



**Public Health Association**  
AUSTRALIA

**Submission to the  
Australian Government Treasury  
on the Measuring What Matters project**

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# Preamble

## The Public Health Association of Australia

The Public Health Association of Australia (PHAA) is recognised as the principal non-government organisation for public health in Australia working to promote the health and well-being of all Australians. It is the pre-eminent voice for the public's health in Australia.

The PHAA works to ensure that the public's health is improved through sustained and determined efforts of the Board, the National Office, the State and Territory Branches, the Special Interest Groups and members.

The efforts of the PHAA are enhanced by our vision for a healthy Australia and by engaging with like-minded stakeholders in order to build coalitions of interest that influence public opinion, the media, political parties and governments.

Health is a human right, a vital resource for everyday life, and key factor in sustainability. Health equity and inequity do not exist in isolation from the conditions that underpin people's health. The health status of all people is impacted by the social, cultural, political, environmental and economic determinants of health. Specific focus on these determinants is necessary to reduce the unfair and unjust effects of conditions of living that cause poor health and disease. These determinants underpin the strategic direction of the Association.

All members of the Association are committed to better health outcomes based on these principles.

## Vision for a healthy population

A healthy region, a healthy nation, healthy people: living in an equitable society underpinned by a well-functioning ecosystem and a healthy environment, improving and promoting health for all.

The reduction of social and health inequities should be an over-arching goal of national policy and recognised as a key measure of our progress as a society. All public health activities and related government policy should be directed towards reducing social and health inequity nationally and, where possible, internationally.

## Mission for the Public Health Association of Australia

As the leading national peak body for public health representation and advocacy, to drive better health outcomes through increased knowledge, better access and equity, evidence informed policy and effective population-based practice in public health.



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# Designing a national wellbeing framework

PHAA welcomes the opportunity to provide input to the Treasury's work on wellbeing budgeting.

This submission is closely connected to our [Pre-Budget Submission for the 2023-24 Budget - 2023: the Year to Deliver on Public Health](#), submitted to the Treasury a few days ago.

The specific starting point for this consultation is the October 2022 *Measuring what Matters budget statement* (the "2022 statement"), which provides an indication of the focus of the Measuring What Matters statement to be released with the 2023-24 Budget in May (the "2023 statement"). We note that the Treasurer has in recent months made public references to his proposed 2023 statement and its role in his agenda to use the Budget as a driver of socio-economic outcomes for Australians, including improvements to inequities and inequalities experienced by the least well-off among our people.

The 2022 statement had a heavy focus on the OECD Framework for Measuring Health and Wellbeing, and rightly points out the limitations of this Framework, including the lag caused by indicators that are published with a delay, issues with comparability of indicators between jurisdictions, and the use of averages, which do not capture the reality for people in circumstances at the 'extremes' of indicators and measures. The 2022 statement also notes that the OECD Framework is not tailored to Australia's circumstances, and does not incorporate all our national priorities. These issues are explored below.

## Framing the Budget around wellbeing

Regarding use of the Treasurer's wellbeing approach, the Government has options ranging from basic to better to best. A very *basic* version of such an approach would be to simply package and present budget decisions under headings which have some relation to wellbeing improvement. Initiatives, for example, relating to mental health, young people's welfare, or the advancement of wellbeing for Aboriginal and Torres Strait Islander people might appear in the Budget. No doubt many such measures would be welcomed. But packaging and presenting in Budget documents is not the real deal.

A *better* version would be to set serious strategic goals, with measurable indicators and targets, regarding wellbeing for all Australians. A system of 5- and 10- year objectives might be adopted, together with accountabilities to be borne by identified Ministers, and other related strategic policy drivers. Over time, this might indeed lead to outcome improvements. We welcome the Treasurer's expressed commitments to a framework of measures and indicators launched in the October 2022 Budget and the consultations currently being undertaken by the Treasury to develop his direction.

