



# MEASURING AUSTRALIA'S PROGRESS

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## Why we started the project?

- Widespread agreement that needed more than GDP to measure progress
- Facts rather than anecdotes
- Balanced view

## Is life getting better? Approaches

- **Well-being or Quality of Life** (typically includes material, physical, social and spiritual)
- **Sustainability** (whether an activity or condition can be maintained indefinitely)
- **Progress** (encompasses well-being, structure and growth of the Australian economy and the environment)

## Deciding how measures of progress should be presented

- One-number approach
- Accounting framework approach
- Suite of indicators approach

## Choosing the progress indicators

- 1. Defined three broad domains of progress (social, economic and environmental)**
  
- 2. Compiled a list of potential dimensions of progress within each of the three domains**
  
- 3. Choose a sub-set of dimensions for which we would try to find indicators**

## Choosing the progress indicators (Cont'd)

4. Choose a statistical indicator or indicators to give statistical expression to each of these dimensions
  - Widespread consultation
  - Reference group
  - Final decision with the ABS

## Key criteria for choosing progress indicator

- **focus on outcomes**
- **non-ambiguous (when considered in isolation)**
- **good quality data available**
- **availability of time series**
- **preferably capable of disaggregation**



## **Status - experimental**

**Will seek feedback and refine**  
**(on broad approach, dimensions and indicators)**



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# Dimensions and indicators of progress

Headline dimensions	Headline indicators	Supplementary indicators
<i>Health</i>	Life expectancy at birth	Proportions of people surviving to ages 50 and 70 Infant mortality rate Burden of disease
<i>Education and training</i>	People aged 25–64 years with a vocational or higher education qualification	Education participation rate for those aged 15–19 Year 7/8 to Year 12 apparent retention rate
<i>Work</i>	Unemployment rate	Extended labour force underutilisation rate Long-term unemployment rate Retrenchment rate Casual employees People in part-time jobs People in jobs with longer hours (50 hours a week or more) Average hours per week, full-time workers

## Headline dimensions (*cont'd*)

<i>Biodiversity</i>	Extinct, endangered and vulnerable birds and mammals	
<i>Land clearance</i>	Annual area of land cleared	
<i>Land degradation</i>	Salinity, assets at risk in areas affected, or with a high potential to develop, salinity	
<i>Inland waters</i>	Water management areas, proportion where use exceeded 70% of sustainable yield	Water diversions: Murray–Darling Basin; River condition (biota) index Net water use; River environment index

## Headline dimensions (*cont'd*)

<i>Air quality</i>	Fine particle concentrations, days health standards exceeded, selected capital cities	Highest one hour averages of SO <sub>2</sub> , selected regional centres  Days when ozone concentrations exceeded guidelines, selected capital cities  Consumption of ozone depleting substances
<i>Greenhouse gases</i>	Net greenhouse gas emissions	Total greenhouse gas emissions (including land clearance)  CO <sub>2</sub> -e emissions, net, per capita and per \$ GDP
<i>National wealth</i>	Real national net worth per capita	Real national assets and liabilities per capita  Real net capital stock per capita  Economically demonstrated resources (minerals and energy) per capita  Real net foreign debt

## Headline dimensions (*cont'd*)

<i>National income</i>	Real net national disposable income per capita	Real Gross Domestic Product per capita; Proportion of the population in work; Terms of trade
<i>Economic disadvantage and inequality</i>	Real equivalised average weekly disposable income of households in the second and third deciles of the income distribution	Real equivalised average weekly disposable income of groups of higher income households; Children without an employed parent; Real equivalised weekly disposable income of households at selected income percentiles; Ratios of income of households at selected income percentiles; Share of total income received by households in low and high income groups; Gini coefficient; Proportion of households with income below both the half mean and half median income of all households



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## ***Headline dimensions (cont'd)***

<i>Housing</i>	No headline indicator	Households with housing affordability problems; Households with insufficient or spare bedrooms
<i>Crime</i>	Unlawful entry with intent and assault (victimisation rates)	Homicide rate Imprisonment rates
<i>Social attachment</i>	No headline indicator	Attendance at live performances; Participation in organised sports; Voluntary work; Marriage and divorce rates; Persons living alone; Waking-time spent alone; Homelessness; Suicide and drug-related death rates



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## *Supplementary dimensions*

