Clean, Green and Responsible?
Soundings from Down Under
CSR, Sustainability, Ethics & Governance

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In recent years the discussion about the relationship between business and society has made immense progress. This has in turn led to a broad academic and practical discussion on innovative management concepts, such as Corporate Social Responsibility, Corporate Governance and Sustainability Management. This series offers a comprehensive overview of the latest theoretical and empirical research and provides sound concepts for sustainable business strategies. In order to do so, it gathers together the experience an in-depth contemplations of leading thinkers in the fields of management theory and the social sciences. It makes highly innovative management approaches accessible to academics from various disciplines, business leaders and interested students alike. Furthermore it brings together different perspectives from all over the world and thus contributes to the interdisciplinary and intercultural discussion on the role of business in society. The underlying intention of this series is to contribute to the world's most challenging problems by developing new management concepts that create value for both: business and society. It has been developed to suppose those managers and researchers who are willing to contribute to creating sustainable business approaches for our common future.

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Clean, Green and Responsible?

Soundings from Down Under
I have been waiting for a book like this for a long time! This book is important because to progress the sustainability agenda, what is working but also what is not working needs to be critically assessed at a local level. Collectively, the chapters in this book show that (a) the business sector Down Under plays a significant role in causing unsustainability and (b) that over the past decade political and business mind-sets have not seen enough of a shift to be confident that a sustainable Down Under is within reach.

While almost all sustainability problems have a global reach, the extent to which sustainability is achieved is largely dependent on local action. Action is defined by a wide variety of issues that make up the local context: the types of industries determining a country’s GDP, the historic forces shaping countries and communities, the political will, and the disparity between the haves and have-nots within and across local communities. Many of these issues are addressed in this book and as such will play an important role in shaping the Down Under sustainability research agenda.

The book shows that business responses to unsustainability cannot be understood in isolation. The underlying systems on both sides of the Tasman are very similar: a historic lack of a systematic approach connecting government, business, and community; current lack of cross-party collaboration in holding businesses to account; and an ongoing strong GDP reliance on large, yet currently unsustainable, industries such as mining and dairying which are closely interwoven with employment opportunities in local communities. In both these beautiful countries too, the effects of the ongoing contamination are becoming increasingly and clearly visible.

Like any good sustainability book it does a good job in balancing despair with some hope and shows that some business and communities are starting to take effective action. In addition, the book has two helpful chapters on effective teaching in business schools that are starting to take active responsibility for the sustainability mind-set of future business leaders.
The book will be a very useful resource for researchers and teachers alike.

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Marjolein Lips-Wiersma
Foreword by Bentley

Sustainability as a global challenge exemplifies the “wicked problem.” With environmental and social pressures ever more challenging and globally significant, contributions such as *Clean, Green and Responsible* are most timely and welcome. It is crucial that, as with all such wicked problems and grand challenges, a joined-up, systems approach is brought to bear on the problems of sustainability and environmental pressures. This means acknowledging complexity and that changes in one area will have implications for others within our global village. It is also the case that meaningful progress in this field will require us to take learnings from across many contexts and from a range of disciplinary sources. Recognizing this, the editors have invited contributions that draw on different theoretical and disciplinary lenses and address a broad and diverse set of sustainability concerns, synthesizing theory and practice to deliver a work of both academic and practical value.

These global, societal, and environmental problems are best articulated in the United Nation’s Sustainable Development Goals (SDGs). The SDGs have been with us since 2015 and are now beginning to have impact at different levels of society—including industry sectors and organizations—are the foci of this edited book. It is pleasing to see that the book’s contributions cover issues related to many of these 17 goals, reflecting the broad scope of interest in sustainability and environmental challenges among Australasian and South Pacific researchers in the field. It is also pleasing to note the social sustainability and critical issues such as the necessity of decent work feature.

New Zealand and Australia face significant challenges in the setting and meeting of sustainability goals, typified at one extreme by climate change denial by one former Australian leader and at the other by the tension between the marketing mantras of “clean and green” and the realities of maintaining clean waterways in rural New Zealand. This said, there are clearly lessons to be learned from the sustainability experiences and approaches developed in Australasia, as other regions of the world have been reluctant or politically impotent in terms of taking leadership.

As the Director of Research at Massey Business School, I have noted the high number of projects that come to my attention that connect in some way with sustainability. Often these involve collaboration across disciplinary fields, which,
as I note above, I believe to be a necessary approach for dealing with a challenge of this scale and complexity. It is also pleasing to see the high level of industry engagement in this work, as researchers seek to ensure their contributions are both collaborative and impactful in the real world. This participative approach is typified in the chapters of *Clean, Green and Responsible*, making it a book that will be useful for not only students (undergraduate and postgraduate) and academic researchers but also sustainability practitioners and organization based within the South Pacific and beyond.

