

Big companies fail green test

LUCY BATTERSBY

Half of Australia's biggest companies are failing to provide public information about their environmental or greenhouse policies, according to research on company disclosure.

The lack of disclosure is denying shareholders information that will become vital when an emissions trading scheme is introduced, and is also limiting the commercial opportunities available to companies among today's environmentally-aware public.

A survey of the biggest 300 companies listed on the ASX found that only 28 per cent provided any information on "policies or practices that have been undertaken to reduce greenhouse gases".

The survey, by consultancy firm Grant Thornton, examined the 2007-08 annual reports and websites of companies in the S&P-ASX 300. It also found that only 52 per cent publicly disclosed their environmental practices, and only 36 per cent provided information on their human resource policies, including information on maternity and carer's leave.

The director of business risk ser-



Grey area: Australian companies are not good at disclosing their environmental policies, including emission levels.

vice at Grant Thornton, Peter Moloney, said he was surprised by the results and thought companies had failed to understand the commercial value of good environmental policies.

"If you are bidding for work with major corporations both in Australia and overseas, whether you as a supplier can demonstrate that you have sound environmental credentials is

pretty important," he said. "Not communicating that information can put you at a disadvantage commercially."

Mr Moloney said that although the

number of businesses reporting their greenhouse policies doubled in the top 100 companies to 48 per cent, this still meant 52 per cent of Australia's biggest companies were failing to provide any information from a greenhouse perspective.

Disclosure improves slightly for environmental work (70 per cent) and community work (70 per cent).

Mr Maloney said that "companies need to be demonstrating what they are doing from a corporate social responsibility perspective because it is high on the agenda in the public mind".

While emissions disclosure will become mandatory by August next year under new reporting regulations, companies should already be demonstrating an awareness, according to Australian Shareholders' Association chairman Ian Curry.

"We would certainly expect to see companies giving some indication about how they see themselves in terms of being an emitter or clean operation," Mr Curry said.

"We would see that as a step that they should have been looking at and have some idea about where they stand."

Conveyor cuts risk from dust and noise

LOUISE BURKE

The contamination which saw lead exports from Esperance suspended in March last year threw the potential for disaster during the transport and storage of industrial materials into sharp relief.

Inventor and chief executive of Innovative Conveying Systems International, Michael Pietsch, has spent the past 10 years developing a better way of conveying materials to effectively suppress dust and noise.

The enclosed system is modular and made of polyurethane, rather than the conventional rubber, giving it greater flexibility to carry materials at steep angles, around objects and over long distances.

It relies on a J-shaped hook section by which a corrugated belt is suspended in a pouch shape, meaning it can hold greater quantities of material and move at angles up to 80 degrees.

ICS International has been



Better belts: ICS uses an enclosed system made of polyurethane that can carry materials at steep angles.

nominated for the innovation excellence category in this year's WA Industry & Export Awards, finalists for which will be announced early next month.

The company brought its conveying system to commercial fruition two years ago, and says it will consider listing on the

Australian Securities Exchange when market conditions are more favourable.

ICS spokesman and Michael's brother, Eran Pietsch, said ICS was already operating successfully in two Kwinana factories.

"We are looking at environments that have very high noise levels, high

energy usage, all of a sudden being very quiet to work in and very energy efficient, so there is a very substantial green footprint to this thing," Mr Pietsch said.

The Industry & Export Awards will be announced on October 31. The awards' sponsors include *The West Australian*.

Business slow on cash flow

RACHEL DONKIN

Small businesses are too slow to react to changing economic conditions, with nearly three-quarters of companies failing to adapt their cash flow strategies to the environment.

More than 600 small business owners across Queensland and WA surveyed as part of Suncorp's July quarterly Small Business Sentiment Survey found that although one in four (24 per cent) respondents highlighted cash flow as a major issue for their business, 72 per cent failed to take any steps to change their cash flow management accordingly.

"Cash flow is the life force of all small business and it has even greater significance now the economy is beginning to slow," Suncorp's general manager of small business, Peter Larsen, said.

"While profit is always important, in current conditions cash is king. The business environment has changed over the last year, with increased interest rates, higher fuel prices and low unemployment driving up the cost of doing business."

Australis Aquaculture jumps on US sales deal

RACHEL DONKIN

Shares in Australis Aquaculture climbed nearly 10 per cent yesterday on news the barramundi farmer had secured a distribution deal with US giant Safeway.

Under the deal, the Perth-headquartered group will sell fresh and frozen barramundi through Safeway's 1740 US stores.

"The supply creation initiatives we began last year are yielding significantly increased amounts of product that we can deliver to large national retailers like Safeway," Australis managing director Josh Goldman said.

"The ability to service new customers like Safeway is an important component to meeting our

2008-09 sales targets." The deal comes less than three months after the group won a licence to grow barramundi in Vietnam.

Chairman Ian Mitton said the Safeway order was one of the biggest the group had signed in recent months and put it on track to hit profitability in 2008-09 for the first time since listing on the back of a \$5.5 million float in 2004.

Australis, which suffered a string of setbacks last financial year after battling water supply problems at its US indoor barramundi farm and a nine-month delay in securing the Vietnamese licence, expects sales to rise 300 per cent in the coming year.

Australis, whose shares have traded as high as 80¢, closed 2¢ higher at 27.5¢ yesterday.

Brierty picks up \$38m deal to build NT homes

KATE EMERY

Embattled civil construction group Brierty has brushed aside a horror nine months marred by shock profit downgrades and a share price savaging to push into the Northern Territory in its first venture outside WA.

Announcing a \$38 million housing contract with Sydney-based Urban Pacific to develop about 700 homes in the new suburb of Bellamack in Darwin, Brierty chairman Dalton Gooding said the move was a "natural geographic extension" of the business.

The sharemarket was less sure, sending the stock down 10 per cent, or 5¢, to 45¢ against a 1.5 per cent slide on the wider market.

The work will bring in about \$38

million, will have to wait two years to see it reflected in the bottom line, with the bulk of the work to take place from 2009-10 onwards. Brierty may also be in line for further payments from a profit sharing agreement with Urban.

The two groups expect to finalise a development agreement with the Northern Territory Government in the next few weeks, with work to start in April 2009.

The move represents Brierty's first job outside its WA base and is another encouraging sign for investors on the heels of two contracts confirmed with Fortescue Metals Group over the past two months, worth about \$73 million collectively.

Shareholders may also take heart from Mr Gooding's move to pick up another 350,000 shares for \$142,475

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