Introduction

Australia is made up of diverse regions, from busy interconnected urban areas to isolated remote communities. While the majority of Australians live in cities, a significant proportion of our population is also spread across large and often remote areas.

Spatial characteristics and settlement patterns across regions influence the structure of our economy, our need for transport infrastructure, and the way in which government provides services. These factors have important implications for policy development, as spatial differences may influence policy outcomes between locations. An understanding of settlement patterns is also crucial for effective targeting of infrastructure investment.

This Yearbook brings together information about Australia's regions from a range of different sources and presents that data in a consistent format over time. The Yearbook provides a statistical resource that can help answer the question of how our regions are progressing against economic, social, environmental and governance indicators enabling governments, private investors and the community to identify trends that are important for policy development and investment decisions.

The Framework

The information in this Yearbook builds on the Measures of Australia's Progress publication from the Australian Bureau of Statistics (ABS). The Measures of Australia's Progress framework has been extended to include a number of contextual indicators that provide a broader perspective to inform our understanding of progress in Australia's regions.

Progress Indicators

Most of the indicators in this Yearbook are based on the concept of societal progress. Progress is about improvements in the well-being of people and households over time. This requires looking beyond the economic system in a region to also include the wider range of experiences and living conditions of people in those regions.[1]

Internationally, there has been an increasing interest in measuring well-being and progress of societies. Projects like the Commission on the measurement of economic performance and social progress[2] and the Organisation for Economic Cooperation and Development (OECD) Global Project on Measuring the Progress of Societies have highlighted the importance of broader measures of economic, environmental, and social sustainability. Multilateral agencies have developed methods for comparing the progress of different nations, including the UN Human Development Index[3] and the OECD Better Life Index.[4]

1 OECD, Measuring Well-being and Progress: Understanding the issue, 2013
2 Stiglitz, Sen, and Fitoussi, Report of the commission on the measurement of economic performance and social progress, 2009
3 UNDP, Human Development Report 2014, Sustaining Human Progress: Reducing Vulnerabilities and Building Resilience, 2014
4 OECD, Better Life Index, 2014

The Australian Bureau of Statistics has measured progress at the national scale in the publication *Measures of Australia's Progress* (MAP).[5] The themes measured by MAP were selected through extensive national consultation to identify what Australians considered most important to them for national progress. In the Yearbook the MAP themes are examined at a regional scale uncovering the variation in rates of progress below the nation level.

When measuring progress at a regional level, this Yearbook seeks to answer the question of:

"Is life in your region getting better?"

Rather than make comparisons between regions, the information on progress in this Yearbook should be used to look at how individual regions are doing over time, and if these changes are in-line with the broader national trend.

The concept of progress is multidimensional and a range of indicators have been selected to show whether progress is being made across four domains. The progress section of the Yearbook has been divided into four sections, each focusing on one of the four domains of progress:

- Part P.1, for Society;
- Part P.2, for Economy;
- Part P.3, for Environment; and
- Part P.4, for Governance.

Each domain consists of a set of themes, reflecting the aspirations Australians have for their nation. Each theme is represented by one or more ***progress indicators***, which are summary statistics that signal whether that aspect of life is moving in a 'good' direction (progress) or a 'bad' direction (regress).

Some themes from MAP do not have an indicator available that provide the required level of geographic detail. These themes represent gaps in the regional evidence base and future versions of the Yearbook will seek to fill these gaps (see For Further Development below).

Many of the progress indicators in this yearbook have been adapted directly from MAP. In some cases, the indicators are based on the same concepts as those in MAP, however use different data sources that provide information at a wider range of geographic scales when compared with the data source used in MAP to track national progress.

Contextual Indicators

The Yearbook aims to provide a general overview of the way in which cities and regions are progressing over time. While the main focus is on progress, these indicators have been supplemented with ***contextual indicators*** that provide context to the changes in a region.

The contextual indicators section of the Yearbook has been divided into three sections, each focusing on one of three contextual domains:

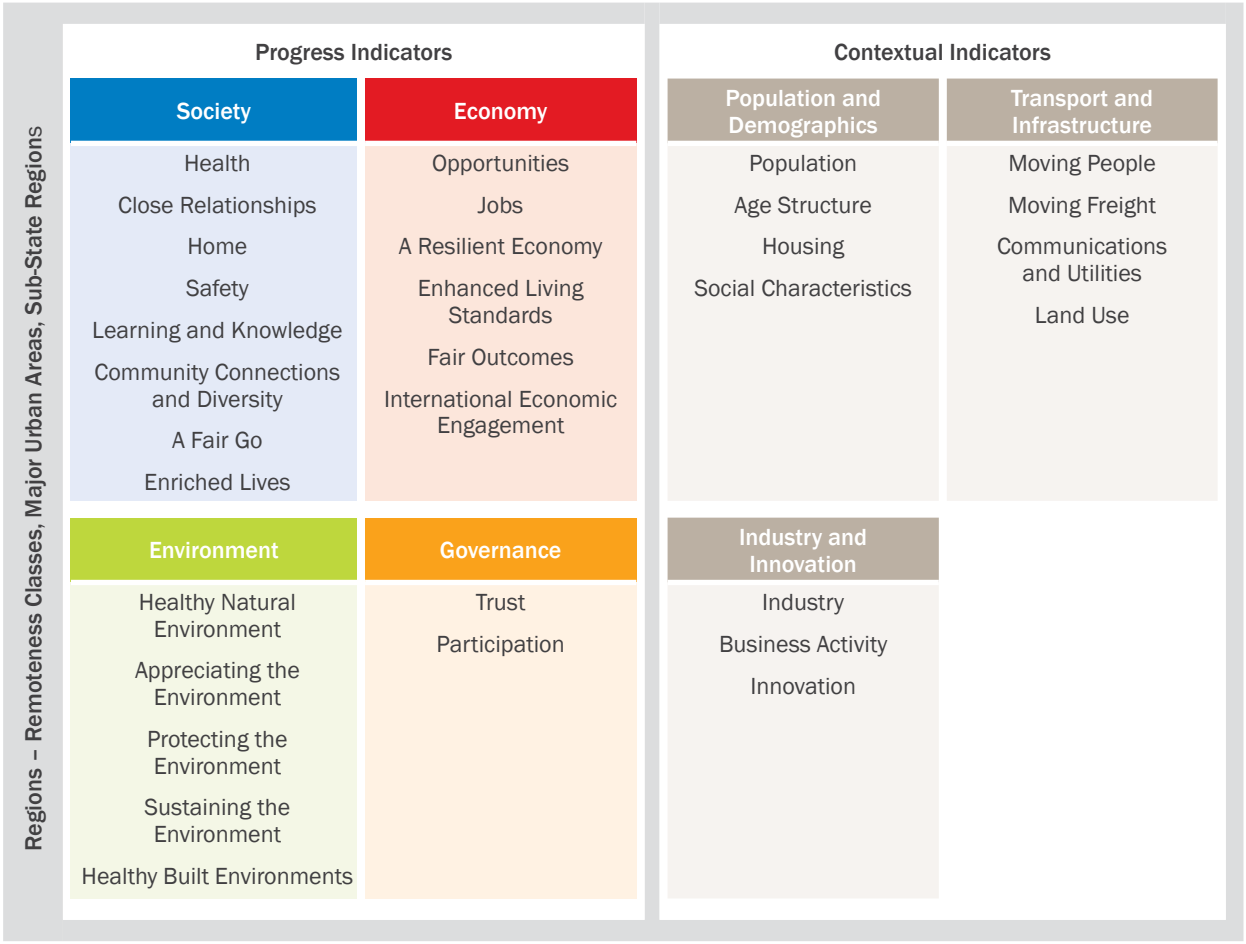
- Part C.1, Population and Demographics;
- Part C.2, Transport and Infrastructure; and
- Part C.3, Industry and Innovation.

Like the progress indicators, each domain consists of a set of themes that are represented by one or more statistical indicators.

The Department of Infrastructure and Regional Development develops and publishes statistical information about transport and infrastructure across Australia. This Yearbook draws upon information from the Bureau of Infrastructure, Transport and Regional Economics (BITRE) and other sources to supplement the information on national progress, as well as highlight the important contribution that infrastructure and transport investment makes in facilitating growth in the regions of Australia.

[5] ABS, Measures of Australia's Progress, 2013 (cat. no. 1370.0)

Figure 1 Indicator Framework



Box 1 Some key terms

Statistical indicators are measures that provide users with a summary of the state of play with respect to a topic. For example, median income is a statistical indicator that provides an easily interpreted summary measure of the distribution of income in a region. This would otherwise be a detailed set of data items relating to the number of people in different income groups.

Progress indicators are a particular type of statistical indicator. Progress indicators are chosen on the basis that most people would agree that an increase (or decrease) in the indicator can be unambiguously associated with either progress or regress. For example, life expectancy is a commonly used indicator of progress in the theme of health. An increase in life expectancy is directly related to progress in the health condition of people living in the region.

In comparison, population growth does not qualify as a progress indicator, as there is considerable disagreement as to whether population growth in a region represents progress.

Geographic and Regional Variation

A statistical geography is a system for organising data according to location. Statistical geographies divide a large geographic area (such as a country) into smaller geographic areas. The smaller areas can then be grouped together in different combinations to represent regions of interest.

The indicators in this Yearbook are viewed through a geographic lens providing the ability to track the progress of regions at several scales. The Yearbook uses the geographic classification in the ABS Australian Statistical Geography Standard (ASGS) 2011 to define the boundaries of the statistical regions presented.

