

1. THE PERFORMANCE AND WELLBEING STATEMENT

1.1 Introduction

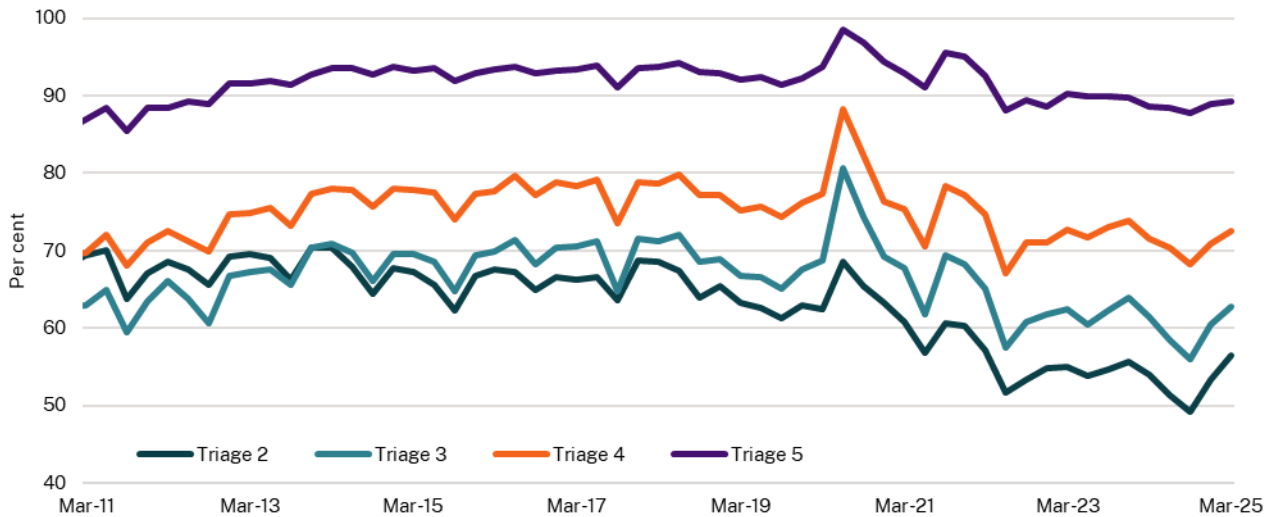
Highlights

- The Performance and Wellbeing Statement is the first of its kind in New South Wales, reporting on both the performance of government services and wellbeing of the people of New South Wales. It connects the budget decisions of government with the wellbeing of the people.
- This paper is prepared in accordance with the *Government Sector Finance Act 2018*.
- The NSW Performance and Wellbeing Framework maps progress on the Government's key priorities – including re-building the essential services that families and households rely on – by reporting a targeted set of performance and wellbeing measures.
- The structure of the Framework is consistent with what was published in the 2024-25 Consultation Paper. Community feedback supported the wellbeing themes, and the NSW Government has selected performance indicators and wellbeing metrics that balance community expectations with current data capabilities.
- The Framework aligns with the Australian Government's *Measuring What Matters Framework* and the Organisation for Economic Co-operation and Development's (OECD) *Well-being Framework*.
- While the Government expects that performance indicators will vary over time, a commitment to the Framework's themes will remain. The Framework will highlight where the Government is spending its money and how it is delivering on its commitments to families, households and businesses.
- The NSW Government will continue to consult to ensure that the NSW Performance and Wellbeing Framework remains fit for purpose in the future. A key focus is on improving data quality and capability to ensure a broad understanding of how the government is delivering on its priorities.
- This budget paper aligns the Gender Equality Budget Statement (Chapter 10) to the NSW Performance and Wellbeing Framework to acknowledge the differing impact of policy and resourcing decisions on people of different genders.

The NSW Government measures the performance of public services and how policy initiatives contribute to rebuilding essential services for families across the State.

Charts below highlight some of the performance indicators that the NSW Government is monitoring and reporting on. More information about these performance indicators can be found in the subsequent chapters of this NSW Performance and Wellbeing Statement.