<i>Land use</i>	Native forest area
<i>Marine ecosystems</i>	Estuarine condition index; Oil spill sightings and national plan responses
<i>Invasive species</i>	Birds and mammals threatened by invasive species  Distribution of weeds of national significance
<i>Waste</i>	Quantities of solid waste disposed of at landfills
<i>Consumption</i>	Real final consumption expenditure per capita
<i>Saving</i>	Net national saving as a proportion of GDP



## Supplementary dimensions (cont'd)

<i>Inflation</i>	Consumer price index; Domestic final demand price index
<i>Capital formation</i>	Real gross fixed capital formation per capita
<i>Productivity</i>	Multifactor productivity  Labour productivity
<i>Knowledge and innovation</i>	Expenditure on research and development expenditure, as a proportion of GDP  Expenditure on education, as a proportion of GDP  Managers and professionals, as a proportion of total employment  Investment in software, as a proportion of GDP  Proportion of businesses with a website or homepage
<i>Competitiveness</i>	Real effective exchange rate

## Supplementary dimensions (cont'd)

<i>Openness</i>	Ratio of imports to GDP; Ratio of foreign investment inflow to GDP
<i>Communication and transport</i>	Computer ownership and internet access, households; Passenger vehicles per 1,000 people
<i>Culture and leisure</i>	No indicators
<i>Governance, democracy and citizenship</i>	No indicators



