Australia, Canada and the global movement to redefine progress: *Measuring the future we want*

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Key topics in presentation

- The global movement to redefine progress 'Beyond GDP'
- Canada's world-leading role
- Australia's national ANDI project
- Proposal for an international collaboration
- Conclusions



Going Beyond GDP – The EU



What are the issues and why are they important?

- 1. How we define and measure national progress is crucial for our present and future wellbeing.
- 2. GDP, key current measure of national progress, is a poor measure of societal progress and wellbeing.
- 3. We need new measures of progress that reflect true progress equitable and sustainable wellbeing.
- 4. Defining new national progress measures is a democratic issue and must engage citizens.
- 5. There is a global movement to 'redefine progress' and it can benefit all nations to participate in it and learn from it
- 6. The university and research community has a key capacity and responsibility to be engaged in it.

How are we doing as a nation? 8 simple questions

- 1. Are we better or worse off than our parents?
- 2. Are our communities safer and stronger?
- 3. Are we healthier and wiser?
- 4. Are our jobs and livelihoods more secure?
- 5. Are our air and water cleaner?
- 6. Are our natural resources healthier?
- 7. Are we a fairer society?
- 8. Are we leaving a better Australia for our children?

Source: Based on GPI Atlantic, 2003, 'Economics as if people mattered'.

Creating the future ... or letting it happen?

The future is not some place we are going to, but one we are creating. The paths to the future are not to be found, but made, and the activity of making them changes both the maker and the destination.

John Schaar, US Futurist, and Professor Emeritus of Political Philosophy, University of California at Santa Cruz

The power of statistics

Statistical indicators are the structural DNA codes of nations. They reflect a society's values and goals and become the key drivers of economic and technological choices.

(Hazel Henderson, US economist)

• IS GDP A GOOD MEASURE **OF SOCIETY'S PROGRESS?**

GDP is not a good measure of society's progress

- It counts all economic activity as a positive
- It includes economic activities that reduce well-being (e.g., crime, prisons, tobacco, military weapons, pollutants)
- It ignores non-market production (e.g. unpaid domestic work).
- It ignores key factors of well-being (health, education, working conditions, equity, time use, social relations, citizenship, etc.).
- It ignores factors essential to sustain well-being (e.g., the stock of environmental, human and social capital).

(Source: OECD, 2010, 'The Measuring Progress Agenda: Equity, Well-being and Development', Raul Suarez de Miguel, OCDE, Project on "Measuring Progress of the Arab Societies", 1stNational Coordinators Workshop, ESCWA-AITRS, UN House, Beirut, 1-5 November 2010)

Most people think GDP is not the key measure of national wellbeing

Of the things that matter to you, which should be reflected in measures of national well-being? *Percent who agree this should be included.*

Health	86	Crime	54
Economic security	72	Ability to have say on local, national issues	53
Good connections with friends and relatives	71	Personal activities, including volunteering	51
Job satisfaction	68	Cultural activities	47
Present & future conditions of environment	67	Income and wealth	44
Education and training	65	Unpaid caring, i.e. for children, family etc	35
Good relationship with spouse or partner	56	Spirituality or religion	32

Source: UK Office of National Statistics, 'Findings from the National Wellbeing Debate', July 2011. Table 4, p 13.

Most Australians believe that increasing wellbeing, not GDP, is the key role of government

77% of Australians believe that government's chief objective should be to promote policies designed to maximise human happiness and wellbeing rather than greater wealth. *(Ipsos Mackay poll, 2006)*

Thomas Jefferson US President 1743-1826, thought so too:

'The care of human life and happiness, and not their destruction, is the first and only object of good government'.

The ethical problem of GDP

To say 'Progress equals GDP' is like saying that 'Life equals shopping'.

The Victorian bushfires 2009: a \$4 billion boost to 'progress'?



