

Measuring What Matters



Unlocking business for good

Social Traders Second Consultation Phase Submission

Introduction

Social Traders is the trailblazer of social enterprise procurement in Australia. Social Traders connects certified social enterprises with business and government members.

We believe that buying from social enterprises represents one of the greatest untapped opportunities for generating positive, sustainable social impact in Australia.

Our vision is to create a thriving social enterprise sector that significantly contributes to a more inclusive and equitable Australia.

To realise this vision, we have a 10-year plan to unlock over \$5.5b in demand for social enterprises by 2030.

This will enable social enterprises to create over 44,000 jobs, deliver 6 million training hours, and a range of other environmental, cultural and community benefits.

Social Traders welcomes the Federal Government's commitment to measure what matters to improve the lives of all Australians.

As the leader of social enterprise procurement in Australia, Social Traders has approached this consultation session to consolidate and give feedback from 500+ certified social enterprises.

Social Enterprise Australia, the national peak body for social enterprise, made a [submission](#) to the federal government about the measuring what matters initiative in February 2023. In it, our sector welcomed the initiative, as a way to help put the wellbeing of all people, places and the planet at the heart of decision-making, and to support social innovation.

This consultation builds on the foundational recommendations it included, outlined in Appendix 1.

Second Phase Consultation Format

In May 2023, Social Traders conducted three forums in the states with highest concentration of social enterprises, inviting all certified social enterprises to attend. A section of each of these forums was allocated to discussing the Federal Government's 'measuring what matters' initiative. After discussion, attendees were invited to provide feedback on the initial 5 key themes identified in phase 1 of the process, as well as identify any that were missing.

Also discussed was how social enterprises are uniquely positioned to provide positive influence on wellbeing, in a meaningful and sustainable way.

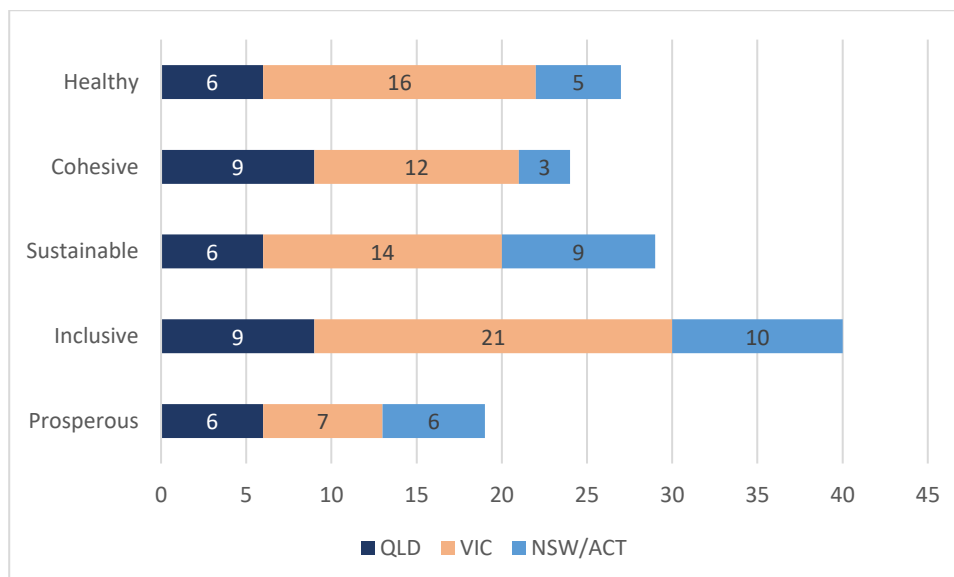
The 3 state forum event details are:

Date	Format	Event	Attendees
Thursday, 18 May	Online	Social Enterprise Forum - QLD	17
Friday, 19 May	Online	Social Enterprise Forum - VIC	34
Friday, 19 May	Online	Social Enterprise Forum - NSW & ACT	23
			74

Results

Each participant was given the opportunity to vote for up to 3 key themes which they felt was most important to them, their communities, and their beneficiaries (represented by their social enterprises)

The results, organised by state, are shown below.



Each attendee was also given the opportunity to add their thoughts on anything that may be missing from the 5 initial key themes. This was after the themes were shown as presented in the consultation pack and briefly discussed.

The results, organised by state, are shown below.

State Forum	What (if anything) is missing from the 5 themes?
QLD	Measuring impact for these. Any reward or recognition (encouragement) for impacting these The opposites -what we should not be doing or reducing Sensitive approach - not cultural appropriation for example
QLD	How the themes interrelate, how they will be measured and lack of a systems approach underpinning
QLD	A measurement for overseas impact.
QLD	How will these themes translate into tangible and measured outcomes?
QLD	Cultural wellness - ability to practice, teach and share cultural understanding, performance and traditions.
VIC	Need greater focus on reducing carbon emissions as a lens/filter/indicator for all other measures.
VIC	contribution - having ways to contribute to society and feel valued for doing so Meaning - ways to find and express meaning or spirituality in society
VIC	Feeling safe and being involved in decision making
VIC	Choice
VIC	Are these measured vs UN SD goals?
VIC	Self sustainability is missing from the major themes
NSW/ACT	I think equity is a dot point on its own. Diversity doesn't guarantee equity. Australia's First Nations are a point of their own
NSW/ACT	Ethical business practices
NSW/ACT	On circular economy it would be great to see reuse and upcycling highlighted.
NSW/ACT	Circular economy principles
NSW/ACT	Safety
NSW/ACT	Lived environments- sustainable Housing and housing affordability
NSW/ACT	Migrants and Multiculturalism

Each forum also had a discussion on how social enterprise is uniquely placed to contribute to a wellbeing economy in Australia. Broadly speaking, social enterprise is a business, for good. They trade like any other business, but exist specifically to make the world a better place.

