



Australian Government
The Treasury



Measuring What Matters

Consultation Pack – Second Phase

April 2023

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Invitation to consult

Thank you for your interest in Measuring What Matters.

The Government is committed to working with the community to release a new standalone Measuring What Matters Statement in 2023. The Statement will be Australia's first national framework on wellbeing and will evolve over time. It will be used to help assess Australia's progress and guide efforts to create more opportunities for more Australians in more parts of our country.

Traditional economic indicators provide important insights, but not a complete picture of wellbeing. The Statement will enable us to better assess progress on a broad range of social and environmental indicators alongside traditional measures of economic strength. It will provide a more comprehensive picture of whether policies are working and support more informed discussions about what needs to be done to improve the lives of all Australians.

The Government set out early ideas on Measuring What Matters as part of the October 2022-23 Budget. This included a review of international approaches to measuring progress and a comparison of Australia's performance against the Organisation for Economic Cooperation and Development's (OECD) wellbeing framework.

The October 2022-23 Budget also asked for public input to the Statement. We welcome the strong engagement we have received so far, with more than 160 written submissions received. This valuable input has been helpful in progressing our work on Measuring What Matters and has been used to help develop a set of emerging policy themes. Now we want to launch the next phase of consultation to hear from more Australians about these themes.

We are asking you to help by hosting your own feedback session. This consultation paper will assist you do this and provides suggestions on how to plan a session, gather feedback and provide it to the Government. We invite – and encourage – everyone to get involved to ensure we measure what matters to all Australians.



The Hon Jim Chalmers MP
Treasurer

Introduction

This paper has been prepared to help Australians - Members of Parliament, community groups, businesses, academics, unions, local government and individuals - discuss and provide feedback on an emerging set of Measuring What Matters policy themes.

The paper includes suggestions on consulting, frequently asked questions and a suggested feedback form. The paper is provided as a guide, but you are welcome to host your consultation in any format you like.

Measuring What Matters

Why measure what matters?

Measuring what matters is important for tracking and achieving progress. It will help us better understand our economy and society and support more informed policy making and improved accountability.

Traditional macroeconomic measures such as GDP play an important role but they are not the only things that matter. They do not incorporate social or environmental outcomes or show whether certain groups are getting a fair share of national opportunities and prosperity. Measuring a broader set of metrics can help us bring attention to, and track progress on the factors important to community wellbeing and longer-term prosperity.

Australia has previously been an international leader on considering and incorporating alternative measures of progress, including through former initiatives such as the Treasury Wellbeing Framework as well as the Australian Bureau of Statistics' Measures of Australia's Progress. While Australia has a number of processes and reporting frameworks aimed at informing progress in specific areas (such as Closing the Gap and the State of the Environment Report), we do not currently have an integrated approach for measuring what matters. The October 2022-23 Budget kickstarted the conversation about how we can best do this, drawing on lessons from international and national frameworks and practices in other countries.

Internationally, governments have recognised the value of broader measures of progress. Progress frameworks have been used by countries such as Scotland, Wales, Canada, New Zealand and Germany. These aim to raise the profile of non-economic outcomes and provide a picture of national progress and wellbeing. Most countries use these frameworks to draw attention to government policies and programs that achieve non-economic outcomes, whether that be through the promotion of public discussion or incorporating the framework in decision-making processes.

How can we measure what matters?

The [October 2022-23 Budget](#) explored what we can learn from international approaches to measuring what matters. It found that progress and wellbeing frameworks typically include a suite of objectives for policy areas and indicators to monitor them.

In some instances, high level objectives such as 'meeting human needs' or 'supporting people to lead fulfilling lives' may be intuitive but can be difficult to measure. As a result, progress reports typically use policy themes and more detailed indicators to measure the desired outcomes across areas such as health, education and income. Ideal indicators should allow for disaggregation at a demographic or geographic level.

Some key lessons from international experiences and consultations undertaken to date suggest that to be most useful, policy themes should be readily understood, and indicators should be measurable, reliable and timely. Focusing on a small number of themes and indicators can help make the framework easier to understand and more effective in guiding decision making.

The [OECD Framework for Measuring Well-being and Progress](#) provides a useful foundation for measuring what matters. It includes a range of policy themes such as income and wealth, housing, health and the environment. The Framework is a useful starting point, but it is not tailored to individual countries' circumstances. As a result, countries have tended to adapt the Framework to reflect their specific policy themes and indicators.

A way forward

In the October 2022-23 Budget, the Government committed to release a new standalone Statement and intends to publish the first Statement in 2023 (after the 2023-24 Budget). This will be informed by the OECD's Framework and lessons from international approaches but tailored to Australia's unique circumstances.

The Statement will be informed by extensive consultation and provide a high-level view of Australia's progress through improving visibility of key indicators at a national level. It will complement rather than replace the existing and more detailed set of progress reports such as Closing the Gap and the State of the Environment Report.

