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Chair

Mr. Scott Reid

Subcommittee on International Human Rights of the Standing Committee on Foreign Affairs and International Development

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• (1305)

[Translation]

The Chair (Mr. Scott Reid (Lanark—Frontenac—Lennox and Addington, CPC)): Good afternoon, everyone. This is the 86th meeting of the Subcommittee on International Human Rights of the Standing Committee on Foreign Affairs and International Development. Today is June 7, 2013. The meeting is televised.

[English]

So don't do anything your mother wouldn't approve of, unless the camera is on somebody else.

Today we have as our witness, Brent Bergeron, senior vice-president of corporate affairs for Goldcorp.

I should inform the members of the subcommittee that Mr. Bergeron was supposed to have a PowerPoint presentation. We were supposed to have audiovisual equipment set up. He contacted us in advance about this. Something went wrong and it isn't here.

Mr. Bergeron, I owe you an apology for that. The clerk informs me that copies are being made of your presentation to be distributed. That is not as useful, particularly for people who are watching, since this is televised. That is a frustration. I can only apologize to you for it. I promise that as soon as the copies are made, they will be distributed. It looks like they are being distributed now.

Let's begin. I'm sure you know how this works. There's more or less 10 minutes for your presentation, after which we'll look at the amount of time available and divide it by six to determine how many minutes are to be devoted to each question-and-answer session.

Please feel free to begin.

[Translation]

Mr. Brent Bergeron (Senior Vice-President, Corporate Affairs, Goldcorp Inc.): Good afternoon, Mr. Chair and honourable members of Parliament.

Thank you for giving me this opportunity to testify before the Subcommittee on International Human Rights. It is a great honour for me to be able to share with you some information on the way in which Goldcorp Inc. has worked with a concern for human rights and for environmental protection in Honduras, as we do for all our activities.

[English]

As Mr. Chairman mentioned, my name is Brent Bergeron, and I am the senior vice-president of corporate affairs for Goldcorp. Part of my responsibilities includes corporate social responsibility, government and stakeholder relations, risk analysis, and communications. Before discussing our project in Honduras, allow me to give you a brief description of our company.

[Translation]

Goldcorp Inc. is a company that specializes in extracting gold and other minerals. Our main activity is gold extraction. We are the biggest gold-mining company in the world when measured by market capitalization. Our headquarters are in Vancouver and we have approximately 14,000 employees in our operations around the world.

[English]

All of Goldcorp's operations are currently in the Americas. In terms of exploration, construction, and production activities, we are active in Canada, the United States, Guatemala, the Dominican Republic, Chile, and Argentina. In 2012, Canada was our most important country of production, at approximately 42% of our total production. Mexico was second, at 35%, followed by Guatemala, at 9%. We are proud of the fact that while expanding significantly at the international level, Goldcorp also maintains a strong focus in Canada. We currently have three mining operations in Ontario.

[Translation]

We also have a project in northern Quebec, our Éléonore project, which will begin production in 2014. It represents an investment of about \$1.8 billion.

[English]

Goldcorp's corporate vision is summed up as creating sustainable prosperity, which is the corporate principle applied to all of our operations. We have done this at our project in Honduras, and even after the mine has closed. Our San Martin mine is located in central Honduras approximately 66 kilometres north of the capital city of Tegucigalpa. Goldcorp acquired the San Martin mine in 2006 through our acquisition of Glamis Gold. The mine was in production from 2000 to 2009 and has an open pit heap leaching operation.

While still producing we developed a mine closure plan, which was vetted by the Government of Honduras. After closure we continued our reclamation activities so as to leave the former mine site in the best possible condition for the local community of the Valle de Siria. The company continues with our voluntary monitoring of the site in cooperation with the Government of Honduras and has an agreement to continue this activity until at least the end of 2013.

In 2008 Goldcorp donated the San Martin mine camp to the San Martin Foundation. Today, chicken, pigs, cattle, and tilapia fish are farmed on the 1,500 acre former mine site providing functioning ecosystems, sustainable jobs, and skilled training to all the people in the *valle*. The former camp facilities have been remodelled to become a hotel for ecotourism complete with pools, sports facilities, nature trails, and a training centre for the community. I will discuss this further in my presentation. However it is important to mention that the former site is now a sustainable business that has created local jobs and new investment in the area.

It was important for us at Goldcorp that the mine not simply close once production concluded. The San Martin Foundation means that the benefits of the mines are extending beyond its life by allowing the people of the region to develop new skills and continue to grow. I have brought a study on the San Martin project prepared by two of our experts on mine closure.

Mr. Chairman, with your permission I would like to leave a copy with the clerk asking that it is distributed eventually to all honourable members of the committee.

I encourage the honourable members to read it at their convenience. Meanwhile, with the chair's permission I would like to show you the following photos—which was part of my presentation. Unfortunately, I'm not sure if they're here yet.

●(1310)

The Chair: Unfortunately, not. We're still waiting for the copies.

Again, my apologies.

