

Media release

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New shareholder group to tackle abuse of corporate power

Launch of the Australasian Centre for Corporate Responsibility

Despite the fact that Australians have more than one trillion dollars invested in superannuation most have virtually no idea where that money is invested or how those responsible for managing investments are voting at company AGMs.

Speaking ahead of the inaugural meeting of the Australasian Centre for Corporate Responsibility (ACCR) which will be held on Wednesday 28 November in Canberra, founding member Howard Pender pointed to James Hardie as an example of this.

“Most Australian superannuation funds have probably invested in James Hardie at some point. Australians with superannuation should be horrified that companies like James Hardie operated for decades without shareholders ever formally speaking out about the health effects of asbestos,” said Mr Pender.

The newly-formed ACCR will be engaged in research, education and advocacy aimed at increasing investor awareness of their capacity to influence corporate conduct and to focus the attention of large numbers of investors onto strategically selected issues and companies.

Addressing the launch will be social justice advocate, Rev. Tim Costello, who sees the ACCR as playing a complementary role to World Vision.

“Many times every year in my work for World Vision I visit very poor communities and we direct resources to them such that they can build some sort of future. Supporters of World Vision love to contribute regularly and generously for this work but most can only afford a small percentage, say ten per cent, of their income. Understandably they choose to invest to secure a retirement income,” said Rev. Costello.

“What I love about the ACCR is that it will provide such people a further opportunity to give by persuading the companies in their investment portfolios to make the world a better place. This could be of great assistance to the deprived communities with whom World Vision works.”

Dr Robert Howell, another founding member of the ACCR, will use his address to highlight the lack of concern with social justice in the Australian investment community.

“It has been estimated that less than two per cent of managed funds in Australia could be said to actively promote justice and sustainability,” said Dr Howell.

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Former head of the Australian Conservation Foundation Phillip Toyne commented that after his decades of work on sustainability issues that the establishment of the ACCR is both timely and absolutely essential.

“It’s become increasingly obvious to me that unless we get the economics behind the way business conducts itself changed to take into account environmental, social and economic issues, we are never really going to cross that divide into a truly sustainable future,” said Mr Toyne.

The meeting, which will be hosted by The Australia Institute, will also be attended by a number of prominent Australians who share the ACCR's desire to change the culture of the Australian investment community. Attendees include Tim Costello (CEO World Vision), Dr Richard Denniss (Executive Director The Australia Institute), Molly Harris Olsen (former head of President Bill Clinton's Council on Sustainability), Professor Clive Hamilton (Charles Sturt University) and Phillip Toyne, (former Director of the Australian Conservation Foundation).

The ACCR will also hold meetings in Melbourne and Sydney early next year.

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