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News release

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ABS: Is Life Getting Better?

Measuring Australia's Progress, published today by the ABS, is an ambitious and important study, and the Bureau is to be congratulated for drawing a clear distinction between national progress and growth of GDP, according to the Executive Director of The Australia Institute, Dr Clive Hamilton.

“The ABS has set out to answer a fundamental but rarely asked question: Is life in Australia getting better? The answer it gives is an uncomfortable one for those obsessed with GDP growth”, said Dr Hamilton.

“We are told every day by our political leaders and commentators that more economic growth will make us better off. But despite a decade of growth, surveys show that most Australians do not believe we are better off as a nation.

“The indicators developed by the ABS suggest that the costs of the growth process have begun to outweigh the benefits.

“If you ask people whether they believe they are happier than their parents or grandparents were in the 50s or 60s, most people say ‘no’. Yet in real terms we are three times richer today.

“The economists who originally developed the system of national accounts made it quite clear that they should never be used to measure the progress of a nation. Yet that is exactly what is now done.

“If we measure national progress by growth of GDP then the boom in gambling can only be a good thing. We should also welcome rising crime, family breakdown which requires families to buy two houses, and environmental disasters that have big cleanup bills”, said Dr Hamilton.

“For too long, economic, social and environmental policies in Australia have been distorted by growth fetishism. As Bobby Kennedy said, growth of GDP measures everything except that which makes life worthwhile.

“If we take the results of the ABS’s work seriously then we need a radical reorientation of our priorities as a nation”, he said.

The Australia Institute has developed the Genuine Progress Indicator, a single indicator alternative to GDP as a measure of national progress (www.gponline.net).