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• (1535)

[*English*]

The Chair (Hon. Judy A. Sgro (Humber River—Black Creek, Lib.)): I call this meeting to order.

Welcome to meeting number 48 of the Standing Committee on International Trade.

Today's meeting is taking place in a hybrid format, pursuant to the House order of June 23, 2022. Therefore, members are attending in person in the room and remotely using the Zoom application.

Everybody seems happy today. That's terrific. It's the weather. It's inspiring us.

I would like to make a few comments for the benefit of witnesses and members. Please wait until I recognize you by name before speaking. When speaking, please speak slowly and clearly. For those participating by video conference, click on the microphone icon to activate your mike. Please mute it when you are not speaking.

With regard to interpretation for those on Zoom, you have the choice at the bottom of your screen of floor, English or French audio. For those in the room, you can use the earpiece and select the desired channel.

I remind everyone that all comments should be addressed through the chair. For members in the room, if you wish to speak, please raise your hand. For members on Zoom, please use the "raise hand" function. The clerk and I will manage the speaking order.

Please also note that during the meeting, it is not permitted to take pictures in the room or screenshots on Zoom.

In accordance with the committee's routine motion concerning technical tests for witnesses, I am informing the committee that all witnesses have completed the required tests. Should any technical challenges arise, please let us know, and we will suspend in order to ensure that all members have full access to translation.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on Wednesday, February 2, 2022, the committee is resuming its study of environmental and human rights considerations regarding Canadian mining firms abroad.

With us today as an individual is André Gauthier, a geologist with Eval Minerals. From Global Compact Network Canada, we have Rumina Dhalla, chair of the board. From KAIROS: Canadian Ecumenical Justice Initiatives, we have Silvia Vasquez-Olguin, co-

ordinator of Latin America, gender justice and extractivism, by video conference. From the United Steelworkers union, we have Meg Gingrich, assistant to the national director, also by video conference.

Welcome to Ms. Dhalla and Mr. Gauthier, who are here in person, and to the remaining panellists, who are here via Zoom.

Mr. Gauthier, I invite you to make a presentation of up to five minutes, please.

Mr. André Gauthier (Geologist, Eval Minerals, As an Individual): Thank you, Madam Chair.

[*Translation*]

Thank you for giving me the floor for five minutes. It's not much time to talk about the international mining industry, but at least it's enough to introduce the topic.

I am privileged to be here today because I am sure all of my colleagues in the mining industry are very busy working. As you know, the mining industry is very complicated.

The mining industry is a very complex industry, which includes many activities, such as exploration, development, feasibility studies, construction, metallurgical operation planning, the environment, human resources, logistics, supply, ore transportation, as well as social, legal, financial and political considerations. Working in the mining industry means dealing with all of these issues.

When we work internationally in the mining industry, there are usually a number of parameters that must be determined: discovery statistics; exploration, discovery and operation costs; the number of years required to discover deposits and to develop and build mines; and the tax benefits available for exploring, developing and building.

Finally, this is an industry where the risks are immense, especially on the technical side. I won't list them, but we're talking about some twenty technical risks. There are also financial, environmental, social, political, logistical and human resources risks, among others.

I am providing a lot of information, but, to give credibility to my words, I will add that I have over 47 years of experience in the mining industry, particularly in exploration, but also in the development of mining projects. Before working internationally, I had 15 years of experience in Canada. I then worked in over 35 countries. I was first an exploration manager for a company you may know, Cambior. Then I was president of various companies. In that capacity, I did not work from Canada, but from the countries where our activities took place, which set me apart from many of my peers and friends. I would come back to Canada to talk to people in the stock market and financiers.

I was involved in gold and copper discoveries in Canada and in a few other countries. I also participated, as a leader and promoter, in the creation of Lima's venture capital exchange, in Peru. That is a stock exchange for mining prospectors, just like the Vancouver Stock Exchange. Many Canadian companies are listed there. In the countries I was in, I was usually part of local organizations and I always worked with our Canadian authorities—in other words, embassies—which were always very helpful in my case.

For those with a little more grey hair, I am part of the first wave of Canadians who worked abroad. We're talking about 1989, after the big flow-through share boom that had started in 1984. At that time, the environmental, financial and operational rules were not necessarily the same as today. Everything had to be developed. For those who remember, this was before the Bre-X and Southwestern scandals, which forced the creation of professional associations of geologists in Canada and led to the famous National Instrument 43-101 on information about mining projects. We Canadians taught all the countries of the world how to do this. Other countries were not used to working with public funding.

With respect to the environment and human rights, it was the same thing. We have been decidedly forward-thinking, from prospecting to operations.

Finally, in terms of education, an unimaginable number of people and an immeasurable number of countries have been trained by Canadian companies. These companies, unlike some of the American, English and South African companies, were generally listed on the stock exchange and had the privilege and the obligation to consider human rights and to train local people. That's the way it is with all Canadian mining operations around the world. The truth is, everyone wants to work for Canadian companies when they are there.

• (1540)

I could go on, but I will stop here. Thank you.

[English]

The Chair: I think you could keep going for the whole two hours, with the knowledge you clearly have.

Thank you, Mr. Gauthier.

We will move on to Dr. Dhalla, please.

Dr. Rumina Dhalla (Board Chair, Global Compact Network Canada): Good afternoon. Thank you, Madam Chair and members of the standing committee, for this opportunity to speak with you.

It is without doubt that mining is an important business for Canada; however, some Canadian mining companies doing business abroad have come under global scrutiny for the way they operate outside Canada.

There are key priorities for the extractive sectors from the UN Global Compact business and human rights navigator program, which aims to guide companies in understanding and addressing the impact of their operations and supply chains on human rights. I would like to highlight a few of them.

One of the critical priorities that need to be addressed from the mining sector relates to indigenous rights violations. The sector has been linked to the use of lethal force or targeted violence of indigenous climate and human rights defenders; the forced displacement of local communities; improper management or disposal of mining waste, including environmental degradation and damage; the indiscriminate use of water required for mining operations, leading to water shortages; and the use of public or private security, leading to increased violence against indigenous communities.

Another key priority is gender equity. Mining is a male-dominated industry, and women account for less than 15% of mining leadership positions globally. Recent studies show that in Canada less than one-quarter of board members in mining companies are women. Women who do work in mining are generally lower paid and occupy less valued roles. In some places there are limited grievance mechanisms in place, or they need to be filed by a male family member.

There are also global concerns relating to children in poverty working in dangerous mining operations, and issues related to workers' health and safety.

All these have reputational and other tangible risks for companies, for the industry and for Canada.

The growing competition and identified challenges present an opportunity to focus on how Canadian mining companies can respond to these challenges and move forward to succeed in this turbulent and hyper-competitive global environment. It is no longer enough to be reactive and enter the crisis in damage control mode. Businesses can no longer expect sustained competitive advantage by focusing on financial performance only.

Canadian mining companies must be proactive in ensuring their ESG strategy is integrated in all their operations across the world. This must be authentic. Anything less will likely signal greenwashing.

Mining companies are no longer able to claim ignorance or say that they are not responsible for the actions of contractors or their supply chains. Parent companies are increasingly being held accountable. Canadian mining companies abroad must pay attention to their global supply chain and conduct due diligence on who they do business with.

There have been reports of under-reporting and an absence of investigations on human rights violations. Disclosure and transparency will increase trust and confidence. Canadian mining companies should be required to report not just on financial and environmental dimensions, but also on human rights and social issues. The Canadian mining industry must operate abroad in the same way and under the same regulatory scrutiny and laws as it does in Canada.

Competition in the global extractive industry has become ferocious. Simultaneously, the scrutiny for human rights violations, action on climate crisis, the rights of indigenous people, diversity, transparency and reporting have become a priority for many investors.

There are tangible consequences for Canadian mining companies abroad that are not able to form strong relationships and collaborations with local communities. There is a growing trend in mining-rich jurisdictions where Canadian mining companies have interests for increases in royalties, taxes and larger ownership stakes in the mines. Global lawsuits for human rights violations are seeking large companies that are perceived to have gotten away with bad behaviour and making them exemplars.