Black Saturday, February 2009

A human catastrophe:

- 173 people died
- 7500 people homeless
- 2030 houses destroyed
- 78 towns damaged
- 11 totally destroyed
- 1 million animals died

Overall verdict on the 'GDP index of progress': a \$4 billion boost to Victoria's Progress from:

- emergency worker overtime
- health and funeral costs
- legal costs
- new homes and cars
- rebuilding townships

We are 'mismeasuring' progress

Human advance is conditioned by our conception of progress... It is time to end the mismeasure of human progress by economic growth alone.

The unavoidable conclusion is that, to be valuable and legitimate, development progress ...must be **people centred**, **equitably distributed**, and **environmentally and socially sustainable**.

(UNDP, 1996, Human Development Report)



Progress beyond GDP: a global movement



MEASURING OUR LIVES

Why the GDP Doesn't Add Up

Joseph E. Stiglitz, Amartya Sen, and Jean-Paul Fitoussi

THE REPORT BY THE COMMISSION ON THE MEASUREMENT OF ECONOMIC PERFORMANCE AND SOCIAL PROGRESS

Seven key lessons of the global movement to redefine progress

- 1. The GDP a poor and misleading measure of societal progress.
- 2. Societies must develop holistic measures of their progress : economy, society, culture, environment and governance.
- 3. New measures should include qualitative and not just quantitative dimensions of progress, including subjective well-being, community belonging, relationships and life satisfaction.
- 4. The problem we are facing is not just the wrong *measures* but the wrong *model* of societal progress.
- 5. A better formulation of true progress than 'increases in economic production' would be 'increases in equitable and sustainable well-being'.
- 6. The task of developing a new progress paradigm and new measures is a political and democratic issue, as much as a technical issue, and requires the engagement of citizens and communities, working with academics and policy-makers.
- 7. We need to consider urgently what are the implications of these new progress measures, and how they can be best put into practical application, use and understanding.



Our duty to rethink progress and build new visions for society

We are facing both an opportunity and a duty to rethink what progress really means and to build stronger and more inclusive visions for the future of our societies.

Citizens are looking for new ways to improve their lives. We need committed citizens, scientists and well-informed leaders ready to engage the whole of society in an assessment of the challenges ahead. Adequate measurements are essential in helping our societies to define their goals; ensure that we design the right policies to achieve them; and tell us whether those policies are working.

(Angelo Gurria, Secretary General, OECD, 3rd OECD World Forum on Statistics, Knowledge and Policy 'Charting Progress, Building Visions, Improving Life', Busan, South Korea, 27-30 October 2009).



Measuring progress is a democratic issue

- 1. How a society defines its goals and key progress measures directly affects the life chances of its citizens.
- 2. A healthy democracy improves progress and wellbeing generally and is itself a key element of society's progress.
- 3. Citizens need good information to make good democratic decisions.
- 4. Good progress measures make for more transparent and accountable government.
- 5. Engaging citizens in the task of defining and measuring progress strengthens their democratic capacity.

Australia's shrinking democracy: 5 warning signs

- 1. Declining public trust in government
- 2. Falling participation in political parties
- 3. More corporate, privatised (less accountable) government
- 4. More 'corrupt influence' (gov't adverts, political donations)
- 5. Decline in youth voter enrolment

Declining democracy

Changes in Australia 2007-2013

Factor	2007 %	2013
Support compulsory voting	80	70
Have little interest in politics	17	22
Trust government	43	34
Satisfied with democracy	86	72

Source: ANU/Social Research Centre, reported in Alan Stokes, SMH, 'Our new fave three-word slogan: Why even bother?' (22 June 2016)



Canada's Index of Wellbeing – based on values

When we in Canada first started talking – roughly a decade ago – about measuring and reporting on our progress as a society, we realized that it begged the fundamental question, "progress toward what?"

We made a firm commitment that whatever we came up with, it would have to be rooted in Canadian experience and grounded in the values that have shaped our country – fairness, diversity, equity, inclusion, health, safety, economic security, democracy and sustainability.