Where available, each indicator has been compiled at the following geographic scales:

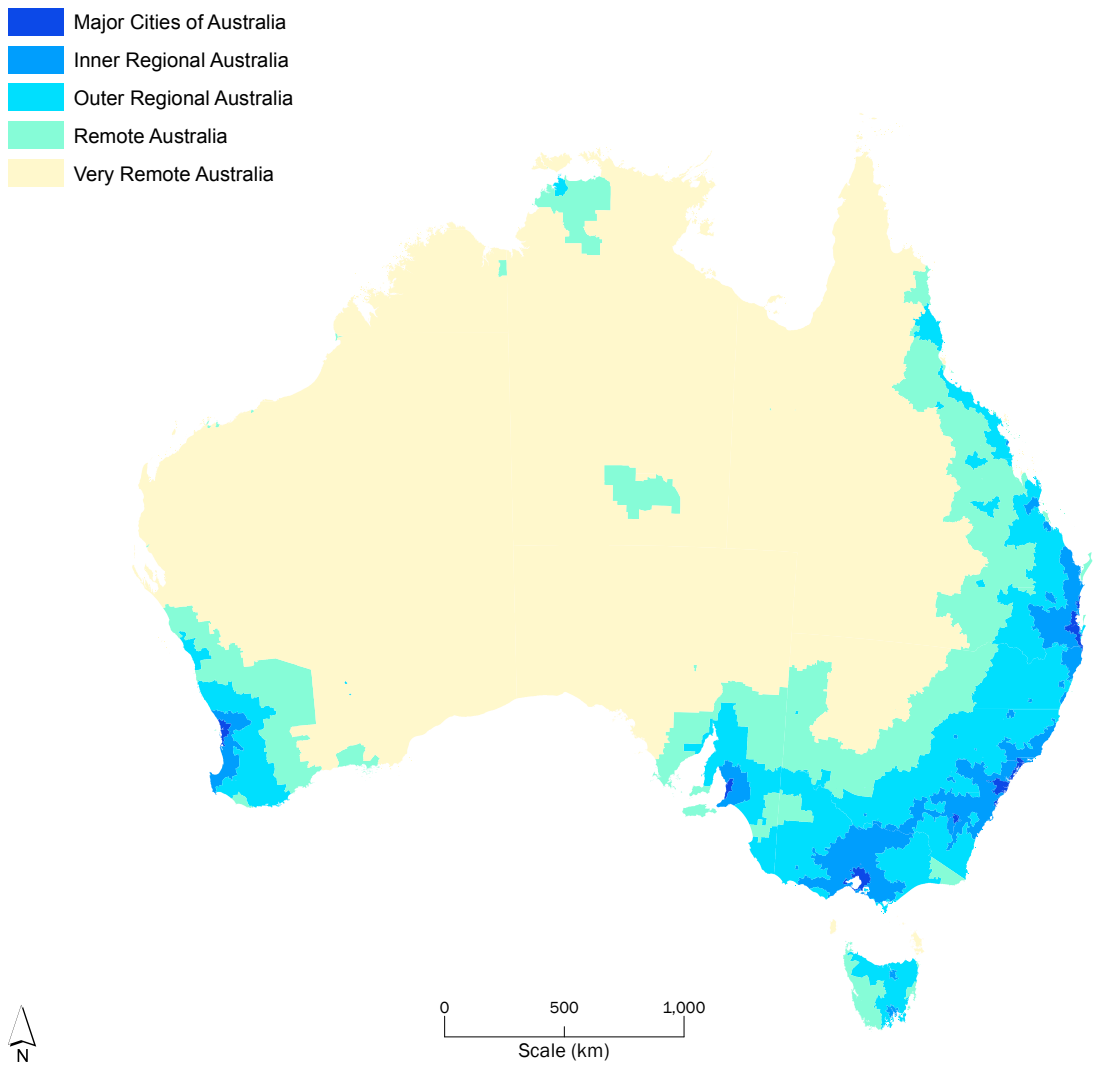
- Remoteness Classes;
- Major Urban Areas;
- Capital City and Balance of State; and
- Sub-state regions.

Remoteness Classes

Australia has been divided into five Remoteness classes defined in the Australian Statistical Geography Standard (ASGS), which reflect differences in access-to-services due to the physical connections between locations. Remoteness classes provide a summary geographic classification to compare how outcomes vary between large regions that share common characteristics of remoteness. These Remoteness classes are:

- Major Cities of Australia;
- Inner Regional Australia;
- Outer Regional Australia;
- Remote Australia; and
- Very Remote Australia.

Figure 2 Remoteness Classes, ASGS 2011



Major Urban Areas

The major urban areas of Australia have been identified as the large urban cores and surrounding built-up urban areas with a population of more than 85,000 residents. Throughout the Yearbook the major urban areas are presented in order of population, with the most populated areas at the top of the tables to the least populated areas at the bottom. In total, 20 of Australia's largest cities have been included in the Yearbook.

