Growing Victoria Together is a vision for Victoria to 2010 and beyond. It articulates the issues that are important to Victorians, and the priorities the Government has set to make Victoria a better place in which to live, work and raise a family.

When Growing Victoria Together was first launched in 2001, the Government recognised that its vision, goals and measures of progress would evolve over time in response to community needs and concerns. Accordingly, a refreshed edition of Growing Victoria Together was released by the Premier in March 2005. This update carefully considered the views and priorities of Victorians from all walks of life, and resulted in a commitment to ten shared goals for Victoria’s future (see Table B.1).

Table B.1: Growing Victoria Together: A Vision for Victoria to 2010 and Beyond

<table>
<thead>
<tr>
<th>Vision</th>
<th>Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>THRIVING ECONOMY</td>
<td>More quality jobs and thriving, innovative industries across Victoria</td>
</tr>
<tr>
<td></td>
<td>Growing and linking all of Victoria</td>
</tr>
<tr>
<td>QUALITY HEALTH AND EDUCATION</td>
<td>High quality, accessible health and community services</td>
</tr>
<tr>
<td></td>
<td>High quality education and training for lifelong learning</td>
</tr>
<tr>
<td>HEALTHY ENVIRONMENT</td>
<td>Protecting the environment for future generations</td>
</tr>
<tr>
<td></td>
<td>Efficient use of natural resources</td>
</tr>
<tr>
<td>CARING COMMUNITIES</td>
<td>Building friendly, confident and safe communities</td>
</tr>
<tr>
<td></td>
<td>A fairer society that reduces disadvantage and respects diversity</td>
</tr>
<tr>
<td>VIBRANT DEMOCRACY</td>
<td>Greater public participation and more accountable government</td>
</tr>
<tr>
<td></td>
<td>Sound financial management</td>
</tr>
</tbody>
</table>

A key commitment in Growing Victoria Together is regular reporting on the progress that the Government has made to achieve the Growing Victoria Together vision and goals. This is the fifth report in line with this commitment. A series of concrete measures, outlined in the body of the report, illustrate how we are progressing.
The report continues trend reporting from the 1999 base year. New information is included where this will provide a more meaningful and robust assessment of progress. As indicators and data sources improve over time, new information will continue to be included. For some measures, data are not yet available or are not available from 1999, especially where new measures have been introduced.

Further information about the Government priorities, strategies and initiatives in the 2007-08 Budget that are directed towards achieving *Growing Victoria Together* is provided in Budget Paper No. 3. Chapter 2 provides an overview of the Government’s cumulative service delivery achievements since 1999 and Chapter 3 sets out the Government’s 2007-08 departmental service delivery commitments.

There will be more and better jobs across Victoria

Improvement over time in the quality and number of jobs available in Victoria can be measured by growth in employment and occupation types. Over the period from 1999-2000 to 2005-06, Victoria averaged an annual employment growth rate of 2.1 per cent (see Chart B.1). In 2005-06 annual employment growth was 1.7 per cent. Over the first nine months of the 2006-07 financial year Victorian employment growth of 1.6 per cent was on par with national employment growth of 1.7 per cent.

Chart B.1: Annual employment growth in Victoria (a)

This employment growth has contributed to a rise in the employment rate (the employed proportion of the working age population). In 2005-06, the employment rate was 60.9 per cent, compared to 58.5 per cent in 1999-2000.
There has also been a decrease in the rate of underemployment, which is defined as the proportion of employed persons in the labour force who want, and are available for, more hours of work than they currently have. The Australian Bureau of Statistics (ABS) reports that underemployment in Victoria fell from 5.6 per cent in 2005 to 5.0 per cent in 2006 (see Chart B.2).

Victoria’s underemployment rate is consistent with the national average of 5.0 per cent in 2006. The Victorian underemployment rate is now lower than the other states apart from the resource rich states of Queensland (4.9 per cent) and Western Australia (4.1 per cent).

**Chart B.2: Underemployment rate in Victoria and Australia**

![Chart B.2: Underemployment rate in Victoria and Australia](chart.png)

*Source: Australian Bureau of Statistics (Cat. No. 6265.0)*

*Note:*

(a) Underemployment as at September each year.
Regional Victoria (the area outside the Melbourne Statistical Division) has shown steady employment growth from 543,900 jobs in February 1999 to 672,800 jobs in February 2007 (see Chart B.3).

**Chart B.3: Employment in regional Victoria\(^{(a)}\)**

![Chart B.3: Employment in regional Victoria](chart)

*Sources: Australian Bureau of Statistics (Cat. No. 6291.0.55.001) and Department of Innovation, Industry and Regional Development*

*Note:*

\(^{(a)}\) 3 monthly moving data.
The notion of job quality is difficult to define precisely. In this report, improvements in job quality are measured by employment growth across a selection of occupations and changes in the average weekly earnings of Victorians. Between 1999 and 2007 the managers and administrators, professionals and associate professionals categories have shown the greatest percentage change in employment growth (see Chart B.4).


Sources: Australian Bureau of Statistics (Cat. No. 6291.0.55.003) and Department of Innovation, Industry and Regional Development

Note:
(a) Percentage change in annual average employment, year ending February 1999 to year ending February 2007.
The average weekly earnings of Victorian workers have increased every year since 1999. Male earnings have increased by $274 between 1999 and 2006, compared with an increase of $156 for females across the same period (see Chart B.5).

**Chart B.5: Average nominal weekly earnings of Victorians**

![Chart B.5: Average nominal weekly earnings of Victorians](image)

*Source: Australian Bureau of Statistics (Cat. No. 6302.0)*

**Notes:**

(a) Total average nominal weekly earnings, all employees. Includes both part time and full time employees.

(b) Average weekly earnings as at May each year.
**Victoria’s productivity and competitiveness will increase**

One of the drivers of a modern and flexible economy is a productive workforce. In Australia, a state’s productivity is usually measured by gross state product (GSP) per employed person or per hour worked. GSP is defined as the total economic output of the state, including all value that is added by industries in the state.

Real GSP per employed person provides a measure of the income created by each worker in the Victorian economy. Real GSP per employed person has increased overall since 1999-2000, from $86 700 to $91 500 in 2005-06 as measured in 2004-05 dollars (see Chart B.6).

**Chart B.6: Real gross state product per employed person in Victoria**

![Chart](chart.png)

*Source: Australian Bureau of Statistics (Cat. Nos. 5220.0 and 6202.0)*

**Notes:**

(a) Chain volume measure, 2004-05 prices.

(b) Annual average employed persons.
Real GSP per hour worked provides a measure of the income created by each hour that Victorians work. It gives a more accurate picture of Victoria’s productivity, as it accounts for the effects of changes in the hours of work for part time and casual employees. Chart B.7 illustrates real GSP per hour worked in Victoria and real GDP per hour worked in Australia between 1999-2000 and 2005-06. Victoria recorded real GSP of $53.60 per hour worked in 2005-06, up 10.4 per cent from 1999-2000. This compares to the national average real GDP per hour worked of $53.00 in 2005-06 (up 10.1 per cent from 1999-2000).

**Chart B.7: Real gross state product and gross domestic product per hour worked for Victoria and Australia**(a)(b)

![Graph showing real GSP per hour worked in Victoria and Australia from 1999-2000 to 2005-06.](image)

*Source: Australian Bureau of Statistics (Cat. Nos. 5220.0 and 6202.0)*

**Notes:**
(a) Chain volume measure, 2004-05 prices.
(b) Average total hours worked by employed persons per year.

**A greater share of national business investment will be in Victoria**

Business investment is central to future productivity growth, as it increases the quantity and quality of resources available to the workforce. For example, investment in machinery and equipment allows for adoption of the latest technologies, and investment in research and development leads to new products and services. This progress report uses private business investment and one of its components, investment in machinery and equipment, and investment in research and development to measure progress against this measure.
Private business investment and investment in machinery and equipment in Victoria have both grown strongly since 1999-2000, each averaging at least 10 per cent per annum over this period (see Chart B.8). Victoria’s share of national private business investment averaged 25.5 per cent between 1999-2000 and 2005-06, and was above Victoria’s share of the national economy for the same period (24.7 per cent).