(Roy Romanow, Chairman, Canadian Index of Wellbeing, 'The Canadian Index of Wellbeing: Its successes as a tool for planning, policymaking and nation building', OECD 4th World Forum on Statistics, Knowledge and Policy, Delhi, 2012.)

Community engagement in Canada's Index of Wellbeing

National consultations over 20 years

1995	'Exploring Canadian Values'
1999	'Discovering the Society We Want'
2001	'Asking Canadians What Matters for the Quality of Life'
2002	'Citizens' Dialogue on the Kind of Canada We Want'
2005	National Consultation on Canadian Index of Wellbeing
2006 -	Ongoing community engagement in CIW domains

Canadian Index of Wellbeing: Education Wellbeing Indicators

Key outcome area	Indicator
1. Early childhood education and care	Availability of childcare spaces for children 0-5
2. Transition to school: developmental health in kindergarten	Developmental health in kindergarten (age 5)
 Student-educator ratio in public schools 	Student-educator ratio in the public-school system
 Social and emotional competences in middle childhood 	Self report on peer belonging, friendship intimacy, self- concept, pros behaviour, empathy, and bullying
5. Basic educational knowledge and skills of youth	Math, reading, and science skill test scores
6. Equality in education: the socioeconomic gradient	Relationship between students' educational skill test scores/postsecondary education participation and their parents' socio-economic status
7. High school completion	Percentage of young adults who completed high school
8. Postsecondary education	Participation and attainment in post-secondary education



HOW ARE CANADIANS REALLY DOING?

As a measure of economic consumption, Gross Domestic Product (GDP) adds up every penny spent including on harmful activities. Tobacco sales, natural and human-made disasters, crime, war and depletion of natural resources all make GDP soar. Not surprisingly it provides a rather overly rosy view of how well Canadians are doing.



THE CANADIAN INDEX OF WELLBEING

1994





Establishing an Australian National Development Index

What kind of Australia do we want?

A business prospectus prepared by The Allen Consulting Group

ANDI: a new national project

- A long-term community-research collaboration
- Aimed to change our national model of progress from 'increasing economic production' to 'increasing equitable and sustainable wellbeing'
- By promoting a community debate on progress and our shared vision for Australia
- And developing a new research and community based system of national measures of wellbeing and sustainability to show our progress towards those goals.

Who is ANDI – ANDI Board and national and international partners

Board of Directors, ANDI Limited	Supporting Partners	Supporting Partners (ctd)
	Anglican National Public Affairs Commission	Institute for Sustainable Futures, UTS
Mr Kester Brown (Ernst and Young, Vic) Anglicare Australia		Ipsos Australia
Rev Tim Costello (Vic)	Australia 21	Local Government Managers Queensland
Mr Tom Crago (Vic)	Australian Collaboration	NATSEM, University of Canberra
Ms Gabrielle Kelly (SAHMRI, SA)	Australian Council of Social Service (ACOSS)	Melbourne City Council
Mr Dominic McGann (Solicitor, Qld)	Australian Council of Trade Unions (ACTU)	PJ Governance
Rev Elenie Poulos (Uniting Church, NSW)	Australian Human Rights Commission	Partners for Livable Communities
Mr Mike Salvaris (Vic)	Australian institute of Architects (SA)	Previous Next
Prof Fiona Stanley (WA)	Australian Red Cross	Queensland Council of Social Service
Adj Prof Geoff Woolcock (Qld)	Australian Unity	Social Inclusion Commissioner, Tasmania
	Business Sustainability Roundtable (Tas)	Sustainable Business Communications
	Cbus (Building Industry Super Fund)	The Australia Institute
Major Partners and Advisers	Choice	The Smith Family
ACIL Allen Consulting Group	Christ Church St Kilda	Wind & Sky Productions
Australian Bureau of Statistics (ABS) (Advisor)	Centre for Policy Development	Victorian Aboriginal Child Care Agency
Australian Community Foundation	Committee for Melbourne	Victorian Council of Social Service
Australian Conservation Foundation (ACF)	Community Services Industry Alliance	Victorian Local Governance Association
Aust. Council of Learned Academies (ACOLA)	CRC Young People, Technology, Wellbeing	YMCA Australia
Aust Research Alliance Children & Youth	Cultural Development Network	
Bendigo Bank	Desert Knowledge Australia	
Foundation for Young Australians	Ecotrust Australia	International Partners
Lord Mayor's Charitable Foundation	Eidos Institute	OECD
McCullough Robertson Lawyers	Future Leaders	Canadian Index of Wellbeing
Uniting Church in Australia	GetUp!	NZ Foundation for Progress and Wellbeing
Vic Health	Griffith University, Queensland	Rome University Tor Vergata (TBC)
University of Melbourne	Institute for Economics and Peace	Waterloo University, Canada (TBC)
World Vision	Internat. Association for Public Participation	
ANDI's development 1993-2016