I conclude this brief foreword by acknowledging the important role the editors of this volume have played in the sustainability discourse in New Zealand and internationally. As a colleague for many years, I have long observed and appreciated their leadership in this field. It is also wonderful to see their commitment to the many early career researchers and doctoral students who have passed through their supervisory hands, several of whom have contributed to the book.

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Tim Bentley
Acknowledgements

We would like to thank the chapter contributors and reviewers for their magnificent contribution and profound commitment to produce this book. We do appreciate you; without your hard work, this project would not have come to completion. It has been brilliant to work with you all.

In addition, we are most grateful to Massey University, New Zealand, in particular the School of Management for their support to work on this project and of our work on *Clean, Green and Responsible? Soundings from Down Under*.

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Gabriel Eweje
Ralph J. Bathurst
## Contents

1. **Introduction: Clean, Green and Responsible? Soundings from Down Under—An Overview** ........................................... 1
   Gabriel Eweje and Ralph J. Bathurst

2. **Decent Work and Economic Growth: Is NZ Business Progressing Well?** .......................................................... 11
   Kaz Kobayashi, Shobod Nath, Michelle Sitong Chen, and Josephine Malenga

3. **Reframing the Relationship Between Profit and Sustainability in Corporate Australia: A Look at the Current Approach and Emerging Solutions** ..................................................... 29
   Ashleigh Gay

4. **Educating for Sustainability-as-Flourishing** .................................................. 47
   Peter McGhee and Patricia Grant

5. **Stakeholder Perceptions of the Importance and Effects of Sustainability Education** .......................................................... 65
   Lynne Eagle, Breda McCarthy, Rachel Hay, Amy Osmond, and David Low

6. **Embedding Corporate Social Responsibility into Business Practice: Lessons Learned from New Zealand** ................................................. 87
   Majid Khan and James Lockhart

7. **Social Marketing and Residential Electricity Consumption: Every Kilowatt Matters** ....................................................... 107
   Breda McCarthy, Lynne Eagle, Amy Osmond, and David Low

8. **Climate Change Initiatives for Improving Sustainability and Responsibility in New Zealand** ..................................................... 133
   Yue Wang
<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>Becoming a Sustaining Organisation: The Case of Greening the Wharf at Sydney Theatre Company and Its Impacts</td>
<td>145</td>
</tr>
<tr>
<td></td>
<td>Valerie Dalton and Ray Cooksey</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Learning from a Climate Improvement Initiative: A Co-constructed Autoethnographic Exploration of Tensions in a Cross-Sector Collaboration</td>
<td>167</td>
</tr>
<tr>
<td></td>
<td>Jarryd Daymond and Philippe Coullomb</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Greening the Supply Chain: A Framework for Best Practices</td>
<td>191</td>
</tr>
<tr>
<td></td>
<td>Aymen Sajjad</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>The Impact of Sustainability Reporting Determined from the Response of Mining Corporations to Environmental Risk</td>
<td>211</td>
</tr>
<tr>
<td></td>
<td>Kumudini Heenetigala and Anona Armstrong</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Attitudes of Incumbent Regimes to a Renewable Energy Transition: A Case Study of Queensland, Australia</td>
<td>227</td>
</tr>
<tr>
<td></td>
<td>Breda McCarthy and Lynne Eagle</td>
<td></td>
</tr>
</tbody>
</table>
Chapter 1
Introduction: Clean, Green and Responsible? Soundings from Down Under—An Overview

Gabriel Eweje and Ralph J. Bathurst

Introduction

‘Sustainable development’ is an idea that the business sector has turned its attention to in recent years. Hidden within these two words are ethical and moral values which affect all of humanity; values which have encouraged the change of orientation for organisations, from a pure shareholder view to a wider stakeholder one. This change has been tectonic because it implies that businesses do not exist for their own sake alone but are part of the warp and weft of society as a whole. Sustainable development, therefore, assumes that growth is possible and can occur in ways which enhance human being while ensuring the survival of the planet. In sum businesses operate in both local and global contexts; with an eye on economic and social measures of success.

Taking this basic assumption, for a business to operate sustainably, it must necessarily turn its attention to issues of inequality and poverty. A business cannot be sustainable, by definition, if it does not, at its core, focus on how it may lead to economic and social uplift, where all citizens benefit. In response, businesses have been adopting reporting practices that demonstrate their responsibility in economic, environmental and social terms. Much of these changes in reporting have been driven by government policy and law, and in Australia local governments in particular have begun reporting on social sustainability variables (Williams, Wilmshurst, & Clift, 2011). Similarly in New Zealand Coalition Government led by the Labour Party and Prime Minister Jacinda Ardern have determined that for the first time in history the 2019 budget will demonstrate a commitment to social measures (Robertson, 2018). The New Zealand Treasury press release accompanying Robertson’s policy document noted that “The Government is committed to
putting people’s wellbeing and the environment at the heart of its policies, including reporting against a wider set of wellbeing indicators in future Budgets” (“Budget 2019: Focus on wellbeing,” 2018).