Chart B.8: Business investment in Victoria

Sources: Australian Bureau of Statistics (Cat. No. 5220.0) and Department of Innovation, Industry and Regional Development

Note:
(a) Chain volume measure, 2004-05 prices.
Victorian business expenditure on research and development grew from $1.5 billion to $2.4 billion (an increase of 58.3 per cent) from 1999-2000 to 2004-05. This increased the proportion of GSP that Victorian businesses spent on research and development from 0.9 per cent to 1.1 per cent over the same period (see Chart B.9). Victoria’s share of total Australian business expenditure on research and development is 28.5 per cent, above Victoria’s share of the national economy (which was 24.8 per cent in 2004-05).

**Chart B.9: Business expenditure on research and development in Victoria**

![Chart B.9: Business expenditure on research and development in Victoria](chart)

*Sources: Australian Bureau Statistics (Cat. No. 8104.0 plus unpublished data) and Department of Innovation, Industry and Regional Development*

*Note:*

(a) Measured at current prices.
**Victoria will increase exports to $30 billion by 2010**

The value of exported goods and services is an important measure of Victoria’s international competitiveness. Victorian exports of goods and services, net of merchandise re-exports, grew significantly between 1999-2000 and 2001-02 (from $26.2 billion to $30.5 billion) before decreasing in 2002-03 partly as a result of the drought. Since then, despite being affected by the strong Australian dollar and the current drought, exports have grown to $29.1 billion in 2005-06 (see Chart B.10).

**Chart B.10: Total Victorian exports**

![Chart B.10: Total Victorian exports](image)

*Sources: Australian Bureau of Statistics (Cat. No. 5432.0 and 5220.0) and Department of Industry, Innovation and Regional Development*
Population growth underpins economic growth, sustains regional revitalisation and further strengthens the diversity that is the heart of Victoria. Transport and communications infrastructure links people and businesses across Victoria – and links the regions to Melbourne and the world.

**Victoria’s total population will reach six million people by 2025, and regional population growth will increase to 1.25 per cent annually by 2006**

Growth in Victoria’s total population, including the regional population growth rate, is an important indicator of progress in both the medium and long term. ABS preliminary figures show Victoria’s population, as measured by the estimated resident population, grew by 8.6 per cent between June 1999 and June 2006, to reach nearly 5.1 million people. Regional Victoria, defined as the area outside the Melbourne Statistical Division, has seen a total increase of 7.7 per cent between June 1999 and June 2006 (resulting in a total population of 1.4 million).

**Chart B.11: Population growth for regional Victoria and metropolitan Melbourne**(a)(b)

![Bar chart showing population growth for regional Victoria and metropolitan Melbourne](chart_image)

Source: Australian Bureau of Statistics Regional Population Growth, Australia (Cat. No. 3218.0)

**Notes:**
(a) Percentage change from June quarter of previous year.
(b) Preliminary estimate.
The annual population growth rate in regional Victoria exceeded the metropolitan growth rate for the second year in a row, reaching 1.4 per cent in 2006 (see Chart B.11), well above the Growing Victoria Together target of 1.25 per cent. In regional Victoria, the four fastest growing inland statistical divisions were Mildura (2.2 per cent), Bendigo (2.0 per cent), Ballarat and Shepparton (both 1.9 per cent).

**Regional rail services will be available to more Victorians**

The accessibility of Victoria’s regional rail system can be measured by the number of passenger rail services, and the number of people who use them. New rail services and service extensions to Swan Hill, South Geelong and Marshall Station increased the numbers of rail services provided in 2005-06 to 64,220. This reflects a 2.7 per cent increase from 2004-05 levels, and more than 10 per cent since 1999-2000 (see Chart B.12).

The finalisation of significant upgrades to regional rail services has contributed to a 4.6 per cent increase in patronage since 2004-05, reaching a total of 7.3 million boardings in 2005-06. This has reversed a trend of declining patronage seen over the previous four years (see Chart B.12).

**Chart B.12: Regional rail services and patronage in Victoria**

![Chart B.12: Regional rail services and patronage in Victoria](source: Department of Infrastructure)
The proportion of freight transported to and from ports by rail will increase from 10 per cent to 30 per cent by 2010

The efficient movement of freight between Melbourne and regional Victoria is critical for the State’s economic development. The average share of freight transported to and from Victoria’s major commercial ports by was 16 per cent in 2005-06 (see Chart B.13). Demand for freight transport between regions and the Victorian ports, predominately carried by rail, has been reduced in recent years. In particular, export grain volumes through the Port of Melbourne in 2005-06 were less than half that of 2004-05.

Chart B.13: Proportion of freight transported by rail to and from Victoria’s commercial ports (Melbourne, Geelong and Portland)

Source: Department of Infrastructure
Public transport use in Melbourne as a proportion of trips taken by motorised means will increase from 11 per cent in 2002 to 20 per cent by 2020

In Melbourne, increased public transport use brings economic, environmental and social benefits, such as relieving road congestion. This measure compares the number of trips taken on public transport to the number of trips using all other forms of motorised transport in metropolitan Melbourne. As economic activity and population has continued to grow, the demand for public transport, particularly trains, has grown at a faster rate than other forms of transport. As a result, public transport use in 2005-06 has increased to almost 9 per cent of all motorised trips, up from 8 per cent in 2004-05 (see Chart B.14). This is a reversal of the trend evident for the period 1999-2000 to 2003-04. Movements in petrol prices have contributed to an increase in metropolitan public transport usage of over 20 per cent since 1999-2000.

Chart B.14: Public transport use as a proportion of trips taken by motorised means in Melbourne

Source: Department of Infrastructure

Note:
(a) As explained in last year’s Report, the Department of Infrastructure revised the methodology to improve the robustness of the measure which resulted in the 2002 base-line being adjusted to 8 per cent.
The health of Victorians will improve

Long-term improvements in the health of Victorians can be measured through average life expectancy and the quality of life during those years. Quality of life is measured by indicators of physical and mental wellbeing as perceived by Victorians. The addition of a mental wellbeing indicator starting from last year’s report reflects the importance of this issue to all Victorians.

The Department of Human Services’ Victorian Population Health Survey (VPHS) collects data on the self-rated health status of Victorians, which is a strong predictor of morbidity and mortality trends and health care use. The proportion of adult Victorians (i.e. those aged 18 years and over) reporting their health as ‘excellent’, ‘very good’ or ‘good’ has remained stable since the question was first included in the survey in 2001 (see Table B.2). While results are not substantially different between males and females, in 2006 slightly more females fell into this category than males. The difference between rural/regional and urban responses (defined as residents in the Victorian Government metropolitan regions) is also not substantial, but consistent with previous years, with slightly more urban Victorians than rural/regional Victorians reporting ‘excellent’, ‘very good’ or ‘good’ health in 2006.

