



The Wellbeing INDEX project* - Wellbeing insights from the analysis of EU-SILC data in Malta Policy brief - March 2021

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***The Wellbeing INDEX project is a strategic initiative, led by the Malta Foundation for the Wellbeing of Society in collaboration with the University of Malta. The name “INDEX” summarizes the project’s scope (Indicators, Networking, Data Exploration and exchange). The project, launched in Parliament on the 10th December 2020, will pave the way for the measurement of wellbeing in Malta and evidence-based policy.**

1. Regular and robust national wellbeing statistics and research are required to be able to compare the wellbeing of different segments of Maltese society, over time, and with other countries, to evaluate policy performance in wellbeing terms, and to identify policy priorities.¹ The measurement of wellbeing can influence the goals set by policy makers, the kind of society we live in, and ultimately the kind of lives that people in Malta lead.² Such considerations are also relevant to children in Malta.³
2. As part of the suite of studies envisaged by the project, an analysis of the correlates of wellbeing in Malta is currently underway by the present authors. The analysis employs data collected by Malta’s National Statistics Office 2018-2019 gathered in conformity with the European Union Survey on Income and Living Conditions.⁴ Almost 10,000 people in Malta were interviewed for this survey in 2018, with respondents being asked to assess their income and living conditions.⁵ Respondents were asked questions about self-assessment of satisfaction with their life, finance, job, relationships, and time. Respondents were also asked how often they felt happy, down-hearted and depressed, calm and peaceful, down, nervous or lonely during the preceding four weeks.
3. A review of the headline statistics for Malta finds that overall life satisfaction in Malta stood at 7.5, marginally higher than the EU average of 7.3 for the same period.⁶ In other domains (financial, job, relationships) the Maltese averages were all slightly higher than the European average except in the domain on time use. Here the Maltese report having lower levels of satisfaction with their time use (leisure) than their European counterparts. Eurostat statistics similarly reveal that Maltese people tend to work higher hours than the EU average.⁷ In terms of emotional wellbeing, like other Europeans, people in Malta reported happiness as their more frequently felt emotion. Relative to the EU average the Maltese felt nervous more often.⁸
4. The study examines the relationship between poverty and wellbeing in Malta. It finds a strong relationship between material deprivation (defined as lacking 3 or more basic goods) and low levels of wellbeing. Although fewer than 10% of the respondents in the sample are materially deprived, their satisfaction with life, time, jobs, relationships and finance are substantially lower than others. Life satisfaction among the materially deprived

¹ Briguglio, M. (2015). Towards Research on Wellbeing in Malta. In President’s Foundation for the Wellbeing of Society and The Department of Economics (Eds). The determinants of wellbeing: Insights from research and implications for Malta, Malta (pp. 52-61)

² Briguglio, M. (2019). Wellbeing: An Economics Perspective in Vella, S., Falzon, R., Azzopardi, A. (eds.) Perspectives on Wellbeing. Brill Sense, 2019. (pp. 145-157).

³ Cefai, C. and Galea, N. (2020). International Survey of Children's Subjective Wellbeing Malta 2020. Centre for Resilience and Socio-Emotional Health, University of Malta.

⁴ Eurostat (2020) 2018 Material deprivation, well-being and housing difficulties. Assessment of the implementation, European Union: Luxembourg.

⁵ The present document has been produced using the EU-SILC 2018-2019 Data - National Statistics Office Malta. The calculations and conclusions with the document are the intellectual product of the present authors.

⁶ Scores were obtained once respondents were invited to evaluate their life satisfaction on a score from 0 (Not at all satisfied) to 10 (Completely satisfied)

⁷ Eurostat (2021) Labour Force Survey [Average number of usual weekly hours of work in main job, by sex, professional status, full-time/part-time and economic activity]. Retrieved on 07.03.2021 from

https://ec.europa.eu/eurostat/databrowser/view/lfsa_ewhun2/default/table?lang=en

⁸ Eurostat (2020) 2018 Material deprivation, well-being and housing difficulties. Assessment of the implementation, European Union: Luxembourg.

stands at 5.9 versus 7.6 for non-deprived (p-value of 0.001). People feeling deprivation also report feeling happy and calm less often than others and feeling nervous, down, depressed and lonely more frequently than those who are not deprived. Similar relationships are found when comparing wellbeing by household disposable income quantiles, but the difference in means is not so pronounced at higher levels of income. This reflects findings in the literature that after a certain level of income, its relationship with wellbeing tapers off.⁹