Mr. Brent Bergeron: Okay, I will give you a bit of a description about the photos, and you will have a chance to review them. They basically show the entire effort that the company has made, leading up to the closure of the production facility, whereby the site has been reclaimed. In particular, the open-pit areas have been reseeded and reforested. We also have reclaimed and reseeded the leaching pad area completely, and there are now farm animals actually grazing there. You'll see that in the pictures.

Another important part would be the containment ponds, where we had a lot of the water processing taking place during production at the mine. That entire area was also reclaimed. Now, that area actually is the site of tilapia farming. As of 2011, they are now producing approximately 55,000 kilograms of tilapia fish for sale and consumption in the area.

We also have other types of businesses that are operating in the area, as I mentioned. There is the production of beef, and there is also a chicken-producing farm in the area that now produces approximately 38,000 kilograms of poultry meat per year, including for sale and distribution in the area.

One of the things we did, however, with the San Martin Foundation was to actually transfer the ownership of all of the offices and facilities that were used by our mine workers in the past, and which are now being used as an eco-hotel. The eco-hotel, as I mentioned, has pool and tennis facilities, and now attracts approximately 4,000 guests per year, visiting the sites and the reclaimed areas of the mines, and actually carrying on quite a lot of sports activities,

That was the part of the presentation I had with the pictures.

Part of the documentation that I also brought for you, Mr. Chairman, is a November 2011 certification from the Honduran public prosecutor's office. This is the Special Prosecutor of the Environment, and his document is translated into English. This office, Mr. Chairman, undertook environmental studies of the former mine after receiving accusations from local NGOs. Using World Health Organization parameters, the special prosecutor found that arsenic, cyanide, and mercury were not above normal levels in the blood of local inhabitants. It did mention that lead levels were a bit above the WHO guidelines, but found no significant link to the mining operation. I've tabled a copy of that also.

The closure of the San Martin mine has been and will continue to be very important for Goldcorp. It allows us to showcase to other communities where we are currently producing, or hoping to produce, that we take the closure of our mines very seriously. Committee members have heard the testimony saying that the mine site was left in bad condition. I want to underline that doing so would not only be morally wrong, but it would also make no business sense for Goldcorp. If Goldcorp were to handle closure badly at one of our operations, it would harm our reputation and have a negative affect on our industry and the value of our company. The success of our business depends on having good relations with communities where we operate. Our investments are long term, and often last several decades.

●(1315)

[Translation]

I would like to emphasize to the members of the subcommittee that Goldcorp Inc. takes its environmental responsibilities very seriously.

We are always ready to conduct scientific studies in all our activities. We firmly believe that we have left the people in the Valle de Siria with an environment that does honour to Goldcorp Inc. and, by extension, to Canada.

Mr. Chair, honourable members of Parliament, thank you once more for inviting me. I will be pleased to answer your questions.

Thank you.

[English]

The Chair: Thank you very much, Mr. Bergeron.

It was very fast, for which I am grateful. This means that we will have enough time for seven-minute rounds of questions and answers, and we'll begin with Mr. Sweet.

Mr. David Sweet (Ancaster—Dundas—Flamborough—Westdale, CPC): Thank you very much, Chair.

Mr. Bergeron, thank you very much for being here. I want to ask you first whether you got an opportunity to go through some of the previous testimony of witnesses whom we had before the committee, particularly that of Professor Todd Gordon, who was at our last meeting.

Mr. Brent Bergeron: Yes, I did.

Mr. David Sweet: Okay. Your testimony is profoundly different from his, and I wanted to make sure I didn't shock you with any questions that are coming up. But I want to ask you very directly about some things that were said with respect to Goldcorp responsibilities now.

One thing mentioned by Mr. Gordon in response to a question from one of my colleagues is that a security tax has been implemented. I believe it is 2.5% with respect to Canadian mining. A security tax is being implemented in a number of different sectors, including on withdrawal of cash from bank machines, with the mining sector included.

That, of course, creates all kinds of images about what this 2.5% tax is. Do you pay that tax, and do you put it into blind bank accounts? How did that work during the times you were doing business in Honduras?

Mr. Brent Bergeron: I don't have any information specifically regarding that tax itself, but I can mention that Goldcorp's policy regarding our commitment and our responsibility towards paying taxes is taken quite seriously in all countries. If this were part of the tax regime that we needed to pay in the country, then we would have done so.

Mr. David Sweet: In other testimony before us, it was said that: Opponents of the San Martin mine have, through the years, faced harassment and intimidation. In the summer of 2011, 17 people were charged with obstructing a forestry project on land for which mineral concessions were previously granted to Goldcorp.

Are you aware of this situation?

Mr. Brent Bergeron: We have heard about this situation, but I can tell you that Goldcorp has at this point relinquished all mining concessions in Honduras. We don't have any concessions in that country as of now.

Mr. David Sweet: In January, Mr. Gordon said, Guatemalan Goldcorp security guards opened fire on protesting workers.

How do you respond to that?