ESG investing is on the rise, and investors will not ignore any unethical and irresponsible behaviour of mining companies. It is no longer enough to operate with judicial and administrative permits.

The Global Compact Network Canada can be an important resource for Canadian companies. We currently have a few companies from the mining sector that have joined the network and benefit from the resources.

Lawsuits for human rights violations and accusations of slavery and malicious treatment of protesters put the global spotlight on Canada and have negative implications for the Canadian mining sector. Failure to respond effectively can give advantage to Canada's competitors.

While Canada continues to occupy a strong place in the sector, investment can be mobile. Investments now come with the strong desire for business sustainability considerations. The question to ask is this: How do we benefit from this new environment, and how do we gain sustained competitive advantage?

Thank you for the opportunity to speak with you.

• (1545)

The Chair: Thank you very much, Dr. Dhalla.

We'll go on to Dr. Vasquez-Olguin for five minutes, please.

Dr. Silvia Vasquez-Olguin (Coordinator, Latin America, Gender Justice and Extractivism, KAIROS: Canadian Ecumenical Justice Initiatives): Thank you very much.

I want to address the chair and the members of the committee for one second, to get you to think about the amazing opportunity you

have today. Let's think about what we are learning. We're receiving a lot of information. Let's keep our minds and hearts open to receive it.

Since the creation of KAIROS more than three decades ago, and even before that, global partners, church members and various Canadian NGO networks have been calling on Canada to address allegations of human rights abuses and environmental harm linked to Canadian businesses operating abroad. How? Through stronger corporate accountability measures. Corporate accountability in the Canadian extractive sector is a gender issue.

KAIROS is not anti-miner or anti-business. KAIROS advocates for the rights of indigenous people to be upheld and for the inclusion of women in decision-making spaces, including the right to free, prior and informed consent.

It's been noted that some companies have a reputation of mistaking consultation for consent. When it happens, partner organizations around the world have consistently sounded the alarm on the concerning attitudes and consequences of Canadian extractive companies' mining, oil fracking and gas extraction operating in their territories.

Mining activities have consequences more evidently local but undeniably national and regional. Regarding women, mining impacts the territories of their bodies, their lands and their organizations, and has deepened the structural violence exerted against them.

Furthermore, mining activities become a fundamental nexus within the enclaves of a masculine-focused economy. Mining is developed mainly by men in the field, which leads to a reconfiguration and a reprioritization of local social activities that didn't exist before the arrival of the companies.

The introduction of a utilitarian and monetary model of engaging with nature leads to the commodification of important natural environments and later environmental destruction. I can bring examples of that.

The productive process has increased the numbers and intensity of daily violent encounters within the communities, particularly violence against women and girls. Nothing can show that more painfully than the El Salvador case in Las Cañas.

In the last decade alone, extractive mining has increased in Meso-America and South America, leading to more than 200 conflicts around mining activities in just four countries: Ecuador, Colombia, Peru and Chile, increasing the violation of human rights and the criminalization of environmental land and water defenders.

Women and indigenous communities are vital stewards of land and water. Fresh water is vital. Women and girls are vital for the communities and their livelihoods. Water is needed for everyday life tasks that usually fall upon women to perform, such as cooking, cleaning, child-rearing and cultivating. These jobs are socially and conveniently invisible and underestimated.

Women protect the social and community structure of preserving knowledge and transmitting it. At the cost of their well-being, their safety and sometimes their lives, they stand in a long-standing fight against corporations extracting resources from their lands. For their efforts, they are stigmatized, ostracized and, in many cases, criminalized, threatened, attacked and even killed.

Local women are the centre of building a just, equitable and lasting peace in their regions, and large-scale resource extraction projects undermine their efforts.

How can we do this better? I think the task starts at home through strong accountability and responsible legislation. We have to move on. Bill C-262 and Bill C-263 are the core of solving this problem, and the pun is intended.

Because of all this, I'm here now in front of all of you to remind you that the lives of women and girls around the world are under threat more than ever, and the time to act is now.

At KAIROS, we believe that women are leaders in community resistance to extractivism. Because of that, we advocate for including women and water and land defenders in the decision-making process and for protecting them, because activists are always under threat.

Because extractivist activities cause severe environmental and social impacts, which often are invisible because they happen in the bodies and lives of women and girls, KAIROS advocates for gendered impacts of resource extraction to be considered a key aspect of business development.

• (1550)

Finally, because of environmental racism and colonialism and for many other reasons, most of the extractive mining operations are found on or near indigenous territories in the global south. KAIROS advocates to protect the rights of indigenous and local communities of the global south to be fully informed and consulted before operations are even started on their territories, and to recognize the possibility of rejection.

Dear members of the committee, one life lost and one inch of land destroyed is one too many. You have the unbelievable power to stop it.

Thank you.

The Chair: Thank you very much.

Ms. Gingrich, please, for up to five minutes.

Ms. Meg Gingrich (Assistant to the National Director, United Steelworkers Union): Thank you, Chair. Through you, I would also like to thank the clerk and all members of the committee for the opportunity to join you here today.

My name is Meg Gingrich, and I'm here with the United Steelworkers.

The United Steelworkers union is the largest private sector union in North America. It includes 225,000 members in nearly every economic sector, right across Canada, about 15,000 of whom work in the mining industry.

As a labour union, our core mission is to improve the lives of our members. That work necessarily extends to fighting for better conditions for all workers everywhere. Our members understand that to serve Canadian workers, we have to fight the race to the bottom of salaries and working conditions and flip that old paradigm on its head.

That starts by holding Canadian companies accountable for their global operations. By raising the basic standards everywhere and closing the delta between fair pay and the need to respect human rights in Canada and in other countries, we can decrease the incentive to cut Canadian jobs and compensation in favour of operations elsewhere, and we can secure a new foundation on which we can build stronger workers' rights here.

Put simply, doing the right thing for workers around the world is good for working people in Canada. At the USW we do this work directly through our Steelworkers Humanity Fund and in collaboration with civil society organizations and a variety of coalitions, some of whom you've heard from here, and that includes the Canadian Network on Corporate Accountability.

It is through the CNCA and the Non-Negotiable campaign that we've been actively lobbying Parliament to pass mandatory human rights and environmental due diligence legislation. As you know, that legislation, Bill C-262, is at the heart of addressing the concerns that are being raised in and by the study you're undertaking.

With all due respect to the work done by diplomats and those in any form of foreign service, I'm sure we can all agree that a country's foreign policy includes the international operations and business dealings of the private sector. Canada's mining sector is active in at least 100 countries. Without oversight of the private sector, the Canadian government risks harming some of its bilateral relationships and foreign policy goals in aid, trade, diplomacy and defence.

The impacts on the Canadian economy as a whole, as well as on communities and individual workers and their families, is significant. Governments in other countries are understanding these facts and are taking action. Recent G7 discussions saw a reinforced collective support for working together towards trade that lifts up workers, businesses and peoples.

However, frankly, here at home we're discouraged to see the Canadian government pushing legislation. We're talking about Bill S-211 now, which does not actually create a legal obligation to stop the practice or provide a path to remedy for anyone affected by a violation. This will not stop the abuses.

As this committee has already heard, to be robust and effective, legislation on this must legally oblige Canadian companies operating or sourcing abroad to identify, prevent and mitigate violations and provide remedies to those affected and for damage caused by their operations. This must apply to all human rights violations and environmental damage.

Some might suggest to not let the perfect be the enemy of the good, but as you may be aware, the experience of a similar law in the U.K. and other jurisdictions shows that modern slavery acts and the reporting only requirements have not brought the change they promised. Worse, when compared to the effective changes proposed in legislation before the House, for example, the corporate responsibility to protect human rights act, passing Bill S-211 could actually hurt the movement towards increased corporate accountability by being pitched as enough and used as an excuse to stop further work on this file.

Another more effective course of action would be to finally give the Canadian ombudsperson for responsible enterprise the investigative and enforcement powers she needs to effectively do the job she's been tasked with doing. Again, another bill before the House, Bill C-263, would be a step in the right direction in terms of that goal.