Table B.2: Self-rated health status and level of psychological distress (Kessler 10) of Victorians

<table>
<thead>
<tr>
<th>Victorians</th>
<th>Excellent, very good or good self rated health (per cent)</th>
<th>No or low risk of psychological distress (per cent)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2001</td>
<td>2006</td>
</tr>
<tr>
<td>Males</td>
<td>82.1</td>
<td>83.9</td>
</tr>
<tr>
<td>Females</td>
<td>82.1</td>
<td>85.1</td>
</tr>
<tr>
<td>Urban</td>
<td>82.3</td>
<td>84.8</td>
</tr>
<tr>
<td>Rural/regional</td>
<td>81.7</td>
<td>83.8</td>
</tr>
<tr>
<td>All persons</td>
<td>82.1</td>
<td>84.5</td>
</tr>
</tbody>
</table>

Source: Department of Human Services’ Victorian Population Health Survey

The VPHS also collects data on a measure of psychological distress – the Kessler 10. The Kessler 10 is a set of ten questions designed to categorise the level of psychological distress over a four-week period. It cannot be used to determine the prevalence of major mental illnesses (such as psychosis), but like self-rated health status, it is closely correlated with medical diagnoses of anxiety, depression and worry (psychological distress). The proportion of Victorians reporting no or low levels of psychological distress (falling into the ‘low risk’ category of the Kessler 10) has remained stable since
2001 (see Table B.2). A lower proportion of females report no or low levels of psychological distress than males, and there is a slightly higher proportion of persons living in rural/regional areas compared to those living in urban areas reporting no or low levels of psychological distress.

In line with the above self-reported health measures, Victorians enjoy a long life expectancy that has been consistently above the Australian average. In 2005, the male average life expectancy at birth was 79.0 years, a rise of 1.8 years since 1999, while the 2005 female average life expectancy has risen 1.2 years since 1999 to 83.6 years (see Chart B.15).

These are average figures for all Victorians, and do not represent the average life expectancy for certain populations within the State. Annual updates of Indigenous life expectancy are not available; however, the currently recognised life expectancy for Indigenous Victorians is approximately 18 years less than the Victorian average. For Indigenous males, the currently recognised life expectancy is 60.0 years, while it is 65.1 years for Indigenous females (see Chart B.15). Due to inadequate registration of deaths of Indigenous persons, it is difficult to measure changes in life expectancy over time; however, there has been no apparent improvement in recent years.

**Chart B.15: Average life expectancy at birth in Victoria**

Source: Australian Bureau of Statistics (Cat. Nos. 3105.0.65.001 for years 1999 to 2001 and 3302.2.55.001 for years 2002 to 2005)

Note:
(a) According to ABS convention each year’s life expectancy estimate is the average of the prior three year period.
The wellbeing of young children will improve

Improving the wellbeing of young children can overcome disadvantage and substantially improve their quality of life as adults. Composite measures of wellbeing outcomes (including health and education) for young children are not yet well developed at a state or national level. This year, the progress report presents a selection of indicators developed by the Office for Children which measure Victorian children’s outcomes related to safety, health, development, learning and wellbeing.

Breastfeeding has a range of positive effects on the survival, development and growth of babies, especially when it is the sole source of nourishment for the first six months. Breastfeeding provides all the early nutrients required for adequate physical and mental development of the child, including antibodies that can protect a baby from infectious diseases while its own immune system is developing. Long term positive impacts of breastfeeding include some protection from chronic diseases such as diabetes and asthma. Breastfeeding also contributes to the health and well-being of mothers, including some protection against breast cancer (Australian Institute of Health and Welfare 2005). The proportion of infants fully breastfed in 2005-06 has increased since 2004-05. At three months, just over half of infants are still breastfed. By six months, this proportion is reduced to less than 40 per cent.

Immunisation against communicable diseases has been shown to reduce morbidity and mortality from a range of childhood diseases. Immunisation offers protection for individual children and also reduces the rate at which these diseases circulate within the broader community. Evidence suggests that a minimum of 90 per cent vaccination coverage is required to interrupt the ongoing transmission of diseases (Australian Institute of Health and Welfare 2005).
Victorian immunisation rates for children have increased steadily since 1999. They exceeded 90 per cent for children aged 12–15 months in 2000, and for children aged 24–27 months in 2003. Immunisation rates for children aged 72–75 months are approaching the 90 per cent benchmark with a peak in 2006 of 87.8 per cent.

**Chart B.16: Proportion of Victorian children fully immunised**

![Chart B.16: Proportion of Victorian children fully immunised](image)

*Source: Australian Childhood Immunisation Register*

**Note:**

(a) A child is considered fully immunised if they have had the following vaccination schedule:
- 12–15 months DTP, Polio, HIB, HepB;
- 24–27 months DTP, Polio, HIB, HepB, MMR;
- 72–75 months DTP, Polio, MMR.
Educational and social outcomes are also important when measuring child wellbeing. Attendance at kindergarten by four year olds in Victoria is used as a proxy measure for these outcomes in this report. Since 1999, participation rates have remained consistently between 93 and 95 per cent (see Chart B17). Participation figures are based on the number of children enrolled in state-funded programs. The lower participation rate of 93.0 per cent in 2006 compared to 94.4 per cent in 2005 occurs at a time when more children are attending long day care centres, which are increasingly less likely to take up state funding to provide a kindergarten program. For example, 347 long day care centres provided a state-funded kindergarten program in 2006, compared to 420 centres in 2002.

New policies are being adopted to encourage more long day care centres to offer kindergarten programs and to ensure that children from working families do not miss out on early childhood education programs.

**Chart B.17: Rate of four year olds participating in kindergarten in Victoria**

<table>
<thead>
<tr>
<th>Year</th>
<th>Participation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>96.0 per cent</td>
</tr>
<tr>
<td>2000</td>
<td>92.0 per cent</td>
</tr>
<tr>
<td>2001</td>
<td>92.0 per cent</td>
</tr>
<tr>
<td>2002</td>
<td>93.0 per cent</td>
</tr>
<tr>
<td>2003</td>
<td>95.0 per cent</td>
</tr>
<tr>
<td>2004</td>
<td>94.0 per cent</td>
</tr>
<tr>
<td>2005</td>
<td>93.0 per cent</td>
</tr>
<tr>
<td>2006</td>
<td>93.0 per cent</td>
</tr>
</tbody>
</table>

*Sources: Department of Human Services and Australian Bureau of Statistics (Cat. No. 3101.0)*

**Waiting times (emergency, elective and dental) will be reduced**

The Department of Human Services collects a range of data about the performance of Victoria’s public hospital system, including the number of patients treated in emergency departments and the number of patients waiting for elective surgery that are treated within ideal times.

Over the past seven years, 100 per cent of emergency patients requiring resuscitation (Triage Category 1) were seen immediately. In 2005-06, 83 per cent of emergency patients (Triage Category 2) were seen within the ideal time, above the target of 80 per cent. For urgent emergency patients (Triage Category 3), 77 per cent were seen within the ideal time, also above the target of 75 per cent (see Chart B.18). Although slightly reduced from last year, performance in access to emergency care remains above target and compares favourably to other states. Growth in emergency department activity, up
7.9 per cent from 2004-05 to 2005-06, continues to present a challenge for emergency access performance.

For patients requiring elective surgery, 100 per cent of urgent patients (Category 1) were treated within the ideal time over the past seven years (see Chart B.18). For patients requiring semi-urgent elective treatment, there has been a decline in the proportion treated within the ideal time since 2003-04. This is the result of a deliberate focus on treating more patients who have had long-waiting times. As more long-waiting patients are admitted, the proportion of patients admitted in time declines.

The Government now issues a detailed six monthly report, Your Hospitals, which gives the performance on each of the key indicators at a hospital level and shows the waiting times for different procedures and which will support hospitals to improve performance. New policies are being adopted to address hospital waiting lists.

