

The Canadian Ombudsperson for Responsible Enterprise



BUILDING

ANNUAL REPORT
2021-2022



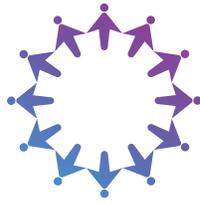
PUBLIC



TRUST



CORE OCRES
Canadian Ombudsperson
for Responsible Enterprise Ombudsman canadien de la
responsabilité des entreprises



CORE OCRE
Canadian Ombudsperson
for Responsible Enterprise Ombudsman canadien de la
responsabilité des entreprises

Hon. Mary Ng
Minister of International Trade, Export Promotion,
Small Business and Economic Development

November 1, 2022

Dear Minister Ng,

I am pleased to submit the Canadian Ombudsperson for Responsible Enterprise's second Annual Report for the period April 1, 2021–March 31, 2022.

Sincerely,

Sheri Meyerhoffer
Canadian Ombudsperson for Responsible Enterprise

Annual Report 2021-2022

The Canadian Ombudsperson for Responsible Enterprise

November 2022

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Canadian Ombudsperson
for Responsible Enterprise

Ombudsman canadien de la
responsabilité des entreprises

Canada

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This annual report summarizes the CORE's key activities for fiscal year 2021–2022.

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MESSAGE FROM THE OMBUDSPERSON

This is the second annual report by the CORE. Building on the foundational work profiled in our previous report, this new review period (April 1, 2021–March 31, 2022) covers a time of steady progress in building new connections, providing well-informed advice and listening to stakeholders in and outside of Canada.

The CORE is uniquely positioned to create lasting change and influence public policy in promoting and protecting internationally recognized human rights. We do this by building and fostering respectful, positive relationships with stakeholders. The value we bring to those relationships is that we are seen consistently as an arm’s length organization that is capable and well informed. Because of the collaborative nature of what we do—particularly after a complaint is received—that work will often have an iceberg effect, where undertakings that have long lasting results will occur under the surface for a period of time.

But important activities also occur above the surface. Key among them: **building public trust**. This is accomplished by engaging in public dialogue and sharing ideas on how Canadian companies can best uphold internationally recognized human rights in their work outside of Canada.

Trust building is a process: one that’s solidified by actions. To that end, the CORE published criteria for Ombud-initiated reviews. Next, we launched a study on the garment industry. And third, we provided detailed comments on Bill S-211, *An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff*.

Details on each of these important activities (and others) are provided in the *Year in Review* section of this report.

Having the capacity to grow and to plan for the coming years is vital for an Ombud office. The CORE is no exception. Thus, an increase in our federal funding was welcomed by our organization and by stakeholders. We also noted with interest the considerations by the Parliamentary Subcommittee on International Human Rights to expand the powers of the CORE, and look forward to the Government of Canada’s comprehensive response. Overall, it means our vital progress—working with our existing powers and mandate—continues with confidence. That includes our work in the area of community and stakeholder outreach.

In this report, you’ll also read about how we are connecting with and learning from others. It includes the CORE’s participation as panelist at the 10th Annual UN Business and Human Rights Forum session, titled Indigenous Peoples and the Next Decade of Business and Human Rights. It also includes organizing a side event at the February 2022 OECD Forum on Due Diligence in the Garment and Footwear Sector.

Traditionally, an Ombud was regarded as a “citizen’s defender” against unjust **administrative** action. That’s how Donald C. Rowat—one of the earliest advocates in favour of the use of this unique office in Canadian public policy—described it. The CORE is next-generation thinking. We investigate complaints about **corporate** actions. We serve all people best by leveraging the power of mediation and dialogue, backed by trust earned between all stakeholders. To that end, this report showcases how the CORE contributes to a whole-of-government approach in building public trust and in promoting and protecting human rights globally.

Sheri Meyerhoffer,
The Canadian Ombudsperson for Responsible Enterprise

ABOUT THE CORE

The Canadian Ombudsperson for Responsible Enterprise (CORE) provides advice to Canada’s Minister of International Trade, Export Promotion, Small Business & Economic Development. It also advises Canadian garment, mining, and oil and gas companies that work in other countries on their practices and policies with regard to responsible business conduct.

Established in 2019 by an Order in Council, the CORE promotes the United Nations Guiding Principles on Business and Human Rights, and the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises. It is the first—and only—Ombud office in the world with a mandate to hold national garment, mining, and oil and gas companies accountable for possible human rights abuses resulting from the operations and supply chains abroad.

The CORE can review a complaint submitted by—or on behalf of—an individual, organization or community concerning a possible human rights abuse where the abuse occurred after May 1, 2019, or—if it occurred before that day—is ongoing at the time of the complaint. The CORE can also review—on the Ombud’s initiative—a possible human rights abuse within that same scope.