## **HUMAN CAPITAL**

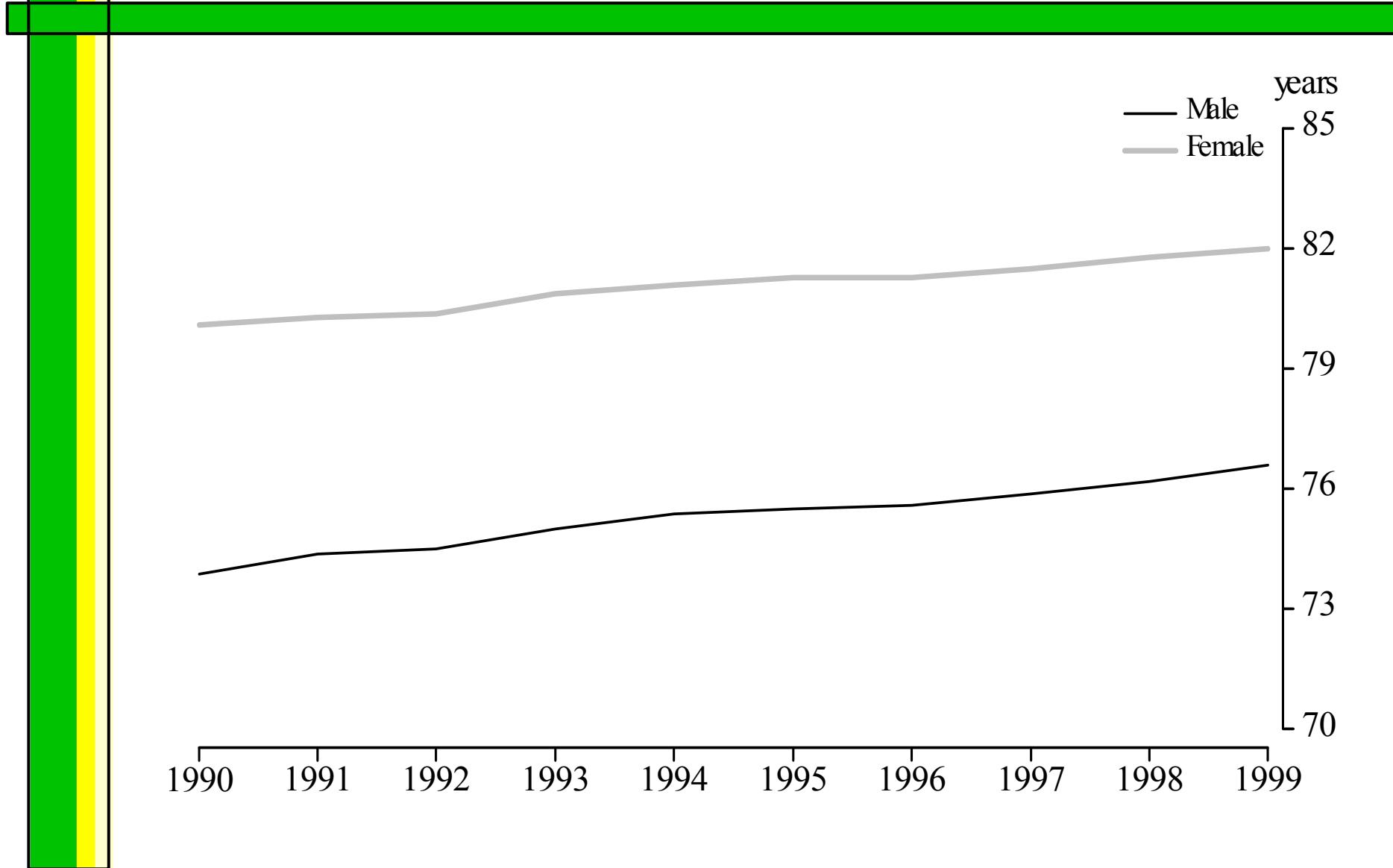
**Health**

**Education and Training**

**Work**



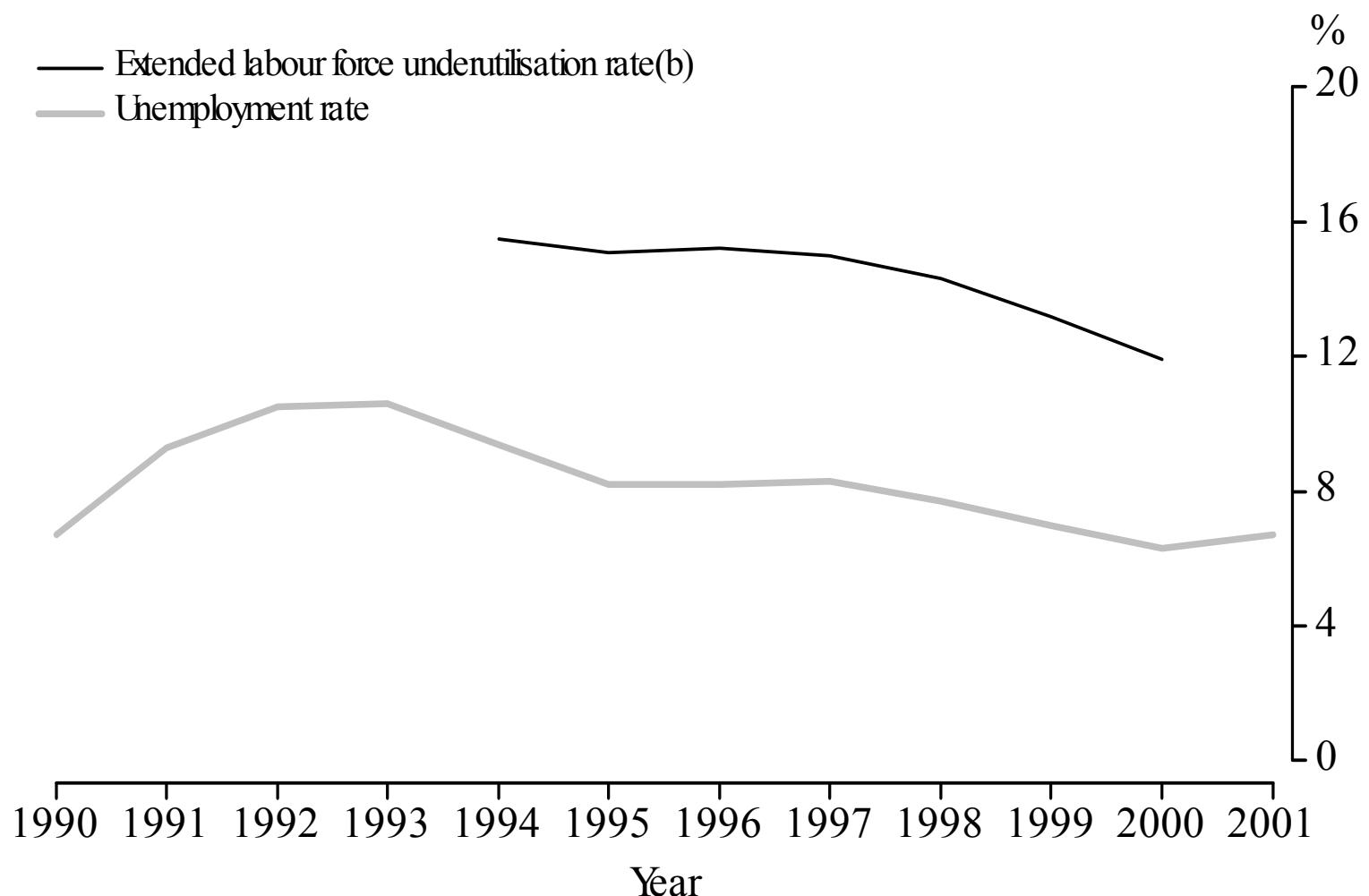
## *Life Expectancy at Birth*





