

GOOD CORPORATE GOVERNANCE AND ENVIRONMENTAL DISCLOSURE: THE CASE OF STATE OWNED ENTERPRISES AND NON STATE OWNED ENTERPRISES THAT LISTED IN INDONESIAN STOCK EXCHANGE

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This study investigates the association of good corporate governance and environmental disclosure, especially this study make a comparison of this association between state owned enterprises (SOE's) and non state owned enterprises (NON SOE's) that listed in Indonesian Stock Exchange. The sample consists of all firms that are listed in Indonesian stock Exchange for 2006-2008 time periods. This study use compliance reporting to measure the implementation of good corporate governance, and disclosure index to measure environmental disclosure. The hypotheses are tested using independent sample t-test and correlation test. The result shows that the level of environmental disclosure for SOE's is lower than NON SOE's, and the association of good corporate governance and environmental disclosure for SOE's is lower than NON SOE's. This study can't find evidence that the implementation of good corporate governance for SOE's is lower than NON SOE's.

Keywords: good corporate governance, environmental disclosure, state owned enterprises (SOE's)

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