



Governance Institute Ethics Index 2020

Key points

1. Highlights

1.1. What do Australians think about ethics in our society? (pp16-19 in full report)

The Ethics Index measures and compares the views of Australians around the importance of ethics and the extent to which our society and subgroups within it, act in an ethical manner.

The key headline figures from this year's survey are:

- **The Overall Ethics Index Score for Australian society (+52).** This is the overall representation of perceptions of ethical performance in our society.
- **The Overall Importance of Ethics Score (+81).** This is a net score of the proportion of respondents who viewed ethics as important or very important in society less those who viewed ethics as unimportant or very unimportant.
- **The Ethics Expectation Deficit (-29).** This is the difference between the Ethics Index Score and the Overall Importance of Ethics Score.

The Overall Ethics Index score for 2020 (+52) is a full fifteen points higher than in 2019, and by some margin the highest score recorded in the five years that the Governance Institute has conducted this survey.

A similar approach was taken to assessing the relative perceptions of ethical behaviour and importance of ethics across various sectors, organisations and occupations in Australian society. Whilst many of these perceptions line up with common anecdotal perceptions around the ethics of various industries, it is worth noting in the context of a global pandemic the high opinions held amongst respondents of organisations and professionals within the health sector, and of the sector itself.

Whilst the high esteem in which the health sector is held is not significantly different from 2019, public opinion of the ethics of general practitioners, the Australian Medical System and our public hospitals has increased over that time.

1.2. Which sectors are seen as most ethical? (p28 in full report)

Highest-rated ethical sectors	Lowest-rated ethical sectors
Health (+73)	Government (+16)
Education (+65)	Resources (+9)
Professional membership associations (+56)	Large corporations (+3)
Agriculture (+55)	Banking, finance and insurance (+2)
Charities / not-for-profits (+54)	Media (-3)

1.3. What organisations are seen as most ethical? (p26 in full report)

Highest-rated ethical organisations	Lowest-rated ethical organisations
Pathology services specialists (+71)	Instagram (-4)
Public hospitals (+71)	Twitter (-7)
Primary schools (+70)	Facebook (-18)
Australian Medical Association (+69)	Tik Tok (-24)
CSIRO (+68)	Pay day lenders (-25)

1.4. What occupations are seen as most ethical? (p25 in full report)

Highest-rated ethical occupations	Lowest-rated ethical occupations
Fire services (+82)	Local politicians (6)
General practitioners (+80)	State politicians (2)
Ambulance services (+80)	Real estate agents (-2)
Nurses (+79)	Federal politicians (-3)
Veterinarians (+78)	Directors of foreign-owned companies (-4)

Whilst politicians still feature prominently at the lower end of the spectrum, the situation is vastly improved on past editions of the survey. Over the past four years, state politicians averaged a net -31 ethical perception; in 2020 they scored +2. Federal politicians averaged -32 over the same period; in 2020 they scored -3.

In other words, in prior years respondents were largely in agreement that state and federal politicians were unethical, whereas in 2020 opinions were more ambivalent. This accords with electoral results from recent state and territory elections in Australia which have tended to favour incumbent governments and MPs.

These positive perceptions are being driven by younger generations, with Millennials and Gen-X more likely to hold favourable views of parliaments, councils and politicians than baby-boomers.

Attitudes do differ from state to state, with very positive attitudes to all politicians recorded in Western Australia, and poor perceptions in Queensland, where the survey was conducted concurrently with an election campaign.

2. Key issues for business (pp41-44 in full report)

2.1. Key factors in business ethics

The elements that ensure ethical conduct	The issues underlying unethical conduct
1. Accountability (58%)	1. Corruption (57%)
2. Transparency (55%)	2. Company tax avoidance (47%)
3. Highly ethical leaders (47%)	3. Misleading and deceptive advertising (45%)
4. Whistle-blower protection (45%)	4. Discrimination (44%)
5. A strong legal framework (39%)	5. Executive pay (43%)

Responsibility for ethical practice in business was primarily attributed by respondents to the board, CEO and senior management on the companies concerned; however a significantly greater regulatory influence over business ethics was ascribed in 2020 as compared to 2019 (net +62 strong influence vs weak influence, up from 52).

Attitudes to the ethics of executive pay were tested for businesses with <15,000 employees, with strong opposition to remuneration in excess of \$600,000 for a CEO.

3. Key issues for public policy

3.1. Ethical responses to the COVID-19 pandemic (p22 in full report)

From an ethical perspective, Australians strongly support government restrictions to contain COVID-19, and in particular lockdowns (+69), the closure of international (+67) and state (+57) borders and mandated mask-wearing (+63).

Support for border closures, as can be expected, differs according to state of residence. It is lowest in Victoria but still registers a net ethical score of +45 in that state.