It is not surprising, then, that interest in how organisations in the private and public sectors deal with sustainability and responsibility issues has emerged as a major public concern due to high profile corporate scandals implicating social and environmental issues, as well as public utterances by some politicians across the world who are mandated to lead the discussion on sustainability. Further, sustainability and responsibility paradigms have become embedded increasingly within protocols in businesses and governments. Thus, breaches of normative standards now make the news, whether that be a car manufacturer (Volkswagen), a sporting code (FIFA), or a technology company (Samsung) to mention but the few. While perpetrators of these contraventions are penalised substantially, along with the subsequent reputational loss to the firm, it remains a mystery as to why organisations perpetuate a sustainability ideology while at the same time violating those very messages behind the scenes.

**Sustainability Rhetoric in the South Pacific**

Assessing the effectiveness of sustainability and responsibility models on a worldwide scale is difficult. Thus, in this edited book, we focus on the South Pacific, adopting the view that the ways in which issues have been dealt with in this more closely defined geographical area will flag similar issues across the globe. Underpinning this agenda is the notion that we are all citizens of the global village and that in our networked world, what happens in one place will have implications in other areas.

Recent changes in the political landscape in Europe, Brazil, and the USA where the President doubted the effects of climate change have implications beyond those national boundaries. For instance, Brexit in the UK has resulted in South Pacific countries (Australia and New Zealand in particular) having to renegotiate long-standing trade arrangements with the UK and other European countries; the election of Donald Trump has changed the nature of the TPPA (Trans Pacific Partnership Agreement), forcing Pacific Rim countries to reconsider agreements which exclude the USA. In addition, the new elected Brazilian President, Jair Bolsonaro has promised to pull Brazil out of Paris Agreement, and halt regulations that protect indigenous lands as well as opening the Amazon rainforest for economic exploitation. These immediate responses to political changes in the northern hemisphere and Brazil will have a transforming effect on the educational, political, economic, environmental and social landscape in the South Pacific. One development is the reorientation of government policies around business and financial goals, sometimes in denial of scientific evidence which shows those goals to negatively impact on environmental sustainability.
New Zealand and Australia are considered as countries whose sustainability and responsibility discourse are pursued by governments and business where incentives and initiatives help confront and resolve sustainability challenges. But what, for instance, of the marketing mantras of New Zealand “100% clean and green”, and of Australia “clean and green”, especially when many waterways are unsafe for swimming? How has government policy impacted on this problem beyond merely changing the reporting thresholds which deem a waterway to be ‘clean’?

Former New Zealand Prime Minister, Helen Clark suggested in 2006 that New Zealand should aim to be the first country which is truly sustainable. In contrast, the former Australia Prime Minster Tony Abbot in 2010 asserted that the “climate change argument is absolute crap, however the politics are tough for us because 80% of people believe climate change is a real and present danger” (Rintoul, 2009). Additionally, there is confusion regarding occasional government and business sectors publicly committing to social, environmental and economic change. This begs the question: in the absence of global leadership, how can Australia and New Zealand lead the world in sustainability and responsibility values?

It is noteworthy to mention that in both Australia and New Zealand are ranked 20th and 22th on progress towards the Sustainable Development Goals (Thwaites, 2016).

In October 2017, 60 CEOs from the New Zealand business sector formed the Climate Leaders Coalition. It’s single page manifesto dubbed the 2017 Climate Change Statement highlights and affirms perhaps the single most important factor contributing to global warming: greenhouse gases released into the atmosphere through human actions whether they be industrial or personal activities (“Climate leaders coalition,” 2018). The manifesto is aspirational and practical in that it both argues for a prosperous future by reducing carbon emissions, and supports New Zealand’s commitment to the December 2015 Paris Agreement.

Perhaps most surprising is the statement: “We support introduction of a climate commission and carbon budgets enshrined in law”. Here they propose a partnership with the Government to work together to reduce greenhouse gasses and advocate for legislation to mandate that companies create carbon emission policies and practices. This is a rare gesture given the often-uncomfortable relationships between governments and the corporate sector.

The Climate Leaders Coalition is calling for other leaders to join with the purpose of dedicating considerable resources, expertise and funding towards projects which centre around solutions-driven thinking. They hope that this collective purpose will drive innovation and improve business prospects across the globe. It is hoped, therefore, that the Coalition will see businesses not only attending to their financial bottom lines but also to their social responsibilities.