For the seven capital cities (excluding Canberra), the ABS defined Greater Capital City Statistical Areas (GCCSAs) have been used to represent the major urban area. These regions represent the functional socio-economic extent of each of the State and Territory capitals. The boundaries cover people who regularly socialise, shop or work within each city, including those that live in small towns and rural areas surrounding the city.

The remaining 13 major urban areas are based on the ABS defined Significant Urban Areas (SUAs). These regions are concentrations of urban development with a population of 10,000 people or greater, which include a dense urban core and some surrounding hinterland. Unlike GCCSAs, SUAs do not always represent the functional labour market zone of a major city, as many people who live outside the urban area may still travel to work inside the urban area.

Canberra has been defined by the SUA of Canberra - Queanbeyan, which crosses the NSW and ACT border which includes a wider urban extent than the GCCSA of the ACT. While Canberra is still a capital city, the SUA used to define the major urban area of Canberra - Queanbeyan is a better approximation of the wider urban core because

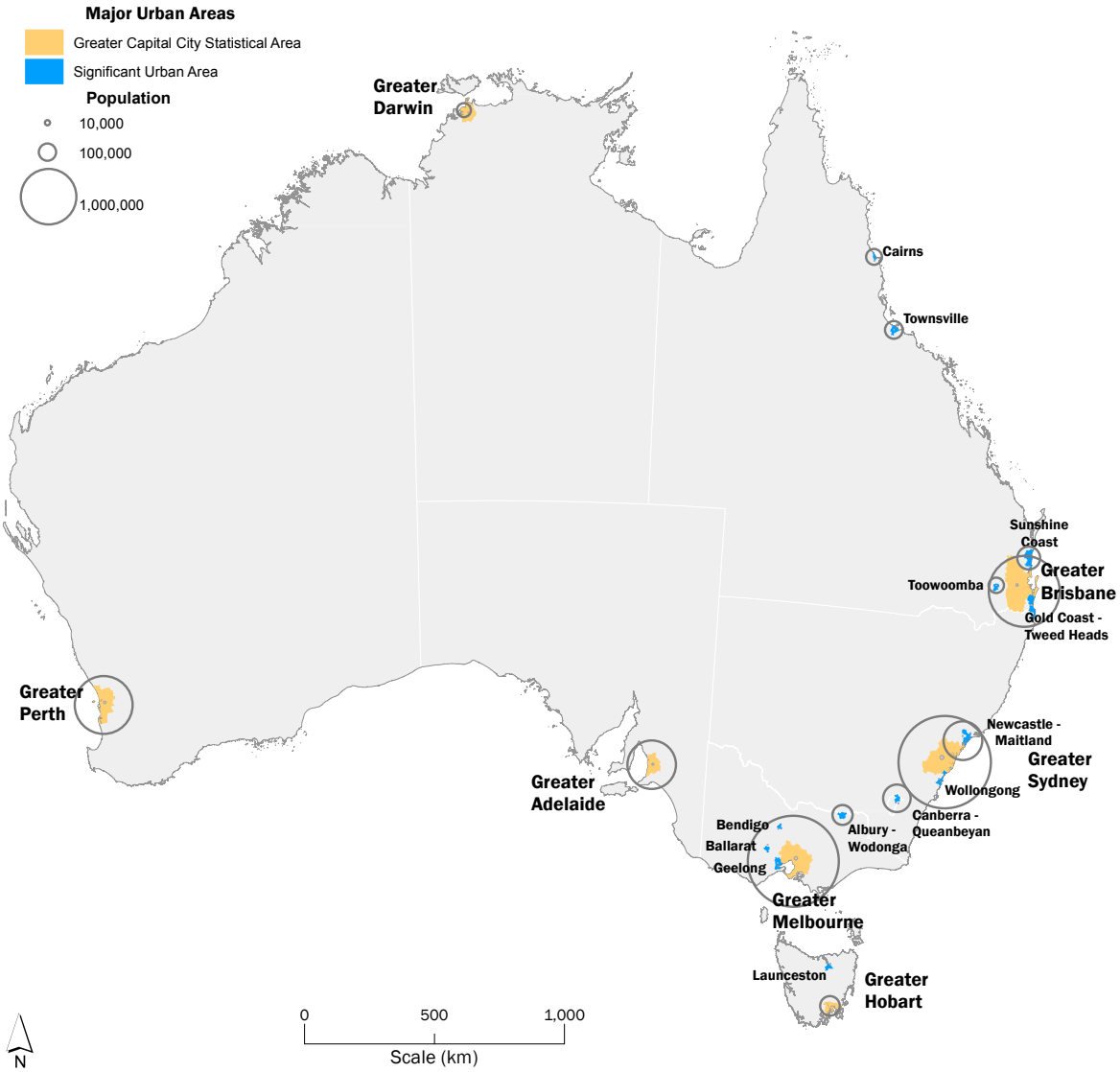
of the unbroken tract of urban land that crosses the state border. Similarly, the SUA of Albury - Wodonga crosses the NSW and Victoria border to account for the integrated nature of the urban extent across the Murray River.

