

31 January 2023

The Treasury, Australian Government
Measuring What Matters Consultation

To Whom It May Concern:

Re: Measuring What Matters Consultation – The Australian Social Progress Index (SPI) by the Centre for Social Impact

The Centre for Social Impact welcomes the opportunity to provide advice on approaches and key indicators for inclusion in an Australian wellbeing framework. Measuring and reporting wellbeing is a socially and politically important activity for a holistic understanding of Australia's capacity for development. As noted by Treasury, there is a need to consider social and environmental outcomes such as education, shelter, and healthcare that will ultimately improve the ability for people to participate and grow the Australian economy¹.

While there are established processes for regularly updating and monitoring economic metrics in Australia – such as Gross Domestic and State Products, unemployment and underemployment – indicators of wellbeing that demonstrate the impact of Australian policy and program outcomes are much less frequent and inconsistent in their measurement.

Since 2018, CSI UNSW has partnered with the global not-for-profit, the Social Progress Imperative. In an Australian first, we developed a non-economic metric to understand growth, known as the [Australian Social Progress Index](#). A summary of the SPI and its potential for application is included on page 3. We also identify where there are current gaps in data and measurement that limit our understandings of equitable progress in Australia, and suggest indicators should be considered a government priority for measurement.

As the SPI is based on a global methodology and framework, it is well positioned to be used as a metric alongside GDP as an established measure of progress nationally and in global comparisons. Its design principles are focused on outcome indicators that can be addressed through change in policy or program implementation. **The focus of the Index is demonstrating whether Government policy is creating its intended impact. Indicators provide an indication of the ability for Australians to have their basic human needs and foundations of wellbeing met and having the opportunity for inclusion and growth.**

Internationally, Paraguay has adopted the SPI as a metric of national performance, and subsequent government strategies have been aligned with SPI indicators. The European Commission is utilising the SPI across 240 European regions and is targeted towards assessing regional strengths and weaknesses on social and environmental outcomes that are aligned with the EU cohesion policy. Locally, the London Borough of Barking and Dagenham has been used to determine the allocation of resources to directly address issues such as domestic violence, homelessness, and fuel poverty.

Given the substantial alignment between the Australian Social Progress Index and the Measuring What Matters statement, CSI strongly welcomes the opportunity to work with Treasury to identify

¹ Department of Treasury (2022), Statement 4: Measuring What Matters. In *Budget Paper No. 1*, Australian Government: Canberra.

opportunities for the Australian Social Progress Index to be part of an inclusive metric for the Federal Government's approach to measuring holistic progress.

There is an opportunity for CSI to deliver an annually updated Australian Social Progress Index. In a partnership with Government, we would be able to offer more in-depth analysis and increase geographical granularity that can help guide both Treasury and social service decision making.

We hope to be of assistance in this process, including meeting once the consultation period closes, or participating on relevant committees and reference groups as the Statement is drafted and refined in 2023.

Yours sincerely,



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Centre for Social Impact

The Centre for Social Impact (CSI) is a national research and education centre dedicated to catalysing social change for a better world. CSI is built on the foundation of four of Australia's leading universities: UNSW Sydney, The University of Western Australia, Swinburne University of Technology and Flinders University. Our research develops and brings together knowledge to understand current social challenges and opportunities; our postgraduate and undergraduate education develops social impact leaders; and we aim to catalyse change by drawing on these foundations and translating knowledge, creating leaders, developing usable resources, and reaching across traditional divides to facilitate collaborations.

Australian Social Progress Index – a complementary metric to GDP

What it is

An Australian first, the [Australian Social Progress Index](#) (ASPI) is a rigorous and inclusive index that compares how States and Territories compare on social progress *relative to one another*. The Index is produced in partnership with global not-for-profit the [Social Progress Imperative](#). The global Index methodology and framework was developed in collaboration with a team of scholars led by Professor Michael E. Porter of Harvard Business School. The Index is being used for agenda setting, policymaking, prioritizing resource mobilization and measuring impact by national and city leaders across:

- [Latin America](#) (Paraguay, Peru, Brazil, Colombia, Bogota, Mexico and Costa Rica);
- [India](#);
- [South Africa](#);
- the [London Borough of Barking and Dagenham](#) (United Kingdom); and
- the [European Commission's](#) Directorate General for Regional and Urban Policy.²

