

Written Submission for the Pre-Budget Consultations in Advance of the Upcoming Federal Budget

By: Canadian Network on Corporate Accountability (CNCA)

CNCA member organizations:

Above Ground	Friends of the Earth Canada
Africa-Canada Forum	Grandmothers Advocacy Network
Americas Policy Group	Human Rights Watch
Amnesty International Canada	Inter Pares
Amnistie internationale Canada francophone	KAIROS: Canadian Ecumenical Justice Initiatives
Asia-Pacific Working Group	Maritimes-Guatemala Breaking the Silence Network
Association québécoise des organismes de coopération internationale	Maquila Solidarity Network
British Columbia Teachers' Federation	Mennonite Central Committee Canada
Canada Tibet Committee	Mining Injustice Solidarity Network
Canadian Jesuits International	Mining Justice Action Committee
Canadian Union of Public Employees	MiningWatch Canada
Canadian Journalists for Free Expression	Nobel Women's Initiative
Canadian Labour Congress	Oxfam Canada
Centre international de solidarité ouvrière	Peace Brigades International - Canada
CoDevelopment Canada	Public Service Alliance of Canada
Committee for Human Rights in Latin America	SeaChoice
Cooperation Canada	Steelworkers Humanity Fund
Coordination du Québec de la Marche mondiale des femmes	SeaChoice
Development and Peace – Caritas Canada	Solidarité Laurentides-Amérique Centrale
Éduconnexion	Unifor
	The United Church of Canada

Recommendations

- Recommendation 1: That the Government of Canada fund the Canadian Ombudsperson for Responsible Enterprise (CORE) at levels sufficient to ensure optimal functioning of the office, and reform the CORE so that the office is entirely independent of government and empowered to legally compel documents and testimony.
- Recommendation 2: That the Government of Canada table legislation requiring that Canadian companies take meaningful steps to prevent human rights abuse and environmental damage in their global operations and supply chains, and ensuring affected communities have access to remedy in Canadian courts.

Submission

The Canadian Network on Corporate Accountability (CNCA) welcomes the opportunity to submit budget recommendations for consideration by the Standing Committee on Finance. **We also request to appear before the committee to present our recommendations in more detail.**

Our recommendations relate to the government's commitment to uphold Canadian values, which are reflected in part in Canada's domestic and international human rights commitments. The Prime Minister has repeatedly emphasized the importance of Canadian values, and recently instructed his ministers to "remain true" to them when carrying out the government's priorities.

Recommendation 1: That the Government of Canada fund the Canadian Ombudsperson for Responsible Enterprise (CORE) at levels sufficient to ensure optimal functioning of the office, and reform the CORE so that the office is entirely independent of government and empowered to legally compel documents and testimony.

CNCA members are deeply concerned that the government may renege on its commitment to strengthen the CORE and opt instead to close the office.

For over a decade, CNCA members advocated for the creation of an independent office to investigate complaints of human rights abuse linked to the overseas activities of Canadian companies. This advocacy emerged from the loss of public trust in Canada's National Contact Point and the ineffectiveness of the Office of the Extractive Sector Corporate Social Responsibility Counsellor.

In 2018, CNCA members stood with then trade minister François-Philippe Champagne when he announced the creation of the CORE and he vowed to equip the office with the "tools and resources" required for companies to comply with the complaint process. He heralded the CORE as the first office of its kind in any country, one that "set a new global benchmark to ensure responsible business conduct globally."

Minister Champagne's promised "tools and resources" were never delivered, even after then Ombudsperson Sheri Meyerhoffer publicly stated that the office "should be granted the ability to compel documents and testimony from the companies it investigates." Her comments follow the CORE's release of a 2023 expert report recommending that the office be made independent of the executive government.

