



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

Subcommittee on International Human Rights of the Standing Committee on Foreign Affairs and International Development

SDIR • NUMBER 077 • 1st SESSION • 42nd PARLIAMENT

EVIDENCE

Thursday, October 19, 2017

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Chair

Mr. Michael Levitt

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• (1305)

[English]

The Chair (Mr. Michael Levitt (York Centre, Lib.)): Good afternoon, everyone. We are going to begin this meeting of the subcommittee on international human rights, and this is going to be our final session on the human rights surrounding natural resource extraction within Latin America.

We have a number of witnesses to hear from today, so we'll move right into that. I want to introduce our witnesses, and then we'll open it up for their remarks. From the Justice and Corporate Accountability Project, we have Leah Gardner and Shin Imai. From the national movement for victims of multinational corporations, we have Francisco Ramirez Cuellar, who is joining us by video conference. We also have from the Natural Resource Governance Institute, the Latin America director, Carlos Monge.

Thank you all for joining us today. We're going to begin with Ms. Gardner and Mr. Imai and have you speak for around seven to eight minutes each, if we can. That'll give us plenty of time to be able to have a good round of questions as well.

With that, please begin.

Ms. Leah Gardner (Justice and Corporate Accountability Project): Thank you.

Thank you for inviting Shin Imai and me to speak today. It's an honour to be here.

We're both board members of the Justice and Corporate Accountability Project, or JCAP, which is a volunteer-driven legal clinic based at Osgoode Hall Law School in Toronto. Shin has been a law professor for over 30 years, and I'm currently an articling fellow, although I'm not speaking on behalf of my employer today.

JCAP's mission is to support communities affected by the extractive industry, and our partners are primarily in Latin America. We'd like to speak with you about a report that we published called "The 'Canada Brand': Violence and Canadian Mining Companies in Latin America". The study compiles and analyzes publicly available reporting on violence associated with Canadian mining in the region from 2000 to 2015.

The study is limited. We included only incidents that could be verified by two independent reports that credibly suggest that the mining project's presence was contributing to violence. We didn't

have a budget to carry out on-the-ground investigations, which we believe could very well reveal more violence, especially in Mexico. The study didn't look at conflict or human rights abuse broadly. We didn't look at the long-term impacts of violence. We didn't record reports of death threats, smear campaigns, environmental destruction, land dispossession, the impact on farming, or the militarization of rural communities. We didn't look at any of that.

We did record reports of sexual violence, but we recognize that sexual violence is under-reported. It's best to think of our report as a snapshot of some of the worst expressions of conflict but not representative of the actual extent of the impact these projects can have on people's lives. Before publishing the report, we contacted the mining companies that were mentioned in it. Ten of them got back to us, and we made some changes based on their comments.

From 2000 to 2015, we found 34 violent conflicts involving 28 mining companies, both large and small, in 13 different countries. There were 44 deaths and four disappearances. Thirty of those deaths appear to have been targeted killings. There were 403 physical injuries, ranging from minor injury to permanent disability. It's hard to get a sense of what those numbers mean without talking about the people and the stories behind them, so we'd like to share some of those details with you today.

One of the cases we looked at involved the Escobal mine in Guatemala, which is owned by Tahoe Resources. That conflict is ongoing. According to reports, environmental and other concerns prompted municipalities around the mine to organize a number of referendums beginning in 2011. A Tahoe subsidiary and its supporters initiated several court cases in Guatemala to stop or invalidate those votes but were unsuccessful. In 2012, the company filed a lawsuit accusing Guatemalan public officials, including the Minister of Defence and the national police, of failing in their duties to protect the mine. The court dismissed the suit in early 2013.

From 2013 to 2015, when we stopped counting, we found credible reporting on seven deaths related to unrest and police interventions around the mine, including three targeted killings of activists. In March 2013, four indigenous leaders were abducted on their way back from observing a referendum. One of the men was found dead the next day. About a year later a 16-year-old youth organizer opposed to the mine was shot to death while riding in a car with her father, who was nearly killed in the attack but survived. He was shot again in 2015 on his way back from the local mayor's office. In April 2015, another local activist was assassinated while waiting for a bus near his home. All four of those people were involved in organizing referendums.