Mr. Brent Bergeron: That is another operation. That is not an operation that is operated by Goldcorp. I believe they make reference to an operation that is actually owned by a company called Tahoe Resources.

The Chair: Sir, could you repeat the name of the other company?

Mr. Brent Bergeron: I believe it's Tahoe Resources.

The Chair: Do you know where they are from? Is it a Canadian company?

Mr. Brent Bergeron: It's a Canadian company. We own 40% of that company, but it is a Canadian company that is listed on the stock market here in Canada.

Mr. David Sweet: So Goldcorp has some ownership in that company.

Mr. Brent Bergeron: We do have ownership, but it's simply an investment. We are not part of the operations of that company.

● (1320)

Mr. David Sweet: Well, with the 40% stake in it, did you investigate the situation Mr. Gordon was talking about?

Mr. Brent Bergeron: We investigate all incidents that happen, not just at sites in Guatemala that we own partial investments in, but also at all industry sites in Guatemala, in order to make sure that we understand what is going on in the country and whether or not these incidents are real.

Mr. David Sweet: Did you find any culpability of the company you have invested in regarding their security guards opening fire on protestors?

Mr. Brent Bergeron: That investigation, from what our security people are telling us right now, is still ongoing, and the Government of Guatemala is actually investigating it.

Mr. David Sweet: The other thing that was mentioned was environmental. I've met a number of Hondurans who, for example, for more than a decade have been involved in the struggle against Goldcorp, as well as activists with the Sierra Valley environmental defence committee who blame Goldcorp for polluting the local water system and poisoning inhabitants in the valley.

How do you respond to that?

Mr. Brent Bergeron: I think that if you had seen some of the pictures in my presentation, you would have seen that the site has been reclaimed in a way that we feel is environmentally responsible. Goldcorp continues, with the cooperation of the Government of Honduras, to monitor the site for any type of environmental issues. There are functioning farming activities going on in the area, providing food, that is providing other types of meat, to the local population. We would disagree with that type of comment.

Mr. David Sweet: What about during the operation of the mine? Were your environmental standards the same as you would have in the operations you have here in Canada?

Mr. Brent Bergeron: Absolutely. Since taking over the operation in 2006, after the purchase of Glamis Gold, Goldcorp would have applied exactly the same types of principles that we apply here in Canada to Mexico, Guatemala, or Honduras.

Mr. David Sweet: So you wouldn't have a diminished environmental standard because the laws allowed that?

Mr. Brent Bergeron: Absolutely not. On the contrary, a lot of our standards are actually over and above a lot of the standards that do currently exist in these countries.

Mr. David Sweet: Thank you very much.

Do I have some more time, Mr. Chair?

The Chair: You do. You have another minute.

Mr. David Sweet: You mentioned 55,000 kg of tilapia, 38,000 kg of poultry. You mentioned a San Martin foundation. Are Hondurans able to own some of this property now? Is this like a land lease? Who runs the foundation? Is it the Government of Honduras? Can individuals have a stake in this now?

Mr. Brent Bergeron: Individuals do have a stake in this. Goldcorp is slowly relinquishing its complete stake in the actual operation. We continue at this point to help, in terms of the funding of the foundation, to make sure it will be sustainable, but there is a plan to release ourselves from the actual foundation so that it can sustain itself.

Mr. David Sweet: You're administering it right now.

Mr. Brent Bergeron: No, we are not administering it. It's a foundation called the San Martin Foundation that is administering the entire operation.

Mr. David Sweet: Is that a local board?

Mr. Brent Bergeron: It's a local board, yes. We do still have certain people from Goldcorp who are assisting on that board, in terms of being able to help with any type of further funds they may need for certain activities. But we are moving towards giving them—I wouldn't say full control—but full management of the foundation.

Mr. David Sweet: Thank you very much.

The Chair: Thank you, Mr. Sweet.

We go now to Mr. Marston.

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): Thank you, Chair.

Welcome.

It comes to mind that Canada is a leader in mining operations. I come from the labour movement. Within Canada, a mine that's producing well has high-paying jobs, and it certainly benefits the communities.

But over the last year I've been visited in my office—as human rights critic for our party—by representatives from Mexico, Colombia, the Philippines, Guatemala, El Salvador, and Honduras. They were all raising issues about mining companies—not all about Goldcorp. We don't want to start painting it that way.

Their suggestion was that in many cases Canadian companies, from their perspective, were working hand in hand with the governments in pushing them off their land.

It's very troubling because of the mining concessions that people seek. In Honduras, I'm sure you know the mining law that was just put in. There are a variety of things. From our standpoint of corporate social responsibility, we're wondering where Canadian companies are fitting in to the processes when these indigenous peoples wind up being moved off their lands, with protest sometimes and even under threat, if not violence itself.

Would it not be in the interest of our Canadian companies and our reputation throughout the world to have our companies sit down in good faith and negotiate, and ask the governments to negotiate with these peoples to ensure that once a resolution is established, the lands are either made available or not made available? At least our reputation would be intact.