In advance of any questions, I would like to close on this point. We all understand that jobs and increased compensation rely on corporate success and profitability. It's not about deciding between doing the right thing or making a profit, because as we watch global awareness and the focus on corporate accountability rise, these goals are increasingly connected.

Thank you.

• (1555)

The Chair: Thank you very much.

We'll go to our witnesses.

I want to acknowledge that we have John McKay with us at committee today, who I think is the founder of C-262 and C-263.

Hon. John McKay (Scarborough—Guildwood, Lib.): No, no, no. Bill S-211 is mine. The last witness and I would not see eye to eye.

The Chair: That's fine. Thank you very much.

Mr. Martel, for six minutes.

[*Translation*]

Mr. Richard Martel (Chicoutimi—Le Fjord, CPC): Thank you very much, Madam Chair.

Mr. Gauthier, I'm very glad you're here today to talk to us about the situation. It is rare for someone from the mining industry to appear.

You have been on the ground. Your background in the mining industry is also very noteworthy. I find it extraordinary. You're a real expert: you have 47 years of combined experience and have worked in 35 countries.

What is the reputation of Canadian mining companies abroad?

• (1600)

Mr. André Gauthier: I am pleased to say that, as of today, the standards of the Canadian mining industry are among the highest in the world and that the industry is appreciated in the countries where it operates. I speak from experience in at least 15 countries.

Of course, there are issues, but it's important to distinguish between the exploration and extraction sides. They are almost two separate industries. Generally, extraction touches on all the activities I listed earlier. You're generally going to generate net cash flow.

The Canadian mining industry consists of over 1,500 junior companies, working around the world. These junior companies are companies that are not involved in production, but in exploration. The junior companies are trying to do a good job overseas, but what happens when the money is unfortunately no longer available? We live in a time when everyone is able to fund their activities easily, but, when funding is no longer available, the result is what happened to Canadian companies: they are not necessarily able to finish their activities diligently.

The environmental and social damage is obviously minimal. Aside from a few drill holes, exploration does not really result in significant environmental damage. For—

Mr. Richard Martel: Mr. Gauthier, I apologize for interrupting.

We have heard from a number of witnesses that Canadian mining companies are violating human rights. At the same time, we hear that everyone abroad wants to work for Canadian mining companies. There is a contradiction here: human rights are apparently being violated, but everyone wants to work for Canadian mining companies abroad.

Mr. André Gauthier: For Canadian mining companies operating abroad, respect for human rights is more than essential. They go even further than what the rules of the stock market dictate.

I'll give you an example.

Suppose a mine is built in a town the size of Val-d'Or, with about 50,000 people. The workers are going to have benefits, and they're going to work under fantastic human conditions, on par with those in a developed country. People will have enough money to buy a car, for example. However, if the mine is built near a town that doesn't have electricity yet, it's going to create jealousy in the community.

Unfortunately, this is a very difficult problem to solve. All mining companies have pretty much the same problem. To find a solution, we have to work with local governments. That's why it's difficult to set certain standards in countries where those kinds of standards are not usually imposed. So we have to find a middle ground.

Mr. Richard Martel: Some people say that relations with indigenous communities are difficult. You've been on the ground. What can you say about that?

• (1605)

Mr. André Gauthier: They are difficult in every country, without exception. It's extremely rare for us to be able to solve them on our own. It is almost impossible. The same is true for relations with local authorities. It is strictly by talking to the local communities that we can do it.

Again, this has to do with the financial system, which I talked about with Mr. Martel. Here in Canada, we have what I call a progressive taxation system, which means that our government taxes activities and profits. This is well known in the financial community. But in most countries in the world, the mining industry is governed by a taxation system that is not progressive, but rather regressive. In fact, the government earns revenues directly from the mining activity. Since the resource is non-renewable, some countries' governments do not want to let mining companies extract deposits that will be unable to generate sufficient cash flow to fund government activities.

[English]

The Chair: Thank you, Mr. Gauthier.

I don't mean to cut you off, but there's a limit on everybody's time.

Mr. Virani, please.

Mr. Arif Virani (Parkdale—High Park, Lib.): Thank you very much, Madam Chair.

I want to thank all the witnesses for their testimony and for helping us with this study.

I'm going to come to you in entirely good faith and with some open questions. I've been working on this in my role as parliamentary secretary for the minister, and we're keenly aware of the fact that improvements need to be made, as well as of the economic contributions that the mining sector makes.

I'm going to turn to Ms. Dhalla first. You used one word, which is competitiveness.

When we relaunched the responsible business conduct strategy, we revised it and we felt it was an improvement. We attached an attestation whereby they must agree to this responsible business conduct in order to avail themselves of the trade commissioner services. We created the CORE. We're the only country in the world that has an ombudsperson. I appreciate that people have concerns—they've been expressed today—that the ombudsperson needs greater powers, but we have an ombudsperson. That's a good start.

I'll say to you in all candour that when I've been in places like South Africa for Indaba, I've talked about these great things and how I think it makes Canadian mining entities more attractive for those investors that you said want legitimate good actions on the part of corporate actors. I've received push-back, to be blunt.

I'm wondering how you could help me and our government deal with some of that push-back. For the many people who say to me that these are steps in the right direction, there are still those who say to me that when we're dealing with entities like China in a race for critical minerals on a continent like Africa, a lot of the gloves are off. I would like us to hold ourselves to a better standard than that.

I want your best pitch as to how we should be making that pitch to Canadian companies.

Dr. Rumina Dhalla: I think the ESG numbers are in the trillions. Institutional investors all the way down to individual investors want to invest in ESG. We're talking about trillions, and it continues to grow.

One challenge with having these programs that you speak about is that they are aspirational. There are not a lot of sanctions. If I don't do this, if I don't produce a report or if I don't meet these metrics, there are no sanctions, really. That's one way to look at it.

The other thing is we have to decide if we are going to operate differently. Not being as bad as the bad guy doesn't really make anyone the good guy, if you know what I mean. Basically, what we have to do is say, "This is how Canada operates." We have a stellar reputation. Canada has a great reputation for being all kinds of wonderful things. Do we want to protect that, and how?

The EU has.... Somebody mentioned critical metals and minerals. Do we want to have legislation? Why don't we have that?

I think it's important for us to look ahead. A lot of industries are being affected by this. They are producing integrated reports. There is going to be a requirement to report on all three dimensions—the environmental, social and financial. We are seeing that in the global financial markets.

We can either get ahead of the curve and say, “This is how we do business,” and stick to it and find a way to be competitive within those new parameters, or we say we're just going to continue on as long as we can and just milk it.

• (1610)

Mr. Arif Virani: I want to feed some of the other witnesses into the conversation. I will turn to the representative from KAIROS.

Thank you very much for the work that KAIROS does and for your input today. I just want to raise something that I raised with the witnesses last week, which is that you talked a lot about the impact on indigenous communities and their consent. You tracked some of the language that is found in the UN declaration on the rights of indigenous persons, UNDRIP. You know that we are a signatory to UNDRIP. We passed legislation on the rights of UNDRIP in the House of Commons.

How do we connect that domestic legislative initiative to the work that Canadian companies are doing abroad to give meaning in operationalizing what you're seeking, which is a greater indigenous say, into the actions of Canadian mining companies when they're operating abroad? Do you see a way of connecting the two directly?

Dr. Silvia Vasquez-Olguin: Sadly, we are working here in a responsive way. If we were really aware and acting according to the legislation, we have to accept free, prior and informed consent. We have to invite everyone to the table and listen to them, and if the answer is no, the answer is no, not on my land.

I will give you an example. Do you want mining activities in your backyard without consent, knowing that it is going to happen? Having the right to say no, you would like it to be respected.

I would say that it's the same happening at home and happening abroad. As the person before me said, we have to be consistent. If we have this idea of not in my backyard but in anybody else's backyard is okay, we are wrong. Let's not react; let's check this work with legislation that works according to the signatures that we gave.

