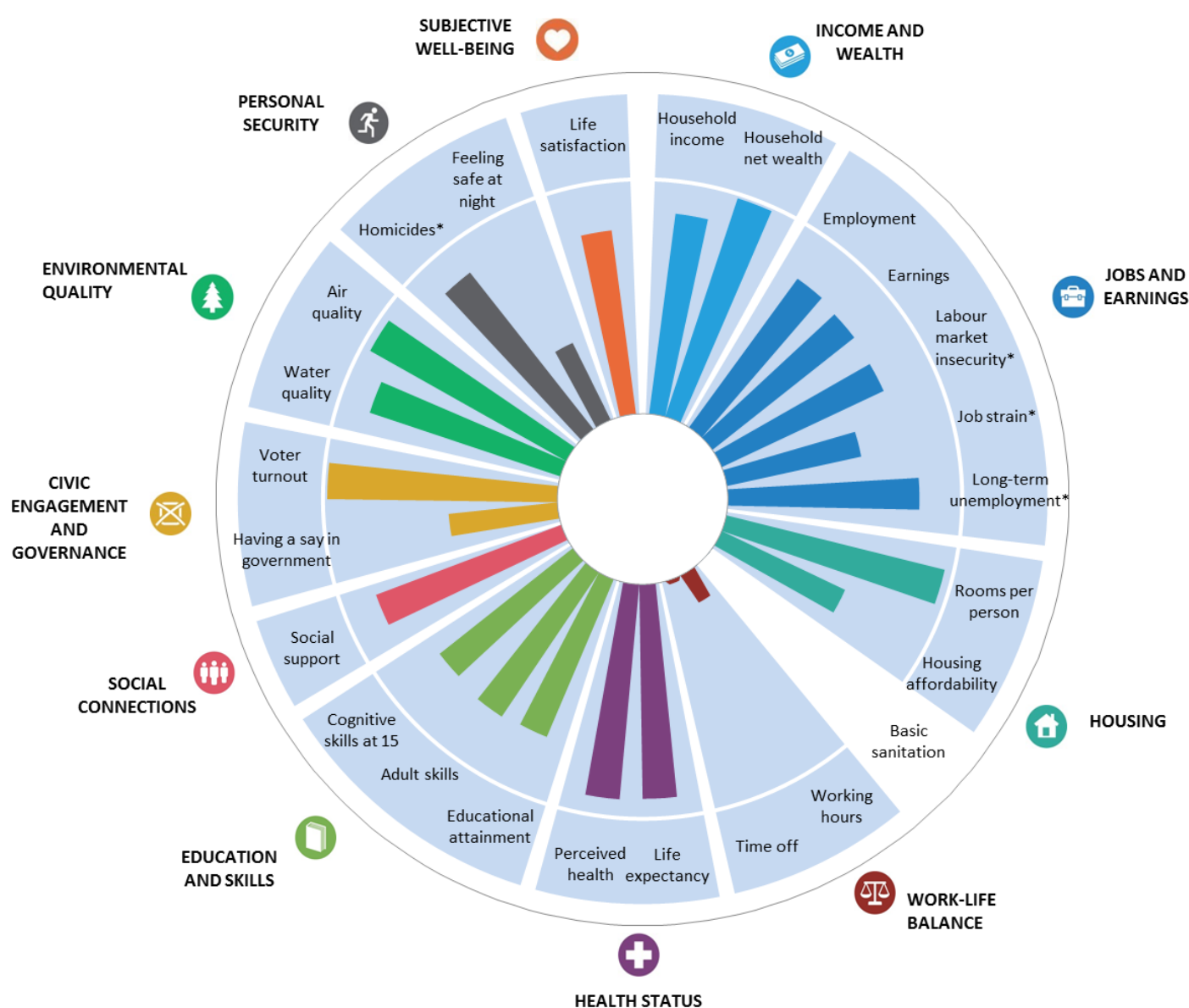


How's Life in Australia?