However, the *best* use of this modern wellbeing thinking is to appreciate that wellbeing is the fundamental goal of the economy itself, and the end point of all the levers that governments pull to influence the vitality of the economy. A wellbeing economy:

*"reorients and reorganises traditional economic and business practices to support a prosperous economy [and] to account for things that really matter: our physical and mental health, the resilience of our environment, the cohesiveness of our communities, and how fairly economic wealth is distributed in our society."* (Is a wellbeing economy the solution to our ills?, Alexandra Jones, Senior research fellow at The George Institute for Global Health, Dec 2021)

This higher vision of wellbeing economics is what the Government should now aim for. Through the 2023-24 Budget, the Government should signal with great clarity that the 'wellbeing' approach is no mere packaging exercise. PHAA will vigorously support the Government in such a direction.

## Objectives of a wellbeing framework

The Treasury's Measuring What Matters consultation website states that the coming 2023 Statement will draw on the work of the OECD but will be unique to the Australian context. Such a statement should reflect important to Australians. In particular, the statement should contribute to the national agenda of addressing the ongoing impacts of colonial and more recent history on Aboriginal and Torres Strait Islander peoples, most especially in respect of health and wellbeing.

### *Need to go beyond economic measures*

Current and past practices have focused solely on impact of budget policies on economic measures such as employment, unemployment rate, GDP growth (real and nominal), consumer price index, and wage price index. This basket of economic foci, while important, are insufficient for policy making in the overall national interest. Growth in real GDP does not tell us how well the population is living, nor at what expense to the environment. A focus on growth in real GDP risks entrenching inequality if it is achieved via policies that do not address the rights and needs of groups experiencing disadvantage (Aboriginal and Torres Strait Islander peoples, the unemployed, refugees, those experiencing homelessness, single parents on Jobseeker). Growth in employment does not tell us whether people are obtaining decent jobs with good working conditions.

The material released to date commits that broader social and environmental indicators will be incorporated into the government's budgetary framework 'in addition to, not instead of, traditional macroeconomic measures.'

This exercise must also have a focus on addressing inequality in Australia. There is clear evidence that social inequalities are responsible for health inequalities.<sup>1 2</sup> Australia should provide a minimum standard of social opportunities for all, with policy-making addressing those with the least opportunity. The wellbeing framework should be a tool for reducing poverty and improving equity across our society. Economic measures should continue to be prioritised to the detriment of health equity.

### *Need to avoid reliance on averages*

The use of averages in the OECD Framework must be addressed in the 2023 Statement. Indicators need to take into account the distribution, and inequities in the distribution, of any measured outcome, if we are to measure what really matters for policy-making. The key focus of this exercise must be on people with life circumstances at the extremities of the measures adopted, not people living in average circumstances. To this end, the measuring system should place less importance on whether an average is shifting up or down slightly over years (as most averages do), but rather on what is happening at the lower end of outcomes.

Health (at a population level) is the main area of expertise of PHAA. We note that the OECD Framework includes only a few very high-level health indicators, life expectancy and premature mortality. Life expectancy and premature mortality are flawed measures if they are taken only at total-population level, and are not disaggregated by socioeconomic status and for key population groups that face inequities, including Aboriginal and Torres Strait Islander people, and people with disability.

Obtaining quality data will be essential in giving effect to the proposed approach. The National Preventive Health Strategy sets a target for improved collection of demographic information in national datasets for priority populations to ensure differences in health and wellbeing outcomes can be measured. Australia is

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<sup>1</sup> [https://povertyandinequality.acoss.org.au/wp-content/uploads/2021/08/Work-income-and-health-inequity\\_August-2021.pdf](https://povertyandinequality.acoss.org.au/wp-content/uploads/2021/08/Work-income-and-health-inequity_August-2021.pdf)

<sup>2</sup> <https://www.publish.csiro.au/py/pdf/PY21285>

well served by the Australian Institute for Health and Welfare, but it may be that additional resources are needed to boost AIHW's capacity to support the Treasurer's agenda.

