

**The Maritime Conference Mining the Connections Working Group
Response to the General Council Executive
concerning the Pension Board Accountability Report**

Every employee and every body of the church that offers employment invests in the United Church of Canada Pension Plan. On August 11, 2015 the General Council voiced that their will was to divest from Goldcorp, with a 78% positive vote on a combined motion that was forwarded to General Council by four conferences. The will of the Church to divest was based on concerns from our Church's partners in Guatemala and the on-the ground reality they are experiencing. As General Council Executive, you are legally responsible for the Pension Plan, although you have delegated many of your responsibilities to the Pension Board. In its Accountability Report the Pension Board has communicated that they have no intention of acting on the will of the church. The Maritime Conference Mining the Connections Working Group continues to believe that divestment is the most faithful response to our Guatemalan sisters and brothers. We offer the following for clarification of our reasoning, as well as to encourage the General Council Executive to hold our Pension Board accountable in its stated path of continued engagement.

Where your treasure is, there will your heart be also. Mathew 6- 12; Luke 12 - 34

Mining the Connections (MTC) is deeply disturbed by the Pension Board decision to reject the will of the church. It states that management engagement “positively contributed to the wellbeing of the communities in ways that walking away through divestment would not have done.” To refer to the wellbeing of communities after a decade of Goldcorp’s presence is to distort reality. Management engagement by SHARE and other management engagement groups over almost a decade has **not** changed the devastating impacts summarized below. Nor do SHARE and Sustainalytics have the mandate and/or capacity to investigate and address many of the most egregious impacts. In addition, many of the most important Human Rights Assessment recommendations mentioned in the Pension Board Appendix have not been implemented.

The destructive impacts stem from Goldcorp’s involvement in the Marlin mine, the Tahoe Resources Escobal silver mine and the Cerro Blanco mine, all without the free, prior and informed consent of nearby communities. The Appendix mentions management engagement only in relation to the Marlin mine. MTC repeatedly raised concerns regarding the Cerro Blanco mine which threatened the eco-system of neighbouring

El Salvador and the Tahoe Resources Escobal silver mine in which Goldcorp was the controlling shareholder. Twelve community referenda massively rejected the Escobal mine. Tahoe’s then-head of security was charged with assault and obstruction of justice in the indiscriminate shooting of peaceful protesters that left seven people wounded. The Norwegian Government Pension Fund, the largest pension fund in the world, divested from Tahoe Resources “due to an unacceptable risk of the company contributing to human rights violations.”

*Because of your money, you are complicit.
Give your money to something that gives
life. Catholic Parish Committee in Defense
of Mother Earth, San Miguel Ixtahuacan
2013 meeting with Mining the
Connections/KAIROS Mining Study Tour
delegation*

When you take away from a community all that is life giving and sustaining and then add back the bare essentials for existence, how can you possibly justify that as a “positive contribution”? Even this pittance of compensation, selective as it is, is available only to those who showed no opposition to losing their inheritance. Our church and society teach us that we must not turn a blind eye to abuse and yet we continue to enable Canadian mining companies to abuse our neighbours in the global South. I challenge the church to take the moral high ground and divest. David MacPherson, Mining the Connections Working Group member

Marlin Mine

a) Lack of consultations or seeking free, prior and informed consent When Goldcorp acquired Glamis Gold, it was fully aware that the Government of Guatemala had not carried out the consultation required by International Labour Organization Convention #169 on indigenous and tribal peoples. *The fundamental principles of consultation and participation constitute the cornerstone of the Convention. Consultation and participation are important objectives in themselves, but are also the means through which indigenous peoples can fully participate in the decisions that affect them.* (ILO #169 Handbook)

Because the Guatemalan Government did not carry

out the required consultations, 79 indigenous and mestizo communities, many in areas where Goldcorp has licenses, held municipal referenda, massively rejecting mining as a positive form of development, including the Municipality of Sipacapa, where the Marlin mine is located. Because ILO 169 was not implemented, communities surrounding the Marlin Mine filed a complaint to the Inter-American Commission for Human Rights to find recourse. As a result, the IACHR ordered that the mine be suspended in 2010. A year and half later, after non-compliance with the precautionary measures, the IAHR ordered that potable water for the communities surrounding the mine be made available. Not even this has been implemented.

***We applaud the United Church Moderator’s call for solidarity with the resistance at Standing Rock because of the lack of free, prior and informed consent. We cannot help but note the contradiction between that stance and the Pension Board’s refusal to divest from Goldcorp.**

b) Environmental impacts Mining in Guatemala requires massive disturbance of land in populated areas (a minimum of a ton of earth removed for an ounce of gold.) Water downstream from the Marlin mine has been contaminated. Goldcorp has denied this but has refused to allow independent testing and access to testing sites on the Marlin mine land. Studies by the Commission on Peace and Ecology, a Guatemalan NGO, indicated the increased presence of heavy metals, including arsenic and nitrates, downstream from the mine. The Guatemalan government’s National Institute of Forensic Sciences report indicated that, when the mine closes, arsenic and other heavy metals are likely to enter surface water, affecting community health for years to come. The Human Rights Assessment noted that an independent external audit of the water monitoring programme had not been carried out. Rob Robinson, a hydro-geologist hired by the Universalist Unitarian Service Committee, noted that Marlin testing was suspect because the reports were not public and vetted

