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**Wednesday, November 2, 2005**

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**Chair**

**Mr. Bernard Patry**

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## Standing Committee on Foreign Affairs and International Trade

Wednesday, November 2, 2005

• (1350)

[English]

**The Chair (Mr. Bernard Patry (Pierrefonds—Dollard, Lib.):**  
Good afternoon, everyone.

This is a continuation of the orders of the day, pursuant to Standing Order 108(2), a study of the international policy statement. Thank you, and welcome to this hearing of the Standing Committee on Foreign Affairs International Trade.

As you know, last April the government released its first international policy statement. The committee has been holding hearings on this statement since then, both in Ottawa and now across the country. We have also opened an e-consultation on this subject, which you can find on our website. Once we have finished our hearings and the e-consultation in December, we will prepare the report with recommendations for the government's policy, which we hope to table early in the new year.

As witnesses this afternoon we have, from KAIROS, Canadian Ecumenical Justice Initiatives, Mrs. Mary Corkery, executive director; and Mr. John Dillon, program coordinator, global economic justice. From Project Ploughshares, we have Mr. John Siebert, executive director; and Mr. Ken Epps, senior program associate.

Welcome.

We will start with Mrs. Corkery, please.

**Mrs. Mary Corkery (Executive Director, KAIROS (Canadian Ecumenical Justice Initiatives):** Thank you for welcoming us here this afternoon. KAIROS is very pleased to be here.

KAIROS believes that Canadian foreign policy should be based on Canadian values of tolerance, respect for human rights, and the dignity of persons. Our foreign policy should reflect the kind of society we want to build here at home, involving a safer, healthier, and more democratic life for all.

In light of these beliefs, KAIROS continues to advocate for the following five pillars for Canadian global relations: sustainable economic and human development; democracy; human rights for all; ecological sustainability; and peace-building, disarmament, and demilitarization.

These principles are the basis of the positions taken by our seven member churches that 18 million Canadians identified themselves with in the 2001 census. A small sample of this grassroots constituency across the country is represented by 10,000 cards signed by supporters for a campaign that names security as being based on these fundamental precepts. I have here a box...and I have

begun to give some of these to you, hoping that you will present them to the Prime Minister for us. So we have sound support for our positions.

Overall, the most disappointing direction of the IPS is its commitment to the neo-liberal free trade economic model as the pass to economic prosperity, development, and democracy. The goals of global justice, Canada's international rights obligations, and poverty eradication fade into the margins. There is no plan to address poverty eradication as a fundamental human rights obligation. KAIROS proposes a different orientation for Canada's international policy.

We propose that foreign policy address the root causes of global insecurity, such as regional conflict, economic domination, and the growing gap between the rich and the poor. To attain this goal, we urge that Canadian economic policy in foreign affairs be made consistent with Canadian societal expectations, as well as with humanitarian values Canada has supported in international instruments such as the Universal Declaration of Human Rights.

Now my colleague John Dillon will speak to some of the specific issues raised in our assessment of the IPS.

• (1355)

**Mr. John Dillon (Program Coordinator , Global Economic Justice, KAIROS (Canadian Ecumenical Justice Initiatives):**  
Thank you, Mr. Chairman.

There are 16 areas covered in our written brief. I won't attempt to cover them all, but I will try to highlight one from each of the four volumes of the international policy statement.

To begin with, the overall geopolitical orientation of the statement is in favour of deeper North American integration, in the words of the statement, "so that our continent can remain competitive with other dynamic regions such as China, India, the European Union".

In reading the statement, we see that the IPS recounts Canada's growing dependence on trade with the United States in a very uncritical manner. There's no hint in the statement of the looming economic crisis that is coming as the U.S.A., the largest debtor in the world, with huge fiscal deficits and huge balance of payments deficits, is moving toward an economic crisis. We don't see evidence that the statement grapples with how Canada should prepare itself for such an eventuality.

On the contrary, the treatment of NAFTA is very favourable. It says that the dispute settlement provisions of NAFTA have generally worked quite well. Of course, these words were drafted before the recent softwood lumber decision. The U.S.A.'s rejection of the extraordinary challenge panel is one of the revelations of a fundamental flaw in NAFTA.

Another flaw is in chapter 11 on investment, which allows foreign corporations to sue governments over health, environmental, and other regulations.

A third fundamental flaw is the energy provisions that require Canada to continue exporting non-renewable petroleum and natural gas, even if such exports were to cause domestic shortages.

A fourth flaw is the effect of NAFTA on Mexico. In March we sent a delegation of church representatives to Mexico to see first-hand the devastating effects, where conditions of poverty, massive migration, desperate living conditions, and human rights violations obtain.... The conclusion of that delegation was that NAFTA had failed.

Moving on to development issues, I want to highlight our concern about the policy statement's position on debt. It notes that Canada would advocate debt relief proposals that treat countries that are not heavily indebted poor countries in an equitable manner. Unfortunately, at the recent Gleneagle Summit that the Prime Minister attended, the debt relief package it passed covered only 18 countries, and did not apply this equity of treatment principle that Mr. Goodale and the policy statement say should be at the core of Canada's concerns. If this principle were applied, then some 62 countries, not just 18, would be receiving debt remission.

An omission from the policy statement is any recognition that many of the debts of low-income countries are in fact odious debts. That is a legal term meaning they were contracted by despotic regimes and used against the interests of the people. Canada has moved to write off debts left over from the Saddam Hussein regime, but we haven't recognized that many other countries, from the Philippines, to Argentina, to the former Zaire, are burdened with odious debts.

We're very concerned about the structural adjustment conditions that are attached to debt relief by the IMF and the World Bank. One example of how these conditions can harm the general goals of our foreign policy is what they have meant for the fight against HIV/AIDS in Africa, where externally imposed ceilings on public health expenditures have prevented the disbursement of funds intended for HIV/AIDS.

On HIV/AIDS, I think we can be happy and agree with the Prime Minister's statement in the overview to the policy statement that Canada has demonstrated leadership in combating HIV/AIDS. The Government of Canada is to be commended for the financial contributions we have made to the global fund, for example, which are more generous than those of other countries. However, the policy statement also refers to Canada's new generic drug legislation, which is seriously flawed because it contains provisions that make it very unlikely that Canadian companies will produce generic medicines for people suffering from HIV/AIDS.

● (1400)

Moving on to our concern about ecology, KAIROS is right now in the middle of a campaign for the recognition of water as a universal human right. It's disappointing to learn that Canada has opposed a motion in the UN Committee on Economic, Social and Cultural Rights that would make access to water for personal and domestic use a human right. This is, I think, a failure.