### **The role of a wellbeing framework in driving government decisions and policies**

It is also worth thinking about the ongoing role of the coming 2023 Statement within government. The wellbeing framework should be a mechanism for driving progress, not just for measuring it, and should become embedded in the Budget development process for ministers, the ERC, the work of Treasury, and across all agencies.

New Zealand's Living Standards Framework provides an example of a framework with goals tailored to drive improvement in outcomes. Most importantly, New Zealand's Framework is incorporated into budget and policy-making processes, and all new policy proposals are required to not only specify their contribution to wellbeing but also be later evaluated in regard to their successful outcomes.

A wellbeing framework should not simply be aspirational, it should compel action against health and wellbeing indicators, providing information on the outcomes of government policies so that we truly are measuring what matters. The incorporation of social and environmental indicators to measure progress must be a binding commitment for future budgets.

The statement is an opportunity to take action on key national policy agendas, including climate change, preventive health policy, and issues of Aboriginal and Torres Strait Islander wellbeing, including justice. It is also an opportunity to have a renewed focus on equity in health and social factors, to reverse the current trend of increasing inequality in health and social determinants.<sup>3</sup>

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<sup>3</sup> <https://www.publish.csiro.au/py/pdf/PY21285>

## Specific indicators and measures

### Review of the Indicators released in October 2022

The 2022 statement appropriately identifies the flaws of the OECD framework, and that greater emphasis on wellbeing can be achieved by expanding on the OECD indicators and using them not only as a tool to measure wellbeing, but as a way to communicate inequalities existing in Australia and justify where future policy focus should be directed.

Of the 32 OECD Indicators, the 2022 statement identifies that Australia is only at or better than OECD averages, and is stable or improving, on 12 of them. This result in itself is poor for a country with Australia's resources. However, with further scrutiny applied, the result that we are stable or improving on 12 measures appears to be a misrepresentation of what is likely an even lower score. For example, the employment rate includes one hour of paid employment per week and does not account for the quality of this job. That is hardly a true or meaningful employment rate.

Another example is housing affordability, which is an impossible figure to average due to wild discrepancies between urban and regional, buying and renting, quality and of course, does not provide any insight to who is finding housing affordable and who is being forgotten.

A framework for Australia must have real substance, and not appear to be mere tokenism. We urge the Government to take the task of establishing, implementing, maintaining the framework, and acting upon its findings very seriously.

### Proposed new or altered indicators

In the table on the following pages we set out a broadened framework of indicators and measures that we believe capture population health and wellbeing goals. These proposed indicators and measures have been derived from established wellbeing frameworks in Canada (*Quality of Life Framework*), New Zealand (*Living Standards Framework*), Scotland (*National Performance Framework*) and Iceland (*Well-being in Iceland*), as well as indicators that we believe are essential to understanding the wellbeing of Australians and the systems that support their wellbeing.

Using the Canadian format of domain and sub-domain, we have synthesised some of the key indicators and subsequent measuring tools from all the above frameworks as an example of what Australia's wellbeing framework should look like. We have limited our indicators to items that may be a direct determinant of health and wellbeing outcomes at a population level. We acknowledge that our table of proposed indicators and measures is not exhaustive.

To understand the wellbeing of *all* Australians a variety of relevant demographic data should be collected for each indicator, including total population, age, region, sex, ethnicity, gender, disability, household type, family type and income.

