



## Measuring Governance in Australia: development of a new domain of social statistics

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### **Abstract:**

Over a decade ago, the Australian Bureau of Statistics (ABS) first released Measures of Australia's Progress (MAP). MAP presented a comprehensive set of indicators from across the domains of economy, society and environment to provide insights on how life and wellbeing in Australia was improving and at what rate.

In 2011-12, the ABS led a national consultation to ensure MAP remains relevant to today's society - that we are measuring what matters to Australians. The consultation led to the development of a refreshed progress framework, including:

- Aspirations - each domain and theme now has an aspirational statement built from voices of the consultation.
- Governance domain - inclusion of governance as a domain in its own right (in addition to society, economy and environment).

This paper will look at the ABS experience in developing a set of governance statistics from the aspirations of Australians, in particular:

- Why measure governance?
- Measuring governance in Australia
- What is the ABS doing in this space?
- Measuring progress in governance.

### **1. Why measure governance?**

The field of governance statistics is an emerging area for official statistics, particularly in the post-2015 agenda space, and more broadly throughout the international statistical community. This is due to the growing concern within the international development community about fragile and conflict affected states, which were among the worst-performing countries in terms of progress against the MDGs, and the idea that improving governance is a precursor for, and an enabler of, wider development outcomes. The interest in improving measurement of governance is likely related to a desire to reflect the importance of governance issues in development policy discussions.

The idea of governance statistics goes beyond providing information on the functions of government to the functioning of the systems, processes and institutions which communities use to organise themselves, to manage their affairs, make decisions and achieve the things that matter to them. The availability of quality information on governance enhances the capabilities<sup>1</sup> of citizens to hold government, businesses and other institutions to account, and in turn the direction of public policy, regulation and other processes can be influenced by the effective use of the participatory capabilities of the public.<sup>2</sup>

Presently, governance is an underdeveloped area of official statistics. This is due to complexity, subjectivity, and the qualitative nature of the concepts governance statistics are trying to reflect.

<sup>1</sup> Stiglitz, J., Sen, A., Fitoussi, J. (2009)

<sup>2</sup> Henry, K. (2010)

