

Bill C-300
An Act Respecting Corporate Accountability for the Activities of
Mining, Oil or Gas in Developing Countries

Background

In June 2005, the Parliamentary Standing Committee on Foreign Affairs and International Trade tabled a landmark report on Mining in Developing Countries and Corporate Social Responsibility.¹ The report came about because of the high number of complaints from around the world that Canadian oil, gas and mining companies were committing human rights violations. The report identified the need for legislation that holds Canadian transnational companies accountable for their actions overseas.

In response to the report, the government held a series of Roundtables on Corporate Social Responsibility and the Canadian Extractive Sector in Developing Countries in 2006. In March 2009 the Canadian Government responded to the recommendations made by the Roundtables Advisory Group which was made up of business and civil society leaders.² The Government's response is inadequate as it contains no effective complaints mechanism and no possibility of sanctions.³

Bill C-300

Bill C-300 is a Private Members Bill by Liberal MP John McKay introduced February 9, 2009. The Bill narrowly passed a vote in the House of Commons in April 2009. The Standing Committee on Foreign Affairs and International Development will debate the Bill and vote on it this autumn.

Bill C-300 takes a number of key recommendations from the Final Report of the Roundtables and codifies them into regulation. As a result, Bill C-300 remedies the flaws contained in the Canadian government's response.

Bill C-300 regulates Canadian government agencies (including the Department of Foreign Affairs and International Trade, Export Development Canada (EDC), and the Canadian Pension Plan (CPP)) with respect to their political and financial support to Canadian oil, mining and gas companies operating in developing countries. To receive continued support from these government agencies, companies would need to comply with certain international human rights and environmental guidelines, including (i) the Voluntary Principles on Security and Human Rights, (ii) human rights provisions that ensure corporations operate in a manner that is consistent with international human rights standards, and (iii) any other standard consistent with international human rights standards.

Bill C-300 creates a complaints mechanism. Complaints are filed with the Ministers of Foreign Affairs and International Trade. If accepted, the complaint will lead to an investigation of a company's compliance with the guidelines and a public report on findings within eight months of receipt of the complaint. A company may become ineligible for government support (such as investment through EDC and the CPP Investment Board) for as long as it is out of compliance with the guidelines.

¹ Standing Committee on Foreign Affairs and International Trade. 38th Parliament, 1st session, 14th report.
http://www.amnesty.ca/themes/resources/business/SCFAIT_report.pdf

² Final Report - National Roundtables on Corporate Social Responsibility (CSR) and the Canadian Extractive Industry in Developing Countries http://www.amnesty.ca/themes/resources/business/Advisory_Group_Report_03202007.pdf

³ For the government's new CSR Strategy see the Foreign Affairs Department web site : *Building the Canadian Advantage: A Corporate Social Responsibility (CSR) Strategy for the Canadian International Extractive Sector.* www.csr.gc.ca