Table 1: proposed population health-related wellbeing indicators

Domain	Sub-Domain	Indicators	
Strength in Democratic System	Engagement	<b>Voter turnout general elections</b>	
		<b>Voter turnout in local elections</b>	
		<b>Confidence in institutions</b>	
	Good Governance	<b>Influence over local decisions</b> <i>Percentage of people aged 16-65 who agree they have a say in Government.</i>	
		<b>Indigenous self-determination</b>	
Communities	Identity	<b>Ability to express identity</b> <i>Percent of children (aged under 16) and adults (aged 16+) who said it was easy or very easy to express their identity in Australia.</i>	
		<b>Indigenous languages</b> <i>Percent of Aboriginal and Torres Strait Islander peoples with the ability to speak or understand an Indigenous language.</i>	
		<b>Aboriginal and Torres Strait Islander connection to culture</b> <i>Percent of Aboriginal and Torres Strait Islander adults who feel strongly connected with their culture.</i>	
	Belonging	<b>Sense of belonging to Australia</b> <i>Consider the sense of belonging for Aboriginal and Torres Strait Islander Peoples, people who have immigrated to Australia from a set period, and for people who are Australian born from other descent.</i>	
		<b>Sense of belonging to local community</b> <i>Percent of the population by strength of sense of belonging to their local community.</i>	
	Social Connection	<b>Satisfaction with personal relationships (family and friends)</b> <i>Percent of the population by level of satisfaction with their personal relationships.</i>	
		<b>Loneliness</b> <i>Percent of adults who felt lonely at least some of the time in the last four weeks</i>	
		<b>Social network support</b> <i>Percent of children (aged under 16) and adults (aged 16+) who report they have friends or relatives they can count on in times of trouble.</i>	
	Satisfactory and Meaningful Life	Life Satisfaction	<b>Satisfaction with time use</b> <i>Proportion of the population by level of satisfaction with how they use their time.</i>
			<b>Life Satisfaction</b> <i>Proportion of the population by level of satisfaction with their life at the time of the survey.</i>
		<b>Work life balance</b> <i>Long working hours- proportion of people who work over X number of hours a week.</i>	
	Sense of Purpose	<b>Sense of meaning and purpose</b> <i>Proportion of the population by level of feeling as if the things they do in life are worthwhile.</i>	
Health	Healthcare Systems	<b>Unmet health needs</b> <i>Percent of children (aged under 16) and adults (aged 16+) with unmet need for primary healthcare in the past 12 months.</i>	
		<b>Quality of care experience</b> <i>Percent of people who describe the overall care provided by their GP practice as Excellent or Good.</i>	



		<p><b>Timely access to primary care provider</b> Average amount of time people must wait before seeing a primary, secondary, or tertiary care provider.</p>
		<p><b>Long-term care (access and quality)</b> Average waiting times for people who are seeking long term care, satisfaction with long term care out of X.</p>
		<p><b>Access to supplementary health insurance</b> Self-ranking of the perceived affordability of supplemental health insurance.</p>
		<p><b>Home care services</b> Self-ranking of perceived needs met.</p>
		<p><b>End of life care</b></p>
		<p><b>Cost-related non-adherence to prescription medication</b> Proportion of population not filling or renewing a prescription (or missing doses/reducing doses to make the prescription last longer) due to medication costs.</p>
		<p><b>Health Workforce</b> Investment in the health workforce, including public and preventive health. Distribution of workforce to meet population need.</p>
		<p><b>Research and Development</b> Funding for research and development targeted to emerging and priority population needs.</p>
		<p><b>Access to reproductive health</b> Percentage of persons at reproductive age who feel they have adequate access to reproductive health services.</p>
	<b>Health Outcomes</b>	<p><b>Life expectancy at birth</b> Life expectancy at birth.</p>
		<p><b>Health status</b> Percent of adults (aged 16+) self- reporting good, very good or excellent health.</p>
		<p><b>Mental health</b> Percent of adults with high or very high levels of psychological distress.</p>
		<p><b>Suicide rate</b> Age-standardised rate per 100,000 people.</p>
		<p><b>Premature mortality</b> Age Standardised mortality rates per 100,000 for people under 75.</p>
		<p><b>Potentially preventable hospitalisations (PPH)</b> Used as a measure of access to timely, effective and appropriate primary and community health care. Percentage of children (aged under 16) and adults (aged 16+) requiring a PPH</p>
		<p><b>Road toll</b> Number of road accident deaths.</p>
		<p><b>Childhood injuries</b> Fatal, non-fatal and serious injuries, age-standardised rates for children aged 0-14.</p>
		<p><b>Maternal mortality</b> Currently at 5.5 per 100,000, continue to aim for lower.</p>

