare worse than **men** on earnings, low pay and employment. However, in Portugal these gaps are comparatively smaller than for the OECD on average. Large gender divides (favouring men) are instead found in perceived health, voter turnout and time spent socialising.

When compared to the **middle-aged** Portuguese **young people** are less disadvantaged than their peers in other OECD countries on several well-being outcomes. For example, the age-related gaps in income, net wealth and earnings are narrower than in the OECD on average. In other well-being dimensions, however, the gap is more pronounced. For instance, young adults are almost 3 times more likely to be unemployed, relative to the middle-aged.

Well-being inequalities in Portugal

	Vertical inequality	Horizontal inequality by			Deprivation
		Gender	Age	Education	
		Women relative to men	Young relative to middle-aged	Secondary relative to tertiary	
Household income	●		●		●
Household net wealth	●		●	●	●
Earnings	●	●	●	●	
Low pay		●			●
Employment		●	●	●	
Unemployment		●	●	●	●
Housing affordability					●
Rooms per person					●
Life expectancy	○				
Perceived health		●	●	●	●
Working hours	●	●	●	●	●
Time off		●	○		
Educational attainment		●	●		●
Cognitive skills at 15	●	●		●	●
Adult skills	○	○	○	○	○
Time spent socialising		●	○		
Social support		●	●	●	●
Voter turnout		●	●	●	●
Having a say in government	○	○	○	○	○
Air quality					●
Water quality		●	●	●	●
Homicides		●			●
Feeling safe at night		●	●	●	●
Life satisfaction	●	●	●	●	●
Negative affect balance					●

Legend:

- top third of OECD countries
- middle third of OECD countries
- bottom third of OECD countries
- data gaps
- no measures

In most OECD countries, people with a **tertiary education** tend to fare better than those with only a **secondary education** across a range of well-being outcomes. In Portugal, this gap is comparatively large in wealth, earnings, and voter turnout. However, education-related gaps are smaller than in the OECD on average for employment and perceived health – and in Portugal, people without a tertiary education actually fare better in terms of life satisfaction and long working hours.

Levels of **deprivation** in Portugal are comparatively high for 8 out of the 18 available indicators. For example, it has highest share of people reporting low life satisfaction (24%) in the OECD. High levels of deprivation are also found in measures of jobs and earnings, perceived health, voter turnout and educational attainment.

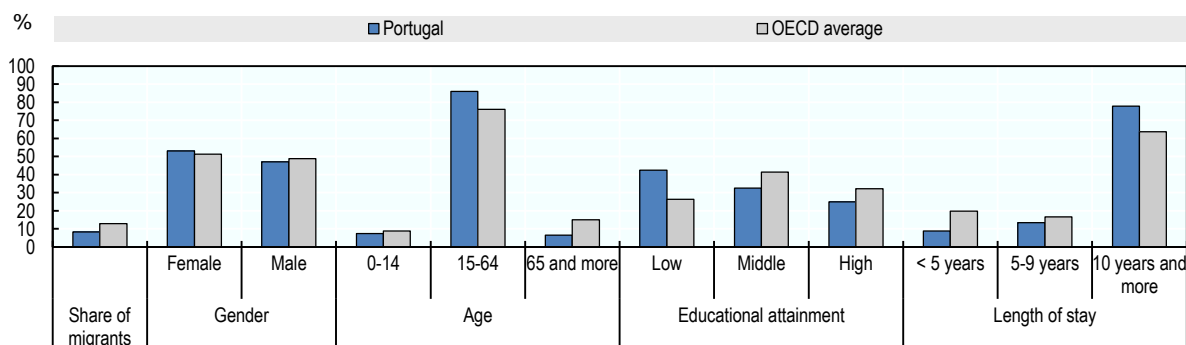
HOW'S LIFE FOR MIGRANTS IN PORTUGAL?

Migrants (defined as people living in a different country from the one in which they were born) represent an important share of the population in most OECD countries. Capturing information about their well-being is critical for gaining a fuller picture of how life is going, and whether it is going equally well for all members of society.

Who are the migrants in Portugal and OECD?

Less than one in ten people living in Portugal (8%) were born elsewhere, below the OECD average (13%), and 53% of them are women (51% for the OECD average). Migrants in Portugal are more likely to be of working age than in the OECD on average (86% of them are aged 15 to 64, as compared to 76% across the OECD) and are more likely to have a low educational attainment than a middle or a high level. Almost four in five migrants arrived in Portugal ten years ago or more.