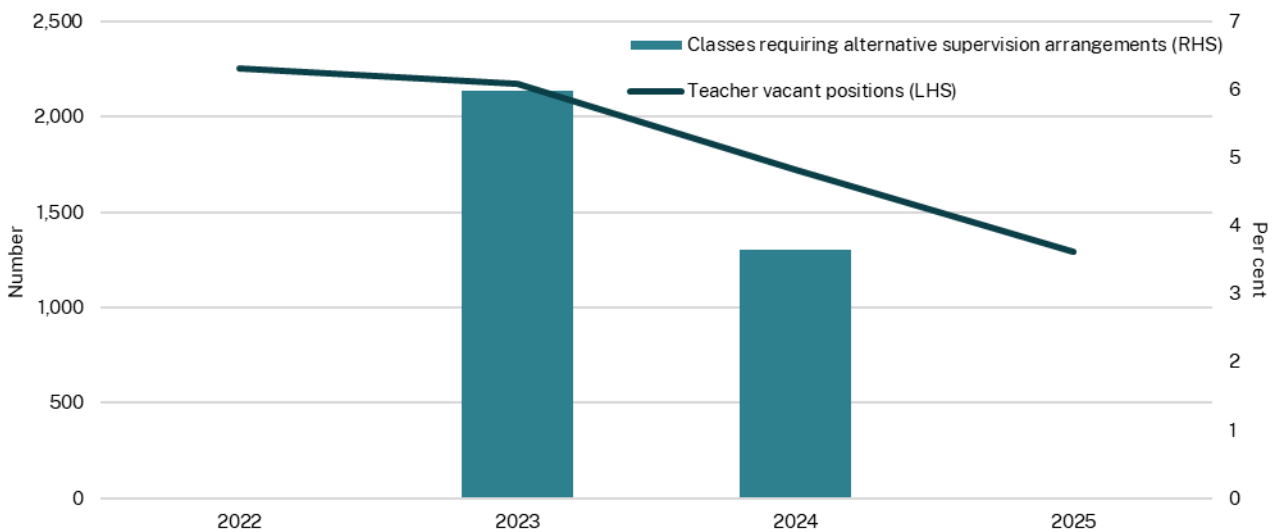
Chart 1.1: Proportion of patients commencing emergency treatment on time, NSW, quarterly



Source: Bureau of Health Information, 2025

Note: Triage 2 (emergency) requires treatment within 10 minutes; Triage 3 (urgent) within 30 minutes; Triage 4 (Semi-urgent) within 60 minutes; Triage 5 (Non-urgent) within 120 minutes. Triage 1 (immediate treatment within 2 minutes) results are not reported by the Bureau of Health Information).

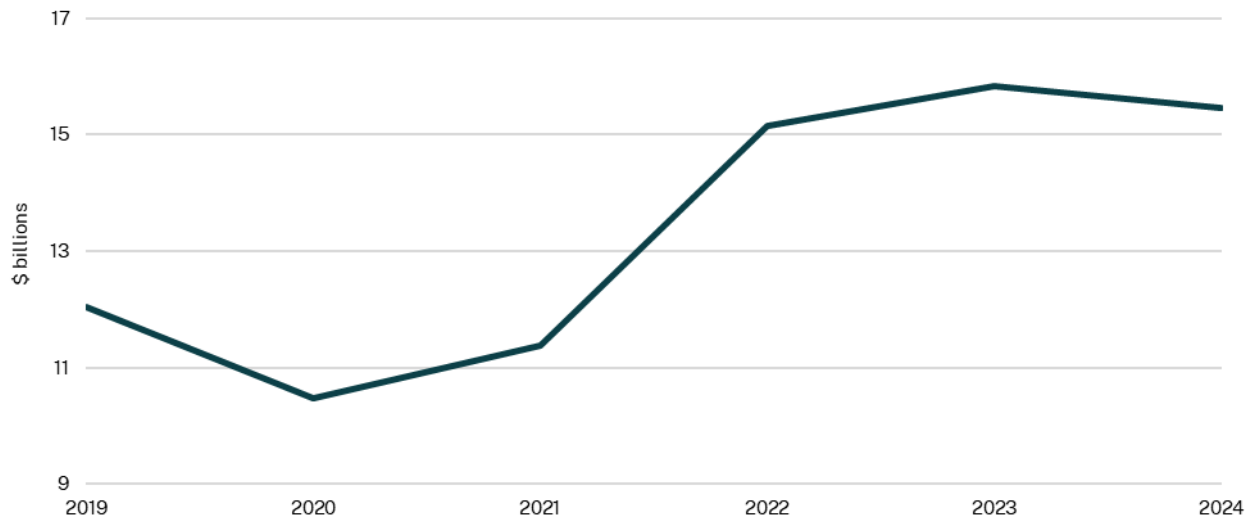
Chart 1.2: Teacher vacant positions and cancelled classes