This first Statement will be just the start of the journey of capturing what matters to Australians. The first statement will set out the framework that will capture what will be measured, including logical alignment with indicators already captured through existing strategies and plans. It is anticipated that future Statements will build on the frameworks and principles outlined in the first Statement.

Just like many of our international counterparts have done in developing their wellbeing and progress frameworks, we will continue to refine ours overtime. This refinement will reflect the ongoing feedback from the community, new research, improved data availability and changing community views on what matters.

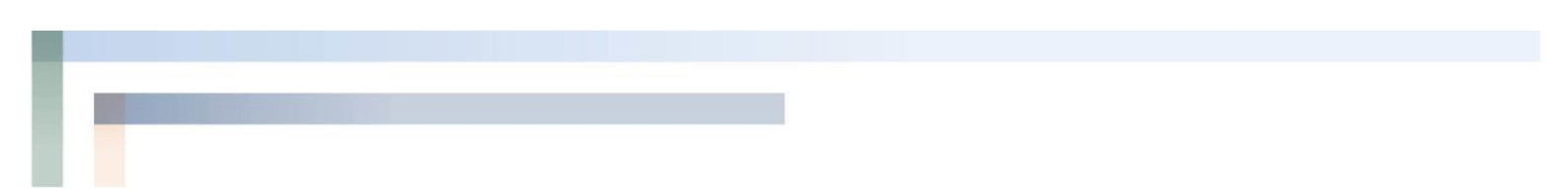
The release of the Statement offers a benchmark for Government agencies, business and the community sector to assess policies and operations to ensure they are reflecting what matters to Australians. Measuring What Matters will help drive broader cultural change and it is anticipated that organisations and portfolios will embed this new approach to their respective policy areas.

Consultation process

Consultations on Measuring What Matters have continued following the October 2022-23 Budget. The public submission process closed on 31 January 2023 and more than 160 submissions were received from community groups, business, academics, unions, governments and individuals.

In addition, Treasury has met with a wide range of stakeholders. This includes speaking to other countries', state and territory governments, and organisations that have developed similar frameworks to learn from their experiences. Treasury has also been listening to the views of a broad range of organisations and agencies to ensure the diversity of what matters to different parts of our community, such as those who advocate for the wellbeing of children, is captured.

The submissions and consultations indicate there is broad support for measuring progress against a wider set of metrics including across health, social and environmental outcomes, in addition to economic measures.



The written submissions covered themes such as poverty, housing, environment, physical health, mental health, the wellbeing of First Nations people, and arts and culture. A common, recurring theme is that there should be a strong focus on children and families. This is in recognition that the early years are critical to continued success and wellbeing, both over an individual's lifetime and across generations. Some stakeholders advocated for measuring outcomes for more vulnerable Australians or specific regions. The submissions have been released on [Treasury's website](#), unless the authors have requested otherwise

Many stakeholders have highlighted the importance of broad and inclusive public consultation to ensure the Statement clearly reflects the views of the community. This consultation process will reach more Australians and is the next phase of this important, ongoing conversation. Input from the submissions and these consultations will be used to further inform the development of the Statement, including policy themes, indicators and next steps.

Emerging policy themes

A number of themes have emerged from what we have heard in submissions and consultations, as well as lessons and insights from domestic and international approaches, including the OECD's framework, and other countries' wellbeing reports (see Table 1). These emerging themes have been grouped into five areas - Prosperous, Inclusive, Sustainable, Cohesive and Healthy. This is a first attempt at describing the qualities in the economy and society that are likely to be useful in providing a greater understanding of community wellbeing. They represent what we have heard so far and are not necessarily the final policy themes that will be included in the Statement. They provide one way of representing the themes emerging, offering a basis for discussion in this next round of consultation.

One lesson that has emerged from consultations and international experience is that a small number of themes and indicators may help make the framework easier to understand and more effective in guiding decision making. A small number of themes, rather than a long list of separate issues, can help to illustrate the interconnected nature of what matters to Australians. For example, the OECD framework has 15 policy areas framed with traditional titles such as housing, health, work and job quality, and civic engagement. While these are likely to be important themes for the wellbeing of Australians, the large number of areas do not allow for adequate consideration of the interrelated nature of housing, work, and an inclusive society. Associated with each emerging theme is a set of draft descriptions. Draft descriptions provide detail on the components of each theme in an easy-to-understand way. For example, an inclusive society is one that shares resources and opportunities, strives for gender equality and has representative leadership in government and business. Some of these elements may be cross-cutting across the five themes, for example gender equality or the quality of core institutions and we would welcome views on how best to reflect cross cutting themes in the framework.