Moving on to the diplomacy—and this is the last section I will comment on—the international policy statement does take up the doctrine of responsibility to protect. However, our view is that the focus is too much on military intervention. KAIROS' vision of responsibility to protect would put the emphasis, rather, on ensuring political participation by local populations, access to resources, and fair trade policies, alongside strengthening civil society and working for human rights—in other words, measures that have to be taken before military intervention becomes an option.

Mr. Chairman, you and all members of this committee are to be commended for the report you presented on mining and corporate responsibility, but our feeling in KAIROS is that we are very disappointed with the government's response to your report, because it does not live up to the excellent recommendations that you made. We feel that your recommendations, including those for holding Canadian corporations abroad to Canada's stated human rights obligations, are very important.

Finally, with respect to responsibility to protect, the policy statement does affirm that regional organizations and countries have the greatest stake on establishing stability where populations are in danger. However, our reading of the statement is that it puts too much emphasis on support for Canada's commitments to NATO and not enough emphasis on commitments to regional organizations such as the African Union that are in a position to do something about this.

My final comment refers to the development agenda. The policy statement does refer to Canada's commitment to achieving 0.7% of our gross national income for overseas development assistance. We are gravely disappointed that the government has not seen fit to establish a target to meet that goal.

Thank you, Mr. Chairman.

**The Chair:** Thank you very much, Mr. Dillon.

We accept the compliment once in a while when people say the committee is doing a good job.

Concerning the report on human rights with the mining, that was one of the reports. We also have a report on the 0.7%. As well, we have recently done a report concerning chapter 11—just to let you know that we are always a little bit, one train or a couple of trains, ahead of our government in a certain sense.

Now we'll go to Mr. Siebert.

**Mr. John Siebert (Executive Director, Project Ploughshares):** Thank you very much, Mr. Chair.

Project Ploughshares is also an ecumenical agency—in particular, of the Canadian Council of Churches. It was founded in 1976.

The response we're making today to the international policy statement focuses on Canada's contribution to international peace through the human security framework, with particular recommendations on Canada's role in building human security through nuclear disarmament, addressing the worldwide scourge of small arms and light weapons, and the control of conventional weapons.

Human security is stated as being at the heart of Canada's approach to diplomacy in the international policy statement. Human security focuses on the threats to individuals and communities where people are most vulnerable, particularly where states are unable to adequately address these threats to their own citizens.

**On page 9 of the IPS diplomacy booklet, it states:**

Our strategy to address the multiple challenges posed by failed and fragile states is focused, first and foremost, on prevention, through development strategies, support for human rights and democracy, diplomacy to prevent conflict, and contributions to build human security.

While we welcome the government's strategy of seeking to deal with the threats to human security through an approach that focuses on development, democracy, diplomacy, and defence, to this we would add a fifth D, which is disarmament. Sadly, 60 years after the atom bomb was first used on Hiroshima, the potential use by choice or by chance of nuclear weapons remains the greatest threat to human security. Canada's historical leadership in international arms control and disarmament has been critical in building multilateral support for tangible steps toward a nuclear weapons-free world.

Canada clearly should continue to work to reduce the political legitimacy and value of nuclear weapons in order to accelerate progress toward their elimination. Canada's commitment to reduce the political legitimacy of nuclear weapons is compromised, however, by its membership in the NATO alliance, which continues to uphold nuclear weapons as the ultimate guarantor of peace. We recommend, therefore, that Canada continue to work with other like-minded non-nuclear NATO states to call for a review of NATO's nuclear doctrine to bring it into line with its own international commitments.

The IPS notes the possibility that weapons of mass destruction will one day fall into the hands of terrorists and adopts a counter-proliferation approach to these threats. The cases of Iraq, Libya, and North Korea suggest that diversion of nuclear materials from civil programs to clandestine weapons programs is a very real proliferation concern that must be addressed. We would recommend, therefore, that Canada maintain a policy fully in line with the international norm that precludes any civilian nuclear cooperation with the state unless there is verifiable commitment—in other words, full-scope safeguards—to forgo the acquisition of nuclear weapons, while continuing to enforce export controls and supporting threat reduction.

The multilateral diplomacy mechanisms to further disarmament currently are in deadlock—if you look in Geneva, if you look in New York, if you look anywhere. Among the issues that are being suffocated by the impasse in the conference on disarmament is space security. This appears on the Conference on Disarmament agenda through a resolution called the "Prevention of an Arms Race in Outer Space". We would urge that Canada facilitate discussions on the technical, commercial, scientific, and political considerations of this space security debate and definitions of central concepts, including

the parameters of outer space, to lay the foundation for negotiations on a treaty to ban space weapons.

I'll now turn to my colleague Ken Epps to speak on small arms and conventional arms control.

• (1405)

**Mr. Ken Epps (Senior Program Associate, Project Ploughshares):** Thank you, Mr. Chairman.

The international policy statement notes the devastating impact of the widespread availability of small arms and light weapons and commits the government to action on the illicit small arms trade.

We welcome Canada's call to renew action by giving fresh impetus to its efforts to control the proliferation and misuse of small arms, as stated on page 14 of the diplomacy section of the IPS.

We also call on the government to continue to focus its efforts on the UN program of action to prevent, combat, and eradicate the illicit trade in small arms and light weapons in all its aspects, commonly referred to as the program of action.

In just a few months time, July 2006, the international community will meet to review this small arms agenda at the program of action review conference. The intervening months represent a critical period for responding to the challenges of small arms proliferation.

In our view, Canada should make extra efforts to ensure an effective review conference and subsequent multilateral action. These efforts should include attention, first, to improved international controls regulating small arms possession and use by individuals, with particular attention to preventing the use of military assault weapons by civilians; second, a legally binding international instrument on marking and tracing arms and ammunition; third, national regulation of arms brokers, that is those individuals and companies acting as go-betweens in many international arms deals; and finally, support for important preventive measures such as restraining the circulation of existing weapons and the collection and destruction of surplus weapons.

Turning to the broader category of all conventional weapons, we note that the weapons trade is unencumbered by a single global agreement. At the same time, national controls, which are intended to regulate the trade, suffer from widely varying standards.

A more comprehensive formulation of Canada's international policy would bring needed attention to the international trade in all conventional weapons. We believe Canada should increase its efforts to build strict universal standards for the transfer of conventional weapons by promoting the development of an effective international arms trade treaty such as that proposed by a coalition of Nobel peace laureates and civil society organizations.

