



Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

ICAEW welcomes the opportunity to comment on *Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all* published by UKSSD on behalf of Office of National Statistics on 7 June 2016, a copy of which is available from this [link](#)

This ICAEW response of 7 June 2016 reflects consultation with the Sustainability Committee. ICAEW seeks to analyse and address fundamental issues and questions surrounding sustainability as one of the biggest challenges facing society today. Our *Sustainable Business* thought leadership programme explores how organisations and markets are motivated to deliver sustainable outcomes and the role of information flows in this. We aim to be at the forefront of thinking and action in sustainability, focusing on systems-level change which recognises the interconnected nature of the world we live in.

ICAEW is a world-leading professional accountancy body. We operate under a Royal Charter, working in the public interest. ICAEW's regulation of its members, in particular its responsibilities in respect of auditors, is overseen by the UK Financial Reporting Council. We provide leadership and practical support to over 145,000 member chartered accountants in more than 160 countries, working with governments, regulators and industry in order to ensure that the highest standards are maintained.

ICAEW members operate across a wide range of areas in business, practice and the public sector. They provide financial expertise and guidance based on the highest professional, technical and ethical standards. They are trained to provide clarity and apply rigour, and so help create long-term sustainable economic value.

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RESPONSES TO SPECIFIC QUESTIONS

Target 8.1: Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries.

Q1. Please rate the level of importance of target 8.1 in reporting progress against the SDGs in the UK and briefly explain the rationale for your rating.

HIGH

The level of economic prosperity has direct correlations with all of the other SDGs. Similarly, economic growth will not be achieved if positive progress is not made on all the other SDGs.

Q2. Is your organisation undertaking work that supports the achievement of this target? Please provide details of this work.

1. ICAEW has an ongoing thought-leadership project on 'So what is economic success? Going beyond GDP and profit'. This focuses on two measures that dominate current discussions of economic success: GDP at the national level and profit at the organisational level.
2. ICAEW responded to the Charles Bean independent review of national statistics and is committed to supporting the implementation of its recommendations. We demonstrated this when we hosted Sir Charles Bean at a roundtable event on 25/04/2016 which discussed measuring the economy.
3. ICAEW has published a brochure which outlines our thinking and approach to the SDGs. This states our ambition around the SDGs, which is to build partnerships to work collaboratively to galvanise every business by reaching every chartered accountant. A summary of this can be found at www.icaew.com/globalgoals.

Q3. What are the biggest challenges that the UK faces in supporting the implementation of target 8.1, and how could UKSSD best support you in overcoming these challenges?

1. ICAEW believes that the principal challenge is that there is a disconnect between accounting at the entity level and national accounts that is not helpful. The ways in which economic activity is measured and reporting need to be connected and consistent so that a complete picture of the economy can be grasped. Furthermore, the key issue that is currently not addressed, let alone resolved, is what we mean by economic success today. National income statistics are still rooted in a view of the economy that was relevant in the period prior to the Second World War and in its immediate aftermath. Subsequent changes in technology and society and concepts about our impacts and dependencies on the natural world are not adequately recognised. We need to articulate a new vision of economic success so that we can consider the adequacy of the measures we have to gauge it, ask what new information we need and to communicate to the public.
2. The Charles Bean inquiry highlighted that there is an opportunity for significant improvement in measuring economy and ICAEW is committed to supporting this. As a membership body, we have faced similar challenges around measurement in the past – we have 145,000 members and through these we reach approximately 1.5 million UK businesses. ICAEW makes extensive use of UK economic statistics in their work with these businesses; they are therefore a valuable source of information about which statistics are used and which are useful.

3. The greatest challenge around the implementation of the SDGs will be ensuring that all the goals are approached equally and no one is left behind. Progress on Goal 8 has the potential to have detrimental impacts on the other goals unless it is approached in a sustainable way.

Draft Indicator 8.1.1: Annual growth rate of real GDP per capita.

Q4. If draft global indicator 8.1.1 is applicable to the UK, should ONS use this for reporting UK progress? Please delete as appropriate.

