

# Measuring What Matters

Submission to The Treasury Consultation by the Children's Policy Centre

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## Introduction

Thank you for the opportunity to contribute to the consultation on Measuring What Matters.

Seventy years ago, the Beveridge Report (1942) set out the foundations for the welfare state in the United Kingdom. The report stated:

'A revolutionary moment in the world's history is a time for revolutions, not for patching.'

As Australia rethinks what matters, what is valued, what future we want to choose for ourselves and for future generations, the idea of revolutionary thinking, is powerful. There is now an opportunity to build the foundations of a fairer, more inclusive country, when the needs of all are met and the rights of all are respected.

# The Children's Policy Centre

The Children's Policy Centre is based at the Crawford School of Public Policy, The Australian National University. The Centre has three key objectives. First, we undertake innovative, rights-based, inter-disciplinary research with children on a range of issues relating to children's policy. Second, we seek to connect researchers, policy makers and practitioners working on a range of issues to promote the human rights, wellbeing and best interests of children. Third, we communicate research findings through scholarly publications, policy and practice focused briefing and discussion papers, and public commentary. In defining children, we draw on the United Nations Convention on the Rights of the Child and focus on people aged under eighteen years.

### Research with children and young people

In recent years, we have undertaken research with children and young people across Australia on a range of issues that relate directly to wellbeing. Our research indicates that too many children in this wealthy country are being left behind.

A current research project being conducted by the Children's Policy Centre is the *More for Children*. This involves research with children in two regional communities in central Victoria and Tasmania to better understand children's experiences of poverty and to contribute to better responses and outcomes. Over the past year, we have heard primary school age children describe how hunger, lack of medicines, insecure – or no – housing, and not being able to afford electricity affects them and their families. Estimates of 1 in 6 children in Australia living in poverty are shocking, but do not fully measure – or focus attention – on what that means. The statistics can mask what it is like to be a hungry eight-year-old, who worries daily that their mother may be hungrier than them (Bessell, 2022). That we have many, many hungry eight-year-olds in this wealthy country tells us that the time for patching is over.

A second current project, *Valuing the Past, Sustaining the Future*, is undertaking research in regional, coastal communities to understand young people's experiences of education and employment, and the decisions they make about staying in their communities or leaving. Three themes are emerging. First, the lack of educational and employment opportunities mean young people are forced to make very difficult choices about whether to stay or leave. Those who do leave to pursue education in government schools are often not well supported in terms of pastoral care. Second, remaining in small communities is often seen as a failure because the 'best and brightest' move away. Third – and importantly – many young people do not want their decisions to be a one-way pathway. We need innovative thinking that enables young people from remote and regional areas of Australia to be able to move in and out of their home communities – contributing to a flow of new ideas, innovative thinking, and skills in and out of small communities – rather than be forced to move away.

This submission draws on the findings of research undertaken by the Children's Policy Centre as a basis for considering what matters to children and young people – and to their communities. It draws on additional research on measuring poverty, undertaken at The Australian National University, to demonstrate existing participatory methodologies for the development of measures.

This submission makes the following recommendations:

## Recommendations

- It is essential to determine the objective of measurement and move beyond existing data and indicators as necessary.
- A framework to progress human wellbeing must place care at the centre.
- A framework to progress wellbeing must begin by ending poverty.
- Any efforts to measure wellbeing must be child inclusive.
- Any measure of wellbeing must reflect what matters broadly to the population, particularly to marginalised groups.
- OECD guidance on indicators should be a starting point, not the final word.

# Determine the objective and move beyond existing data and indicators as necessary.

Indicators are essential in measuring progress or lack of progress towards a desired outcome. However, it is essential to identify the desired outcome and ensure both a degree of consensus and definitional clarity around that outcome. A common mistake is to

focus on measurement, and to be driven by data that are currently available in developing a measure (Lister, 2021). Transformative change cannot occur this way, and measuring can become an end in itself.

Before identifying indicators and determining what data can be used, it is necessary to determine what we want to achieve. We then need to determine what we need to know in order to achieve our goal. In seeking to achieve wellbeing for all, it is likely that we are not currently collecting the most relevant or necessary data. Thus, it important not to be limited by what currently exists, and to move beyond existing data and indicators as necessary. Here, it is important to note that the additional investment in developing new indicators and determining the data necessary to populate them will, in the long-run, produce not only more responsive measurement, but measures that contribute to better outcomes.