If we agree, we compromise, and we are in favour of respecting indigenous opinions and their livelihoods. We have to accept that maybe they are going to reject the project. Maybe they are thinking of development in a different way; maybe they don't want pollution and violence; maybe they want something different; maybe they want a car but in a different way.

That's my invitation, and that's my message here, to be coherent in the way we work at home and work better at home, by the way, and then work accordingly abroad, respecting the possibilities of a no, of a rejection. Let's not react later, like, “Oops, there was something wrong, let's see what we do.” Let's avoid that. That's the idea.

The Chair: Thank you very much.

We'll go to Mr. Savard-Tremblay for six minutes, please.

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay (Saint-Hyacinthe—Bagot, BQ): Thank you, Madam Chair.

I acknowledge my colleagues, and I thank all the witnesses for their testimony.

Mr. Gauthier, you answered my colleague's question earlier about the good reputation of mining companies abroad. With which clientele do these companies have a good reputation?

Mr. André Gauthier: It's hard to say. Generally, we are talking about various governments, the local mining industry, local workers or regional governments that we work with. They find it easy to communicate with Canadian companies; they think the companies are open and have high standards. As I explained earlier, there are jealousy issues. I don't like that term, but it's something I've experienced personally in some countries.

Mr. Simon-Pierre Savard-Tremblay: You talk about local workers. Do you have any data on the ratios of local workers to Canadian workers that the company takes abroad?

Mr. André Gauthier: From my personal experience and my experience over the 18-odd years I was at Cambior, we worked quite well in general with the mining industry.

To be honest, I would tell you that, when you come to a country where you don't speak the language, you obviously rely on people you trust. So we would take some of the people who worked with us for the first two or three years. After that, we would try to keep it at no more than 5% Canadian workers to about 90% to 95% local workers.

That's also the proportion we were trying to maintain across industry. I'm thinking of service companies such as geophysics, drilling or laboratories, for example.

In this regard, I certainly have more experience in Chile, Peru, Colombia, Argentina and Brazil. Unfortunately, it may not be as fashionable to talk about it now, but in the six years I spent in China, we had roughly the same ratios, even though it was more difficult to speak a Chinese language than Portuguese or Spanish.

• (1615)

Mr. Simon-Pierre Savard-Tremblay: I can tell you that, in Colombia, I saw with my own eyes a former Canadian mining company, which had become Chinese, arrive with a truckload of prisoners from the People's Republic of China. It wasn't exactly hiring local artisans. Let's put it that way.

You say that reluctantly, given that it is a very personal experience. As you point out, it was with the company you worked for—

Mr. André Gauthier: We also worked in collaboration with embassies. We knew each other. I was on local committees in the countries where I worked.

Colombia has never been a good reference country. Name me one mining company in Colombia that actually meets Canadian standards. There aren't any. You won't even get one on the fingers of one hand.

Mr. Simon-Pierre Savard-Tremblay: I will find for you the name of the mining company I visited that had ended up under Chinese ownership. I'll search for it in my Facebook post as soon as we finish the meeting; otherwise I'll waste too much time.

I want to turn to you, Ms. Vasquez-Olguin. You are a coordinator in Latin America. Can you tell us about the mining industry's relationship with local populations and local governments? We are told that the relationship is harmonious and that the industry's reputation is good.

[English]

Dr. Silvia Vasquez-Olguin: I can speak from my opinion or I can show you facts. We have more than 500 different conflicts going on in the entire southern continent—Meso-America and South America.

That's a fact. It's not an opinion. It's happening right now in the courts of different countries and in the field.

Sometimes it could be harmonious from the exterior, because our countries are looking for income and finding some ways to get some income. Part of that is monetizing nature. The consequences of that are experienced by the communities. The communities are going out to the streets, mining sites and exploration sites and saying “no”, or showing the results of this.

One of our partners last year published a report on 11 cases of mining activities in different countries, from El Salvador to Argentina. They are inspiring and terrible. You can see persecution, pollution, contamination, health risks and evident harm in their bodies because of the pollution.

What can I tell you? My opinion is that it's terrible. I think it's not as good as it shows.

The fact is that many hundreds and thousands of communities are out there fighting against mining. We cannot hide that under the rug. It's happening now. Just look at it.

We can do better. That's the thing. We can do much better, if that's the interest.

The Chair: Thank you very much.

We'll go on to Mr. Cannings for six minutes.

Mr. Richard Cannings (South Okanagan—West Kootenay, NDP): Thank you all for being here today. I'm just going to continue with Ms. Vasquez-Olguin.

You mentioned these hundreds of conflicts in South America and perhaps in Meso-America as well—in Ecuador, Colombia, Peru and Chile.

What proportion of those conflicts would you say involve Canadian companies?

Dr. Silvia Vasquez-Olguin: I cannot give you an exact number right now. I don't think there is any pride in saying there are very few. One is one too many.

My own management does not recommend that I mention numbers. I will respect the authority of my bosses, who say to not name names.

Only one is one too many. We can talk about Jachal in San Juan, Argentina. That's a Canadian company. We can talk about Catamarca in Argentina, where there's another Canadian company. We can talk about Rio Blanco. We can talk about El Salvador, where a pregnant woman was killed being a water defender. Come on. What is going on?

One is one too many. If I say “only two”, it's too many. If we want the numbers right now, the environmental justice website shows you all the conflicts in the world. You can focus on the continent, and it's on fire.

There is no pride in saying that there are only a few.

• (1620)

Mr. Richard Cannings: Thank you. I appreciate that.

You mentioned that two bills that have been tabled in the House of Commons would help. They are Bill C-262 and Bill C-263.

Can you perhaps expand on what each might do to help the situation?

Dr. Silvia Vasquez-Olguin: These bills will give voice to those who are not able to voice their conflicts and their suffering in [*Inaudible—Editor*]. We will have a strong, really powerful voice to raise concerns and to bring them to justice in a fair way. We want only justice, and we want even preventive justice, which means, I'm not going to do this if the consequence is going to be really hard. That's the idea: Give them real power; give them fangs to bite; give them power to really scare, and that's terrible but it's the only way we have, because profit is not scared, usually. It's not easily scared.

I would say to give the ombudsperson power enough to pursue justice for those who cannot do it is amazing. Establish the standard of business that we require in Canada abroad. That would put pride in the Canadian name, not in the low numbers of injustice happening but in high numbers of things well done. I think that's much better.

I'm from Costa Rica—a tiny little detail. Costa Rica has the medal of honour of being one of the few countries in the continent that fought against a Canadian mining company and won, because we had one of the strongest ombudspersons in the region. I can tell you it's possible and it's needed and it's great to have it.

Mr. Richard Cannings: *Gracias. Me gusta mucho Costa Rica.*

Dr. Silvia Vasquez-Olguin: It's a beautiful country.

Mr. Richard Cannings: If I have some time left, I will turn to Ms. Gingrich, with the steelworkers.

Thank you to the steelworkers for all you do. It's a very important voice in my riding, in the mining industry, with the Teck smelter in Trail. I appreciate their work a lot.

I'm wondering if you could expand again on what I've been asking of Ms. Vasquez-Olguin in terms of what we need to do, and why the bills that are before us are important. One of the other witnesses, Ms. Dhalla, said that Canadian companies need to do abroad what they do here, and be held to the same standards.

Ms. Meg Gingrich: Bill C-263 would be to expand and rectify some of the things that we think are wrong with the CORE. That was something we supported from the beginning, but once it came into place, our view was that there wasn't enough power within that position for the ombudsperson.

Bill C-263 would see a CORE with more teeth, if I can put it that way, with the power to compel evidence and testimony, for example, which is not possible at the moment.

Regarding Bill C-262, there are several parts of that where it would require real due diligence along supply chains and it would put the onus on the company to identify potential issues along the supply chain—whether it's environmental, human rights or violation of labour rights—and then actually prevent and mitigate those and have that responsibility to do so. Then it would provide access to remedy within the Canadian legal system if the company doesn't meet its obligations. Those are some very important aspects of those two bills that we have supported.