In some cases the names of major urban areas are the same as the names for the larger sub-state regions in which they are located (see Sub-State Regions below). For example the major urban area of Cairns is located within the sub-state region of the same name. In these cases the major urban area is always smaller than the wider sub-state region, which often includes a significant amount of the surrounding hinterland.

Figure 3 Statistical geographic areas used to define Australia's major urban areas

Greater Capital Cities Areas (GCCSAs)	*Significant Urban Areas (SUAs)*	
Greater Sydney	Gold Coast - Tweed Heads	Cairns
Greater Melbourne	Newcastle - Maitland	Toowoomba
Greater Brisbane	Canberra - Queanbeyan	Ballarat
Greater Perth	Sunshine Coast	Bendigo
Greater Adelaide	Wollongong	Albury - Wodonga
Greater Hobart	Geelong	Launceston
Greater Darwin	Townsville	

Figure 4 Major Urban Areas – Greater Capital City Statistical Areas and Significant Urban Areas



Capital City and Balance of State

For some of the indicators, data for Remoteness Classes or Major Urban Areas is unavailable. In these cases the indicator is presented for the Capital City and Balance of the State. Each state is divided into the region which represents the socio-economic extent of each of the eight State and Territory capital cities and the regions that represent the remaining area of the State or Territory. These capital cities are the same geographic regions defined in the Major Urban Areas (with the exception of Canberra - Queanbeyan).

