

The State of CSR in Australia: Too Much Sun!

By Wayne Visser

Yesterday, at the invitation of Leeora Black, Director of the Australian Centre for CSR (ACCSR), and sponsored by La Trobe Graduate School of Management, I gave a keynote address on "Leadership for social responsibility" at the ACCSR conference in Melbourne. The conference theme was around ISO 26000 in a post financial crisis world. I will blog separately on ISO 26000 and also share some video interviews that I conducted with, among others, Jonathon Hanks, Convenor of the ISO 26000 Integrated Drafting Task Force.

In this blog, however, I want to share some hot-off-the-press research findings, as well as my own impressions of CSR in Australia. Let's start with the data. In the ACCSR 2009 State of CSR in Australia Annual Review, here are some key findings:

- The global financial crisis (GFC) on CSR has had mixed effects: only 19% saw budget cuts and 14% reported reduced staff. On the other hand, 29% say the GFC has made them more interested in CSR, 49% say it has provided the opportunity to debate CSR and 40% say their CSR strategy is now more strongly linked to their business strategy.
- The biggest CSR priorities for 2010 are: reducing environmental impact (13%), building understanding of our CSR approach (12%), understanding climate change (10%), improving our sustainability reporting (10%), managing regulatory impacts (10%) and developing services with social or environmental attributes (10%).
- The lowest priority was given to combating corruption (5%) and addressing labour relations issues (5%). The latter is somewhat surprising, given that Australia lags the rest of the world on labour issues, including contravening some ILO conventions.

ACCSR also disclosed the Top Scoring Organisations on CSR for 2009, including:

- Top Australian listed companies: AXA Australia, Coca Cola Amatil, Lihir Gold Ltd, National Australia Bank, Rio Tinto, Sensis and Westpac Banking Corp
- Top foreign listed companies: Aon, Baxter Healthcare, BP Australia, Fuji Xerox Australia, Nestle Australia, Optus and Toshiba Australia
- Top government business enterprises: Australia Post, Horizon Power, Hydro Tasmania, Landcom, South Australian Water Corp and WorkSafe
- Top NGOs: Arts Project Australia, Credit Union Foundation Australia, Lifeline Australia, Marie Stopes International Australia and St Mary's House of Welcome

- Top industry associations: Australian Institute of Company Directors and Institute of Chartered Accountants.

So much for the data and plaudits. What are my impressions so far? I sense a huge frustration among people working in CSR in Australia. The biggest reasons cited are an unsupportive (some even say backward) government policy environment, and the negative lobby power of Australia's two biggest industries - extractives (mainly mining) and agriculture.

After about 10 years of severe drought (and even fatalities from runaway bush-fires in Victoria last year), it is hard to understand why climate change is not right at the top of government and business agendas. But perhaps that is testimony to the power of vested interests in the status quo.

Also, the opposition party is scoring cheap political points by calling everything to do with climate change a tax, to be avoided at all costs. They fail to mention that (according to the Stern Review) it may cost 1% of GDP now, but it will cost 20% of GDP later if nothing is done. So they are happy to tax the future 20 times as heavily, in order to get quick votes today.

I did hear one other explanation for why the take-up of CSR in general, and climate action in particular, is so lacklustre in Australia. "There's too much sun", said my friend and sustainability consultant, Samantha Graham. By which she meant, Australians are too laid back about life. They are eternal optimists who believe that things will get better sooner or later.

To be fair, there is some really progressive work going on in stakeholder engagement and social impact management among the mining companies (more about that another time). Meanwhile, why worry about disaster scenarios for 2050 when the sun is shining, the skies are blue, there's a cracking footie (or rugby or cricket) game on.

CSR-what? Surf's up!

Source:

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