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# Unemployment Rate





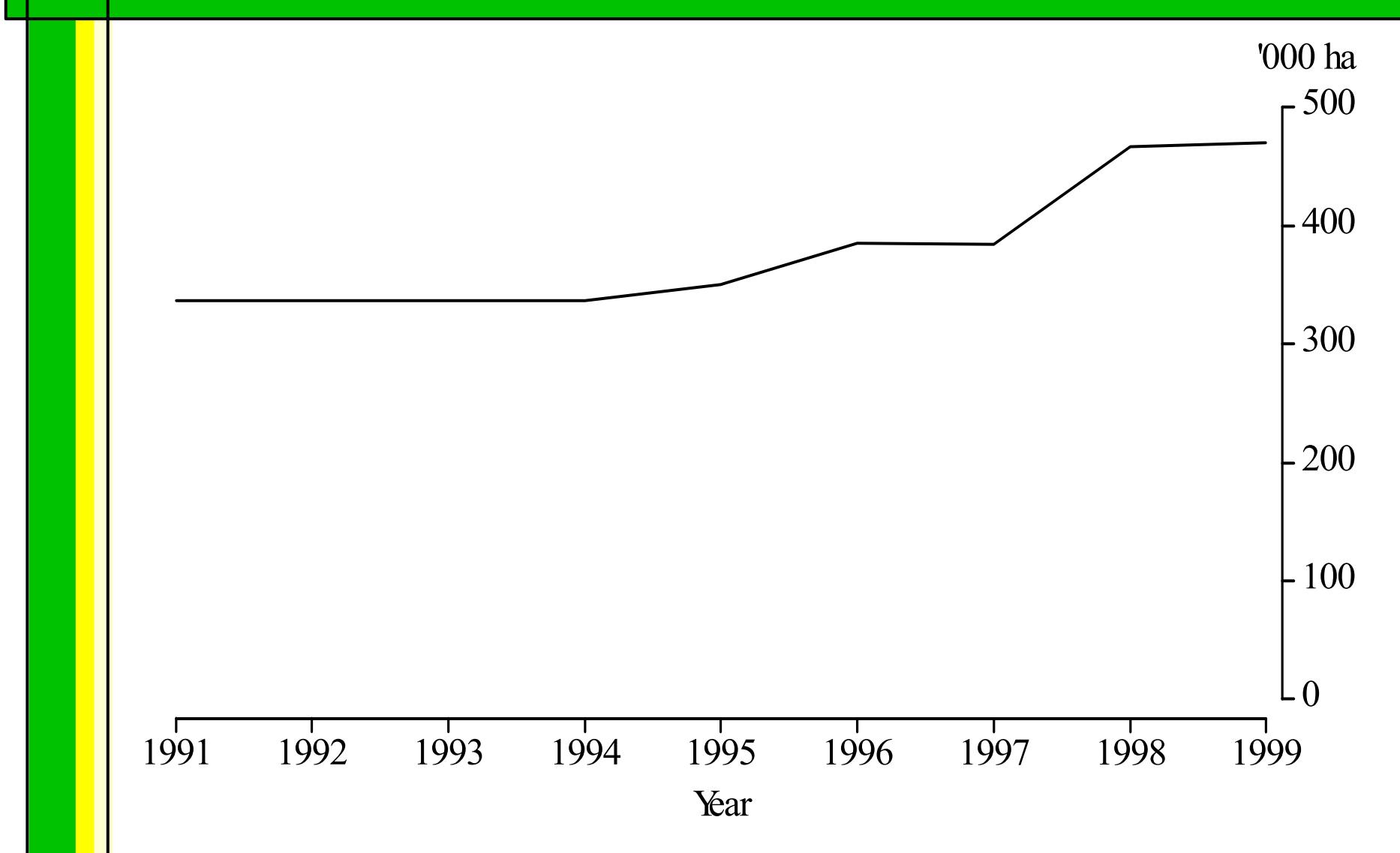
## NATURAL CAPITAL

**Biodiversity**  
**Land clearance**  
**Land degradation**  