In April 2013, the mine security personnel shot six farmers and one student in the back as they fled. They were peacefully assembling at the mine. That incident was caught on video.

An NGO called CALAS has been providing legal support to local communities, including mounting a legal challenge that temporarily suspended operations at the mine this year. For years CALAS' legal director has received death threats and been the subject of various acts of intimidation, including this past April when men on a motorcycle fired eight to 12 gunshots at a vehicle parked outside of his house. In November 2016, a young man who was working as an assistant for CALAS' director was shot twice by unidentified assailants and later died of his injuries.

I should mention too that the director of CALAS himself miraculously survived an assassination attempt in 2008 and was in Ottawa before the Bill C-300 vote around 2010 to speak with MPs about the human rights impacts of Canadian mining in Latin America.

● (1310)

No suspects have been identified in any of the assassinations and Tahoe denies any involvement.

I wanted to briefly mention a few more examples of the reporting on women in conflict. In Guatemala, in 2007, 11 indigenous women were allegedly gang-raped by soldiers and mine security guards during an eviction to clear the way for a Canadian mining project. The company states that the evictions were peaceful and that this did not occur.

In El Salvador, in 2009, an outspoken opponent of a Canadian mining project was shot to death on her way back from doing laundry at a nearby river. She was eight months pregnant at the time and carrying her two-year-old child in her arms when she was killed.

There are other examples of violence against women in our report.

We didn't come to any conclusions on whether there was any wrongdoing by any company. We did, however, find a significant number of recent cases across the continent that merit independent investigations to determine what is going on and whether the companies involved should be held accountable.

A former Supreme Court justice, Ian Binnie, has said, "One of the most fundamental precepts of our legal system is that if there is a wrong there should be a remedy." Justice Binnie has spoken out about the need to improve access to justice for people harmed by the extractive industries overseas. One way to do that is to create an

independent ombudsperson's office with strong powers to investigate cases like the ones in our report. An ombudsperson could intervene to help end human rights abuse or stop it before it occurs. The independence of the office is crucial because it has to be neutral and appear to be neutral to be effective.

We would like to end with an illustration of how important investigations are and why independence is so vital.

Mr. Shin Imai (Justice and Corporate Accountability Project):
Mr. Chair, I'll limit myself to two minutes just to keep within the time frame.

I just want to comment on the Mining Association of Canada's suggestion that there should be a joint investigation, that is, that the mining company should be part of the investigative process. I'm going to give you an illustration of why I don't think that would work.

A Canadian mining company, in 2006, bought a mine and immediately afterwards there were widespread allegations that its personnel, employees, were involved in massive gang rapes. The mining company did not investigate. In fact, it hotly denied, angrily denied these accusations. Volunteer law students from Harvard University and from Columbia University, an NGO called MiningWatch in Canada, documented these things and they went to Barrick's AGMs and told people about this. I quote the reaction of the founder of the company from *The Globe and Mail*, which says:

...he said it would be impossible to police the behaviour of 5,550 employees, particularly in countries where "gang rape is a cultural habit. Of course, you can't say that because it's politically incorrect...."

That was the reaction of the founder. Now, after five years of various NGOs and these law clinics bringing this to the attention of the public, this company finally decided they had to acknowledge that their employees were involved in these massive gang rapes.

What's the implication of that? A hundred women were probably gang-raped while this company was waiting to take any action. I've mentioned the company, it's Barrick, the second-largest gold company in the world at that time, based in Ontario. The person who said that was Peter Munk, who I'm sure many of you have heard about.

This is an illustration of why joint investigation doesn't work. If there had been an independent person in Canada who could say, "We don't care, Barrick, whether you want to investigate this or not. We are going to investigate this", they would have found this out earlier. They could have stopped these gang rapes. But no, we left it up to Barrick to make their decision about when they wanted to do something about that. That is the weakness of joint investigation.

Thank you.