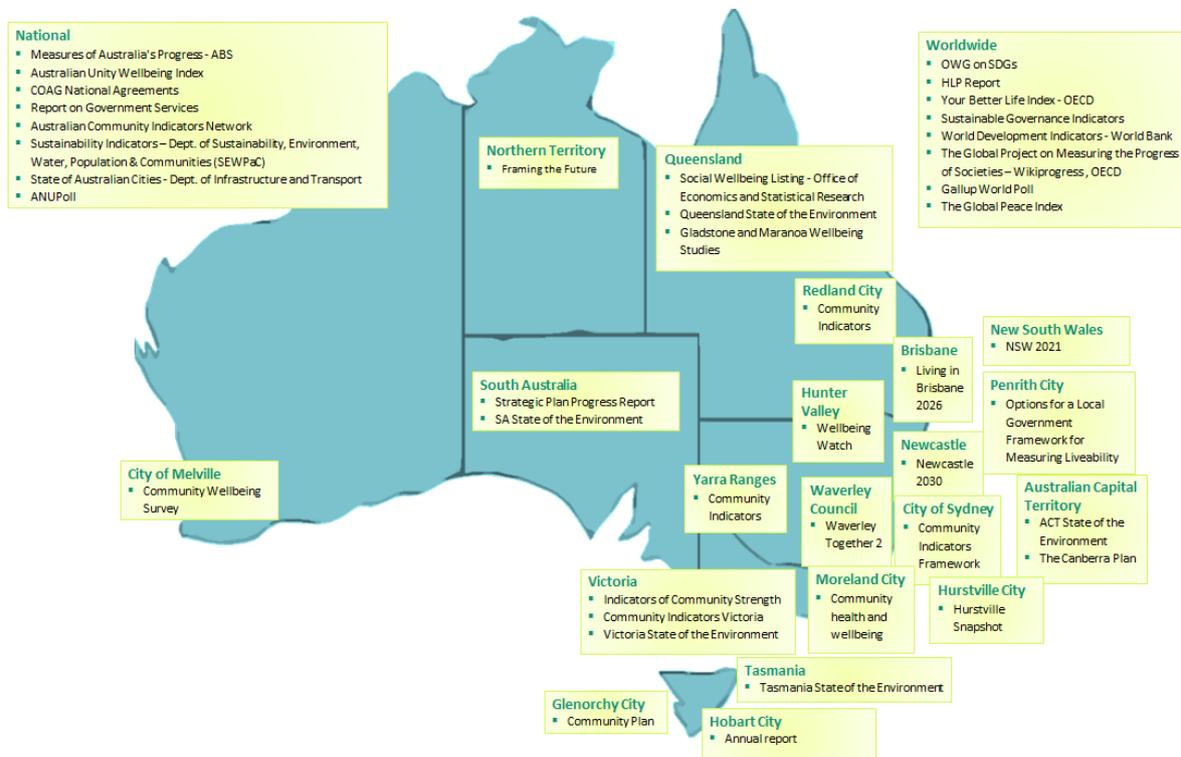


For an Australian context, the ABS has developed a working definition of governance as referring to the systems, processes<sup>3</sup> and institutions<sup>4</sup> which govern, run, protect and regulate the activity of Australians. For example, from the justice system to groups run by community members - many areas of our lives are influenced by some form of governance. More specifically, governance refers to the way in which the processes, systems and institutions that organise Australian society are managed, and the way people are included in making decisions about things that affect their lives. Good governance means that institutions are efficient, responsive and accountable and enable societal function and progress.

**Measuring governance in Australia**

While governance statistics is an emerging field for official statistics, there are a wide variety of community, national and international indicator projects which provide information on governance in Australia. Figure 1 shows a selection of these initiatives, including projects using poll data, expert opinions, government reports, composite indexes and compilations of official statistics.

**Figure 1 - Indicator projects with measures of governance**



From these initiatives come a highly diverse range of indicators, including, though by no means limited to:

- Participation in voting
- Satisfaction with government services and programs
- Effective government processes

<sup>3</sup> Governance processes refers to legal, electoral/democratic, government processes and other processes or systems underlying public or private sector governance

<sup>4</sup> Includes government institutions – such as parliament, the judiciary, the executive, government agencies and the public service – and private entities – such as businesses, companies, lobby groups, community organisations, the media, universities, and research organisations.



- Trust in general, in government, public service, police, doctors, judicial system, etc.
- The number of women in leadership positions
- Accessibility of information in order to make informed decisions
- Human rights
- Experiences of discrimination
- Fairness of the judicial system
- Whether citizens are able to have a say on issues that affect them
- Whether citizens are members of a community organisation or decision making body

## 2. *What is the Australian Bureau of Statistics doing in this space?*

Since 2002 the ABS has published a number of indicators relating to governance, most notably with the following four sources:

- **Measures of Australia's Progress (MAP)** – In 2002, the Australian Bureau of Statistics became the first national statistical agency to produce a broad-focused measuring tool for assessing national progress, developing what was then known as Measuring Australia's Progress (now Measures of Australia's Progress or MAP; ABS: 2002). MAP was developed to help Australians assess whether life in Australia is getting better. Each edition of MAP has included a theme on governance. Between 2002 and 2012 indicators were selected in reference to the IDEA framework for democracy assessment<sup>5</sup>. The 2013 edition of MAP provides a completely new framework for progress in governance, described in more detail below.
- **General Social Survey (GSS)** – Since 2002 the GSS has provided a wide range of information on social inclusion in Australia, allowing information to enable it to be linked across areas of social concern. In relation to governance, the GSS collects information on aspects such as trust, participation in civic activities, and ability to participate in decisions that affect their lives.
- **Gender statistics, Australia** - Drawing together information on 52 indicators spread across six major areas of social concern for gender equality including democracy, governance and citizenship. The indicators of governance focus on gender equity in leadership roles and in the recognition of outstanding achievement and service.
- **Framework for Measuring Wellbeing: Aboriginal and Torres Strait Islander Peoples, 2010** – a framework developed by the ABS, in conjunction with stakeholders, to measure the wellbeing of Australia's Aboriginal and Torres Strait Islander peoples. A domain on citizenship and governance covers understandings of citizenship and the interaction between individuals and governance processes. It includes the ability to make decisions, have appropriate representation of views and to have knowledge of and ability to exercise rights and responsibilities.