• (1625)

The Chair: Thank you very much.

We move on to Mr. Martel for five minutes, please.

[*Translation*]

Mr. Richard Martel: Mr. Gauthier, we hear that the mining industry operates in a certain way in Canada, but does things differently abroad.

Is there a regulatory difference? Could the mining industries operate abroad like they do in Canada?

Are there that many differences between regulations in Canada and abroad?

Mr. André Gauthier: First of all—I apologize to others who have commented—all self-respecting Canadian companies work according to Canadian standards. Even though there are habits in other countries that are very different from ours, Canadian companies work according to Canadian standards.

Next, I heard the cases of the Rio Blanco project and mines in the Cajamarca region being cited. As far as I know, these are not Canadian companies.

With respect to the Colombian case, I repeat that there are many mining companies, and some may have a Canadian shareholder, but they are still what I call artisanal companies. It's pretty obvious when you see their facilities. It's artisanal. It may be a simple mill,

but it's not representative of large Canadian companies; it's totally different. I am telling you, they are two different worlds.

However, some countries don't tolerate Canadian companies working according to, let's say, artisanal standards.

Mr. Richard Martel: From your early days in the industry to today, have you seen any progress in terms of the environment?

Mr. André Gauthier: We have gone from darkness to today. It's amazing. If you remember, in the late 1970s, Canadian companies, in Canada, were terrible. It was terrible outside the country too, in 1989. Everyone has been reined in sufficiently.

There will always be mistakes. Unfortunately, some Canadian companies have made mistakes, and I include Cambior. At one point, we had a problem in Guyana. Mistakes were made because of a lack of knowledge of the situation abroad and a lack of learning. It's very unfortunate because we paid dearly for that mistake, and it was really a mistake in the process of learning.

Mr. Richard Martel: Can Canadian embassies play an important role for Canadian mining companies?

Mr. André Gauthier: Their role is beyond essential. Before the problem arrives in Canada, an embassy has to be very proactive. The embassy is there to help and monitor Canadian companies in some cases, and to make sure they are following all the principles. I've been through this with several embassies.

The majority of embassies are making efforts in this area. The majority of Canadians I've worked with over the years always made a point of registering with the embassy to inform them of what they were doing on the ground, even before a press release was issued here. The relationship between the mining company and the local communities is important, and it is the ambassador who attends to that. Personally, I can say that we have always had a good relationship with the embassies, despite the fact that it has quite often been very difficult.

Mr. Richard Martel: Basically, what are the big challenges for a Canadian mining company abroad? What further challenges does the industry have to manage when it is abroad?

Mr. André Gauthier: In addition to meeting the standards, there are several challenges. However, the standards are easy to meet: they are written in black and white.

What is difficult is integrating with the local culture. Unfortunately, that aspect is not documented. You don't find this aspect in the books. It might be possible to chronicle it, but that doesn't mean that you could solve the problems. You just have to hold talks and not rush things. You have to take the time to discuss things.

In every country I visited, the cultural issue was always a barrier, even more so than language.

• (1630)

[English]

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

I'm sorry, Mr. Martel; your time is up.

We have Mr. Sheehan for five minutes, please.

Mr. Terry Sheehan (Sault Ste. Marie, Lib.): Thank you, Madam Chair.

I want to say thank you to all the participants for their testimony today.

Take a look at what we're doing. We're studying Canadian mining companies abroad and what they are doing as it relates to the environment, labour and a number of practices. We've heard testimony already that there are some pretty bad things happening out there.

What came to mind for me—I'm from Sault Ste. Marie in northern Ontario—is that we have a thing called the Ring of Fire in northern Ontario, which everyone, I think, in Canada knows about. It's like an unlimited potential with critical minerals. A number of companies have been interested in this and gone through some processes, the most recent of which was Noront.

Noront has just been purchased by Wyloo, from Australia. They're going through the processes, and rightly so. They have to do federal and provincial environmental assessments. They have to engage with the indigenous communities around the Ring of Fire and a lot of the communities that would feed into it as well, including Sault Ste. Marie. There are a number of stringent requirements that a Canadian mine has to and ought to meet to begin operations, including labour practices and such.

When they deal with the indigenous communities, they start talking about community benefits and how those indigenous communities can get work and have other opportunities to build their skills through skill development and whatnot.

About 50% of all mining companies are headquartered here in Canada. Then we take a look at what Canadian companies are doing abroad, and they're guided by the towards sustainable mining standard of the Mining Association of Canada. It's a program that is mandatory for the companies that belong to it here in Canada, but it is voluntary when they go abroad.

Madam Chair, through you to our presenters, could they please comment on that program, which the trade commission services here and abroad try to promote with these mining companies? What are the advantages and disadvantages of requiring all Canadian mining firms operating abroad to meet these standards?

I'll start with the United Steelworkers, and then we can go around the floor. If you can, keep your comments brief so that everyone can get a chance.

I'll start with Meg first.

Ms. Meg Gingrich: Thank you.

Regarding the towards sustainable mining initiative, it is important to have something that comes from outside of industry actors,

which is why we support stricter and more comprehensive due diligence legislation. Voluntary standards can be useful. We work with IRMA and other responsible mining initiatives, but they wouldn't be entirely dominated by industry, and they would include particular labour rights and so on.

In terms of our position, we think that actually having legislated due diligence is the best way of ensuring that mining companies act as they should abroad, and that there's recourse for those affected by Canadian mining companies and their subsidiaries. It ensures that even if they have good intentions, even if the market is putting pressure on companies, or even if there are increasingly voluntary standards to adhere to.... All of that can be okay, but it's often not enough. That's why we press so hard for the due diligence legislation and actual requirements, to ensure that environmental, human and labour rights are respected and that there's recourse for people in communities around the world.

• (1635)

Mr. Terry Sheehan: Thank you, Meg.

I guess I'll go to the room—

The Chair: You have 13 seconds remaining.

Mr. Terry Sheehan: Okay, you guys might want to put that in writing. Thank you very much.

The Chair: Thank you.

Mr. Savard-Tremblay, you have two and a half minutes.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: That's so little time!

Ms. Vasquez-Olguin, you talked about the cases that were before the courts. I think the cases of violence and abuse are quite well documented and are corroborated by several sources. In these cases, you talk about the courts, but I imagine that you find the use of the ombudsman, just an office that receives complaints, insufficient.

Do you believe that a real commission, independent of political power and able to do its own investigations, is needed instead?

[English]

Dr. Silvia Vasquez-Olguin: That's a really interesting question.

I would start to build up what we have. If we had a really strong ombudsperson with a strong office to support their work, it would be great. An independent commission usually, in my experience, delays the processes a little, and I would say, let's strengthen what's already there. In that sense, maybe I would leave it on the floor for better advice, but in my case, I would say, let's move on with what we already have and strengthen to the points where we can get more effective success and effective justice.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: Would you say that this is insufficient, currently?

[English]

Dr. Silvia Vasquez-Olguin: No, I think it is sufficient. What I'm saying is, let's try to build up the points we already have. I wouldn't advise adding extra bureaucracy to the process that has to be sped up. Anyway, this is my limited position. I'm a sociologist, not a lawyer.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: Of course.

I would like to ask Ms. Gingrich much the same question, but I would add this to it.

Many Canadian companies are Canadian only on paper. Indeed, Canada is a real flag of convenience that makes it easy for companies to register here. The Toronto Stock Exchange also offers advantages.

Are Canadian laws too permissive in this regard?

[English]

Ms. Meg Gingrich: As you know, I'm not a total expert on this, and I know that there is debate in terms of how we define a Canadian mining company. I suppose we would say that it's something with headquarters in Canada. It's telling that there are so many mining companies that are headquartered here, whether as a false flag or because they're registered here on paper. Why is that the case? Perhaps it is related to the ability to act differently abroad from how they would have to in Canada. That's why we're arguing for these rules to be so much stricter in terms of what they're required to do. If they are to be headquartered in Canada or if they're Canadian on paper in some way, then they have a responsibility to act in a certain way along their supply chains.

