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# NEWS and VIEWS

of the

## Sustainability Working Group

26<sup>TH</sup> JAN 2006

### GRI Releases Draft of G3

On 11<sup>th</sup> January 2006 the Global Reporting Initiative (GRI), based in Amsterdam, announced the draft third generation (G3) Guidelines and protocols of the GRI are available for a three-month public comment period between 2<sup>nd</sup> January and 31<sup>st</sup> March. The draft is the result of nearly a year's worth of research, development, and consensus-seeking by multi-stakeholder technical working groups, each assigned to focus on different parts of the Guidelines.

All comments will be taken in to consideration, and a second draft will be produced by mid-year. After governing body approval G3 is slated for final release in October 2006.

For news item and draft guidelines **visit:**

[www.globalreporting.org/news/updates/article.asp?ArticleID=454](http://www.globalreporting.org/news/updates/article.asp?ArticleID=454)

**Source:** Antony Vallyon. ❖

### GRI G3 Sneak Preview

Hear at first hand about the third generation of the GRI Sustainability Reporting Guidelines by attending a full day workshop – one of almost 30 sneak previews being held in every continent and many major cities around the world.

GRI Guidelines have become the global standard for Sustainability (triple bottom line, Corporate Responsibility) Reporting. The third edition (G3) of the GRI Guidelines will be released October 2006. GRI is running G3 Sneak Peek events around the world in February. GRI have agreed to come to New Zealand for a G3 Sneak Peek event on 13<sup>th</sup> February. This is a great opportunity to find out about the GRI Guidelines.

**When:** Monday, 13<sup>th</sup> Feb, 8.30 – 4.30

**Where:** Landcare Research, 231 Morrin Rd,  
East Tamaki, Auckland

**Cost:** \$250 – lunch included

**Registration:** [reest@LandcareResearch.co.nz](mailto:reest@LandcareResearch.co.nz)

**Source:** Ian Whitehouse, Landcare Research. ❖

### EVENT DATES

#### 14<sup>th</sup> Feb – **Water - Key Issues in Your Backyard**

Kerry Burke, Chair, Environment Canterbury

Mercedes Lentz, Project Manager on the Sustainable Water Programme of Action, Ministry for the Environment

Jenni Vernon, Chair and Tony Petch Group Manager Resource Information Group, Environment Waikato.

#### 13<sup>th</sup> Mar – **MONDAY GRI Update**, Ian Whitehouse, Chief Operating Officer, Landcare Research

**Plus** others to be announced. Focus on candidates for PCE 1 and 2, and PAS examinations. ❖

### Taxing the Boundaries of Corporate Social Reporting

The following extracts from an article by Steven Filling of California State University and Prem Sikka, University of Essex, raise some very interesting issues and of course they extend far further than corporates – to 'cash jobs', income shifting, undeclared profits on residential property transactions, undeclared rental income and more;

"Recent years have witnessed an explosion in writings on corporate social reporting (CSR) in accounting journals. The rich literature is informed by a variety of theoretical perspectives ranging from positivism, Marxism, critical theory, neo-classical economics, pluralism and institutional theory. The diverse range of topics covered includes issues relating to environment, employee reporting, pollution and gender. The main focus of the literature is to establish or problematise the extent of corporate accountability to stakeholders and good citizenship. However, little attention has been paid to issues relating to organised tax avoidance by companies and wealthy individuals.

"The extent of organised tax avoidance problematises notions of corporate citizenship. Are companies really committed to communities, employees and other stakeholders or is a quick buck their sole objective?

"A kind of a reverse socialism has been established where the poor subsidise companies and a wealthy elite.

"Corporate tax avoidance and the role of banks, accounting and law firms should be a matter of concern to scholars of all persuasions. The tax avoidance [reduction] industry poses major challenges to the very nature of democracy. Citizens may elect a government committed to investing in healthcare, housing, education, pensions, transport and other essentials, but the tax avoidance industry is always in a position to override that by ensuring that companies do

not pay their democratically agreed share of taxes.

"We encourage scholars to expand the boundaries of CSR. Studies focusing upon tax avoidance have a potential to draw attention to the funding of social goods, corporate power, possibilities of democracy and ethics of accountants, lawyers and bankers.

**Source:** Page 22, Social and Environmental Accounting Journal (CSEAR) Sept. 2005, received 15<sup>th</sup> December. ❖

**Visit:** <http://aaahq.org/publicinterest/newsletr/fall04/item09.htm>

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## Consumption By the Numbers

In a news article dated 7<sup>th</sup> January 2004 the World Watch Institute reported;

“The global consumer class (users of televisions, telephones, and the Internet, along with the culture and ideals these products transmit) totals some 1.7 billion people – more than a quarter of the world. Almost half of this class now lives in developing countries, which also have the greatest potential to expand the ranks of consumers.

“**Private consumption expenditures** – the amount spent on goods and services at the household level – topped US\$20 trillion in 2000, up from US\$4.8 trillion in 1960. Some of this four-fold increase occurred because of population growth, but much of it was due to advancing prosperity in many parts of the globe.