• (1315)

The Chair: Thank you very much.

We are now going to move to Francisco Ramirez Cuellar, who I believe is on the phone.

Mr. Cuellar, please begin your testimony. If you could take seven or eight minutes, that would allow us plenty of time for questions.

Thank you, sir.

Mr. Francisco Ramirez Cuellar (Attorney, Movimiento Nacional de Víctimas de Corporaciones Multinacionales) (Interpretation): First of all, thank you very much for the invitation. I would have liked to have other associations that deal with violence in Colombia participate as well.

In the past 30 years, legislation was developed with the co-operation of Canada, which is called pan-American dialogue, and it's made up of lawyers. This legislation is very favourable to the multinationals. It's very tolerant of mining companies in this climate, given the difficulties they face.

The co-operation agency, lawyers, and politicians have changed the labour contracts. They have created specific charges for workers. These are based on the technical co-operation they were able to get from the workers, so control of security measures is a concern. For instance, the Drummond Company has done this, and this resulted in many deaths. The right to collective bargaining no longer exists. It was put in parentheses. They're suspended, as you know. About 4,000 people were assassinated, most of them union leaders.

There are three groups in the energy sector, in the mining sector, who all have horrible working conditions. They're only interested in profit. There's violence. There's the marginalization of the poor and of all the people, in fact, who gravitate around mining operations.

In 2010 illegal measures were taken, which meant that workers were largely laid off. These companies had benefited from investments from many Canadians. Some 1,500 workers saw their rights violated, got sick, and experienced confrontation. Many of them had no contract, and they were just gobbled up. They cannot be members of a union. They cannot avail themselves of collective bargaining. They do not benefit from the same working conditions as their peers. There's no social stability. These are determinate contracts for a short duration. They have to pay their own social security and pensions.

As well, these companies give them no benefits whatsoever and no subsidies to the workers to do so, so what is paid to workers represents 10 times less than the average salary paid in the same sectors worldwide.

• (1320)

These corporations do not pay taxes, don't pay for social security, and do not respect the protection measures that should be in place. Yet these people work underground, with very heavy machinery, in order to extract the minerals to be processed. These are situations of quasi-slavery—very poor working conditions that have been decryd by a Canadian organization that wanted to change legislation in extractive industries.

To the level of \$3 million, in 2015, article 227 was introduced, which favours the president's family. The corporation went from Canadian hands to Colombian ones. Between Canada and Colombia, measures were taken to facilitate the transportation of people to Canada. This happened when Mr. Martin was prime minister.

The conditions are very precarious for the workers, as I explained. Demonstrations have been organized. People have been expelled from the territory. Military groups have intervened and exerted illegal pressures on the families as well. People have to abandon what they're doing, otherwise there are reprisals against them and their families.

In addition, Colombia was asked for \$700 million as guarantees for operations in zones where government authorities knew there was illegal activity going on and criminals had been involved. It should be pointed out that there were violations of human rights on the part of people who are now in the U.S. and in England. Paramilitary groups also put contracts on the heads of quite a few people, and they have relationships with the army: 82% were victimized by all this, especially in the region where most of the coal comes from that goes to Canada.

There's a research institute that was established. We want to issue a request here for Canadians to come to Colombia to assess all these irregularities. We should have officials from the Canadian government, from the embassy, and from multinational corporations with head offices in Canada, to produce a detailed report on the situation so that measures can be taken and developed, so that you can assess what is happening in our country and so that we can achieve peace and social justice in a country that has experienced great upheaval, movements of populations, assassinations, and other things.

We're asking workers' organizations and NGOs in Colombia to be part of this group and to describe the impact of the actions of Canadian corporations. We want parliamentarians to take into account the recommendations issued.

We could recommend the creation of an ombudsman's office that would discuss environmental law and labour law with the population of Colombia.

Thank you so much.

• (1325)

The Chair: Thank you very much, Mr. Cuellar.

We will now move to our last witness, Carlos Monge, who is the Latin America director of the Natural Resource Governance Institute and is joining us from New York. Please go ahead.

