Quality of Life Index in the Philippines

"From GDP to well-being and sustainability: Means and Measures"

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Rationale/Background

- GDP and GNI have recognized limitations
  - GDP excludes residents’ income from production in other countries,
  - some activities recorded as gains in GDP may actually reduce people’s well-being like higher transport costs
  - Incidence of disasters also affect GDP in a curious way
  - Care work being provided, mostly by women, are not counted
  - Service of the environment is also not captured
Rationale/Background

• Supplementary or complementary measures to macroeconomic indicators (e.g., GDP, GNI) that more adequately capture welfare have increasingly become important.

• In 2015, NEDA spearheaded a study to determine the long-term aspirations of Filipinos: what they want to be, to have, and to do by 2040, coined as “AmBisyon Natin 2040”
  • The study reinforced that aspirations go beyond increasing income.
  • Filipino want a: “matatag, maginhawa at panatag na buhay para sa lahat” – strongly rooted, comfortable and secure life for all.
PDP Overall Framework (2017)

2040
MATATAG, MAGINHAWA AT PANATAG NA Bbihay

2022
TO LAY DOWN THE FOUNDATION FOR INCLUSIVE GROWTH, A HIGH-TRUST AND RESILIENT SOCIETY, AND A GLOBALLY-COMPETITIVE KNOWLEDGE ECONOMY

"MALASAKIT" ENHANCING THE SOCIAL FABRIC
Ensure people-centered, clean, and efficient governance
Pursue swift and fair administration of justice
Promote Philippine culture and values

"PAGBABAGO" INEQUALITY-REDUCING TRANSFORMATION
Expand economic opportunities
Increase access to economic opportunities

IMPLEMENT STRATEGIC TRADE AND FISCAL POLICY, MAINTAIN MACROECONOMIC STABILITY, PROMOTE COMPETITION

"PATULOY NA PAG-UNLAD" INCREASING GROWTH POTENTIAL
Promote technology adoption
Stimulate innovation
Accelerate human capital development
Reduce vulnerability of individuals
Maximize demographic dividend

Ensure safety and build resilience
Ensure ecological integrity, clean and healthy environment
Ensure peace and security
Accelerate strategic infrastructure development
Development of Quality of Life Index (QLI) in the Philippines

To measure the welfare and well-being of citizens and complement the usual macroeconomic data as well as to monitor the country’s progress towards achieving the long-term vision.

Pillars and Domains of QLI based on AmBisyon Natin 2040

Matatag (Strongly rooted)  
Maginhawa (Comfortable)  
Panatag (Secure)

By 2040, Filipinos enjoy a strongly rooted, comfortable, and secure life. In 2040, we will all enjoy a stable and comfortable lifestyle, secure in the knowledge that we have enough for our daily needs and unexpected expenses, that we can plan and prepare for our own and our children’s future. Our family lives together in a place of our own, and we have the freedom to go where we desire, protected and enabled by a clean, efficient, and fair government.
Major considerations in developing the QLI

- The QLI measures the progress of Philippine society, which is **multidimensional** and encompasses both material and nonmaterial aspects of well-being.

- Similar to international welfare indicators (e.g., OECD Better Life Initiative, Bhutan GNHI, etc.), it is a combination of both **objective and subjective indicators** to measure well-being.

- It is able to measure improvements in the quality of life of all sectors of Philippine society.
Challenges

• **Availability of data** – the QLI needs to be adopted as part of the regular surveys conducted by the Philippine Statistics Authority to ensure that results remain relevant.

• **Comparability** – in case of drastic environmental and economic changes (e.g., COVID-19 pandemic), Filipinos’ aspirations and the country’s socioeconomic conditions may change, which would require revision of QLI domains/indicators.
Moving forward

• NEDA is spearheading the conduct of a nationally and regionally representative survey of at least 22,000 households to solicit responses that will determine the quality of life of Filipinos, taking into account the new normal.

• Institutionalize natural capital and wealth accounting in order to fully support the Philippine Action Plan for Sustainable Consumption and Production

• Leaving no one behind and sustainable development are two principles that put people in the center of development planning...
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