In general, Australia performs well across the different well-being dimensions relative to other OECD countries. **Air quality** is among the best in the OECD, and average **household net adjusted disposable income** and **household net wealth** were among the highest in the OECD in 2015 and 2014 respectively. Despite a good performance in jobs and earnings, Australia lies below the OECD average in terms of work-life balance: Australian full-time employees reported having 30 minutes less **time off** (i.e. time spent on leisure and personal care) than those in other OECD countries, and more than 13% of employees **regularly worked 50 hours or more per week** in 2016. In terms of personal security, despite the comparatively low **homicide** rate, only 64% of Australians felt **safe walking alone at night**, compared to the OECD average of 69% in the period 2014-16. A high share of Australians report good levels of **perceived health**, although these data are not directly comparable with those of the other OECD countries, due to a difference in the reporting scale.

Australia's average level of current well-being: Comparative strengths and weaknesses














Note: This chart shows Australia's relative strengths and weaknesses in well-being when compared with other OECD countries. For both positive and negative indicators (such as homicides, marked with an "*"), longer bars always indicate better outcomes (i.e. higher well-being), whereas shorter bars always indicate worse outcomes (i.e. lower well-being). If data are missing for any given indicator, the relevant segment of the circle is shaded in white.

Additional information, including the data used in this country note, can be found at:


www.oecd.org/statistics/Better-Life-Initiative-2017-country-notes-data.xlsx


Change in Australia's average well-being over the past 10 years

Dimension	Description	Change
 Income and wealth	Household net adjusted disposable income has increased considerably in Australia over the past decade. After rising sharply from 2005 to 2008, it fell during the first year of the financial crisis before recovering up until 2011, when growth took another hit. It stabilised since then at one of the highest levels in the OECD. Household net wealth meanwhile grew by 10% cumulatively between 2012 and 2014.	↗ ↗
 Jobs and earnings	Earnings in Australia are currently 10% higher (in real terms) than in 2005, but there has been a slight decline in recent years following a peak in 2011-2012. Although employment rates have remained relatively stable, other jobs indicators have all worsened since 2008: the share of people experiencing job strain increased by 3 percentage points; labour market insecurity remains as high as it was at the peak of the crisis; and long-term unemployment has doubled since 2007.	↗ ↔ ↘ ↘ ↘
 Housing conditions	Despite a sharp drop in 2008, housing costs (as a proportion of disposable income) have risen and are now 1 percentage point higher than a decade ago. The number of rooms per person has remained relatively stable at 2.3, which is the fourth highest in the OECD.	↘ ↔
 Work-life balance	The share of employees working 50 hours or more per week in Australia has fallen by 2.1 percentage points in the past decade, a steeper fall than the 0.9 recorded for the OECD on average.	↗
 Health status	While life expectancy at birth has improved consistently in Australia since 2005, the 1.6 years gained is slightly below the OECD average increase. Self-reported health has remained relatively stable, with 85% of adults reporting to be in “good” or “very good” health from 2007 to 2014.	↗ ↔
 Education and skills	The 10-year change in upper secondary educational attainment cannot be assessed due to a recent break in the data. However, between 2014 and 2016, attainment rates in Australia increased by 2.8 percentage points.	↗
 Social connections	The share of people who have relatives or friends whom they can count on to help in case of need has remained reasonably stable in the past 10 years.	↔
 Civic engagement	Despite compulsory voting, voter turnout (among the population registered to vote) has fallen by 4 percentage points between the 2007 and 2016 parliamentary elections.	↘
 Environmental quality	The share of the population exposed to fine particulate matter (PM _{2.5}) air pollution has been stable in Australia since 2009, after having improved slightly between 2005 and 2009. Satisfaction with local water quality has improved since 2005 by 5.6 percentage points.	↔ ↗
 Personal security	The number of deaths due to assault was stably low in Australia from 2006 to 2014. The proportion of people who report feeling safe when walking alone at night has also remained reasonably stable.	↔ ↔
 Subjective well-being	Life satisfaction in Australia has remained broadly stable and at relatively high levels over the past decade.	↔


Note: For each indicator in every dimension: ↗ refers to an improvement; ↔ indicates little or no change; and ↘ signals deterioration. This is based on a comparison of the starting year (2005 in most cases) and the latest available year (usually 2015 or 2016). The order of the arrows shown in column three corresponds to that of the indicators mentioned in column two.