IN SCOPE: HUMAN RIGHTS ABUSE

In the context of the CORE’s work, this refers to internationally recognized human rights. A company abuses human rights when they do either or both of the following: acts in a way that takes away any of these rights, and/or makes it harder for a person or community to claim their human rights.



Vision

A world where Canadian companies operating abroad respect human rights because doing so is best for people, for business, and for Canada.



Mission

Our mission is to help promote and protect human rights in the operations of Canadian garment, mining, and oil and gas companies abroad. We work with other organizations to benefit people and communities and to support Canadian companies working around the world as they strengthen their respect for internationally recognized human rights.



Mandate

- Promote the implementation of the UNGP’s and OECD Guidelines for Multinational Enterprises with Canadian garment, mining and oil and gas companies working in other countries.
- Advise Canadian garment, mining and oil and gas companies working in other countries on their practices and policies related to human rights and responsible business conduct (RBC).
- Review complaints of possible human rights abuses arising from the operations of Canadian garment, mining and oil and gas companies working in other countries; or, on the Ombud’s own initiative.
- Recommend courses of action to resolve disputes, such as trade measures against companies, company remedies to those harmed, and reforms to Canadian policies.

HOW WE WORK

Within the CORE's mandate, there are three ways we can look into possible human rights abuses.

EARLY RESOLUTION

If the complainant and the Canadian company agree, then we share information with both parties. If it looks like the possible human rights abuse can be addressed informally, then we help parties find a solution through early resolution.

MEDIATION

The complainant and the company can agree to address the possible human rights abuse with the help of a mediator. The mediator is trained to do this work and does not take sides. The mediator works with the parties to try to find a solution to the problem. The parties may decide that some or all of the mediation has to be confidential. If the parties agree on a solution, they may sign an agreement.

REVIEW

The CORE can deal with a complaint by carrying out a review. If the parties agree, the CORE uses joint fact-finding. In joint fact-finding, a facilitator works with the parties to identify the questions that need to be answered and to agree on how to gather the information. If this is not possible, the CORE uses independent fact-finding. In independent fact-finding, the CORE decides what the issues are and gathers information including by interviewing witnesses.

Guided by Principles

The CORE is guided by [The Venice Principles](#), which is an internationally recognized set of norms on the function of an Ombud's office. While Ombud mandates and powers vary, following these international principles ensures capacity, independence and impartiality, so that an Ombud's work can be fully achieved.

Examples of a human rights abuse include:

- Unsafe work
- Unpaid wages
- Child labour
- Forced labour
- Discrimination
- Harassment
- Land dispossession
- Pollution of water or land

THE COMPLAINT PROCESS

We will let the complainant know within **10 working days** that we have received their complaint. If it looks like the complaint is about something within the CORE's mandate, the intake process begins.



PARTNERS

As part of the whole-of-government approach, the CORE works with a range of federal partners.

Canada's National Contact Point

[Canada's National Contact Point](#) (or NCP) for the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises (OECD) has a mandate of dialogue facilitation or mediation.

Export Development Canada

[Export Development Canada](#) provides a strong link to industry and can remove future financial support to a company if recommended by the CORE in a case where those companies do not cooperate in a review in good faith.

Trade Commissioner Service

[Trade Commissioner Service](#) can withhold services to a company if recommended by the CORE in a case where the company does not participate in a review in good faith.

Other federal departments

Other federal departments that are valued collaborators to the CORE: [Global Affairs Canada](#), [Natural Resources Canada](#), [Crown-Indigenous Relations and Northern Affairs Canada](#), [Employment and Social Development Canada](#) and [Environment and Climate Change Canada](#).

The CORE's Stakeholders: Public, Private and Plural

- **PUBLIC** includes governments, governing institutions and bodies both domestic and international.
- **PRIVATE** includes Canadian companies, sector associations, business associations and professional associations in the garment, mining and oil and gas sectors, along with their contractors and subcontractors.
- **PLURAL** includes civil society organizations and academics.

OUR VALUES

THE CORE IS ABOUT *INDEPENDENCE*

The CORE is proudly an independent, impartial body, operating at arm's length from the Government of Canada and acts in the public interest. We exercise that independence through our authority over:

- **Decision making and recommendations** relating to complaints, reviews and studies without direction from government or other stakeholders;
- **Budget** relating to autonomy on spending, subject only to the rules, policies and standards that apply to all government departments and bodies; and,
- **Human resources** with authority sub-delegated to the CORE on staffing the office, subject only to the rules, policies and standards that apply to all government departments and bodies.

OUR VALUES

THE CORE IS ABOUT ***FAIRNESS & IMPARTIALITY***

The CORE acts in the public interest to promote respect for human rights. Our processes are just and objective, designed to be responsive to the needs of vulnerable populations. Only an assessment that's seen as fair and impartial can have credibility among stakeholders and those impacted.