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<sup>5</sup> International Institute for Democracy and Electoral Assistance (IDEA), Democracy Assessment



**Figure 2 – Framework for Measuring Wellbeing: Aboriginal and Torres Strait Islander Peoples, 2010 - Elements of citizenship and governance**

Individual Characteristics	Social, Cultural and Economic Environments
<ul style="list-style-type: none"> <li>• Participation in community organisations and other bodies</li> <li>• Knowledge of rights, obligations and support</li> <li>• Active citizenship</li> <li>• Self respect and self-esteem</li> <li>• Exercising leadership and responsibility</li> <li>• Being mentored/being a mentor</li> <li>• Engagement in programs</li> <li>• Control over decision making; free, prior and informed consent in decisions</li> </ul>	<ul style="list-style-type: none"> <li>• Consultation and collaborative partnerships</li> <li>• Social, economic and political representation</li> <li>• Access to information and an understanding of political systems</li> <li>• Access to mentors</li> <li>• Self determination</li> <li>• Community controlled organisations</li> <li>• Evolution of governance – history and intergenerational change</li> <li>• Legitimacy of governance structures (e.g. imposed vs local development and control)</li> <li>• Transparency and accountability</li> <li>• Capacity building</li> <li>• Equity of access to services</li> </ul>

### 3. *Measuring progress in governance*

To ensure MAP was focusing on the most important aspects of progress in Australia, in 2011-12, the ABS undertook a broad-ranging consultation that asked Australians, "What is important to you for national progress?" This public consultation allowed ABS to hear, listen and reflect on the aspirations that Australians hold for national progress.

The feedback received from Australians was provided in the form of aspirations for national progress, such as ‘good health for all’. These aspirations covered a broad range of issues that people considered important. Some of these issues were already included in MAP, such as health and education, while others were new or reframed aspirations such as the ‘opportunity to have a say in decision-making’. In November 2012, the ABS released [Measures of Australia's Progress - aspirations for our nation: a conversation with Australians about progress](#)<sup>6</sup>, which provides a full account of the aspirations that came from the consultation.

#### **What did Australians say about governance?**

Through the consultation, Australians told the ABS they wanted a free society where everyone is able to participate in decisions that affect their lives. This includes access to information that supports participation and informed public debate, freedom of media and freedom of expression. Governance systems, processes and organisations should enable societal progress, by being easy to interact with and access; and be open, honest, unbiased and accountable, so that they are trusted by society. Australians wanted these systems to uphold people's rights, allowing them access to justice, and providing and supporting laws that protect all Australians.

The consultation also provided strong support for the inclusion of governance as a separate domain – alongside the traditional three pillars of society, economy and the environment. Including governance as a separate domain in MAP highlights that Australians see these areas of life as important to national progress. It also echoes a growing international recognition of the importance of governance, such as, governance for wellbeing, progress and sustainable development.

#### **Main themes of governance**

Based on the consultation, five themes were identified under the domain of governance. Connected to each theme is an aspirational statement. These aspirations represent many of the voices of the consultation process and aim to reflect what Australians care about most for national progress. As far

<sup>7</sup> Australian Bureau of Statistics (2012a)



as possible, the aspirations are designed to be ambitious statements that are broadly accepted across Australian society. From each aspirational statement a list of elements highlights the most important areas to be considered when thinking about each aspiration. Each of these elements are important areas that Australians said they would want to see improvement in, however they may not represent all important aspects of this theme. The themes, aspirations and elements of the governance domain are described below.