Chart B.18: Emergency and elective treatment within ideal times in Victorian hospitals

Source: Department of Human Services

Notes:
(a) Emergency–resuscitation: Triage Category 1 (desirable to be treated immediately);
Emergency–emergency: Triage Category 2 (desirable to be treated within 10 minutes);
Emergency–urgent: Triage Category 3 (desirable to be treated within 30 minutes);
Elective–urgent: Category 1 (desirable to be admitted within 30 days); and
Elective–semi-urgent: Category 2 (desirable to be admitted within 90 days).
The Department of Human Services also collects data on waiting times for dental treatments in the public system. Chart B.19 shows that waiting times have reduced significantly over the last six years for priority dentures provided to people in urgent need. There has also been a significant improvement from 2004-05 to 2005-06 in the average waiting times for people with non-urgent needs; general/restorative care and non-priority dentures waiting times have decreased by 16 per cent and 21 per cent, respectively. All people with urgent restorative dental needs are seen within 24 hours.

Chart B.19: Average public dental waiting times in Victoria

Source: Department of Human Services
Levels of confidence in health and community services will increase

The quality and accessibility of health and community services can be judged by the level of confidence Victorians have in those services. The VPHS covers satisfaction rates with selected health services, including public hospitals, community health centres, home nursing, kindergartens, and maternal and child health centres. In 2006, satisfaction with the surveyed range of Victorian health and community services remained high (see Chart B.20).

Chart B.20: Victorians’ satisfaction with health and community services

```
<table>
<thead>
<tr>
<th>Year</th>
<th>Public Hospital</th>
<th>Kindergarten/pre-school</th>
<th>Maternal/Child health centre</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>82</td>
<td>89</td>
<td>87</td>
</tr>
<tr>
<td>2002</td>
<td>81</td>
<td>88</td>
<td>85</td>
</tr>
<tr>
<td>2003</td>
<td>80</td>
<td>87</td>
<td>84</td>
</tr>
<tr>
<td>2004</td>
<td>79</td>
<td>86</td>
<td>83</td>
</tr>
<tr>
<td>2005</td>
<td>78</td>
<td>85</td>
<td>82</td>
</tr>
<tr>
<td>2006</td>
<td>77</td>
<td>84</td>
<td>81</td>
</tr>
</tbody>
</table>
```

Source: The Department of Human Services Victorian Population Health Survey

Note:
(a) An extra category was added from 2004 onwards to enable respondents to answer ‘no response’ to this question.

Rural/regional respondents were generally more satisfied with the three services surveyed than urban respondents (defined as residents in the Victorian Government’s metropolitan regions). In 2006, of those persons who had used the services, the proportion who were ‘very satisfied’ or ‘satisfied’ with:

- public hospital services was 86.2 per cent of rural/regional respondents and 81.1 per cent of urban respondents;
- kindergarten or preschool services was 89.9 per cent of rural/regional respondents and 89.0 per cent of urban respondents; and
- maternal/child health services was 88.1 per cent of rural/regional respondents and 85.8 per cent of urban respondents.
QUALITY HEALTH AND EDUCATION
High quality education and training for lifelong learning

Education is the key to creating a dynamic, successful community and improving the opportunities in life for all Victorians. Victoria must be a place where children get the best possible start to their education and where people of all ages are motivated to keep learning.

The proportion of Victorian primary students achieving the national benchmark levels for reading, writing and numeracy will be at or above the national average.

Developing strong literacy and numeracy skills in primary school is the basis for advanced education and training. The Victorian Curriculum and Assessment Authority administers statewide tests annually to assess the literacy and numeracy standards of Victorian primary school children. The State’s performance against national benchmarks is calculated at a national level by the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA). Results for 2005 were released through MCEETYA in March 2007. The benchmarks that underpin the reporting of student achievement describe nationally agreed minimum acceptable standards, below which students will have difficulty progressing satisfactorily at school.

The percentage of Year 3 and Year 5 Victorian students achieving the national literacy and numeracy benchmarks has been at or above the national average since 2001 (data prior to 2001 are not comparable with later years). In 2005 more than 91 per cent of Year 3 students achieved the national benchmarks in reading, writing and numeracy (see Chart B.21). At Year 5, more than 95 per cent of students achieved the writing and numeracy benchmarks and 88.7 per cent achieved the reading benchmark. Generally a higher proportion of female than male students achieved national benchmarks for Year 3 and Year 5 in Victoria and Australia.
Chart B.21: Percentage of Year 3 and Year 5 primary students achieving national benchmarks in 2005\(^{(a)}\)

The proportion of Indigenous primary students in Victoria and the whole of Australia achieving national benchmarks was substantially below that for the respective cohort for all students in reading and numeracy. However, Victorian Indigenous primary students performed at or above the national Indigenous average (see Table B.3).

Table B.3: Percentage of Year 3 and Year 5 Indigenous primary students achieving national benchmarks in 2005 in Victoria and Australia\(^{(a)}\)

<table>
<thead>
<tr>
<th></th>
<th>Victoria</th>
<th>Australia</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Year 3</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reading</td>
<td>83.6 (±5.1)</td>
<td>78.0 (±4.3)</td>
</tr>
<tr>
<td>Writing</td>
<td>98.6 (±0.4)</td>
<td>74.0 (±4.7)</td>
</tr>
<tr>
<td>Numeracy</td>
<td>91.8 (±3.0)</td>
<td>80.4 (±3.8)</td>
</tr>
<tr>
<td><strong>Year 5</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reading</td>
<td>73.7 (±5.5)</td>
<td>62.8 (±4.1)</td>
</tr>
<tr>
<td>Writing</td>
<td>95.8 (±1.6)</td>
<td>74.3 (±4.3)</td>
</tr>
<tr>
<td>Numeracy</td>
<td>89.5 (±3.3)</td>
<td>66.5 (±3.9)</td>
</tr>
</tbody>
</table>


Note:
(a) The margin of error is shown in brackets. There is a 95 per cent statistical confidence that the true percentage of students achieving the national benchmark lies within this range.
By 2010, 90 per cent of young people in Victoria will successfully complete year 12 or its educational equivalent

The completion of year 12 or its equivalent qualification, such as an apprenticeship or traineeship, is a foundation for stable and rewarding employment. This measure uses data from the Australian Bureau of Statistics (ABS) Survey of Education and Work (Cat. 6227.0) to estimate the number of Victorians aged 20 to 24 that have attained Year 12 or a vocational certificate at the Australian Qualifications Framework Level Two or above. The ABS is currently reviewing the methodology used for calculating this measure, and the final 2006 results are not yet available nationally or for states and territories. As reported previously, in 2005 85.0 per cent of Victorians aged 20 to 24 had completed Year 12 or its vocational equivalent in 2005. This was increased from 82.9 per cent in 1999 and was above the 2005 national average of 82.7 per cent. The Victorian result in 2005 was higher than any other state (territories excluded).

The level of participation in vocational education and training of adults aged 25-64 years will increase

To participate in the modern economy, more adult Victorians need to increase their skills through further education and training. The Office of Training and Tertiary Education collects data on the number of 25 to 64 year olds participating in vocational and education training programs. After a period of sustained growth peaking at 307 000 in 2003, this number fell to 268 000 in 2005 (see Chart B.22). The decline is due in part to the strength of the Victorian labour market, however, shifting patterns of participation account for much of the change. The bulk of the decline can be seen in falling enrolments in short courses offered by Adult Community Education organizations, with more students in TAFE Institutions undertaking courses of longer duration at higher Australian Qualifications Framework levels.

The Government is undertaking further work to improve the measurement of this outcome to identify current pathways being followed by early school leavers. Additional investments in VET programs and infrastructure will provide further options to young people who wish to pursue VET in schools, thereby moving into a more skill-based learning environment.

