The Government must do five things to respond to public concern in this area. It must:

## Champion...

...corporate social responsibility at home and abroad. The government needs to provide real leadership at the highest levels. Canadians would welcome a Prime Ministerial statement to the effect that Canadian companies should not operate abroad in a manner that would be unacceptable in Canada or that violates basic international norms.

# Support...

...continued research and training in the field of global corporate citizenship and human security. The Government should also continue to foster ongoing and constructive dialogue between businesses and NGO groups. A key way to reward good behaviour and to disseminate best practice would be to sponsor a national awards scheme for exemplary corporate leadership in the field of human rights and social responsibility.

### Inform...

...companies of the ethical risks they run when operating in conflict-prone areas. The Department of Foreign Affairs and International Trade should provide more accessible, timely, and objective information on the human rights situation in countries of concern. Canadian embassies should play an active role helping corporations that wish to bring human rights-related concerns to the attention of local government officials and facilitating ongoing dialogue between local civil society groups and Canadian firms.

#### Reward...

...businesses that take human rights and human security seriously. Firms should be required to demonstrate that they meet basic Canadian and international standards to gain access Government-conferred benefits that are either directly financed by Canadian taxpayers or indirectly backed by Government guarantees. A variety of positive inducements can and should be pursued, including: conditionalities on EDC credits and CIDA grants; human-rights screening for participants in Team Canada missions; revisions to the Income Tax Act to create incentives for human-rights sensitive corporate practices.

## Compel...

...companies that consistently and egregiously violate Canadian and international standards. Regulatory and voluntary approaches to compliance are complementary not competing paradigms. Where credible evidence suggests Canadian firms are complicit in human rights abuses or are otherwise in violation of international norms, senior government officials should engage with management directly. The Government of Canada should not hesitate to make its concerns public where it meets with reluctance to engage in a constructive dialogue. Where public censure is inadequate to influence a company, the Government should force a company to divest or otherwise penalize it.