Source: NSW Department of Education, 2024 and 2025

Note: Data for classes requiring alternative supervision arrangements is collected during Term 3, weeks 5 to 7. Collection of data began in 2023 and 2025 data is not yet available.

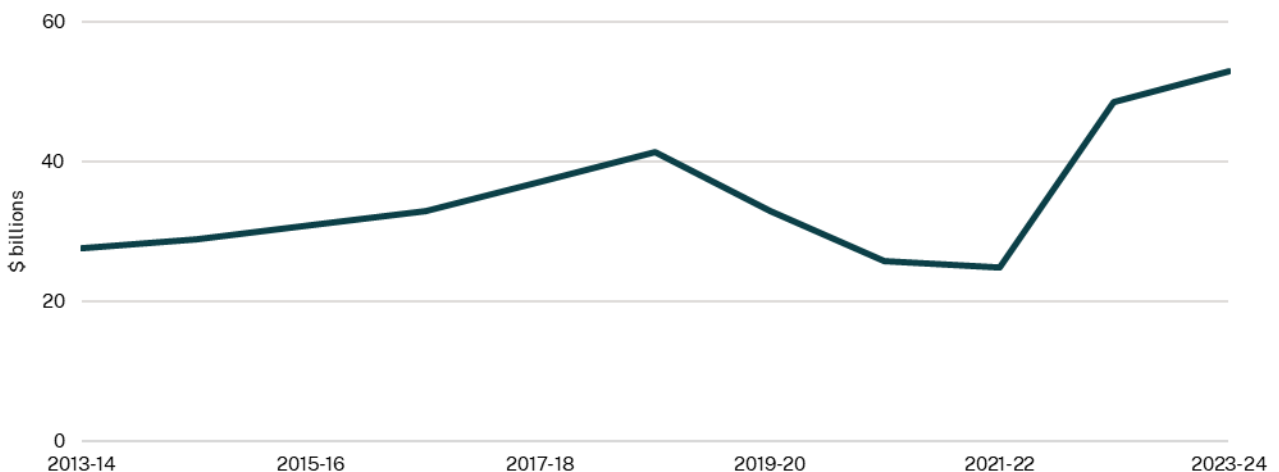
Chart 1.3: Nominal night-time in-person spending, NSW



Source: Department of Creative Industries, Tourism, Hospitality and Sport (DCITHS), 2025

Note: Annual calendar year spend reported.

Chart 1.4: Visitor expenditure, NSW



Source: Tourism Research Australia, 2025

This Statement reflects the Framework’s eight wellbeing themes: Healthy, Skilled, Prosperous, Housed, Secure, Community, Connected and Sustainable. These eight themes are supported by 28 NSW Outcomes that reflect the range of services that the NSW Government delivers to the community. Achieving these outcomes across all wellbeing themes will ensure that New South Wales is a place where people can thrive. In this Statement, wellbeing themes and NSW Outcomes are measured against selected wellbeing metrics and performance indicators that show how the NSW Government is progressing its long-term plans to deliver services that build a better New South Wales.

The final chapter in this budget paper is the Gender Equality Budget Statement, which is aligned to the wellbeing themes of the Framework. This recognises that across the wellbeing themes, the NSW Government seeks to achieve positive outcomes for all people regardless of gender.

1.2 Why a new Framework has been developed

This paper is the first Statement that reports on both the performance of government services and the wellbeing of the people of New South Wales. It meets the Government's legislated performance reporting requirements as outlined in the *Government Sector Finance Act 2018*.