Australia's resources and risks for future well-being: Illustrative indicators

 Natural capital		
Indicator	Tier	Change
Greenhouse gas emissions from domestic production	3	↗ 2005-2015
CO ₂ emissions from domestic consumption	3	↘ 2001-2011
Exposure to PM _{2.5} air pollution	1	↔ 2005-2013
Forest area	1	↘ 2005-2014
Renewable freshwater resources	1	.. Long-term annual avg
Freshwater abstractions	2	.. 2011
Threatened birds	1	.. Latest available
Threatened mammals	3	.. Latest available
Threatened plants	1	.. Latest available

 Economic capital		
Indicator	Tier	Change
Produced fixed assets	1	↗ 2005-2015
Gross fixed capital formation	3	↘ 2005-2015
Financial net worth of total economy	3	↘ 2005-2015
Intellectual property assets	2	↗ 2005-2015
Investment in R&D	3	↔ 2005-2015
Household debt	3	↘ 2005-2015
Household net wealth	1	↗ 2012-2014
Financial net worth of government	1	↘ 2005-2016
Banking sector leverage	1	↔ 2005-2016

1	Top-performing OECD tier, latest available year
2	Middle-performing OECD tier, latest available year
3	Bottom-performing OECD tier, latest available year

 Human capital		
Indicator	Tier	Change
Young adult educational attainment	2	↗ 2014-2016
Educational expectancy	1	.. 2015
Cognitive skills at age 15	2	.. 2015
Adult skills	2	.. 2011/2012
Long-term unemployment	2	↘ 2005-2016
Life expectancy at birth	1	↗ 2005-2015
Smoking prevalence	1	↗ 2007-2016
Obesity prevalence	3	↘ 2007-2014

 Social capital		
Indicator	Tier	Change
Trust in the national government	2	↘ 2005-2016
Voter turnout	1	↘ 2007-2016
Government stakeholder engagement	1	.. 2014
Volunteering through organisations	1	.. 2011/2012
No data available on trust in others and trust in the police.		

↗	Improving over time
↘	Worsening over time
↔	No change
..	No data available

HOW LARGE ARE WELL-BEING INEQUALITIES IN AUSTRALIA?

What is inequality and how is it measured? Measuring inequality means trying to describe **how unevenly distributed** outcomes are in society. *How's Life? 2017* adopts several different approaches:

- Measures of “**vertical**” inequalities address how unevenly outcomes are spread across all people in society – for example, by looking at the size of the gap between people at the bottom of the distribution and people at the top.
- Measures of “**horizontal**” inequalities focus on the gap between population groups defined by specific characteristics (such as men and women, young and old, people with higher and lower levels of education).
- Measures of “**deprivation**” report the share of people who live below a certain level of well-being (such as those who face income poverty or live in an overcrowded household).

Australia has mixed outcomes when it comes to **vertical inequalities**. For instance, while the country is among the top (i.e. most equal) third of the OECD in terms of household net wealth and life expectancy, it exhibits comparatively large disparities in working hours and the cognitive skills of 15-year-old students.

Compared to the average **gender divide** in OECD countries, Australian **women** are at a larger disadvantage (**relative to men**) on outcomes such as educational attainment, cognitive skills at 15, and feelings of safety. However, men and women are almost equal in terms of time off, and Australian women are less likely than men to work very long hours.

While **young people** in all OECD countries fare worse than **middle-aged adults** on income, wealth, jobs and earnings, they tend to fare better when it comes to work-life balance, and educational attainment.

In these areas, the advantage of Australian young people is more pronounced than that of their peers in other countries: the middle-aged are more than twice as likely to work long hours and 10% less likely to have attained an upper secondary or tertiary education.

Although Australians with a **secondary level of education** tend to have lower well-being than those with **tertiary education**, these education-related gaps are often narrower than in the OECD on average – including for earnings, employment, adult skills, social support and having a say in government. With compulsory voting practised in Australia, people who finished school at secondary level are slightly more likely to vote than those with a tertiary education – in sharp contrast to the pattern in most OECD countries.

