



Measuring What Matters, Social Policy Division
Treasury
Langton Cres
Parkes ACT 2600

GRI Response- Measuring what matters — second consultation process.

GRI would like to applaud the Australian Treasury for this commendable initiative in forming Australia's first ever national framework on measuring wellbeing. Furthermore, we praise the efforts of the Treasury for making meaningful stakeholder engagement a core component in forming this framework. Wellbeing is a critically important topic, and we commend Australia for joining the efforts of others, including the UN Statistics Division, who have formed a [Wellbeing and Sustainability Task Team \(WSTT\)](#) to draft indicators on Wellbeing and Sustainability. Establishing at the national level a set of themes and corresponding indicators that have been determined through multi stakeholder engagement will enable policy makers, businesses, and civil society to monitor and track progress, identifying where progress is made, where there are gaps, and what action is needed.

We note that this is intended to offer a benchmark for Government agencies, business, and the community sector to assess policies and operations to ensure they are reflecting what matters to Australians. GRI appreciates that this is intended for a multi stakeholder audience. In this response we will reiterate the role that Sustainability Reporting Standards and the reported data can play and will highlight the importance of alignment.

In this response we will point to three key observations we have about the development of this framework and will provide three key recommendations:

GRI's observations:

1. Existing data can be used to define the developing themes and indicators in this framework.
2. Embedding existing reporting standards that are aligned with the defined themes and indicators will prevent reporting burden and facilitate companies aligning their policies, procedures, and portfolios to Australia's national framework.
3. Alignment with existing standards can inform appropriate action and policy making decisions.

GRI's recommendations:

1. To use existing private sector data to inform development of these themes and indicators.
2. Take account of the developing regulatory regime in Australia and abroad
3. When existing reporting standards cover themes and indicators to adopt these within the framework.





GRI's observations:

- **Observation 1: *Existing reported data can be used to inform development of the themes and indicators in this framework.***

Existing data that has been reported by public and private entities in Australia using sustainability reporting standards provides critical insight into both positive and negative impacts, but also on how these impacts are being managed. This covers impacts on people, such as employees, children of employees, local communities, impacts on the economy, including indirect economic impacts, impacts on the environment, such as biodiversity, pollution, and waste, and also governance related impacts, such as anti-corruption. This can help inform where the most significant negative impacts are occurring in Australia, and which areas require additional focus.

The GRI Standards are the dominant impact reporting standard in Australia, with 77% of ASX companies¹ and 68% of Australia's largest mining companies report using the GRI Standards.² The adoption of the GRI Standards includes companies in Australia such as [AGL](#), [Wesfarmers](#), [Belluve Gold](#), [Insurance Australia Group](#), [Australia and New Zealand Banking Group](#). Furthermore, the GRI Standards are also being used by a large number of public sector entities, such as [Port of Melbourne](#), [City of Warreroo](#), [Main Roads Western Australia](#), [Australia Post](#), and [National Australia Bank](#).

The Public Environmental Reporting Guidelines for Victorian Public Healthcare Services also [recommend](#) the GRI Standards for reporting. The GRI Standards have also been adopted by the International Council of Mining and Metals, who require reporting against the GRI Standards for membership, with a large number of member companies being headquartered in Australia.³ Until its closure in 2022, the Responsible Mining Foundation for its Responsible Mining Index aligned its [methodology and framework](#) with the GRI Standards.

- **Observation 2: *Aligning this framework with existing reporting standards where relevant will prevent reporting burden and facilitate companies aligning their policies and procedures with Australia's national framework.***

As this national framework will require private sector companies and also public sector entities to provide information, there is significant opportunity for them to embed this framework within their operations, policies and portfolios. If there are relevant existing reporting standards that relate to the themes and indicators that are developed, this would significantly reduce reporting burden for these entities. Furthermore, it would enhance comparability of the reported data as it would enable existing reported data to be used, as opposed to introducing an entirely new set of data requirements with no available historical data. Aligning with existing reporting standards where they are relevant will also help companies operationalize and embed this initiative into their policies and portfolios, as they can connect it with their existing information systems, in their operations and across their supply chains. Developing

