

## **“Mining our business”: Human Rights, Sustainability, and Canadian Extractive Corporations in the Global South**

**By Sarah Blackie**

On January 18, 2006, York’s Centre for Research on Latin America and the Caribbean (CERLAC), University Consortium on the Global South (UCGS), Institute for Research in Sustainability (IRIS), and Amnesty International Canada hosted a panel discussion aimed at fostering dialogue about the ethical issues raised by the ongoing involvement of Canadian mining enterprises in the Global South. The talk also sought to answer the question of what can be done to ensure that extractive activities are conducted in a manner that benefits local communities, respect human rights and contribute to sustainable development.

The discussion, entitled “Mining Our Business: Human Rights, Sustainability, and Canadian Extractive Corporations in the Global South” at York brought together speakers representing several perspectives on the Canadian mining industry, including activists, academics and business.

The panel included Sarah Seck, a PhD candidate at York’s Osgoode Hall Law School, Grahame Russell, of the NGO Rights Action, James Cooney, an executive with extraction company Placer Dome, and York Assistant Professor David Szablowski of York’s Law and Society Program. CERLAC Fellow Liisa North, Professor Emeritus of York’s Political Science Department, moderated the panel. Seck began the discussion by informing the audience of the

dominant position held worldwide by the Canadian mining industry.

She noted that although the Canadian government supports the mining industry a number of direct and indirect ways, it does not regulate international operations beyond environmental assessments, limiting opportunities for justice in communities where mining operations are located. Seck explained how traditionally, the key challenge in policing the activities of mining companies lies in the concept of bounded sovereignty, as the notion of controlling MNCs in their host states is framed as beyond the reach of the home state, a position held by the Canadian government.

Concluding her discussion, Seck proposed several possible ways of better regulating the mining industry, including host-state capacity building, codes of conduct, industry association guidelines and changes to financing mechanisms that would include social and environmental guidelines.

Seck’s presentation was followed by Grahame Russell, who began with an overview of his opinions on the links between mining and social justice. He argued that the mining industry should not be thought of in terms of national responsibility, but that one should consider the way that this industry fits into to an overall unjust global economic order that negatively affects communities worldwide. Russell drew the audience’s attention to the need to

understand mining activities today in terms of historical processes that laid the foundation for contemporary injustice between the global North and South.

Russell also discussed the profit-driven business vision of global development, and how it not only fails to contribute to the satisfaction of human needs, but also often leads to violations of health, environmental and civil rights. In particular, he noted some of the injustices done by both Canadian and American mining enterprises, such as the use of precious water resources for extractive purposes in areas traditionally plagued by drought.

Following a brief discussion of the cases of Glamis Gold and Inco, Russell finished his presentation by noting that there is a severe lack of political and legal accountability for mining companies. He attributed this to widespread ignorance of their activities on the part of the general public, which allows their abuses to continue. More positively, he pointed out that that education of the general public about these issues may generate enough political pressure to force the creation of hard laws and increased corporate accountability.

Providing a mining industry perspective was Jim Cooney of the Canadian mining company Placer Dome, who began by stating that panels such as “Mining Our Business” are an excellent way to

address the lack of knowledge surrounding these issues.

Cooney went on to comment that although the mining industry is probably the world leader in voluntary regulatory initiatives, such initiatives are not enough given that not everyone adopts them and that there are no sanctions when agreements are breached.

Cooney argued that although a new form of international regulation is emerging through institutions such as the World Bank, any regulatory framework must ensure that absolute minimum standards are set in social and environmental management, working conditions, land acquisition, cultural heritage and other important areas. These conditions, he emphasized, must be developed with an understanding of the real situation on the ground, and is definitely an issue that Canada should not tackle alone.

Some of the suggestions Cooney provided included the appointment of an independent ombudsperson that can oversee monitoring of company activities with the capacity to issue sanctions, an increasing uniformity of regulations across jurisdictions, and the use of financial instruments such as stock exchanges to pressure companies into compliance.

David Szablowski delivered the final presentation. He discussed governance regimes related to mining activities, and the extent to which regulatory regimes arise from active consultation with affected communities.

Szablowski raised the thorny issue of defining “community” and how this relates to problematic questions of both who should be involved in consultations and how they should act, given the number of different interests involved. Szablowski

noted that there are a number of actors that all have a different stake in mining activities, and thus there are wide-ranging opinions and approaches to regulation and activism. Some of the actors concerned he mentioned are host states, NGOs and advocacy organizations, the mining industry itself, and the financial sector. He pointed out that although they have yet to come together on many issues, some progress is being made.

At the conclusion of the individual presentations, panelists made brief final remarks on the issues raised before commencing a question and answer period. Questions raised by the audience probed extensively into the many concerns raised initially by the panelists, and the responses by the presenters often sparked energetic debate.

Some of the issues raised included the validity of compliance mechanisms such as the Kimberley Process concerning blood diamonds and its applicability to other issues facing the mining industry; violence against activists that continues to be perpetrated in many places where companies are engaging in mining operations; the sustainability of mining as a development model and the tensions created between those communities that accrue benefits from resource extraction and those that do not; and the debate over whether gradual implementation of regulations is actually an endorsement of what is already happening.

During the discussion, the audience drew attention to cases such as Glamis Gold’s operations in Guatemala, and the seeming ignorance toward human rights abuses, and abdication of responsibility by the Canadian government in that case.

The topic of using local/corporate joint partnerships to ensure better social and environmental safeguards was also raised, including the potential for local populations to retain the rights to mineral deposits, and thus greater control over operations, such as is happening in New Caledonia. In addition, the example of Chinese companies currently buying up properties in Latin America was also highlighted in order to draw attention to the possibility of creating a difficult situation in which local people come to accept the status quo of Canadian enterprises, simply because any new player on the scene could potentially make any situation worse.

The discussion period introduced many interesting cases from all over the world that further reinforced the dominant position and global reach of the Canadian mining industry and the need to open dialogue on how to confront the problems evident in many situations before the panelists concluded the discussion with their final remarks. Overall the debate between members of such a diverse panel served as an excellent opportunity to explore many of the challenging legal and ethical dilemmas facing those who wish to see changes made to a dominant Canadian industry operating in the Global South.



#### **The CERLAC Bulletin**

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#### **Contact CERLAC**

Email: [cerlac@yorku.ca](mailto:cerlac@yorku.ca)

Webpage:

<http://www.yorku.ca/cerlac/>