



Tasmanian Council of Social Service Inc.

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# Measuring What Matters

*February 2023*



**INTEGRITY  
COMPASSION  
INFLUENCE**

## About TasCOSS

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TasCOSS' vision is for one Tasmania, free of poverty and inequality where everyone has the same opportunity. Our mission is two-fold: to act as the peak body for the community services industry in Tasmania; and to challenge and change the systems, attitudes and behaviours that create poverty, inequality and exclusion.

Our membership includes individuals and organisations active in the provision of community services to Tasmanians on low incomes or living in vulnerable circumstances. TasCOSS represents the interests of our members and their service users to government, regulators, the media and the public. Through our advocacy and policy development, we draw attention to the causes of poverty and disadvantage, and promote the adoption of effective solutions to address these issues.

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## Introduction

TasCOSS welcomes the Australian Government's interest in developing a wellbeing approach and commitment to measuring what matters. We also support the development of a framework and indicators to drive investment in wellbeing in ways that make a real difference to Australians who aren't currently sharing in the benefits of our prosperity.

From our consultations with Tasmanians, TasCOSS is aware of widespread community concern that economic growth or prosperity is not being fairly shared, and that the COVID-19 pandemic and resulting cost of living crisis has only widened the gap between rich and poor.

**One-in-eight Australians, and one-in-six children are living in poverty.** A person in the highest 20% income group has **six times as much income** as a person in the lowest 20% income group. And the average wealth of a household in the highest 20% wealth group has over **90 times the wealth** of the lowest 20% wealth group.<sup>1</sup>

Traditional indicators used by governments to measure economic growth and prosperity may present positive data, however, the harsh reality for tens of thousands of Tasmanians experiencing poverty and disadvantage is that they are not sharing in the benefits of economic growth and feel less optimistic about the future, which by extension is trapping them in poverty.

This should not be an acceptable outcome for a wealthy and prosperous country such as Australia.

## Overview

Our people and their wellbeing must be the central goal of government, our economy and society. International research shows that investing in wellbeing produces better outcomes for society and the economy.<sup>2</sup> Examples of this include:

- **Education** — making children happier makes them learn better;
- **Health** — your wellbeing predicts your subsequent longevity as well as a medical diagnosis does;
- **Productivity** — greater wellbeing increases productivity; and
- **Family/social cohesion** — happy people create more stable families, and happy people are more pro-social.<sup>3</sup>

In this submission, TasCOSS advocates for a wellbeing economy supported by a Wellbeing Framework, budgeting and whole-of-government policy making that addresses inequality and wellbeing outcomes. TasCOSS considers that a Wellbeing Framework must be informed by genuine and extensive community consultation in order to understand what matters to Australians and shape the framework elements,

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<sup>1</sup> ACOSS, [Research and Insights into Poverty and Inequality in Australia](#), accessed 31 January 2023.

<sup>2</sup> See for example: OECD, [The Economy of Wellbeing: Creating opportunities for people's wellbeing and economic growth](#), SDD Working Paper No.102.

<sup>3</sup> Besley, T & Bucelli, I 2022, [Wellbeing: Alternative Policy Perspectives](#), London: LSE Press.

measures and indicators. We set out TasCOSS' priorities that a Wellbeing Framework should address and the key issues to consider in measuring what matters.

## An Economy of Wellbeing

To ensure Australia and our communities are resilient through change, build sustainability into our systems and improve the wellbeing of our people, we need to transform the focus of our economy.

According to the Organisation for Economic Cooperation and Development (OECD), a wellbeing economy is one that:

1. Expands the opportunities available to people for improving their lives along the dimensions that matter most to them;
2. Ensures that these opportunities translate into wellbeing outcomes for all segments of the population, especially those on the lowest incomes;
3. Reduces inequalities; and
4. Fosters environmental and social sustainability.<sup>4</sup>

Achieving all four of these objectives would see us create an economy of wellbeing in which every Australian has the basics for a good life and the foundations are laid for individuals, communities and the entire nation to better withstand future crises, whether it be health, economic or environmental.