5. Examining the difference between employed/self-employed people in Malta (55% of the sample) and those in other work-statuses like retirement, looking after the home, being unemployed or unable to work due to disability, similarly reveals that people who work report higher levels of overall life satisfaction (7.7 versus 7.3 for the rest, p-value of 0.001). Inability to work due to disability is strongly correlated with lower levels of satisfaction in most domains and with more negative and less positive emotions. Life satisfaction for these stood at 5.5 in contrast with others whose life satisfaction stood at 7.5 (p-value of 0.001).¹⁰
6. Good health is generally well-documented to be an important determinant of wellbeing.¹¹ The study likewise finds that life satisfaction in Malta is higher for those with health that ranges from fair to very good (7.5), in contrast with that of people with bad or very bad health whose life satisfaction averages at 5.5 (p-value of 0.001). While there is a big gap between the wellbeing experienced by people in poor or bad health and those with fair health, the differences for fair, good or very good health are not so pronounced.
7. With regard to marital status and children, the study finds that being separated/divorced is associated with higher frequency of negative emotions and lower satisfaction in most domains. Other studies find similar effects, including on children.¹² We also note that separated/divorced individuals in Malta report higher levels of job-satisfaction. We find evidence that single parent households with at least one child under the age of 18 (3.3% of households) report lower levels of wellbeing than others. Their life satisfaction stands at 6.5 in contrast with 7.6 for others (p-value of 0.001). Adults in households with no children average a life satisfaction of 7.5.
8. The study finds also finds that education is linked to more positive and less negative feelings. However, the higher the education and the higher the income, the lower the satisfaction with time use in Malta. In fact, the people most satisfied with their time use in Malta are the elderly (7.9 versus 6.2 for the rest, p-value of 0.001). Yet loneliness is experienced in higher frequency among these (1.8 versus 1.5 for the rest, p-value of 0.001).
9. On the effect of internal/external environment on wellbeing, early findings indicate that pollution and crime are associated with more negative and less positive emotions. This reflects the main findings in the literature.¹³ People in Gozo experience negative emotions less often but findings are more nuanced when it comes to satisfaction. We find lower life satisfaction among respondents reporting past experience of housing difficulties (7.0 vs 7.5, p-value of 0.01) and poor housing conditions (6.6 vs 7.6, p-value of 0.001). Respondents declaring that their dwelling is too dark also report lower life satisfaction (7.1 vs 7.5, p-value of 0.001).
10. Going forward, this study will conduct further analysis on the correlates of wellbeing, collapse and consolidate the various indicators of wellbeing captured and subsequently create a model of wellbeing based on the data with a view to identifying the extent to which each correlate jointly and individually forecasts wellbeing in Malta.

⁹ Easterlin, R. (1974). Does economic growth improve the human lot? Some empirical evidence. In R. David & R. Reder (Eds.), *Nations and households in economic growth: Essays in honor of Moses Abramovitz*. New York, NY: Academic Press

¹⁰ Due caution is needed in interpreting these results and others with small sampling counts as they carry a high sampling variability.

¹¹ Dolan P., T. Peasgood and M. White (2008), "Do we really know what makes us happy? A review of the economic literature on the factors associated with subjective well-being", *Journal of Economic Psychology*, 29, 94-122;

Ngamaba, K.H., Panagioti, M. and Armitage, C.J. (2017) How strongly related are health status and subjective well-being? Systematic review and meta-analysis, *European Journal of Public Health* 27(5), 879-885.

¹² Mastekaasa, A. (1993) Marital status and subjective well-being: A changing relationship? *Social Indicators Research* 29, 249-276; Mooney, A., Oliver, C. and Smith, M. (2009) *Impact of Family Breakdown on Children's Well-Being: Evidence Review*. Institute of Education, University of London.

¹³ Hanslmaier M. (2013) Crime, fear and subjective well-being: How victimization and street crime affect fear and life satisfaction. *European Journal of Criminology* 10(5), 515-533; Di Tella, R. and MacCulloch, R. J. (2008). Gross national happiness as an answer to the Easterlin Paradox? *Journal of Development Economics* 86, pp 22-42.