Again, if you can take seven or eight minutes, Mr. Monge, that would be great.

Mr. Carlos Monge (Latin America Director, Natural Resource Governance Institute): Thank you very much for the invitation to contribute to this welcome debate.

I want to start by saying that [*Technical difficulty—Editor*] in the whole of Latin America, the [*Technical difficulty—Editor*] made forward by previous testimonies presented by professors Haslam and Webber, and also that I fully share the results of the “Canada Brand” report, regarding the direct responsibility of Canadian mining companies in various cases of human rights violations in the region. I will not elaborate more on that, but I want to contribute instead by discussing four areas in which Canadian mining companies and others could contribute better to the respect of human rights in the region and could stop violating human rights in the region.

The first one has to do with the human right to access full information. As you know, globally there have been some gains in this matter. Canada has taken the lead, along with the European Union, in introducing regulations that force companies that raise capital in their stock markets to disseminate fully in a disaggregated manner all the information regarding payments to governments. The U.S. has done the same, but recently moved backwards by repealing the Dodd-Frank regulations. I think it is also important to highlight that EITI is moving ahead in the region: Peru, Guatemala, Honduras, Colombia, Dominican Republic, Trinidad and Tobago, and now Mexico.

But I would also say that it is very important to consolidate the steps that have been taken to consolidate the idea of fully disaggregated information, company by company, project by project, and payment by payment, but also it is equally important to broaden the scope of EITI and other transparency mechanisms to include environmental and social impact related information.

For the people on the ground, it is not only about the money. The full disclosure of the financial flow is very important, but it is just as important as the dissemination of information regarding the social and environmental impact that these activities have on the ground. I would say that the Government of Canada should continue to take the lead in the global arena, should broaden the scope of these transparency mechanisms, and should push Latin American governments using diplomatic mechanisms, of course, to join the EITI or to develop their own transparency mechanisms. In all cases, they should push for environmental and social information to be included in these mechanisms, and it could also provide support for citizens in the producing territories to be able to access and use this information.

As you know, transparency is not only about providing information, but developing the capacities for the local populations to access and use such information. It should be a line of work of the Canadian government, as much as it promotes Canadian mining investments in our territories, to supplement the capacities of the people to fully understand and access that information that has to do with these impacts, not only the fiscal reality.

The second area in which mining activity is associated with the violation of human rights is regarding the right of indigenous people and citizens at large to engage in free, prior, and informed consultation and consent mechanisms. As you might know, most countries in Latin America where Canadian companies operate have subscribed to ILO convention 169 and some have even elevated consultation rights to a constitutional level. Nevertheless, in these very same countries, they do not implement consultations, or they implement them in a very restricted way, so that in some cases, they

will do it in one sector like oil but not in another like mining, which is what happens currently in Mexico.

• (1330)

Also, in most countries, article 15 of ILO convention 169, which establishes that people have the right to benefit from the exportation of the natural resources in their territories, is not fully applied. People are not only not consulted, but people don't see any kind of benefit, and then they bear the burden, the impediment and social burden of these investments.

Finally, I have to say that the demand for free, prior, and informed consultations is now coming not only from indigenous people in the producing territories, but it's coming from citizens at large. There is an example of the situation in Colombia, where local authorities are now organizing citizens' consultations even where it is not an indigenous territory, so it is becoming a universal demand.

My belief is that the Canadian government should promote that all resource-rich Latin American countries fully subscribe to ILO convention 169 and effectively implement it, producing the needed national regulations for this to happen.

Also, the Canadian government should see that Canadian investors should only invest in projects that obtain local legitimacy through effective consultation, and respect when people say no. That's a very important thing. Nobody should be promoting Canadian mining investments in territories where consultations have not taken place, and worse, nobody should support Canadian mining investments in territories where people have said no.

In the third place, there is the question of the right to a clean and healthy environment. Mining contributes indirectly to global warming by consuming fossil energies. Mining, in many cases, also aggravates already negative impacts of global warming and water availability because, especially when it is open-pit mining, it destroys water resources. Many times it pollutes watercourses and many times it monopolizes water consumption in territories that are densely populated and where water is becoming a scarce resource precisely because of global warming.