Australia experiences low or medium levels of **deprivation** in the majority of well-being outcomes for which information is available, and performs particularly well in environmental quality indicators. Exceptions include the incidence of long working hours (which affect 11.4% of the population) and not feeling safe at night (31%), which have higher levels than in two-thirds of OECD countries

Well-being inequalities in Australia

	Vertical inequality	Horizontal inequality by			Deprivation
		Gender	Age	Education	
		Women relative to men	Young relative to middle-aged	Secondary relative to tertiary	
Household income	●		●		●
Household net wealth	●		●	●	●
Earnings	●	●	●	●	
Low pay		●			●
Employment		●	●	●	
Unemployment		●	●	●	●
Housing affordability					●
Rooms per person					○
Life expectancy	●				
Perceived health		○	○	○	○
Working hours	●	●	●	●	●
Time off		●	●		
Educational attainment		●	●		●
Cognitive skills at 15	●	●		●	●
Adult skills	●	●	●	●	●
Time spent socialising		●	○		
Social support		●	●	●	●
Voter turnout		●	●	●	●
Having a say in government	●	●	●	●	●
Air quality					●
Water quality		●	●	●	●
Homicides		●			●
Feeling safe at night		●	●	●	●
Life satisfaction	○	○	○	○	●
Negative affect balance					●

Legend:

- top third of OECD countries
- middle third of OECD countries
- bottom third of OECD countries
- data gaps
- no measures

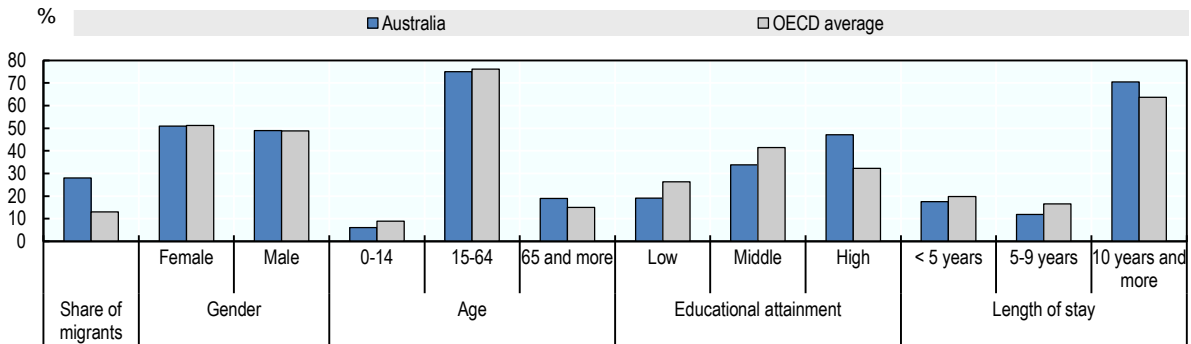
HOW'S LIFE FOR MIGRANTS IN AUSTRALIA?

Migrants (defined as people living in a different country from the one in which they were born) represent an important share of the population in most OECD countries. Capturing information about their well-being is critical for gaining a fuller picture of how life is going, and whether it is going equally well for all members of society.

Who are the migrants in Australia and OECD?

More than one in four people living in Australia were born elsewhere (28%), more than double the OECD average (13%), and 51% of them are women (the same as the OECD average). Migrants in Australia are about as likely to be of working age as in the OECD on average (75% of them are aged 15 to 64, as compared to 76% across the OECD). Moreover, migrants in Australia are more likely to have a high educational attainment than a low or a middle level. 70% of migrants arrived in Australia ten years ago or more.

Share of migrants in the total population and selected characteristics

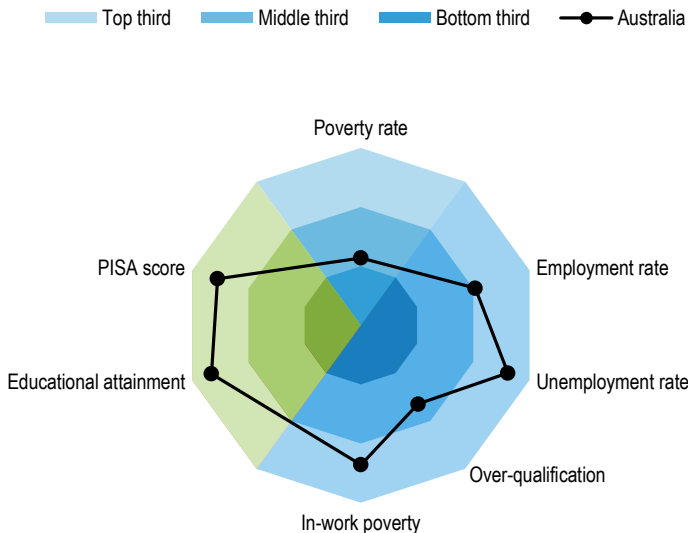


How is migrants' well-being in Australia?

