



MEMBER OF PARLIAMENT



PETER GOLDRING

Despite Canadians showing they were uneasy about the Nexen deal being accepted, the takeover bulldozed its way to completion. A poll done by EKOS Polling was released on December 8, 2012 directly following the federal government's decision to allow the CNOOC takeover of Nexen with unsurprising results.

The December 2012 poll reports that 72 percent of Canadians polled either strongly or somewhat disagree with the takeover. This number demonstrated a 15 percent increase from a similar poll that was previously conducted last August. On the other hand, only 16 percent of Canadians polled in this December 2012 poll either somewhat or strongly supported the deal.

The Nexen Oil Company takeover by China National Offshore Oil Corporation (CNOOC) is truly a disturbing event. Many Member's of Parliament

and Canadians-alike had let it been known that they were wary of letting a Chinese state-owned enterprise buy up domestic assets. Nonetheless, the Nexen shareholders and the federal government were in agreement that it was a deal too good to pass up.

As well, as no voice of concern over any aspect of the Nexen takeover came from the Alberta government – who lay claim to be the owners of the oil-sands – there was very little standing in the way of the Harper government giving this deal the green light.

However, the real owners of the oil-sands are the people of Canada and they should have been consulted accordingly.

It is no secret that Prime Minister Stephen Harper and the Conservative government have been trying to forge a stronger economic relationship with China as of late. The completion of this deal marks the

final stage in the Harper government's shifting position on China from one of anti-Communist China skeptics



On December 7, 2012, the Harper-government gave final approval to the Chinese state-owned Nexen to take over Canada's national CNOOC oil corporation.



to one of economically-oriented pragmatists looking for a mutually beneficial relationship.

Communist China has won the war against capitalists by engaging unfairly with a playing field decidedly tilted in their favour, and they are using the trillions of dollar proceeds from the Western World of developed nations to literally start buying up the planet.

China is an autocratic, communist country which has been using its state capital to buy up all of the world's resources to feed its people and power its identity. This capital comes on the backs of our worker and under privileged citizens employed in massive factories copying the world's technological advances and hammering out the world's consumer goods by means of cheap labour, poor or abysmal human rights, worker rights and or environmental practices.

With the completion of the Nexen deal, perhaps now is the appropriate time for Canada to step up and voice its concerns and dismay over the track-record of many of the state-owned corporations buying up Canadian corporations and work to become a more socially responsible country.

China has been plagued with internal human

rights issues for quite some time. Everything from exercising extreme control and censorship over the media to the vast human rights violations in the Chinese government's dealing with Tibet all point to ominous signs. However, it is not only their internal human rights issues that should be a cause for concern, it is also their external policies and practices that are disturbing.

In Guyana, China has been stripping the Amazon Forest through the labour of Chinese workers, using Chinese processes, and utilizing Chinese ports to ship Guyanese resources back to China. The question is what, if any, benefit went to the Guyanese people? Were they ever consulted?

On a very similar note, in Sudan, China is stripping the millions of acres of farmland of their crops and sending them back to China while many of the people of Sudan are starving and are receiving foreign aid and foreign food to combat the country's food shortages. It seems ludicrous that an outside country has the ability to come in and export vast amounts of a country's crops while many of the citizens of that country are literally starving due to a lack of food. This is the sad reality of what is happening



On September 26, 2012, Peter was featured on CBC Radio's "The Current", where he was asked to be part of a 4-person panel discussing the Nexen-CNOOC deal.



in Sudan and places similar at the hands of the likes of China. Weak or, even worse, corrupt government officials sell out the resource assets of its citizens with no consultation and little benefit.

These highlight just a few of the questionable social rights issues that exist due to China's practices abroad. It is now necessary to turn the lens to focus solely on CNOOC, and speak on allegations of human rights abuses against this individual state-owned company.

In 2007, CNOOC was involved in a dispute with Burmese workers who claimed that the hours they worked were too long and their compensation was too low. Similarly, complaints were lodged regarding the mistreatments of Burmese inhabitants by CNOOC.

Furthermore, in 2008 new allegations of human rights issues were once again raised against CNOOC in Burma. The campaign group Arakan Oil Watch stated in a report that "left behind such a trail of abuses and environmental contamination on Ramree Island that outraged locals attacked their facilities." The actions of CNOOC in Burma have been compared to that of communist party officials within rural China, where entrepreneurs who want to pursue a development

against the locals just steamroll the opposition.

Reports of human rights abuses such as these are seldom unfounded. These types of allegations are often rooted in truths. If working conditions and living conditions are sub-standard and exploitative by the communist state, how can Canada ever be considered a Fair Market trader exhibiting high standards of corporate social responsibility?

Canada needs to re-evaluate the type of state-owned enterprises that we want to allow to be in control of a valued natural resource that we have long prided ourselves in controlling.

Human rights issues, however, are by no means the only concern that should be associated with China or CNOOC. When

dealing with the environment, China's state-controlled companies mock environmentalists as they power their manufacturing industry with hundreds of dirty coal fired power plants. Canadians, and Ontarians in particular, are buying and installing thousands of very costly solar panel systems which they purchase from China. These panels are produced in China with dirty power - human and worker rights abuses - to then be installed and subsidized in Ontario and



An EKOS poll released on December 8, 2012 reveals that 72 percent of Canadians either or somewhat disagreed with the Nexen take over.

lauded as green and environmentally friendly power sources.

Two notable environmental lapses occurred within CNOOC, the first being their Bohai Bay oil spill in June 2011. The second, in 2011, a Huizhou refinery exploded in Guangdong province in the People's Republic of China. The refinery, as you may have guessed, is owned by CNOOC. This explosion also made headlines because the Huizhou refinery is only 40 kilometers from the Daya Bay Nuclear Power Plant. The proximity of the explosion to the power plant was an extra cause for concern, as the outcome had the potential to be much more devastating

than what it was.

In a recent session of Parliament, we had a wholesome foreign affairs discussion on Canada's corporate social responsibility. We must now take this a step further and conduct a Parliamentary Committee for State-Owned Corporate Social Responsibility for all such potential future deals with this over-arching question to be answered: Are the two countries conducting trade on an equitable basis keeping in mind human rights, citizen rights, worker's rights, patent rights, and environmental practices?

UPDATE: In December 2012, the federal government announced they would also allow the acquisition of Canadian-owned Progress Energy Resources Corp. by the Malaysian state-owned Petronas. The approval of the Petronas takeover, coinciding with the CNOOC acquisition, strengthens Canada's need for corporate social responsibility.

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This brochure series is intended to highlight special issues that Member of Parliament, Peter Goldring, has been involved in. If you wish to comment, please take a moment to fill out the survey below, write or call to the address above.

Your Opinion Matters...

Question #1 Do you support Canadian state-owned companies being taken over by foreign entities?

Yes No

Question #2 Do you feel that the Canadian federal government should take more steps to ensure greater corporate social responsibility?

Yes No

Comments: _____

Name: _____
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