• (1325)

Mr. Brent Bergeron: I would say that part of our company's policy, and part of what I actually try to teach all of my workers who work in the area of corporate social responsibility, is that we do have a responsibility to go in and meet with the communities and to make

sure that we try to reach as many of them as we can. It's based on the premise that if we don't have a relationship with the local community, and if it's not a good relationship based on trust, we don't have a project, basically.

Mr. Wayne Marston: Let me jump back in. From the sound of what you're telling me, that's exactly what I would want to hear.

The reason I'm interrupting you is that I believe the days are gone.... I'm not suggesting that your company or another Canadian company has done this, but there's a reputation of companies in the mining industry turning a blind eye to some of the things that have happened over the last number years to people, such as opponents to a particular site being beaten and in some cases “disappeared”, in some of the more extreme countries.

From our perspective, knowing that the eyes of the world are now on Canada because we are a leading force in mining, I think it's very important and I'm pleased to hear that you are involved with corporate social responsibility.

On April 27, security personnel shot and wounded six people at the Escobal mine site. According to wiretap evidence, Tahoe security manager Alberto Rotondo ordered mine security to attack the protesters. Mr. Rotondo has been charged with serious crimes—causing injury, obstruction of justice, and it included tampering with evidence at the site of the crime.

Now, as we heard before, Goldcorp owned the mine until 2010 and has a 40% share.... How does your company, with your stated principles and the things you were talking about, square that with corporate social responsibility, given the connections to this particular individual and the kinds of activities he's accused of? You did say that you had security investigations going on relative to this, but that relationship had been ongoing. This wasn't new news, and the people who came before me were talking about situations similar to this one from before.

I'd like to hear your position and give you a chance to respond.

Mr. Brent Bergeron: Okay.

Well, one of the reasons we are conducting our investigation and the government is conducting its investigation is that we want to be able to make sure we understand exactly what happened during that incident. There has been a lot of information coming out regarding what exactly occurred that day. We even have reports that certain protesters were bused in from other areas of the country to be able to protest the mining operation.

When we have spoken to officials over at the Tahoe operation, they have always given us a very good impression and good information regarding their relationship with the surrounding community, and from all indications, that relationship has always been extremely good.

That's why we are trying to continue to see what happened in this specific incident: to make sure that we get all the information and that we take decisions based on it.

Having said that, we are in direct communication with many of the senior managers at Tahoe, and based on the experience we had at the Marlin mine in Guatemala, which.... We have a very good relationship going on right now, and things are very good in terms of our closure plan, which we are moving towards with the community and the government, and are trying to transfer the lessons learned to the people from Tahoe.

• (1330)

Mr. Wayne Marston: Well, to go back to the other groups who came to my office, from Guatemala, El Salvador, and Honduras, they were saying that Goldcorp was involved in some serious controversies in their countries. They are suggesting various levels of violence and repression related to security forces, and things of that nature.

It strikes me—and again, I'm hearing their side, and that's why we're pleased to hear your side today—that in the face of such intense opposition on so many fronts and in so many different countries.... As I suggested previously, the company should sit down and negotiate in good faith with people....

There's a picture being painted by the governments in these countries similar to what you said about people busing in protesters and those kinds of things. This is not what we're hearing from the people who make the effort—and they're poor people—to come to our country to try to put a face on the situation. These are the indigenous people of the lands, who were on this land and are facing removal and persecution as a result. I would caution that listening to governments that, in some sense of the word, we would deem corrupt here, with the evidence and suggestions they give back to you, might be a fallacy.

The Chair: I'm sorry, Mr. Marston, you're actually almost a minute over your time. Do you have a question you can put, and then he can respond?

Mr. Wayne Marston: If he wants to respond, I'd be glad to let him respond. But I'll leave it without a question at this point, because I've used the time.

The Chair: Okay.

Mr. Brent Bergeron: I'd just like to mention that in terms of our security issues, we do train people at all of our operations in the UN principles on security and human rights, the voluntary principles on security. We reach out with that type of training, not just of our workers but of people in the community.

We have an open policy in terms of people coming and visiting our sites. I'm always glad to bring people down to Guatemala, down to Mexico or other areas, to see exactly what is going on, not just at the mining operation but also in the communities where we operate.

It's amazing to me that every time we've done that, people are always surprised to actually see how things are working in the community. People are not protesting. They see investments being done in terms of some direct investments where we help with hospitals and schools. But it's not just that; it's also in terms of helping some of our workers create their own businesses to actually provide services to us or other businesses in the area.

There's always a difference between what we are hearing from certain organizations and what is actually going on in terms of on the

ground and in the communities we're in. I would say that a lot of the allegations that have been made I disagree with. I would say that to come and see exactly what is going on is the best way to know that there is actually coherence in the communities. There is calm in the communities.

There are always issues in terms of them wanting more from the mining operation and being able to have better schools, better health, but it's a difficult situation for the mining operation in terms of not wanting to take over sometimes what the government should be doing in those areas too. So we try to be a catalyst for that.