OUR VALUES



THE CORE IS ABOUT **TRANSPARENCY & ACCOUNTABILITY**

The CORE performs its duties and communicates outcomes in a transparent, accountable manner. This includes working with other government institutions to enhance accountability and changes to policy. We publish information on our website about human rights, including:

- Research and analysis on how human rights abuse impacts communities and Canadian companies;
- Information on the steps companies can take to increase respect for human rights; and,
- Reports about the human rights complaints we receive.



OUR VALUES



THE CORE IS ABOUT **ACCESSIBILITY**

The CORE performs its duties and communicates outcomes to all Canadians in a manner that's informal, inclusive and easy to use. The complaint process is free and we provide interpretation and translation services in all languages.

We adopt a systemic approach to identify, remove and prevent barriers to accessibility. This includes but not limited to, plain-language translation, user experience testing on our website and complaint form, and through extensive stakeholder consultations on our operations and processes.



HIGHLIGHTS

All key activities during this period in review (April 1, 2021–March 31, 2022) occurred during the highly formative third year of the CORE's operation. These accomplishments took place immediately after the mid-March launch of our complaint mechanism in 2021.



April 2021

OMBUD-INITIATED REVIEW CRITERIA PUBLISHED AND FEDERAL BUDGET 2021 ANNOUNCED INCREASE OF THE CORE'S ONGOING BUDGET

June 2021

COMMENTS PROVIDED TO PARLIAMENTARY SUBCOMMITTEE ON INTERNATIONAL HUMAN RIGHTS REGARDING THEIR STUDY ON THE CORE'S MANDATE



DECEMBER 2021

LAUNCH OF OMBUD-INITIATED STUDY ON GARMENT SECTOR

FEBRUARY 2022

OECD WEBINAR ON PROTECTING CHILD RIGHTS IN GARMENT SECTOR



March 2022

SUBMISSION TO STANDING SENATE COMMITTEE ON HUMAN RIGHTS REGARDING THE FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT (BILL S-211)

SECTOR HIGHLIGHTS



CANADIAN MINING SECTOR

Canada is a global leader in mining and a large proportion of companies have both domestic and foreign operations: 75% of the world's mining companies are headquartered in Canada.

97

Canadian mining companies were present in 97 countries in 2020.



CANADIAN OIL & GAS SECTOR

Natural gas and oil are Canada's number-one export commodities.

79/55

As of 2017, there were 79 Canadian exploration and production companies actively engaged in operations in 55 countries.



CANADIAN GARMENT SECTOR

The garment sector (when combined with textiles) is among Canada's largest manufacturing-sector employers, generating \$1.2 billion in GDP (2017).

95%

As of 2020, 95% of apparel bought in Canada was imported.

YEAR IN REVIEW

The CORE's major activities throughout this reporting period are grouped under five areas: dispute resolution, advice, reporting, budget and engagement.

DISPUTE RESOLUTION

The CORE is committed to ensuring dispute resolution processes where everyone—regardless of race, gender, ethnicity, language, age, disability, or any combination of characteristics—can participate and be heard. During this reporting period, the following activities related to inquiries, complaints, monitoring, early resolution, mediation, and review/investigation were undertaken.

Fiscal Year 2021–22 was the CORE's first year with its **Operating Procedures** and active **Human Rights Responsibility Mechanism (HRRM)** in place. The CORE's Operating Procedures provide guidance on how the office proceeds when it receives a complaint, when a review is commenced by the Ombud, or there is a request for informal mediation services.

The [CORE's Operating Procedures](#) are available for review online.

IN BRIEF: Human Rights Responsibility Mechanism (HRRM)

This mechanism includes the dispute resolution processes provided for in the *Order in Council*, such as mediation, independent fact-finding, joint-fact finding, recommendations and reporting, as well as ombud good-practices such as problem-solving through information-sharing, dialogue and facilitated negotiation. The HRRM is implemented in a fair, transparent manner. It considers the circumstances of the parties, the

nature of the matter, the positions of the parties, any requirements related to confidentiality or anonymity, resources and caseload. The CORE is committed to dispute resolution processes that address power imbalances and are inclusive: taking into account characteristics such as race, gender, ethnicity and age, and the intersection of those characteristics. We consider ways to address additional barriers to access faced

by individuals and communities at heightened risk of violence, vulnerability or marginalization, in particular, Black and Indigenous individuals and communities. If an individual requires accommodation of needs related to disability and/or any other characteristic to participate in the HRRM, they can contact the CORE to discuss accommodation measures.