The Chair: Thank you very much.

We'll go on to Mr. Cannings for two and a half minutes, please.

Mr. Richard Cannings: Thank you.

I'll turn to Dr. Dhalla to get some clarity. I was trying to write down things you were saying. You made some comments about how Canadian mining companies must be required to report, and I think you said something about how they should operate internationally the same way they do in Canada. Could you expand on that to make sure I got the sense right?

Dr. Rumina Dhalla: Yes, I think one of the challenges is the understanding that we act a certain way here in Canada where there's a regulatory framework and legal recourse, yet when we go away, we're so far away that perhaps we may act differently. Then we say, "Well, we're just doing what the competition is doing," or, "We're doing what the locals require us to do." I guess the idea is to ask whether we can operate the way Canadian companies operate and find a way to be successful.

For example, I'm a business professor by profession, and we work with companies that have done so well when they really pay attention to the triple bottom line. I mean, they really do well. They invest in renewable energy. They invest in new technologies to reduce the use of water. They work with local communities. The gender equity numbers are really strong. Those kinds of things are hap-

pening, so why does it feel like we don't think our Canadian mining companies can do that? I really think when you make....

For example, the integrated reporting that so many companies are now required to produce—the financial, social and economic—we're seeing more and more companies producing it voluntarily, but then more and more companies are going to be required to produce it, because they're listed on the exchange.

When you start reporting on things—not just the good things, when you start reporting on good things and everything else that's going on—what are you planning to do? What are you going to do when you don't meet your objectives or if there are accidents, spills—all those things? We see companies really trying to achieve it. Having those targets is really important, because I believe companies really do want to do better. The ones we work with are striving to do better.

• (1640)

Mr. Richard Cannings: Would it be advantageous to have bills like C-262 and C-263, which really put a stronger lens on this?

Dr. Rumina Dhalla: I'm not an expert on those bills, so I don't really know, but it sounds as though we're on the right track.

The Chair: Thank you very much.

Mr. Carrie, go ahead for five minutes, please.

Mr. Colin Carrie (Oshawa, CPC): Thank you very much, Madam Chair.

Mr. Gauthier, I would like to follow up on a question my colleague from the Bloc asked in his commentary about a company he heard about, which was transferred over from Chinese hands. It's really important that we hear from witnesses who are on the ground and who have experience. We appreciate all of the witnesses being here, but I'm curious as to whether you could give us an opinion on how Canadian companies function internationally compared to how companies from China perhaps, or even from America or the U.K. do, because sometimes the countries on the ground give you a choice—you go Canadian or you go Chinese. Would you be able to enlighten us as to what the on-the-ground differences might be and how we compare?

Mr. André Gauthier: Do you mind whether I answer in English or in French?

[Translation]

Mr. Colin Carrie: You can reply in French if you like, we have no problem with that.

Mr. André Gauthier: The Chinese are just about the worst in the mining industry, and we had the same problems when we worked in China. It's like that in Africa and Latin America, but in China too. I guess the reasons are cultural, and again there are big differences.

Ms. Vasquez-Olguin mentioned Rio Blanco. The Chinese are there. I don't know about the Canadian mining company that was sold to the Chinese in Colombia, but I know about projects in Colombia generally. I don't know about the circumstances of that sale, but I'm not at all surprised that the Chinese operate that way. That's their way of doing things. They don't integrate; they bring their own equipment and personnel, and that's a problem.

You've probably heard about the problems in Peru; I'm not talking about the most recent ones, but the ones that we've heard about in the last six months, which involved a company that was mining the Las Bambas deposit. It was a Chinese company, and the problems were due to the very reasons I just mentioned.

Unfortunately, Canadian companies are not very far away, and quite often they find themselves in a difficult situation, as the protests are aimed at the mining industry. This situation was not created by the Canadian mining industry, but it is being affected by it. It happened recently, in the last six months, in the Cuzco region, and a Chinese company was involved. Unfortunately, we were in the same countries at the wrong time. So the behaviour of the Chinese is terrible all over the world.

The British that register in Canada have their own mentality, which is very different from the Canadian attitude in the mining sector. I would say that in the mining sector, Australian companies behave like Canadian companies. American companies do not align all that much with the Canadian approach, and South African companies, to not mention them by name, even less so. Canadians and Australians work to about the same standards, but I would say the others certainly work very differently.

• (1645)

[English]

Mr. Colin Carrie: Thank you very much for that, because I think it's very important to differentiate between specific problems and systemic problems. As Dr. Dhalla was saying, we want to make sure Canadian companies are competitive internationally, but that we are doing that in a way that brings the standards up for everybody.

Here's another question: How would you define a Canadian company? You know, some of these companies register here. When you're looking at them and evaluating and regulating them on the ground, what would you consider if you were giving us some advice? How would you define a Canadian company?

Mr. André Gauthier: This is funny, because when you are in some other country, you always have the Canadian Chamber of Commerce. For example, there is one in Peru, one in Chile and one in Argentina. It's like every company would like to be Canadian. Of course we created our own success. If you look at the Toronto Stock Exchange today, it's the main exchange for the mining industry worldwide. In the beginning it was London. Today everybody wants to be in Toronto. Now, does it make them Canadian companies? That's another story.

The other problem we're facing—and I've said this before—is the junior industry. There are really two different industries—the junior exploration and the senior extraction are two different worlds. As I said, the juniors try to work according to the standards we have dis-

cussed; however, along the lines sometimes—and that's probably what happened if they were a junior in Colombia—then they have to sell all they have, and they don't really bother to the extent that they should.

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

Mr. McKay, go ahead, please, for five minutes.

Hon. John McKay: Thank you, Madam Chair.

I want to weigh in on the debate about transparency legislation versus due diligence legislation and what's on offer and what's not on offer.

Transparency legislation is what it seems to be, which is that every year a Canadian entity has to examine its supply chain and satisfy itself that there is no slavery in the supply chain. A CEO has to sign a statement to that effect, and if the statement they sign is false, there will be the same impact as there would be if an accountant signed a false statement, for instance. This applies to a certain level of entities all across the country. If you don't file, you're fined and you also expose yourself to various investigations by the Minister of Public Safety.

That's what Bill S-211 is. That's on offer. The third reading and debate are coming up on March 6.

What's being talked about is Bill C-262, which is due diligence legislation, which, as the witnesses have acknowledged, places a very significant obligation on companies. Bill C-262 is, with greatest respect to Mr. Julian, an aspirational bill, because it's not likely to be debated in this Parliament.

If the House is to do anything, the only thing really on offer is Bill S-211.

That being said, there are two countries that have due diligence legislation—Germany and France. Germany's threshold is 3,000 employees. Any company with fewer than 3,000 doesn't have to comply with the legislation. France's legislation stipulates 5,000 employees, or 10,000 worldwide. Those are the companies.

The transparency legislation catches a lot more companies, and it generates information. Maybe, in the fullness of time, you'll be able to move to due diligence legislation.

Due diligence legislation cuts off the vast majority of Canadian companies, because who has 3,000 or 5,000 or 10,000 employees, plus multiple billions of euros in revenues?

That's the essence of the debate. It's not as though I think a bill on due diligence wouldn't be useful for companies. It's just that we're not there yet.

What's on offer is that we go from being, frankly, Canadian laggards to world leaders. Only a couple of other countries have written transparency legislation. They have rewritten it to make it stronger, but it's still weaker than ours. Australia have just implemented theirs, and we jump Australia as well because, again, our legislation is stronger.

The debate here is that, as particularly the witness from the steelworkers and some of her colleagues believe, perfect is actually the enemy of good. I do not take that view and, colleagues, I don't think you should take that view.

Who knows what the life of this Parliament is going to be, but I'd really like it if, following the March 6 debate, it would come to a final vote and we could have something on the books.

May I say that Canadians talk a good talk. Walking the talk is sometimes a little more difficult. This will enable us to actually walk the talk, and it will bring us forward.

