



Australian Academy
of Health and
Medical Sciences

MEASURING WHAT MATTERS - SECOND CONSULTATION



SUBMISSION TO:
THE TREASURY

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Submission to Measuring What Matters – second consultation process

The Academy of the Social Sciences in Australia and the Australian Academy of Health and Medical Sciences (our Academies) are independent, not-for-profit organisations that bring together the multidisciplinary expertise of our nation’s leading thinkers to provide practical, evidence-based advice on important social and health issues facing society.

As the pre-eminent organisations in Australia representing excellence across the social, health and medical science disciplines we welcome the opportunity to respond to the Measuring What Matters Consultation Pack – second phase (the Consultation Pack).

Introduction

Our Academies strongly support the Australian Government’s initiative to develop a stand-alone *Measuring What Matters Statement* (the Statement). For many decades Australia was at the forefront of global efforts to improve the measurement of wellbeing, starting with the *Measures of Australia’s Progress* (MAP) report, released over 20 years ago. This Statement has the potential to revitalise Australia’s efforts and presents a critical opportunity to prioritise wellbeing for the benefit of the whole community.

An effective national framework must improve wellbeing, not just measure it. A wellbeing economy approach is an opportunity to improve policy design, transparency and accountability based on a clear and contemporary understanding of what progress means to Australian society.

Our submission builds on our respective contributions to the initial consultation process,¹ discussion at the recent Academy of the Social Sciences in Australia roundtable [Developments in work and wellbeing for contemporary Australia](#) and a consultation session with Fellows from our Academies. In addition, we have considered material from the publication [More than Fiscal](#), which is an analysis of the 2021 Intergenerational Report resulting from an event organised by Fellows of the Academy of the Social Sciences in Australia.

Our submission sets out nine key principles that are intended to support the decision-making process relating to the development of the wellbeing framework.

Key principles

1. **Collect and publish a stand-alone set of wellbeing indicators through the Australian Bureau of Statistics (ABS).** The ABS is Australia’s pre-eminent statistical agency and is in regular contact with other national and international agencies involved in similar enterprises. The ABS’ partnerships enable access to relevant data from other agencies and the ABS has legislated protections designed to ensure strong political independence in the choice of indicators and the way they are published. The previously

¹ See [Australian Academy of Health and Medical Science submission](#) and [Academy of the Social Sciences in Australia submission](#)



produced MAP report provides a starting point for deciding what and how to publish. Sufficient funding should be provided to the ABS to maintain key social surveys and to build further wellbeing measurement capability within the agency, especially to address important data gaps. There should be a concordance with the *OECD Framework for Measuring Well-being and Progress* to support international comparisons and provide context for trends in indicators.

2. **Create a framework and indicators that are simple, flexible and dynamic.** To be understandable, implementable, and effective the framework must be simple. Too many indicators make it difficult to assess overall wellbeing and reduce the visibility of priority indicators that need greater government and public attention. A small set of the most meaningful indicators relevant to an Australian context will deliver better results. At the same time, the use of composite indexes should be avoided as they often involve unstated weightings of different indicators and do not contribute to analysis of policies; dashboards of specific indicators are much more useful. The framework and indicators will be a valuable tool in tracking trends over time but should also be flexible and dynamic enough so that they can be updated in response to emerging evidence, evolving community values and priorities, and social, economic, and environmental changes.
3. **Treasury should undertake detailed analysis of a concise set of indicators deemed to be most important for public policy.** Indicators are only the ‘tip of the iceberg’ and provide limited information in isolation. The Treasury role is not just to publish indicators but to analyse the selected policy themes in detail including the effectiveness of existing policies, and the possible utility of alternative options. The Australian Government should decide the high priority themes for detailed analysis after public consultation.
4. **Indicators must allow existing or new data to be sufficiently disaggregated to reflect relevant socio-economic and geographical variations.** Both collective and individual contexts are important in selecting and presenting indicators. The best approaches prioritise inclusive perspectives on how people in diverse circumstances experience wellbeing, while recognising that indicators can be conceptualised and prioritised differently by different people and communities. Expanded analysis of distribution and of place-based variation provides decision-makers with a richer data set on which to make decisions. The *Women’s Budget Statement* is an example of how this thinking can be applied in practice.
5. **Reflect cross-cutting themes and the interdependence of policy areas.** The linear representation of the policy areas in the Consultation Pack fails to reflect their interdependence and implies a silo approach to wellbeing measurement. As highlighted in the Consultation Pack there are important cross-cutting themes, such as ‘children and families.’ Our Academies would add an additional theme of ‘being globally responsible’, to ensure that the framework is not solely internally focussed and reflects the contribution of Australia and Australian people to global wellbeing outcomes.
6. **Annual reporting will require a significant shift in our national data infrastructure.** Australia has a number of well-established data sets that should be exploited for their longitudinal features. However, key economic, health, social and environmental data are currently collected at different time intervals which presents a major challenge for constructing and reporting a set of useful wellbeing indicators. While most economic data are published monthly and quarterly, many of our major social surveys are only



undertaken every three to five years. The restructure of the *Time Use Survey* several years ago, to deliver annual data within a multi-year approach, is one model that could be adopted across the social survey program to support more frequent wellbeing reporting.

7. **Indicators must prioritise equity over equality.** Equity and equality represent distinct approaches in achieving fair and just outcomes. The current indicator descriptions are framed around an equality view. For example, the 'Healthy' policy theme refers to people in 'good' mental and physical health. An equity framing recognises people have different starting points and that optimal outcomes will vary across people and across time and accordingly, an alternate equity framing might be 'people's mental and physical wellbeing is maximised'.
8. **Make relevant data available for legitimate research purposes.** Data are an important tool for better understanding and improving wellbeing outcomes for the whole community. Research plays a critical role in developing the knowledge base used to inform policy and other aspects of society, health and the economy. The more detailed data collected for the purposes of compiling indicators for the framework should be made available in an appropriate way for researchers to conduct studies that benefit the Australian community. Australia needs to establish a stronger culture of enabling safe and secure use of such data for legitimate research purposes beyond the existing internal government arrangements, balanced with protecting the rights and interests of individuals.
9. **Consider the inclusion of indicators that are developed by Aboriginal and Torres Strait Islander communities.** Australia's First Nations communities may have measures of wellbeing that differ from the broader measures. The Productivity Commission already collect and report a comprehensive wellbeing data set in the [Overcoming Indigenous Disadvantage](#) report. One option would be to link the Statement to this report, which is produced in consultation with the Coalition of Aboriginal and Torres Strait Islander Peak Organisations and other Aboriginal and Torres Strait Islander people and organisations.

To discuss any matters raised in this submission, please contact Andrea Verdich, Policy Manager on 0438 218 352, or andrea.verdich@socialsciences.org.au.