On the other side, mining sometimes also threatens delicate ecosystems, not only natural protected areas but in other areas as well, which provide our region and humanity with critical environmental services. Take, for example, the Amazon Basin, historically the largest, most important carbon sink that humanity has to offset the accelerated impact of global warming. It is also the main provider of fresh water for humanity, and nevertheless it is subject to mining activities that in turn, in many cases, lead to the pollution of watercourses and the deforestation that is associated with these activities and the increasing presence of populations around these activities.

I also have to mention that, in response to the collapse of the oil prices and the decrease of mining prices, Latin American goldminers have engaged in what we call a race to the bottom, lowering social and environmental standards to remain attractive to these kinds of investments. These are completely negative trends.

I would say that in this case the Canadian government, as much as it promotes mining investments, should promote the strengthening of environmental standards and procedures and not the weakening. It should also provide technical assistance and promote the establishment of no-go zones for mining activities in order to protect critical ecosystems and the environmental services they provide, including, especially, the Amazon Basin and what we call water-producing areas.

Finally, the fourth area of concern is the right to protest. Mining and hydrocarbon projects is the single largest source of conflicts in Latin America. That has been documented by independent NGOs like OCMAL. It comes to me in various independent reports, and it is largely confirmed by the official information provided by the Peruvian ombudsman's office, which says that conflicts have increased significantly along the super-cycle of commodities and within conflicts. Those associated with both mining projects have increased the most.

Today, social and environmental conflicts around the extractive projects are over 70% of all conflicts in Peru, and we are talking about the global fever that has been increasing exponentially through the years as mining in all frontiers has expanded. Unfortunately, the world's response has been to repress and criminalize social protests.

● (1335)

In Peru there has been an accumulation of legislation that allows police forces to use war armament, that allows for different mechanisms of impunity for those police officials who are involved in instances of human rights violations, that allows—

The Chair: Mr. Monge, we're just over the 10-minute mark now. I do want to leave time to get a round of questions in. I can give you another 30 seconds, and then hopefully we can get some time for you in one of your answers. I just want to give everybody on all sides of the table a chance to get their questions in.

Mr. Carlos Monge: Absolutely.

The Canadian government should promote a reversal of this kind of legislation, and support the design and implementation of conflict prevention and management mechanisms, not the criminalization of social protests.

Finally, I think this idea of having a Canadian ombudsman for Latin American citizens to go to and complain about these abuses is a great idea. I have no knowledge about it, but now that I hear about it I think it's something that we all should support.

Thank you very much.

The Chair: Thank you very much, sir.

Let's move right into questions.

We'll go first to MP Anderson.

Mr. David Anderson (Cypress Hills—Grasslands, CPC): Thank you, Mr. Chair.

I want to thank our witnesses for being with us today.

Ms. Gardner, I'd like to start with you. Here at committee, we've had some different testimony, or varying testimony, on your report. I don't know if you've followed the testimony or not, but I'll refer you

to two witnesses and the different ways in which they saw your report.

Duane McMullen, who is with Global Affairs Canada, referenced your findings. He said that the report named nine projects with incidents from 2014 or later, and that it was nine out of the 930 projects that they were aware of in Latin America. He said that of those nine, one was a project sold to the Chinese, three were mineworkers or subcontractors, and two were arrests and violence.

He stated:

In no specific case was a specific allegation made against a Canadian company, nor did the report state that the Canadian company caused the incidents in question. Instead, the report referred to very complex and difficult cases in these nine projects.

Then we had Jeffery Webber from Queen Mary University of London. He did reference the report as evidence of systemic conflict associated with Canadian mining projects.

I'm just wondering which of those are.... Where do you find yourself, in the middle of those interpretations? Which of them is an accurate reading of your report?

Ms. Leah Gardner: Shin, would you like to answer?

Mr. Shin Imai: Yes.

I'm not sure exactly what Mr. McMullen was doing in terms of the nine projects after 2014. Of course, we can't make any specific allegation about any particular company. That's why we think we need an independent investigator.