By expanding beyond traditional measures of economic progress, we can better understand the full impact of NSW Government policy and resourcing decisions on societal wellbeing. Better information serves our community by supporting more effective allocation of our resources to improve wellbeing.

Wellbeing metrics and performance indicators track progress against domains of life and service areas that communities have said are important to them, and that the Government is prioritising. Through reporting progress, the Framework brings together evidence to highlight opportunities for reform and innovation.

The Framework is based on feedback from NSW Treasury's consultation in 2024, as well as the Public Accounts Committee inquiry, *A framework for performance reporting and driving wellbeing outcomes in NSW*. The Framework emphasises the importance of reporting data in a meaningful and representative way for different population groups.

Where possible, indicators and metrics are disaggregated by cohorts to capture the experiences of different population groups, such as men, women and First Nations people. This helps data be more relevant and can also inform how services are delivered in a tailored way.

1.3 Contributing to global thinking about wellbeing and performance

Governments around the world, such as in Wales and Scotland, are increasingly measuring and reporting on societal wellbeing to help inform their decision making. The OECD *Well-being Framework* and the United Nations (UN) *Sustainable Development Goals* are also examples of the growing international momentum to measure wellbeing.

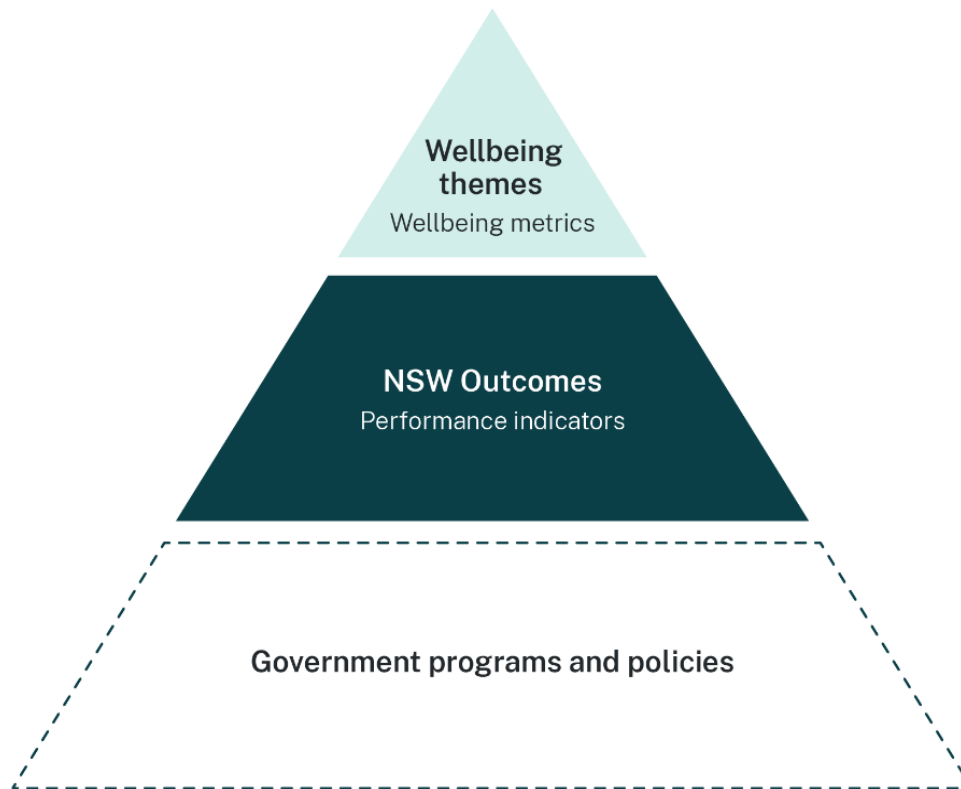
In Australia, both the Australian and ACT Governments have implemented wellbeing frameworks to better understand the experiences of people in their jurisdictions, and the impact of government policy and spending on the community.

The NSW Framework is aligned with the Australian Government's national wellbeing framework, *Measuring What Matters*. The Framework, however, focuses on key NSW Government service delivery functions such as hospitals and schools. The Australian Government's wellbeing framework is, in turn, consistent with the OECD's and the UN's wellbeing frameworks.