Share of migrants in the total population and selected characteristics

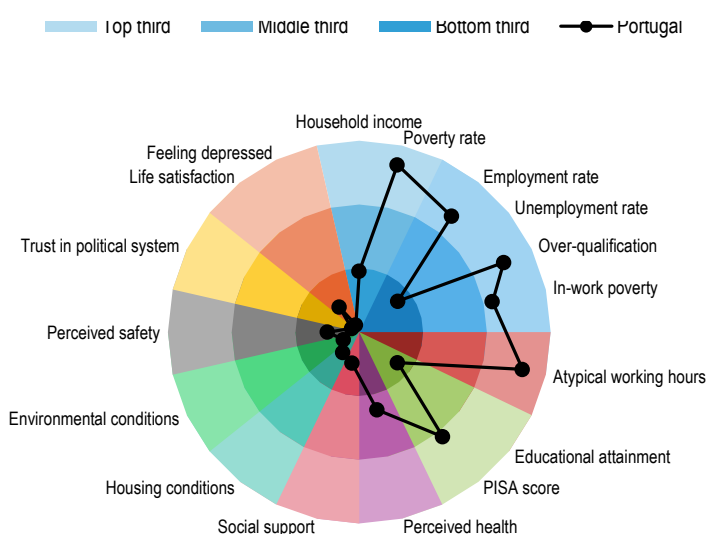


How is migrants' well-being in Portugal?

Compared with the migrant populations of other OECD countries, migrants living in Portugal have a relatively good situation regarding poverty, employment, over-qualification, in-work poverty, atypical working hours and PISA performance. Moreover, migrants settled in Portugal rank in the middle third of OECD-country migrants for perceived health. They are in the bottom third for 10 out of 17 selected well-being indicators.

As in many other OECD countries, migrants in Portugal tend to experience lower well-being outcomes than the native-born population: in Portugal, this is the case for 5 out of 12 selected well-being indicators. However, migrants in Portugal report the same situation as the native-born for wealth, atypical working hours, perceived safety, life satisfaction and feeling depressed. They report higher levels of perceived health and trust in political system than the native-born.

Comparing well-being outcomes for migrants in Portugal with the migrant populations of other OECD countries



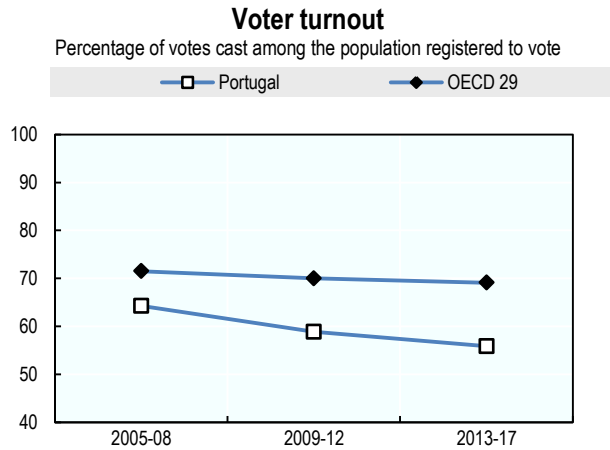
Comparison of migrants' and native-born well-being in Portugal

	Migrants have a worse situation	Same situation	Migrants have a better situation
Household income	▲		
Wealth		▲	
Atypical working hours		▲	
PISA score	▲		
Perceived health			▲
Social support	▲		
Housing conditions	▲		
Environmental conditions	▲		
Perceived safety		▲	
Trust in political system			▲
Life satisfaction		▲	
Feeling depressed		▲	

GOVERNANCE AND WELL-BEING IN PORTUGAL

Public institutions play an important role in well-being, both by guaranteeing that people’s fundamental rights are protected, and by ensuring the provision of goods and services necessary for people to thrive and prosper. How people experience and engage with public institutions also matters: people’s political voice, agency and representation are outcomes of value in their own right.

On average, 33% of the population in OECD countries feel that they have a say in what their government does. In recent years, voter turnout has declined in Portugal, with almost 56% of registered voters casting their ballot in 2015, compared to just above 64% ten years prior. When asked about whether or not corruption is widespread across government, 82% of Portuguese answered "yes", as compared to the OECD average of 56%. Since around 2006, the share of people in the OECD who report that they have confidence in their national government has fallen from 42% to 38%.