ADVICE

The CORE plays a leadership role in providing advice on respecting human rights. That role takes many forms: from agenda-setting work in defining how it chooses Ombud-initiated reviews within its mandate, to providing insight and advice to Parliamentarians and policy makers on how best to uphold human rights in other countries.

To that end, the following activities were undertaken during the reporting period.

The CORE established in April 2021 **five criteria guiding the choice of human rights issues for Ombud-initiated reviews:**

- 1 **Systemic**—Cases where possible human rights abuse is significant because it appears to impact a large number of people across a number of regions or countries throughout the garment, mining, and/or oil and gas sector(s), and/or represents a persistent or long-standing issue within one or more of these sectors.
- 2 **Underserved groups and communities**—Those impacted by the possible human rights abuse may be disenfranchised and/or marginalized. This could mean there is a disproportionate impact on those affected by the possible human rights abuse or that the individual(s) face particular challenges in claiming their rights.
- 3 **Feasibility or appropriateness**—The nature of the possible human rights abuse is appropriate for a public and participatory review process and the relevant information, expertise, and resources needed to review the issue in sufficient depth to enable a meaningful process are likely to be available.
- 4 **Impact**—A review of the possible human rights abuse is likely to result in meaningful and relevant findings, remedies, and/or recommendations, as appropriate,

towards strengthening respect for human rights by Canadian companies operating in other countries in the garment, mining, and/or oil and gas sectors.

- 5 **Strategic relevance**—A review of the possible human rights abuse aligns with the CORE's mandate and strategic priorities.

In June 2021, the CORE **welcomed the recommendation for legislation** imposing human rights due diligence obligations on Canadian companies. The CORE was referred to in a report tabled by the Parliamentary Subcommittee on International Human Rights (SDIR), entitled Mandate of the Canadian Ombudsperson for Responsible Enterprise. We noted with interest the considerations to expand the powers of the CORE, and look forward to the Government of Canada's comprehensive response to SDIR's report.

In December 2021, the CORE launched a **study on respect for child rights and the risk of child labour in the operations and global supply chains** of Canadian garment companies outside of Canada. The study, which began in early 2022, identifies the challenges faced by Canadian garment companies in ensuring supply chain visibility and establishing human rights due diligence.

IN BRIEF: What is child labour?

The International Labour Organization recognizes child labour as any work depriving children of their childhood, potential and dignity, and which is harmful to their physical and mental development and/or interferes with their schooling. It includes the worst forms of child labour, such as trafficking and slavery.

The outcome of this study will increase knowledge of the barriers in the Canadian garment sector to ensuring transparency and respect for child rights throughout supply chains, as well as what is necessary to remedy human rights abuses where they occur. In launching this study, the Ombud, Sheri Meyerhoffer, said: “Protecting child rights in the global economy is an important goal for governments, companies and the public. By focusing on a sector of Canadian companies operating in other countries, and utilizing external expertise where appropriate, the CORE’s study will contribute to the growing body of knowledge relevant to assessing and establishing HRDD related to child rights, including remedy.”

The study includes **in-depth consultations** with Canadian garment companies, conducted by Nanos Research. The Danish Institute for Human Rights and the Centre for Child Rights and Business provided expert advice, including analysis of study results and recommendations to improve respect for child rights and to remediate possible abuses of child rights in the Canadian garment sector. The CORE appreciates the assistance of the Canadian Apparel Federation, Fashion Takes Action and the Retail Council of Canada in encouraging its members and other companies in the garment sector to participate in the study. The results of this study will be shared with Canadians in a public report, scheduled for early 2023.

Lastly, in March 2022, the CORE provided the Senate with **a formal response to Bill S-211**, *An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff*. Noting that the proposed transparency legislation represents “a step forward” for Canada, the CORE praised measures in the Bill to strengthen respect for human rights by Canadian companies in their operations and supply chains abroad.

The CORE recommended the following changes to enhance the Bill:

1. Add fighting against labour trafficking to the purpose of the proposed legislation;
2. Add the ability to make regulations to identify other threshold considerations for identifying entities subject to reporting obligations (e.g., in sectors with high-risk supply chains);
3. Make reporting requirements more detailed and specific; and
4. Strengthen oversight including by providing for independent audits of annual reports.

Furthermore, we recommended that adopting transparency legislation not detract from the need to introduce mandatory human rights due diligence legislation, requiring Canadian companies to exercise due diligence with respect to all human rights and to strengthen access to remedy for impacted individuals and communities by providing the CORE with the ability to compel testimony and documents. We look forward to seeing further progress on this Bill, now that it has been passed by the Senate and is progressing through the House of Commons.

REPORTING

The CORE's reporting functions include publishing an annual report as well as quarterly reports that summarize inquiries and complaints received.

