**We need to better regulate Canadian companies abroad**

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The United Nations called Canada to account Thursday for its failure to monitor the human-rights conduct of Canadian oil, gas and mining companies operating overseas, and for its refusal to enable access to justice for foreign victims of corporate-related abuses. Canada is host to 75 per cent of the world's largest exploration and mining companies, as well as more than 100 medium– to large-sized oil and gas companies, many of which operate in developing countries. Major and minor players in Canada's extractive industry have been the subject of serious allegations of complicity in grave human rights abuses.

The UN Human Rights Committee, which oversees country compliance with the International Covenant on Civil and Political Rights, asked Canada what it is doing to regulate its corporate citizens, and to provide victims of corporate-related human rights violations with access to legal remedy. The government's answer? That Canada is unable to govern the conduct of Canadian companies abroad.

That is simply untrue, and the committee didn't buy it.

Where Canadian corporate citizens act abroad through wholly owned subsidiaries, foreign partners or contractors, it's often the Canadian parent corporation, headquartered in Canada, making the decisions in Canada that are then executed abroad. Nothing prevents the government from regulating made-in-Canada management and operational decisions about actions to be taken (or not taken) in a foreign country.

Moreover, Canada has jurisdiction to regulate Canadian citizens abroad – including corporate citizens – on the basis of nationality. For example, Canadian citizens who sexually exploit children anywhere in the world can be prosecuted in Canada under the Criminal Code. Canada does reach beyond its borders to assist Canadian companies. It has diverted a major part of its publicly financed foreign-aid budget toward subsidizing companies' public relations campaigns by funding development projects in and around Canadian companies' foreign mines. The UN committee wants the government to take steps to "ensure that all Canadian corporations, in particular mining corporations under its jurisdiction, respect human rights standards when operating abroad."

After careful consideration of Canada's current policy on corporate social responsibility in the extractive sector, and in particular the mechanisms for facilitating dialogue and resolving disputes between companies and local communities, the UN committee stated that it "regrets the absence of an effective independent mechanism with powers to investigate complaints alleging abuses by such corporations that adversely affect the enjoyment of the human rights of victims." And it urged Canada to "develop a legal framework that affords legal remedies to people who have been victims of activities of such corporations operating abroad," rather than continuing to rely on "soft" measures that are voluntary and non-binding.

The government needs to take bolder steps to protect the human rights of individuals and communities affected by resource extraction by Canadian companies. Those who think the UN has no business criticizing a country such as Canada when far more egregious human-rights abuses are committed in other countries should take note that Canadian extractive industries are operating in those other countries. It is Canada's business when Canadian businesses become implicated in violations occurring there.

Companies insisting that voluntary self-regulation is adequate and that their conduct already meets or exceeds global standards have little to fear from regulation. They should welcome measures that compel their less scrupulous colleagues to cease engaging in the kind of conduct that gives Canadian extractives – and Canada – a bad name.