Why do we need to mine lesser quality ore and use higher risk techniques when we already have so much of this material out of the ground? Emma Hebb, General Council Commissioner, Maritime Conference, BScH Environmental Science, Mining the Connections/KAIROS mining study tour participant

by third parties: *The most worrisome reports are samples of stream sediments downstream from the Marlin mine. Marlin is adding very high levels of lime to their process water in order to precipitate toxic contaminants in their tailings. Not all of the toxic contaminants are precipitating and some are being discharged, and I suspect some are making their way through groundwater to the surface water. These toxics are accumulating in the stream sediments...After the mine closes and is no longer adding lime to the waters, the arsenic in stream sediments could remobilized into the surface water. (See MTC recommendation below.)*

For Goldcorp to say that they have no responsibility for injustices related to potable water projects is unacceptable. Projects leave out the poorest and most vulnerable who cannot pay installation costs and those who have resisted Goldcorp's presence. In raising this concern, MTC referred to installation charges, not to ongoing charges by municipalities as the Appendix states.

I know that our pension board invests in Goldcorp. I am deeply troubled, for I seek to walk in harmony with the women who walk with dusty shoes. I can see that my dusty shoes of solidarity with the women of Guatemala are now sprinkled with gold dust. Rev. Ellen Wood, Manitoba/NW Ontario Conference

c) Social, cultural and health impacts

~ Disruption of community cohesion
~ A dramatic increase in community conflict and violence - frequent targeting of protesters, including death threats; bodily harm including the shooting through the face of a woman who would not sell her land; criminalization, especially of women (several cases were eventually thrown out of court for lack of evidence but were financially and emotionally costly for Mayan women with few economic resources.)

- ~ An increase in domestic violence and family breakdown
- ~ Structural damage to over a hundred homes close to sites where dynamiting took place (similar damages are now appearing in homes near the Escobal mine.)
- ~ A huge increase in alcohol abuse and the sex trade
- ~ The loss of Mam, the principal Indigenous language
- ~ An increase in health issues including the spread of HIV/AIDS, skin lesions
- ~ Malnutrition among children due to inflated prices for basic products

When the 2013 MTC/KAIROS Mining Study Tour asked the Goldcorp Guatemala Executive Director about these impacts, he replied that these are "negative externalities," the price communities must pay in order for development to occur. He added, to our dismay, that it is the responsibility of the churches to address

Mining the Connections recommendations to the General Council Executive

Mining the Connections is convinced that divestment is the best action. However, given the Pension Board's position outlined in its Accountability Report, Mining the Connections recommends to the General Council Executive that it ask the Pension Board for a report by the end of January indicating:

A. How Goldcorp is being held accountable by SHARE for its remediation and reclamation plans and post-closure monitoring program, including ongoing treatment of mine discharge water and monitoring and maintenance of tailings containment structures, since the Marlin Mine could negatively impact future generations

Background At Goldcorp's 2012 AGM, a shareholder resolution was submitted by human rights groups (including the Maritime Conference's longtime partner, the Maritimes-Guatemala Breaking the Silence Network) regarding reclamation plans. Goldcorp agreed to make public its reclamation plans, bond its reclamation, and consult with the public. It agreed to a \$28.4 million insurance policy to bond a part of the reclamation and agreed to a 10 year post-mining reclamation compliance period to be extended, if necessary. The reclamation bond amount covers reclamation of the two open pits including backfill of the main pit with filtered tailings (often called paste tailings) and reclamation of the rock waste dump.

What Goldcorp has not done is to make public reclamation plans and a bond for the remainder of the project including the tailings pond, underground mine and surface facilities. In addition, they did not consult with the public in preparing the earlier reclamation plan, nor show how they calculated the \$28.4 million reclamation insurance/bond amount.

B. Goldcorp's response in the Villacorta Haddad case In Alan Hall's Nov. 4th letter to Mining the Connections, he indicates that Goldcorp has been asked to disclose in its annual reporting the allegations of corruption involving Mr. Villacorta Haddad, former Goldcorp Vice-President for Latin America and what actions Goldcorp is taking to investigate these allegations. He also indicates that Goldcorp has been asked to disclose additional information regarding the circumstances of Mr. Villacorta Haddad's departure.

Is it really worth it to create social conflict, to run huge risks such as long term acid drainage, for the sake of making money for people who live in Canada?

Bishop Alvaro Ramazzini, member of UCC partner group, the Guatemala Ecumenical Council, decades-long friend of the United Church

*The Mining the Connections call to the Pension Board to divest from Goldcorp is based on our longterm connection with Guatemala. For information on Goldcorp's record throughout Latin America, see the Osgoode Hall Law School Justice and Accountability Project Report, *The "Canada Brand": Violence and Canadian Mining Companies in Latin America*. justice-project.org/the-canada-brand-violence-and-canadian-mining-companies-in-latin-america/