During this reporting period, the CORE published:

- Its first annual report in February 2022, profiling the previous period (May 1, 2019 to March 31, 2021); and
- Four quarterly reports on complaints and inquiries received (detailed below).*

* *NOTE: In the final two weeks of the previous fiscal year, immediately following the launch of the online complaint form, the organization received its first complaint, along with two inquiries.*

Complaint and inquiry statistics are posted on a quarterly basis throughout the fiscal year (April 1– March 31).

What is a complaint?

A **complaint** is about an issue that may be within the CORE's mandate. There is no cost for filing a complaint or making an inquiry and the process doesn't require a lawyer.

The CORE seeks to acknowledge receipt of a complaint within 10 working days. The next step is intake, an informal process during which information about the complaint is gathered. The CORE will do its utmost to complete the intake process, including deciding on whether the complaint is admissible or not, within 30 working days of receiving a complaint.

For a complaint to be admissible, it must:

- be about a possible human rights abuse;
- have happened outside of Canada and is about a Canadian company that works in the garment, mining, or oil and gas sectors; and
- have started after May 1, 2019, or if it started before that date, is still happening.

What is an inquiry?

An **inquiry** is a request for information about filing a complaint, or a request to file a complaint about an issue that is clearly outside the CORE's mandate (e.g., a complaint about something that happened in Canada).

If we decide that a Canadian company abused any human rights, we recommend ways to stop the abuse. We will also make recommendations to the company, the Government of Canada and others on how to address the abuse and remedy the harms caused. The CORE reports publicly on this process via our website. We also follow up to see if the abuse has stopped and if our recommendations are being carried out.

[Learn more online about the CORE's complaint process.](#)

COMPLAINTS AND INQUIRIES RECEIVED (BY FISCAL QUARTER)

Q1 report (Apr 1, 2021–Jun 30, 2021)	Q2 report (Jul 1, 2021–Sep 30, 2021)	Q3 report (Oct 1, 2021–Dec 31, 2021)	Q4 report (Jan 1, 2022–Mar 31, 2022)
Four complaints and 16 inquiries	14 inquiries	14 inquiries	One complaint and 36 inquiries

TOTALS FOR 2021-22 FISCAL YEAR

5
Complaints
received

80
Inquiries
received

- Two of the complaints were admissible. One was referred to Canada's National Contact Point (NCP) with the agreement of the complainant who also wanted to raise bribery allegations. The other complaint did not proceed because the complainant did not respond to the CORE's request for additional information.
- Following a thorough intake process, two complaints turned out to be inadmissible. In one complaint, the company was not a Canadian company. The other complaint did not raise allegations that were within the time frame prescribed by the CORE's Order-in-Council. It was referred to the NCP.
- The admissibility of the fifth complaint was unclear and required more information. The complainant elected to proceed with the company grievance mechanism first and may return to the CORE.



How to file a complaint

Complaints and inquiries can be filed using the form at core-ombuds.canada.ca/complaint

Complaints can also be filed at

@ complaints-plaintes@CORE-OCRE.gc.ca

+1 343 203 5060

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125 Sussex Drive, Ottawa, ON
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BUDGET

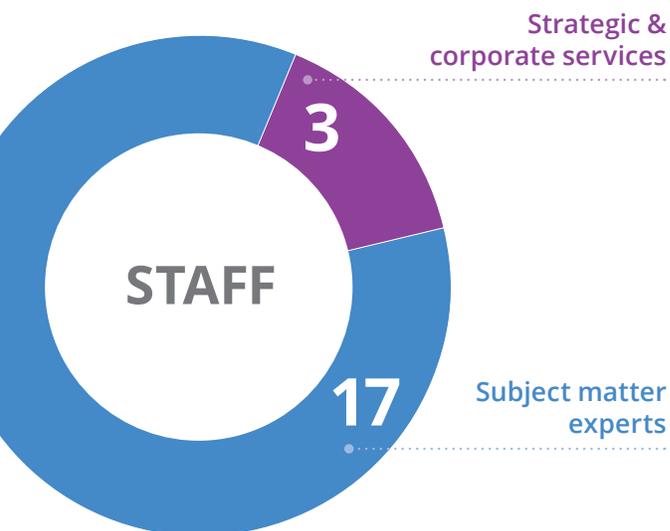
The CORE had an operating budget for fiscal year 2021-2022 of \$5.75 Million, including additional funding allocated in Budget 2021.

“Budget 2021 proposes to provide an additional \$16.0 million over five years, starting in 2021-22, and \$3.3 million per year ongoing, to Global Affairs Canada to support the CORE. This would enable the CORE to fulfil its mandate of ensuring ethically, socially, and environmentally responsible practices of Canadian corporations when doing business abroad. To this end, the CORE will conduct reviews of human rights abuse allegations involving Canadian companies in the resource mining, oil and gas, and apparel sectors overseas.”