Because Canadian export controls have not fundamentally been amended since 1986, Canada's military export control system is also in need of review. The goal of the review should be the development of more comprehensive, transparent, and consistently applied criteria. It should also include the following: first, management of a military export control system should be returned to the Department of Foreign Affairs from the Department of International Trade, with final responsibility for decisions on export permits lodged with the Minister of Foreign Affairs; second, Canadian military exports to the U.S. should be subject to the same export permit requirements that apply to military exports to any other destination; third, Canada's military export control regulations should be applied to all equipment destined for military end-users; and finally, transparency should be improved by full disclosure of all Canadian exports to military end-users with enough detail to assess possible human rights concerns as well as full disclosure of export permit decisions.

• (1410)

**Mr. John Siebert:** In conclusion, if you would allow me to make a comment echoing our sister coalition from the churches on development assistance, the defence-to-development spending ratio now stands at just under 4:1. If we actually met our national target for overseas development assistance at 0.7% of GDP, while still allowing significant defence increases to about 1.4% of GDP, we would significantly expand the overall security envelope and shift the defence to development ratio to 2:1.

This would be a ratio similar to countries such as the Nordics and the Netherlands. We make a recommendation that Canada meet its ODA target of 0.7%, in keeping with its commitment to an overall human security framework.

I'd also mention that our colleague Ernie Regehr has recently appeared before your sister committee, a defence committee, and presented a brief there, which we've made available to the clerk. If people are interested, it's there to be read.

Thank you very much for this opportunity. We welcome questions and discussion.

**The Chair:** Thank you, Mr. Siebert, and thank you, Mr. Epps.

I just have one comment before my colleagues ask questions.

On the NATO nuclear policy, our committee recommended that the NATO review its nuclear policy as the key recommendation in our 1998 report on Canada's policy on nuclear non-proliferation and disarmament. That is just to let you know that we studied that also.

*Questions, Madame Lalonde, s'il vous plaît.*

[Translation]

**Ms. Francine Lalonde (La Pointe-de-l'Île, BQ):** Thank you. First of all, Mr. Chairman, I am sorry for arriving a little late. I missed part of Ms. Corkery's statement.

My first question is for Mr. Dillon. You referred to the disastrous impact of NAFTA on poor people in Mexico. Have you considered the proposal made by some people, including the Bloc Québécois, concerning a social fund for NAFTA like the social fund model which existed in the European Union? This social fund has allowed poorer countries to build infrastructure and education institutions,

and in so doing avoided the situation that prevails presently in Mexico. This is my first question.

I thank you for asking that disarmament be added to the four pillars of human security. Concerning small arms and light weapons, what concrete suggestions are you making? We share your belief that with the spreading of conflicts in countries that really do not need it, the free circulation of arms is a plague that should be eradicated. However, we have not yet found the means to do it.

Lastly, we are pleased to hear that you agree once again on the fact that Canada should subscribe to the 0.7 per cent target for international assistance.

• (1415)

[English]

**Mr. John Dillon:** Thank you, Madame Lalonde.

Yes, I believe a social fund could be part of an approach to Mexico, but within a holistic framework. As I believe you are aware, we have four networks that work together closely, examining the effects of NAFTA. One is the Réseau québécois sur l'intégration continentale—

[Translation]

**Ms. Francine Lalonde:** Yes. Among which there are good friends of mine like Mr. Brunet.

[English]

**Mr. John Dillon:** *Oui, d'accord.*

The others are the Mexican Action Network, the Alliance for Responsible Trade, and ours, in Common Frontiers.

We feel the debate is now reaching a point at which we are questioning some of the fundamental—

**Ms. Francine Lalonde:** Of NAFTA?

**Mr. John Dillon:** —elements of NAFTA, exactly. We don't think a social fund by itself could correct this problem, but as part of a comprehensive package that freed Canada and Mexico in particular from some of the most onerous conditions, it would certainly be a way of offering some compensation to the people who have suffered the most, those being, I think, the peasants and workers in Mexico, and particularly the displaced peoples who had to leave the countryside because the market for corn all of a sudden was taken over by imports.

**Ms. Francine Lalonde:** And rice.

**Mr. John Dillon:** Yes, and rice as well.

Just like us with our softwood lumber, Mexico has had cases with cement and with sugar in which they've come up against the same kind of unilateral action by the U.S.

So in a comprehensive framework, yes.

[Translation]

**Ms. Francine Lalonde:** Mr. Chairman, I forgot a short question. Could I ask it?

**The Chair:** Go ahead.

**Ms. Francine Lalonde:** I am very pleased that you raised the issue of water. Recently, water has been included in the cultural, economic and social pact. A United Nations committee has prepared a text on that subject. This is extremely important because in that text, it is very clear that a State is responsible if its citizens contribute to pollution and privation of water resources in another country, like mining companies are doing in Africa. In those circumstances, Canada is responsible for the actions of its citizens. However, in the answer that was given to us, it is clear that the government does not accept its responsibility as it stipulates that the State where the mines are located is responsible. When I saw the elements of the pact concerning water, I thought that we should go back to that issue. Do you agree?

**Mr. John Dillon:** Yes, I agree.

**Ms. Francine Lalonde:** Canada signed in 1976.

[English]

**Mr. John Dillon:** Yes, I'm absolutely in agreement.

It's a mystery to us. At the most superficial level, you would think an agreement on treating water as a basic human right would be totally compatible. But in the way you have framed the question, I think you have really lifted the veil on a lot of the reluctance of the Government of Canada to affirm that, because it has consequences.

It has consequences for overseeing the behaviour of Canadian corporations. We in KAIROS sent a delegation to the Philippines, for example, and they saw first-hand—this committee had testimony from the people—the communities affected by the TVI mining enterprise. People in local communities on a number of continents are very concerned that the companies be held responsible.

• (1420)

[Translation]

**Ms. Francine Lalonde:** Thank you.

[English]

**The Chair:** Mr. Epps, did you want to add something?

**Mr. Ken Epps:** Yes, I'd like to respond on the issue of small arms and light weapons.

Indeed, there is no magic bullet, to coin a term. Alas, yes, unlike the situation with landmines, where the issue is quite clear and the response was equally clear, in that there should be a complete ban, the issue of small arms and light weapons is far more complex and requires a range of responses. For example, we know we need to deal with both the supply side and the demand side of the issue. We need to deal with how weapons are getting to areas of conflict, as well as with what the conditions are that draw weapons into certain areas and why people use them.