The Social Progress Index follows a conceptual framework that defines social progress as well as its key elements (see Figure 1). It is defined as the “**capacity of a society to meet the basic human needs of its citizens, establish the building blocks that allow citizens and communities to enhance and sustain the quality of their lives, and create the conditions for all individuals to reach their full potential.**”



Figure 1: Social Progress Index framework and guiding questions

² Further information on subnational SPI Insights and their application to local policy can be viewed at <https://www.socialprogress.org/global-index-2022overview>, or alternatively by contacting Franklin Murillo, Global Insights and Partnerships Director – fmurillo@socialprogress.org

The ASPI has been calculated for the years 2015-2021 at the State and Territory level. It has the capacity to be updated annually, and to be calculated at a more granular jurisdictional level, subject to data availability.

What it offers

- A holistic understanding of growth – it *only* includes social and environmental indicators, so that SPI scores can be used as complementary data alongside economic metrics
- It is outcomes focused – indicators are selected based on demonstrating the *impact* of policy or program implementation
- Scores and rankings are an indication of how well a jurisdiction is positioned to support the basic human needs, foundations of wellbeing and opportunities of communities – rather than being a score of how socially ‘progressive’ individuals are as a political ideology
- It is actionable – indicators included are selected based on their capacity to be addressed through changes in policy or program, and scores can be used to identify where there are areas of greatest social need (e.g., housing, education, healthcare) within a jurisdiction
- It has been designed to align with the United Nations Sustainable Development Goals – providing a way to report on progress against a large set of goals

Why it is needed

- It demonstrates the non-economic impacts of growth, and can be used as a wealth/health check
- Lower or poor scores can indicate difficulties with capacity, accessibility, or appropriateness of services in the jurisdiction
- It provides a distinct, but complementary, metric for understanding progressive growth
- It can help with diagnosing where there are places of stubborn or intractable disadvantage
- It discourages ‘silos’ of social issues – for social progress to improve overall, all the included factors must show improvement
- It encourages collaboration – housing issues are also issues of personal safety, health, and personal rights. By providing a common language of social progress, multiple sectors can communicate and advocate for shared impact

The Centre for Social Impact is well positioned to advise on appropriate indicators for a wellbeing framework, based on extensive consultation with academics, public service, community sector, and industry, as well as an extensive review of currently available public data sources that can be used to understand social outcomes. In reviewing more than 450 potential data sources and suggested indicators, CSI was guided by the following criteria for data inclusion:

- Exclusively social or environmental indicators
- Measures outcomes, not inputs
- Relevant to all jurisdictions
- Can be influenced through change in policy or program administration³

Additionally, the data sources themselves needed to be robust and current:

- Data collected using reputable and transparent methods
- Collected in the last 1-2 years
- Covers 95-100% of included geographic regions

³ The full methodology, including data sources considered and reasons for exclusion, can be accessed [here](#).

The 53 indicators and data sources included in the most recent iteration of the ASPI are included in Appendix A. These indicators have been selected based on their ability to answer fundamental questions about access to medical care, shelter, and education, as well the policy contexts that enable personal rights, inclusiveness, environmental quality.

Considerations for optimal wellbeing data

A key challenge for appropriately measuring wellbeing is ensuring that data is collected consistently, regularly, and with sufficient granularity. Key issues that we have needed to consider in the creation of the Index are outlined below. Broadly, these issues related to inconsistent data definition and collection, a lack of sufficient demographic sampling to understand social equity, and prioritising outcomes measurement over output reporting.

- There are multiple innovative methods of measuring [wellbeing](#), [social cohesion](#), and [disaster resilience](#), either directly or through proxy measures. While there are multiple population surveys (such as the Household Income and Labour Dynamics in Australia survey, and the Australian Bureau of Statistics' General Social Survey), the frequency and granularity of the collection restricts how meaningfully results can be interpreted beyond a general population estimate.
- There is limited quality data that is collected consistently across States and Territories that can be used to inform overall national wellbeing data. A national wellbeing reporting framework may assist jurisdictions in measuring and reporting social outcomes consistently to inform a nation-wide assessment of wellbeing.
- The wellbeing indicators should be defined and measured through an equity lens. Reporting indicators such as 'feeling safe at night', at a general population level, is less meaningful than purposively surveying and reporting for social groups more likely to be impacted by the indicator (such as gender or racial identity).
- Charities and not-for-profits who deliver social services and programs have high levels of expertise in measuring wellbeing and social outcomes for their clients. Treasury should consult with these organisations to determine the most commonly used indicators to ensure a bottom-up identification of wellbeing indicators. CSI has been working with the sector since 2018 to develop an innovative online platform to support rigorous and consistent outcomes measurement in the for-purpose sector (see below for overview).
- Treasury, and Government's, role in contributing to individual wellbeing is through the making and implementing of policy and social programs. Indicators that are identified as part of the wellbeing framework should be able to demonstrate how government initiatives produce positive social and wellbeing outcomes.

