

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

17 October – 18 October 2012

Question: SBT 73

Topic: Measuring Australia's Progress

Written: Received from Committee – 26 October 2012

Senator MILNE asked:

73. Commentators compare the growth of our GDP with that in other countries – do other countries have equivalents of *Measuring Australia's Progress* against which we can compare ourselves? What are they?

Answer:

The ABS' flagship publication *Measures of Australia's Progress* (MAP) provides a picture of national progress across three domains - society, economy and environment. The MAP dashboard display of key headline indicators across these three domains helps people, at a glance, to assess whether key aspects of life in Australia are getting better.

While other nations focus primarily on measuring individual wellbeing and improvements to the quality of life, what sets MAP apart is that it also gives prominence to *environmental* progress as a separate domain. Within MAP, there are currently six key aspects of the environment identified as important for environmental progress supported by a range of progress indicators, including the number of threatened fauna species and net greenhouse gas emissions. Thus, within MAP the environment is viewed as significant in its own right, and not solely for its impact on individual wellbeing. And while, other progress initiatives may feature some environmental information, generally elements such as biodiversity do not appear in the progress measurement initiatives of other countries.

In regards to wellbeing more broadly, there are a number of tools that have been developed internationally to enable comparisons of progress and wellbeing across countries. For example, the OECD's *Better Life Index* allows you to compare Australia's progress against other OECD nations across a variety of themes such as housing, community, safety and life satisfaction. Other tools that allow international comparison across selected areas of wellbeing are the Gallup World Poll and the Happy Planet Index (from the new economics foundation in the UK).

Many countries produce their own progress measures, based upon what they see as important for their nation's progress. Notable initiatives similar to MAP include Bhutan (*Gross National Happiness Index*), Canada (*Canadian Index of Wellbeing*) and the United Kingdom (Office of National Statistics' *Measuring National Wellbeing* and the Oxfam's *Oxfam Scotland Humankind Index*). These initiatives are valuable for understanding how other countries view and measure their own progress, but they are not necessarily directly comparable across all of their measures with each other or with MAP.

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The ABS has recently summarised key international initiatives to measure progress in the report *Measures of Australia's Progress – Aspirations for our nation: A conversation with Australians about Progress (cat. no. 1370.0.00.002)*, released on November 20, 2012.

The ABS is actively working with agencies such as the OECD and UN to help further define and measure progress across countries. Sustainable development is likely to become a focus for future global measurement in light of the Sustainable development agenda and the post 2015 agenda that have emerged from Rio+20.