



Directors face questions on their work priorities

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Just one week after a parliamentary inquiry recommended not changing the law to make directors behave more ethically, directors are being asked whether they regard shareholders as more important than employees.

The Australia-first study, prepared by the University of Melbourne's Centre for Corporate Law and Securities Regulation and Centre for Employment and

Labour Relations Law, seeks to survey 4000 directors from a range of Australian companies.

The aim of the exercise is to analyse the competing interests of different stakeholder groups, such as employees, creditors and shareholders.

The survey asks directors whether they see themselves as required to act in the best interests of shareholders or stakeholders, the issues up for discussion between shareholders and the

management over the past 12 months, what influence, if any, employees and creditors had over management, and whether the company produced reports disclosing its social and environmental performance.

Companies are also asked about their size, their main source of finance, the breakdown of shareholdings and what areas the company would focus on in the event of a marked improvement in financial performance, or a downturn.