- 1. Senate Inquiry on new system of social wellbeing and citizenship indicators 1993-94
- 2. National conference on Measuring Australia's Progress 1997
- 3. ABS Measures of Australia's Progress (MAP) project 1999-2002
- 4. OECD Measuring the Progress of Societies 2004 (partly based on Australia's MAP)
- 5. National research network and international NDI collaboration proposal 2005
- 6. Istanbul Declaration on global importance of new progress measures 2007
- 7. Australia 2020 Summit ANDI proposal 2008
- 8. Sarkozy (Stiglitz) Commission report 2009
- 9. National launch of ANDI May 2010
- 10. Incorporation as public NFP company 2012
- 11. University of Melbourne partnership 2016

ANDI: Measuring the future we want

What will distinguish ANDI from other progress measures is that we will be measuring Australia's progress against Australia's key goals and values, as determined by its citizens.

In other words, ANDI will be a measure of our progress towards the future we want, and a way of describing that future. It will therefore be a measure of true progress, rather than a set of statistical snapshots over time.

ANDI: key features

- Civil society collaborative initiative
- Long term (5-10 year development phase)
- Reporting annual 'Progress Index', indices in key wellbeing domains
- Extensive community engagement and ownership
- Close relationship with ABS
- External partners: Canadian Index of Wellbeing, OECD, University Roma2
- Strong collaborative research base (UoM, ACOLA, other universities)
- Network, resource and clearing house role
- Education and communications emphasis
- Funding: mostly non-government funding from 'Funder Alliance'

ANDI's main tasks

- National community engagement and consultation program involving 60 partners and 500,000 Australians over 2-3 years
- National research program with all Universities (through ACOLA) across
 12 domains of progress
- Produce annual Index of National Wellbeing and report
- Produce 12 'Progress Domain' indexes and reports annually, released in different months
- National youth engagement project and video
- Provide state of the art interactive website and national resource and education materials

ANDI: progress domains for sub-indexes

ANDI will produce an index and a progress report each year in twelve 'progress domains', such as:

Children and young people	Environment and sustainability
Community/regional development	Fairness and justice
Culture and leisure	Health
Democracy and good governance	Indigenous wellbeing
Economic life and prosperity	Subjective wellbeing & satisfaction
Education and creativity	Work-life and employment



ANDI: three key national benefits

- A way to build a practical shared vision for a fairer, more sustainable society with greater general wellbeing for all
- An important tool that will increase transparency and clarity in policy making, planning and nation-building
- A way to re-engage citizens and strengthen democracy, transparency and confidence in the political process.



Rethinking progress measures needs a national dialogue on what we care about: Stiglitz

Part of the objective of rethinking our measurement systems is to generate a national and global dialogue on what we care about, whether what we are striving for is achieving what we care about, and whether this is reflected in our metrics.