We went through these targeted killings at Tahoe. They were associated with the referenda. We know that Tahoe brought court cases to try to stop the referenda from happening. We know that Tahoe's security person shot these fleeing peasants in the back. So they are associated with the violence. There have been no arrests. I don't know how investigations work in Guatemala, but I know that the head of security for Tahoe was arrested. He was under house arrest. Then he miraculously escaped and went to Peru.

We're dealing with situations that are very difficult. If Mr. McMullen is saying, well, we didn't prove.... I mean, of course not. But look at the volume of cases. It's like smoking. Tobacco companies still deny that there's any connection between smoking and health, but if you look at the data, there's a kind of connection. That's what we're saying. In terms of the bulk of the data, we don't know which cases, but there's enough that they should be investigated.

I think it's a very good question you're asking, Mr. Anderson. I don't know if I answered it or not.

● (1340)

Mr. David Anderson: I think you did. We want to write a report, so we want to understand what the testimony actually is and what it's saying. Thank you for that.

Mr. Cuellar, I'd like to ask you about Colombia. What is the best model for resource extraction in your country? Your organization has been involved with unions. Do you see any role at all for international companies doing resource development? I know that you have unlicensed mining operations there. They're kind of owned by locals or whatever.

What do you think is the best model for resource extraction in your country?

Mr. Francisco Ramirez Cuellar (Interpretation): [*Technical difficulty—Editor*] We must not do that. We can't have mines violating labour laws or human rights, and that have a negative impact on the environment as we have seen may be the case elsewhere as it is in Canada. If there was a balance between the foreign investment and basic rights that would apply to the population, we think it would be possible. That's why our union hopes that we could have an alliance with mining companies to create a mine where workers might win out as well and thus prevent corruption.

If this could be done, it would be an example of a mine that works without a negative impact, without violating human rights, and respecting labour rights. We could have responsible mines. That's what we believe.

Mr. David Anderson: Do you have any examples of what you would call a responsible mining company then, one that's been able to do the things you're suggesting should be done?

Mr. Francisco Ramirez Cuellar (Interpretation): I don't know any specific examples, but I know that if we went through this exercise, like the Bolivarian experiment with social controls, environmental controls, and international controls, it would be possible. I don't know any companies that have done so worldwide, but I think it's possible to do so with responsible investors, thus, we could have responsible mines.

Mr. David Anderson: There's been some work done, particularly around the issues of child labour, about following up supply chains and getting companies down the line to be more responsible when accepting products from those supply chains. Have you done any work on supply chains? You used the word "quasi-slavery" in referring to miners. I'm just wondering if you have done anything in that area?

Mr. Francisco Ramirez Cuellar (Interpretation): We work with the support of the union and with the victims of international corporations, and our work seeks to ensure that there's no child labour. When we talk about slavery conditions, it's because the working conditions of our workers are extremely bad in these companies. The multinationals have managed to have laws changed. Because of tax cuts, they can exploit the workers. It's not really the company that does so, it's the Colombian population, but nevertheless, these workers are treated like slaves. Because the Colombian people are paid, the workers aren't paid very well and it's very unfair.

● (1345)

The Chair: Thank you very much, Mr. Cuellar.

We're now going to move to MP Tabbara, please.

Mr. Marwan Tabbara (Kitchener South—Hespeler, Lib.): Thank you, Mr. Chair, and thank you to all of the witnesses for being here today.

My first question will be to Ms. Gardner and Mr. Imai.

You mentioned in your testimony the Tahoe mine in Guatemala and how many assassinations there were and that no suspects have been convicted. How should the Government of Canada address the

issues of Canadian mining companies not adequately disclosing incidents of violence in Latin America? Can you comment on that?

Ms. Leah Gardner: About disclosure...?

Mr. Marwan Tabbara: Yes.

Ms. Leah Gardner: We looked at disclosure by publicly traded companies in our report and I think around 12% of incidents that resulted in deaths were reported, and around 24% of incidents that resulted in injuries were publicly reported. It appears that under-reporting is an issue and there could be changes in securities regulations in order to encourage more reporting on human rights abuse at mining projects overseas.