Measuring What Matters indicators

The policy themes will be supported by metrics or indicators. Draft descriptions provide suggestions as to which indicators could be used for measuring wellbeing and progress overtime for each theme. For example, for the draft description - feeling safe at home, online and in the community - metrics such as rates of domestic violence, online scams or perceptions of safety when out at night are likely to be relevant and understandable indicators.

Feedback has already been sought on indicators through written submissions, including specific indicators and suitable data sources. Further feedback on, and suggestions for, indicators is welcomed, particularly in response to the themes outlined in table 1.

Where possible and where supporting input is available, indicators will be chosen to provide information that captures the different experiences and outcomes of people across Australia.

The consultation process will help to ensure balance when developing the first set of indicators. There is a natural inclination to capture the richness of what matters to Australians by including many indicators. However, the larger the number of indicators, the harder it will be to better understand our economy and society and support more informed policy making and improved accountability.

To this end, the first Measuring What Matters Statement is likely to be relatively high-level and concise to ensure that it is accessible and meaningful to as many people as possible.

The emerging themes, associated draft descriptions and indicators will continue to be refined to reflect the input from consultations, further research, data availability and changes in what matters to the community.

It is important to note that wellbeing is holistic and themes need to be viewed as interconnected as opposed to discrete or ranked in priority. For example, for the nation and its people to be healthy, it needs to be prosperous, inclusive and cohesive now and remain sustainable into the future.

Table 1. Emerging policy themes and draft descriptions

<p>Prosperous A growing, productive and resilient economy</p>
<ul style="list-style-type: none"> • An economy that provides opportunities for all Australians. • An economy that is more resilient and less vulnerable to shocks. • People are financially secure. • People have access to education, knowledge and training so they have the skills to fully participate in society and the economy throughout their life. • People have access to necessary services and amenities. • A sustainable budget that can continue to deliver the services Australians rely on and can buffer the economy against future shocks. • A dynamic economy, which encourages and offers opportunities for innovation and entrepreneurship. • An economy that seizes the opportunities from the net zero transition and digitisation.
<p>Inclusive A society that shares opportunities and enables people to fully participate</p>
<ul style="list-style-type: none"> • A society that allows all people to afford life’s essentials. • A society that provides people access to secure, well-paying jobs. • A society that supports social and economic accessibility and intergenerational mobility. • Gender equality, including at work and in the community. • A society that supports diversity and equity. • Leadership in government and business that is representative of our diverse society.

Sustainable
A natural environment that is valued and sustainably managed in the face of a changing climate for current and future generations

- A healthy natural environment for current and future generations, protected from the damage being caused by climate change.
- A society and economy that is resilient and adapting to a changing climate.
- A society that sustainably uses our natural resources, on track to reach to net zero emissions.
- A society that values the social, cultural and economic significance of our natural environment.

Cohesive
A safe and cohesive society that celebrates culture and encourages participation

- A society where people feel safe at home, online and in the community.
- A society that is Closing the Gap and values First Nations culture.
- A society where people have the time and opportunity to participate in the arts, culture and sporting activities.
- A society that has close relationships with family and friends.
- A government that is trusted by the public.
- People participate in the democratic process and engage in their community.
- A society that supports engagement in the community through volunteering or other means.

Healthy
A society in which people feel well and are in good physical and mental health now and into the future

- A society in which people are in good physical health.
- A society in which people are in good mental health.
- A society that ensures the health and development of its children.
- A society in which people are generally satisfied with their life.
- A society where people have enough time for family, friends, personal interests and their community.
- A society that values the contributions of all regardless of health or ability.

Suggestions for Consultation

There is no prescribed format for the consultation as each group will be different, but some suggestions are provided below.

When to consult

- Please submit your feedback by 26 May 2023.

Who to consult

- You could consider inviting a broad cross section of attendees to your meeting so that the views are inclusive of all aspects of your community and captures what matters most to your community.

How to consult

- You are welcome to host your consultation in any format you like – in person, online, a roundtable, townhall or survey are some possibilities.
- Digital audience interaction and polling tools could help you run the meeting, interact with participants and collect feedback.
- You are welcome to host multiple consultations – please submit one feedback form per consultation.

What do we want to know?

- What are the top five issues most important for your wellbeing? What are the top five issues most important for your community's wellbeing?
- How do your priorities, and those of your community, align with the policy themes described above?
- Which of the above policy themes are most important to you? Which are less important?
- Is there something that you think you or your community might care about in the future that you are less concerned about right now?
- When it comes to your wellbeing, what do you care about that isn't captured above? What do you think members of your community would like to see represented in the above list that aren't currently captured? What would you replace in the list above to include it?
- Is there any additional information you would like to see in the Measuring What Matters Statement?
- Do these themes cover the key principles we want considered when policies are developed? Do they leave anything out? Would they provide adequate guidance to decision-makers?

