

Canadian Network on Corporate Accountability

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Asia Pacific Working Group

Americas Policy Group

Canadian Council for
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Canadian Labour Congress

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GlobalAware Canada

Halifax Initiative Coalition

International Criminal Defence
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Inter Pares

KAIROS - Canadian Ecumenical
Justice Initiatives

MiningWatch Canada

North South Institute

Steelworkers Humanity Fund

United Church of Canada

News Release

Government Squanders Opportunity to Hold Extractive Companies to Account

(Ottawa- March 26, 2009) Today's government announcement on Corporate Social Responsibility (CSR) has squandered the important consensus reached by industry and civil society organizations on how to ensure that the overseas operations of Canadian extractive companies adhere to international environmental and human rights standards. Almost two years ago, the multi-stakeholder Advisory Group to the National Roundtables on CSR in the Extractive Sector submitted its consensus report to the Canadian government. Today's long-awaited response ignores the report's central recommendations.

"Industry and civil society leaders called for the adoption of clear standards that would apply to all Canadian extractive companies operating in developing countries," says Alex Neve, Secretary General of Amnesty International Canada. "But sadly, the government has opted for voluntary guidelines that fall far short of international human rights norms. It is hard to see how this represents any significant progress."

The Advisory Group's report called for the establishment of an accountability mechanism that could lead to sanctions for companies that don't comply with the recommended standards. "The government is clearly not serious about ensuring that companies comply with high CSR standards," says Mary Corkery, Executive Director of KAIROS-Canadian Ecumenical Justice Initiatives. "Today's announcement leaves mining affected communities with no recourse, as irresponsible corporate behaviour can continue with impunity."

The consensus recommendations also called for the creation of an Ombudsman who could investigate complaints and report publicly on the results. "Today's response undermines the principle of independent fact-finding, leaving investigations possible only at the behest of companies" says Karyn Keenan of the Halifax Initiative.

The consensus report recommended linking the provision of government financial and political support for Canadian extractive companies to compliance with environmental and human rights standards. The government's failure to adopt this recommendation means that public funds will continue to support companies that don't comply with public values such as respect for human rights and protection of the environment.

The government strategy announced today fails to address the serious human rights and environmental abuses associated with Canadian

extractive companies operating abroad. Canadian companies remain the subject of complaint in numerous international fora. Most recently, the Norwegian government divested from Barrick Gold due to the company's contribution to "serious environmental damage."

- 30 -

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