

Senator Grant Chapman  
Chair, Parliamentary Joint Committee on Corporations and Financial Services  
Parliament House  
Canberra

2 February 2006

Dear Senator Chapman and members of the Committee,

It is my sincere belief that Corporate Social Responsibility is a discourse promoted by non-owner political interests wishing to use corporate wealth for their own ends. Some wealthy corporations promote CSR as a means of forestalling such political action, but also to enhance their appeal to employees and customers.

In the first instance, the Committee should give no comfort to non-owner interests by changing the responsibilities of directors, nor should it lend legislative weight to any scheme that measures CSR, because this serves to undermine directors' duties. As for corporations that use CSR as competitive tool, there is no reason to intervene. The debate will move on in a number of years, or change into something else. Leave the legislative powder dry for things that are more important.

I recommend a recent paper (copy attached) on the matter, published in *Agenda*, which sets out my views in detail. I wish the committee well in its deliberations.

Yours sincerely,

Hon Dr Gary Johns  
47 Cook St Northgate 4013