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MAINTAINING THE MOMENTUM IN AUSTRALIA: FROM MEASURES OF A NATION'S PROGRESS TO MEASURES OF A PEOPLE'S PROGRESS

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1. The impetus for MAP

For 100 years the ABS has been a cornerstone of democracy in Australia through its role of reporting on the social, economic and, more recently, environmental circumstances of the nation. The ABS is responsible for a wide range of statistics covering, for example, population, labour force, family and community, health and disability, education, labour market, income and expenditure, housing, crime, culture and recreation, business activity, innovation, water resources, energy use and household environmental actions.

In 2000, the ABS embarked on a project to distil from this vast array of statistics some key indicators to help answer a question of growing public interest: *Is life in Australia getting better?* The questions we considered included:

- Was GDP a sufficient answer to the question or did we need some other approach?
- What concept should we measure? Progress, wellbeing, sustainability or something else?
- How was economic growth associated with improvements in, say, health and education?
- What was the state of the environment?

Measuring Australia's Progress, developed after extensive consultation with Australian stakeholders, was the outcome of this project. The first report was released in April 2002. Subsequent major reports were released in 2004 and 2006, and since then a summary set of indicators has been updated each year on the ABS web site. The most recent updates were in August this year.

The first issue of MAP was well received and attracted intensive media interest. It sparked public debate, not only about national progress, but also about the role of the national statistical office in measuring progress. There were some who argued that the role of the ABS was to present statistics without evaluation. They felt that judgement about progress or regress should be left to the Australian community.

As the national statistical office, we have always seen our role as providing statistics to inform decision making. We are not the decision makers, but believe that others will have the capacity to make better decisions if they are provided with high quality statistical information.

Accordingly, to make our position clear, we decided to rename the report *Measures of Australia's progress*, highlighting the point that ABS was providing a set of statistical measures about progress and that it was up to the Australian community to judge whether those measures in totality indicated progress or otherwise.

The initial development of MAP was guided both by expertise within the ABS and input from government and the community. The ABS convened an expert group of leading government bureaucrats and academics in fields such as social research, economics and the environment to guide the project. Seven years on from the initial publication another expert reference group is being convened by ABS to help guide the future directions of MAP and ensure that it continues to measure areas of progress that are important to the Australian people.

2. The MAP framework and indicators

MAP was structured using three broad domains of progress: social, economic and environmental. Over time the social domain was separated into two components: individuals and living together.

Within this broad framework 14 dimensions were chosen that were fundamental to the quality of life in Australia and for each of these a headline indicator was sought that would summarise progress. The dimensions incorporated the basic areas of social concern articulated in the wellbeing framework, together with agreed measures of economic progress and environmental quality. Some dimensions, such as health and education, national income and wealth, greenhouse gas emissions and biodiversity, would probably be included in progress measures by many nations. Others, such as the extent of dryland salinity, were more focussed on the Australian situation. Ongoing work is needed to continue to ensure that MAP adequately reflects the vision of what constitutes progress in Australia.

The framework used in Measures of Australia's Progress

<i>Domain</i>	<i>Headline dimensions</i>	<i>Examples of indicators (headline indicators and other indicators) used in MAP</i>
Individuals	Health Education and training Work	<ul style="list-style-type: none"> • life expectancy at birth • infant mortality rate • burden of disease • people aged 25–64 with a non-school qualification • year 7/8 to year 12 apparent retention rate • human capital stock • unemployment rate, labour force underutilisation rate • employment to population ratios
Living together	Family, community and social cohesion Crime Democracy, governance and citizenship	<ul style="list-style-type: none"> • family type • voluntary work • victims of personal and household crimes • citizenship rates • proportion of Federal parliamentarians who are women
The economy and economic resources	National income Economic hardship National wealth Housing Productivity	<ul style="list-style-type: none"> • real net national disposable income per capita • average real equivalised weekly disposable income - low income households • real national net worth per capita • households in dwellings requiring an extra bedroom • multifactor productivity
The environment	The natural landscape The air and atmosphere Oceans and estuaries	<ul style="list-style-type: none"> • threatened birds and mammals • annual area of land cleared • salinity • level of development of water management areas • fine particle concentrations, days health standards exceeded • net greenhouse gas emissions • estuarine condition index

3. MAP into the future: maintaining the momentum

The ABS has now reported on measures of Australia's progress for seven years. We will continue to improve our indicators through regular reporting, conceptual and data development and consultation. Since the release of the first edition of MAP in 2002, developments in public priorities and thinking have included:

- Immediate economic priorities - finance, credit, employment
- A focus on climate change and water resources
- A focus on social inclusion policy - building community
- Impact of national security issues.