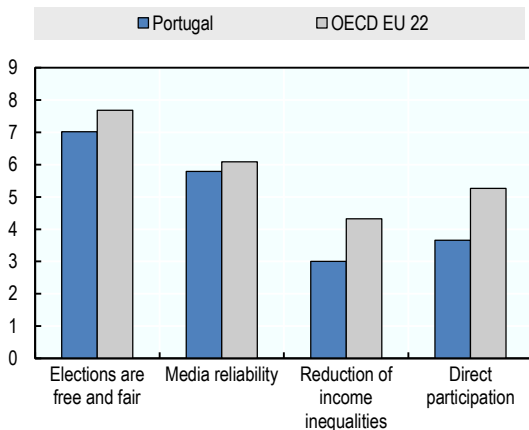


Note: Data refers to parliamentary elections. If more than one election took place over the time period indicated, the simple average voter turnout from all elections is shown. The OECD average sums elections that occurred over the time periods shown in 29 OECD countries.
Source: IDEA dataset

Overall, Portuguese satisfaction with the way democracy works in their country is consistently below the OECD European average. People in Portugal tend to be relatively satisfied with the freedom and fairness of elections (7.0 on a 0-10 scale), while they are much less satisfied with policies to reduce income inequalities (3.0) or with the existence of direct participation mechanisms at the local level (3.7). Meanwhile, satisfaction with public services varies according to whether people have used those services in the last year: people with direct recent experience of using health and education services tend to be more satisfied than those without. In Portugal, satisfaction with both health and education services is close to the OECD European average level.

People’s satisfaction with different elements of democracy

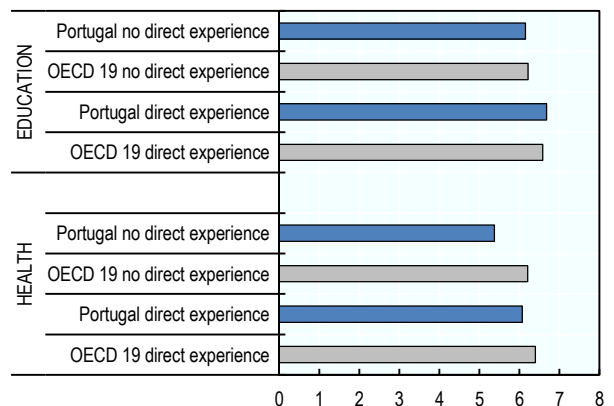
Mean score on a 0-10 scale, with higher scores indicating higher satisfaction with elements of democracy, 2012



Source: OECD calculations based on wave 6 of the European Social Survey (ESS), special rotating module on citizens’ valuations of different elements of democracy.

Satisfaction with public services by direct experience

Mean score on a 0-10 scale, with higher scores indicating higher satisfaction, 2013



Source: OECD calculations based on the EU Quality of Government (QoG) for 19 European OECD countries.

BETTER LIFE INDEX

The **Better Life Index** is an interactive web application that allows users to compare well-being across OECD countries and beyond on the basis of the set of well-being indicators used in *How's Life?*. Users chose what weight to give to each of the eleven dimensions shown below and then see how countries perform, based on their own personal priorities in life.