In our recommendation, we've outlined a number of areas where we think Canada can support some real movement forward on the issue, but we also recognize that this is not an exhaustive list by any means. There are many things that need to be done.

One thing I should point out is that Canada has been leading on the issue of small arms and light weapons, and we certainly applaud the government for that. But we also want to see more work done, particularly in the next few months, when there is an opportunity to move this issue forward in light of the UN conference coming up next year.

Thank you.

**The Chair:** Thank you.

Ms. McDonough.

**Ms. Alexa McDonough (Halifax, NDP):** Thank you very much, Mr. Chair.

My thanks to both KAIROS and Project Ploughshares for very comprehensive presentations and the ongoing work that you do. I'm sure you would not have been in a position to respond so substantively on short notice if you weren't so very steeped in the work that concerns this committee, and that is the subject of the international policy statement review process that we're engaged in.

I want to also strongly support your pitch that disarmament be the fifth D in the underpinnings of Canada's foreign policy. I think it would just appall you to hear some of the references before this committee yesterday, when the essence of what some people were saying was that if the other guy's going to have nuclear weapons, then we want to have them to protect ourselves. Of course, that completely ignores the reality that you can do no such thing. If we don't start hammering that point, if we don't start taking some leadership around it, then the consequences will be truly dire. It's not an exaggeration to say that it would be very serious.

I know how closely you track what is happening around these issues. Essentially, the NPT review conference ended in chaos in the fall. The summit really failed to address nuclear disarmament in any substantive way. Happily—and I think it was very much welcomed—Canada was involved in coming together with five other non-nuclear countries to try to get nuclear disarmament back on the agenda over the last several weeks. To my horror, I was at the UN last week, where people were very angry at Canada for having pulled the plug on this six-country initiative. It appears as though the only possible explanation for why Canada withdrew at the eleventh hour, leaving the other five countries in the lurch, was pressure brought to bear by the Bush administration.

I'm just wondering whether you're aware of that initiative, which was very much designed to set up full working committees and to get on, in a practical way, with dealing with the aspects of disarmament, non-proliferation, verification, and so on.

**Mr. John Siebert:** Certainly we follow those developments, and we're disappointed that Canada withdrew its resolution at the last moment. But in our longer brief we encourage Canada to resurrect it and gain support particularly among the non-nuclear NATO states that have as much at stake as Canada does in moving this forward.

Any attempt to break the logjam, the stalemate, in the nuclear diplomacy multilateral world is welcome, and the four-committee shadow process to get on with the substantive work is particularly welcome.

In the vein of the old statement about the half-full or half-empty glass, we'll encourage Canada to view what they did as a strategic retreat to gain support elsewhere and bring it back next year, because nothing happens quickly in United Nations land, to begin with. I think international pressure on all parties, but particularly the United States, has to be increased.

• (1425)

**Ms. Alexa McDonough:** Given that there has been basically a nine-year stalemate, I guess nobody would accuse Canada of being too hasty in trying to get this back on the agenda.

**Mr. John Siebert:** If fairness is something we can call for, Canada did stick its neck out in that group of five or six. It was alone among the NATO countries, and to the extent that we can commend it, we'll do our best.

**Ms. Alexa McDonough:** I'm all for commending that we try to get it back on track.

On ODA—and I think you've both spoken to this in your briefs—I think you're aware that not only this committee has endorsed the call for Canada delivering on 0.7% with targets and timetables, but so has the House of Commons unanimously endorsed that position.

I'm wondering if you have suggestions, either through your own initiatives around this to gain support, or for things that you feel the foreign affairs committee can and should be doing to try to deliver, given the fact that witness after witness before this committee has made it clear that the millennium development goals to which we've signed on are virtually meaningless and unattainable unless the donor nations actually follow through on their commitment to 0.7%.

**Mr. John Dillon:** In our written brief we refer to the June 28 vote in the House, in which all members present voted. What we have emphasized is that the quality of aid is as important as the quantity. We're somewhat dismayed that there's been a diversion away from poverty eradication in that some of Canada's aid has been diverted to so-called reconstruction programs of perhaps dubious consequence in Afghanistan and Iraq.

I think the part of the House motion you sponsored that has to deal with making poverty eradication the principal goal of Canada's aid is as important as the 0.7% target. In the education work we do through KAIROS, we try to emphasize that part of the issue.

**The Chair:** Thank you.

Ms. Phinney.

**Ms. Beth Phinney (Hamilton Mountain, Lib.):** I'm just wondering if you've been following the United Nations and its attempts to reform itself and if you have any particular opinions about what Canada's role should be in that.

**Mr. John Siebert:** Certainly the United Nations doesn't lack in need for reform, but I think it's also true to say that much good happens there, and Canada has in my understanding traditionally played a helpful role in technical matters in very specific parts and in very specific places where it thinks it can make a difference. Certainly in the multilateral disarmament forums, we think Canada has made a start with its proposal to unlock the stalemate of the CD. Apparently, Canada's ambassador to the Conference on Disarmament has also proposed a meeting of states to take place next year, in

2006. That would take place in Canada, and we want to encourage Canada to do that.

We had an opportunity in September, in the whole process of the summit and leading up to the summit, and we shared the disappointment of many others in that very little took place there.

I will turn to my colleagues for further concrete observations.

• (1430)

**Mr. John Dillon:** Yes, I'll just read a section from our written brief: Canada should support the expansion of the Security Council from its present 15 members to 24. Expansion of the Council will help achieve better regional representation to the UN's most important decision-making body. As well, Canada should either support eliminating the veto power of the Permanent Five members, or expanding permanent membership to nations from the South with the inclusion of the veto, to halt the perception that the Council (and UN, in turn) is simply a body for promoting Western...interests since four of the Permanent Five are from the West.

**Ms. Beth Phinney:** Would you comment on the contribution, as you say it, of the World Bank and the International Monetary Fund?

**Mr. John Dillon:** Yes, with pleasure, because we have become increasingly critical of the policies of the World Bank and the International Monetary Fund. If you go back maybe 10 years to when Mr. Wolfensohn became the president of the World Bank and opened it up to dialogue with civil society, at that point we were hopeful that reform of the World Bank could take place because he did consult with a number of groups in the north and the south on the nature of the structural adjustment conditions. A report was prepared with southern governments, with World Bank personnel, that had some very progressive recommendations, and in the end nothing came of it. Similarly with the extractive industry review, nothing came of that.