Initiatives are being implemented as part of the Government’s skills statement to create more high skilled places in response to the trend in demand. Further work is being undertaken to examine the trends in workforce participation to identify the areas where skill shortages may emerge in the more competitive employment likely in the coming years.
Chart B.22: Number of 25 to 64 year olds who participated in a vocational education and training program in Victoria\(^{(a)}\)

Source: Department of Industry, Innovation and Regional Development

Note:

\(^{(a)}\) Figures represent numbers over the whole year and include all students irrespective of the source of funding.

<table>
<thead>
<tr>
<th>HEALTHY ENVIRONMENT</th>
<th>Protecting the environment for future generations</th>
</tr>
</thead>
<tbody>
<tr>
<td>The natural environment sustains every aspect of our lives. Victoria must actively conserve and manage it in order to achieve our social and economic goals. The State has magnificent alpine, desert, rainforest, grassland, wetland, marine and coastal environments – all of which are critical for the survival of our precious native plants and animals and must be preserved for future generations to enjoy.</td>
<td></td>
</tr>
</tbody>
</table>

The health of Victoria’s rivers will improve significantly by 2010. In particular, the Snowy River will be returned to 21 per cent of its original flow by 2011, and 28 per cent over time

The health of Victoria’s waterways is an important component of its diverse environment. River health is measured by the Department of Sustainability and Environment every five years using a survey program known as the Index of Stream Condition. As previously reported, this survey was conducted in 1999 and 2004, and found that river health remained stable since 1999, with approximately 21 per cent of major rivers and tributaries in good or excellent condition in 2004. The next state-wide assessment is due in 2009.
In the intervening years, the amount of water returned to environmental flows is used as a proxy measurement for river health. As a result of water saving measures in Melbourne, 10,000 megalitres has been transferred to an ongoing environmental entitlement to improve the environmental flows to the Thomson River. This water was made available on 1 July 2005, three months after Melbourne’s water restrictions were replaced by permanent water savings rules. In its first year (2005-06) 9,539 megalitres was released to the Thomson River. The remaining 461 megalitres was held in reserve due to drought conditions and low water levels in the Thomson Dam.

In June 2002, the New South Wales, Victorian and Commonwealth Governments finalised agreements to increase environmental flows in the Snowy River by an additional 212,000 megalitres (21 per cent of original flow below Jindabyne) by June 2012, and 28 per cent in the longer term. In 2005-06, the Victorian and New South Wales Governments achieved the first three-year target of the Snowy River Project by returning an annual total of 38,000 megalitres and thereby increasing the flows below Jindabyne from the original 1 per cent to 6 per cent. Victoria has provided an annual entitlement of 22,790 megalitres of water under this commitment. However, the actual additional annual flow depends upon the water available for allocation.

**The quality of air and drinking water will improve**

The Air Quality Index produced by the Environment Protection Authority (EPA) Victoria indicates that, on the great majority of days in 2006, air quality in Central Melbourne, Geelong and the Latrobe Valley was considered ‘good’ to ‘very good’ (see Chart B.23). In 2006, just 8 per cent of days in Central Melbourne, 7 per cent of days in Geelong and 13 per cent of days in Latrobe Valley experienced ‘poor’ to ‘very poor’ air quality. There has been an increase in days where air quality is considered ‘poor’ to ‘very poor’, primarily due to the impact of the Eastern Victorian bushfires, similar to the impacts shown in 2003 from bushfires. The major cause of poor air quality in Victoria is particles pollution (predominately from smoke and dust).
Drinking water quality is usually determined by measuring the incidence of the bacterium *E. coli*. This is a direct indicator of the public health risk associated with drinking water. As with last year’s report, performance is measured by looking at the percentage of water sampling localities that complied with the State’s water quality standard for *E. coli*.

In July 2005, the Safe Drinking Water Regulations commenced, which require that at least 98 per cent of drinking water samples collected over any 12 month period in each water sampling locality be free of *E. coli*. In 2005-06 reporting period, 95.5 per cent of the 493 localities where drinking water was supplied met the benchmark standard (this compares with 95.3 per cent of 473 localities meeting the standard in 2004-05).

**The extent and quality of native vegetation will increase**

The extent of native vegetation in Victoria varies considerably across the State. Work has commenced by the Department of Sustainability and Environment to better map the quality and location of native vegetation, as well as the land-use patterns of these areas.

Two complementary sets of information are being developed:

- A ‘whole of landscape’ modelling analysis is being compiled from satellite imagery, ground survey data and other natural resource management data to map the location and quality of native vegetation. These data are currently being collated and analysed. A report focusing on the ‘whole of landscape’ modelling analysis will be available during 2007-08; and

- A government agency transactions analysis is being compiled from native vegetation clearing permits, government investment programs and voluntary activities on private land, and will be used to advise how areas of native vegetation are used. Systems to enable the analysis of transactional data will be completed during 2007.
**The condition of our land will improve as the impact of salinity and soil degradation is reduced**

At the time of this report, direct measures of the condition of land are not yet available. Direct measures of the condition of land are difficult to determine due to a lack of detailed and regular field survey information across large areas of privately managed land. To address these issues, a land health index project is now being incorporated into the Land and Biodiversity White Paper process being developed by the Department of Sustainability and Environment, due for completion in 2007-08. The index will incorporate a range of land condition and threat themes, including soil salinity, acidification, erosion (water and wind), carbon content and biodiversity. Land cover, disturbance, use and stability will also be considered.

In addition, the Department of Sustainability and Environment and the Department of Primary Industries are currently developing a range of tools to improve our understanding of how changes to land management practices impact on natural resources. As part of this, an assessment of the environmental and economic impact of salinity will be completed during 2007-08.

<table>
<thead>
<tr>
<th>HEALTHY ENVIRONMENT</th>
<th>Efficient use of natural resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>A better quality of life for Victorians now and in the future relies upon the community’s ability to use Victoria’s natural resources, such as water, coal, timber and gas, wisely and effectively. Protecting the environment and the long term health and prosperity of the Victorian community depends on efficient and sustainable use of natural resources.</td>
<td></td>
</tr>
</tbody>
</table>

**Greenhouse gas emissions from the production and use of energy will be reduced**

Victoria’s greenhouse gas inventory is compiled on an annual basis by the Australian Greenhouse Office. Total Victorian greenhouse gas emissions are measured by CO₂ (carbon dioxide) equivalent released into the atmosphere, enabling comparisons of emissions of various greenhouse gases by their global warming potential. During 2005, total greenhouse gas emissions in Victoria were 121.9 megatonnes of CO₂ equivalent, a 2.4 per cent increase since 1999, but a 1 per cent decrease from the previous year’s level.

The greenhouse gas emissions intensity of the Victorian economy can be determined by relating total emissions to the value of GSP. In 2005 the emissions intensity of the Victorian economy declined 29 per cent between 1999 and 2005, to reach 548.4 tonnes per $ million GSP. That is, for each dollar of GSP created, less greenhouse gases were emitted across this period.
More efficient use of water in agriculture

Greater efficiency in the use of water in Victorian agriculture can be measured at two points: the delivery system and on-farm water use.

In relation to delivery systems, the Department of Sustainability and Environment and rural water authorities have incorporated a requirement to report on efficiency of delivery systems as part of their Statement of Obligation. Rural water authorities are developing the mechanisms to capture benchmark and ongoing data to measure improvements in water delivery systems. Benchmark data will be available once these mechanisms are in place.