¹ KPMG 2022 Survey of Sustainability Reporting <https://kpmg.com/au/en/home/insights/2022/10/sustainability-reporting-survey-2022.html#download>

² <https://www.businessnews.com.au/article/Essential-updates-in-corporate-sustainability-and-ESG-for-2023>

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a framework of themes and indicators that do not align with existing reporting practices will provide fragmented and confusing obligations for companies, increasing reporting burden and reducing their capacity. This concept of alignment includes alignment on key concepts, terminology, and definitions. Furthermore, the benefit of aligning with global reporting standards also enables comparability with other jurisdictions.

- **Observation 3: Alignment with existing standards can inform appropriate action and policy making decisions.**

Aligning with already adopted global standards that are widely used in Australia, such as the GRI Standards would provide the Australian Government the ability to draw conclusions on where there is progress, but also where there are gaps. This can inform decisions such as where voluntary guidance to enhance capacity is needed, but also on where mandatory regulation is needed. As the GRI Standards also includes Sector Standards this can also provide critical insight into the roles that each respective industry is contributing to this framework. As the GRI Standards are already voluntarily used in Australia by public sector, SMEs and MNEs, these conclusions can be drawn on a wide range of entity types as well as sectors. These conclusions can also assist in helping tie together this proposed framework with the wider ambitions of Australia.

With the above observations in mind, GRI recommends the following:

- **GRI recommendation 1: To use existing publicly available data to contribute to development of the themes and indicators.**

As we note in our first observation, companies in Australia are already voluntarily reporting, and there already exists invaluable public information on impacts on people, the environment, and the economy. For example, reporting with the GRI Standards requires steps such as meaningful stakeholder engagement, and the Standards themselves are multistakeholder, the reported information reflects the expectations of a wide range of stakeholders, which is a core focus of this initiative. Our recommendation is that it is in the best interest to utilize this information already being voluntarily reported and to also use it to inform development of the themes and indicators in this framework.

- **GRI recommendation 2: Take account of the developing regulatory regime in Australia and abroad.**

Developments in regulation both in Australia and abroad are also conferring increasing behavior and transparency obligations on companies, which are also shaping the expectations of civil society and consumers. GRI would strongly recommend that this initiative also takes account of existing and developing regulations to determine what transparency requirements exist currently but also what are coming in the future. This will provide the Treasury with a clear picture of what the manner of information that will be available, enabling this framework to also contribute to compliance with various





other regulations and connect with the wider legislative initiatives in Australia. For example, the GRI Standards are aligned with and embed international instruments such as the United Nations Guiding Principles (UNGPs), and the OECD Guidelines for Multinational Enterprises, which form the basis for the vast majority of Due Diligence legislation, such as the Australian Modern Slavery Act and the EU Corporate Sustainable Due Diligence Directive (CSDDD).

- **GRI recommendation 3: Existing reporting standards and metrics that are relevant should be adopted where possible.**

Our final recommendation is that when the final set of proposed indicators are drafted, where possible they should be aligned with existing reporting standards and metrics, such as the GRI Standards. Where it is deemed necessary, new indicators should be drafted but this should only be where they cannot be found in existing frameworks, for example, indicators that are specific to the local Australian context. Designing indicators that slightly divert from existing disclosures and indicators will significantly reduce the chance for comparability and will create confusing and conflicting information requirements for companies. Adopting GRI Standards or disclosures that are considered relevant to the themes and indicators would therefore enable information reported in GRI Standards reports to contribute directly to the data measured in this initiative. This can also address the question of how to address those issues that are cross-cutting, as this would prevent double, or even triple reporting.

Concluding comments

We are pleased for the opportunity to continue our engagements with the Treasury and contribute our perspective to the proposed emerging set of measuring what matters policy themes. GRI would like to acknowledge that we are seeing commendable efforts of the Australian Treasury towards...

We remain available for discussion regarding this submission.

Sincerely

Peter Paul van de Wijs,

Chief Policy Officer, GRI