Amplify Online

[Amplify Online](#) is an online platform designed to help organisations measure their outcomes, add to the evidence base in their area, and ultimately understand their social impact. Since 2018, the CSI UNSW team have undertaken a process of evaluating whether commonly used social indicators are fit for purpose by being:

- Validated
- Reliable
- Short and easy to measure
- Appropriate for its target audience

- Able to be compared to national data

The Amplify Online platform consists primarily of the tools Indicator Engine (launched April 2021) and Yardstick (launching early 2023). Indicator Engine allows organisations to search for the outcomes they wish to achieve with their programs or through their organisational mission and find appropriate indicators and tools to measure them with validity and reliability. It will also provide a surveying platform that will allow organisations to implement the surveys with their clients with capacity to provide data visualisations for their outcomes. This data will then be fed into Yardstick, which will allow organisations to benchmark their progress with national data, but also as compared to other programs and strategies across Australia that are aiming for similar outcomes.

Benefits of these online tools include:

- » A simplified one-stop shop for organisations to begin or support their ongoing outcomes measurement journey
- » Knowledge that they are using appropriate, valid and reliable tools to measure their outcomes
- » Opportunity to see the areas in which they are creating positive change, as compared to national benchmarks
- » Align their outcomes to official outcomes frameworks provided by funders

An opportunity to review and collaborate with other organisations who are aiming to achieve similar or complementary outcomes through their programs.

APPENDIX A: AUSTRALIAN SOCIAL PROGRESS INDEX INDICATOR DEFINITIONS AND SOURCES

Dimension/component	Indicator Name	Definition	Source
Basic Human Needs			
Nutrition and Basic Medical Care	Infant mortality	The number of deaths of children under one year of age in a specified period per 1,000 live births in the same period.	ABS Deaths and Infant Mortality Rates
	Pneumococcal prevalence	Notification rate of Pneumococcal, per 100,000	Department of Health National Notifiable Diseases Surveillance System
	Rotavirus prevalence	Notification rate of rotavirus, per 100,000	
	Premature mortality (<75)	Potential years of life lost, per 100 000 of the population aged 1-64	ABS Deaths Register and Rates
	Indigenous mortality rates	Rate ratio between Indigenous and non-Indigenous standardised death rates, per 100,000 people	
Water and Sanitation	Waterborne diseases - Shingellosis	Notification rates per 100,000 of shingellosis	Department of Health National Notifiable Diseases Surveillance System
	Waterborne diseases - Cryptosporidiosis	Notification rates per 100,000 of cryptosporidiosis	
	Waterborne diseases - Salmonella	Notification rates per 100,000 of salmonella	
	Water interruption	Average frequency of unplanned interruptions - water (no per 1000 properties) (averaged over providers)	Bureau of Meteorology Urban National Performance Report
Shelter	Social housing tenancy	Rate of people living in social housing, per 10,000 of the population	AIHW National Housing Assistance Data Repository
	Accommodation provision	Proportion of clients of Specialist Housing Services with identified need for accommodation provision who received short, medium or long-term accommodation	AIHW Specialist Homelessness Services

The Australian Social Progress Index



	Greatest need for social housing	Proportion of households on public housing waiting list with greatest need status	AIHW National Housing Assistance Data Repository
	Rental affordability	Rental affordability index score for metropolitan areas	Rental Affordability Index
Personal Safety	Perceived safety at home at night	Perceptions of safety at home at night Index score	Federal Productivity Commission Report on Government Services
	Physical assaults	Rate of persons who experienced physical assault in last 12 months (per 10,000)	ABS Crime Victimization Survey
	Acts to cause injury	Offender rate of recorded acts intended to cause injury	ABS Recorded Crime
	Youth crime rates	Offender rate of all recorded crime committed by youth	
	Youth justice supervision	Rate of 10-17 year olds under community and detention supervision on an average day (per 10,000)	AIHW Youth Justice in Australia