Yes

Q5. If draft global indicator 8.1.1 is not relevant for reporting UK progress; can you suggest a suitable UK level indicator (please specify the data source, link to where it is published if available, and any available metadata)?

GDP is an excellent starting point for measuring the economy. There is a long-standing record of it and it is broadly comparable between different countries. There are shortcomings to it however, which have been researched extensively in the past. It is likely that GDP is inadequate in isolation for measuring the vision of economic success mapped out by the SDGs. We suggest that measurement should be adapted to give each of the SDGs equal weighting in national progress. That way, if progress is not achieved on one or more of the SDGs, this would be reflected in the figures of national progress.

To do this, it will be necessary to incorporate non-traditional data sources – it is likely that businesses will have been collecting data for years and will therefore be able to add to the work that ONS have done. The very positive response to the Natural Capital Protocol, which aims to get businesses to understand their impacts and dependencies, has shown that businesses are willing to provide and share data. Another source of relevant data on how the economy is performing is the Business Confidence Monitor, which ICAEW regularly uses to survey its membership.

As part of ONS's ambition to get closer with stakeholders and interact more with users, ICAEW would be interested in hosting an interactive forum for stakeholders in conjunction with ONS/UKSSD, in order to hear, share and discuss further ideas and suggestions of the best ways to measure economic success. We hope to continue this dialogue for the next 15 years and beyond.

Target 8.2: Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.

Q6. Please rate the level of importance of target 8.2 in reporting progress against the SDGs in the UK and briefly explain the rationale for your rating.

HIGH

Productivity NOW

Q7. Is your organisation undertaking work that supports the achievement of this target? Please provide details of this work.

ICAEW has produced a public policy report, Productivity Now, which explores the slowdown in productivity growth in the UK over the last few years (<http://www.icaew.com/en/about-icaew/act-in-the-public-interest/policy/business-and-growth/productivity-now-report>). It suggests ideas on how the government can strengthen policies aimed at reversing this slowdown.

Q8. What are the biggest challenges that the UK faces in supporting the implementation of target 8.2, and how could UKSSD best support you in overcoming these challenges?

Productivity growth is critical for our long-term prosperity and to maintain the UK's international competitiveness. Productivity has grown at a negligible 0.1% per year on average since the financial crisis, which has helped widen the productivity gap between the UK and the other major economies to 18%.

Government statistics on productivity are derived from aggregate economic measures of value added and labour inputs. However, businesses do not use these measures to make decisions or to understand or report their performance. A national conversation about productivity that fails to connect in a meaningful way with how business works is unlikely to be successful.

Draft Indicator 8.2.1: Annual growth rate of real GDP per employed person.

Q9. If draft global indicator 8.2.1 is applicable to the UK, should ONS use this for reporting UK progress? Please delete as appropriate.

Yes

Q10. If the draft global indicator 8.2.1 is not relevant for reporting UK progress; can you suggest a suitable UK level indicator (please specify the data source, link to where it is published if available, and any available metadata)?

Measuring productivity through GDP is the best place to start but improvements to this method must be made (see target 8.1 answer). If current methodology continues to be used, it is possible that some progress may be made but will not be flagged in the measurement results, which may even appear to be going backwards. To avoid this, anomalies must be flagged up and removed.

Target 8.3: Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.

Q11. Please rate the level of importance of target 8.3 in reporting progress against the SDGs in the UK and briefly explain the rationale for your rating.

HIGH

Q12. Is your organisation undertaking work that supports the achievement of this target? Please provide details of this work.

Yes

Q13. What are the biggest challenges that the UK faces in supporting the implementation of target 8.3, and how could UKSSD best support you in overcoming these challenges?

It is likely to be difficult to maintain public support on sending 0.7% of GDP overseas and therefore this must be explained more fully to the public. As the essence of the SDGs is leaving no one behind, they must be approached collectively.

Draft Indicator 8.3.1: Proportion of informal employment in non-agriculture employment, by sex.