1.4 Introducing the NSW Performance and Wellbeing Framework

The Framework measures and reports on the performance of government services and quality of life for the people of New South Wales through a tiered structure of wellbeing themes and NSW Outcomes (Figure 1.1).

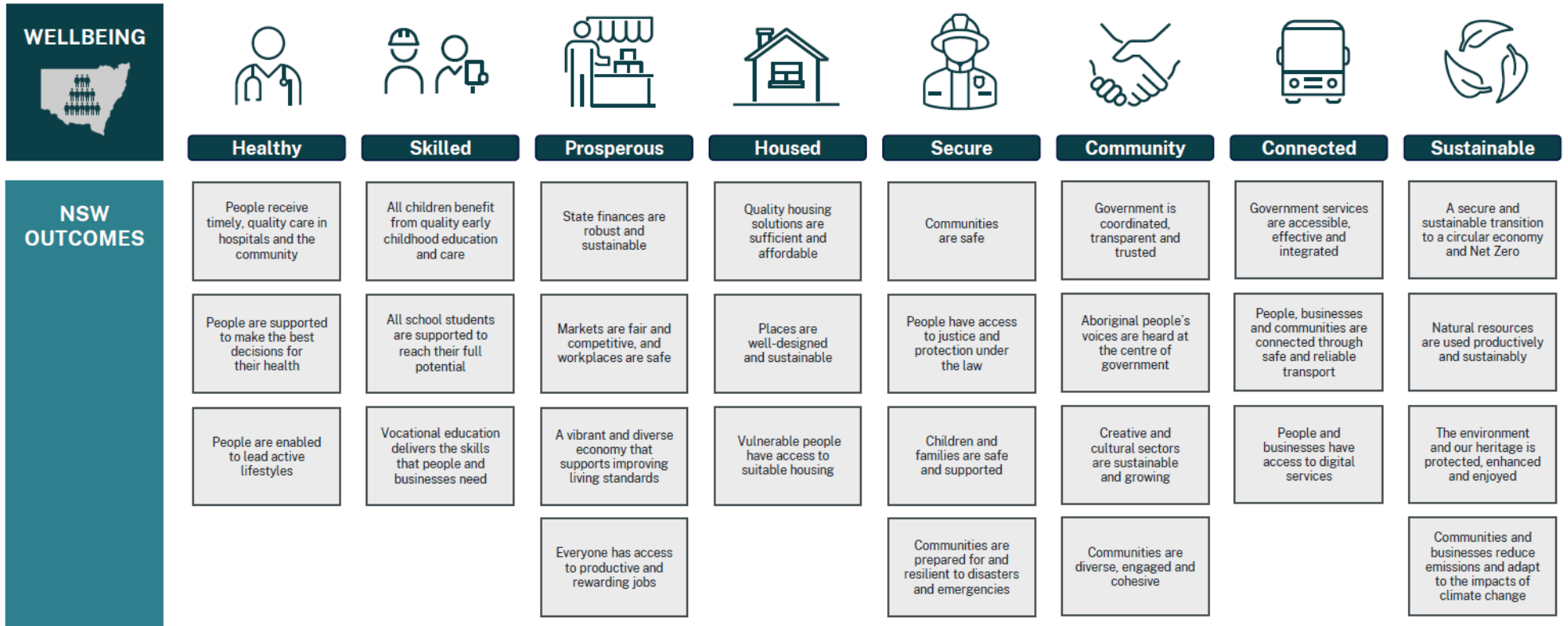
Figure 1.1 The NSW Performance and Wellbeing Framework



The Framework is based on three levels. At the highest level, wellbeing themes represent eight areas that are important to a person's quality of life. The eight wellbeing themes are Healthy, Skilled, Prosperous, Housed, Secure, Community, Connected and Sustainable (Figure 1.2). Wellbeing themes are measured by wellbeing metrics which capture whole-of-society progress.

At the second level, NSW Outcomes represent the focus areas for government that contribute to wellbeing. There are 28 NSW Outcomes that cover most services and activities delivered by government. Performance indicators track performance towards achieving NSW Outcomes and how NSW Government spending is delivering on its key priorities. These are underpinned by NSW Government programs and policies.