Mr. Shin Imai: Yes. I think Mr. Monge mentioned that as part of the transparency initiative there should be greater environmental and social impact disclosures.

Mr. Marwan Tabbara: Specifically, how can Canada play a role? That's what I'm trying to—

Mr. Shin Imai: Publicly listed companies have their shares on the stock exchange. Under the Securities Act they are required to make certain disclosures. These disclosures will tell you their estimate of how much they're going to make next year, that kind of stuff. It's like consumer legislation for investors.

This is what Leah was saying. They've been very poor at disclosing human rights or environmental.... We could change the law to require that they have more disclosure so at least that information gets out. I don't think that helps the victims in Guatemala, but at least that will provide a greater transparency into what's happening with the company.

I'll tell you right now that the head of Tahoe is on TV saying that the people love them, and we've written to the securities commission in British Columbia with our evidence saying here are all the referendums that have been committed in the communities and here are all the deaths. There's a big problem with Tahoe, and investors have suffered because the Tahoe mine was suspended because the state hadn't conducted any consultations with indigenous people and neither had Tahoe. Stocks fell 40%.

This affects investors, and I think that your suggestion about greater disclosure is spot on. It's part of the range of solutions needed in this very complicated area.

I've just been asked to table a couple of things here. One is a letter of concern about the witnesses from the Canadian Network on Corporate Accountability, and a report that talks about the national contact point. It is related to your point because it's a very complex area. You're now talking about securities legislation. We're talking about criminal responsibility. There are torts. We have Ian Binnie talking about the courts changing. Mr. Monge is talking about transparency.

● (1350)

Mr. Marwan Tabbara: I want to build on the first point. It's similar to the first question I asked. The other witness testified that union leaders have been attacked as well. How can Canada play a role in helping unions to ensure their voices are heard and they're not targeted or persecuted?

Mr. Shin Imai: I think the domestic country has responsibility, but I think that if you look at DFATD's goals, they say that part of what Canada does is that we promote democracy, human rights, and sustainable development. That is part of the policy of the Government of Canada.

I think the embassies have to step up and take a bigger role in terms of monitoring what their companies are doing.

I'm sorry if I'm taking up too much time, Mr. Chair.

The Chair: All you have to do is give the reports to the clerk, and they'll be tabled.

Mr. Shin Imai: That's terrific. Thank you very much. I appreciate that.

The Chair: MP Fragiskatos, you have about a minute and a half left if you'd like to interject.

Mr. Peter Fragiskatos (London North Centre, Lib.): Mr. Imai, you raised a point in an op-ed that you wrote a few years ago for *The Globe and Mail*. In it, you referenced the *Choc v. Hudbay Minerals* decision of the Supreme Court, which in your view at that time opened the door to cases of human rights abuses in Guatemala, Colombia, and foreign jurisdictions being heard here in Canada.

To what extent has that decision opened the door to obtaining corporate accountability for corporate actions in foreign jurisdictions?

Mr. Shin Imai: I think that's a great question. Thank you for reading my op-ed. I've read some of yours as well, Professor.

Mr. Peter Fragiskatos: I appreciate it. At least there's one person. I always wondered.

Voices: Oh, oh!

Mr. Shin Imai: I think that is one part of the solution, and a very important part. Former Supreme Court of Canada Justice Ian Binnie has been very eloquent in talking about that.

I think there are many parts to this very complex problem. We just talked about the Securities Act and the importance of looking at reforms there. I talked about the role of embassies. The importance of the court is that this is a forum where you can get out the truth in terms—

Mr. Peter Fragiskatos: Let me ask, because my time is limited—

The Chair: Mr. Fragiskatos, it is limited. I want to ensure that we leave enough time for our colleague across the floor.

Mr. Peter Fragiskatos: We'll follow up off-line.

The Chair: MP Hardcastle.

Mr. Shin Imai: I'd be happy to talk to anybody afterwards.