While Australia and New Zealand are not leading the world in terms of discussion and initiatives around the UN Sustainable Development Goals (SDGs); the above illustration on the climate leaders’ coalition indicates that NZ is beginning to show some commitments to climate change. Also, the Modern Slavery Act (2018) in
Australia is a commitment to eliminate the exploitative practices of modern day slavery in supply chain risk and responsibility. The act “establishes a Modern Slavery Reporting Requirement to require certain large businesses and other entities in Australia to make annual public reports (Modern Slavery Statements) on their actions to address modern slavery risks in their operations and supply chains”.

Although we wonder why it has taken until now for the business sector to acknowledge that the future of the planet is at stake and that the corporate sector has a significant role to play in ensuring that life on Earth is sustainable for succeeding generations, we do applaud these initiatives.

Bob Doppelt (2003) in his Leading Change Towards Sustainability text would concur that leaders need to work together to solve the pressing problem of climate change. However, he would disagree with the focus on innovative practices. He observed that most organizations focus on the ‘what’ rather than the ‘how’ and this ultimately limits their ability to make any substantive changes. He argues for deep cultural change as the precondition for any significant moves towards ensuring sustainable development. Furthermore, he claims that leaders themselves are unable to grasp the need for significant structural change because of their unwillingness to move beyond chain-of-command hierarchic organisational structures.

Doppelt does not pull any punches and writes:

Our current economic system is fundamentally linear in nature. It focuses on producing products and services and delivering them to the customer in the fastest and cheapest way possible. Not much else matters. Humans extract resources from the Earth’s surface, turn them into goods, and then discharge the massive amounts of often highly toxic waste the system generates back into nature as either air, water and soil pollution or as solid, industrial and hazardous waste. After two hundred years of experience with the straight-line ‘take-make-waste’ production system, it has become firmly embedded as the dominant economic paradigm in the psyches of most Westerners. (p. 16)

To undertake deep cultural change, Doppelt urges transformational change at both governance and leadership levels of organizations. In doing so he pleads for dispersed decision-making throughout enterprises rather than continuing the traditions of top-down command and control processes. What is required is fundamental change in the world-views of leaders and governing boards (Brown, 2012) and for them to adopt an optimistic future orientation that seeks solutions at organisational level which will impact significantly on the rest of society.

In Australia, there are evidences of a significant ground swell from ordinary citizens to address climate issues. The Australian Youth Climate Coalition (2018) (AYCC) is “Australia’s largest youth-run organisation” and reportedly has some 150,000 members. Similarly, the Climate Action Network Australia proposes that significant climate change will occur through “a diverse network with distributed leadership that links people and organizations” (CANA, 2018).

These Australian initiatives come closer to Doppelt’s advocacy for deep cultural change, because they challenge and transform ingrained belief systems.
About This Book

With growing public interest and concern about sustainability and responsibility around the world, this book offers conceptually and empirically how businesses and organisations Down Under committed to sustainable business practices. With historical and current issues discussed, this edited book is a ‘must have’ for business practitioners, policy makers, supranational organizations’ experts, academics, students, and those interested in CSR and sustainability. This text will particularly appeal to undergraduate and graduate students, and scholars interested in new perspectives in the sustainability debate. It will also appeal to sustainability directors and practitioners, especially those concerned with the environmental and social impacts of their business and organizations.

Overview of the Contents

This edited volume focuses on issues of sustainability and responsibility in the Australasian context. Kaz Kobayashi, Shobod Nath, Michelle Sitong Chen, and Josephine Malenga in Chap. 2 examine how New Zealand businesses are progressing toward ‘Decent work and inclusive growth’ which is one of the goals set in 2030 Sustainable Development Agenda. They look at changing demographics, markets, rules and norms that are affecting businesses, using the construction and service sectors as illustrative examples. Further, they examine how, under such an evolving context, the New Zealand businesses are progressing, and presents an analysis of overall progress for inclusive and sustainable economic growth based on recent statistics, reports, and academic literature. Their analysis suggests that while there are areas of progress, there are also troubling areas with limited or no evidence of progress.

Ashleigh Gay in Chap. 3 examines the conventional models of sustainability in corporate Australia such as Corporate Social Responsibility (CSR). She argues that these models are not driving the level of change required to achieve a sustainable future. The chapter includes a discussion on the sustainable development challenge, and the potential role for businesses to shape a sustainable future and the strengths and weaknesses of the current approach adopted by businesses. This chapter then explores three emerging trends that draw on best practices from the UK and European markets, suitable for an Australian context, that are addressing some of the common shortfalls of corporate sustainability: including redefining the purpose of business, putting sustainability at the core of the business models and realising the UN Sustainable Development Goals.

