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SOCIAL RESPONSIBILITY > Trust Us

The business community has, has a lot of concerns as to how people are approaching the issue of corporate social responsibility. Many of our members have their own codes, which binds their activities and how they are going to operate in Canada and abroad. There are international, there is a plethora of not only business codes that every company has but also a plethora of international guidelines.

You have the OECD guidelines of multinational enterprises. You have the Sullivan Principles. You have the International Chamber of Commerce's principles. And there's more in the works. You have principles under the, under the ILO. You have principles being advocated organizations like SA 9000, Social Accounting 9000 and, and so on and so on.

And in fact the waterfront is pretty cluttered with these kinds of things. So some businesses who are trying to find a way through this maze are saying well who do I listen to, who do I follow, who's right, what are the best principles, what do I draw on? How do we mold something, which is right for us, for our conditions, for our situation?

And that becomes the difficulty whenever one starts to talk about mandatory measures because every company is different, every operating situation is different. And I think it's, it would be exceedingly difficult to find a one-size-fits-all solution to this.

... It has been proven at times that the, that the carrot and stick approach is far better than what we call the command and control. Where you have a very rigid system. And we feel that there's a very significant place for voluntary actions for business to itself get out in front of the regulatory environment. Don't just meet the minimum standards but do better and strive for continuous improvement. And business can undertake those initiatives, those initiatives themselves.

The Canadian chemical industry and the US chemical industry has a program called Responsible Care. And if you do not meet the expectations of your peers you're kicked out of the Association.

Mark

That doesn't mean you can't do business?

Robert

It doesn't mean you can't do business but your peers are turning their back on you and that sends a pretty strong message.

Mark

Strong enough.

Robert

Strong enough! Absolutely strong enough because people do not want to, governments and other customers and say look you're going to do business with somebody who has been, has been kicked out of this particular industry association. That's not good for your business prospects in the long run, not at all. And it's happened. It's happened.

Two companies have been kicked out of the Canadian Chemical Association for not meeting, not meeting certain standards and, and poor environmental behaviour. So and that's, you know that's, that's, that's a form of industry, industry discipline.

Will it ever replace government regulation? No. No. But government regulation is not perfect. Government can never hope to control everything. You know. Do you always obey the speed limit?

Note

The Canadian Chemical Association refused to identify which corporations were disciplined.

In a letter to Associate Producer, Dawn Brett, Brian Wastle, VP Responsible Care® explained, "while I recognize it would likely help with our association's public credibility to reveal the companies' identities, I am of the opinion the value of this would not offset the negative effect of unduly stigmatizing the company."

REGULATION > A Pen Is Not A Pen

One of the things that, that people don't understand the general public might not understand about trade negotiations. There's a lot of non-sexy mundane yet very important stuff that gets, gets dealt with. One in particular for example something called Rules of Origin, which is one of the fundamental backbones of customs issues.

And it sounds very simple. Where does this good come from? Well it comes from country X and then you apply tariff rate Y and it goes into country, goes into that country at that rate. But when you start to look at this closely.

I mean take a common household example like a pen. A pen is not a pen. This particular pen here, one from the Summit of the Americas. It's got metal on the end it's got plastic in the middle. It's got a logo that has been printed on it. When you pull that pen apart inside you have metal components. You've got ink. You've got a plastic cap.

... I mean this pen also has energy embodied in it because you had to use energy to smelt the metal from the original ore. And that metal then got bashed, it probably got moved somewhere, it got molded, it got formed. This plastic moved from petroleum into a pellet, into a plastic plant. The shell of the pen got, and every stage along the way this upgraded the value of these original components.

... The person on the, on the street, at the end of the day if there's a tariff embedded when he goes to buy that pen that's a cost to the, to the, to the consumer at the end of the day. And so freer trade, lower tariffs, moving goods across borders is going to benefit those consumers.