[Trust](#) - Australians aspire to institutions and governance processes they can trust and hold to account.

Australians said that governance systems and processes needed to be open, honest, unbiased and trusted by society. This related to government, non-government bodies and with people within communities. People wanted governance processes to be free from corruption, favouritism and conflict of interest. They wanted government and private institutions to behave responsibly and with integrity in support of societal wellbeing. Where governance processes impact on society, people wanted information about this to be transparent to the public. In addition, trust between members of the community was also seen as an essential aspect of the general idea of trust, ensuring communities and societies functioned effectively.

Elements: Integrity; Transparency; Accountability; Trust in governance processes and systems.

[Effective governance](#) - Australians aspire to governance that works well.

Australians said that good governance and regulation, within both government and non-government sectors, was important to national progress. People felt that good governance is effective and efficient. Many people in the consultation wanted the systems, processes and institutions that govern and regulate our activity, and protect our rights and freedoms, to be easy for people to access and interact with. They also wanted governance to be appropriate and to allow effective outcomes without overburdening people or institutions. People aspired to have their governance systems aligned, working together and adequately funded. They also wanted governance systems, processes and institutions to be strong and yet adaptable to change, and to enable Australian society to bounce back from adversity.

Elements: Effective governance, Ease of interactions, Protection, Seamless interactions, Balance between regulation and freedom, Resilience.

[Participation](#) - Australians aspire to have the opportunity to have a say in decisions that affect their lives.

Australians said that it is important that everyone has the opportunity to participate in decision-making that affects their lives. People thought that participation was important at all levels of society, from formal interactions, such as with government or business sectors, to community level interactions. Australians said they could participate in and influence how society is managed by attending community groups, talking or writing to politicians, signing petitions, voting in elections, and in many other ways. Participation in decision-making was also seen as a personal responsibility by Australians. For example, voting in elections was seen as an important activity Australians were required to undertake. For people to become involved in decision-making and governance, they need to be able to access the necessary information and avenues for participation. People discussed the value of participating in genuine consultation, where all peoples' voices are heard, genuinely considered and a response is received.



They also thought that timely decision-making undertaken by elected representatives was important and appropriate. Consultation processes were valuable and complementary to these decision-making initiatives.

Elements: Involvement in decision making; Awareness and understanding; Access to the opportunity to contribute to decision making, Taking responsibility.

[Informed public debate](#) - Australians aspire to well-informed and vibrant public debate.

Australians said that public debate should allow a diversity of voices and views to be heard and considered, and that information should be reported accurately, clearly and not be biased by conflicts of interest. They saw public debate as occurring in many places, for example, through the media and electronic information sharing channels, as well as parliamentary and political debating platforms. For this to happen effectively, they thought that these platforms should be effectively regulated while allowing people the freedom to access information.

Elements: Open and informed debate; Freedom to pursue and access truth/facts; Free media; Effective regulation.

[People's rights and responsibilities](#) – Australians aspire to a society where everyone's rights are upheld and their responsibilities fulfilled.

Australians said that their rights and responsibilities, as defined and protected by national laws, were important. Australians also thought that international human rights conventions were important and relevant. Many people in the consultation aspired to have their rights upheld by Australian governance systems, and wanted justice systems and processes to be fair and accessible to all Australians. They saw this as a reciprocal relationship, with everyone having the responsibility to abide by Australia's laws. People in the consultation also valued Australia's democratic system of representational government as a means of ensuring rights and responsibilities are upheld and enable participation.

Elements: Rights and responsibilities being upheld; National laws and standards; Access to justice; Freedom of expression; International conventions and laws.