In Australia, there is great interest in indicator development flowing from the 2020 Summit. In addition, there are initiatives of the Council of Australian Governments to improve the measurement of government performance as an element of evidence based policy.

3.1 Challenges

3.1.1 Challenge 1. Maintaining an ongoing role for MAP

When the first major MAP report was released in 2002 there was intense media interest that generated public discussion about progress in Australia, and about the role of a national statistical office in measuring progress. Subsequent releases (especially the annual release of updated indicators) have not attracted the same level of interest or coverage. In fact, MAP seems to be better known internationally than it is within Australia's borders. The ABS is currently looking at ways of maintaining community interest in this work and ensuring that MAP is used by government as part of the evidence base for setting broad policy directions.

MAP is an organic publication that can grow and change over time as new priorities emerge and as more data becomes available. However, part of the challenge with MAP is to keep some consistency between each edition to have a sound basis to enable people to assess whether life in Australia is getting better. Further to this, the information needs to be presented in a clear and simple way which makes it meaningful to the Australian public. For the next release in 2010 ABS is using new web technology (such as improved navigation and data visualisation) that will help to increase the access and use of MAP and provides a platform on which to update more frequently (therefore remaining relevant).

3.1.2 Challenge 2. The nature of MAP: should it tell the story of a nation's progress or of people's progress?

A large part of maintaining the momentum with MAP relies heavily on continued interest from the Australian Public. It is important to understand whether Australians relate to a publication that provides an overview of how the country is progressing, especially if they know or suspect that not all Australians share in that progress equally.

Currently, MAP provides a 'top-down' view of society, economy and the environment. While this is important, a key question in the evolution of MAP is whether Australians would prefer this approach or one that also shows the progress of different population groups within Australia (such as the young, the old, and Indigenous). While previous editions of MAP have explored, to some extent, the differences within the population (such as gender, age and state differences) more analysis in this area might complement MAP and engage the community's interest further. The ABS is currently discussing this concept with its expert reference group.

3.1.3 Challenge 3. Should the MAP framework incorporate aspects of sustainability

There has been growing interest in the link between progress and sustainability. While MAP's main purpose is to measure progress, it is possible to incorporate aspects of sustainability into the framework. Progress is underpinned by four types of capital and changes in the stock of each type can be used to help assess sustainability:

- *Social capital*: The Organisation for Economic Cooperation and Development (OECD) has defined it as 'networks, together with shared norms, values and understandings which facilitate cooperation within or among groups'. ABS has adopted this definition and social capital within MAP is about people linking together to create strong communities.
- *Human capital*: A widely adopted definition of human capital is the OECD definition (1998) which states that human capital is "the knowledge, skills, competences and other attributes embodied in individuals that are relevant to economic activities". The OECD has used variations of this definition in other publications, for example (2001) "... the knowledge, skills, competences

and other attributes embodied in individuals that facilitate the creation of personal wellbeing”. COAG has agreed that the priority areas of the human capital stream of the national reform agenda are health, education and training, and work incentives. In MAP the main focus of the human capital dimensions is on individual wellbeing, although economic contributions are considered as well.

- *Financial and produced capital*: This was referred to as 'produced economic capital' in *Measuring Social Capital, an Australian Framework and Indicators* (1378.0) and was defined as: the produced means of production like machinery, equipment and structures, but also non-production related infrastructures, non-tangible assets, and the financial assets that provide command over current and future output streams.
- *Natural capital*: In *Measuring Social Capital, an Australian Framework and Indicators* (1378.0) ABS adopted the following definition of natural capital: 'the renewable and non-renewable resources which enter the production process and satisfy consumption needs, as well as environmental assets that have amenity and productive use, and are essential for the life support system'. The OECD Glossary of Statistical Terms defines natural capital as 'natural assets in their role of providing natural resource inputs and environmental services for economic production'.

