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CANADIAN MINE ACCUSED OF CAUSING SKIN INFECTIONS

By Bill Law, BBC news Reporter, Radio 4 Crossing Continents

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(Rights Action)

The photographs are disturbing, Mayans young and old covered in blisters and welts. Anti-mining activists say the rashes result from water polluted by a giant open-pit gold mine located in the Western Highlands of Guatemala.

Marlin Mine is owned and operated by a large Canadian corporation called Goldcorp. The company strongly denies any link between their operation - which in a hot gold market is running 24 hours a day, seven days a week - and the ill health of the Mayans.

Responding to the charge, the company said in a statement: "Comprehensive sampling conducted by the technical staff of the Public Ministry in Guatemala as well as by the Marlin environmental department has confirmed that river water quality is not adversely impacted by mine operations."

Bill Brassington heads a Canadian union pension fund that invests in Goldcorp and has seen the pictures taken by an American non-governmental organisation called Rights Action.

He points out that Rights Action has no medical evidence to support its claims. Still, as an ethical investor he is worried.

ASSESSING IMPACT

Besides the rashes, Goldcorp has been accused by some Guatemalan campaign groups and NGOs of unfair land purchase practices, human rights violations and environmental damage to the area surrounding the mine.

Critics also say the company is taking huge amounts of profit out of impoverished indigenous communities and putting very little back in.

Goldcorp emphatically rejects all those claims.

In a bid to deal with the concerns, Brassington is heading a Human Rights Impact Assessment (HRIA) committee. It was set up last year and is funded by Goldcorp. Critics say the offer to pay for the HRIA was Goldcorp's way of heading off a potentially embarrassing motion at last year's annual general meeting in Vancouver.

Mr Brassington says: "My personal opinion is they have a way to go when it comes to community relations." But he remains optimistic, adding that the process is building trust and that community groups "seem positive".

However, Professor Douglas Cassel of the University of Notre Dame's Centre for Civil and Human Rights declined Goldcorp's offer to tender a bid for the HRIA. "We were not confident that the terms set down by Goldcorp would result in a full and independent picture emerging," says Professor Cassel.

It was awarded instead to a Canadian consulting company called On Common Ground.

Now Professor Cassel's group is working with the Catholic church in Guatemala on a separate HRIA that he hopes will be released at the same time as Brassington's.

Grahame Russell of Rights Action, the organisation behind the photographs, is dismissive of the Brassington initiative, arguing that no-one from the Mayan communities was consulted at any stage and that they have no representation on the committee. "The terms, the rules, the set-up - that was done without any involvement of the Mayans. "Goldcorp and their investors are laughing all the way to the bank. the price of gold is the bottom line."



(Rights Action)

GOLDCORP PROFITS

While other markets continue to collapse, gold is hovering at \$900-\$1,000 an ounce. When the Marlin mine was first costed, the project's viability was based on gold selling at \$350 an ounce. Not surprising then that Goldcorp's fourth-quarter profits in 2008 more than tripled to \$958m.

Goldcorp insists it is a socially responsible company. It points to health clinics open to everyone in the community, micro-finance projects and support for local schools as proof of its commitment to the Mayans.

In its statement the corporation said: "Our commitment to operating in a socially responsible manner informs everything we do as a company, and our record for socially and environmentally responsible operations is outstanding."

Not so, says Canada's respected Jantzi Social Index which rates companies for investors on how socially responsible they are. Last year Jantzi kicked Goldcorp off the index citing, among other issues, opposition to the mine from local indigenous communities. Jantzi's Irene Sosa says: "We want to see them being more pro-active. Goldcorp needs better consultation with the community. The company needs to look at addressing grievances, not dismissing them."

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