“**Production efficiencies** of the 20<sup>th</sup> century have driven much of the consumption boom;

- Modern industrial workers now produce in a week what took their 18<sup>th</sup> century counterparts four years.
- In the U.S. only about 12 hours of work per week were needed in 2000 to produce as much as 40 hours did in 1950.
- In the semiconductor industry, production efficiencies helped drive the cost per megabit of computing power from roughly \$20,000 in 1970 to about 2cents in 2001.

“Global spending on advertising reached US\$446 billion in 2002 (in 2001 dollars), an almost nine-fold increase over 1950. More than half is spent in the U.S. markets.

**More at:** [www.worldwatch.org/press/news/2004/01/07](http://www.worldwatch.org/press/news/2004/01/07)

**Source:** Antony Vallyon. ❖

## CSR Discussion Paper

The November 2005 Australian Government Corporations and Markets Advisory Committee discussion paper of 128 pages is well worth a read. And if you have the inclination you have an opportunity to make a submission until 24<sup>th</sup> February.

**Obtain from:**

[www.camac.gov.au/camac/camac.nsf/byHeadline/PDFDiscussion+Papers/\\$file/CSR\\_DP.pdf](http://www.camac.gov.au/camac/camac.nsf/byHeadline/PDFDiscussion+Papers/$file/CSR_DP.pdf)

**Source:** Wendy Mc Guinness. ❖

## Leadership Model Retreat

Are you looking for a organisational leadership capability building retreat that will challenge your team or stretch your boundaries? If so join others on an intellectual "Outward bound"

The Ngati Whare people, community and Te kura Toitu o Te Whaiti Nui-a-Toi invite you to stay on their marae for a unique Tipu Ake retreat. The Te Whaiti style whaikorero (discussions with the aim of reaching a new level of understanding) is based on everyone having their say. No one need wear their organisational hats; egos are kept in bay.

Tipu Ake thinking aims to keep a balance between work and the rest of life, so workshops are run partly over the weekend to enable partners and family to participate in the rich experience.

**When:** 3<sup>rd</sup> – 5<sup>th</sup> March 2006

**Where:** Te Whaiti. SE of Rotorua on the border of Urewera

**Cost:** Varies, max of \$300 for corporate participants

**More at:** [www.tipuake.org.nz/retreats.htm](http://www.tipuake.org.nz/retreats.htm)

**Source:** Peter Goldsbury. ❖

## Companies Coy on Eco-Management

“Sustainability measures should be reported so as to attract funds” wrote Chris Daniels in the *NZ Herald* on 16<sup>th</sup> January. “The country’s top 50 companies are failing to tell shareholders about sustainability performance in environmental, health and safety systems, research shows.

“The research, by a branch of BT Financial, found companies ran the risk of missing out on large amounts of money being invested by global pension funds.

“Report author and head of BT’s governance advisory service in Sydney, Erik Mather, said there was a growing recognition among investors that a company’s sustainability performance determined its long-term performance.

“There is increasing evidence that companies managing sustainability well are also well-managed businesses.” he said. “Key sustainability issues were energy and greenhouse emission risk and workplace health and safety.”

“Our research found that New Zealand companies lag behind their international counterparts in reporting of management of energy and greenhouse risk, with only 18 companies in the top 50 reporting they had an energy or greenhouse policy,”

“The BT report was not all bad news, with The Warehouse, Carter Holt Harvey and Ports of Auckland picked out of the top 50 and lauded for the “world’s best-practice reporting.”

**More at:**

[www.nzherald.co.nz/index.cfm?c\\_id=3&ObjectID=10363823](http://www.nzherald.co.nz/index.cfm?c_id=3&ObjectID=10363823)

**Source:** *NZ Herald*, page C14, 16<sup>th</sup> January

**PS:** See also the Mays report “Corporate Sustainability an Investor Perspective” of September 2003 at

[www.deh.gov.au/settlements/industry/finance/publication/s/mays-report/pubs/mays-report.pdf](http://www.deh.gov.au/settlements/industry/finance/publication/s/mays-report/pubs/mays-report.pdf) ❖

## NZ Green Building Council

A new New Zealand body to promote sustainable building is being formed and it is expected there will be a push to turn New Zealand office towers green.

“Commercial property developers are not known for their politically correct views and are hardly rushing towards putting up environmentally friendly buildings.

“Some of the cutting-edge ideas being adopted around the world – such as cladding office towers in rammed earth, building rooftop gardens to collect rainwater, recycling office workers’ toilet waste, installing solar panels to generate electricity and demanding tenants ditch air conditioning – seem highly unlikely to be adopted here anytime soon.

“But things could change fast.

“Office towers can be dripping with live greenery rather than glass. Commercial landlords might have to attaché a “green rating” sticker to shoe how nice – or how naughty their property is, just like energy efficiency stickers on new fridges and washing machines.

**More at:**

[www.nzherald.co.nz/section/8/story.cfm?c\\_id=3&ObjectID=10362247](http://www.nzherald.co.nz/section/8/story.cfm?c_id=3&ObjectID=10362247).

**Bookmark** to visit later: [www.nzgbc.org.nz](http://www.nzgbc.org.nz).

**Source:** *NZ Herald* Page C1, Tuesday 3<sup>rd</sup> January. ❖

Contributions, input and feedback are welcomed.  
Send your news items, handy hints, case studies, suggestions, comments and questions to Ray Skinner.