

Firm linked to China ordered to pay \$1.5M in deaths of Alberta oilsands workers

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ST. ALBERT, Alta. -- A firm linked to a Chinese state-owned company was ordered Thursday to pay \$1.5 million in penalties in the deaths of two foreign workers at an Alberta oilsands project.

SSEC Canada Ltd. pleaded guilty last September to three workplace safety charges in the deaths of the Chinese temporary foreign workers.

The men died in 2007 at Canadian Natural Resources' Horizon project near Fort McMurray when an oil storage tank they were building collapsed.

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An oilsands facility seen from a helicopter near Fort McMurray, Alta., on Tuesday, July 10, 2012. (Jeff McIntosh / THE CANADIAN PRESS)

Alberta Justice spokeswoman Michelle Davio said the penalty is the largest ever imposed by a judge in the province on workplace safety charges.

"The penalty is made up of a \$200,000 fine and \$1.3 million payment to the Alberta Law Foundation that will be used to support outreach and education programs for temporary foreign workers and for workers who are new to Alberta," she said.

SSEC Canada is the Canadian subsidiary of Sinopec Shanghai Engineering Company Ltd.

The case involved a total of 53 charges involving three different companies, including Calgary-based Canadian Natural Resources and Sinopec.

Charges against Sinopec were withdrawn. All 29 charges against CNRL were stayed, meaning the government can reactivate them at any time over one year.

According to an agreed statement of facts filed in court, problems at the Horizon project began in 2006 when 132 Mandarin-speaking Chinese workers recruited by SSEC Canada were late in getting to the worksite.

Work on the large metal storage tanks fell behind schedule.

SSEC Canada proposed revised construction in which the tanks' walls and roofs would be built at the same time.

CNRL agreed to the revisions, but said the work should be done under its own construction management team which would supervise quality control and safety.

SSEC Canada began work using the new method before CNRL's team arrived on site, even though the procedures hadn't been certified by a professional engineer.

On April 24, 2007, about three weeks after SSEC Canada began using the new approach, a roof collapsed when the wire cables holding it up snapped after being kinked and torqued in high winds.

The two workers were crushed by falling steel. Five other Chinese workers were injured.

Gil McGowan, president of the Alberta Federation of Labour, called the penalty "less than a drop in the bucket."

"This was an opportunity for the Alberta government to send a clear message to companies like Sinopec that if they want to do business in Canada, then they have to observe and follow our rules when it comes to workplace rights and health and safety," McGowan said.

The case was delayed for years by uncertainty over which company was responsible and whether they would be responsible as an employer, contractor or prime contractor.

Sinopec Shanghai Engineering Co. went to the Alberta Court of Appeal in a losing effort to argue that it hadn't been properly served with legal documents, since it had no presence in Canada.

The Supreme Court of Canada refused to hear a challenge.

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