Social enterprises must do three things:

1. Have a defined primary social, cultural or environmental purpose consistent with a public or community benefit, and
2. Derive a substantial portion of their income from trade, and
3. Invest efforts and resources into their purpose such that public/community benefit outweighs private benefit.

There are over 12,000 social enterprises in Australia, that make a shared economic contribution of \$21.3 billion and account for \$1% of GDP. They employ about 206,000 people, or 1.6% of the Australian workforce¹.

¹ *Business for good: the size and economic contribution of social enterprise in Australia*, Social Enterprise Australia (2022). Available at: <https://socialenterpriseaustralia.org.au/business-for-good/>

Social Traders holds significant data on a subset of 500 social enterprises², by virtue of the only social enterprise certification available in Australia. This offers a perspective on the diverse range of beneficiaries and social problems social enterprise aims to solve.

Highlighted below is a list of beneficiary cohorts supported by social enterprises. This highlights the diverse range of individuals social enterprises will connect with and provide support to. The 489 certified social enterprises included in the below table spend a combined \$578m annually on delivering their impact to their chosen beneficiaries.

Primary Beneficiary	# of certified social enterprises
People with disabilities	128
New Migrants & Refugee Communities	52
A charitable or not for profit organisation	47
Environmental Sustainability	36
Marginalised Youth	35
Aboriginal and Torres Strait Islanders	32
Families, children or students	22
Marginalised Women	21
Long Term Unemployed People	18
Other disadvantaged people	17
A particular geographic community	15
People experiencing & at risk of homelessness	13
A particular industry	12
People with mental illness	10
People in a particular vocation or profession	9
Prisoners and ex-offenders	8
People in developing countries	6
Older people	4
Animals	3
A spiritual or religious community	1
Grand Total	489

Social enterprises play a unique role in society, often fulfilling the needs of a community where traditional businesses cannot. The below table highlights the social purpose of 488 certified social enterprises, many aligning to the 5 key themes identified in the initial 'Measuring What Matters' consultation.

Social Purpose	# of certified social enterprises
Targeted employment opportunities	272
Targeted training & education opportunities	196
Support community members	137
Generate profit for charitable purposes	134

² Pace22: the profile of Australia's certified social enterprises, Social Traders (2022). Available at: <https://www.socialtraders.com.au/news/pace2022>

Provide goods and services for charitable purposes	83
Support an industry or profession	61
Advance cultural awareness	59
Community & Preventative Health Programs	52
Waste reduction & Recycling	46
Other	34
Address another environmental issue	31
Food Security	25
Advance renewable energy	9
Grand Total	488

Conclusion

Social Traders welcomes the introduction of an Australian wellness framework and the process of community engagement to guide the overarching themes. Consultation with the social enterprise sector of Australia identified 'Inclusive' as the theme most important to their community, with the most overall votes, and also the most votes in each of the states engaged with.

Missing from this initial pack is the details on measurement of the framework which was commonly expressed in the feedback sessions. For the 'Sustainable' theme, it was suggested that there were some specific actions which could be called out explicitly, such as circular economy, carbon emissions and sustainable houses. It was felt that the environmental aspects of the 'Sustainable' theme did not contain enough detail. Also missing from the themes are ethical businesses practices, placing some responsibility on business to contribute to the wellness economy.

Social enterprise is a natural contributor to a wellness economy in Australia. They have social impact weaved into their core purpose, so as long as they are operating – they will contribute to social outcomes. They often generate impact in a sustainable, long-term approach (e.g. providing employment for people facing disadvantage). The business decisions of a social enterprise are centred on making a difference, which is grounded in wellbeing across all levels, therefore all those who are part of the impact path will enjoy the associated physical, emotional & financial impacts.

Appendix 1 – Social Enterprise Australia Submission to Phase 1

Social Enterprise Australia, the national peak body for social enterprise, made a [submission](#) to the federal government about the measuring what matters initiative in February 2023. In it, our sector welcomed the initiative, as a way to help put the wellbeing of all people, places and the planet at the heart of decision-making, and to support social innovation.

This consultation builds on the foundational recommendations it included.

These were, that the Government:

1. Collect data to see and locate disadvantage

To tackle disadvantage and value the wellbeing of all takes looking at the range of responses, not just averages and aggregates. It also takes understanding the drivers of disadvantage.

www.socialenterpriseaustralia.org.au 2 We recommend data collection that can show the range of responses and be broken down at a demographic and geographic level.

2. Build capability and tools

Capability and tools will need to be built within the Federal Government to oversee measuring what matters. Further, we recommend investment in impact measurement capability and tools at the action level - within government teams working to achieve wellbeing outcomes, including via non-governmental organisations.

3. Share data

Government has access to data and evidence that can support work to improve wellbeing; on problems in need of a solution, and about the costs and impacts of existing interventions. But it doesn't share this in a way that is easy for social enterprises and other impact-led initiatives to access and use to measure their value.

Changing this can inform innovation.

Further data will be generated by measuring what matters.

Beyond protecting any personal or sensitive information, we recommend that this data be shared, showing the range and allowing for a breakdown at a demographic and geographic level.

For questions or further discussion please contact:

Alex Hooke
Executive Director, Advocacy & Engagement
e: alex.hooke@socialtraders.com.au