From Measuring Production to Measuring Well-being, Joseph E. Stiglitz, Presentation to the Productivity Commission, Melbourne, July 29, 2010

Effective progress measures must reflect citizen values

The legitimacy and sustainability of any major policy decision increasingly depends on how well it reflects the underlying values of the public.

(Judith Maxwell, Steven Rosell, and Pierre-Gerlier Forest. (2003) "Giving citizens a voice in healthcare policy in Canada," in British Medical Journal. May 10; 326(7397): 1031–1033.)



- Carried out over two years
- Website and online surveys
- Local government networks
- Outreach of ANDI partners (2 million members) across Australia
- Regional forums
- Social media

A major national conversation with 500,000 Australians

- UNDP type national survey ('My Australia 2030'?)
- Schools projects
- Media partners
- Twelve research groups and six universities nationally
- Aim: release an index on one progress domain each month



CHOOSE 6 ISSUES THAT MATTER MOST:

Which of these are most important for you and your family?

ACCESS TO CLEAN WATER AND SANITATION	\checkmark
A GOOD EDUCATION >	\swarrow
EQUALITY BETWEEN MEN AND WOMEN >	\checkmark
POLITICAL FREEDOMS >	\checkmark
PROTECTION AGAINST CRIME AND VIOLENCE >	\swarrow
AFFORDABLE AND NUTRITIOUS FOOD >	\swarrow
PHONE AND INTERNET ACCESS	\checkmark
BETTER JOB OPPORTUNITIES >	\triangleleft

SUPPORT FOR PEOPLE WHO CAN'T WORK	\swarrow
PROTECTING FORESTS, RIVERS AND OCEANS	\swarrow
RELIABLE ENERGY AT HOME >	\swarrow
AN HONEST AND RESPONSIVE GOVERNMENT >	\swarrow
BETTER TRANSPORT AND ROADS >	\swarrow
FREEDOM FROM DISCRIMINATION AND PERSECUTION	\swarrow
ACTION TAKEN ON CLIMATE CHANGE >	\swarrow
BETTER HEALTHCARE >	\ll
SUGGEST A PRIORITY (OPTIONAL)	

EQUALITY BETWEEN MEN AND WOMEN \sim

This means that men and women should have the same rights and opportunities. Boys and girls should have equal access to school and the same quality of education; men and women should stand the same chance of getting elected to parliaments, have the same chances to be involved in political and social life, and experience the same opportunities and rewards in the workplace.

POLITICAL FREEDOMS

PROTECTION AGAINST CRIME AND VIOLENCE $\scriptstyle \smile$

This means that all people should expect to live in a community that protects them from the threat of crime and violence. This should include domestic violence and sexual assault against women and girls. Every person should be able to get justice through a court or other system if they are victims of a crime.

AFFORDABLE AND NUTRITIOUS FOOD

PHONE AND INTERNET ACCESS >





0	1,000,000	2,000,000	3,000,000	4,000,000	5,000,000			
A good education						5,663,703		
Better healthcare					4,796,718			
Better job opportunities					4,722,344			
An honest and responsive government				3,981,18	1			
Affordable and nutritious food				3,519,954				
Protection against crime and violence				3,429,051				
Access to clean water and sanitation			3,17	4,014				
Support for people who can't work	2,917,911							
Equality between men and women	2,697,974							
Better transport and roads		2,694,546						
Reliable energy at home		2,491,757						
Freedom from discrimination and persecution		2,454,713						
Political freedoms		2,306,774						
Protecting forests, rivers and oceans		2,276,675						
Phone and internet access		2,129,522						
Action taken on climate change		1,769,045						

8,580,235 votes for All Countries & Country Groups / All Genders / All Education Levels / Age Group (All Age Groups)



72,656 votes for Australia / All Genders / All Education Levels / Age Group (All Age Groups)



Leading universities in Global Progress Network

- Central European University, Budapest
- Waterloo University, Canada
- Memorial University, Canada
- Rome Tor Vergata University, Italy
- Princeton University, USA
- Columbia University, USA
- Chulalongkorn University, Thailand
- Kyoto University, Japan
- United Nations University (UNU), Tokyo
- Cambridge University, UK
- Oxford University, UK
- Institute of Political Studies (Sciences Po) France

Ian Chubb: what kind of country are we trying to build?