Foundations of Wellbeing

Access to Basic Knowledge	NAPLAN Numeracy Year 9	Proportion of population achieving below the national minimum standard for writing	NAPLAN
	NAPLAN Reading Year 9 - Indigenous	Difference in Proportion of population achieving below the national minimum standard for reading - Indigenous of non-Indigenous	
	High school student retention rates	Apparent retention rates for students, Year 7/8 - Year 11	ACARA National report on Schooling in Australia
	Access to early childhood education	Proportion of children aged 4-5 enrolled in preschool program (%)	ABS Children enrolled in preschool program



The Australian Social Progress Index



	Gap in Indigenous student attendance rate	Gap in student attendance rate years 1-10 - Indigenous to non-Indigenous students	ACARA National report on school attendance
Access to Information and Communications	Digital access	Digital access score in Digital inclusion index	Digital Inclusion Index
	Digital affordability	Digital affordability score in Digital inclusion index	
	Digital ability	Digital ability score in Digital inclusion index	
	Registered library users	Total number of registered or active members as a percentage of the population (need to calculate as %)	NSLA Annual Australian Public Library Statistics
Health and Wellness	Community mental health treatment	Patient rate per 1,000 population receiving community mental health care	AIHW Mental Health Services
	Suicide	Standardised death rate due to self-harm (suicide)	ABS Causes of Death
	Respiratory mortality	Age-standardised death rate due to respiratory disease	
	Diabetes mortality	Age-standardised death rate due to diabetes	
	Cancer mortality	Age-standardised death rate due to cancer-neoplasms	
	Cardiovascular mortality	Age-standardised death rate due to diseases of the circulatory system	
Environmental Quality	PM10 concentrations	Median 24 hour concentrations of PM10, averaged across monitoring stations	State Environment agencies
	PM2.5 concentrations	Median 24 hour concentrations of PM2.5 measured using continuous BAM method, averaged across monitoring stations	
	Environmental crime	Offender rate for property damage and environmental pollution	ABS Recorded Crime



The Australian Social Progress Index



CO2 per capita

Greenhouse gas emissions per capita (t CO2-e per person)

Department of Climate, Energy the Environment and Water National Greenhouse Accounts

Opportunity

Personal Rights	Voter registration	Proportion of eligible adults enrolled to vote (%)	Australian Electoral Commission enrolment statistics
	Police integrity	Police integrity - total proportion in agreement with 'police treat people fairly and equally' (%)	Federal Productivity Commission Report on Government Services
	Male sexual assault and related offences	Offender rate of recorded sexual assault and related offences by males	ABS Recorded Crime
	Teen pregnancy	Rate of 15-19 year old women who gave birth (per 1,000)	ABS Births and Deaths Statistics
Personal Freedom and Choice	Child abuse substantiations - Indigenous disparity	Rate ratio of Indigenous to non-Indigenous children aged 0-17 who were the subjects of substantiations of notifications received	AIHW Child Protection Australia
	Out of home care - Indigenous disparity	Rate ratio of Indigenous to non-Indigenous children in out of home care (per 1,000)	
	Public transport safety	Perceptions of safety on public transport at night Index score	Federal Productivity Commission Report on Government Services
	Women seeking homelessness services FDV	Rate ratio of women to men seeking homelessness services due to family and domestic violence	AIHW Specialist Homelessness Services
Inclusiveness	Gender pay gap	Female total cash earnings, expressed as a percentage of men's total cash earnings.	ABS Average Weekly Earnings



The Australian Social Progress Index



	Gender employment underutilisation	The difference between women’s and men’s underutilisation rate, expressed as a ratio of female to male underutilisation	ABS Labour Force Survey
	Volunteering	Proportion of people who reporting volunteering for more than half an hour a week	HILDA
	Satisfaction with connection to community	Proportion of people who are satisfied with feeling part of the community	
Access to Advanced Education	Post high school enrolment	Proportion of the population aged 15-64 who are attending higher education, TAFE or other institution/organisation (not secondary) (%)	Survey of Education and Work, ABS
	Educational attainment per population	Proportion of population 20-64 with post-school qualification	
	NEET	Proportion of 15-24 year olds who are not fully or partially engaged in employment or study	
	Gender parity in higher education achievement	Proportion of women with a bachelor degree or above as a ratio to men with a bachelor degree or above aged 20-64	