The office has been without a permanent ombudsperson since May 2024, and the post has been left entirely vacant since May 2025, when the term of interim Ombudsperson Masud Husain ended. To our knowledge, complainants were not notified in advance, adding to a disturbing lack of transparency surrounding the office. In this context, existing complainants are

unexpectedly abandoned without an ombudsperson to oversee their file, and pending complainants are left wondering whether new complaints will be processed at all.

The CNCA recommends that the Government of Canada fund the CORE at levels sufficient to ensure that complaints are handled thoroughly and in a timely-manner, and reform the CORE so that the office is independent of government and empowered to legally compel documents and testimony. According to the most recent publicly available information, this would require an annual budget of at least \$5 million (and not the \$3.3 million per year announced in the 2021 federal budget).

This expense is justified by the high demand for an effective CORE, as demonstrated by the significant and growing number of complaints that the office has received over time. This demand is set to increase, as Canada pursues new aggressive economic strategies in sectors with high human rights risk, such as the critical minerals and fossil fuels sectors.

Canadians have already invested considerable resources into the creation and maintenance of this necessary mechanism. Last year, then trade minister Mary Ng acknowledged the “important role that the CORE plays as part of Canada’s broader responsible business conduct policy framework” and the “public interest in the activities of the office.”

Through its mandate, the CORE has significant potential to help align Canada’s international business activities with our human rights commitments. In a globalized economy, where Canadian business can have far-reaching impacts, the CORE plays an important role in ensuring that the pursuit of “Canadian values” — including respect for human rights, transparency, and rule of law — extends worldwide.

Recommendation 2: That the Government of Canada table legislation requiring that Canadian companies take meaningful steps to prevent human rights abuse and environmental damage in their global operations and supply chains, and ensuring affected communities have access to remedy in Canadian courts.

Many Canadian multinationals are active in economic sectors and geographic regions that carry significant human rights risks, and Canadian business ties to human rights abuse are well documented. For years, experts have called on the Canadian government to adopt binding corporate accountability measures. Their calls have been echoed by over 100 Canadian academics and legal experts, and by more than 200 civil society organizations, trade unions, individuals, Indigenous peoples, workers and communities of faith.

The 2024 Fall Economic Statement announced the government’s “intent to introduce legislation to create a new supply chain due diligence regime, requiring government entities and businesses to scrutinize their international supply chains for risks to fundamental labour rights and take action to resolve these risks.” **We recommend that the government move forward**

with this proposal, expanding the legislation's scope to all human rights, including the right to a healthy environment, and modelling a law on best practice in due diligence legislation.

Canada has recognized that Canadian corporations have a responsibility to respect internationally recognized human rights. They must avoid causing or contributing to human rights violations. Business enterprises can fulfil this responsibility by carrying out human rights due diligence. And governments can oblige them to do so through law.

France adopted legislation requiring its multinational companies to prevent human rights abuse wherever they operate. Similar laws exist in Germany and are in development for the European Union and in South Korea. These 'human rights and environmental due diligence' laws mandate parent companies to identify risks in their global operations and supply chains. Companies are required to manage these risks and prevent human rights and environmental harms. When harm does take place, companies must provide victims with remedy.

The CNCA recommends that the Government of Canada table such legislation. Our members have developed a model law that could serve as a blueprint.

The priorities set out in the Prime Minister's mandate letter suggest an expanded partnership with the private sector in delivering public policy goals, particularly in energy, infrastructure, and natural resource management. Yet backlash to the government's fast-tracking of Bill C-5 indicates clear concern that the proper accountability measures are not in place. This heightens the urgency for the government to mandate strong legislation to prevent corporate human rights abuse. We must ensure that all Canadian business activity – including new activity generated through Canadian government policy – aligns with Canada's human rights commitments.

About us

Formed in 2005, the CNCA unites over 40 civil society groups calling for federal law reform to ensure that Canadian companies protect human and labour rights and the environment wherever they operate. Our members include human rights, environmental, labour, faith, solidarity and international development organizations. Collectively, we represent more than three million Canadians.