Q14. If draft global indicator 8.3.1 is applicable to the UK, should ONS use this for reporting UK progress? Please delete as appropriate.

Yes

Q15. If the draft global indicator 8.3.1 is not relevant for reporting UK progress; can you suggest a suitable UK level indicator (please specify the data source, link to where it is published if available, and any available metadata)?

Gender inequality is obviously a very important issue and must be measured, but other minorities should be considered as well.

Target 8.4: Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead.

Q16. Please rate the level of importance of target 8.4 in reporting progress against the SDGs in the UK and briefly explain the rationale for your rating.

HIGH

Unless we can achieve economic prosperity and social justice within the environmental and social limits of the planet, achieving many of the other SDGs will be undermined.

Q17. Is your organisation undertaking work that supports the achievement of this target? Please provide details of this work.

ICAEW has an ongoing thought leadership project discussing 'So what is economic success?'. It is exploring what we mean by economic success, the role that GDP and profit play in this, and the potential for broader measures of economic success to help us balance our economic priorities, our social goals, and the constraints imposed on us by the natural environment we live in.

Examples of successes in this area already exist, for example, the Natural Capital Coalition, which ICAEW currently hosts, has undertaken work on natural capital accounting. Future endeavours of this kind should be supported by the government statistical division.

Q18. What are the biggest challenges that the UK faces in supporting the implementation of target 8.4, and how could UKSSD best support you in overcoming these challenges?

The biggest challenge will be building the necessary momentum to go beyond 'endeavour' and actually make progress on decoupling economic growth from environmental degradation, and also to establish the metrics needed to measure this.

Achieving this will link closely in with Goal 17 around partnerships. ICAEW believes that the accountancy profession should play a major role in reviewing the UK's statistical needs to meet the challenges of measuring the modern economy. There is huge potential for aligning the disciplines of accountancy and statistics in order to advance economic thinking and achieve a far more comprehensive picture of how the UK economy is performing. The current disconnect between accounting at the entity level and national accounts presents a challenge. The ways in which economic activity is measured and reporting need to be connected and consistent so that a complete picture of the economy can be grasped. Working in a joined-up way together we can help ensure the connectivity of national statistics, Whole of Government Accounts and accounting at the entity level in the public and private sectors to achieve a truly integrated pictures of how the UK economy is performing.

The Charles Bean independent review of UK economic statistics recommended that ONS should set up a new data excellence centre in conjunction with suitable partners in academia and the user community. This centre will analyse emerging and future issues in measuring the modern economy, and perhaps could approach this with a focus on the Global Goals.

Draft Indicator 8.4.1: Material footprint (MF) and MF per capita, per GDP.

Q19. : If draft global indicator 8.4.1 is applicable to the UK, should ONS use this for reporting UK progress? Please delete as appropriate.

Yes/No

Q20. If the draft global indicator 8.4.1 is not relevant for reporting UK progress; can you suggest a suitable UK level indicator (please specify the data source, link to where it is published if available, and any available metadata)?

ICAEW does not feel able to comment on this indicator.

Draft Indicator 8.4.2: Domestic material consumption (DMC) and DMC per capita, per GDP.

Q21. If draft global indicator 8.4.2 is applicable to the UK, should ONS use this for reporting UK progress? Please delete as appropriate.

Yes/No

Q22. If the draft global indicator 8.4.2 is not relevant for reporting UK progress; can you suggest a suitable UK level indicator (please specify the data source, link to where it is published if available, and any available metadata)?

ICAEW does not feel able to comment on this indicator.

Target 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

Q23. Please rate the level of importance of target 8.5 in reporting progress against the SDGs in the UK and briefly explain the rationale for your rating.

HIGH

Q24. Is your organisation undertaking work that supports the achievement of this target? Please provide details of this work.