The Chair: Thank you.

We'll go now to Ms. Grewal.

Mrs. Nina Grewal (Fleetwood—Port Kells, CPC): Thank you, Chair.

Thank you, Mr. Bergeron, for your time and your presentation. It's certainly a pleasure to see you here again, especially coming from my province of British Columbia. A warm welcome to you.

Mining can lead to economic expansion, a decrease in poverty within third world countries, and some economic advantages, including improved services, increased employment in the local communities, and raised demand for goods and services that make the economy of local communities thrive.

Goldcorp has previously stated that the company seeks to have a positive economic impact wherever it operates. How does Goldcorp have a positive economic impact in Honduras?

• (1335)

Mr. Brent Bergeron: If we take a look at that specific mining operation, given that the mine was actually started in 2002 by Glamis and we took over in 2006, it did give us a shorter window of opportunity to make sure that, number one, our economic sustainable plan would be put in place very quickly, which we did at the time. There was also making sure that our closure plan would actually lead to sustainable activities.

Again, unfortunately, there are some pictures that I would have wanted to show. We would see a site that has been completely reclaimed. Not only is it reclaimed; it is actually contributing to different economic activities in the area. In the past, sometimes sites would be left without that part, which we believe is extremely important.

We start our activities with respect to mine closure at a lot earlier stage to make sure we can work with the local communities, identify what kind of sustainable development economic plans they would like to put forward, and make sure these types of plans are sustainable over the long term. We then help them foster that by making direct investments in these foundations or in these businesses whereby they can start the operations with the necessary seed funding from the company. They then also have a responsibility to make sure that this type of activity will be sustainable over the long term. They take ownership and also management of it.

Mrs. Nina Grewal: On the Goldcorp website, it talks about how the company continues to support the local community there with a range of social programs at the San Martin mine in Honduras. In addition, it says you offer such benefits as road maintenance, dust suppression systems, water supply and sewage systems, providing teachers for elementary schools, maintenance, and educational facilities.

Can you talk about the ways in which Goldcorp supports the Honduras community?

Mr. Brent Bergeron: Absolutely. All of those activities are very important in our part of the community development plan, even during the mining operation and after. It is important that we see in all of the activities we are currently doing that it is not just a matter of the company actually shutting down at one point and leaving the area. In our mine closure plans, which we're in the process of doing at some of our other mine sites right now, we do place a lot of emphasis on health issues and human rights. We want to make sure that people have access to potable water, for instance. We are currently doing that. And we're able to monitor a lot of these activities. We continue to do that through our membership in the foundation.

Mrs. Nina Grewal: Thank you very much.

The Chair: Are you done, Ms. Grewal?

Mrs. Nina Grewal: Yes.

The Chair: Thank you very much.

We will go now to Professor Cotler.

Hon. Irwin Cotler (Mount Royal, Lib.): Thank you, Mr. Chairman.

I'd like to welcome Mr. Bergeron. As my colleague Wayne Marston said before, it's good to be able to have a joinder of issues on these matters in the witness testimony, so in that context I'd like to go back to what my colleague David Sweet was saying. He referred to some testimony of Professor Gordon. You said you had read the testimony, and I appreciate that.

I just want to reference an excerpt from that testimony. You've touched on some of this, but with regard to the specifics, this is what Professor Gordon said. Then I'd like you, if you can, to react to those comments in this joinder of issues approach. His comments were as follows:

I have met a number of Hondurans, for example, who for more than a decade have been involved in the struggle against Goldcorp, as well as activists with the Siria Valley environmental defence committee who blamed Goldcorp for polluting the local water system and poisoning inhabitants of the valley. They point to deforestation, diversion of natural waterways, starving of poor small farmers of scarce water resources, and food security for the small farmers in the region.

I'd like you to respond to that, because that testimony is on the record, and I felt you should have an opportunity to respond to that.

Mr. Brent Bergeron: Thank you very much.

To respond to a lot of those questions, I think my pictures would have been very relevant. As far as allegations that have been made against us go, let's start with the contamination part. That's something we take very seriously at Goldcorp. We do monitoring at different levels.

We also believe the governments of these countries are partly responsible for making sure that not just Canadian mining companies but other mining companies from other countries are also making sure that contamination does not occur. That's why I've been a strong proponent of governments of countries building the capacity to monitor and fine companies if contamination does occur. We believe that's extremely important.

There were a lot of issues raised with respect to contamination in the area, and we were part of the group that asked the government to perform studies, which it did. The office of the public prosecutor performed a study on people who were living in the area, and that will be included in the documentation I will put forward. They basically said there was no contamination linked to the mining operation, and that the type of medical conditions that people were referring to were among the conditions that people living in the area had from sun exposure and for other reasons. We were able to get a third party to come in and actually perform this study and describe to everyone—not just to us but to all the people in the valley also—that this type of contamination did not occur at the San Martin mine.