In Chap. 4 Peter McGhee and Patricia Grant discuss ‘Educating for sustainability-as-flourishing’ where they share experiences and insights from an undergraduate sustainability course for business students designed to encourage behavioural, cultural, and institutional change. They argue that education must develop higher-order
dispositions, a kind of sustainable ‘habits of the mind’ towards environmental, social, and economic justice. To them, this is important since what business students do is informed and shaped by their view of reality, and this is informed by their ways of knowing and a sense of purpose.

Lynne Eagle, Breda McCarthy, Rachel Hay, Amy Osmond and David Low in Chap. 5 explore the role that universities are expected to play in addressing sustainability-related issues, noting a lack of agreement on definitions for key terms and on the most effective way to include relevant content within the curriculum. They suggest that these debates need to be seen within the context of calls to ensure that graduates are ‘work ready’. The chapter discusses a multi-phase study by an Australian regional university that has made significant investment in integrating sustainability into all subjects within undergraduate business degrees. They conclude that with a discussion of strategies for ongoing fine-tuning of business curricula and for ongoing engagement with current and prospective employers regarding sustainability-related issues within the wider context of equipping graduates with the skills and abilities valued by prospective employers in a rapidly changing workplace.

In Chap. 6 Majid Khan and James Lockhart discuss the changing role of business in society within a New Zealand context. The chapter highlights the premise that academics in management and organisation share the assumption that the task of government is to provide their respective society’s public goods, while the business of the business community is to do business—with shareholder primacy being central to free enterprise. They argue that this trend is changing and many companies have started to embed reporting initiatives, and social and environmental responsibilities that go beyond the minimum legal requirements of corporate governance and what is viewed as corporate social responsibility (CSR). They postulate that in order to better understand CSR in a nation state, it is important to learn of the underlying peculiarities of the institutional environment in that country.

Breda McCarthy, Lynne Eagle, Hayden Lesbirel, Amy Osmond and David Low in Chap. 7 examine consumers’ attitudes towards climate change and energy resources along with their electricity consumption practices in the home. The discussion is situated within the wider context of sustainability. The chapter shows that survey participants attach importance to minimizing electricity usage in the home and the adoption of roof-top solar systems is related to age, education, political affiliation and home ownership. They further suggest that there is a divergence in attitudes towards the use of fossil fuels as a source of electricity generation, however patterns of electricity consumption in the home are quite similar across the sample. Recommendations, therefore, focus on behavioural modifications to reduce electricity use during peak demand and encourage the installation of electricity-saving devices in the home.

Yue Wang in Chap. 8 investigates the impact of climate-related actions on sustainability in Australia and New Zealand, and discusses practical solutions to global climate change challenges at corporation level, by applying an integration of economic analysis and interview surveys. She concludes that implementing climate-related policy provides a motivation of sustainability development in Australia and
New Zealand, for instance, more afforestation and renewable energy use occur under the existing climate change initiatives. Although the policy leads to a reduction in GDP and wage due to emerging emissions cost, it will expand the volume of exported goods, increase energy efficiency and business sectors’ social responsibility.

In Chap. 9 Valerie Dalton and Ray Cooksey explore Sydney Theatre Company (STC), Australia’s best-known theatre company, achieving a stronger global presence under the co-artistic direction of Cate Blanchett and Andrew Upton in the period 2008–2012. This case study explores the organisational change that STC went through during the Greening the Wharf (GTW) project and assesses its impact on the long term sustainability of STC’s processes and practices, arguing that they have become a sustaining organisation. The chapter demonstrates what is possible in terms of creating sustainable public infrastructure in a heritage listed building and is an exemplar of a very successful organisational change for ecological sustainability, underpinned by a strong commitment to human sustainability.

Jarryd Daymond and Philippe Coullomb in Chap. 10 take a critical look at a co-constructed autoethnographic exploration of tensions in a cross-sector collaboration. Thus, they ask the question: What can be learned from existing climate improvement initiatives so that we can start achieving more from our efforts to improve the climate? Their autoethnographic narrative of the cross-sector collaboration reveals several tensions which accompany largescale climate initiatives. They argue that cross-sector collaborations are marked by power machinations and competing tensions of unity versus diversity, trust versus control, autonomy versus dependence, stability versus flexibility, inclusivity versus efficiency. They conclude that transitioning to a low carbon economy is a slow process but driving systemic climate action requires momentum and building a groundswell of support, which the dualistic strategy of big and small “wheels” of the collaboration seemed to support.