As the largest graduate employer in the UK, the accountancy sector should be at the forefront of innovation in recruitment and training. As a world leading professional membership body, ICAEW supports the development of a skilled workforce as well as widening access to the chartered accountancy profession. The skills gap has been widely cited as a key barrier to economic growth in the UK and skills policy continues to influence social mobility. ICAEW is committed to supporting young people in their transition from education to work, offering opportunities to develop work-readiness, apply classroom learning to the workplace and help employers access a more diverse range of talent.

ICAEW has two Higher Apprenticeship programmes: Higher Apprenticeship in Assurance/Audit and Higher Apprenticeship in Tax. These build on the accountancy profession's tradition of combining practical experience with technical training.

Another non-graduate entry route into the profession is through the ICAEW Certificate in Finance, Accounting and Business (ICAEW CFAB). This is an internationally recognised certificate that teaches essential knowledge in business, finance and accounting over 12 months, anywhere in the world.

Finally, the ICAEW Foundation is helping to shape the future of the profession by creating life-changing opportunities for disadvantaged students and fostering closer ties between academia and the profession. It provides annual bursaries to students from disadvantaged backgrounds.

Q25. What are the biggest challenges that the UK faces in supporting the implementation of target 8.5, and how could UKSSD best support you in overcoming these challenges?

ICAEW does not feel able to comment on this indicator.

Draft Indicator 8.5.1: Average hourly earnings of female and male employees, by occupation, age and persons with disabilities.

Q26. If draft global indicator 8.5.1 is applicable to the UK, should ONS use this for reporting UK progress? Please delete as appropriate.

ICAEW does not feel able to comment on this indicator.

Q27. If the draft global indicator 8.5.1 is not relevant for reporting UK progress; can you suggest a suitable UK level indicator (please specify the data source, link to where it is published if available, and any available metadata)?

ICAEW does not feel able to comment on this indicator.

Draft Indicator 8.5.2: Unemployment rate, by sex, age and persons with disabilities.

Q28. If draft global indicator 8.5.2 is applicable to the UK, should ONS use this for reporting UK progress? Please delete as appropriate.

ICAEW does not feel able to comment on this indicator.

Q29. If the draft global indicator 8.5.2 is not relevant for reporting UK progress; can you suggest a suitable UK level indicator (please specify the data source, link to where it is published if available, and any available metadata)?

ICAEW does not feel able to comment on this indicator.

Target 8.6: By 2020, substantially reduce the proportion of youth not in employment, education or training.

Q30. Please rate the level of importance of target 8.6 in reporting progress against the SDGs in the UK and briefly explain the rationale for your rating.

HIGH

Q31. Is your organisation undertaking work that supports the achievement of this target? Please provide details of this work.

ICAEW carries out extensive work to improve access to the accountancy profession – this is outlined in our answer to Target 8.5.

Q32. What are the biggest challenges that the UK faces in supporting the implementation of target 8.6, and how could UKSSD best support you in overcoming these challenges?

ICAEW does not feel able to comment on this indicator.

Draft Indicator 8.6.1: Proportion of youth (aged 15-24) not in education, employment or training.

Q33. If draft global indicator 8.6.1 is applicable to the UK, should ONS use this for reporting UK progress? Please delete as appropriate.

ICAEW does not feel able to comment on this indicator.

Q34. If the draft global indicator 8.6.1 is not relevant for reporting UK progress; can you suggest a suitable UK level indicator (please specify the data source, link to where it is published if available, and any available metadata)?

ICAEW does not feel able to comment on this indicator.

Target 8.7: Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.

Q35. Please rate the level of importance of target 8.7 in reporting progress against the SDGs in the UK and briefly explain the rationale for your rating.

HIGH

Q36. Is your organisation undertaking work that supports the achievement of this target? Please provide details of this work.

Section 54 of the Modern Slavery Act 2015 requires certain organisations to produce a slavery and human trafficking statement each year. This statement should set out what steps an organisation has taken in the last financial year to ensure modern slavery and human trafficking is not taking place in their business or supply chains. ICAEW will be issuing a statement moving forward.