In relation to on-farm water usage, pilot benchmarking studies in the Sunraysia and Shepparton regions of Victoria were completed in 2006. The results of these studies are being used to refine on-farm water use efficiency methodology for all major irrigation regions. The first report on on-farm water efficiency is expected to be released in December 2007.
Melbourne’s water usage will be reduced by 15 per cent on a per capita basis from the 1990s’ average by 2010

To allow Melbourne’s population to grow, while avoiding placing serious stresses on the environment, each person must use less water. A reduction of 15 per cent in water usage on a per capita basis from the 1990s’ average consumption requires a permanent reduction from 423 to 360 litres per person per day. In the year ending June 2006, Melbournians consumed an average of 331 litres of water per person per day, a 22 per cent reduction in consumption on a per capita basis from the 1990s’ average. Permanent water savings rules, which were introduced on 1 March 2005, have contributed to this result.

Chart B.25: Melbourne’s water consumption per capita per day

![Chart B.25: Melbourne’s water consumption per capita per day]

Source: Melbourne Water

The quantity of solid waste generated will be reduced, and the amount recovered for reuse, recycling and energy generation will increase.

Total solid waste generated in Victoria includes waste that goes to landfill and materials recovered via recycling. Total waste generated in 2004-05 was 9.9 million tonnes, which is an increase of 2.9 per cent from the 2003-04 figure of 9.6 million tonnes. Despite this increase in the overall volume of waste generated, the Victorian economy is actually producing less waste per unit of GSP (46 tonnes per $ million GSP in 1999-2000 down to 45 tonnes per $ million GSP in 2004-05). At the same time, the amount of waste recycled and reused has steadily increased, from 43 per cent in 1999-2000 to 55 per cent in 2004-05 of total waste produced (see Chart B.26).
Chart B.26: Total waste production and waste generated per $million GSP

<table>
<thead>
<tr>
<th>Year</th>
<th>Waste recovered (LHS)</th>
<th>Waste to landfill (LHS)</th>
<th>Waste generated per $million GSP (RHS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999-00</td>
<td>4</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>2000-01</td>
<td>4</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>2001-02</td>
<td>4</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>2002-03</td>
<td>4</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>2003-04</td>
<td>4</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>2004-05</td>
<td>4</td>
<td>4</td>
<td>8</td>
</tr>
</tbody>
</table>

Source: Sustainability Victoria

**CARING COMMUNITIES**

**Building friendly, confident and safe communities**

Friendly and confident communities have strong support networks, services and infrastructure to meet the needs of the people who live and work in them. Safety in communities depends on good communication, excellent policing and emergency services, and effective measures to address the causes of crime.

**Crime will be reduced by 5 per cent from 2003 to 2008, and Victorians will feel safer**

Progress towards increased community safety is measured by both crime rates and Victorians’ sense of personal safety. This report uses a selected set of crime statistics and surveys of people’s perceptions of crime to determine progress against this measure.

Victoria Police collects a range of statistics on recorded crime that are used to analyse trends (in rates per 100 000 population) for the 27 major broad offence categories. These statistics indicate that the total reported crime rate has fallen by 14.3 per cent when compared to the target’s baseline year of 2002-03. This report focuses on trends in recorded crime against the person and motor vehicle theft over the last seven years.
Chart B.27 shows that motor vehicle thefts have declined by over 50 per cent since 1999-00. Robbery offences, on the other hand, have increased from 46 per 100,000 people in 2004-05 to 53 per cent in 2005-06, but are still 26 per cent lower than the rate recorded in 1999-2000. Reporting of sex (non-rape) offences has increased significantly, while the number of reported rape offences has again remained stable. Total recorded assaults have increased by 14.6 per cent since August 2004, when the Victoria Police Code of Practice for the Investigation of Family Violence (which has a pro-prosecution emphasis) was introduced. As a result, the number of assaults recorded at residential locations makes up the greater part of this increase.

As homicide offences occur at a lower rate than the other categories of crime included in this report, they are not included on the chart. Over the period 1999-2000 to 2005-06 the rate of homicide offences has remained stable at 4 per 100,000 people.

**Chart B.27: Rates of recorded crime in Victoria**

The number of reported incidents of crime against the person (including robbery and assault offences) on the Victorian train network has declined by 18.7 per cent since the target’s baseline year of 2002-03 (see Chart B.28).
People’s perceptions of personal safety do not always reflect recorded crime rates, and as such are treated separately in this report. The Department of Justice conducts a Perceptions of Justice Survey to gather information on community perceptions of personal safety and fear of crime. During 2006, the survey was revised and extensively tested and the new survey was implemented in October 2006. The results below summarise three years of data to December 2005.

In the year ending 2005, Victorian’s feelings of personal safety continued to increase. Comparisons between results from June 2003 and December 2005 showed a small but consistent increase in the number of people who felt ‘safe’ or ‘very safe’ while:

- going about normal daily activities (81 per cent up to 83 per cent);
- at home (91 per cent up to 93 per cent);
- at their work place (91 per cent up to 92 per cent); and
- in the street where they normally go in their daily activities (steady at 84 per cent).

The Perceptions of Justice Survey also showed that the proportion of Victorians worried about being a victim of crime has fallen. This is consistent with the generally high perception of safety reported above. Comparisons between results from June 2003 and December 2005 show that fewer Victorians are worried about being victims of:

- house break-ins (32 per cent down to 26 per cent);
- motor vehicle theft (38 per cent down to 29 per cent);
- physical assault or robbery (24 per cent down to 21 per cent); and
- sexual assault (steady at 15 per cent).
Perceptions of safety on public transport are measured by the Department of Infrastructure through the Customer Satisfaction Index. Between 1999 and 2006, index ratings all scored within the ‘satisfied’ category, and have been relatively stable over time (see Chart B.29. However, ratings vary considerably between services. Regional services (V/Line trains and coaches) scored higher ratings throughout the period than metropolitan services. Metropolitan trains and trams attracted the lowest customer satisfaction rating on safety; however, customer satisfaction has improved since 1999.

**Chart B.29: Customer Satisfaction Index – satisfaction with safety on V/Line passenger trains and coaches, Metropolitan trains, trams and buses**

![Customer Satisfaction Index Chart](image)

Source: Department of Infrastructure

**Note:**

(a) The Customer Satisfaction Index represents an average of customer satisfaction ratings. Survey respondents’ satisfaction ratings are scored as follows: 0 = totally dissatisfied; 20 = very dissatisfied; 40 = somewhat dissatisfied; 60 = somewhat satisfied; 80 = very satisfied; and 100 = totally satisfied.

**Annual deaths and serious injuries from road crashes will be reduced by 20 per cent over the period 2002 to 2007**

Road safety encompasses not only road deaths, but also the serious injuries sustained in road crashes. In 2006, Victoria’s total road toll of 337 was a 15 per cent reduction from the 2002 toll of 397. Of these 337 fatalities, 144 were in metropolitan Melbourne and 193 in regional Victoria. When the road toll is calculated per 100 000 population, there is a stark difference between regional and metropolitan tolls, with proportionally many more fatalities occurring in regional Victoria (see Chart B.30). Nevertheless, the last four annual road tolls are the lowest since comprehensive records began.
Reductions in serious injuries, where a person is admitted to a hospital for at least one night, are also reported annually. However, due to changes in the way this information is collected, data is not available for inclusion in this year’s report.

**Chart B.30: Fatalities in Victoria from road crashes**

The extent and diversity of participation in community, cultural and recreational organisations will increase

Active, confident and resilient communities show greater participation in community activities. The VPHS collects information on participation across a range of community organisations and volunteering.

