

The Government should broaden and formalize stakeholder consultations on these issues.

- The Government should seek to identify and solicit input from firms that have successfully implemented corporate social responsibility policies.
- The Government should convene regular multi-stakeholder meetings of NGOs, businesses, and Government officials to discuss CSR expectations and methods of implementation. These discussions should take place both in Canada and locally at the embassy level.
- Any industry-wide consultations must incorporate dialogue with NGO groups to ensure that the results are viewed as credible.

Recommendations to Business

The business sector should acknowledge that private companies are social actors and hence have obligations under international law. Companies could do a lot to build public trust by admitting their own fallibility and redressing problems once they have arisen. In particular, businesses were encouraged to foster relations with NGO's and community organizations, especially local ones.

Businesses must improve openness and transparency. Codes of conduct need to be included and used in terms of the creation and implementation of management systems. Corporate commitments to social responsibility are only credible where their implementation can be measured and verified by independent outside groups. Social reporting has to mean more than a mere internal survey of a firm's practices. Social performance data should be publicly available and the information contained in these social reports must be subjected to rigorous and independent assessment. There was agreement that a dialogue needs to be opened with accounting professionals on these issues, especially in terms of their incorporation into training and accreditation.

A strong view was expressed that social responsibility and social reporting considerations should be extended to the investor community. Market analysts tend to be unaware of corporate social responsibility issues. Although there is academic research suggesting a strong connection between corporate social responsibility practices and improved revenues, the correlation with stock price has been difficult to establish. It was suggested that companies should ensure social reporting is prominent in annual reports and in investor relations packages. The example of Britain was also mentioned, where pension funds have been required to report on broader range of issues, including social responsibility. In general, banks were identified as a key intermediary in the effort to promote CSR. If banks were to demand social reporting initiatives they could exert a wide influence through their client networks.

Socially responsible businesses have to be more vocal in advocating good corporate citizenship. There is a need for good business case studies that demonstrate the competitive advantage of doing the right thing. Industry associations are often perceived as expressing lowest common denominator thinking. Leading businesses have to get