Ms. Cheryl Hardcastle (Windsor—Tecumseh, NDP): Thank you very much, Mr. Chair.

I wish we had more time for all of you. This is very intriguing. When we began this study, I had an understanding that not everyone around the table was aware of this issue. Part of the problem is a reporting mechanism that we have now and the legislative environment that we have now. There may be some disagreement about the state that an investing company comes from and what

responsibility that investing state has, and I think that's the crux of this today.

We've heard from Professor Imai and Ms. Gardner, and I'd like to hear a little more from you, Mr. Monge, about what you see as Canada's role, as my colleague asked about. What is the role of the government of the investing companies that we're talking about, particularly Canadian mining companies?

As well, Mr. Cuellar, you know that there are other countries that have reporting mechanisms that are not voluntary. Maybe you can talk a bit about what you think we should be doing in the next...

I'll use up my time. I don't have any more questions, so until the chair cuts you off, you can share that time. Thank you.

● (1355)

The Chair: Go ahead.

Mr. Carlos Monge: I think the Canadian government can do several things.

As I mentioned, the government should strengthen some stock exchange transparency provisions to include not only financial disclosure but also disclosure of information regarding environmental and social impacts, including conflict and human rights problems on a company-by-company, project-by-project basis. That would be pretty important.

Secondly, I think that as much as our Canadian government reacts if a Canadian citizen, let's say, is harmed or hurt in any given country in Latin America, it should react in the same way when a Canadian company is involved in a situation in which human rights are violated. Strong diplomatic pressure should be put on national authorities to clarify what happened and to launch independent solid investigations. Along that line, I support the idea of our Canadian ombudsman, who can be the point person, looking into such situations whenever they happen in Latin American territories where Canadian companies are involved.

Thirdly, the Canadian government should put pressure on Latin American governments to see that environmental standards and procedures are not further weakened. This is happening today, every day, in Peru, in Bolivia, in Brazil, in Colombia, and in Ecuador, because countries that are addicted to extractive rent are lowering standards to continue to be attractive to these kinds of investments. That's what we call the race to the bottom, and the Canadian government should be active in opposing such measures, even when doing so goes against the interest of Canadian mining companies.

In Peru the recent—last week—lowering of standards and procedures to allow for easier permits for exploration benefits directly a number of junior Canadian companies that are engaged in exploration activities. Despite that, the Canadian government should say that they don't abide by that kind of policy, and there are mechanisms to express that kind of position.

Finally, as I said, the Canadian government should push for a more strict and thorough implementation of consultation rights for indigenous peoples and for citizens at large to ensure that these investments have the required social legitimacy.

There is one final thing to reinforce the labour point. In Peru, three-fourths of workers working for the mining sector, which has the highest productivity in the region, are subcontracted via what we call services, which provide cheap labour but have absolutely no rights on the basis of three- to four-month temporary contracts. That's absolutely unacceptable. Mining companies that have the highest profitability and productivity in the region should at least have all their staff, all their workers, fully hired with labour rights as the law establishes, and should not be allowed to use these indirect mechanisms of subcontracting via service companies to evade the responsibility to provide labour rights to their workers.

Thank you.

Ms. Cheryl Hardcastle: Mr. Cuellar, I have another minute or maybe 45 seconds.

The Chair: Take your time, Mr. Cuellar.

Ms. Cheryl Hardcastle: Would you like to comment?

Mr. Francisco Ramirez Cuellar (Interpretation): We'd like to ask the Canadian government to condemn the crimes committed by multinationals in territories such as Guatemala, Honduras, and others like Colombia. If you create legislation, it will stop companies from violating human rights as is the case in our country.

Ms. Cheryl Hardcastle: Good.

The Chair: Thank you very much. I want to thank all four witnesses for being here today and providing testimony.

Especially to our two out-of-town guests, thank you for making yourselves available and dealing with time zone changes and all of that.

To our guests from Toronto, thank you for coming up to Ottawa to provide testimony to us, and please give the reports to the clerk and we'll make sure they are entered into testimony.

With that, the meeting is adjourned.

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