In contrast, there is significant resistance to a herd-immunity approach (+2), which 39% of respondents believe is unethical and is especially unpopular amongst respondents over 50.

3.2. Ethical practices in the COVID workplace (p21 in full report)

Ethical COVID work practices

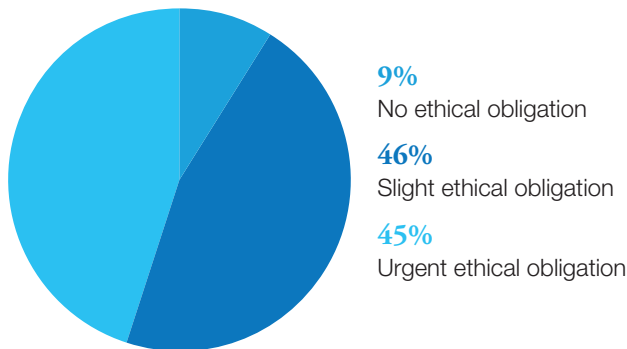
1. Mandatory mask-wearing (+60)
2. Mandatory vaccination for employees (+21)
3. Hiring preference for vaccinated candidates (+6)
4. Restricting employee mobility outside of work hours (+5)
5. Requiring return to the office (+1)
6. Monitoring work-from-home e.g. with key-stroke technology (-8)

Respondents were strongly supportive of mandatory mask-wearing as a measure to combat COVID-19 in the workplace, and reasonably supportive of mandatory vaccination should that become a possibility.

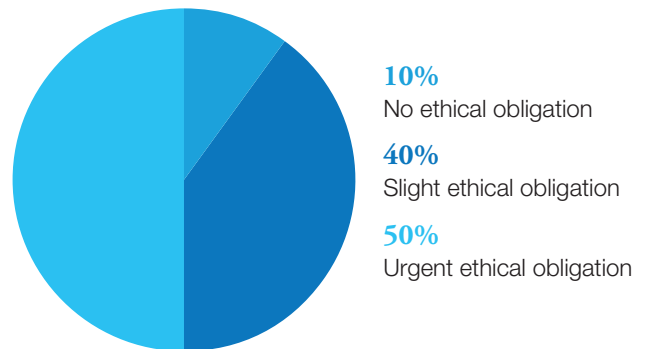
In contrast, the surveillance of employees working at home was met with significant resistance, with 44% of respondents viewing such activity as unethical.

3.3. Is climate change still an ethical concern? (p46 in full report)

Ethical obligation for Organisations to take action on climate change (%)



Ethical obligation for Australia to fully transition to renewable energy (%)



Regardless of attitudes towards resolving the COVID-19 pandemic, it is clear that Australians believe that government has an ethical obligation to address climate change.

3.4. What are the most difficult ethical challenges currently facing our society? (p48 in full report)

Top areas of difficulty for ethical navigation

1. Euthanasia (40%)
2. Immigration (40%)
3. Indigenous affairs (35%)
4. Business practices of foreign companies operating in Australia (32%)
5. Foreign investment in Australia (31%)

The only significant change in this ranking is in regard to immigration, which fell from the top position in 2019 (49%).

3.5. What are the most difficult ethical challenges we will face in the future? (p49 in full report)

Most ethically difficult future developments

- Crowdsourcing apps (+29 net difficulty)
- Bushfire management via fuel reduction (+29)
- Increased tech connectivity (+18)
- Drones (+12)
- Data-driven marketing (+4)

Least ethically difficult future developments

- GM food (-4)
- Self-driving cars (-14)
- Gene therapy (-18)
- Artificial intelligence (-20)
- Embryo experimentation (-26)

Although the top-5 most difficult issues are dominated by technological issues, there is low concern around artificial intelligence and self-driving cars. The common factor seems to be a focus on those issues which Australians already encounter on a day-to-day basis, rather than those yet to enter our lives or those whose effects may be less noticeable.

3.6. What are the biggest ethical challenges for the coming year? (p23 in full report)

The biggest challenges of 2021

1. Balancing personal freedoms with COVID control (44%)
2. Reducing our reliance on global supply chains (33%)
3. Aged care reform (32%)
4. Action on climate change (28%)
5. Balancing fire hazard reduction with conservation (27%)

Although the top two issues identified by respondents as challenges in 2021 are both connected with COVID-19, it is telling that the three other challenges in the top five were all pressing issues in 2019, indicating that Australians are looking beyond the pandemic to other issues facing our society.

About Ethics Index 2020

- Annual survey, now in its fifth year, examining perceptions of ethical issues and conduct in Australian society.
- Survey carried out across a nationally representative sample (n=1,000) 1-13 October 2020 and weighted according to age, gender and location.
- Research conducted by Ipsos and conceived, designed and commissioned by C3 Content Pty Ltd.

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