Compared with the migrant populations of other OECD countries, migrants living in Australia have a relatively good situation regarding PISA performance, educational attainment, unemployment, employment and in-work poverty. They rank in the middle third of OECD-country migrants for poverty and over-qualification.

In contrast with many other OECD countries where migrants usually experience lower well-being outcomes than the native-born, migrants in Australia are more likely to have similar well-being outcomes to the native-born population: in Australia, this is the case for four out of five selected well-being indicators. However, migrants in Australia are less likely than native-born to report having someone to count on for help.

Comparing well-being outcomes for migrants in Australia with the migrant populations of other OECD countries



Comparison of migrants' and native-born well-being in Australia

	Migrants have a worse situation	Same situation	Migrants have a better situation
PISA score		▲	
Perceived health		▲	
Social support	▲		
Perceived safety		▲	
Life satisfaction		▲	

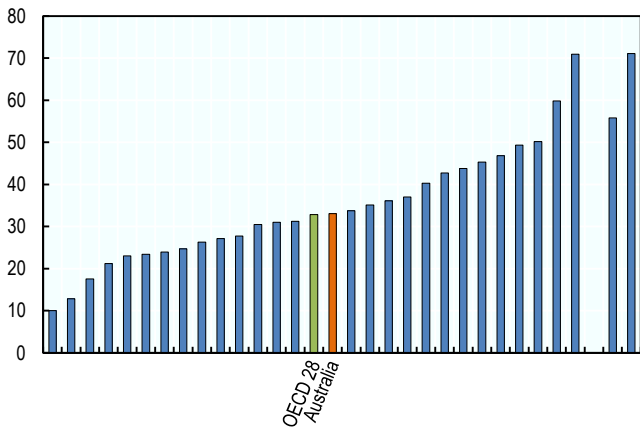
GOVERNANCE AND WELL-BEING IN AUSTRALIA

Public institutions play an important role in well-being, both by guaranteeing that people’s fundamental rights are protected, and by ensuring the provision of goods and services necessary for people to thrive and prosper. How people experience and engage with public institutions also matters: people’s political voice, agency and representation are outcomes of value in their own right.

In line with the OECD average, 33% of people in Australia feel that they have a say in what their government does. Although Australia is one of few OECD countries to enforce compulsory voting, turnout has fallen slightly in recent years, from 95% in 2007 to 91% in 2016. When asked about whether or not corruption is widespread across government, 34% of Australians answered "yes", significantly less than the OECD average of 56%. Since around 2006, the share of people in the OECD who report that they have confidence in their national government has fallen from 42% to 38%.

Having a say on what the government does

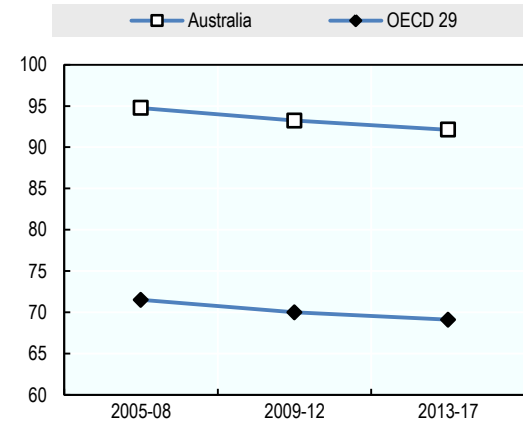
Percentage of people aged 16-65 who feel they have a say in what the government does, around 2012



Source: OECD Survey of Adult Skills (PIAAC database)

Voter turnout

Percentage of votes cast among the population registered to vote

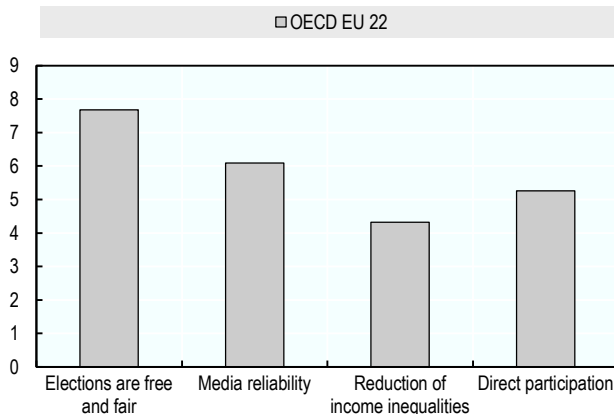


Note: Data refers to parliamentary elections. If more than one election took place over the time period indicated, the simple average voter turnout from all elections is shown. The OECD average sums elections that occurred over the time periods shown in 29 OECD countries.
Source: IDEA dataset

