

influence more Canadian companies to integrate these practices into their operations today. Some suggestions have been raised with respect to setting specific parameters on obtaining financial support to help influence the focus of international corporate practices in a positive direction. Models cited included CIDA and World Bank projects that require certain amounts of financing be spent and actions taken on addressing environmental issues, social development, etc. The influence of financial institutions and investors (and consumers, including governments) is also perceived as an important leverage point to encourage action by a broader spectrum of Canadian companies.

The Canadian Competitive Advantage

Companies consulted believe that in order to remain competitive in the global marketplace, attention to responsible corporate practices simply makes good business sense – for their shareholders, for their stakeholders, for their reputation, and for sustainable markets of the future. Democratic development and citizen participation are seen as integral to developing a strong world market and stable social order. Consultations indicate that the unique Canadian competitive advantage is based in part on prior experience inside Canada regarding First Nations community negotiations and multicultural sensitivity, as well as on the strength and reputation of Canadian institutional models (legal, environmental, participative approach, etc). In addition, continuing sensitivity to the application of ‘Canadian Values’ in the international sphere is an important factor in building trust that leads to competitive advantage.

As other countries are actively working to develop competitive advantages in these practices, companies believe it is important that Government not develop restrictive actions that may weaken Canadian competitive advantages as outlined below. Perceived competitive advantages include a ‘lack of baggage’, concern for reputation, a democratic approach, the quality of stakeholder engagement, and willingness to transfer standards.

Perceived Lack of an Agenda

The perceived ‘lack of an agenda’ of Canadian companies was highlighted as a key to competitive advantage in terms of creating the space to negotiate, to innovate, and to develop relationships and trust critical to success. Canadian companies do not bring the same baggage as American firms, per se, due to the intermixing and involvement of the U.S. government, and are less concerned with maintaining centralized control as found in many European companies.

Concern for Reputation

Universally companies stated that reputation counts, and that building a reputation is no longer about public relations but about mainstream business strategy – at home and abroad. Genuine concern for international reputation was often cited as the motivator that keeps Canadian companies welcome in developing countries, minimizing risks, retaining and attracting quality staff, resulting in a reputation that in general is trusted and well-received. One company quoted Warren Buffet: “Our reputation is our only asset. Without it, we are worthless.”