Many current measures and indicators, and much existing data, are not fit for the purpose of achieving wellbeing for all or do not reflect what is most valued by Australians. Our research suggests this is particularly true for Australian children, for whom care, connectedness and relationships are of greatest value.

#### Care is essential – for children and for communities.

Current measures of national progress are dominated by economic indicators.

The revolutionary idea – consistently expressed by children and young people across our research projects, across many years – is that relationships and connection matter most. Financial security is important to children and young people – both in terms of meeting the material basics and being able to do and buy what is desirable. However, relationships and connection are always at the centre.

Measuring the wellbeing and progress of our society by placing care at the centre requires much more than patching what we have; it requires transformative thinking.

Based on our research, a starting point would be to think deeply about care for people and care for place.

The following briefly maps what care for people would look like, based on our research with children:

- Care for children would be genuinely valued within our society. This would require, as a beginning:
  - Framing childcare not primarily as a means of increasing parents' workforce participation, but creating a community of care for children. We have strong early childhood learning frameworks in place, but too much of the discourse is focused on the economic benefits in place (rather than alongside) the care benefits.
  - Removing conditions associated with social security benefits that require parents to choose between income and time with/care for their children.

Instead, welfare systems need to recognise that care for children is a vital contribution to society. In our research, we hear from children the enormous pressures families are under as a result of welfare compliance, and ways in which that pressure undermines relationships. Policies must support not undermine the relationships that matter to children, and to us all, as human beings.

- Education systems in Australia need urgent reform, and current, deep inequities must be addressed. In transforming our education systems, care should be a central principle. This means shifting towards building relationships among students, between students and teachers, and between schools and communities. Currently, we have a range of indicators relating to schools and education outcomes. What is often missing or deprioritised is the importance of relationships. Here, class size is critical. Teachers cannot build strong relationships for children and provide care and connection in a class of 20, 25 or 30 children. In rethinking how we measure what matters, we need to measure education in a way that is child-centred and prioritises care as essential to learning and to strong educational outcomes.
- Transforming workplaces and work conditions so that care is central. This would include care for workers including those who are exploited in gig economy roles that have promised flexibility but delivered only precarity. It would also require recognition that paid work delivers many benefits, from income to connection and meaning, but should not come at the cost of care for others, particularly children. Including indicators of care in measuring what makes 'good' work would be transformative. Our research indicates that care within families is undermined when income is secured through paid work that characterised by precarity, insecurity, and low wages. Care is also undermined when work involves very long hours and time demands of work prevent time with children.

Each of the principles above are drawn from the things children have consistently told us matter to them, through rigorous, rights-based research. They are also principles that are likely to strengthen care for all. Once the principle of care is central, polices and services around aging, disability support, housing, and healthcare (and a much longer list) are transformed – as are the indicators of wellbeing and progress associated with them.

In our research, children and young people also talk about the importance of care for and connection to place. In Australia, there is more than 60,000 years knowledge of care for and connection to Country. Building on this knowledge by developing indicators of wellbeing with Aboriginal and Torres Strait Islander peoples would provide revolutionary thinking that moves beyond patching the wounds of our environment and Country.

### Wellbeing for all is only possible if poverty is ended.

This submission began by very briefly outlining the impacts of poverty on children. Those impacts include the physical pain of hunger, the fear of housing insecurity, and the shame of exclusion and judgement. That poverty levels are too high in a country as wealthy as Australia has been widely discussed and well demonstrated. The intergenerational impacts and ongoing trauma of poverty have also been well demonstrated (Cobb-Clark, 2019).

The principle put forward in this submission is that any efforts towards wellbeing and any efforts to measure wellbeing or progress are hollow if poverty is not ended.

A society that values wellbeing for all must recognise that the foundations of wellbeing will be weak and unsustainable while poverty continues.

In our research we hear from both children and parents experiencing poverty of love, care – and utter desperation. Wellbeing cannot be built when such desperation exists. Moreover, if poverty is not addressed, there is the likelihood of indicators of wellbeing and progress pushing attention upwards, and away from those whose are experiencing poverty, and away from the systemic failures and structural barriers that create it.