Aymen Sajjad in Chap. 11 examines the notion of green supply chain management in the New Zealand business context. The chapter illustrates that firms have acknowledged the significance of greening the supply chain activities and are seeking ways to integrate green practices across their supply chain networks. Yet, despite this emergent trend, unfortunately, a majority of firms lack a systematic approach by which green practices are effectively embedded in their supply chains. To address this issue, the chapter introduces the best practices framework for greening the supply chain. The framework identifies and explicates the key green supply chain management strategies that can be employed in a firm to improve its economic, environmental and operational performance as well as business value amongst its stakeholders.

In Chap. 12 Kumudini Heenetigala and Anona Armstrong focus on sustainable reporting in Australian mining companies. The purpose of their chapter is to determine why mining companies adopted sustainability reporting, what mining companies report as ‘sustainability’, what actions mining companies take, and whether they engage with their stakeholders. They argue that the adoption of sustainability measurement gives some support to the premise that companies have a social contract with their stakeholders, underlying social contract, stakeholder and
legitimacy theories. They suggest that companies are increasingly engaged in implementing strategies to reduce environmental risks. Their chapter confirms that 90% of the companies in the study are engaged in community activities that supported the economic and social growth of their communities; despite some significant environmental disasters that occurred when communities were damaged by the failure of corporations to take responsibility for the environment.

Breda McCarthy and Lynne Eagle in Chap. 13 using a case study of Queensland, Australia, examine documents at both State and Federal level to ascertain whether key stakeholders, such as mining, business, utilities and the energy sector, are concerned with, and effectively planning for, a renewable energy transition. They highlight the assumptions, narratives and tensions that underlie an energy transition.

As a theoretical basis for their study, the lens of ‘social acceptance’, including socio-political, community and market acceptance, is employed. Their study evaluates social acceptance of renewable energy on a continuum ranging from ‘not accepted’, ‘moving towards acceptance’, and ‘high acceptance’ where responses are progressive and innovative. The chapter indicates that there is a certain level of social acceptance for an energy transition. Key stakeholders—mining, utilities, energy and the business sector—support an integrated climate and energy policy to help Australia meets its commitments under the Paris agreement.

In sum, this book brings together cases from both sides of the Tasman and is a resource for businesses as they seek to embed sustainability practices within their enterprises. The time for the fulfilment of the SDGs is fast approaching. These goals are not aspirational puffery but measurable outcomes which will ensure a prosperous future for all citizens of planet earth.

References


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**Ralph J. Bathurst** Lectures in management and leadership at Massey University, Auckland New Zealand. Ralph’s PhD from Victoria University Wellington is in organisational aesthetics, which is an ethnographic study of a symphony orchestra. Given the inseparable links between art, aesthetics and community formation, his background as a music educator and orchestral musician informs his interests in sustainability and CSR. Ralph is the academic coordinator of Massey’s Master of Advanced Leadership Practice (MALP) and publishes in journals such *Leadership, Journal of Management Inquiry* and *Organizational Aesthetics*. 

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1 Introduction: Clean, Green and Responsible? Soundings from Down...
Chapter 2
Decent Work and Economic Growth: Is NZ Business Progressing Well?

Kaz Kobayashi, Shobod Nath, Michelle Sitong Chen, and Josephine Malenga

Introduction

In 2015, Sustainable Development Goals (SDGs) towards 2030 were adopted by the United Nations General Assembly (UNGA). Goal 8 of this agenda addresses the issues of ‘Economic Growth’ and ‘Decent Work’ under the banner of ‘Sustainable Development.’ The goal is aspirational; it aims to uphold sustainable development through “sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all” (UNGA, 2015, p. 14). This goal is, for the International Labour Organization (ILO), a key to sustainable development as it is a critical driver of multiple other goals in SDGs (ILO, 2017).

Goal 8 tests our understanding of economic and social dimensions of sustainable development. ‘Economic growth’ is a well-established concept based on economics perspectives that are centuries old, while ‘decent work’ is relatively new with only two decades of conceptual development mainly in the labour movement. With these two diverging roots coming together, this juncture is drawing growing attention and interest. For instance, in the presentation of the OECD Economic Survey of New Zealand 2017, the OECD chief economist Catherine L. Mann and New Zealand’s then Minister of Finance Steven Joyce stated that NZ’s robust economic growth and high levels of well-being are enviable among OECD countries, but the challenge is to make the growth greener and more sustainable (OECD, 2017b). In particular, they suggest enacting reforms to improve productivity, and to include the future generations in their measures of prosperity.

