

The Personal Liability of Officers & Directors for Environmental Violations



Under the law, corporations are responsible for their own liabilities. For example, they can be fined for environmental and other violations. And in general, the officers and directors of a corporation aren't responsible for its violations, which is one of the reasons individuals form corporations in the first place. But this protection from personal liability is limited. For instance, most environmental laws specifically hold officers and directors personally liable for corporate violations under certain circumstances. And here's the kicker—officers and directors can often be held liable for the corporation's violations *even if the company isn't convicted or even prosecuted*. Here's a chart showing the personal liability of officers and directors for environmental violations committed by their corporations under the primary environmental law of each jurisdiction.

OFFICERS' AND DIRECTORS' PERSONAL LIABILITY FOR THE CORPORATION'S ENVIRONMENTAL OFFENCES

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<p>FED</p>	<p>1) If a corporation commits an offence under this Act or the regulations, any officer, director or agent of the corporation who directed, authorized, assented to, acquiesced or participated in the commission of the offence is a party to and guilty of the offence and is liable for the punishment provided for the offence, whether or not the corporation has been prosecuted or convicted [Sec. 280(1)].</p> <p>2) If a corporation commits an offence arising out of a violation of Division 3 of Part 7 (Disposal at Sea), a regulation made under that Division or an order or direction of, or prohibition or requirement imposed by, the Minister, an enforcement officer or a review officer in connection with an obligation or prohibition under that Division or a regulation made under that Division, every director and officer of the corporation who is in a position to direct or influence the corporation's policies or activities with respect to the conduct that is the subject of the offence is a party to and guilty of the offence and is liable for the punishment provided for the offence, whether or not the corporation has been prosecuted or convicted [Sec. 280.1(3)].</p>	<p><u>Canadian Environmental Protection Act</u></p>
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AB	When a corporation commits an offence under this Act, any officer, director or agent of the corporation who directed, authorized, assented to, acquiesced in or participated in the commission of the offence is guilty of the offence and is liable for the punishment provided for the offence, whether or not the corporation has been prosecuted for or convicted of the offence.	<u>Environmental Protection and Enhancement Act</u> , Sec. 232
BC	If a corporation commits an offence under this Act, an employee, officer, director or agent of the corporation who authorized, permitted or acquiesced in the offence commits the offence, whether or not the corporation is convicted.	<u>Environmental Management Act</u> , Sec. 121(1)
MB	Any officer, director or agent of the corporation who directed, authorized, assented to, acquiesced or participated in the commission of an offence is a party to and guilty of the offence and is liable on conviction for the designated punishment.	<u>The Environment Act</u> , Sec. 35
NB	Doesn't specifically address the liability of officers and directors in the <u>Clean Environment Act</u> , <u>Clean Air Act</u> or <u>Clean Water Act</u> .	
NL	An officer, director or agent of a corporation who directs, authorizes, assents to, acquiesces or participates in the violation of this Act is guilty of an offence and is liable on summary conviction for the punishment for the offence for that corporation, whether or not the corporation has been prosecuted or convicted.	<u>Environmental Protection Act</u> , Sec. 117

NT/ NU	<p>1) When a corporation commits an offence under this Act or the regulations, any officer, director or agent of the corporation who directed, authorized, assented to, acquiesced or participated in the commission of the offence is a party to and guilty of the offence [Sec. 14.1(1)].</p> <p>2) An officer, director or agent of the corporation is liable for conviction whether or not the corporation has been prosecuted for or convicted of the offence [Sec. 14.1(2)].</p>	<u>Environmental Protection Act</u>
NS	<p>When a corporation commits an offence under this Act or the regulations, any officer, director or agent of the corporation who directed, authorized, assented to, acquiesced or participated in the violation is guilty of the offence and is liable for the punishment provided for that offence, whether or not the corporation has been prosecuted.</p>	<u>Environment Act</u> , Sec. 164
ON	<p>1) Every officer or director of a corporation has a duty to take all reasonable care to prevent the corporation from committing designated offences [Sec. 194(1)].</p> <p>2) Every person who has such a duty and fails to carry it out is guilty of an offence [Sec. 194(2)].</p> <p>3) A director or officer of a corporation is liable for conviction under Sec. 194 whether or not the corporation has been prosecuted or convicted [Sec. 194(3)].</p>	<u>Environmental Protection Act</u>

PE	Any officer, director or agent of a corporation who directs, authorizes, assents to, acquiesces or participates in the commission of an offence by that corporation is guilty of an offence and liable with respect to that offence for any penalty authorized.	<u>Environmental Protection Act</u> , Sec. 32(5)
QC	<p>1) If a legal person or an agent, mandatary or employee of a legal person, partnership or association without legal personality commits an offence under this Act or the regulations, its director or officer is presumed to have committed the offence unless it's established that the director or officer exercised due diligence and took all necessary precautions to prevent the offence [Sec. 115.40].</p> <p>2) The directors and officers of a legal person that has defaulted on payment of an amount owed to the Minister under this Act or the regulations are solidarily liable, with the legal person, for the payment of the amount, unless they establish that they exercised due care and diligence to prevent the failure which led to the claim [Sec. 115.50].</p> <p>3) If an offence under this Act or the regulations is committed by a director or officer of a legal person, partnership or association without legal personality, the minimum and maximum fines that would apply in the case of a natural person are doubled [Sec. 115.36].</p>	<u>Environment Quality Act</u>

SK	<p>Every director, officer or agent of a corporation who directed, authorized, assented to, acquiesced or participated in an act or omission of the corporation that would constitute an offence by the corporation is guilty of that offence and is liable on summary conviction for the penalties provided for that offence, whether or not the corporation has been prosecuted or convicted.</p>	<p><u>Environmental Management and Protection Act, 2002, Sec. 74(3)</u></p>
YT	<p>If a corporation commits an offence under this Act, any officer, director, manager or agent of the corporation who knowingly directed, authorized, assented to, acquiesced or participated in the commission of that offence is a party to and guilty of the offence and is liable for the punishment provided for that offence, whether or not that corporation has been prosecuted or convicted.</p>	<p><u>Environment Act, Sec. 179</u></p>