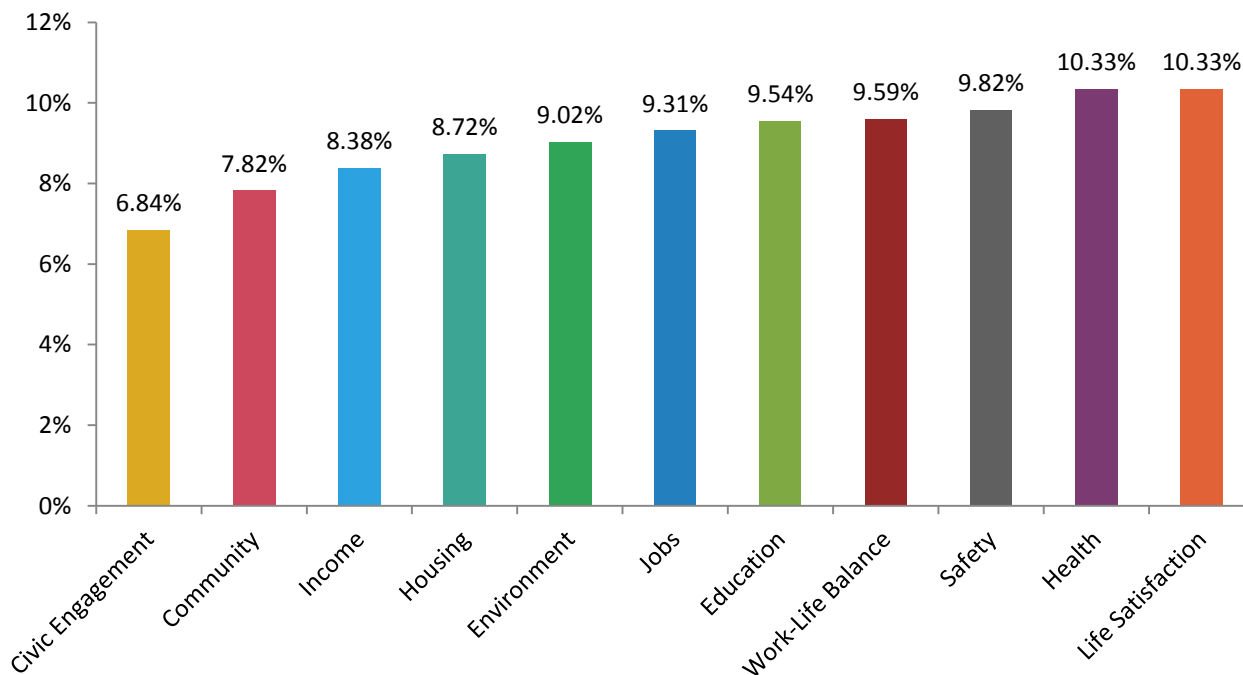


Users can also share their index with other people in their networks, as well as with the OECD. This allows the OECD to gather valuable information on the importance that users attach to various life dimensions, and how these preferences differ across countries and population groups.

WHAT MATTERS MOST TO PEOPLE IN PORTUGAL?

Since its launch in May 2011, the Better Life Index has attracted **over ten million visits from just about every country on the planet** and has received over **22 million page views**. To date, over 86,400 people in Portugal have visited the website making Portugal the 28th country overall in traffic to the website. The top cities are Lisbon (37% of visits), Porto, Coimbra, Almada, Amadora and Braga.

The following country findings reflect the ratings voluntarily shared with the OECD by 1,666 website visitors in Portugal. Findings are only indicative and are not representative of the population at large. **For Portuguese users of the Better Life Index, life satisfaction, health and safety are the three most important topics** (shown below).¹ Up to date information, including a breakdown of participants in each country by gender and age can be found here: www.oecdbetterlifeindex.org/responses/#PRT.



¹ User information for Portugal is based on shared indexes submitted between May 2011 and September 2017.

The **OECD Better Life Initiative**, launched in 2011, focuses on the aspects of life that matter the most to people and that shape the quality of their lives. The Initiative comprises a set of regularly updated well-being indicators and an in-depth analysis of specific topics, published in the *How's Life?* report. It also includes an interactive web application, the *Better Life Index*, and a number of *methodological and research projects* to improve the information base available to understand well-being levels, trends and their drivers.

The OECD Better Life Initiative:

- Helps to inform policy making to improve quality of life.
- Connects policies to people's lives.
- Generates support for needed policy measures.
- Improves civic engagement by encouraging the public to create their own *Better Life Index* and share their preferences about what matters most for well-being
- Empowers the public by improving their understanding of policy-making.

This note presents **selected findings for Portugal from the *How's Life? 2017* report** (pages 1-6) and shows what **Portuguese users of the Better Life Index** are telling us about their **well-being priorities** (page 7).

HOW'S LIFE?



How's Life?, published every two years, provides a comprehensive picture of well-being in OECD and selected partner countries by bringing together an internationally comparable set of well-being indicators. It considers eleven dimensions of current well-being including: income and wealth; jobs and earnings; housing; health status; work-life balance; education and skills; social connections; civic engagement and governance; environmental quality; personal security; and subjective well-being. It also looks at four types of resources that help to sustain well-being over time: natural, human, economic and social capital.

The *How's Life? 2017* report presents the latest data on well-being in OECD and partner countries, including how lives have changed since 2005. It includes a special focus on inequalities, the well-being of migrants in OECD countries, and the issue of governance – particularly how people experience and engage with public institutions. To read more, visit: www.oecd.org/howslife.

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