We are seeing a pattern again and again where the ideas that could have reformed the World Bank have not been implemented. That has led us in KAIROS to actually develop a position that says although both the World Bank and the IMF should not be shut down overnight, we should look at the original functions for which they were intended, going back to the 1944 Bretton Woods Agreement, and create new institutions with a more democratic participation to fulfill those functions.

**The Chair:** I have a question. In the beginning, Mr. Dillon, [Translation]

You talked about the disastrous impact of NAFTA on Mexico.

[English]

the disastrous effects on Mexico with regard to NAFTA. When we meet with Mexican officials, they have an opposite opinion about this. In the beginning NAFTA to a certain extent, in my opinion, was good for Mexico in the sense that there was a lot of job creation. But Mexico didn't invest enough in education and the knowledge economy, and they are losing jobs. You said they have been bumped for jobs by India and then China and now Vietnam. This is not the first time we hear this.

My question is if there had not been NAFTA for Mexico, where would Mexico be today? In a sense, how do you create health for your population if you don't have any trade with other countries?



That's my first question. I will give you all my questions and then you can answer.

I just want to understand. You talk about quality versus quantity of aid. My second question is this. Do you agree with the government's position right now that we spread two-thirds of our bilateral over 25 countries? If tomorrow our government was ready to double the assistance, not even to reach 0.7% for the moment, but if we doubled it, do you think we are ready to give quality assistance to the countries, and not just quantity, about this?

I just want to get in my closing question.

You talk about the United Nations. You said that you are in favour of increasing the body of the Security Council from 15 to 24 countries, and you also said you want to eliminate the veto of the P-5, but you said that you agree with these new permanent members from the south. Do you want to give them a veto or non-veto role?

Thank you.

**Mr. John Dillon:** Thank you.

Those are excellent questions.

On Mexico and job creation and the effects, we worked very closely, first of all, with our counterparts in the Mexican Action Network on Free Trade, and we produced annual reports on the impact of NAFTA. What was quite striking about the Mexico report was how all the job creation was in the maquiladora assembly industry. Traditional Mexican industry that once supplied a large portion of inputs was diminishing, so the quality of that employment was quite poor. In fact, even in absolute numbers it was very difficult to show a net gain because so many jobs were being lost in other areas.

You rightly asked the question, what's the alternative? We have worked assiduously since 1998—at the first people's Summit of the Americas in Santiago, Chile—on a document we call “Alternatives for the Americas”. This is quite a comprehensive document, one that doesn't reject all international trade but says, let's look towards establishing a firmer economic base within each country so they can choose which aspects of their economy they want to open up to trade and which ones, like basic foodstuffs, they may wish to retain for domestic production. We're quite proud of this document; it's gone through a number of revisions and has had a lot of input. We feel there are viable alternatives if the political will were there to implement them, but the actual provisions of NAFTA are an obstacle to implementing these alternatives.

●(1435)

**The Chair:** Can we get that paper ?

**Mr. John Dillon:** I'd be very happy to send it to the clerk.

This is on your second question about quality and quantity of aid, and you did frame it in terms of moving immediately. Again, there's a nuance in our position I did not present, and it is that Canada should move to the goal by the year 2015. In other words, I think there's a recognition that overnight high-quality assistance could not be delivered, and therefore there should be an incremental move but with a definite timeline set for meeting that goal. It's precisely because of that concern about the quality, so I think we substantially agree.

With respect to the portion of the brief I read about United Nations reform, there's a nuance there in that it doesn't come down firmly on the question of the Security Council. What it says in effect is, if the council were to be expanded to include permanent member nations from the south, then consideration should be given to extending the veto there. That's only on the premise of an unwillingness to remove the veto from the permanent five members now. There's a nuance in that we say there are options for UN reform and not one neat proposal.

**The Chair:** Thank you.

Ms. McDonough.

**Ms. Alexa McDonough:** I have two quick questions, one to the chairman and the other to both NGOs that are presenting to us.

Mr. Epp, you mentioned a concern about small arms control, particularly with respect to export, which now falls under Trade rather than Foreign Affairs. You recommended that it revert to Foreign Affairs, which gives rise to two questions. One is, what is the position of both your organizations on the split of Foreign Affairs and International Trade and the possible implications from that? Secondly, was the practical responsibility lodged previously with the foreign affairs arm of Foreign Affairs and International Trade and this is a casualty of the split, or was this something that had already been effected even before the split took place?

**Mr. Ken Epps:** I'll just address the particular case of the split as it affected export controls, because that's where Project Ploughshares has the greatest interest in that particular situation.

What has occurred is that the Minister of International Trade is now responsible for signing off on export permits on all military goods that leave Canada, and previous to 2003 that was done by the Minister of Foreign Affairs. Our view is that the Minister of Foreign Affairs is far better qualified to deal with the issues that come into play when the government is considering export permits because they're issues of things like human rights, security, Canadian values, and so on. The reason it occurred is not entirely clear to us, but I think that because within the Department of Foreign Affairs and International Trade the export controls division was seen to be more part of international trade, there was a natural inclination to move it over that way.

In both cases the ministers do draw on the opinions of other departments, so it's not an exclusive decision. Again, the main reason we would like to see it moved back is because ultimately the final decision should rest with the minister who's best briefed on the areas involved.

●(1440)

**The Chair:** Thank you very much, sir.

I really like that recommendation. It was really appreciated. I had forgotten about this.

Mr. Dillon, do you want to add something?

**Mr. John Dillon:** Yes, I'll add something that's also in our written brief.

I think the split is unfortunate. One of the critiques we make of the international policy statement is that whereas overall it emphasizes the breaking down of silos and the need for a coherent Canadian approach, when we read the commerce section we don't see that reflected. We see the commerce as simply about trade.

Our recommendation is that Canada's human rights obligations are so important that they need to be integrated. Indeed, I would go further and say they need to override commercial concerns. It's very unfortunate that the split has happened and there's not the voice for human rights being heard by the architects of our trade policy.

**The Chair:** Thank you.

Yes, very quickly.

**Ms. Alexa McDonough:** I think it's customary—and I'm not sure if I'll have the right procedural language for this, but—

**The Chair:** I'll tell you.

**Ms. Alexa McDonough:** That's why I'm directing it to you and staff.

KAIROS has presented to those of us who were present a bundle of their Agenda for Just Peace position statements, which they've asked us to forward to the Prime Minister. Unfortunately, it's not possible to table it in the House as an official petition because it doesn't follow the formal guidelines for certification.