To achieve these objectives and deliver a wellbeing economy, we must:

- **Draw on the experiences of individuals and governments around the world, including those in the global Wellbeing Economy Alliance.**<sup>5</sup> Examples abound of innovative approaches to wellbeing that lend themselves to the national context.<sup>6</sup>
- **Be single-minded in our focus on addressing inequalities in wellbeing outcomes.** Any approach that continues to serve those already better off would not be a wellbeing economy but rather a variation on the status quo.
- **Assess and evaluate our progress.** This will help us better understand the causal relationships between action and outcomes as well as the barriers and accelerators of change.
- **Align government programs and initiatives with emerging collaborative, place-based approaches to support and empower communities to drive their own wellbeing outcomes.**

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<sup>4</sup> Martin, N 2019, *The Economy of Wellbeing: Creating opportunities for people's wellbeing and economic growth*, OECD, no.102, p.8.

<sup>5</sup> [Wellbeing Economy Alliance](#).

<sup>6</sup> For example, see: [Amsterdam, Netherlands — Measuring a Wellbeing Economy](#); [Barking and Dagenham, UK — Public Service Transformation Programme](#); [Guelph, Canada — Strategy Design for a Wellbeing Economy Food System](#).

## Developing a Wellbeing Framework

A Wellbeing Framework must prioritise the needs of those experiencing vulnerability and disadvantage. It must be embedded in government, decision-making and policy making processes, so that investments, policies and service delivery are directed to reducing inequality and improving the wellbeing of individuals, communities and the nation.

### TasCOSS' *A Good Life* Framework<sup>7</sup>

TasCOSS' vision is of one Tasmania, free of poverty and inequality where everyone has the same opportunity. But we have a long way to go to achieve this vision, with many Tasmanians telling us they are not living, they are simply existing.

TasCOSS believes that adopting a wellbeing approach to government policy and spending will dramatically improve the opportunities for all Tasmanians, and all Australians, to have what they tell us is important to them — to live “a good life”.

In developing our *A Good Life* in Tasmania framework, we explored how wellbeing is assessed and measured elsewhere. Meaningful and in-depth community consultation was a key feature of the following national and international indices and frameworks we considered:

- Victorian Public Health and Wellbeing Outcomes Framework
- ACT Wellbeing Framework
- Australian Unity Personal Wellbeing Index
- National Strategic Framework for Aboriginal and Torres Strait Islander People's Mental Health and Social and Emotional Wellbeing
- New Zealand Living Standards Framework
- UK Measures of National Wellbeing
- Scottish National Performance Framework
- OECD Better Life Index

Most importantly, we sought to meet with and listen to Tasmanians across our state, to hear about what matters most to them. In particular, we drew on the experiences and opinions of Tasmanians on low incomes, in recognition of the importance of wellbeing indicators and policies to prioritise outcomes for those who are in circumstances of vulnerability. We wanted to understand what it is they need to live a good life in Tasmania, and in particular, what does a good life look like for Tasmanians on low incomes, what are the basics of a good life, and what makes a good life hard to achieve?

In addition to our consultations with individuals and communities around Tasmania, we considered a range of wellbeing frameworks and a comparison with the results of surveys and interviews done by

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<sup>7</sup> TasCOSS 2018, [A Good Life: A Wellbeing Framework for Tasmania](#), attached.

other organisations seeking to understand similar wellbeing priorities and concerns. Taken together, they revealed nine key elements of a good life in Tasmania:

- A healthy mind and body;
- A place to call home;
- Being able to afford the basics;
- Feeling safe;
- Learning for life;
- Getting where you need to go;
- Feeling valued, included and heard;
- Knowing you're not alone; and
- Hope for the future.

TasCOSS prioritises these domains in our policy and advocacy work and ensures that the voices of people with lived experience of low incomes and disadvantage are represented to decision-makers, in order to shape policy responses and solutions to achieve a good life for Tasmanians.