In terms of water—

• (1340)

Hon. Irwin Cotler: Are you referring to the allegations regarding the heavy metal pollution that was the subject of a prosecutor's inquiry to which there was a reference in the *Guardian* newspaper, or are you referring to different allegations of contamination?

Mr. Brent Bergeron: These were allegations of heavy metals, but they took a look at all conditions. You'll have a chance to read through it in the report. It takes a look at everything the office did with regard to examining different types of conditions and looking at heavy metal contamination in the area.

The report is there. It does say it wasn't related to the mining operation. That's the report I was referring to.

Hon. Irwin Cotler: What about some of the other allegations that were made by Professor Gordon, such as issues of "deforestation, diversion of natural waterways, starving of poor small farmers of scarce water resources, and food security for the small farmers in the region"?

Mr. Brent Bergeron: In terms of that, at Goldcorp, we take especially water.... I mean, water is a very important issue for us at Goldcorp because it is part of our process also. We do look at our water footprint at all of our mining operations to make sure that we try to use the least amount of water possible, and that when we are using it, we are recycling a lot of it within the processing system we have.

For example, in Guatemala at our Marlin mine right now, 97% of the water is actually recycled and reused in the entire process, so we are not actually taking that much water from the existing water system in the area. I would say that in Honduras it was actually a policy that we would take this water issue very seriously in making sure that we were not actually affecting the local water tables. In addition to that, we are actually working, especially after the closure plan, on making sure that all of the water availability in the area is being supplied to the different businesses operating in that area right now.

Hon. Irwin Cotler: Let me ask you a question. Based on your company's experience in Honduras, what are some of the best practices or lessons learned that you could make recommendations about to other companies that are involving themselves in the corporate experience in Honduras?

Mr. Brent Bergeron: Well, I think I would look at it in terms of not just Honduras but all of our operations. As I mentioned at the beginning, I also am in charge of taking a look at the risk analysis that we do for our company. What we try to do when are actually thinking of going into different areas or countries is to look specifically at those environmental, social, and political indicators to make sure that we know what is important to the governments of those countries and also what is extremely important to the local communities.

This is not different from anything we would do in other areas. As I also mentioned at the beginning of my remarks, the relationship you have at the community level, and having that relationship based on trust, is extremely important.

Consultation with the local communities is something that is really important in order to be able to identify what issues are extremely important to them. For instance, if water is an extremely important issue for them, it's important to actually consult with and inform them in terms of what is the policy of our company in regard to managing our water footprint at our operations so they understand that we are not there to contaminate the water. We are there to work with the communities and to be able to hear their concerns and work with them in terms of being able to find solutions to any concerns that may come up.

• (1345)

Hon. Irwin Cotler: Do you see it as your role to advise the government in terms of government accountability with respect to, let us say, matters such as corruption or human rights violations? For example, Honduras is ranked very low in terms of corruption, and particularly the corruption in the public sector. For yourselves, in terms of part of good corporate social responsibility, would you consider that you should be speaking to the government authorities on that matter in terms of ensuring better accountability in these matters?

Mr. Brent Bergeron: Oh, absolutely, and I think that we do try to promote a lot of initiatives within different countries in terms of countries signing on to or supporting the extractive industry transparency initiative. It's something that we support as a company. A lot of our people inside these countries are part of the associations that promote those types of initiatives. We do take that very seriously.

We also need to take a look at the reality of the system within which we operate in these countries to make sure that we as a company continue in a very transparent way, so that we don't contribute to any type of activity in these countries that would be considered non-transparent.

The Chair: Okay. That's slightly more than two minutes over the allotted time.

We'll go now to Mr. Lobb.

I understand that you'll be dividing your time with Mr. Sweet.

Mr. Ben Lobb (Huron—Bruce, CPC): How long is the time, five minutes?

The Chair: Seven minutes.

Mr. Ben Lobb: Okay.

Mr. Bergeron, my first question for the benefit of the committee is on what standard you are obligated to maintain. What body are you obligated to adhere to when you're doing a project, say, in Central America or South America—or wherever you may be—building, developing or operating a mine?

Mr. Brent Bergeron: There are different standards that we use. Some of these standards have to do with ICMM. Some of them have to do with EITI, which I just mentioned. Some of them have to do with the different type of processes we are actually going to be using at the mining operation.

For instance, if there is the use of cyanide in terms of a heap leach operation, we make sure that all of our operations are certified by the International Cyanide Management Code, which is a certification that is audited by a third party. It's an extremely rigorous process to obtain your certification, but it basically has to do with how you manage the product of cyanide in your country and how you use it in your process.

Those are some of the examples of some of the initiatives or regulations or associations that we belong to that have a long set of standards.

Mr. Ben Lobb: You would probably agree, and most people doing business, whether in Canada, North America or around the world would agree, that one of the very frustrating things would be around your duty to consult, with government, neighbours, stakeholders, etc., and in addition to that demonstrating corporate social responsibility.

How does Goldcorp demonstrate, one, that they know all the different obligations they have, and, two, how they work through them and show either the government or the public, or say the environmental groups, that you have done everything you need to do?