	<b>Health Literacy</b>	<b>Healthy weight</b> <i>Percentage of children (aged under 16) and adults (aged 16+) who are a healthy weight.</i> <i>Percentage of children (aged under 16) adults (aged 16+) who are considered obese.</i>
		<b>Physical activity</b> <i>Percent of children (aged under 16) and adults (aged 16+) meeting physical activity recommendations.</i>
		<b>Utilisation of cancer screening services</b> <i>Proportion of intended population participating in breast cancer screening.</i> <i>Proportion of intended population participating in cervical screening.</i> <i>Proportion of intended population participating in bowel cancer screening.</i>
		<b>Journeys by active travel</b> <i>Proportion of short journeys less than 2 miles that are made by walking and the proportion of journeys under 5 miles made by cycling.</i>
		<b>Work related ill health</b> <i>Prevalence of self-reported illness caused or made worse by work for people working in the previous 12 months.</i>
		<b>Fruit and vegetable consumption/healthy eating environments</b> <i>Percent of children (aged under 16) and adults (aged 16+) eating the recommended daily intake.</i> <i>Percent of children (aged under 16) and adults (aged 16+) eating more than the advised sugar level.</i>
		<b>People experiencing addiction</b> <i>Percent of children (aged under 16) and adults (aged 16+) experiencing gambling addiction.</i> <i>Percent of children (aged under 16) and adults (aged 16+) experiencing alcohol addiction.</i> <i>Percent of children (aged under 16) and adults (aged 16+) experiencing illicit drug addiction.</i> <i>Percent of children (aged under 16) and adults (aged 16+) experiencing prescription drug addiction.</i> <i>Percent of children (aged under 16) and adults (aged 16+) experiencing smoking addiction.</i> <i>Percent of children (aged under 16) and adults (aged 16+) experiencing vaping addiction.</i>
		<b>Prosperity</b>
<b>Housing Quality</b> <i>Percent of adults reporting major repairs needed.</i>		
<b>Crowded housing</b> <i>Percent of people living in a crowded house.</i>		
<b>Housing needs</b> <ul style="list-style-type: none"> <li>- <i>Proportion of the population living in acceptable housing.</i></li> <li>- <i>Proportion of the population in core housing need.</i></li> </ul>		
<b>Homelessness</b> <i>Percent of people experiencing homelessness.</i>		
<b>Employment</b>	<b>Working during unsocial hours</b> <i>Proportion of people who work unsocial hours.</i>	

		<p><b>Contractually secure work</b> <i>This indicator measures the proportion of employees (aged 16 and above) who have a permanent contract.</i></p>
		<p><b>Unemployment</b></p> <ul style="list-style-type: none"> <li>- <i>Employment rate: percentage of the population who are employed.</i></li> <li>- <i>Unemployment rate: percentage of the labour force who are unemployed.</i></li> <li>- <i>Participation rate: percentage of the population who are in the labour force.</i></li> </ul>
	<b>Poverty</b>	<p><i>Note: we recommend the determination of an official national measure of poverty</i></p>
		<p><b>Material hardship</b> <i>Percent of children (aged under 16) living in households experiencing material hardship</i> <i>Percent of children (aged under 16) and adults (aged 16+) living below, on and just above the poverty line.</i></p>
		<p><b>Food insecurity</b> <i>Percent of children (aged under 16) and adults (aged 16+) living in households where food sometimes or often runs out.</i></p>
		<p><b>Cost of living</b> <i>Percent of net income spent on housing, fuel and food by households in Australia and is measured as a three-year rolling average.</i></p>
	<b>Economic Security</b>	<p><b>Household income</b></p>
		<p><b>Protection from income shocks</b> <i>Percent of people who believe they feel able to withstand an income shock.</i></p>
		<p><b>Financial wellbeing</b> <i>Percent of adults who report they do not have enough money to meet everyday needs.</i></p>
		<p><b>Income inequality</b> <i>Income share of the top 10% of the population in Australia divided by income share of the bottom 40% (Palma ratio) expressed as a percent.</i></p>
		<p><b>Employees on the living wage</b> <i>Percent of workers earning less than the living wage.</i></p>
<b>Environment</b>	<b>People and the Environment</b>	<p><b>Drinking water management</b> <i>Percent of people served with drinking water that met all treatment management standards.</i></p>
		<p><b>Health impacts of air quality</b> <i>Restricted annual activity days due to illness resulting from exposure to.</i></p>
		<p><b>Climate change adaptation</b> <i>Percent of municipal organizations that factored climate change adaptation into decision-making processes.</i></p>
		<p><b>Natural disasters and emergencies</b> <i>Number of natural disasters and emergencies, number of displaced people.</i></p>
		<p><b>Satisfaction with local environment</b> <i>Percent of adults who rate their neighbourhood as a very good place to live.</i></p>
		<p><b>Walkable communities</b> Proportion of local town and city planning that encourages walking over driving in their designs.</p>
		<p><b>Accessing green and blue space</b></p>