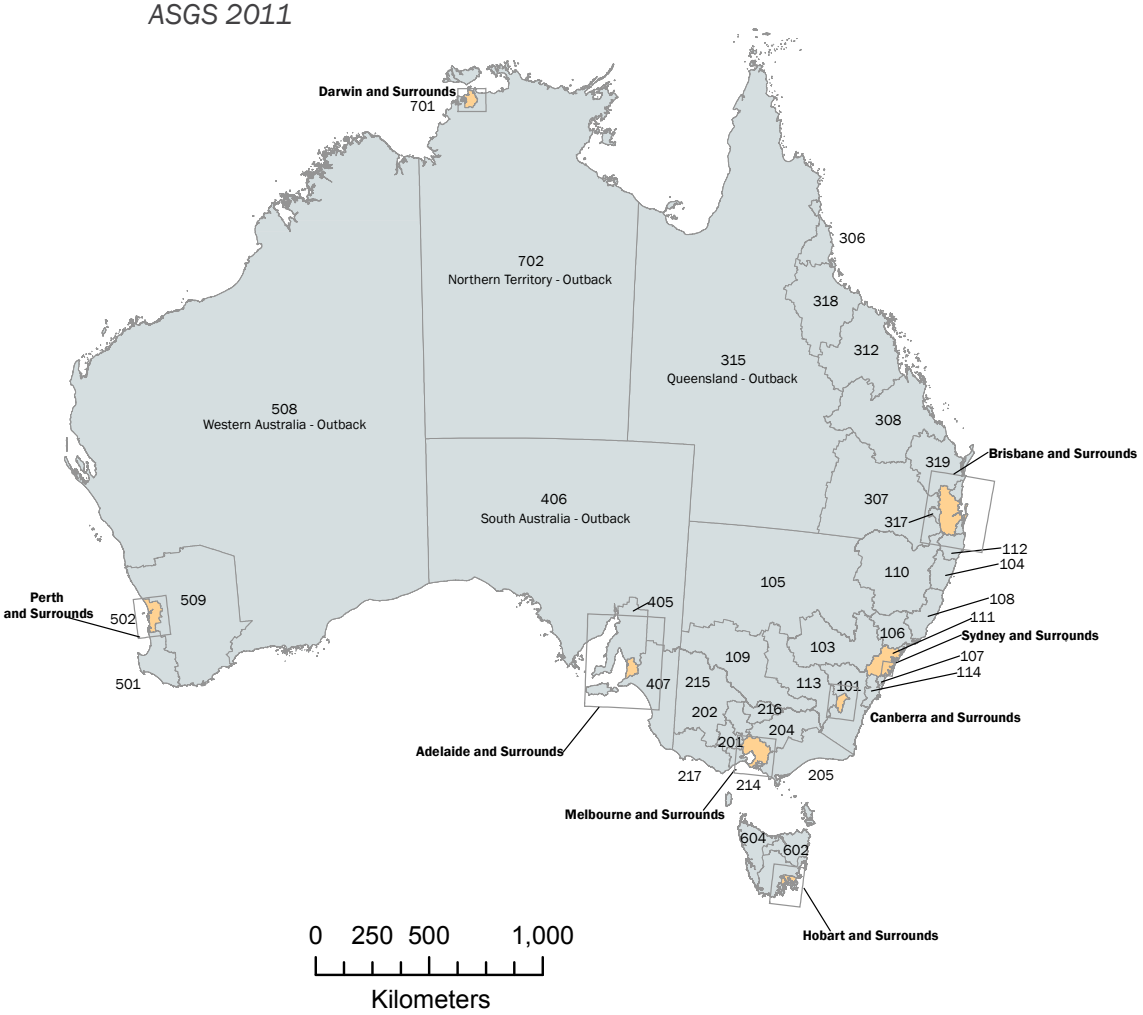
Sub-State Regions

The sub-state regions in the yearbook are geographic areas that represent functional economic zones within the States and Territories. Statistical Areas Level 4 (SA4s), are informed by labour market catchment areas, the population of the region, State and Territory boundaries and sample design of the ABS Labour Force Survey.

These regions have a minimum size of 100,000 people, with some exceptions for sparsely populated remote areas. In regional areas, SA4s tend to have populations closer to the minimum (100,000–300,000). In metropolitan areas, the SA4s tend to have larger populations (300,000–500,000).

The sub-state regions aggregate to the capital cities and the balance of the states, for example, the GCCSA of Greater Sydney is made up of 15 SA4s and the remaining 13 SA4s in New South Wales make up the balance of the State. The GCCSAs represent the socio-economic extent of each of the eight State and Territory capital cities.

Figure 5 Sub-State Regions – Greater Capital City Statistical Areas and Statistical Areas Level 4, ASGS 2011



New South Wales

Greater Sydney

102	Central Coast
115	Sydney - Baulkham Hills and Hawkesbury
116	Sydney - Blacktown
117	Sydney - City and Inner South
118	Sydney - Eastern Suburbs
119	Sydney - Inner South West
120	Sydney - Inner West
121	Sydney - North Sydney and Hornsby
122	Sydney - Northern Beaches
123	Sydney - Outer South West
124	Sydney - Outer West and Blue Mountains
125	Sydney - Parramatta
126	Sydney - Ryde
127	Sydney - South West
128	Sydney - Sutherland

Rest of New South Wales

101	Capital Region
103	Central West
104	Coffs Harbour - Grafton
105	Far West and Orana
106	Hunter Valley exc Newcastle
107	Illawarra
108	Mid North Coast
109	Murray
110	New England and North West
111	Newcastle and Lake Macquarie
112	Richmond - Tweed
113	Riverina
114	Southern Highlands and Shoalhaven

Victoria

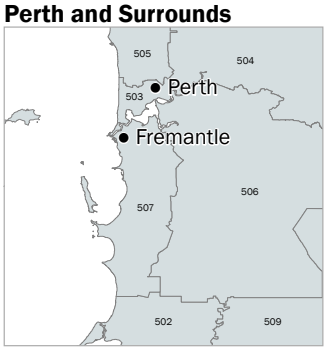
Greater Melbourne

206	Melbourne - Inner
207	Melbourne - Inner East
208	Melbourne - Inner South
209	Melbourne - North East
210	Melbourne - North West
211	Melbourne - Outer East
212	Melbourne - South East
213	Melbourne - West
214	Mornington Peninsula

Rest of Victoria

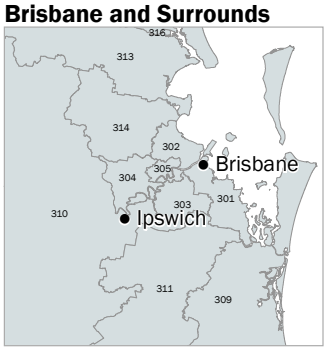
201	Ballarat
202	Bendigo
203	Geelong
204	Hume
205	Latrobe - Gippsland
215	North West
216	Shepparton
217	Warrnambool and South West

Perth and Surrounds



Darwin and Surrounds

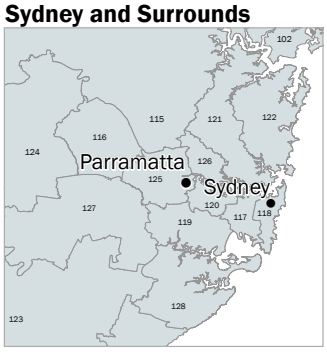
Brisbane and Surrounds



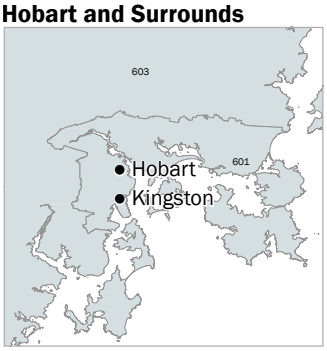
Adelaide and Surrounds

Melbourne and Surrounds

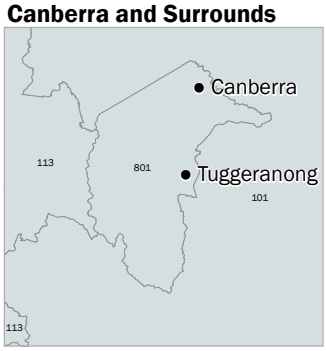
Sydney and Surrounds



Hobart and Surrounds



Canberra and Surrounds



Queensland

Greater Brisbane

301	Brisbane - East
302	Brisbane - North
303	Brisbane - South
304	Brisbane - West
305	Brisbane Inner City
310	Ipswich
311	Logan - Beaudesert
313	Moreton Bay - North
314	Moreton Bay - South