**Recommendation:**     *Extensive and meaningful consultation is undertaken with communities, through accessible and inclusive forms of engagement that ensures equitable participation by priority populations, people experiencing vulnerability and disadvantage, and people with lived experience of living on low incomes.*

## Key Issues

### Fit-for-Purpose Framework

The key issue for consideration and addressing, as noted in the consultation paper,<sup>8</sup> is the limitations of the OECD Framework, and other frameworks developed in different jurisdictions, for the Australian context and our national priorities. The economic, environmental, social and political contexts of a place influence the wellbeing standards and expectations of its people.

We consider the OECD Framework is only a starting point for understanding Australia's quality of life and measuring progress. As the OECD Framework is not tailored to Australia's circumstances, it will not necessarily adequately capture important aspects of the Australian context and may overlook some of our national priorities.

Just as the development of TasCOSS' *A Good Life* framework revealed nine key domains identified as priority areas for Tasmanians, it is important that wellbeing domains, outcomes, indicators and data for

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<sup>8</sup> Commonwealth of Australia 2022, Budget October 2022-23, Budget Paper No. 1, [Statement 4: Measuring What Matters](#).



a national framework reflect what Australians want and need for the wellbeing of themselves, their families and their communities.

TasCOSS also believes the Wellbeing Framework should be developed to prioritise those population groups in our communities who have the most significant needs, or who are currently unable to access what they need to improve their health and wellbeing.

We strongly encourage the development of a framework which will support all Australians, but is particularly focussed on recognising and addressing the needs of priority population groups, including indigenous people and communities, and those who are currently marginalised through circumstances such as lack of sufficient income, age, race/ethnicity or social exclusion/isolation.

**Recommendations:** *The OECD Framework is adapted, or a fit-for-purpose framework is developed, to capture: the different needs of priority populations; variations in national place-based outcomes; and the specific characteristics of Australia's economy.*

*Recognise the right of indigenous peoples to self-determination, and that the wellbeing of their communities necessitates Aboriginal community-led drafting and implementation of the appropriate legislative, policy and other frameworks to achieve this.*

Australians will benefit from a Wellbeing Framework that: provides a nationally-consistent approach across government to understanding and addressing wellbeing; enables better and more consistent evaluation of progress against policy objectives and outcomes; highlights the interactions between different policy levers and how they impact priority cohorts to improve wellbeing; and adopts a place-based approach that reflects the needs, wants and aspirations of the people it affects.

## **Aims of a Wellbeing Framework**

The Wellbeing Framework must influence government decision-making and policy development in order to reduce poverty and inequality across the country, in particular for priority populations.

### **1. Reduce Poverty as a Priority**

Freedom from poverty is a key determinant of wellbeing. Therefore, the highest priority of a Wellbeing Framework must be to reduce poverty.

The United Nations' first Sustainable Development Goal is to end poverty in all its forms everywhere.<sup>9</sup> This goal is underpinned by targets and indicators that could easily be adapted for Australia. For example, we could set a target of halving the number of people living in poverty by 2030. Unfortunately, Australia currently has no national definition of poverty, nor a plan to reduce it.

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<sup>9</sup> United Nations, [Sustainable Development Goals](#).

The Wellbeing Framework must be an effective tool for reducing poverty in communities across the country. This will require the Wellbeing Framework to include a poverty reduction goal, targets and relevant indicators, commencing with developing an agreed national definition of poverty (in dialogue with academic experts, people directly affected by poverty, advocates, and other relevant parties).

## **2. A Focus on Equity and Priority Populations**

Putting wellbeing at the heart of government policy making will improve whole-of-government decision-making and drive equity across different population groups.

Statistical measures or economic indicators (such as Gross Domestic Product) do not adequately capture living standards, social outcomes, prosperity, opportunity, equity or changes in people's and certain groups' wellbeing. Nor do these measures consider the flow of benefits between the wealthiest or the poorest in society, and therefore do not tell us whether economic or other benefits are being experienced evenly across the population or disproportionately by some population groups.