#### 4. Progress Indicators of Governance

Once the framework for the governance domain had been finalised, the ABS sought the most appropriate indicators for each element. While there were limitations around the availability of data for the new area of governance, in MAP we sought to provide indicators that would capture the spirit of, and measure, these aspirations for progress in this area. The ABS took a flexible approach in selecting indicators in order to maximise the information available for MAP 2013. This approach was guided by a number of principles:

1. The indicator used should be the best available indicator which is relevant to the theme or element.
2. Indicators do not need to be 'all-encompassing' of the theme or element to be included. Indicators that contain a partial or indirect insight may be acceptable in those instances where it could be reasonably expected that the indicator would be representative of the overarching theme or element.
3. Indicators in MAP 2013 do not need to have an extensive time series for inclusion – this can grow over time. This is to ensure the ABS does not exclude suitable indicators because of their short time series. Though MAP aims to ensure all progress measures have a suitable



time series, we have included measures where we anticipate future data points will become available.

4. Indicators should be of high or acceptable quality, with specific regard to reliability, currency, and methodology.

Where no appropriate indicators could be identified, the element was included in the publication with a discussion which acknowledged a data gap for that aspect of progress. In this way, MAP highlighted areas where further development is needed in order to find suitable measures. Gaps in the availability of measures occur for a number of reasons; for example, some areas of progress are inherently subjective and hence difficult to measure reliably. In other cases, the concept is not yet sufficiently developed, or the concept is important for progress but may not lend itself to meaningful measurement. The quality of data or availability of data from only one point in time may also mean that there is no appropriate current measure of progress.

To assist readers in gaining a quick 'at a glance' view of recent progress in Australia, MAP used a 'traffic light' dashboard (see Figure 3) to present headline progress indicators on the MAP home page.

Progress for each theme is shown by a green tick (for progress), a red cross (for regress), or an orange line (for little or no change). Progress is calculated by comparing two points in time; the most recent point where data is available, and an earlier period (which is dependent upon how much data is available). The blue question marks show where there is a data gap.



Figure 3 - Measures of Australia's Progress 2013 dashboard (ABS: 2014)



**Legend:**

- The headline progress indicator for this theme has shown **progress**.
- The headline progress indicator for this theme has shown **regress**.
- The headline progress indicator for this theme has **not changed greatly**.
- There is a **data gap** for this theme as there is currently no headline progress indicator.

As can be expected with an emerging area of statistics, the number of data gaps for MAP 2013 in the governance domain were quite notable; two of the five governance themes had indicators and 6 of the 23 elements had indicators. Figure 4 displays the governance themes and elements in MAP 2013, with the data gaps highlighted in orange and the indicators presented listed under the related elements.



Figure 4 – Governance Themes and Elements from MAP 2013 (ABS: 2013)

Trust	Effective governance	Participation	Informed public debate	People's rights and responsibilities
Integrity	Effective governance	Involvement in decision making <b>Indicator: Voter turnout at federal elections</b>	Open and informed debate	Rights and responsibilities being upheld
Transparency	Ease of interactions	Awareness and understanding	Freedom to pursue and access truth/facts	National laws and standards
Accountability	Protection	Access and opportunity to contribute to decision making <b>Indicator: Active participation in civic and political groups</b>	A free media	Access to justice <b>Indicator: Time on remand for unsentenced prisoners</b>
Trust in governance processes and systems <b>Indicator: Informal votes in Australian elections</b>	Seamless interactions	Taking responsibility <b>Indicator: Overseas-born Australian residents (who have lived here for five years or more) who are Australian citizens</b>	Effective regulation	Freedom of expression <b>Indicator: Persons that feel they are able to have a say within community on important issues</b>
	Balance between regulation and freedom			International conventions and laws
	Resilience			

These data gaps not only demonstrate a need for further development of concepts, standards and methods for governance statistics, but also, how much work remains to be done in the field of governance statistics, even in a country like Australia. Thinking about this in an international context is useful in terms of setting realistic expectations for where we might aim to get to over the post-2015 period.

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