		<p><i>Proportion of children (aged under 16) and adults (aged 16+) making one or more visits to the outdoors per week.</i></p> <p><b>Access to public transit</b></p>
	<b>Ecological Integrity</b>	<p><b>Greenhouse gas emissions</b> <i>Greenhouse gas emissions as a percentage change achieved from the baseline figure in 1990.</i></p> <p><b>Energy from renewable sources</b> <i>Percent of energy consumption which comes from renewable energy sources.</i></p>
<b>Justice</b>	<b>Safety</b>	<p><b>Family violence</b> <i>Percent of adults who were victims of family violence in the past year.</i></p>
		<p><b>Feeling safe</b> <i>% of adults who feel safe where they live, work and rest.</i></p>
		<p><b>Childhood maltreatment</b> <i>Proportion of the population who self-reported childhood maltreatment before age 15.</i></p>
		<p><b>Perceptions of neighbourhood safety after dark</b> <i>Proportion of the population by degree to which they feel safe from crime when walking alone in their area after dark.</i></p>
	<b>Human Rights</b>	<p><b>Discrimination and unfair treatment in the healthcare system</b> <i>Proportion of the population who self-reported discrimination or unfair treatment based on various selected characteristics, as experienced in a healthcare setting.</i></p>
		<p><b>Incarceration rate</b></p> <ul style="list-style-type: none"> <li>- <i>Incarceration rate per 100,000 adults and per 10,000 youth.</i></li> <li>- <i>Aboriginal and Torres Strait Islander incarceration rate</i></li> <li>- <i>Aboriginal and Torres Strait Islander youth incarceration rate</i></li> </ul>
<b>Children and youth</b>	<b>Child Development</b>	<p><b>Child social and physical development</b> <i>This indicator measures the percentage of children with a concern at their 27-30 month review (as a % of children reviewed).</i></p>
		<p><b>Child wellbeing and happiness</b> <i>The proportion of children aged 4-12 who had a "abnormal" or "borderline" total difficulties score.</i></p>
		<p><b>Children's voices</b> <i>Percentage of young people who feel adults take their views into account in decisions that affect their lives.</i></p>
		<p><b>Healthy start</b> <i>This indicator measures the perinatal Mortality Rate per 1,000 births (stillbirths plus deaths in the first week of life).</i></p>
		<p><b>Childhood Vaccination</b> <i>Achieve vaccination rate during childhood to above 95%</i></p>
		<p><b>Regular school attendance</b> <i>Percentage of school students attending regularly</i></p>

## Conclusion

PHAA supports the broad directions of the Treasurer's Measuring What Matters agenda. We are particularly keen that the following points are highlighted:

- That the framework extends well beyond economic measures and addresses a broad range of health and other indicators
- That the exercise measures not merely averages, but focuses on outcomes for people with life circumstances at the extremities of the measures adopted; measuring framing should place less importance on whether an average is shifting up or down slightly over years, but rather on what is happening at the lower end of outcomes
- That the framework be embedded into ongoing policy-making and budget-setting procedures across the government

Please do not hesitate to contact me should you require additional information or have any queries in relation to this submission.



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31 January 2023