The nature of growth has drawn attention from the business investment community. JBWere, a leading NZ stock broker, claimed that the economy is in productivity recession for 5 years failing to create wealth (JBWere, 2017). According to the head
of strategy, while this trend has been a common feature across OECD economies, the issue is more acute in NZ as its economy has relied on more people working extended hours but without achieving productivity gains. For this reason, the broker firm predicted a long period of low returns and recommended clients to reduce their exposure to the NZ equity market. Further attention came from within the labour movement. In its report *Under Pressure: Insecure Work in New Zealand* (2013), the New Zealand Council of Trade Unions (NZCTU) painted an alarming picture for increasing population in insecure work. The then President of the NZCTU Helen Kelly claimed that, despite a trend of economic growth, increasingly New Zealanders have been under pressure from the insecurity of employment, such as not having definite hours of work, or the protection of pay and conditions. The report estimated 30% to potentially more than 50% of the workforce is in such a vulnerable position.

Despite increasing concerns, the overall investigation on decent work in New Zealand context has been limited, except for country review based on a few indicators (Ghai, 2003; Kroll, 2015) or specific work-related issues such as work-intensification (Marky & Boxall, 2008) and work-life balance in New Zealand (Wilkinson, 2008). In light of this gap, based on available statistics, this chapter broadly explores the progress of New Zealand businesses towards Goal 8 of SDGs, namely decent work and economic growth. Hence, our question: ‘Is NZ business progressing well towards Goal 8 of the SDGs?’ To address this question, we first review the concepts included in the goal. We then lay out a model framework to identify the elements that affect the achievement of Goal 8. We then draw on the available statistics to assess progress towards achieving the Goal and discuss the dynamic of elements of the model and accompanying statistics. We conclude with a summary of our findings.

### SDG 8: Decent Work and Economic Growth

The concept of decent work emerged in the global policy arena in the last two decades. The concept was formally incorporated into Millennium Development Goals (MDGs) framework in 2000 as well as the ILO Declaration on Social Justice for a Fair Globalization in 2008 (MacNaughton & Frey, 2015; UN, 2008). Prior to the adoption of both SDGs and MDGs, ILO proposed the concept in their 1999 Decent Work Agenda. The concept was originally described as “opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity” (Somavia, 1999, p. 3). In particular, the Agenda distinguished four pillars of decent work: rights at work, fostering employment, social protection, and social dialogue (Ghai, 2003).

These pillars represent economic and social wellbeing of workers. The first component of ‘rights at work’ comprises fundamental rights of workers, including freedom of association, non-discrimination in work, and the absence of forced labour and child labour in abusive conditions (Somavia, 1999). The second pillar of
‘fostering employment’ means promoting full employment with adequate opportunities and remuneration, for all the kinds of work that contribute to society, including self-employment, informal paid work, and non-paid family work (Frey, 2017; Somavia, 1999). The third pillar, ‘social protection’, embodies the effective social security in cases that prevent a person from working and gaining a stable income, such as aging, sickness, disability, and unemployment (Frey, 2017). It also embraces safe and healthy working conditions. The fourth pillar, ‘social dialogue’, involves consultation and negotiation among workers and their employers at all levels, from the enterprise to society at large (Frey, 2017; Somavia, 1999).

The joint application of decent work and economic growth requires further linkages between economic and social wellbeing. Economic growth is a well-defined concept referring to an increased financial prosperity of the organization or (Klasen, 2010). However, the difficulty with pursuing economic growth alone is that “it is neither automatically inclusive nor sustainable” (Kroll, 2015, p. 68). In other words, economic growth, social wellbeing, and sustainable development are not in a linear, cause-effect relationship. For instance, financial growth may generate work opportunities, but it does not guarantee equal access to work opportunities. In this sense, one critique for SDG 8 is that it does not clarify the relationship between these elements. More specifically, Frey (2017) criticizes SDG 8 for mixing economic growth, human rights, and decent work without specifying the means and ends of how development might occur. This criticism is consistent with the claim that the economic growth is not an end in itself; but a means to accomplish human rights and human development (Drèze & Sen, 2002). The challenge is, therefore, to understand and sustain the relationship between economic and social wellbeing. This puzzle continues to trouble policymakers, scholars, and businesses worldwide.

One concept that helps our understanding of this puzzle is the notion of ‘inclusive growth’, which may be described as “non-discriminatory growth that grants equal nondiscriminatory access to growth, plus disadvantage-reducing growth (i.e., reducing disparities of disadvantaged groups)”(Klasen, 2010, p. 3). In the similar vein, Ali and Zhuang, (2007, p. 12) suggested that inclusive growth concentrates on both generating “equal opportunities and ensuring equal access to them.” These descriptions underscore two necessary aspects: economic growth and social inclusion.

Nonetheless, the concept of the decent work, although aspirational, has remained premature. According to Burchell, Sehnbruch, Piasna, and Agloni (2014), decent work is vague and confusing because of “the lack of availability of internationally comparable data, the control over the research agenda by partisan social actors, and a prematurely mandated definition of Decent Work” (p. 459). Consequently, the consensus is still lacking regarding appropriate measurement (Sehnbruch, Burchell, Agloni, & Piasna, 2015). For example, the ILO identified 29 indicators of measuring the decent work in its 2001 report of the International Labour Conference, while another ILO report in 2008 proposed a set of 31 indicators to measure the decent work (ILO, 2008; Sehnbruch et al., 2015).