As part of the ongoing development of MAP, ABS intends to articulate the capital-based framework of MAP more explicitly. An essay on this topic will be authored for the next release of MAP and to gather user feedback on the information presented. The OECD has also released their taxonomy for measuring progress and they define societal progress as occurring when there is an improvement in the "sustainable and equitable wellbeing of a society". In their taxonomy they have adopted the capital framework approach.

3.1.4 Challenge 4. Finding the right indicators

There are a number of dimensions of progress for which ABS has not as yet determined a “headline” indicator, although there are a number of other indicators in these areas to help provide a picture of progress. While the strength of MAP was its articulation of these dimensions irrespective of data availability at the time, the ongoing reporting process draws attention to these data gaps. The dimensions currently without a headline indicator are:

- housing
- oceans and estuaries
- family, community and social cohesion
- democracy, governance and citizenship

It may be surprising to see housing in this list, since ABS has a wealth of information about housing, including: housing tenure, stock, house prices, mortgage repayments, housing costs as a proportion of income, overcrowding. The challenge is to find the statistic that would clearly indicate progress or regress. The current measures are either ambiguous or not informative about progress. For example, while we might acknowledge the Australian dream of home ownership, change in ownership rates may reflect a change in attitudes and choices rather than failure to realise this dream. ABS is currently considering whether the ratio of housing costs to gross income for low income households who are renting privately or from a State / Territory Housing Authority may be an appropriate headline indicator.

The issue for oceans and estuaries is that there are very few nationwide time series data suitable for assessing the progress of Australia's marine environment.

For the two remaining dimensions (family, community and social cohesion and democracy, governance and citizenship), the issue was with finding a single indicator that could adequately capture the variety of aspects which are important. It could be argued that for these two dimensions, it may be appropriate to have a variety of indicators rather than singling out one for headline status, since putting too much weight on one or two measures may fail to represent what is often a more complex and nuanced picture.

3.1.5 Challenge 5. The role of subjective indicators

During MAP's development, there was discussion about whether the publication should include some subjective indicators, most notably a measure of happiness. In MAP, as in the wellbeing framework for social statistics, ABS has given primacy to objective over subjective measures of wellbeing. However, there is continuing community interest in measuring concepts such as quality of life and happiness. ABS addressed this in a feature article: 'Life satisfaction and measures of progress' in the 2006 edition of MAP, but in the most recent review of MAP, following the release of the 2006 edition, users again raised the need to include both objective and subjective measures.

4. Building stronger networks

Within Australia there are a number of 'indicator frameworks' that serve different purposes. They may be measuring the effectiveness of government policies, delivery of services, outcomes of community plans or outcomes for specific groups of people (such as the Indigenous). This makes it difficult to have a single overarching framework that covers the broad diversity of goals and objectives. However, it is the role of everyone who presents indicators for reporting to ensure that the 'right indicator is used' (not just the ones that are available or easy to collect) and that they are presented in a way that is clear, simple and easily understood.

As part of our role leading the National Statistical Service the ABS has been establishing a network of 'community indicators practitioners' over the past few years. The network of practitioners now encompasses all level of government (federal, state and local) as well as non-government organisations and academia. This enables best practise techniques to be shared amongst its members, especially around the common component activities, such as: processes for engagement, learning and building on existing frameworks, and assembling basic data.

The ABS is committed to building stronger networks with people who use statistics (not necessarily just for developing indicators) and hosts a number of conferences where people can come together and share their knowledge and experiences. Most recently the ABS hosted it's second Community Indicators Summit where we wanted to promote a more coordinated, coherent and consistent approach to the development of indicators, continue to build strong networks and engage the delegates about the ABS work in this field. A key outcome was the development of the Declaration where the delegates agreed to *'guide the development of a national community indicators strategy for Australia in the 21st century'*.

ABS is also committed to hosting another NatStats conference in late 2010 to build on from the enthusiasm and passion generated by delegates at NatStats 08. At this conference we aim to build stronger links with key stakeholders, strengthen the understanding of statistical issues within and across governments, and consolidate support for current and emerging statistical and policy initiatives.

While the ABS cannot undertake all statistical collection and analysis for Australia we are committed to providing expert advice and guidance through our role as the National Statistical Office.