In considering how indicators can demonstrate how we are tracking in ending poverty, we need both income-based indicators and indicators of multidimensional poverty. Indicators need capture both the situation of individuals and the public goods that are essential in ending poverty.

# Any efforts to measure wellbeing must be child inclusive.

The October 2022-23 Budget Strategy and Outlook (Statement 4) highlights the importance of reducing inequality as the key to reducing disadvantage, explicitly recognising the importance of reducing disadvantage among children. The Heckman Curve is cited as demonstrating the higher returns of investing early in children's lives. This focus on children is welcome, but it is also important not to consider children only in instrumentalist terms – that is, as future human capital and responsible citizens. Rather, children's lives, experiences, and rights now – as well as in the future – must be considered. To achieve this, measures must be explicitly child inclusive or child centred.

Our research makes a distinction between child inclusive and child centred approaches. We define child centred approaches (including measures) as 'those that place children's needs, rights and interests as **the** primary focus'. The approach recommended by the WHO-UNICEF-Lancet Commission is an example of child-centredness. That Commission argues that children should be at the centre of policy-making, based on the instrumentalist arguments of Heckman (2000) and others (i.e. Esping Anderson, 2002) *and* on intrinsic arguments that prioritise children's human rights and citizenship. The WHO-UNICEF-Lancet Commission's 'Children in All Policies' (2020: 299) argues for a radical change in policy making, that involves ' redesigning neighbourhoods to give children spaces to play, valuing care work and ensuring families have time and resources to raise children, ensuring

sustainable food systems to nourish growing bodies, and passing on a healthy planet for children to inherit'. Child-centred policies are supported by human rights-based approaches, child budgeting, and child impact assessments or statements (Bessell and Vuckovic, preprint).

While child-centred approaches place **the** primary focus on children, there are instances when other social groups are given equal or greater importance in policy making. In such cases, children are often ignored. Child-inclusive approaches (including measures) do not position children as **the** primary focus but ensure that children's needs, rights and interests are recognised as a primary focus (among others). Within child inclusive approaches, children are identified as key stakeholders in policy processes and outcomes (Bessell and Vuckovic, preprint). In both child centred and child inclusive approaches, partnership with children is essential and children's diverse views and experiences are not subordinated to those of adult power-holders (see Bessell & Gal, 2009).

The OECD Child Wellbeing Dashboard is child-centred to the extent to which it focuses exclusively on children's wellbeing outcomes, on the drivers of child wellbeing and on public policies that promote child wellbeing. However, the OECD Child Wellbeing Dashboard is top-down, in that it measures priorities identified by experts, which is both legitimate and important, but is not embedded in a participatory approach, whereby those things that matter to children.

A fully child-centred approach would be built on children's participation in determining what matters sufficiently to be measured. Australia has a number of rich data sources to measure aspects of children's development and wellbeing. These range from the Longitudinal Study of Australian Children (LSAC) and the Australian Early Childhood Development Census (AEDC) nationally, to state-based approaches. In identifying which of these might be the most powerful indicators of wellbeing, children's own priorities should be a primary consideration. This may mean that indicators, and associated data, change over time, as the nature of childhood and the context within which children grow up changes. The Children's Worlds Survey (Rees, Andresen and Bradshaw, 2016) provides an example of an approach that seeks to understanding children's priorities — and while it may not be fully appropriate for the Australian context and the transformative process underway, it provides an example of what is possible.

Here the recommendation that we are child inclusive or child centred has four aspects:

- 1. The process of developing a definition of wellbeing should be child inclusive.
- 2. An accompanying child-centred definition of wellbeing should be established.
- 3. Indicators and data to measure overall wellbeing should be child inclusive (for example taking account of the impacts of employment or welfare conditionality on children as well as adults).
- 4. Indicators and data to measure **child** wellbeing should be child centred.

# Any measure of wellbeing must reflect what matters broadly to the population, particularly to marginalised groups.

In determining what we want to measure, before determining how we measure it, requires a process of inclusive consultation to ensure wellbeing reflects what matters broadly to the population.