But I think it's customary, upon request, to enter it into our record here as part of today's hearings. I'm not going to take time to read all the way through it, but it is an excellent statement, and I wonder if we couldn't agree to add it today as part of the record that has been presented by KAIROS in meeting with us.

**The Chair:** I have no problem. Given that you've discussed it, it's already within our discussion. It'll be done.

Thank you.

Thank you very much, Mrs. Corkery, Mr. Dillon, Mr. Siebert, and Mr. Epps, for your appearance.

We're going to recess for a few minutes.

•(1443) \_\_\_\_\_ (Pause) \_\_\_\_\_

•(1450)

**The Chair:** Okay, we're starting back again.

It's still the international policy statement, and now we have the pleasure to have as witnesses from Horizons d'amitié, Horizons of Friendship, Mr. Henry Becker, who is a member of the board of directors, and Ms. Susan Murdoch, who is a program coordinator.

Mr. Becker, the floor is yours for your statement.

**Dr. Henry Becker (Member, Board of Directors, Horizons of Friendship):** Thank you.

Horizons is mainly concerned with the IPS paper on development. I can assure you that there's a lot there that we agree with; for instance, the designation of gender equality as a crosscutting theme to be addressed in all programs. This is very fine and it's wholly consistent with Canadian values. However, we're not here today to sing praises but to respectfully submit our perceptions of shortcomings in the document and to suggest improvements.

In the next six and a half minutes or so, I can do little more than indicate the nature of the issues that we raise. You'll find the supporting arguments and a discussion in our written brief.

The first issue that really bothers us is the government's evident reluctance to adequately commit to spending on official development assistance. Horizons joins other civil society organizations in strongly urging that Canada reach the ODA goal of 0.7% of GNP as soon as possible. We'd suggest it be no later than 2007.

The Prime Minister, Mr. Martin, has been talking of tax cuts. In view of the crying needs of the world's impoverished majority, it's surely wrong-headed, even immoral, to be contemplating more tax cuts before living up to our promises to them.

Our second issue is the seemingly orphan status of Canadian partnership programs in the development plan. Our experience suggests that partnerships overall are amongst the most positive, innovative, and productive of CIDA's instruments for meeting the millennium development goals.

Horizons strongly supports a recommendation by the British Columbia Council for International Cooperation—and I noted this morning that the CCIC is proposing the same—that the funds allocated to the Canadian partnership branch be gradually increased from the present 10% to 20% of CIDA's budget by 2015.

Our third issue is agriculture. The development paper barely mentions it. We strongly agree with the Canadian Council for International Cooperation that this is a critical gap in CIDA's sector strategies. We ask this. How on earth could agriculture be overlooked when the majority of the world's poor live in rural settings? We submit that the IPS development plan will be seriously deficient if it is not revised to duly address the issues of agriculture.

Our fourth issue is the claims made in the development paper for application of Canadian expertise in third world countries. We agree with some of these, but question others. In particular, we see serious problems with the claims to useful Canadian competences in agriculture, in trade negotiations and agreements, and in human nutrition. The people we would help would be in real difficulty if they tried to utilize our experience without recognizing our mistakes.

Our fifth issue has to do with the alleged benefits of globalization, as alluded to in the development paper. One has to ask, what is this globalization and how will it benefit the world's poor? In political economic jargon, globalization is a code for the propagation amongst the world's nations of neo-liberal doctrine and practice and the attendant expansion of the theatre and scope of operations of transnational cooperation.

The salient features of neo-liberalism are: one, rule of the market; two, deregulation; three, cutting public expenditure for social services; four, privatization; and five, replacing the notions of public good and community with individual responsibility.

This political economic globalization is not pro-poor. If Canada really wants to help defeat poverty, this is not the way to go.

• (1455)

Our sixth issue has to do with the indicators CIDA has adopted to measure poverty. According to the proposed guidelines, only countries with an average per capita annual income below U.S. \$1,000 will be considered for bilateral aid.

We have several criticisms of this simplistic approach. The biggest is its blindness to the structure of socio-economic inequality. Branko Milanovic, the lead economist in the World Bank's research department, has written a very important new book on the meaning and magnitude of inequality within countries and between countries, at present and over time. When income inequality is factored in, the poverty picture changes significantly. This is true not only of third world countries, but also of seemingly wealthy countries like Canada.

Our seventh issue has to do with the possibility that country and sector restrictions might be applied to the Canadian partnership programs. We submit that in this area, failure to consider strong cases for funding on their merits, simply because of blanket rules, would be a mistake. It would lead to numerous lost opportunities for making a real difference. Horizons argues there's a very strong case for continuing engagement by CIDA in all the countries of Meso-America. In terms of poverty, for instance, we note that the level of impoverishment relative to the rich nations is increasing. Meso-America is sinking in wealth, not catching up.

Second, overall, income inequalities in the countries of this region are the greatest in the world, with a large class of extremely impoverished people measured, for example, in terms of families with cash income below one or two dollars per day. It would be sad indeed if CIDA withdrew from one or more countries of Meso-America—for the people of the region, for the Canadian NGOs and other civil society groups involved there, and for Canada's relationship with the region. We sincerely hope it won't happen.

In conclusion, our wish is to see Canada make a real difference in the world by consistently taking a pro-poor approach to its aid programs and foreign affairs policies, both by its direct actions and through its role in the multilateral institutions. And our government should stop looking for excuses. Canada, quite simply, must achieve that target of 0.7%.

We thank you for this opportunity to present our views on Canada's international policy statement.

**The Chair:** Thank you very much, Mr. Becker.

We'll now start our question and answer session. Madame Lalonde is first.

[*Translation*]

**Ms. Francine Lalonde:** I thank you for your strong statement on the need for Canada to accept that 0.7 per cent target.

It has been often said by our witnesses, and each and every time I know that I can share that view and say that we are happy to hear it. We agree with you on the fact that it is unacceptable for a rich country, for a country with the surpluses that Canada has, not to accept that target.

I asked the following question to several witnesses. Do you not believe that the refusal to accept the 0.7 per cent target discredits other measures made by Canada?

Over the years, Canada has always adopted a policy which would place it on the same side as those who fight against poverty, but its refusal to meet that target discredits its intentions and makes its future actions more difficult. This is what I think and I wish to know what you think about this.