These fragmented indicators of decent work are complex to operationalise. This is because the more indicators that are included to accommodate diverse institutional interests, the more tangled the operation becomes (Sehnbruch et al., 2015). For
instance, based on in-depth exploration from a critical discourse analysis of ten policy texts, Di Ruggieroa, Cohenb, Colea, and Formanac (2015) shows that diverse health, economic, and social claims are included from the policy agendas of the ILO, World Health Organization, and World Bank. Some of the emergent issues include the complex association between decent work and health equity notions; financial and pro-market interests versus the social aspects of work (Di Ruggieroa et al., 2015). Also, Teichman (2016) pointed out that some key measurements are missing, such as precarious, low-paid employment for women, youth, or other members of the society. Thus, decent work remains “a contested notion” which is difficult to operationalize, due to diverse institutional perspectives and interests (Di Ruggieroa et al., 2015, p. 120).

Despite this difficulty, several scholars have defended the potential of the decent work concept. Ghai (2003) argued that the purposes of decent work are universally valid; however, it requires the careful contextual adjustment of the institutions, instruments, and procedures to accomplish these objectives. In the similar vein, (Di Ruggieroa et al., 2015) argued that there are contrasting dialogues on decent work in different economies, because each power relation shapes how the concept is understood. In this regard, the inclusion of the “physiological dimension” is considered useful, implying sense and meaning to decent work in a particular context (Ribeiro, Silva, & Figueiredo, 2016, p. 4).

In summary, the UN’s SDG 8, although noble, presents significant challenges. The concept itself is vague and confusing; its indicators remain fragmented with a lack of consensus; and the premature inclusion of economic growth in SDG 8 may obscure other social and human development goals. Despite these challenges, the ILO regards SDG 8 as a key to sustainable development because it is not just one goal, but an essential driver of other SDGs (ILO, 2017). In particular, the SDG 8 contains 12 specific targets and 17 indicators, in which some address decent work while the others address economic growth (Frey, 2017; UNGA, 2015). Thus, ‘Decent Work and Economic Growth’ has emerged as one of the crucial sustainable development goals for contemporary businesses. Just as for all the other OECD countries committed to SDGs, it presents a challenge for New Zealand, given its claim to be a “clean, green, and responsible” country committed to sustainable development. New Zealand business recognizes this challenge more than ever: SDG 8 is regarded as one of the top SDGs priorities, according to the Annual Review of the State of CSR in Australia and New Zealand 2017 (ACCSR, 2017).

Model Framework

In this section, we lay out a model to frame our understandings of progress towards Goal 8. We draw on institutional theory, which views organizations within their broader context. This contextual perspective helps examine not just where businesses are at currently, but also where they are heading in the future. The model is summarized in Fig. 2.1. It shows that NZ businesses are affected by multiple
contexts: the national institutional system (Whitley, 1999), the global institutional structure (Brammer, Jackson, & Matten, 2012; Vogel, 2010), and macro forces (Dacin, Goodstein, & Scot, 2002; Powell & Colyvas, 2008). Furthermore, it locates economic growth and decent work at the interface between business and society (Brammer et al., 2012); that is, it is neither a goal that companies alone can achieve internally nor that governments can regulate externally. Rather, success sits on the approaches by both companies, state, and other relevant actors, that are constituting this dynamic institutional context (Parker, 2002). The following sections elucidate each context identified in this model.

The first context affecting Goal 8 is the national institutional system (Whitley, 1999), which includes political, financial, education and labour, cultural systems, and markets in the nation (Matten & Moon, 2008; Whitley, 1999). One of the most influential actors in this system is the government, which assumes public responsibility in exercising coercive forces through laws and regulations, by engaging with other actors (such as trade unions and businesses) to promote national strategies and policies. A fundamental coercive force is represented by laws and regulations governing the working conditions in NZ, such as the Employment Relations Act 2000 and its subsequent amendments. Concerning national strategy for economic growth, the NZ government has instituted the Business Growth Agenda (BGA) which aims to build a more productive and competitive economy, supported by “inclusive and sustainable growth with the benefits shared by all New Zealand’s people and regions” (Ministry of Business Innovation and Employment, 2017a, p. 8). It supports New Zealand businesses to grow, create jobs, and improve living standards (New Zealand Productivity Commission, 2016).

While acknowledging progress, the recent review indicates areas for further improvement in the future. According to the review by Ministry of Business Innovation and Employment (2017a), although NZ has enjoyed positive growth in