In the 22 European OECD countries where it can be assessed, satisfaction with democracy varies, depending on which aspect is considered. While Europeans tend to be reasonably satisfied with the way elections are held (7.7 on a 0-10 scale), they are relatively less satisfied with policies to reduce inequalities (4.3) or the existence of direct participation mechanisms at the local level (5.3). Europeans’ satisfaction with public services varies according to whether people have used those services in the last year. For example, satisfaction with education is higher among those with direct recent experience (6.6 vs 6.2 on average), and this is also true of the health system (6.4 vs 6.2 on average). These data relate to 19 European countries only, and unfortunately no comparable data are available for Australia.

OECD EU average satisfaction with different elements of democracy

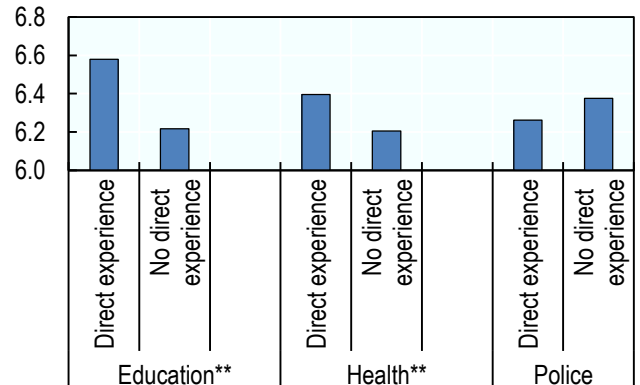
Mean score on a 0-10 scale, with higher scores indicating higher satisfaction with elements of democracy, 2012



Source: OECD calculations based on wave 6 of the European Social Survey (ESS), special rotating module on citizens’ valuations of different elements of democracy.

OECD EU average satisfaction with public services

Mean score on a 0-10 scale, with higher scores indicating higher satisfaction with elements of democracy, 2013



Note: ** Difference is statistically significant at 95%
Source: OECD calculations based on the EU Quality of Government (QoG) for 19 European OECD countries.

BETTER LIFE INDEX

The **Better Life Index** is an interactive web application that allows users to compare well-being across OECD countries and beyond on the basis of the set of well-being indicators used in *How's Life?*. Users chose what weight to give to each of the eleven dimensions shown below and then see how countries perform, based on their own personal priorities in life.