When you say that it is bad if not immoral to refuse to move towards a reduction of poverty in this day and age, I agree with you, all the more because poverty is one of the causes, one of the roots of the problems that we encounter in many other aspects of life. I am thinking here about political conflicts. So the fight against poverty is a major issue.

I would like to address the question of agriculture. I don't want to take up all the time but it seems to me that 60 per cent of all poor people in the world depend on agriculture.

In fact, it is difficult to understand why we have not worked harder to get countries that Canada helps get out of their poverty, by supporting their capacity to benefit from agriculture. I bring up a question that others have raised specifically for the FAO to have accepted the Zero Hunger objective. This might indicate that we expect producer countries to increase their production instead of helping small farmers develop their own capacity to become independent.

There is a risk at this moment that we expect big producing countries to feed the hungry, which could be profitable for them, resulting in poor people could be receiving help indefinitely without acquiring their own resources.

I shall stop there, but this issue concerns me greatly.

• (1500)

[*English*]

**The Chair:** Mr. Becker.

**Dr. Henry Becker:** On the first issue, the 0.7%, I do believe we have the means to do it and, in a way, even the will. We have seen a huge issue being made out of security and we seem to be able to find a lot of money to deal with security issues. Unfortunately, it seems that much of this is prodded from across the border, because the kinds of responses we are making are of the kind that are being asked us from there.

But if poverty were wiped out in the world, if you can imagine that, would such security issues arise? If there were enough people who were unjustly treated...there is huge injustice. If there were not people who were desperately hungry and so on, there would not be this problem. We simply must deal with that, and the sooner we make not just our verbal commitment—Lester Pearson did that back in 1969—but follow through and actually do what we are saying....

There seems to me no excuse. In a way, it seems to me there is a certain cowardice on the part of all the political parties. None of them want to say that, for instance, not only would we not have tax reductions, but we might even have tax increases, not just to deal with third world poverty, but even with our own and with the injustices within our own country. This is seen as losing votes, certainly losing financial support for political parties, so it's simply not being done. But I think the capacity is there.

And as for the idea that big agriculture is going to help the poor in the third world, this is a complete mistake. They've had plenty of big agricultures down there in Meso-America, the great banana plantations, pineapples in other parts of the world; actually, in Meso-America it's wool, cotton and so on. In big agriculture, everything is focused on large cash crops. It's not helping small people be self-sufficient to be able to sell a bit so they get some cash in order to put clothes on their backs and shelter over their heads and so on.

So helping the big fellows is not going to do anything. In fact, it is going to dispossess the little ones. They are simply going to be driven off the miserable little bit of land they do have. In Meso-America, you know, the small farmers are marginalized. The big ones have the nice valleys, all the plains, and so on, and the little fellows are farming the mountainsides, and with disastrous results ecologically.

• (1505)

[Translation]

**Ms. Francine Lalonde:** Yes.

[English]

**The Chair:** Ms. McDonough.

**Ms. Alexa McDonough:** Thank you very much for the presentation.

I wonder, before I ask a substantive question, whether you might tell us a little bit more about Horizons. You quite possibly will have done that in your written brief, but I gather it wasn't distributed to us because there had not been sufficient time for it to be translated into French.

**Dr. Henry Becker:** And we apologize for that.

**Ms. Alexa McDonough:** Well, I don't think you should be apologizing. It was a late invitation, so the onus is on us. But it would just be interesting to know a little bit more about Horizons.

Secondly, I'm very much intrigued with your recommendations about partnerships, and specifically suggesting that CIDA should commit itself to an increase, that 10% of CIDA's budget be increased to 20% on a partnership basis.

I just want to draw your attention to the fact that this was also implicit in the motion passed here by this committee and then in the House of Commons—

**Dr. Henry Becker:** I saw that.

**Ms. Alexa McDonough:**—where it was recognized that it's not just the dollar amount but it's more effective partnership with civil society, with NGOs, and so on.

I know there has now been a collaboration, a consultation process, set in motion by CIDA to really, hopefully, respond to this particular challenge. I'm wondering if you are participants in that or whether you're also trying to find out what's happening on that front.

**Dr. Henry Becker:** I'll answer the first question and then ask Susan to respond to the second.

Horizons came into being through the activities of three volunteers who went to Central America. Two of them were a husband and wife team, the Stewarts. The wife was actually a member of Parliament at one time.

**Ms. Alexa McDonough:** Really?

**Dr. Henry Becker:** Mr. Stewart was a lawyer, and after having seven successful years or something like that, he felt he had done so well that it was time to give something back to society. And so he took a sabbatical and, at his own expense entirely, went to Honduras and spent a year there as a volunteer.

The third party is Father Tim Coughlan, a Catholic priest who also became involved. So when the Stewarts came back and got together with Father Tim—

**Ms. Susan Murdock (Program Coordinator, Horizons of Friendship):** He was down there with them.

**Dr. Henry Becker:** He was down there with them. Sorry.

They decided to found an NGO, Horizons of Friendship, centred in Cobourg and simply drawing upon the wish of Canadians to help. And this is quite incredible. There are so many Canadians who are so ready and so desirous of helping the poor people. They do it by giving money, they do it by going down there, not just necessarily to visit the situation. In Perth, for example, we have a group of people who go down every year and build a number of non-polluting cook stoves to a simple pattern, but it's an enormous improvement. That's a major problem down there, housewives gassing themselves with emissions from their open cooking fires and families also getting infected by this.

So there is enormous goodwill from Canadians. Horizons was fairly successful from the beginning and it has worked together, as most Canadian NGOs have, with southern partners, NGOs down in the area. We simply cannot mobilize the people to send down there and work amongst the people. And in any case, that would be rather counterproductive. It's far better to work with the local people rather than impose our solutions upon them.

So this is very much a partnership in its totality. Perhaps we are missionaries in some sense in that, for instance, Canadians have extensive experience of gender problems and what to do about them and so on, so we can teach something down there. We do it in the spirit of good fellowship, and the response is tremendous.

Perhaps I should stop there. I'm running on a bit too long.

Susan.

**The Chair:** That's fine. Ms. Murdock.

**Ms. Beth Phinney:** Is Mrs. Stewart still a member? Is she still involved?

**Ms. Susan Murdock:** No, she's not. She was actually the director of Horizons when she decided to run for Parliament, and so she resigned from Horizons at that point. She still comes to events and is a supporter.

● (1510)

**Dr. Henry Becker:** Her husband, David, died not long ago, and Horizons has established a medal in his memory, which is given to an outstanding volunteer in the community.