Chart B.31 shows the proportion of Victorians who answered ‘definitely’ or ‘sometimes’ to the questions ‘Have you attended a local community event in the past six months?’ and ‘Do you help out a local group as a volunteer?’ Participation in community events and volunteering is substantially higher among rural/regional respondents. Community participation has risen since the survey started in 2001 and volunteering has remained relatively steady across all groups since 2001 (see Chart B.31).
Since 2002, the survey has also asked respondents about groups and organisations in which they participate. Between 2002 and 2006, participation in:

- professional/academic groups (21.2 to 22.0 per cent) and sports (28.9 to 27.1 per cent) have remained relatively constant; and
- school (15.1 to 12.9 per cent), church groups (18.7 to 16.5 per cent) and community or action groups (25.0 to 20.1 per cent) have declined.

**More Victorians will be able to get help from friends, family or neighbours when they need it**

Strong social networks are vital to assist those Victorians who feel socially isolated or lack adequate support networks. The VPHS includes the question: ‘Can you get help from friends/family/neighbours when you need it?’

The proportion of respondents answering ‘yes, definitely’ or ‘sometimes’ has remained relatively stable between 2001 and 2006, and in 2006 was:

- 92.4 per cent for getting help from family;
- 94.5 per cent for getting help from friends; and
- 71.4 per cent for getting help from neighbours.
While rural/regional respondents reported similar levels of support from family and friends as urban respondents, they were more likely to answer ‘yes, definitely’ or ‘sometimes’ when asked if they could get help from neighbours (see Chart B.32).

**Chart B.32: Proportion of Victorians who can get help from neighbours when needed**

![Chart B.32](image)

*Source: Department of Human Services Victorian Population Health Survey*

---

**CARING COMMUNITIES**

A fairer society that reduces disadvantage and respects diversity

*Two of Victoria’s great strengths are its commitment to giving everyone a fair go, and its rich cultural and social diversity. Opportunities in education, health and housing are not currently distributed evenly throughout the community—and for children and young people lack of opportunity in any of these areas can have serious repercussions throughout life.*

**Disadvantage in health, education and housing among communities will be reduced**

Progress towards this goal will be seen through improved outcomes for disadvantaged groups and communities in areas such as health, education and housing. Improvement in outcomes for disadvantaged Victorians can be gauged by looking at key risk factors for different groups in our community such as low birth weight, non-completion of year 12 or equivalent, housing stress, and imprisonment rates.

The self-rated health status and the level of psychological distress of Victorians vary according to socio-economic disadvantage. The ABS defines areas of high socio-economic status as locations where the population is the least disadvantaged. Conversely, populations which are most disadvantaged are defined as having low
socio-economic status. According to the VPHS, over the period 2001 to 2006, a higher percentage of Victorians living in high socio-economic status areas reported their health status as ‘excellent’, ‘very good’ or ‘good’ compared to Victorians living in areas of low socio-economic status (see Chart B.33).

Similarly, a higher proportion of Victorians living in high socio-economic status areas report their level of psychological distress (Kessler 10) as ‘no or low risk’ rather than ‘middle’ or ‘high risk’ compared to low socio-economic status areas (see Chart B.33).

**Chart B.33: Self rated health status and psychological distress (Kessler 10) scores by socio-economic status**

Low birth weight (less than 2500g) is an important indicator of poor health and wellbeing in later life. It is therefore a risk factor not only for infant mortality and morbidity, but also for adult development of cardiac disease, diabetes and kidney failure. The Department of Human Services records the number of low birth weight babies born in Victoria. The proportion of low birth weight babies born to non-Indigenous mothers remained stable between 1999 and 2005 at 6.9 per cent. Babies born to Indigenous mothers were approximately twice as likely (14.8 per cent) to be of low birth weight between 1999 and 2005. The annual rate varied between 12.8 per cent and 17.1 per cent.

Research confirms the value that a year 12 or equivalent qualification has in providing young people with a good foundation to engage in work or further education. The Department of Education *On Track Survey*, which is an annual telephone survey of young people who left school in years 10–12 in the previous year, provides a snapshot of destinations of school leavers in Victoria. In 2006, only 4.1 per cent of young people
who completed year 12 in 2005 were unemployed and not in further education, compared to 14.8 per cent of a sample of young people who left school in 2005 prior to completing year 12.

This measure also uses data from the ABS *Survey of Education and Work* (Cat. 6227.0) to estimate the number of Victorians aged 20 to 24 that have attained year 12 or a vocational certificate at the Australian Qualifications Framework Level Two or above. The ABS is currently reviewing the methodology used for calculating this data, and the final 2006 results are not yet available nationally or for states and territories. As reported previously, in 2005 85.0 per cent of Victorians aged 20 to 24 had completed year 12 or its vocational equivalent in 2005. This was increased from 82.9 per cent in 1999 and was above the 2005 national average of 82.7 per cent.

Housing affordability continues to be an issue for Victorians from disadvantaged groups. The bi-annual ABS Survey of Income and Housing defines low-income households that spend 30 per cent or more of their gross household income on housing costs as experiencing housing stress. As reported last year, the proportion of households with housing stress has remained stable between 1999-2000 and 2003-04 at 5.3 per cent.

*The number of early school leavers who are unemployed after six months will decline*

Early school leavers, particularly those from disadvantaged groups, are a difficult cohort to measure. The most suitable data currently available for this progress measure is the *On Track* survey of school leavers. Early school leavers are defined as students who have left the school system prior to completing year 12. The 2006 survey results show that 14.3 per cent (683 persons) of the early school leavers in 2005 were not in any form of education and were unemployed at the time of the survey (See Table B.4).

**Table B.4: Number and proportion of early school leavers who are unemployed at the time of survey**

<table>
<thead>
<tr>
<th></th>
<th>Number of early school leavers who are unemployed</th>
<th>Proportion of early school leavers who are unemployed (per cent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>590</td>
<td>18.5</td>
</tr>
<tr>
<td>2004</td>
<td>696</td>
<td>15.0</td>
</tr>
<tr>
<td>2005</td>
<td>683</td>
<td>14.3</td>
</tr>
</tbody>
</table>

*Source: Department of Education*

The samples for young people who left school in 2003, 2004 and 2005 were relatively small and results should be interpreted with care. The sample included only those young people who could be identified, contacted and consented to participate in the study. Therefore the results provide an indication of the proportion of these cohorts who reported that they were not in any form of education or training and were looking for work at the time of the survey. Due to ongoing improvements in the data collection of the *On Track* survey, the overall numbers of early school leavers interviewed increased, from 4 625 of 2004 leavers to 4 783 of 2005 leavers.
In previous years labour force survey data collected by the ABS has been used to provide an indication of the number and percentage of 15-17 year olds who were not in full-time education or training and were unemployed. Due to improvements in the On Track survey, and the large standard error associated with the ABS estimate, these data will no longer be reported.

**The prison population will not grow as quickly and reoffending will be reduced**

When measuring disadvantage, improved outcomes of the Victorian criminal justice system such as reduced imprisonment and recidivism rates are important, as people from disadvantaged backgrounds are over-represented in these figures. In previous reports, Victoria’s prison rates were measured using point in time census data published by the ABS. In order to have consistency with the Victorian Government’s reporting of imprisonment rates in other contexts, this report will now use daily average prisoner numbers over the financial year as published in the Productivity Commission’s annual *Report on Government Services*, including trend data back to 1999-2000. This new data set provides a more reliable estimate of prisoner numbers over a full year.

According to the *Report on Government Services*, Victoria’s imprisonment rate increased from 92.0 prisoners per 100 000 adult population in 2004-05 to 93.7 in 2005-06. However, this is still below the rate of 95.1 prisoners per 100 000 adult population in 2003-04. Males continue to make up the overwhelming majority of prisoners in Victoria, with an imprisonment rate of 179.5 males per 100 000 adult population in 2005-06, compared to the female rate of 12.0 per 100 000 (see Chart B.34).