Figure 1.2 Wellbeing themes and NSW Outcomes



1.5 How the Framework measures performance and wellbeing

The NSW Government has undertaken an iterative process to select wellbeing metrics and performance indicators, considering feedback from the NSW community. These measures have been chosen with the goal of informing a comprehensive and well-balanced picture on community wellbeing and government performance.

Wellbeing metrics cover whole-of-population measures of aspects of wellbeing, including household disposable income, life expectancy and environmental quality. An overall subjective measure of wellbeing is explored below (Box 1.1).

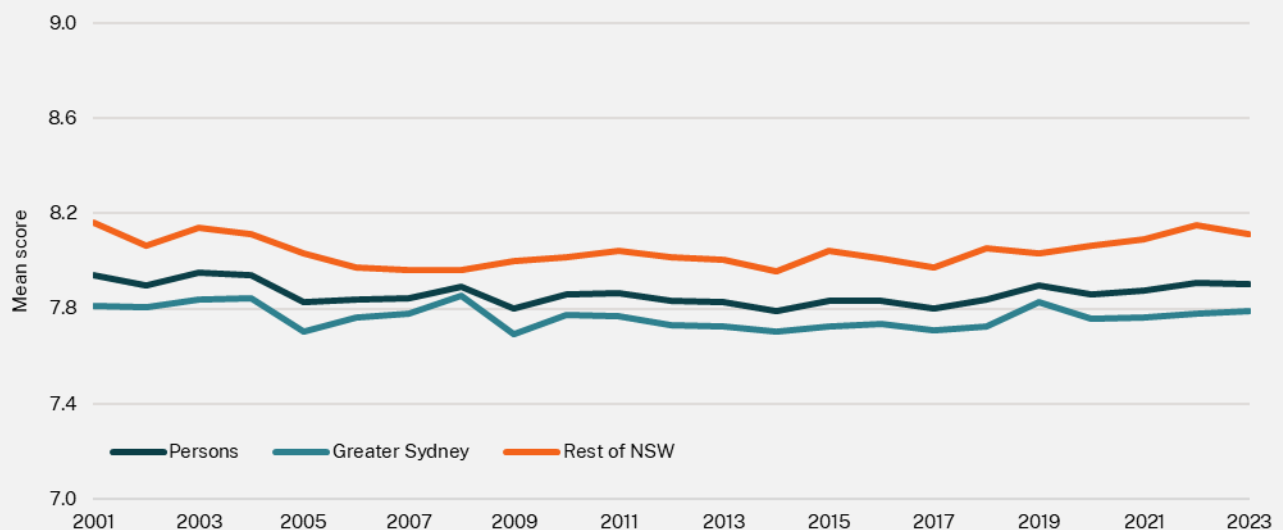
Box 1.1: Measuring overall wellbeing

The Household, Income and Labour Dynamics in Australia (HILDA) survey was chosen for several wellbeing metrics in the Framework. For every year since 2001, the survey has followed the lives of over 17,000 Australians. The survey asks about many aspects of life including household and family relationships, income and employment, health and education.

Overall life satisfaction provides a summary measure of wellbeing, reflecting how satisfied people are feeling with their lives in general. In understanding wellbeing, it is important to consider both objective and subjective measures.

The overall life satisfaction for people of New South Wales has remained relatively stable since 2001 (Chart 1.5). In 2023, the average score was 7.9 out of 10 (with 10 being “Totally satisfied”). Compared to people living in Greater Sydney, people living in the rest of New South Wales have higher life satisfaction on average. By age cohorts, people aged 65 and over have seen the sharpest decline, with life satisfaction falling from an average score of 8.5 in 2001 to 8.0 in 2023. Despite the decrease, people aged 65 and over tend to have higher life satisfaction than other age cohorts.

Chart 1.5: Overall life satisfaction, NSW



Source: HILDA, 2024

As discussed in the 2024 consultation paper, there are advantages and limitations of using an indicator approach to measure performance and wellbeing. While indicators can gauge progress towards NSW Outcomes or wellbeing themes, there are limitations in their full attribution.