Please also consider the feedback form at [Attachment A](#) as this may provide further ideas for questions.

Let us know what you heard

- Please return your feedback to measuringwhatmatters@treasury.gov.au by 26 May 2023 using the form at Attachment A or digitally via the [online feedback form](#).

Frequently Asked Questions

When will the Measuring What Matters Statement be released?

- The Government has committed to release a standalone Measuring What Matters Statement (the Statement) and intends to release the first statement in 2023 following the May 2023-24 Budget.

Why is a Statement needed?

- The Statement will bring together economic, social and environmental indicators. It will provide a more comprehensive picture of whether policies are working and support more informed discussions about what needs to be done to improve the lives of all Australians.
- The Government publishes many progress and wellbeing indicators already, but Australia does not have an overarching national framework for measuring what matters.

How will the Statement link to existing progress reports?

- The Statement is designed to allow consideration of a broader range of indicators when it comes to national progress.
- It is intended to complement, rather than replace more detailed progress reports such as Closing the Gap and the State of the Environment Report.

How will my input to the Statement be used?

- The Government will carefully consider all the input received from Australians and use it to inform the final selection of policy themes, indicators and next steps.

What policy issues will the Statement cover?

- The Statement will consider a broad range of economic, social and environmental issues.
- The scope of the Statement will be determined by public feedback, international research and issues such as data availability.

Why is consultation important?

- The Government is committed to working closely with the community to develop the Statement. The community is best placed to advise on the issues that matter to them.
- A broad approach to consultation will ensure the Statement reflects a diverse set of views and resonates with Australians.

Attachment A: Measuring What Matters: Consultation Feedback form

To be completed by meeting host after each meeting and returned to measuringwhatmatters@treasury.gov.au by 26 May 2023.

Meeting details

Meeting host name/ organisation: Click or tap here to enter text.

Meeting host contact details [phone or email]: Click or tap here to enter text.

Meeting host

- Member of Parliament
- Local government
- Non-government organisation
- Business
- Academic
- Community group
- Individual
- Other Click or tap here to enter text.

Meeting date: Click or tap to enter a date.

Meeting location: Click or tap here to enter text.

Participants attending:

- Member of a community organisation
- Businesses
- Academics
- Union members
- Individuals
- Other Click or tap here to enter text.

Number of participants: Click or tap here to enter text.

What matters to Australians?

1. Did the five emerging policy themes Prosperous, Inclusive, Sustainable, Cohesive and Healthy resonate with meeting participants?

Yes No if not, why not [Click or tap here to enter text.](#)

2. Which of the following themes are most important to you? (Select three)

Prosperous:

A growing, productive and resilient economy

Inclusive:

A society that shares opportunities and enables people to fully participate

Sustainable:

A natural environment that is valued and sustainably managed in the face of a changing climate for current and future generations

Cohesive:

A safe and cohesive society that celebrates culture and encourages participation

Healthy:

A society in which people feel well and are in good physical and mental health now and into the future

3. Which themes or descriptions were most frequently discussed? (Select three)

Prosperous:

A growing, productive and resilient economy

Inclusive:

A society that shares opportunities and enables people to fully participate

Sustainable:

A natural environment that is valued and sustainably managed in the face of a changing climate for current and future generations

Cohesive:

A safe and cohesive society that celebrates culture and encourages participation

Healthy:

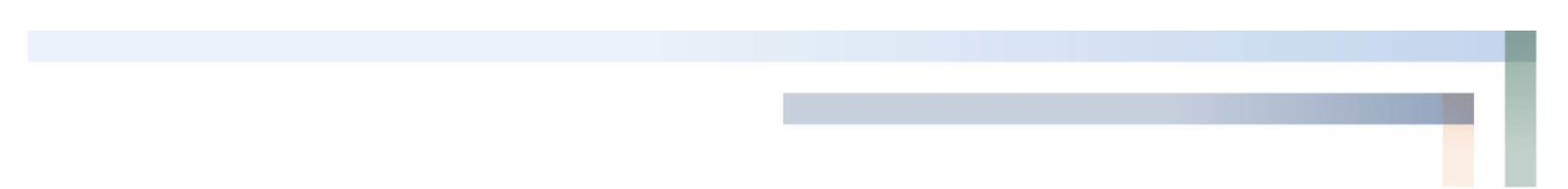
A society in which people feel well and are in good physical and mental health now and into the future

4. What do you see as the most important issues for future wellbeing? Are these captured by the emerging policy themes?

[Click or tap here to enter text.](#)

5. How might the descriptions be amended to best reflect our priorities?

[Click or tap here to enter text.](#)



6. Are there any indicators and existing data sources that will be critical to inform the emerging policy themes?

Click or tap here to enter text.

7. Is there any additional information you would like to see in the Measuring What Matters Statement? If so, please outline.

Click or tap here to enter text.