• (1350)

Mr. Brent Bergeron: In different countries there are different standards currently in place. As we use our standards, which are basically across all of our operations, part of our work in corporate social responsibility is to make sure that we do go in and do the consultative process in a way that, first, will build that relationship, but also, second, in a way that makes sure that we do comply with a lot of the international regulations currently out there.

For instance, the International Labour Organization's convention number 169 is very prevalent in many of the countries where we operate in the Americas. Many of these countries have actually signed on to the convention but have not actually implemented it yet. It has caused some delays in certain mining projects.

As a company we do have a responsibility, one, to go in and consult with the local communities, but, two, to see that the parties that are invited to make sure the companies are actually following the right process, along with the communities, are the governments of these countries.

The implementation of these types of standards is extremely important.

Mr. Ben Lobb: I've been in politics almost five years, and I know that not every time something is in the news is it 100% accurate. I'm sure that in working for Goldcorp you feel the same way about things that are put in the newspaper or out in the public.

Anecdotal, out of every 20 stories that you see in the newspaper or you hear on the radio or the TV, how many are true? Is it zero, one, five? What can you tell us there?

Mr. Brent Bergeron: I always say that if every one of those were true, I'd probably be in jail by now for everything I'd been doing.

At Goldcorp, as a Canadian mining company with standards that are very high in how we operate here in Canada, we take those lessons learned and bring them to other places.

We have a responsibility to get out to all of our stakeholders and make sure we provide the right information as to what is actually going on at our mining operations and in the communities. That's something the industry has probably not done well in the past, but I see many companies and associations right now stepping up to make sure we try to get the information out regarding exactly what is happening.

I have to admit, some of the issues will come out. Sometimes publicity about an issue at a mining operation will make it look a lot bigger than it is. But the companies are listening to that type of information coming out to make sure we are sensitive. Sometimes we ask ourselves if when we consulted with the community there was somebody we didn't reach. We ask if there is somebody we need to talk to, to make sure they understand exactly what the company is trying to do. If there are certain issues from their side, we can work with them in terms of a constructive dialogue.

We take that information a bit more seriously. We look at it and make sure that, number one, it's true, and then we move forward.

The Chair: Mr. Sweet, one of those seven minutes is still left.

Mr. David Sweet: Just quickly, I haven't heard you mention today corporate social responsibility of the Canadian mining regime and the CSR counsellor. Is Goldcorp in compliance with that regime?

Mr. Brent Bergeron: We are. Our corporate social responsibility activities are in compliance with what Canada is trying to promote. We work with and are in contact with the Canadian corporate social responsibility counsellor.

We often have discussions with Ms. Marketa Evans about the challenges we have in different countries, in terms of implementing corporate social responsibilities. We have a contact person who actually understands some of the challenges and realities that Canadian companies need to deal with at the international level.

•(1355)

The Chair: Is there anything else?

Mr. David Sweet: No, that's fine, Mr. Chair. I'm certain we consumed a minute.

[Translation]

The Chair: Okay.

Mr. Jacob, you have the floor.

Mr. Pierre Jacob (Brome—Missisquoi, NDP): Thank you, Mr. Chair.

My thanks to the witnesses for joining us today.

I would like to go back to the Marlin mine. Does Goldcorp intend to do anything about the contamination from the Marlin mine?

In 2007, an elevated level of heavy metals was detected in the blood tests of 42 individuals. In addition, engineers from Newcastle University tested the water sources; they report arsenic and lead levels far in excess of the levels permitted by the World Health Organization.

What concrete action are you taking to clean up the water sources?

Mr. Brent Bergeron: Excuse me, Mr. Jacob, but there was an echo when you started. Are you talking about the mine in Honduras?

Mr. Pierre Jacob: Yes, the Marlin mine in Honduras, which is no longer in operation.

Mr. Brent Bergeron: Actually, the Marlin mine is in Guatemala.

Mr. Pierre Jacob: Oh, right.

Mr. Brent Bergeron: The mine in Honduras is the San Martin mine.

Mr. Pierre Jacob: Okay, that's the one in Honduras.

Mr. Brent Bergeron: Yes.

Mr. Pierre Jacob: So I am talking about the Marlin mine.

Mr. Brent Bergeron: Okay.

In terms of the studies that the government conducted in the area, there is nothing to prove that people there were contaminated by certain metals. However, we are continuing to provide extensive health care, not only to mine workers, but also to the people who live in the area.

Based on a joint assessment conducted by the government and a community association, we are making sure that mining activities are in conformity with WHO standards for water contamination.

Mr. Pierre Jacob: So, if I understand you correctly, you are concerned about environmental rights, but you sometimes challenge the expertise of the scientists.

Mr. Brent Bergeron: The expertise?

Mr. Pierre Jacob: The expertise of the scientists.

Mr. Brent Bergeron: Here is an example of what we are doing in terms of the environment. In Guatemala, three organizations are presently considering how to work together so that, when samples from various areas outside the mine come back from the international laboratories to which we send them, we can be sure that we always meet to verify the results and to decide whether there has been any contamination.