Operations

During fiscal year 2021-2022, the CORE employed a total of 20 staff comprised of 17 subject matter experts and 3 strategic and corporate services staff.

Office infrastructure support services such as procurement, staffing and information technology, were provided by Global Affairs Canada.



Financials

Budget 2021 allocated the CORE with additional funding of \$3.3 Million for fiscal year 2021-2022, in addition to the ongoing initial funding of \$1.6 Million. Global Affairs Canada provided additional funding of \$850,000 to cover the start-up costs of an electronic client and case management database, for a total budget of \$5.75 Million.

Actuals 2021-2022

Salaries	\$ 1,262,543
Operating expenditures	\$ 502,438
Capital expenditures	\$ 734,853
Sub-total	\$ 2,499,834
Non-discretionary fix costs:	\$ 1,177,171
Total Expenditures	\$ 3,677,005

In 2021-2022, the CORE under-spent 2.05 Million due to: delays in staffing and the office fit-up and move, and also, lack of eligible complaints. The under-expenditure will be moved forward to the CORE's budget for fiscal year 2022-2023.

ENGAGEMENT

Ongoing dialogue is fundamental in fostering a robust, responsible global trading system for Canadian companies who generate prosperity and jobs at home and abroad. During the review period, the CORE engaged in a wide range of activities to connect with stakeholders and to boost its message about the importance of responsible business conduct abroad, and to raise awareness about the CORE’s dispute resolution mechanism. This included 32 stakeholder engagements and 12 presentations.

Engagements/Meetings

9 with government

16 with civil society

4 with industry

1 with academia

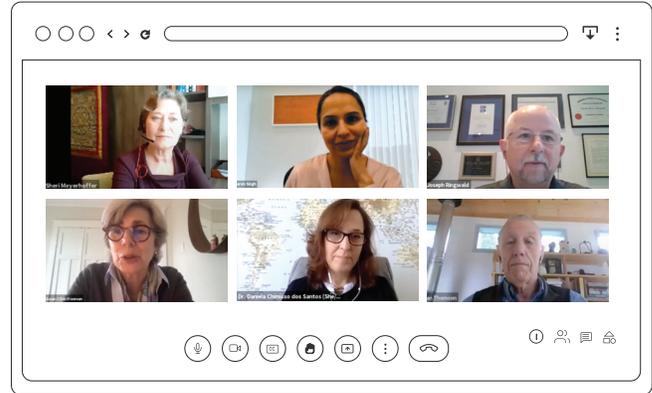
2 with other institutions, such as Ombuds, multilaterals and more.

Stakeholder presentations

April 2021	Centre for Business Law, University of British Columbia
October 2021	Carleton University
October 2021	Law Firm Baker McKenzie
November 2021	World Forum for Democracy, Strasbourg
November 2021	Canadian Embassy in Panama
November 2021	Mining Association Canada’s Mining Week on the Hill
November 2021	UN Business and Human Rights Forum
November 2021	Eco-Politics Podcast, Carleton University
February 2022	In-person presentation at Carleton University
February 2022	OECD Forum on Due Diligence in the Garment and Footwear Sector
March 2022	Canadian Global Energy Forum
March 2022	Corporate Social Responsibility Institute, Metropolitan University

Stakeholder engagement highlights

In late April 2021, the CORE participated in a webinar hosted by the University of British Columbia’s Anti-Corruption Law Program to discuss Environmental, Social and Governance (ESG) criteria in the Canadian mining industry.



The CORE participated in the **World Forum for Democracy**, held in November 2021. This gathering is a platform for decision makers to explore ways to make democracy more participatory and inclusive. The CORE’s Ombud addressed the third plenary session of the meeting, saying:

“I strongly believe that we represent a new way to protect human rights as part of responsible business conduct, as part of democracy. We live in a world now where people are losing confidence in democratic institutions. Through us, in some small way, the democratic values held by Canadians—and by many—are protected beyond our borders wherever Canadian garment, mining and oil and gas companies do business in the world.”

Also in November 2021, the CORE participated in a discussion on Indigenous rights, held during the **10th UN Forum on Business & Human Rights (BHR)**. Speakers, including the CORE’s Ombud, shared perspectives on the rights of Indigenous peoples in a business-related context, and explored how they could be put into practice.



The CORE engaged stakeholders in discussions about international supply chains in Canada's garment industry during the 8th OECD Forum on Due Diligence in the Garment and Footwear Sector, in February 2022. We moderated a webinar, titled: **Due Diligence in the Garment Industry: Challenges and Opportunities in Protecting Child Rights**. It also built on the UN Guiding Principles on Business and Human Rights (UNGPs) and OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector.

Different perspectives and lessons learned were shared on integrating child rights and human rights and environmental due diligence frameworks in the garment industry. [Watch the event here](#).