**Chart B.34: Rate of imprisonment by gender**

![Chart B.34: Rate of imprisonment by gender](image)

*Source: Report on Government Services (Productivity Commission)*

*Note:
(a) Daily average prisoner rates.*
The Indigenous imprisonment rate remains significantly higher than the overall Victorian imprisonment rate, with Indigenous persons being 13.3 times more likely to be imprisoned than non-Indigenous persons in 2005-06. As with the non-Indigenous prisoner population, males comprise the vast majority of Indigenous prisoners.

A point-in-time ‘snapshot’ of prisoners from the Corrections Victoria prisoner database is used to measure the proportion of prisoners with two or more characteristics of disadvantage. On 25 January 2007, approximately 52 per cent of the 4,036 prisoners in custody had two or more characteristics of serious disadvantage recorded on the database – a similar result to the previous snapshot of prisoners undertaken in January 2006 (50 per cent). Characteristics of serious disadvantage include: being of Aboriginal or Torres Strait heritage; being unemployed at the time of reception into the prison system; having an intellectual disability; having drug or alcohol issues when the offence was committed; having a previous admission to a psychiatric institution; or being homeless at the time of reception into prison.

The Department of Justice also records the rate at which Victorian prisoners return to prison, as an indicator of the rate of recidivism. The proportion of Victorian prisoners who return to prison within two years of being released has been steadily decreasing since it peaked in 2001-02 (see Chart B.35). As this measures the period for two years from prisoner discharge, the most recent data are for prisoners discharged from prison in 2003-04 who had returned to prison by the end of 2005-06.

**Chart B.35: Percentage of Victorian prisoners released who returned to prison under sentence within two years**

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999-00</td>
<td>40%</td>
</tr>
<tr>
<td>2000-01</td>
<td>40%</td>
</tr>
<tr>
<td>2001-02</td>
<td>40%</td>
</tr>
<tr>
<td>2002-03</td>
<td>40%</td>
</tr>
<tr>
<td>2003-04</td>
<td>40%</td>
</tr>
<tr>
<td>2004-05</td>
<td>40%</td>
</tr>
<tr>
<td>2005-06</td>
<td>40%</td>
</tr>
</tbody>
</table>

Source: Department of Justice

Note:
(a) Figure relates to all sentenced prisoner discharges, including those discharged to parole.
The appreciation of diverse neighbourhoods and communities will increase

As more people come to value Victoria’s diversity, it will become an even greater asset to the State. The VPHS collects information on the proportion of Victorians who think that multiculturalism makes life in their area better, and the proportion that enjoy living among people of different lifestyles. Between 2001 and 2005, the proportion of the Victorian population that enjoy living among people of different lifestyles remained constant at approximately 92 per cent. This question has now been removed from the survey, and will no longer be reported against.

The great majority of Victorians (more than 80 per cent) think that multiculturalism makes life in their area better. However there has been a small decline from 87.2 per cent in 2005 to 83.4 in 2006. The data from the 2005 and 2006 surveys have been adjusted to take into account an increase in respondents choosing ‘not applicable’ since this option was made available from 2005 onwards. Chart B.36 shows that urban areas consistently report a more positive response to this question than rural/regional responses (this is also reflected in the higher incidence of rural/regional respondents selecting the not applicable option).

Chart B.36: Proportion of Victorians who think multiculturalism makes life better

Source: Department of Human Services Victorian Population Health Survey

Note:
(a) An extra category was added from 2004 onwards to enable respondents to answer ‘not applicable’ if they felt that was the more appropriate response, for example, that multiculturalism was not a feature of their area. The data have been adjusted from 2004 onwards to account for the ‘not applicable’ responses.
More Victorians from all backgrounds will have the opportunity to have a say on issues that matter to them

Greater involvement in decision making signifies growing democratic participation. The VPHS records the proportion of Victorians who feel that there are opportunities to have a real say on issues that are important to them. The proportion who feel they have a say has remained fairly constant since 2001 (see Chart B.37) and in 2006 was 72.8 per cent. Females respond positively more often than males (74.9 per cent versus to 70.5 per cent) and rural/regional respondents and urban respondents have similar levels at 74.1 per cent and 72.2 per cent respectively.

The VPHS also collects information about the proportion of Victorians who feel valued by society. The proportion who feel valued by society has remained constant since 2001 (see Chart B.37) and was 81.3 per cent in 2006. Similar levels of males and females report feeling valued by society at 82.2 per cent and 80.3 per cent respectively. For both of these questions similar levels of rural/regional respondents and urban respondents respond positively (82.6 per cent versus 80.7 per cent respectively).

**Chart B.37: Proportion of Victorians that feel there are opportunities to have a real say on issues that are important to them and feel valued by society**

Source: Department of Human Services Victorian Population Health Survey
In 2006, a survey conducted by the Department for Victorian Communities found that 66.7 per cent of respondents rated their local area as ‘good’ or ‘very good’ in response to the statement ‘it’s an active community where people get involved in local issues and activities’. Chart B.38 shows the distribution of responses by Local Government Area. This measure gives an overall indication of community vibrancy in terms of civic participation, connectedness and confidence. Areas that have high scores on the ‘active community’ indicator also score well on a range of related indicators, such as being the member of a group that has taken local action, being on a decision making board or body, and feeling there are opportunities to have a real say on issues that are important.

**Chart B.38: Proportion of respondents who live in an active community where people get involved with local issues and activities by Local Government Area**

![Chart showing distribution of responses by Local Government Area.]

Source: DVC Indicators of Community Strength at the Local Government Level 2006 (unpublished)

Note:
(a) The numbers in brackets refer to the number of Local Government Areas represented by each shade of grey in the chart.

**There will be regular reports on progress in improving the quality of life for all Victorians and their communities**

One important demonstration of accountability is the continued publication of regular reports on progress against the ten goals outlined in *Growing Victoria Together*. This is the fifth report to Victorians and is in line with this commitment.
An annual budget surplus of at least $100 million

Continued sound financial management can be illustrated by the budget bottom line. The 2007-08 estimated budget surplus is $324 million. Since 1999, the Government has maintained a budget operating surplus above the Government’s objective of $100 million each year.

A triple A credit rating will be maintained

Independent international assessment of the State’s credit rating is an important indicator of the Government’s sound financial management of the economy. The State of Victoria is rated by two international rating agencies – Standard & Poor’s and Moody’s Investors Service. Both rating agencies conduct an annual review of the State’s economic structure and prospects, financial performance and outlook, balance sheet positions, liquidity and debt management strategy, and the government’s fiscal outlook and strategy.

Victoria’s triple-A local and foreign currency debt ratings were reaffirmed by Standard & Poor’s in December 2006 and Moody’s Investors Service in January 2007.

Victoria’s taxes will remain competitive with the Australian average

The competitiveness of Victoria’s tax regime plays an important role in underpinning economic growth and investment. Consistent with the Government’s strategic priority of promoting growth across the whole of the State, the Government aims to ensure that Victoria’s taxes remain competitive with the Australian average.

The Government’s preferred measure of tax competitiveness is state taxation expressed as a share of GSP. This measure relates the level of taxation revenue to economic capacity.

In 2005-06, the latest full year for which data are available, Victoria’s taxation revenue was 4.67 per cent of nominal GSP. This ratio is around 0.09 percentage points of nominal GSP above the Australian average, and about halfway between the New South Wales ratio of 4.98 per cent and Queensland’s 4.06 per cent.

For the 2006-07 financial year, Victoria’s taxation revenue is expected to be around 4.67 percentage points of nominal GSP which is around 0.08 percentage points ($210 million) above the Australian average but an estimated 0.33 percentage points ($810 million) below New South Wales.