



Corporate Governance

Policy Category: G. Sustainable Economy

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Principles

The Australian Greens believe that:

1. corporations and governments operating in Australia have a responsibility to conform to the intent, as well as the letter, of Australian and international law.
2. corporations and governments must behave ethically in all transactions and work to prevent corruption.
3. laws governing corporations and business practices should promote social and environmental responsibility and respect for human rights.
4. laws governing corporations and business practices, should reflect the concerns and interests of all stakeholders - shareholders, employees, business partners and society.
5. government-owned organisations have an added responsibility to demonstrate exemplary governance and high levels of social and environmental responsibility.
6. government-owned service delivery corporations should prioritise adequate, affordable and accessible service delivery over making profits.

Goals

The Australian Greens want:

7. a business environment that encourages businesses and governments to fulfil their corporate, social and environmental responsibilities.
8. more rigorous oversight of the conduct of Australian corporations operating internationally, and of multinational corporations operating in Australia.
9. decision-making processes in publicly listed companies that ensure real participation by shareholders.
10. widespread awareness of, and adherence to, the United Nations Global Compact and the principles it embodies.

Measures

The Australian Greens will:

11. reform the Corporations Act 2001 to ensure that directors take account of the interests of the corporation, its shareholders and all stakeholders in the discharge of their duties.
12. establish an independent Corporate Responsibility Index, ranking the financial, social and environmental performance of businesses and corporations.
13. require publicly listed companies and government departments to audit and report annually their performance against economic, environmental and social criteria.
14. introduce accounting practices which clearly identify the financial, social and environmental consequences of, and risks associated with, business decisions.
15. require elections of boards of publicly listed companies to be conducted by an independent statutory body.

16. promote the inclusion of corporate ethics and responsibilities in all business and commerce course curricula at secondary and tertiary institutions.
17. strengthen consumer education initiatives in the areas of reduced and responsible consumption, consumer rights and responsible investment.
18. create tax incentives for socially and environmentally responsible initiatives, including participation in the United Nations Global Compact.
19. require the disclosure of documents relating to government tenders and procurement processes, once such processes are finalised.
20. strengthen and extend the powers of the Commonwealth Auditor General and the Commonwealth Ombudsman to examine the propriety of government tenders and procurement.
21. strengthen laws requiring Australian corporations operating overseas, or any corporation operating within Australia, to comply with Australian and international laws including those relating to human rights, environmental protection and labour laws.
22. introduce legislation to enable persons detrimentally affected by the operations of Australian corporations overseas to sue those corporations in Australia.
23. require all government-owned enterprises to take steps to ensure that their boards are representative of the wider population.
24. amend the Corporations Act 2001 to require:
 - enforcement agencies to be staffed at realistic levels;
 - that fines be set sufficiently high to deter corporations from committing crimes;
 - the strengthening of the liability of directors and managers;
 - the barring of repeat offender corporations from government contracts; and
 - the delisting of corporations that flagrantly and persistently violate the public interest.

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