Similarly, access to a range of wellbeing activities — jobs, education, health care and social support, can reveal sharp inequalities in different locations across the country.

Policy interventions can address inequality and are most effective when evidence-based. An important aspect of a Wellbeing Framework must be to examine differences in wellbeing outcomes across different population groups, including Aboriginal, women, disability, culturally and linguistically diverse, elderly, youth, low income, less educated, long-term unemployed, single-parent households and homeless cohorts.

## **3. Improve the Wellbeing of Australians**

The Wellbeing Framework must be a mechanism for driving progress, not just for measuring it. This can be achieved by setting high level wellbeing goals, informed by a participatory community consultation process, which reflects the priorities and values of the community. The measurement of wellbeing through useful indicators then provides a mechanism to track progress, rather than being an end in and of itself.

**Recommendations:** *Wellbeing measures and indicators are developed in consultation with communities, experts, other stakeholders and individuals with lived experience.*

*Government departments should be tasked with improving each wellbeing measure/indicator and report annually to Parliament on the progress of the wellbeing of Australians.*

## **4. Influence Government Policy and Communities**



The Wellbeing Framework, goals and indicators should be aligned with major Commonwealth Government programs and initiatives and developed through collaborative, place-based approaches that empower local communities to drive their own wellbeing outcomes.

This will ensure there is a shared commitment to wellbeing programs and outcomes by communities, governments, service providers and investors, as well as shared accountability for delivering results and improving wellbeing.

The Wellbeing Framework must be embedded in government decisions, policy making and inform spending priorities in each Federal Budget.

**Recommendations:** *A Minister for Wellbeing should be appointed with responsibility for delivering a Wellbeing Framework, whole-of-government implementation and delivery against wellbeing indicators, and Budget priorities that all government spending must progress.*

*A Wellbeing Budget that adequately spends on social infrastructure and services that sustain wellbeing, including sustainable investment in community services organisations that support Australians in times of need.*

## Conclusion

TasCOSS supports the Australian Government's commitment to measuring what matters and the development of a framework to better understand our economy, community and more informed policy making.

TasCOSS advocates for a wellbeing economy supported by a Wellbeing Framework that is embedded in government, decision-making, policy development and spending priorities to address inequality and improve wellbeing outcomes for all Australians.

The Wellbeing Framework must be informed by genuine and extensive community consultation, to understand what matters to Australians in order to shape the framework elements, measures and indicators. It must prioritise the needs of those experiencing vulnerability and disadvantage by:

- Reducing poverty;
- Focussing on equity and priority populations;
- Improving wellbeing; and
- Influencing government and communities.

## Recommendations

TasCOSS makes a number of recommendations for a wellbeing economy, guiding the development of a Wellbeing Framework and measuring what matters to Australians:

- 1. Extensive and meaningful consultation is undertaken with communities, through accessible and inclusive forms of engagement that ensures equitable participation by priority populations, people experiencing vulnerability and disadvantage, and people with lived experience of living on low incomes.**
- 2. The OECD Framework is adapted, or a fit-for-purpose framework is developed, to capture: the different needs of priority populations; variations in national place-based outcomes; and the specific characteristics of Australia's economy.**
- 3. Recognise the right of indigenous peoples to self-determination, and that the wellbeing of their communities necessitates Aboriginal community-led drafting and implementation of the appropriate legislative, policy and other frameworks to achieve this.**
- 4. Wellbeing measures and indicators are developed in consultation with communities, experts, other stakeholders and individuals with lived experience.**
- 5. Government departments should be tasked with improving each wellbeing measure/indicator and report annually to Parliament on the progress of the wellbeing of Australians.**
- 6. A Minister for Wellbeing should be appointed with responsibility for delivering a Wellbeing Framework, whole-of-government implementation and delivery against wellbeing indicators, and Budget priorities that all government spending must progress.**
- 7. A Wellbeing Budget that adequately spends on social infrastructure and services that sustain wellbeing, including sustainable investment in community services organisations that support Australians in times of need.**