• (1650)

I have to say that this legislation has been broadly supported. It's not limited to the mining industry, although it will certainly affect the mining industry. Maybe I shouldn't say it, but the Mining Association of Canada and PDAC, the prospectors and developers, welcome the legislation because it distinguishes them from some of their somewhat unscrupulous competitors. It has considerable support.

In the 31 seconds I have left, I'm going to ask the witness whether she thinks that the good should be the enemy of the perfect, or if she supports the idea.

By the way, before you answer that question, I would support Bill C-263—which, again, is an aspirational bill—and I do think the CORE ombudsperson should have the powers that are in it.

Thus endeth the homily. I thank you very much.

The Chair: Thank you very much.

We go now to Mr. Seeback for five minutes.

Go ahead, please.

Mr. Kyle Seeback (Dufferin—Caledon, CPC): The information I have is that 68.9% of Canadian companies' mining assets are located abroad.

Mr. Virani talked about the race for critical minerals. Mr. Sheehan talked about the Ring of Fire. We've been talking about the Ring of Fire for 20 years in this country. To the best of my knowledge, there isn't a single shovel in the ground as we speak.

While in Canada, Canadian mining companies have to subscribe to the most rigorous environmental and human rights standards and indigenous consultations. Shouldn't part of this, then, be that we find a way to make Canadian mining companies actually mine here in Canada, to bring the jobs and the contribution to the GDP here and to make it faster to develop and produce here in this country? Wouldn't that be a great first step to helping not only Canada but the world abroad?

Mr. Gauthier, I wonder what your comments are. After that I'd like to hear from anyone else.

Mr. André Gauthier: You've touched on a point, because I'm a proud Canadian. When I started, in 1974, there was a boom in the mining industry.

However, there are things we cannot change. It's nature. Nature blessed us with a lot of deposits in Canada, but just to take an ex-

ample of how nature works for us, there was a big project, Nemasaka, on which the Quebec government and the mining industry spent \$1.1 billion. They had to sell for \$1. Why? It was because it didn't make the cut.

Take the Renard project. Then there is the Éléonore project, which is the proudest discovery that we have made in the last 20 years. The owner of the Éléonore mine took the writeoff from the mine, so they kind of acknowledged to the industry that they would never make money out of that mine.

Now, is it because the mining executives were stupid or were paying too much? I'm not here to discuss that. However, that's the reality of life.

That's why sometimes mining companies go elsewhere to find deposits that are of high quality. It has nothing to do with the local populations. They take everything into account. Even here, where we have plenty of help from the government, and we have flow-through shares, which are working well, and which keep our exploration industry going, that doesn't mean they go to development and to construction because that's where it counts. It's just difficult. It's just nature.

Very often, mining companies abroad are making the profits that allow them to mine here in Canada. However, maybe there are few deposits here. I would say, for example, there are definitely good deposits of nickel and copper, if you look at Raglan or in the Ring of Fire and more in the Sudbury area, but this is just nature.

• (1655)

Mr. Kyle Seeback: Ms. Gingrich, would you agree that we should try to create an environment here in Canada such that Canadian mining companies would rather be mining here than mining abroad?

Ms. Meg Gingrich: We are a mining union. We represent a lot of workers in mining, so we are supportive of development in Canada. We don't want it to happen as a result of a race to the bottom, or by degradation of environmental or human rights or labour regulations or standards. I want to make that clear.

Some of the things we're advocating for here will raise standards in other parts of the world in terms of human rights, environment, labour and so on. That's also a way of helping workers and development here in Canada, instead of saying, "Oh, we can make a bunch of profit abroad where there are lower standards," or whatever it may be.

It's also important to tie into our trade strategy and foreign investment protection agreements that it should not be easy to import cheap products through trade deals that end up undermining Canadian development and employment, when it's just not attractive to do that here because we have higher standards.

I guess, just to sum up, we don't want to see a reduction in standards here as a way of doing that.

The Chair: Thank you very much.

Mr. Arya, go ahead, please.

Mr. Chandra Arya (Nepean, Lib.): Thank you, Madam Chair.

Mr. Gauthier, it's a pleasure to have you here.

I'm quite surprised that some of the witnesses are lumping the entire Canadian mining sector in with the mining companies from other parts of the world, with the reported human rights violations that happen in countries in Africa, South America, Asia, etc. I'm not suggesting that every single Canadian mining company is lily white—we do have some black sheep—but many of us sitting comfortably in our homes in the cities may not appreciate the kinds of things you mentioned—the risks the Canadian mining companies face, the capital risks, the logistical risks, the political risks, the physical risks and the environmental risks.

You mentioned how some of the mining companies contribute to education. I was born in a relatively poor country—a developing country. I know how projects like this, when it comes to poor countries, can make a tremendous change in the local economy, not only for our jobs and to put food on the table but also for education and rural economic and health development.

From your experience—and I have worked in several countries—in general—and I'm talking about the slightly bigger companies, not the junior ones—when they go in, will they go in with certain social responsibility too? Have you seen evidence of that?

• (1700)

Mr. André Gauthier: I respect what you said about the reporting now, and I definitely believe that the mining companies are going in with very important roles for social acceptability and responsibilities. However, the problem the industry is facing is with the local authorities. We're not a government and we cannot act as a government, so we need to work with governments, but very often the government is not so co-operative. We cannot change that. That's their decision. We are there. We are trying. We offer, but on the other hand, that's part of the discussion we have when we're developing a project. Along with the community and the government, we need to find the balance, but sometimes that's just impossible.

For example, there was the Rio Blanco mine junta, and—you're right—that's a problem. The project has been sitting there—and in terms of economics you can look at the numbers—for 20 years now, and just because of social responsibility and acceptability the company made a mistake from the start. It's still there today, and the problem is not resolved.

This, unfortunately, is a fact of life.

Mr. Chandra Arya: Mr. Seeback told ELTO that we need more mining in Canada, especially with the critical minerals, etc.

The federal government and the province recently signed an agreement to form the Ontario table to, for example, align the resources and the timelines to shorten the regulatory process, which today may take 10 to 15 years from discovery to actual production.

Can you tell us one or two key things that the federal or provincial governments should do to reduce the timeline from 10 or 15 years to something more reasonable?

Mr. André Gauthier: I'll tell you and then you'll take those comments out, because I'm a bit embarrassed. No, I say that as a joke.

When we do our feasibility studies, one of the most important values...well, the price of metals is, obviously, and the price of construction infrastructure is, but the biggest influence is the value of the Canadian dollar. If you look at the gold mines today or the nickel mines or the copper mines, that's the biggest factor in a feasibility study. This is while we are blessed with the Canadian dollar being what it is today. Imagine if the Canadian dollar were 10 or 15 cents more. Then you would see a lot of mining companies struggling, even today, so it would be almost impossible to develop them.

Mr. Chandra Arya: We know a lot of Canadian mining companies have a lot of operations abroad. I think more than 700 Canadian mining companies have been operating. Obviously, out of that huge number, there are a few that are violating human rights and going for the things that we, as Canadians, don't like, but the vast majority of Canadian mining companies are doing good, and I think it is wrong to paint the entire mining sector with the same brush.

The Chair: Thank you, Mr. Arya. Your time is up.

We go now to Mr. Savard-Tremblay for two-and-a-half minutes, please.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: Mr. Gauthier, I would like to come back to the distinction you were making between mining companies that apply Canadian standards and those that may be Canadian on paper, but have “artisanal” methods.

A study commissioned by the Prospectors and Developers Association of Canada, or PDAC, said that Canadian companies are reputed to be involved in 34% of mining companies worldwide.

Are they all artisanal mining companies?

Mr. André Gauthier: No, certainly not. The PDAC, for example, surely assesses many more exploration companies than operating companies.

Do you remember determined mining expenditures, as they were called, in the good old days? People would do prospecting, but at the same time finance it by mining a tunnel. These are called artisanal companies. They produce, but they don't produce. They pay for their exploration by producing. Some Canadian companies do it when the deposit is rich and allows it.

These companies certainly don't meet the standards as we know them.

• (1705)

Mr. Simon-Pierre Savard-Tremblay: I found the name of the company in Colombia I was looking for: it's Continental Gold, which was sold for \$1.4 billion to a Chinese company.

