

PIF - CEO NETWORK EVENT

WEDNESDAY 7 OCTOBER 2009

1. THE GFC IS BITING NO MATTER WHAT ENTHUSIASM
ABOUNDS FOR ITS END.

2. CORPORATE SOCIAL RESPONSIBILITY, WHICH REACHED A
HIGH WATER MARK IN 2007 AND A LEVEL I BELIEVE WE
COULD BEGIN TO BE PROUD OF WITHIN OUR
CORPORATIONS, IS NOW SOMETHING THAT PEOPLE ARE
TALKING ABOUT STOPPING OR REDUCING BECAUSE OF
FINANCIAL CONSTRAINTS.

3. OBVIOUSLY COMPANIES IN TROUBLE HAVE TO CONSIDER
THEIR VIABILITY BUT I CAN'T UNDERSTAND WHY THOSE
WHO ARE NOT IN TROUBLE WOULD ENTERTAIN SUCH A
THOUGHT.

INDEED RIGHT THROUGH MY CAREER I'VE NOTED THAT
WHENEVER THERE IS A DOWN TURN PEOPLE STOP
ADVERTISING. TO ME IT IS ABSURD THAT YOU STOP
ADVERTISING JUST AS PEOPLE STOP USING YOUR
PRODUCT ONLY TO RESUME ADVERTISING WHEN
EVERYBODY IS BACK USING IT.

4. THE SAME IS THE CASE FOR CSR. AND INDEED HOW CAN
WE CONTEMPLATE STOPPING IT WHEN:-

a. GOVERNMENTS ARE HELPING BAIL OUT THE
BUSINESS COMMUNITY, IN PARTICULAR THE BANKS

b. GOVERNMENTS ARE QUESTIONING OUR PAY
REGIMES FOR EXECUTIVES

- c. THE TRUST IN OUR COMPANIES IS BEING PUT AT RISK
AS THE BAD SIDE OF BUSINESS (COLLAPSES, SACKING,
ETC) FILL THE NEWS

 - d. OUR STAFF ARE LOOKING TO DO GOOD WITH MANY
QUESTIONING WHETHER THE PROFIT MOTIVE IS
MERITORIOUS AND CERTAINLY WHETHER IT IS
SUFFICIENT FOR THEIR CV'S AND A WORTHWHILE
LIFE.
5. IN ESSENCE I AM SUGGESTING IT IS STILL GOOD BUSINESS
TO DO AND BE INVOLVED IN CORPORATE SOCIAL
RESPONSIBILITY. STAFF LIKE IT, THE GOVERNMENT LIKES
IT, THE CONSUMERS LIKE IT AND I FEEL WE NEED IT TO
HUMANISE OUR OWN ACTIVITIES AND TO GIVE
OURSELVES BOTH A PERCEIVED AND TRUE SENSE OF
WHAT WE ARE.

6. SO WHY AM I HARANGUING YOU? WELL THIS IS AN EVENING OF TOP CEO'S AND TOP EXECUTIVES. YOU CAN ACHIEVE THINGS. WHAT YOU WANT USUALLY HAPPENS IN YOUR CORPORATIONS.

FOR SOME YEARS NOW ONE PART OF CSR HAS BEEN WORK PLACE GIVING I.E. THE ABILITY OF OUR STAFF AND PAYG EARNERS GENERALLY TO GIVE TO CHARITIES ON A PRE-TAX BASIS. WITH FUNDRAISING FOR LEVELS FOR NOT FOR PROFITS LOWERING AND THE OBVIOUS NEED FOR MONIES PARTICULARLY IN WELFARE THIS IS OBVIOUSLY A PLACE WHERE CORPORATE'S SHOULD AND CAN GO AND WHERE CEO'S CAN HAVE A BIG EFFECT IF THEY SUPPORT IT.

7. IN 2004 WHICH IS THE LATEST FULL FIGURES AVAILABLE⁽¹⁾
0.6% OF ADULTS IN AUSTRALIA (94,000) DONATED

(1) These figures are from a research paper entitled "The Giving Business"

THROUGH PAYROLL GIVING. THIS IS COMPARED TO 1.3%
IN THE UK (580,000) AND 5.6% IN CANADA (1,500,000).

ONLY \$18 MILLION WAS RAISED IN AUSTRALIA WITH \$200
MILLION BEING RAISED IN THE UK AND \$343 MILLION
BEING RAISED IN CANADA.

THE AVERAGE DONATION IN AUSTRALIA WAS \$190
THROUGH THE YEAR. IN THE UK IT WAS \$350 AND IN
CANADA \$228.

8. IF WE AS PEOPLE INVOLVED IN THE LEADERSHIP OF
COMPANIES COULD RAISE OUR PAYROLL TAX GIVING
FIGURES FROM 0.6% IN 2004 TO 5.6% THIS YEAR WHICH IS
THE LEVEL IN CANADA IT WOULD GIVE US
APPROXIMATELY 875,000 ADULT AUSTRALIANS
PARTICIPATING. AND IF THEY DONATED THE SAME AS

THOSE IN THE UK DID IN 2004 NAMELY \$350 THE AMOUNT
DONATED WOULD GROW FROM THE \$18 MILLION IN 2004
TO \$300 MILLION.

IF CORPORATE'S WERE TO MATCH THAT DOLLAR FOR
DOLLAR THERE WOULD BE \$582 MILLION A YEAR MORE
FOR WELFARE IN THIS COUNTRY THAN THERE PRESENTLY
IS TODAY.

9. MY MESSAGE THEN IS SIMPLE. CORPORATE SOCIAL
RESPONSIBILITY MUST CONTINUE AND PARTICULARLY SO
TODAY. IT'S GOOD BUSINESS AND YOU THE CEO'S AND
TOP PEOPLE ARE IN THE BEST POSITION TO INFLUENCE IT.
LOOKING AT WORK PLACE GIVING AND ENCOURAGING IT
WITHIN ONES' ORGANISATIONS IS AN EASY WAY OF
HELPING STAFF TO DO THE RIGHT THING AND BY
MATCHING IT TO MAKE THE CORPORATION A

CONTRIBUTOR TOO CREATING A WHOLE OF
ORGANISATION PURSUIT. THE EFFECT WOULD BE
ENORMOUS, "A WIN-WIN".

10. I DO HOPE THAT SOME OF YOU WILL FOLLOW THIS IDEA
AS CERTAINLY I'M TRYING TO MYSELF.