Highlights from the [webinar](#) summary report produced by the CORE include the following information:

- Supply chain transparency fell by over 30% during 2021, particularly in Asia, resulting in growing pressure on the garment sector to address supply chain transparency.
- For human rights due diligence requirements, Small and Medium Sized Enterprises (SMEs) can use their size to their advantage. Unlike larger companies, SMEs deal with fewer suppliers: a less complicated arrangement more conducive to improving transparency.
- COVID-19 showed how supply chains can fall apart and how that affects workers and children engaging in work in this industry.
- There's a need for clear guidelines for factories and suppliers, including training factory managers on how to detect child labour.
- There's a need to take a more holistic approach to tackling child labour: see the rights of children as part of the broader human rights framework. Child labour should not be addressed simply as a compliance issue. Interventions should be guided by careful consideration of the child's best interests. This approach takes time.
- Increasing movement in many countries towards mandatory HRDD legislation has important implications for the garment sector's long, complex supply chain across different countries. Companies will be obliged to apply HRDD, and this includes addressing child rights issues.
- Best practice for engaging children in this area: gain an understanding of the local socio-cultural, political and economic context to prevent exploitation and harmful work of children; listen to



children and consider their views seriously in decision-making processes; develop, implement and monitor policies and practices (e.g., Code of Conduct) to protect children from engaging in hazardous and exploitative work; consult young workers and support their engagement in unions/associations/groups; and support access to quality education and vocational training.

Taking place in March 2022, the CORE conducted stakeholder consultations on our draft document, **Risk Assessment Process for Non-Review Country Visits**. Those consultations included public, private and plural stakeholders, and represented all three of the sectors within the CORE’s mandate: garment, mining and oil/gas. Of the ten stakeholders consulted, eight provided feedback.

Overall feedback focused on the need for further clarity on the purpose of the document, the goal of non-review country visits and how countries will be selected by the CORE. Further, recommendations were made on who should be consulted before, during and after a visit.

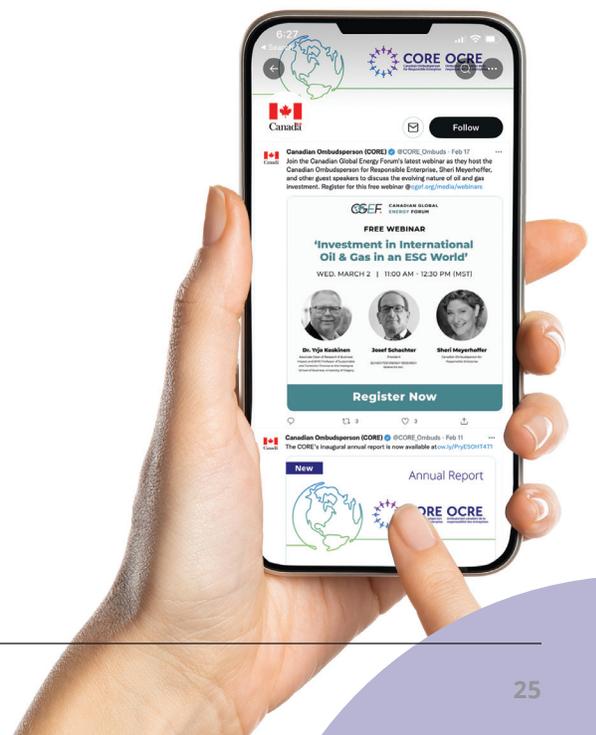
As a result, a revised document was prepared. It makes clear that non-review country visits serve several purposes, including:

- raising awareness about the CORE, our mandate and how to submit a complaint to the CORE’s Human Rights Responsibility Mechanism;
- gathering information about conditions, including those pertaining to human rights;
- protecting and promoting human rights of impacted individuals, workers, communities and organizations at risk; and

- meeting with Canadian garment, mining and/or oil and gas companies to discuss responsible business conduct and share information about the CORE’s dispute resolution services.

Also in March 2022, the CORE participated in a webinar with **Toronto Metropolitan University’s Corporate Social Responsibility Institute**. An overview of the organization was provided, followed by a discussion on the key human rights issues facing Canadian companies today in the garment, mining, and oil and gas sectors.

Lastly, the CORE participated in a webinar in March 2022 with the **Canadian Global Energy Forum**: an organization dedicated to the promotion of Canadian energy companies. Participants discussed the evolving nature of oil and gas investment. The CORE highlighted the role our office plays in addressing human rights as part of responsible business conduct of Canadian garment, mining, and oil and gas companies that work in other countries.