**Inland waters**  
**Air quality**  
**Greenhouse gas**



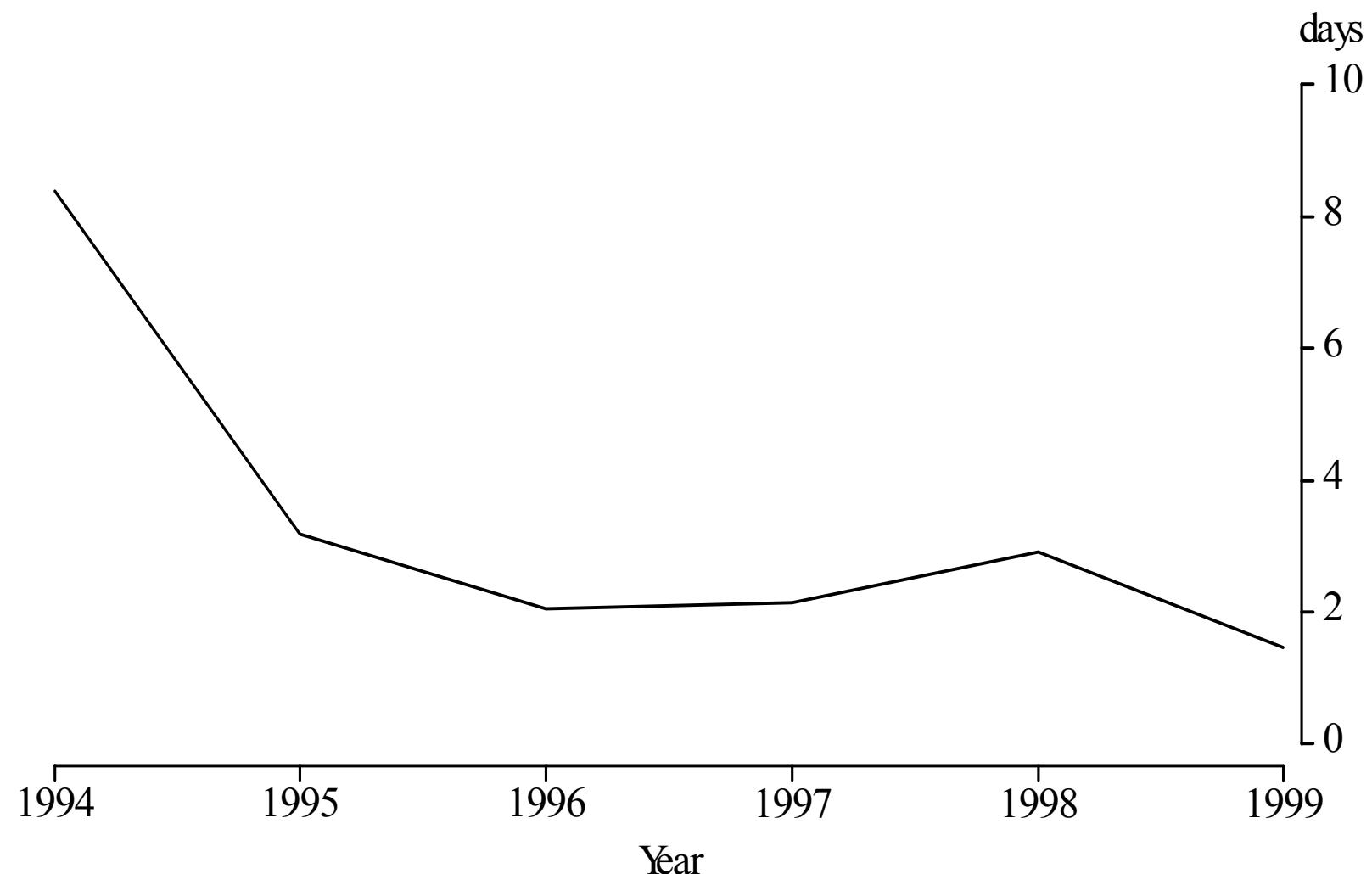
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## *Annual Area of Land Cleared*