Would you say Continental Gold or Barrick, which has been accused of murder and torture in Tanzania, abusive or “artisanal” companies?

Mr. André Gauthier: Unfortunately, I cannot comment, and I will not defend Barrick here. I have visited several Barrick sites around the world, including the one in Tanzania, and I can't say that people have committed illegal acts there, such as murder or the like. However, I doubt that the mining operation itself supervised or condoned such things. I would bet on it.

On the other hand, that is not to say that certain things did not happen. I don't know enough about it to say. I have been to mining operations where the situation was difficult. In the case of Barrick, there was a lot of artisanal activity going on above their mine. It's true that it was on their land, but I don't think it was Barrick's activities.

[English]

The Chair: Thank you very much.

Mr. Cannings, you have two and a half minutes, please.

Mr. Richard Cannings: Thank you.

I'd like to thank Mr. McKay for his homily and—

Hon. John McKay: Bless you, my child.

Mr. Richard Cannings: —for the all the work he's done over the years on this file. I really appreciate that, but I would say that Bill C-262 and Bill C-263 are on offer. They're on offer to the government, because this is what the corporate responsibility sector is saying is what is necessary.

I'd just like to offer the rest of my time to Ms. Gingrich to respond to your comments about the difference between those bills and why Bill C-262 and Bill C-263 will and should produce better results.

Ms. Meg Gingrich: Sure. Thank you very much.

I think Mr. McKay explained it fairly well in terms of what some of the differences are. It sort of comes down to a difference in the expectation of what's possible right now. I agree that Bill C-262 and Bill C-263 are still possible to pass if we can get the political support for them. I don't think it's a question of them going too far or anything like that. Transparency and a requirement to report are important. Again, I think Mr. McKay has very good intentions, and everything like that, but I think it comes down to what we think is possible. I have high expectations that as a country and as a society we can pass bills like this, which put real responsibility on Canadian companies to ensure adherence to human rights, labour rights and environmental rights across their supply chains, including the subcontractors and so on.

In terms of the CORE, as I've said, that is something we have supported the creation of, but I think that as it stands right now, it is simply not strong enough to be able to do much. We're trying our best to use it in the government sector to see what will happen, and we're happy to try to use what exists, but we always want to try to make things just a bit better for everyone.

Hon. John McKay: I just have a point of order, Madam Chair. I wonder if Mr. Cannings could offer to the committee where C-262

and C-263 are on the Order Paper. That would be helpful to members.

Mr. Richard Cannings: I was just about to jump in and say that I don't know where C-262 is. On C-263, I know Heather is way out there. It's—

Hon. John McKay: I think Mr. Julian is also way out there.

Mr. Richard Cannings: I'm just saying that in those situations, these are on offer to the government because of the lottery system. Private members' bills are put out there to say that these are good ideas.

Hon. John McKay: Thank you, Madam Chair.

The Chair: Thank you very much.

We are pretty much at the end. Are there any questions on this side? Mr. Seeback, are you folks okay?

We're okay. No clarifications are needed.

All right, I'm going to thank the witnesses, and then we need to do a few minutes of business in preparation for upcoming meetings. I suggest we don't need to go in camera, if that's okay with everybody. It will be a brief meeting.

Thank you very much to the witnesses. This was very valuable information today.

I'm going to suspend for a second while the witnesses leave.

- _____ (Pause) _____
- _____

The Chair: Concerning the business that we have before us, on Monday we have a continuation of this mining study that's coming on the 13th.

On the 16th it was the BDC and the minister, but the minister is travelling, and BDC is not available either, so I'm suggesting, in discussions with the official opposition, that on the PMB that was referred to us yesterday, we start that on the 16th. I understand that it is of real interest to a lot of people, so to try to be efficient with our time, we'll start on the 16th with Bill C-282.

Mr. Kyle Seeback: I would just suggest that we have a minimum of three meetings. We might need more, but three might do it. I would think that on Thursday we could have the sponsor of the bill and perhaps government officials, and then we could bring stakeholder witnesses after the break.

Mr. Arif Virani: Madam Chair, should we set a time limit for when we should be submitting the witnesses?

The chair is nodding her head. The clerk is nodding.

The Chair: Madam Clerk.

The Clerk of the Committee (Ms. Dancella Boyi): As per what Mr. Seeback just suggested, if the members are looking to resume the meetings on Bill C-282 around March 5 or March 8, it would be best, if possible, to submit lists by February 24.

Mr. Arif Virani: What's next?

I see it's going to be Family Day that week.

The Clerk: That's correct.

Mr. Kyle Seeback: Is more notice better?

Can't we do it by next Friday, the 17th? That gives us eight days.

The Chair: It's a question of whether witnesses are available.

Mr. Kyle Seeback: We can give the list. Let's say we give the list by the 17th.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: Madam Chair, everything is going very fast and there is no interpretation.

The conversations are in English. There is no interpretation, because these are closed-mike exchanges. Would it be possible to know in an organized way what we are talking about?

[English]

The Chair: I'm sorry, Mr. Tremblay. I'm not getting any interpretation. I don't want to miss the valuable words you are sharing.

What's happening?

[Translation]

Mr. Arif Virani: Mr. Savard-Tremblay, we were thinking of starting the study next Thursday and first receiving officials from the department, and the sponsor of this bill. After that, we may hear other witnesses when we return in March.

We were also wondering what the deadline would be for submitting a list of witnesses. I suggested February 24, and Mr Seeback suggested February 17.

• (1715)

Mr. Simon-Pierre Savard-Tremblay: We are talking about Bill C-282, which deals with supply management, correct?

Mr. Arif Virani: Yes, that's right.

[English]

The Chair: Is everybody okay with this? We can do it in the middle and do the 21st—

Mr. Kyle Seeback: Wow. *Excellent.*

The Chair: I'll get witnesses in by the 21st.

Is there anything else?

Do we want to do the 16th and then try to do the ArriveCAN?

[Translation]

Mr. Simon-Pierre Savard-Tremblay: I would like a clarification, Madam Chair.

Before we determine how many meetings the committee will need, I'd like to know how many we had on the identical bill we considered in 2021.

Can we check that?

[English]

The Chair: Right now we're talking about a minimum of three meetings. The clerk will have to look that up and report back on that issue on Monday, if possible. It was three meetings then as well.

Mr. Kyle Seeback: Madam Chair, I would suggest this. Next Thursday, when we have the sponsor and government officials coming, that's not a lot of people for a full two hours. Why don't we give them an hour and 45 minutes and then take 15 minutes to finish the ArriveCAN app study? Aren't we this close?

The Chair: It won't be ready until the sixth.

Right now we were scheduled to do it on the sixth and complete any more finalizations on the ninth. Could we not split up the meeting of the sixth and do one hour on ArriveCAN and hopefully finish it? There isn't much left that we have to do, as I recall. We could then do the other hour on this private member's bill.

Mr. Kyle Seeback: I don't think we need an hour for the ArriveCAN on the sixth. We are literally millimetres away from being done, and I'd hate to have only a partial panel for this bill. Can we not do at least an hour and a half with witnesses, maybe an hour and 45 minutes, and leave 15 minutes for ArriveCAN?

The Chair: Let's do an hour and a half of the PMB. We'll have half an hour left in case we run into trouble on the ArriveCAN, so that we can get it completed and out of here.

Mr. Kyle Seeback: I promise to make sure Mr. Baldinelli is...

The Chair: He'd better be on a plane somewhere, because I don't think—

[Translation]

Mr. Simon-Pierre Savard-Tremblay: When would the meeting with Ms. Hudon and Minister Ng be held?

[English]

The Chair: That will happen as soon as we can get them scheduled in. The minister knows we're waiting for her to be able to come. Once we have an indication from the minister's office that she is here, in the country, and available, we will shuffle things around in order to ensure that this happens.

Is that all right? Is everybody good? Okay.

It's Thursday night. Have a great weekend, everybody, for those of you who don't have to be here tomorrow.

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