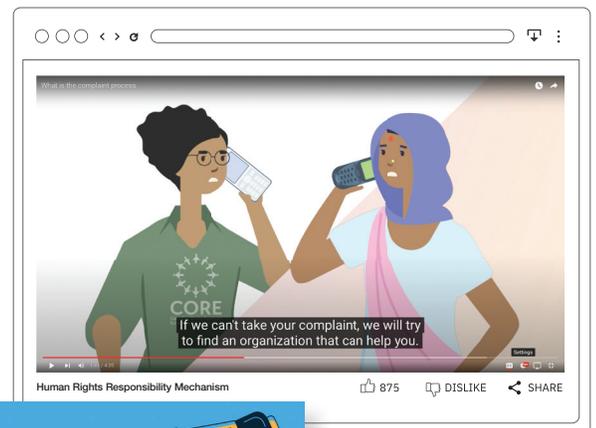


CONNECTION

Connecting with new and existing stakeholders is a vital part of the CORE's work. It means our organization reaches out to stakeholders in and outside of Canada and to potentially impacted individuals and groups in other countries.

During the review period, the CORE produced **a series of videos profiling our Human Rights Responsibility Mechanism (HRRM)**. Designed to raise public awareness about the CORE's mandate, the videos showcase the dispute resolution processes that are available.

Social media provides a powerful way of building connections with new and existing stakeholders. During the review period the CORE issued 90 tweets jointly from our English and French accounts (@CORE_Ombuds and @OCRE_Ombuds respectively). To date, the organization has gained a total of 351 follows on Twitter. Public education efforts are undertaken on an ongoing basis to elevate awareness about the CORE's mandate and about the importance of respecting human rights in the garment, mining and oil and gas industries. Among the material posted for social media followers was a series of fact sheets showcasing the roles and responsibilities of the CORE.



ARE YOU CONCERNED ABOUT A HUMAN RIGHT ABUSE?

Admissibility criteria

- 1 OCCURRED ON OR AFTER MAY 9, 2019*
- 2 IT OCCURRED BY A CANADIAN COMPANY, OUTSIDE OF CANADA
- 3 IT CONSTITUTES A HUMAN RIGHT ABUSE**

Anyone, anywhere can file a complaint using our online complaints portal at core-ombuds.canada.ca. If the complaint falls outside of our jurisdiction or does not meet the criteria, we will refer you to an appropriate organization.

*When the complaint is filed by a third party on behalf of the complainant.

**The ability to file a complaint is subject to the complainant's consent to the process.

What complaints does the CORE deal with?

The CORE deals with potential human rights abuses that occur by a Canadian company operating outside of Canada.

Garment
3 sectors
Mining
Oil & Gas

Responsible business conduct (RBC)

An environmentally and socially aware business process, from the sourcing of raw materials to manufacturing and shipping; including demonstrating respect for human rights and being consistent with applicable laws and internationally recognized standards.

Make a complaint or learn more. Visit core-ombuds.canada.ca

As an Ombud, the CORE is committed to the following values:

<p>Independence</p> <p>We operate at arm's-length from other federal organizations.</p>	<p>Fairness & Impartiality</p> <p>We promote and protect human rights; our processes are just, objective, and responsive to the needs of vulnerable populations.</p>
<p>Transparency & Accountability</p> <p>Our processes are transparent; we communicate clearly and openly with our stakeholders and publish the results of our work.</p>	<p>Accessibility</p> <p>Our process is informal, inclusive, and easy to use.</p>

File a complaint online at core-ocre.gc.ca

CORE OCRE

LOOKING AHEAD

The CORE looks ahead to the forthcoming fiscal year with enthusiasm. This year follows a formative period of entrenching our foundational operations, establishing our complaints process and building trust. With these building blocks now in place, we're well positioned to deliver fully on our mandate: to support and strengthen respect for human rights.

Notably, within two weeks of the end of the fiscal year covered by this annual report, the CORE received 15 complaints: 13 of which are admissible. We look forward to reporting on the management of these complaints in our next annual report.

We also look forward to launching an updated online complaint form and portal. We have been working diligently behind the scenes to enhance our online form to make it as accessible and user friendly as possible for marginalized groups and remote communities. Given the diverse nature and background of potential complainants, the CORE is committed to having a process that's transparent, accessible and fair. The online form will be supplemented with a login account portal, where users can find the latest information on their complaints and access resources and support confidentially.

The CORE's [study on the respect for child rights and the risk of child labour in the operations and global supply chains of Canadian garment companies operating outside of Canada](#) continues in the new fiscal year. We are eager to publish our findings and announce a second phase of the study.

The CORE will continue to do the work and report publicly, not only annually, but on a continuous basis. You can find quarterly reporting on complaints received and other timely updates on our website in English, French and Spanish.

For more information, you can contact the CORE at info@core-ocre.gc.ca.

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for Responsible Enterprise Ombudsman canadien de la
responsabilité des entreprises