

**Presentation at National Roundtable on Corporate Social Responsibility  
and the Canadian Extractive Sector in Developing Countries  
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**Submitted by Tracy Glynn, researcher on the environmental and health impacts of  
the Inco nickel mine and smelter in Sorowako, Indonesia.**

My name is Tracy Glynn and I am presenting to you today as a researcher on the environmental impacts of nickel mining and processing, and as someone who has lived in a community affected by a Canadian-owned mining company. I have recently completed a Masters Degree in Environmental Science at Memorial University of Newfoundland. My thesis research involved the environmental and health impacts of the almost four decade old operating Inco nickel mine and smelter in Sorowako, Indonesia.

I first visited the Sorowako community in 2001 when I was working overseas with the Canadian social justice organization CUSO. I was dismayed by both the historical and current situation of the communities affected by a Canadian-owned company.

Australian anthropologist Kathryn Robinson published an important book about Sorowako in 1986 called: "Stepchildren of Progress." Robinson used the metaphor in the title of her book to describe how Sorowakans felt being the original inhabitants of the area but not the prime beneficiaries of the exploitation of their nickel resources. Sorowakans felt pushed aside and treated like stepchildren while newcomers received the "fruits" of development. The fundamental change and grievance that Robinson observed was the loss of the community's most productive agricultural land for the mining project that included mines, a smelter, dams, an airport, golf course and staff housing sites.

Sorowakans were force to free land in 1972. Sorowako landowners were not involved in the land negotiations. Many refused to accept the land compensation. Land compensation in most cases did not account for loss of crops and livelihoods. For most, the land compensation was inadequate to establish an alternative source of income like building a house to rent or opening a small business. Military and police attempted to coerce the community into accepting the compensation. Community leaders who refused to accept the compensation were jailed for days. Those who accepted the compensation had trouble getting it due to corruption at the regional government office.

There has been and continues to be a stark disparity of living conditions between the Inco managers and staff, and the villagers not employed at the mining operations. These disparities changed significantly in 2000 and 2004 but still persist in some forms today. Running water, electricity, the supermarket, golf course, schools, health clinics, and the unpolluted lakeshore area used for recreation were once only available to the Inco staff workers and their families but today the community has gained some access due to international pressure for Inco to reform its practices and treat the communities in the areas where they operate with respect.

Robinson's documentation was very important as it was published during the repressive Suharto regime. The Suharto regime made foreign investment one of its main priorities and dissenting voices were often silenced with jail sentences, kidnappings and murder. With the fall of Suharto in 1997, a wider window of political freedom was opened, the community began organizing to reclaim their land and indigenous rights.

My thesis project involved community-based monitoring of environmental and health concerns associated with the nickel mines and smelter. Air and lake water were sampled with the community and later analyzed at a lab at Memorial University. A health survey was conducted in the communities. The results published in January 2006 showed that dust and heavy metals were especially high in communities downwind and closer to the smelter in the dry season. Dust or total suspended particulate levels in these nearby communities exceeded Indonesia's and Canada's air quality guidelines. Sediments in the water and heavy metals such as nickel were particularly high at river mouths where mine and smelter runoff entered the lakes. Check dams finally installed in 2004 improved the situation but is still a concern for one particular area where the smelter runoff drains into Lake Mahalona. The health survey showed more incidences of asthma, learning difficulties in children, and skin conditions in communities closer to the smelter. Heavy metals are associated with various health concerns. Nickel in particular is associated with causing respiratory and skin conditions as well as causing cancer at certain levels and especially in those vulnerable to exposure at slightly elevated levels including the poor and malnourished, elderly and children.

As an environmental researcher, I am very concerned with the environmental effects of the Inco mines and smelter in Sorowako. It is a case in point of why Canadian mining companies need to be regulated here in Canada. Indonesia is not able to protect the environment due to pressure and corruption in which Inco is a party to in the case of its operations in Sorowako. Inco's furnace stacks daily for decades has violated and continues to violate Indonesia's air quality guidelines. Inco has a problem with chromium in its wastewater that needs to be closely monitored and regulated.

As a concerned Canadian citizen, I have watched the various community actions taken in Sorowako over the years. These actions call for reasonable demands of basic human rights that some of us here in Canada take for granted. The Sorowako people want a renegotiation of the Inco contract with the government to fairly provide them with benefits from the exploitation of their nickel reserves. Those never compensated or compensated unfairly want just land compensation. The Karonsi'e Dongi community want to live on their indigenous land. The Inco workers want job security. The young Sorowakans want jobs at the mine when they complete their engineering degrees. Parents want clean air and peace of mind knowing that the health of their children is not being jeopardized. They want their degraded environments restored. They don't want a menacing military in their areas intimidating them when they choose to criticize. Werima Mananta who presented earlier in this roundtable session should not have to worry about what the repercussions will be of presenting to you here today when she returns home but she does. Will Inco's new ownership, a Brazilian mining company, acknowledge and compensate for a Canadian mining company's past abuses and forge ahead with solutions

that are acceptable to the local communities? If laws were in place in Canada that regulated Canadian mining companies then what happened over the years in Sorowako would have been avoided and the people in Sorowako would not be left with the worry that no one will be held accountable. This is why we need mandatory regulations for Canadian mining companies overseas today. This legislation must be enacted to enable the process of bringing charges against Canadian corporations in Canadian courts when they commit crimes and gross human rights violations anywhere in the world. To ensure that justice be delivered to the people and environments already impacted by Canadian mining companies, legislation must be enacted to permit communities to seek compensation and redress in Canadian courts for crimes committed against them by Canadian companies. This must also include companies that were Canadian that do not exist anymore for whatever reason but were responsible for crimes in the past.

I am a co-editor of the Mines and Communities website that daily follows news in communities where multinational mining, oil and gas companies operate. Many of these companies are Canadian and they have been implicated in well-documented cases of human rights violations and environmental crimes all around the world in over 30 countries. These violations by Canadian companies include toxic dumping, the destruction of protected areas, forced displacement of indigenous peoples, and threats and intimidation of local communities.

Besides the companies, our tax dollars have been used to provide Canadian mining companies with financial assistance in the case of Export Development Canada and with political assistance. Our money is being used so that Canadian embassies and trade commissioners can lobby on behalf of Canadian companies, which in the case of Inco and Indonesia resulted in the weakening of Indonesia's forestry law on protected forest. Export Development Canada and the Canadian Pension Plan need to be more accountable to the public and adhere to the best international standards including International Labour Organization Convention 169 on consent from indigenous people. To ensure that companies and the EDC do not go ahead with socially unacceptable or environmentally destructive projects, all environmental impact assessments must be made public and verified by reputable independent third parties.

Voluntary measures for companies and export credit agencies like Export Development Canada do not work as shown time and time again. Indigenous and local communities, mine workers and the environment are three areas of grave concern that are currently under siege by Canadian mining companies. Canadian companies and our public institutions like Export Development Canada must be held to account and made to abide by the most stringent international standards governing the protection of the rights of indigenous and local communities, workers and the environment.

Thank you.