



**Human Rights and Equal
Opportunity Commission**
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Raising the Bar: Corporate Social Responsibility and Human Rights

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Acknowledgements

I'd like to begin by acknowledging the traditional owners of the land we're meeting on today.

I'd also like to thank Dr Leeora Black from the Australian Centre for Corporate Social Responsibility, as well as our host, Westpac, for giving me the opportunity to speak to you.

Introduction

I'm very pleased to be talking about corporate social responsibility and human rights – an area of increasing focus for the Human Rights and Equal Opportunity Commission.

The GSL case study we've just looked at raises a range of issues regarding the role of Australian companies in upholding human rights.

From my perspective, there are three broad points we should take away from this example.

First - human rights are not just relevant for companies that run prisons or detention centres, which obviously have difficult issues to deal with. Human rights are relevant for all Australian companies.

Second - when it comes to corporate responsibility for human rights, compliance with domestic laws is not always enough.

And third - there's no single solution for companies trying to work out how to address human rights. But there is a clear first step. That is simply to ask: 'What effect could our business activities have on the human rights of the people we impact?'

What do we mean by 'human rights'?

Before going into more detail, let's clarify what we're talking about when we refer to human rights. Essentially, we're talking about international standards agreed to by national governments, which recognise the inherent value and dignity of all people.

Traditionally, it has been said that it's the government's duty to protect human rights. But ultimately human rights are the responsibility of all of us – including corporations, the community, and each of us as individuals.

How are human rights relevant to Australian companies?

The UN Global Compact, which today's conference is based around, includes two general principles on human rights for business. First, businesses should support and respect the protection of internationally proclaimed human rights. Second, businesses should make sure they are not complicit in human rights abuses.

Broad principles like these are easy to agree to, but it can be challenging for Australian companies to comprehend what it means in practise to support and respect human rights. Some companies find it difficult to understand how human rights are relevant to their activities, but I guarantee that human rights are a relevant consideration for every company represented here.

What are Australian companies already doing on human rights under domestic laws?

In fact, while some of you might not realise it, your companies most likely comply with some human rights standards already. Various state and federal laws in Australia require companies to comply with human rights.

To give just a few examples, there are laws that prohibit harassment in the workplace; laws that regulate terms and conditions of work; and Native Title laws.

These laws don't always use the words 'human rights', but the standards they uphold are based on human rights principles.

So, if an Australian company complies with all Australian laws, to some extent they will be complying with a range of human rights standards.

Why isn't compliance with domestic laws enough?

However, as the GSL case shows, compliance with Australian law is not always enough. In some cases, good corporate practice means you have to go beyond domestic laws - you also need to consider international human rights standards. Let me give you one example.

One of the most fundamental human rights principles is that everyone has the right to freedom from discrimination. I'm sure you'll agree that all Australians should have equal opportunity and should enjoy the same work conditions regardless of their gender, race or sexuality. You might assume that Australian law protects people from discrimination on these grounds. Well, that is not the case.

There are a range of Australian laws that deny certain rights to gay and lesbian couples. For example, gay and lesbian co-parents do not have an automatic right to parental leave.

Despite this, some Australian companies have adopted policies that provide gay and lesbian employees with the same workplace rights and entitlements as everyone else.

This is not required by Australian law, but it is in line with human rights principles. And companies aiming to be good corporate citizens should take this extra step.

What actions should Australian companies be taking on human rights?

So – if complying with domestic laws isn't always enough to make sure your company is upholding human rights, what should you be doing?

You should aim to incorporate human rights considerations into your everyday business practices.

I recognise this can be a real challenge. But that doesn't mean you should put human rights in the 'too hard basket.'

In this day and age companies simply can't ignore the human rights consequences of their activities. Many companies realise that part of being a good corporate citizen means respecting the human rights of people who come into contact with the company. And the GSL case suggests that the Australian public and NGOs won't let companies neglect their responsibilities for very long before taking action.

So, Australian companies need to start taking concrete steps to address their role in upholding human rights.

Asking a question can be the first step.

In working out what steps to take, I'm the first to admit there's no single solution. The appropriate thing to do will vary between different companies, industries, and regions.

However, there is a clear first step. That is, to ask yourselves: 'What could the impacts of our business operations be on the people who come into contact with us? How will our activities affect their dignity, their equality?'

You don't have to be a human rights scholar. Just think about your employees, customers, suppliers and the members of the community you operate in, and ask yourself: 'Do our business activities allow these people to enjoy the same basic treatment and conditions that I would expect to enjoy myself?'

Asking questions like these will help you to start examining each aspect of your corporate activities to make sure that relevant human rights considerations are taken into account. If you do this, and then take steps to protect human rights where you identify risks, you'll be well on the way towards incorporating human rights into your business practices.

For example - if you work for a bank lending money for a major infrastructure project, you should ask the question: "What impacts could this project have on people in the local community?" The fact that there might be adverse impacts doesn't necessarily mean you shouldn't lend the money. But it does mean you should start making more detailed inquiries – like, 'Will people be dispossessed of their land? Will there be damage to natural resources that local people need to survive?' Once you've

considered such impacts, it might mean that you reconsider lending the money, or you put conditions on the loan.

This might all sound a bit daunting, but there are a wide range of tools available to help companies incorporate human rights considerations into their everyday activities.

For example, participating in an initiative like the UN Global Compact or the Business Leaders Initiative on Human Rights is a good starting point.

Including human rights criteria in your CSR reports is also an important step. And there are a range of reporting guidelines, such as the Global Reporting Initiative, which can help in this regard.

Human rights impact assessments could be another useful tool; similar to the more familiar environmental impact assessments already undertaken in Australia.

How can we raise the bar?

Raising the bar in terms of corporate responsibility for human rights will require a collective effort.

For our part, the Commission has a long history of providing practical advice to Australian companies on complying with specific human rights standards, such as non-discrimination in the workplace.

This year we're expanding our scope to human rights and corporate social responsibility more generally.

We recognise that this area is challenging for the corporate sector. But we're interested in working collectively to develop solutions that will lead to better human rights performance by more Australian companies.

In the mean time, as a first step I encourage you to start asking yourselves some of the questions I've raised today, to consider the potential impacts of your business activities on the human rights of those around you. The power of these questions can be immense.

Thank you.