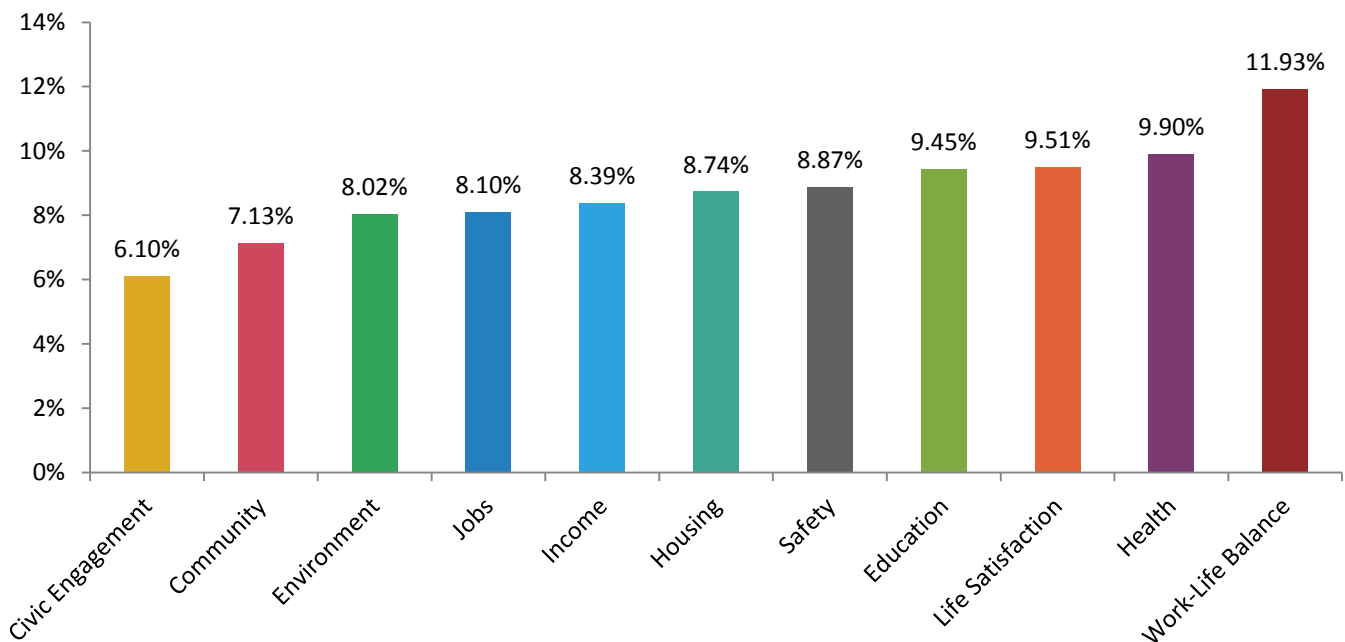


Users can also share their index with other people in their networks, as well as with the OECD. This allows the OECD to gather valuable information on the importance that users attach to various life dimensions, and how these preferences differ across countries and population groups.

WHAT MATTERS MOST TO PEOPLE IN AUSTRALIA?

Since its launch in May 2011, the Better Life Index has attracted **over ten million visits from just about every country on the planet** and has received over **22 million page views**. To date, over 480,000 people in Australia have visited the website making Australia the 6th country overall in traffic to the website. The top cities are Sydney (29% of visits), Melbourne, Brisbane, Perth, Adelaide and Canberra.

The following country findings reflect the ratings voluntarily shared with the OECD by 9 700 website visitors in Australia. Findings are indicative and are not representative of the population at large. **For Australian users of the Better Life Index, work-life balance, health and life satisfaction are the three most important aspects of their life** (shown below).¹ Up-to-date information, including a breakdown of participants in each country by gender and age can be found here: www.oecdbetterlifeindex.org/responses/#AUS.



¹ User information for Australia is based on shared indexes submitted between May 2011 and September 2017.

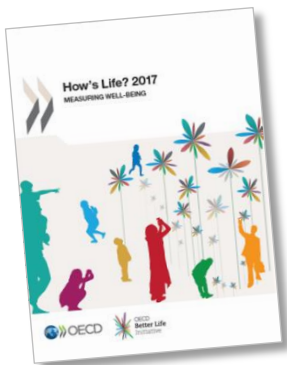
The **OECD Better Life Initiative**, launched in 2011, focuses on the aspects of life that matter the most to people and that shape the quality of their lives. The Initiative comprises a set of regularly updated well-being indicators and an in-depth analysis of specific topics, published in the *How's Life?* report. It also includes an interactive web application, the *Better Life Index*, and a number of *methodological and research projects* to improve the information base available to understand well-being levels, trends and their drivers.

The OECD Better Life Initiative:

- Helps to inform policy making to improve quality of life.
- Connects policies to people's lives.
- Generates support for needed policy measures.
- Improves civic engagement by encouraging the public to create their own *Better Life Index* and share their preferences about what matters most for well-being
- Empowers the public by improving their understanding of policy-making.

This note presents **selected findings for Australia from the *How's Life? 2017* report** (pages 1-6) and shows what **Australian users of the Better Life Index** are telling us about their **well-being priorities** (page 7).

HOW'S LIFE?



How's Life?, published every two years, provides a comprehensive picture of well-being in OECD and selected partner countries by bringing together an internationally comparable set of well-being indicators. It considers eleven dimensions of current well-being including: income and wealth; jobs and earnings; housing; health status; work-life balance; education and skills; social connections; civic engagement and governance; environmental quality; personal security; and subjective well-being. It also looks at four types of resources that help to sustain well-being over time: natural, human, economic and social capital.

The *How's Life? 2017* report presents the latest data on well-being in OECD and partner countries, including how lives have changed since 2005. It includes a special focus on inequalities, the well-being of migrants in OECD countries, and the issue of governance – particularly how people experience and engage with public institutions. To read more, visit: www.oecd.org/howslife.

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