Rest of Queensland

306	Cairns
307	Darling Downs - Maranoa
308	Fitzroy
309	Gold Coast
312	Mackay
315	Queensland - Outback
316	Sunshine Coast
317	Toowoomba
318	Townsville
319	Wide Bay

South Australia

Greater Adelaide

401	Adelaide - Central and Hills
402	Adelaide - North
403	Adelaide - South
404	Adelaide - West

Rest of South Australia

405	Barossa - Yorke - Mid North
406	South Australia - Outback
407	South Australia - South East

Western Australia

Greater Perth

502	Mandurah
503	Perth - Inner
504	Perth - North East
505	Perth - North West
506	Perth - South East
507	Perth - South West

Rest of Western Australia

501	Bunbury
508	Western Australia - Outback
509	Western Australia - Wheat Belt

Tasmania

601	Greater Hobart

Rest of Tasmania

602	Launceston and North East
603	South East
604	West and North West

Northern Territory

701	Greater Darwin
702	Northern Territory - Outback

Australian Capital Territory

801	Australian Capital Territory

Reading the Tables

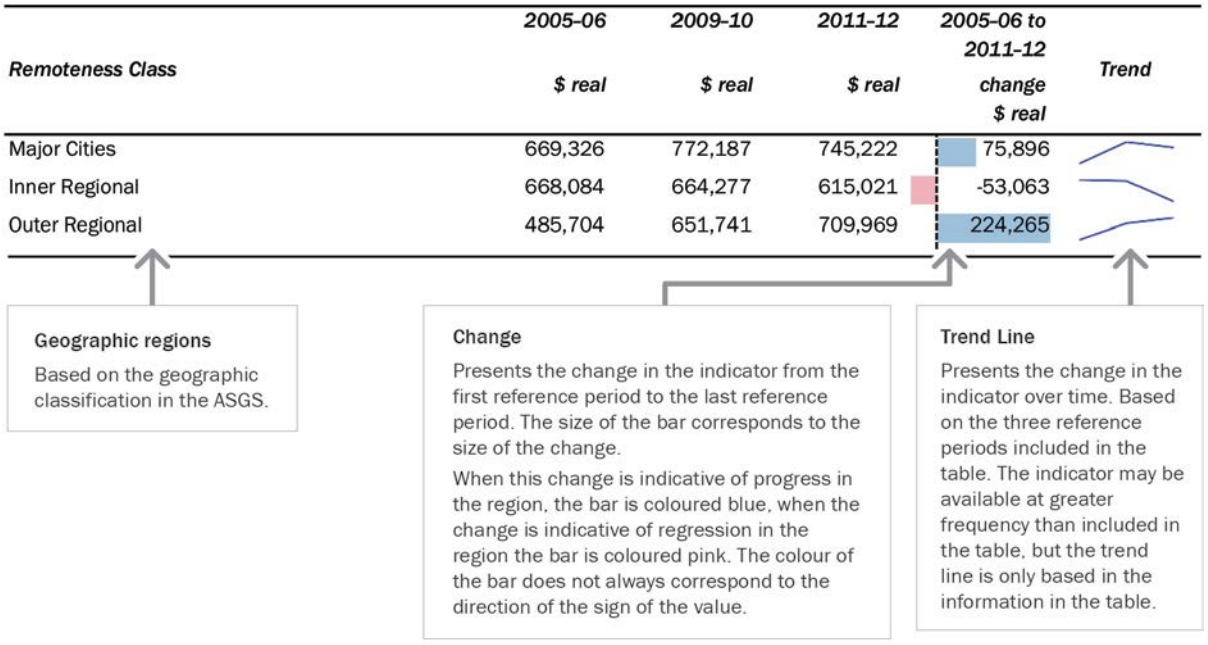
This Yearbook presents data on the changes to indicators for regions across time. These tables include both the values for the indicators as well as a visual representation of the change in the indicator and the trend over time.

Trend lines are used to provide a visual representation of progress over time for a specific region, rather than compare the rate of change between regions. It is important to note that the trend lines do not use a consistent scale, either within an individual table, or across different tables.

The change bars represent the change in the indicator from the first reference period to the last reference period. The size of the bar corresponds to the size of the change. The change bars use a consistent scale within a single table, however, the scales may vary between tables, including using a separate scale for a single indicator across the different geographic levels.