If another organization takes samples without our knowing when and where it was done, it is hard for us to look at the results in any concrete way. We have to consider the fact that three other organizations have had the same results for the last nine years.

If organizations like the university you mentioned want to work with us and decide how possible it would be for them to work with us, not on just one occasion, but over the long term, once a month or once every three months, as we are doing at the moment, we are open to that.

Mr. Pierre Jacob: Very good. Thank you.

Last April 23, Karen Spring, from an NGO called Rights Action, came to testify at this committee. She told us that, under new mining legislation in Honduras, companies have to pay the country's police force about 2% of the value of the mineral extracted.

Could you tell me whether you are aware of that new legislation now in effect in Honduras and of the risks involved in subcontracting with organizations like that, given their significant history of brutality and corruption?

Are you aware that Goldcorp could be held responsible for actions that the organization might commit while it is employed by you?

• (1400)

Mr. Brent Bergeron: Since we have no mining operations in Honduras and we are not planning any activities in the country, I cannot comment on that new legislation.

Mr. Pierre Jacob: You say that you are concerned with environmental and human rights.

What do you think about respecting the freedom of association, which protects both the right of workers to form unions and the right of employers to form associations to protect their interests?

Mr. Brent Bergeron: In some of our operations around the world, employees are unionized, in others, they are not. We have always respected the right of employees to fully exercise their rights with company managers. In mines that are not unionized, we have also set up a number of ways for workers' fears to be heard and dealt with by the system, so that a resolution is reached.

In Canada, employees at some mines are unionized and at others, they are not. In Mexico, two of our mines are unionized. We are even working with the union in a very positive way by providing training for its leaders. The goal is for them to acquire the skills they need to negotiate directly with us.

Mr. Pierre Jacob: Okay. It is—

Le président: That's it.

Mr. Pierre Jacob: That's it? Thank you very much.

The Chair: With the consent of the committee, you could ask another question.

Do we have consent?

Some hon. members: Agreed.

The Chair: So you can ask another question.

Mr. Pierre Jacob: Great.

In your opinion, who benefits most from the development in Honduras?

Mr. Brent Bergeron: In Honduras?

Mr. Pierre Jacob: in Honduras, or anywhere else.

In your opinion, who benefits most from the development that your company, Goldcorp Inc., provides?

Mr. Brent Bergeron: I can give you a very concrete example in Canada, and more specifically in Quebec.

We are presently working in northern Quebec, where we have come to an agreement with the Cree. We are actually including them in our activities to the extent that they also benefit from the company's profits. A number of people from the Cree community have also been hired at the mine; as of now, they represent about 53% of the workforce there. We think that is a very meaningful percentage. Normally, the percentage of Cree workers hired during the establishment and construction of a mine is much lower.

We always make sure to work with the community to look at all the products and services that they can provide us with so that those services can come directly to the mine. By conducting our activities in that way, we certainly provide positive and direct benefits to the community.

We work that way because, above all, we want to make sure that we have a positive effect on the community. Sometimes, we go above and beyond, as we do with royalties. For example, in Guatemala, we pay royalties to the federal government. But then the amount of money that goes directly to the community is sometimes much lower than the amount of royalties paid to the country. That is why we have begun to look at ways to pay voluntary royalties directly to the communities and to work with it to develop its economic development plan. In that way, we will not only be paying taxes federally, we will be investing directly in the community.

• (1405)

The Chair: Thank you.

Your turn, Mr. Sweet.

[English]

Mr. David Sweet: Mr. Bergeron, if you don't have the information with you, could you then just supply it. If the second part of my question has some competitive sensitivity, we'll understand that as well. But it would be good to know how many Hondurans were employed at the San Martin site from 2006 and what the nature is of the investments that Goldcorp has made for the reclamation.

Mr. Brent Bergeron: In terms of the numbers that I have, the direct number of employees at the mine operation was approximately 334. Those were direct employees of the mine. In terms of direct and indirect employees, it was approximately 1,500 at the time. As for the overall investment that we've made in terms of reclamation, we continue to make investments right now, but I can supply some numbers on that also.

Mr. David Sweet: Thank you very much.

Thank you, Mr. Chair.

The Chair: That's it. Thank you very much, Mr. Sweet.

Thank you, Mr. Bergeron, for coming today.

I appreciate your patience. We should have had the audiovisual for you. We did however manage to distribute paper copies—

Mr. Brent Bergeron: Okay.

The Chair: —so as you were talking, people were able to consult the illustrations, and they are available in the records of the committee.

I also wanted to mention before I dismiss the committee that we have two other people whose presence should be recognized. The Honourable Don Boudria, a great parliamentarian, a former cabinet minister, is here today, and so is Gurmant Grewal, who is well-known to all of us—one of us in particular—and a former caucus colleague of mine. It's good to see both of you here today.

Thanks everybody.

We are adjourned.

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