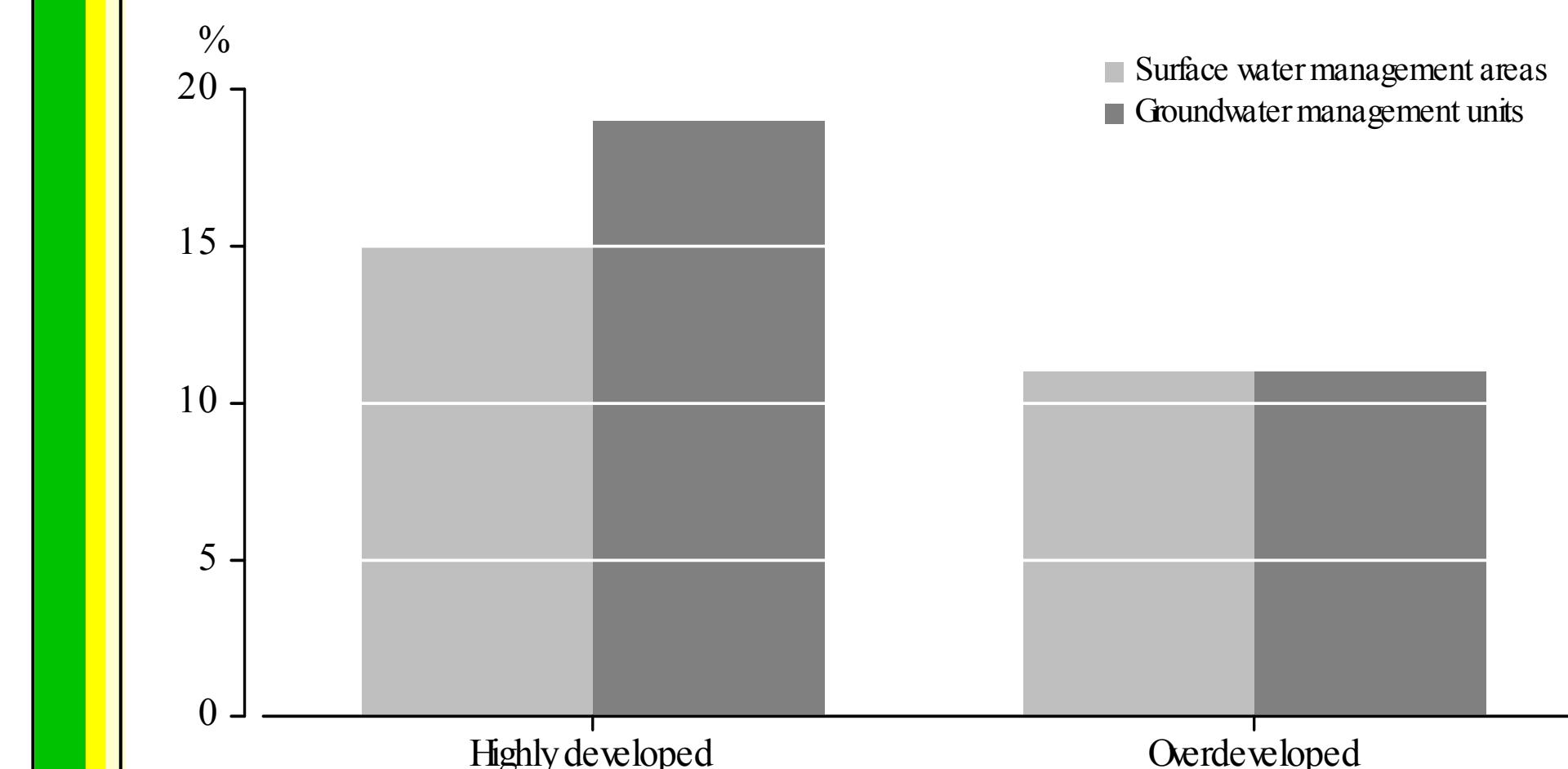




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# Water Management Areas



## **PRODUCED AND FINANCIAL CAPITAL**

**National wealth**

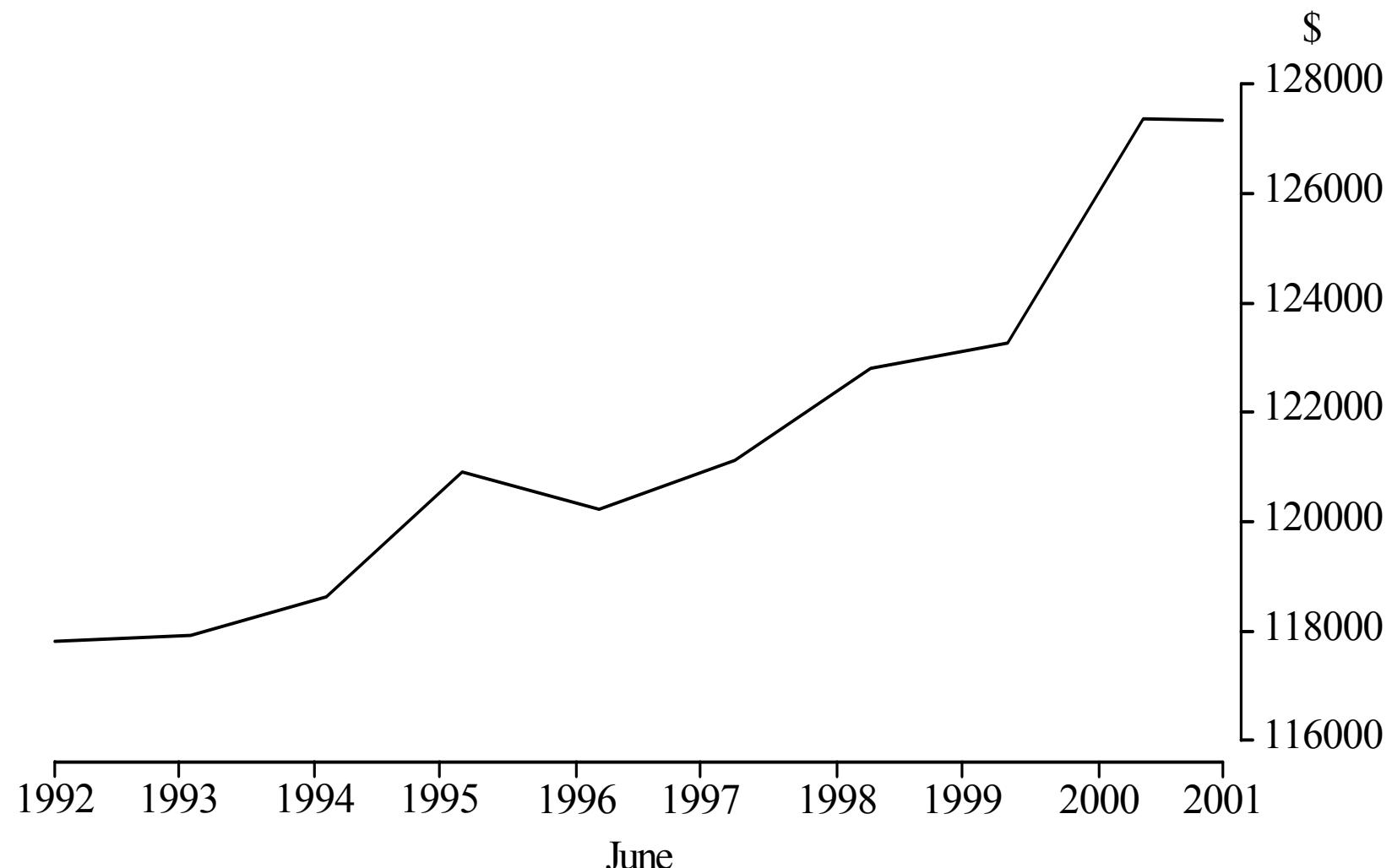
**National income**

**Economic disadvantage and inequality**

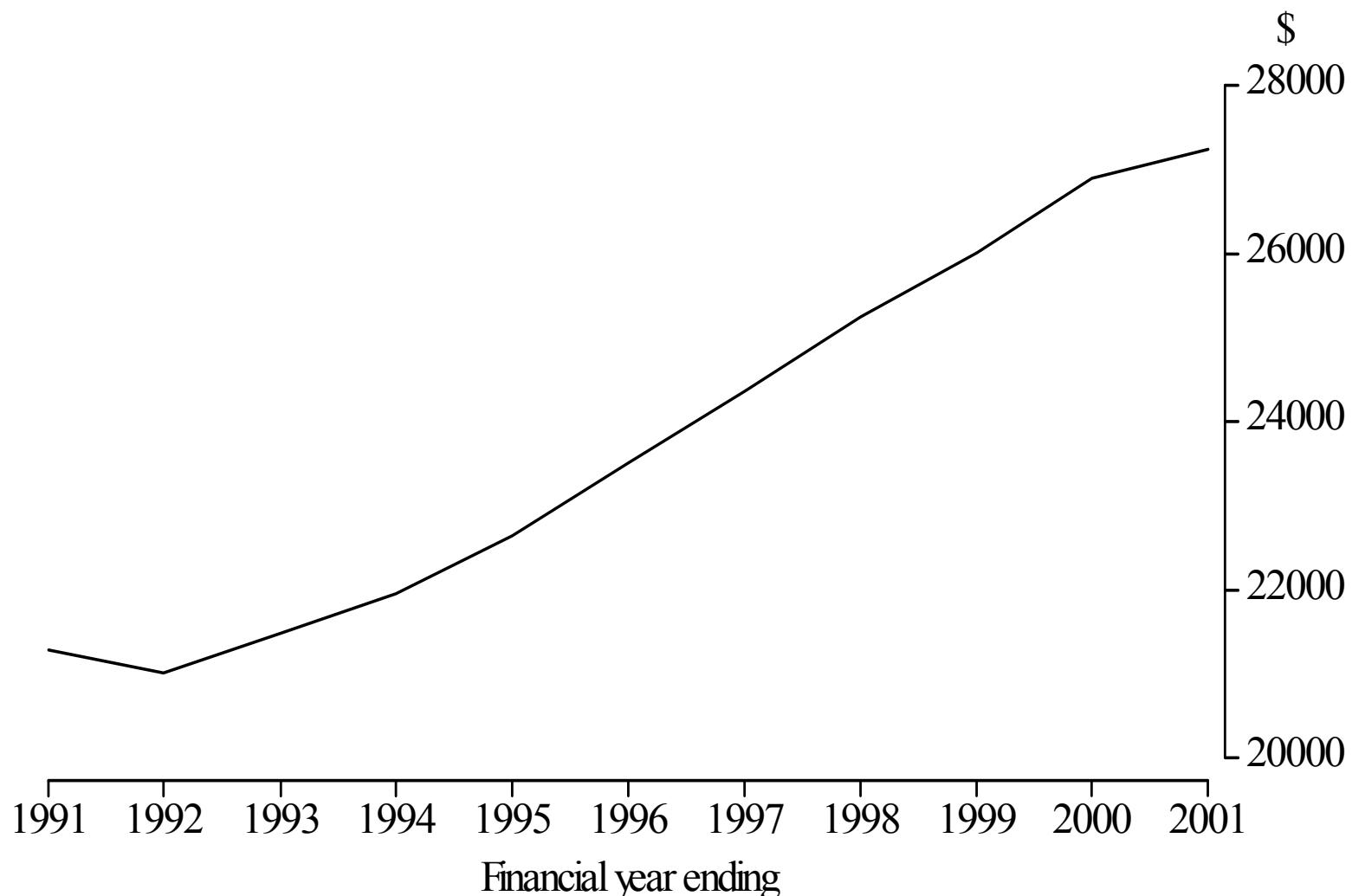
**Housing**



# *Real National Net Worth Per Capita*



# *Real Net National Disposable Income Per Capita*





## **SOCIAL CAPITAL**

**Social attachment**

**Crime**

## SOCIAL ATTACHMENT INDICATORS

- People attending live performances (decreasing)**
- Level of participation in organised sports or physical activities (stable)**
- Volunteerism (increasing)**
- Marriage rate (decreasing)**
- Divorce rate (stable)**
- Persons living alone (slight increase)**
- Suicide deaths (stable but some decrease in recent years)**
- Drug-related deaths (increasing over decade but some decrease in recent years)**