

Review of the office of the Canadian Ombudsperson for Responsible Enterprise (CORE) - CNCA Submission, October 2024

Introduction

The Canadian Network on Corporate Accountability (CNCA) has spent over a decade advocating for an Ombudsperson with real powers to investigate the abuses and harms caused by Canadian companies operating abroad. When the federal government finally announced the creation of the Ombudsperson in 2018, <u>it pledged</u> that the office would have the necessary powers to compel witness testimony and document production from corporations implicated in such harms. This announcement was welcomed by civil society, <u>including the CNCA</u>.

However, the government instead created a toothless Canadian Ombudsperson for Responsible Enterprise (CORE), without these crucial investigative powers. Shortly after this was announced in 2019, 14 human-rights organizations and labour representatives, including the CNCA, resigned from the CORE's advisory board on the same day, having lost confidence in the government's commitment to corporate accountability. The government's own expert advisor wrote in 2019 that "without a way to compel the cooperation of entities against which a complaint is made or others who may hold relevant information, the CORE's effectiveness may be compromised."

Why an effective CORE is needed

Around the world, multinational corporations <u>systematically</u> put their own profits ahead of people and the environment but are rarely held accountable for their harms because of gaps in the law. Existing mechanisms for addressing corporate harms, such as the <u>OECD national contact point</u>, have proven to be woefully ineffective. Canadian companies either operating abroad or importing goods into Canada are associated with widespread and egregious human rights abuses, including <u>forced labour</u>, serious <u>environmental damage</u> and <u>killings</u>. This behaviour isn't acceptable to Canadians, whether it's happening at home or overseas. People harmed by Canadian companies deserve an Ombudsperson who can fully investigate their complaints, provide meaningful remedies and prevent further human rights abuses.

Fundamental shortcomings

Today, the CORE is unable to take meaningful action if wrongdoings are identified. As a result, impacted communities risk wasting their limited time if they file a complaint. Worse, vulnerable people and workers could face increased risk of harm. Because the CORE doesn't have the basic resources and powers to be effective, the CNCA advises impacted communities to approach it with caution.

If the government is serious about respecting human rights around the world, it must fix these fundamental shortcomings which prevent the CORE from doing its job effectively:

- A toothless tiger. The CORE doesn't have the investigative powers it needs to compel
 corporations and their representatives to testify or produce documents under oath. The
 fact that the CORE has to rely on voluntary cooperation, instead of having the power to
 compel testimony, critically undermines its ability to function.
- 2. Narrow mandate. The CORE still only has a mandate to cover a narrow range of sectors, despite the government creating an expectation that more would follow a year after the CORE opened its office. It has now been four years since that time. Restricting the CORE's mandate to mining, oil & gas and garment sectors alone is simply not credible human rights violations are not acceptable, regardless of the industry.
- 3. Slow and bureaucratic. Unfortunately, the office has not received the level of resources to do communities justice. According to a report in the Globe and Mail "two of the groups whose complaints sparked the office's first active cases said the CORE is "slow, ineffective and has created a process bogged down in bureaucracy"."

What the CORE needs to work effectively

The CNCA has previously drafted <u>model legislation</u> that would create an effective and independent Ombudsperson with the power to compel the witnesses it needs to investigate and the power to fine companies who obstruct or mislead them. People harmed by Canadian corporations around the world deserve an Ombudsperson who can provide meaningful remedies and prevent further human rights abuses. This requires:

- 1. Real powers to investigate. Having the power to investigate is critical for any ombudsperson worth its salt. <u>All provincial ombudspersons</u> in Canada, for example, have the power to <u>compel witness</u> testimony and the production of documents under oath. Previous Ombudsperson Sheri Meyerhoffer <u>herself called</u> for the CORE to have these powers earlier this year. This is the minimum the CORE needs to be effective.
- 2. Independence and transparency. In order to handle complaints thoroughly and in a timely manner, the CORE requires both the resources and independence to conduct its investigations. The CNCA's model legislation also provides for public reporting and other measures to increase transparency in how complaints are handled. Impacted communities, workers and Indigenous Peoples being harmed around the world don't have the luxury of waiting.
- 3. Comprehensive mandate. It doesn't matter what industry a company is involved in they have no business committing human rights abuses. It's not fair to hold some companies accountable and not others. Canadians expect all corporations to avoid being involved in human rights abuses and environmental destruction. The government should follow through on its earlier promise to expand the CORE's mandate "to other business sectors".