Measures in this budget paper have been reported on using the best data available. Wellbeing metric data is primarily drawn from established public sources such as the Australian Bureau of Statistics and the HILDA survey. Most performance indicator data is supplied from NSW Government agencies. Indicators or data sources may be further refined, developed and reported on to meet the information needs of community and the NSW Government.

1.6 How the Framework will evolve

The Framework needs quality data to report on progress and inform government decision making. The NSW Government is taking a data development approach to the implementation of the Framework, which is intended to improve data capabilities and indicator quality. Where gaps exist, data development plans will be prepared and put in place to improve the quality of data, indicators and reporting of them.

A consultation paper was published as part of the 2024-25 Budget. The consultation paper presented a draft of what the Framework could look like, including proposed wellbeing themes, NSW Outcomes, wellbeing metrics and performance indicators.

Since the 2024-25 Budget, community feedback has been received through the 'Have Your Say' website, Public Accounts Committee inquiry and a community stakeholder roundtable. Discussions have commenced with First Nations¹ stakeholders including NSW Coalition of Aboriginal Peak Organisations and NSW Coalition of Aboriginal Regional Alliances.

Feedback from the community has been supportive of the selection and coverage of the wellbeing themes and NSW Outcomes. Consultation indicated wide support for the Framework as a tool to drive holistic quality of life measurement for people beyond traditional economic assessments such as gross domestic product. Respondents have cited the Healthy, Housed, Sustainable and Community themes as particularly important for them and their families.

In December 2024, the Public Accounts Committee published a report, *A framework for performance reporting and driving wellbeing outcomes in NSW*, that included 14 recommendations to further improve the Framework. The NSW Government subsequently supported all 14 recommendations in full or in principle. In turn, they have informed the prioritisation of further work in two key areas: ongoing community consultation and data improvements.

The Framework as outlined in this paper has taken this feedback into consideration. The wellbeing themes are the same as the draft Framework. The NSW Government has added mental health measures to reflect its importance in influencing people's wellbeing as highlighted through the consultation process.

The need for further data development has been recognised by the community and will be a key priority in the implementation and maturity of the Framework. This includes improving the way data is presented for wellbeing metrics and performance indicators.

The Performance and Wellbeing Statement will continue to evolve as the NSW Government maps its expenses against its key priorities.

¹ NSW Treasury acknowledges that there are different views and preferences on terminology when referring to First Nations people and that no single term can appropriately reflect the diversity of First Nations cultures. In this budget paper, 'First Nations' is applied in reference to Aboriginal or Torres Strait Islander people residing in New South Wales. When referencing specific data sources, other terms, including 'Aboriginal and Torres Strait Islander' or 'Indigenous' are used to retain accuracy of data interpretation. The acronyms 'ACCO' and 'ACCHO' are used to reference an 'Aboriginal Community Controlled [Health] Organisation' as these are established in community parlance.

1.7 Integrating gender equality into whole-of-government service delivery

Gender responsive budgeting applies a gender lens to government decision-making and resource allocation by considering the impacts of policies and programs on everyone. It promotes equity, transparency and accountability.

Following the Gender Equality Budget Statement's introduction in 2022-23, this Budget aligns the Gender Equality Budget Statement to the wellbeing themes of the Performance and Wellbeing Statement. This approach acknowledges that gender equality is central to our wellbeing, the performance of the State economy and the safety of society. It is an important step towards embedding inclusion, equity and fairness in our measurement and reporting of performance and quality of life.

The NSW Government is advancing gender responsive budgeting through the introduction of the Gender Impact Assessment Policy, a commitment first made in the 2022-23 Budget. Within this Budget, all eligible new policy proposals over \$10 million were required to complete a gender impact assessment. Gender impact assessments support informed and evidence-based considerations when allocating resources to meet the needs of the people. Gender impact assessments can also improve the design of new policies, services and programs to ensure the needs of different cohorts are not inadvertently overlooked.

This Budget continues to make investments that progress gender equality. Chapter 10 provides a snapshot of these measures, examples of gender impact assessments which supported evidence-informed decision making, and progress made on key measures in previous budgets.