The real issue for me is what sort of country are we trying to build here? How are we going to get there? And we're not going to get there by thinking of economics as an endgame. The economy is a means to an end. Science is a means to an end. There is an inter-generational equity issue when we talk about the sort of planet we will leave to those who come after us ...

We want our leadership to say, "This is the country we're building." My view, not being a politician of course, is that we ought to be aspiring to something magnificent. And we need a conversation within the community to identify what that should be. And it should be just slightly out of reach. It oughtn't be something easily obtained. It oughtn't be something where we can get in a boat with eight oars and row on seven and still get there. It ought to be something we've got to strain to get to. And it ought to be big and grand and aspirational. What is the country we're trying to construct?

Source: 'Chief Scientist Ian Chubb's scientific methods' The Saturday Paper, 21-2-15, Interview with Ramona Koval. <u>http://www.thesaturdaypaper.com.au/life/science/2015/02/21/chief-scientist-ian-chubbs-scientific-</u> methods/14244372001519#.VOglakuOUnV

The challenge for universities: ACOLA



• "Re-defining Australia's progress ... offers an important opportunity – and a duty – for the academic and scientific community to work with policymakers, stakeholders and the broader citizenry, to shape (our national) strategies and shared visions ..."

• "The creation of a national progress index for Australia could become one of the most significant collaborative undertakings of Australia's science and research sector in the second decade of the 21st Century."

Research issues and challenges (1)

- The research issues challenge current patterns of university research and organisation:
 - Complex, multi-faceted and cross disciplinary
 - Community engaged, democratically accountable
 - Paradigm changing but contested: existing 'progress paradigm' powerfully defended
 - Strategic, long term: direct impact on national development and wellbeing

Research issues and challenges (2)

- But despite these challenges, the university/research sector has so far been an essential partner and catalyst in the global 'Redefining progress' movement
 - o Canada (CIW),
 - o US (KNI's)
 - o Europe ('Beyond GDP')
 - o Internationally (OECD-UN Global Project, Stiglitz Commission)
 - o Australia (ABS-ANDI development, ACOLA)

Australia can help lead global paradigm shift

"We are in the middle of a paradigm shift occurring around the world. We understand now, better than ever, that our wellbeing as peoples, and our progress as a nation, depends on much more than what economic measurements alone can tell us.

By asking Australians their views on the direction the nation is headed, and developing a more holistic measure of progress, ANDI will be at the forefront of this international movement."

Tim Costello, CEO, World Vision Australia



Useful references

ANDI's website http://www.andi.org.au/

AP21C report ('Australia's Progress in the 21st Century: Measuring the Future We Want') <u>http://www.acola.org.au/index.php/projects/ap21c</u> <u>http://acola.org.au/wp/ap21c-contributing-consultants-report/</u>

ABS MAP-2 Essay 'Future Directions in Measuring Australia's progress' http://blog.abs.gov.au/Blog/mapblog2010.nsf/dx/13700 Sep210 FutureDirections.pdf/\$file/13700 Sep210 FutureDirecti

OECD Better Life Index http://www.oecdbetterlifeindex.org

Salvaris, M. 2013. 'Measuring the kind of Australia we want: The Australian National Index, GDP and the Global Movement to redefine progress', *Australian Economic Review*, vol 46, no 1, pp 78-91. http://onlinelibrary.wiley.com/doi/10.1111/j.1467-8462.2013.00711.x/pdf

UN My World 2015 Survey and Engagement Campaign http://vote.myworld2015.org

Uni of Melbourne 'Pursuit' article on ANDI (April 2017) https://pursuit.unimelb.edu.au/articles/beyond-growth-adding-wellbeing-to-the-balance-sheet