When this change is indicative of progress in the region, the bar is coloured blue, when the change is indicative of regression in the region the bar is coloured pink. The colour of the bar does not always correspond to the direction of the sign of the value. For the contextual indicators, the change bars are coloured grey irrespective of the direction of the change because these changes are not related to the concept of progress or regress.

Figure 6 Example table with guidance for interpretation



Data Quality and Availability

Data Quality

The indicators that have been selected for inclusion in this Yearbook have met criteria that set a benchmark for the statistical quality of the data. These criteria are:

- Regional availability – indicators should be available for at least one, but preferably two or more, geographic scales.
- Time series – progress indicators should be available as a consistent time-series, with data frequency that supports assessment of medium-term trends. There should be firm plans for the data to be collected again in the short or medium term.
- Authoritative – indicators should be collected by an official or government organisation, or a private organisation with a recognised history of high quality data provision.
- Nationally consistent – indicators should be available on a nationally consistent basis. In cases where the data is collected by individual jurisdictions, it should use a consistent set of concepts and methods across regions.

Data Gaps

When developing the MAP publication, the ABS identified several progress themes that did not have any current data sources to support the measurement of progress at a national level. These themes are not represented in this Yearbook and represent current gaps in our ability to measure progress on key elements of societal progress.

Regional Data

Developing this publication has highlighted the availability limitations for regional data. Some indicators included in this publication are only available at a limited number of geographic scales, are available on geographic scales that do not allow for easy comparisons to other indicators, or must be built from alternative data sources.

Some indicators which have high quality and timely data sources at the national level cannot be disaggregated to smaller geographic regions and therefore proxy indicators have been used. These indicators may not exactly match those presented in the ABS publication MAP, but broadly capture the same concepts of progress. Care should be taken when comparing the national data included in this Yearbook with the data presented in MAP.

In other cases, there is extensive information published at the national and state level by Government Departments and Agencies. Some examples of other data sources that can be used to inform regional policy include:

- Report on Government Services from the Productivity Commission (http://www.pc.gov.au/gsp/rogs);
- Australian National Accounts series of publications from the ABS (http://www.abs.gov.au), particularly:
  - Australian National Accounts: National Income, Expenditure and Product (cat. no. 5206.0);
  - Estimates of Industry Multifactor Productivity (cat. no. 5260.0.55.002);
  - Australian National Accounts: State Accounts (cat. no. 5220.0);
- State of the Environment reporting from the Department of the Environment (http://www.environment.gov.au/science/soe/2011);
- Local Government National Reports from the Department of Infrastructure and Regional Development (http://www.regional.gov.au/local/publications/reports/index.aspx); and
- Infrastructure Statistics Yearbook from the Bureau of Infrastructure, Transport and Regional Economics (http://www.bitre.gov.au/publications/2013/yearbook_2013.aspx).

For Further Development

The set of indicators included in the Yearbook will evolve over time as new regional data becomes available and in response to user feedback.

The existing set of indicators has some important gaps. Data to be released in the next few years may help fill some of those gaps. Some examples are provided below:

- The ABS National Road Freight Survey is currently in the field. This survey will provide new information on the volume of freight to and from regions, and could serve as the basis for an improved contextual indicator of freight flows to be included in the 2016 Yearbook.
- The Australian Financial Security Authority has recently commenced regular release of personal insolvency data for sub-state regions. Once a sufficient time-series becomes available, this indicator will be considered for potential inclusion as an additional progress indicator of 'a resilient economy' (and more specifically, of prudent financial management).
- The life expectancy gap between Indigenous and non-Indigenous Australians[6] has been identified as a potential future progress indicator. Remoteness class data is currently only available for a single time point, but when an additional time point is released (in several years) the indicator will be considered for inclusion as an additional indicator of societal progress.

A fundamental information gap affecting this Yearbook is the lack of quality data on business activity, economic activity and productivity at the sub-state region and city scales. Recently, the Toward Better Business Futures project run by the Australian Business Register (ABR) has focused on improving firm level information on individual businesses, including location information. This improved information on business locations, together with the Australian Taxation Office's Business Activity Statement (BAS) dataset, opens up opportunities for addressing this regional information gap. The Department of Infrastructure and Regional Development (Infrastructure) is currently exploring opportunities for the ABS to utilise these datasets to develop new regional indicators of economic activity.

As an addition to the current indicators in the contextual part of the framework, the Department of Infrastructure and Regional Development will be undertaking further research and consultation to identify what service-related indicators are available and most useful and meaningful at the required regional scales. The focus will be on identifying some useful summary indicators of the regional availability of key services for inclusion in future editions of the Yearbook.

[6] ABS, Life Tables for Aboriginal and Torres Strait Islander Australians, 2010–2012, (cat. no. 3302.0.55.003)