



Australia – Still one of the best places in the world to live

Australia ranks number two in the 2011 United Nations' *Human Development Index (HDI)*. The index explores the integral links between environmental sustainability and equity and ranks 187 nations in the areas of incomes, health and education. Australia has held the number two position since 2006. Other countries in the top five are: Norway (1), the Netherlands (3), the USA (4), and New Zealand (5).

Australia Highlights

- With a score of 0.94, the United Nations *Human Development Index* ranks Norway the best place in the world to live, followed by Australia with a score of 0.93. Australia placed well above the regional average of 0.87 for the OECD countries. The scale is 0 to 1, with 1 being the highest possible score.
- Australia also retains its number two position in the inequality-adjusted index which makes adjustments for inequalities in a decent standard of living, a long and healthy life and knowledge. A number of wealthy countries that rank highly in the standard index drop out of the top 20 within the inequality-adjusted index: the US fell from 4 to 23 and South Korea from 15 to 32.
- Adjusted for the real income per capita on purchasing power parity, Australia received the top rating for the United Nation's measure of "non-income human development".
- Australia ranks first in the inequality adjusted education index with an expected average of 18 years of schooling. This compared favourably with 17.3 years for Norwegians; 16.9 for Koreans; 16.1 for the British; 16 years for North Americans; and 15.1 years for the Japanese.
- Australia also scores well in life expectancy with an average of 81.9 years. This is higher than the UK average of 80.2 years, the USA average of 78.5 years, and the world average of 69.8 years.
- Australians are among the most satisfied citizens on earth. When asked to rate their life satisfaction on a scale of 0 to 10, Australians typically give an answer of 7.5. Citizens of Denmark, Canada and Norway are more satisfied, but in the USA, UK, Singapore, Japan and Hong Kong citizens are less satisfied with respective scores of 7.2, 7.0, 6.5, 6.1 and 5.6.

Human Development Index (HDI) 2011 – Top 20 Economies

Rank	Human Development Index (HDI)	Nonincome HDI	Inequality-adjusted HDI	Inequality-adjusted education index	Inequality-adjusted life expectancy index
1	Norway 0.943	Australia 0.979	Norway 0.890	Australia 0.964	Japan 0.965
2	Australia 0.929	New Zealand 0.978	Australia 0.856	Norway 0.964	Hong Kong 0.961
3	Netherlands 0.910	Norway 0.975	Sweden 0.851	Ireland 0.933	Iceland 0.945
4	USA 0.910	Ireland 0.959	Netherlands 0.846	Czech Republic 0.912	Switzerland 0.943
5	New Zealand 0.908	South Korea 0.945	Iceland 0.845	Germany 0.911	Italy 0.938
6	Canada 0.908	Netherlands 0.944	Ireland 0.843	USA 0.905	Sweden 0.937
7	Ireland 0.908	Canada 0.944	Germany 0.842	Slovenia 0.904	Singapore 0.936
8	Liechtenstein 0.905	Iceland 0.943	Denmark 0.842	Canada 0.897	Israel 0.934
9	Germany 0.905	Germany 0.940	Switzerland 0.840	Denmark 0.895	Australia 0.931
10	Sweden 0.904	Japan 0.940	Slovenia 0.837	Netherlands 0.895	France 0.930
11	Switzerland 0.903	Israel 0.939	Finland 0.833	Estonia 0.891	Spain 0.929
12	Japan 0.901	Sweden 0.936	Canada 0.829	Iceland 0.888	Norway 0.928
13	Hong Kong 0.898	Slovenia 0.935	Czech Republic 0.821	Sweden 0.869	Austria 0.920
14	Iceland 0.898	USA 0.931	Austria 0.820	Slovakia 0.861	Netherlands 0.917
15	South Korea 0.897	Switzerland 0.926	Belgium 0.819	Finland 0.858	South Korea 0.916
16	Denmark 0.895	Denmark 0.926	France 0.804	Switzerland 0.854	Germany 0.915
17	Israel 0.888	Spain 0.920	Spain 0.799	Lithuania 0.847	Ireland 0.915
18	Belgium 0.886	France 0.919	Luxembourg 0.799	Latvia 0.840	Canada 0.914
19	Austria 0.885	Czech Republic 0.917	UK 0.791	Austria 0.838	Luxembourg 0.913
20	France 0.884	Italy 0.914	Slovakia 0.787	Israel 0.835	Finland 0.909

Definitions:

Human Development Index: A composite index measuring average achievement in three dimensions of human development – a long and healthy life, knowledge and a decent standard of living.

Inequality-adjusted HDI: Human Development Index value adjusted for inequalities in the three basic dimensions of human development.

Inequality-adjusted education index: The HDI education index adjusted for inequality in distribution of years of schooling based on data from household surveys.

Inequality-adjusted life expectancy index: The HDI life expectancy index adjusted for inequality in distribution of expected length of life based on data from household surveys.

Sources: United Nations Development Programme, *Human Development Report 2011 – Sustainability and Equity: A Better Future for All*; Austrade