Q36. What are the biggest challenges that the UK faces in supporting the implementation of target 8.7, and how could UKSSD best support you in overcoming these challenges?

ICAEW does not feel able to comment on this indicator.

Draft Indicator 8.7.1: Proportion and number of children aged 5-17 years engaged in child labour, by sex and age.

Q37. If draft global indicator 8.7.1 is applicable to the UK, should ONS use this for reporting UK progress? Please delete as appropriate.

ICAEW does not feel able to comment on this indicator.

Q38. If the draft global indicator 8.7.1 is not relevant for reporting UK progress; can you suggest a suitable UK level indicator (please specify the data source, link to where it is published if available, and any available metadata)?

ICAEW does not feel able to comment on this indicator.

Target 8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

Q39. Please rate the level of importance of target 8.8 in reporting progress against the SDGs in the UK and briefly explain the rationale for your rating.

ICAEW does not feel able to comment on this indicator.

Q40. Is your organisation undertaking work that supports the achievement of this target? Please provide details of this work.

ICAEW does not feel able to comment on this indicator.

Q41. What are the biggest challenges that the UK faces in supporting the implementation of target 8.8, and how could UKSSD best support you in overcoming these challenges?

ICAEW does not feel able to comment on this indicator.

Draft Indicator 8.8.1: Frequency rates of fatal and non-fatal occupational injuries, by sex and migrant status.

Q42. If draft global indicator 8.8.1 is applicable to the UK, should ONS use this for reporting UK progress? Please delete as appropriate.

ICAEW does not feel able to comment on this indicator.

Q43. If the draft global indicator 8.8.1 is not relevant for reporting UK progress; can you suggest a suitable UK level indicator (please specify the data source, link to where it is published if available, and any available metadata)?

ICAEW does not feel able to comment on this indicator.

Draft Indicator 8.8.2: Increase in national compliance of labour rights (freedom of association and collective bargaining) based on International Labour Organization (ILO) textual sources and national legislation, by sex and migrant status.

Q44. If draft global indicator 8.8.2 is applicable to the UK, should ONS use this for reporting UK progress? Please delete as appropriate.

ICAEW does not feel able to comment on this indicator.

Q45: If the draft global indicator 8.8.2 is not relevant for reporting UK progress; can you suggest a suitable UK level indicator (please specify the data source, link to where it is published if available, and any available metadata)?

ICAEW does not feel able to comment on this indicator.

Target 8.9: By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.

Q46. Please rate the level of importance of target 8.9 in reporting progress against the SDGs in the UK and briefly explain the rationale for your rating.

ICAEW does not feel able to comment on this indicator.

Q47. Is your organisation undertaking work that supports the achievement of this target? Please provide details of this work.

ICAEW does not feel able to comment on this indicator.

Q48. What are the biggest challenges that the UK faces in supporting the implementation of target 8.9, and how could UKSSD best support you in overcoming these challenges?

ICAEW does not feel able to comment on this indicator.

Draft Indicator 8.9.1: Tourism direct GDP as a proportion of total GDP and in growth rate.

Q49. If draft global indicator 8.9.1 is applicable to the UK, should ONS use this for reporting UK progress? Please delete as appropriate.

ICAEW does not feel able to comment on this indicator.

Q50. If the draft global indicator 8.9.1 is not relevant for reporting UK progress; can you suggest a suitable UK level indicator (please specify the data source, link to where it is published if available, and any available metadata)?

ICAEW does not feel able to comment on this indicator.

Draft Indicator 8.9.2: Number of jobs in tourism industries as a proportion of total jobs and growth rate of jobs, by sex.

Q51. If draft global indicator 8.9.2 is applicable to the UK, should ONS use this for reporting UK progress? Please delete as appropriate.

ICAEW does not feel able to comment on this indicator.

Q52. If the draft global indicator 8.9.2 is not relevant for reporting UK progress; can you suggest a suitable UK level indicator (please specify the data source, link to where it is published if available, and any available metadata)?

ICAEW does not feel able to comment on this indicator.