

FACT SHEET

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

MiningWatch Canada, July 2009

Background

Bill C-300¹ is a private members bill introduced by Liberal MP John McKay on February 9, 2009. Bill C-300 codifies into regulation a number of key recommendations on accountability for Canadian extractive companies operating in developing countries from the March 2007 Final Report of the Corporate Social Responsibility (CSR) Roundtables.² In March 2009 the Canadian Government finally responded to the recommendations of the multi-stakeholder Advisory Group in the Final Report of the CSR Roundtables. The Government's response is highly inadequate as it contains no effective complaints mechanism and no possibility of sanctions for companies not complying with voluntary guidelines.³ Bill C-300 remedies these flaws. On April 22, 2009 Bill C-300 narrowly passed a vote in the House⁴ and is now being debated in the Standing Committee on Foreign Affairs and International Development.

Bill C-300

- regulates Canadian government agencies with respect to Canadian extractive companies operating in developing countries (the Export Development Canada, the Department of Foreign Affairs and International Trade, and the Canadian Pension Plan).
- creates eligibility criteria (“guidelines that articulate corporate accountability standards”) for political and financial support that is provided to Canadian extractive companies by the Export Development Canada, the Department of Foreign Affairs and International Trade, and the Canadian Pension Plan.
- “guidelines that articulate corporate accountability standards” must include the International Finance Corporation Performance Standards, related guidance notes, and Environmental Health and Safety General Guidelines; the Voluntary Principles on Security and Human Rights; “human rights provisions that ensure corporations operate in a manner that is consistent with international human rights standards; and any other standard consistent with international human rights standards.”
- 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 for as long as it is out of compliance with the guidelines.

¹ Bill C-300 <http://www2.parl.gc.ca/HousePublications/Publication.aspx?Docid=3658424&file=4>

² Final Report - National Roundtables on Corporate Social Responsibility (CSR) and the Canadian Extractive Industry in Developing Countries <http://www.halifaxinitiative.org/updir/AdvisoryGroupReport-March2007.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

⁴ For the voting record on C-300 yesterday, visit:

<http://www2.parl.gc.ca/HouseChamberBusiness/ChamberVoteDetail.aspx?Language=E&Mode=1&Parl=40&Ses=2&FltrParl=40&FltrSes=2&Vote=50>