Between 2009 and 2020, the Australian National University led the development of a new measure of multidimensional poverty, focusing on the global South: the Individual Measure of Multidimensional Poverty (called the Individual Deprivation Measure during its development) (see Suich, 2021; Bessell, 2015). While that measure is not relevant to the Australian context, the process of developing it is.

The measure began with a three-phase methodology to determine what matters most to people with lived experience of poverty and how those things can be measured:

Phase 1: Research using participatory methods with people across socially, culturally and geographically diverse communities to determine what matters and what should be measured. This could be redesigned as a consultation process – but research principles of ethics, inclusion, representativeness, and reliability should be maintained.

Phase 2: Having analysed the identified candidate dimensions (or indicators) for a measure, we returned to communities to check our analysis and to prioritise candidate dimensions for a multidimensional poverty measure. A participatory research or consultative process will inevitably produce more dimensions or indicators of wellbeing than can be reasonably measured. Prioritisation should ideally come from the bottom up, rather than top down.

Phase 3: The participatory research revealed that data did not exist to measure what mattered to people, and so a survey tool was developed (and has now been tested in three countries). The lesson here relates to the issue of data, and the importance of recognising that existing data may not be sufficient. We may need to collect new and different types of data, or complement what exists. However, the principle is that revolutionary change — rather than patching — may require new approaches.

While there are many approaches to consultation, we provide here a robust, tried method that could inform Australia's approaches.

While the focus of Australia's approach will not be singularly on those with lived experience of poverty, it is essential that marginalised and disadvantaged communities be included, as their wellbeing is most at risk. Consultation processes must begin with the principle of being child inclusive, and include the use of child-centred methods. This will ensure that the outcomes of any consultation process include what matters to children and do not fall into the trap of acting on behalf of children without listening to and understanding their priorities and experiences.

### OECD guidance on indicators should be a starting point, not the final word

The OECD guidance on what makes a good indicator is sound, but critical consideration is necessary to ensure Australia has the indicators needed to assess wellbeing.

Comparability, in particular, needs consideration. Comparisons over time and across Australia is important in ensuring that progress towards wellbeing can be measured – and lack of progress can be clearly identified. However, there needs to be some caution around international comparability. Certainly, a degree of international comparability is valuable in establishing Australia's progress towards wellbeing against other countries. However, overemphasis on international comparability may limit the nature of indicators selected in Australia, and narrow the opportunity for genuinely revolutionary thinking that would move us towards a fair and equitable society.

Furthermore, there may be indicators that are valuable in some communities within Australia, due to specific opportunities, challenges, or context, but are not relevant everywhere. It is critical to allow for place-based indicators that are not comparable geographically, but allow for tracking progress towards wellbeing over time in a particular community.

The principle of comparability is important but should not trump relevance.

Measurability is an important element of a sound indicator. Measurability should be understood as including robust quantitative *and* qualitative data. While quantitative data are able to reveal numbers and trends, it is qualitative data that are best able to explain causes and suggest solutions.

The OECD guidelines include the important principle of reliability, suggesting that indicators be based on 'objective and accurate data, which are not subject to different interpretations'. While useful to trigger discussion, two points of caution are necessary. First, in measuring progress towards wellbeing there may be value in considering subjective data, using now well-developed methods that reduce inaccuracies (Dolan and Metcalfe, 2012). Second, there is a messiness in human life that needs to be recognised and ideas of social and human progress are necessarily subject to value judgements and contestation. While it is important to reduce debate on the meaning of indicators, it is not possible or desirable to pretend there will be no debate around interpretation. Rather, it would be more productive to ensure definitional clarity around what an indicator is aiming to measure, but to recognise there may be different interpretations of what the indicator reveals. Additionally, it is important to recognise that all data, including statistical, administrative, and survey data are to some degree socially constructed. Reliability is essential, but more thinking is needed around objectivity and accuracy, and around the dangers of preventing different interpretations, which may be productive in finding innovative ways forward.

We welcome the opportunity to provide this submission, and look forward contributing to revolutionary thinking, that moves beyond patching and sets out a vision and practical plan for progressing human wellbeing and positive economic, social and environmental outcomes for all Australians.

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