**The Chair:** Ms. Murdock.

**Ms. Susan Murdock:** Thank you.

To add to what Henry was saying about Horizons, in addition to working in partnership with organizations in Meso-America, we also work in collaboration with organizations here, mainly in Ontario, to complement a north-south partnership.

We're hoping to gradually increase that area in which organizations in Ontario, facilitated perhaps by Horizons in a first moment, have connections for purposes of advocacy and sharing of learning with people in Meso-America.

Thirdly, in the last roughly ten years, we've been involved in the CCIC working group, the Americas Policy Group, so that through this vehicle we are also engaging with Foreign Affairs and CIDA, and other Canadian officials, on Canadian foreign policy.

The consultation process that's going on right now became more or less a highlighted event with the expert panel that took place recently. That was an invitation-only process, and I'd say that our interests and our point of view were well represented by CCIC, which directly took part in that.

We understand that Diane Vincent from CIDA is going to be establishing a process for perhaps a broader, more public consultative process, and we hope to take part in that to the extent that organizations like Horizons are invited.

Recently, we were able to take part in a forum that was held at IDRC but, I understand, organized by CIDA in collaboration with the UNDP program to present their approach to what they call "local human development". It was by and large university partners who were invited to that, but somehow Horizons was invited, and it was very encouraging to see the emphasis in that forum on local development in which community organizations are playing a key role. This is a methodology that the UNDP presented, relatively new I think for them, but in fact that is very much the essence of the way organizations like Horizons work.

Our view towards partnerships in Meso-America is to strengthen civil society organizations to better engage with one another and to engage with municipal governments and, from there, through national coordinating bodies, engage with their national government in order to help direct policies.

So I'll just add one more point, going back to the 0.7%. We really found interesting a document that was a collaborative effort between the CCIC policy team and the coordinator of the Halifax initiative. It's called *At the Table or in the Kitchen? CIDA's New Aid Strategies, Developing Country Ownership and Donor Conditionality*, and it talks about the importance of the way in which aid is implemented as well as the amount of aid. Very much central to the various criticisms

and then suggestions they make is the idea that in developing countries the government should be being pressured to respond to its citizenry in terms of aid, how aid is used, and indeed, how their economic policies are developed. Unfortunately, the perspective here and one that we share is that too often it's the donor countries and the IFIs that are in fact pushing governments in a certain direction.

Thank you.

● (1515)

**The Chair:** Thank you.

**Ms. Alexa McDonough:** Can you give us the reference for that study?

Great. Excellent.

**The Chair:** You talk a lot about Central America, Honduras. Are you working in any other country in Central America? Which country?

**Ms. Susan Murdock:** We're working in countries from Mexico to Panama.

In Mexico, though, it's the state of Chiapas only. So in that sense, it's part of Meso-America.

**The Chair:** Okay. Yes.

**Ms. Susan Murdock:** We are not working in Belize, but the other countries in Central America, yes.

**The Chair:** Okay.

**Dr. Henry Becker:** The state of Chiapas in Mexico is at the southernmost end, the most impoverished.

**The Chair:** I know. My colleague has been in Chiapas.

Thank you very much. Thank you very much for your work. I think it's very well appreciated. And thank you for coming here in front of us.

To see every person coming here is very important for us. You have no idea. As we said before, our committee has done many reports: we've done one on 0.7%, we've done one about human rights and concerning the Canadian mining companies working in some other countries, and we've done one about chapter 11. We're ahead of our government, but by pushing us...we're pushing the government, you see, and we're working on a consensus with all members of all parties. That's the way we work.

Once again, thank you very much for appearing in front of us today. *Merci beaucoup*.

We'll recess till the next session. Thank you.

● (1517)

(Pause)

● (1548)

**The Chair:** We will start, even if the clerk is not there.

Thank you very much. We are keeping on with our international policy statement review, as the Standing Committee on Foreign Affairs and International Trade.

First of all, I want to apologize that we have only two members present right now, both from the government side. One of our colleagues is sick right now, and two others just left; they were called back to Ottawa this afternoon.

This doesn't mean you will not be heard. I want to tell you that everything is recorded, and most important, if you have any recommendations for the committee at the end, we are looking at every recommendation. It's quite important for us. We intend to do a report, probably at the beginning of next year, because we still have to travel to the Atlantic and the Pacific and also do some other round tables in Ottawa. We'll draft a report in January, to be tabled in the House of Commons probably sometime in February. Everything you have to say to us is very important.

For the record, I want to say that we have right now as witnesses Canadian Crossroads International, with Ms. Karen Takacs, the executive director. She is with Ms. Christine Campbell, national director, external affairs.

Also, from the Ontario Council for International Cooperation, we have Ms. Gwen...Schauerte?

**Ms. Gwen Schauerte (President, Ontario Council for International Cooperation):** Schauerte. That's pretty good pronunciation.

**The Chair:** Not so bad. With Mr. William Spark, the vice-president, it's easier, and we have Ms. Kim Gibbons.

Welcome, all of you.

We'll start with Ms. Takacs, please.

• (1550)

**Mrs. Karen Takacs (Executive Director, Canadian Crossroads International):** Thank you very much.

[Translation]

I shall make my statement in English, but I can answer your questions in French. Do you speak English?

**Le président:** Yes. You don't have to worry.

[English]

**Ms. Karen Takacs:** Great. It would have been harder to do in French.

Thank you, first of all. We appreciate the opportunity to share our thoughts with you.

I will just tell you a little bit about who we are so that you can understand where my comments come from. We're a volunteer cooperation agency. Our main focus is on using international volunteer exchange as a way to contribute to development. Crossroads has been around since before CIDA, in fact; it was started in 1958 by volunteers.

Still a critical part of how we work is by engaging Canadians in concrete ways in development. We send approximately 100 Canadians every year. We're not one of the larger organizations. Our budget is about \$3.8 million, of which currently we get \$2.5 from CIDA. Volunteers contribute an additional \$1.8 million in terms of their actual time.

Since we first have been around, we've sent close to 7,000, if not more, Canadians overseas, including some illustrious figures like Marcel Massé and Robert Pritchard and many others—and actually, people at this table. This is often a first experience for many people, whose lives are changed and they then continue in development.

What we do is unique. We partner organizations in Canada working in key sectors—HIV/AIDS, women's equality, and community economic development—with groups overseas working in those sectors. Like CIDA and Canada's foreign policy, we are focused: we work in a few countries. We've reduced the number of countries we work in, and by the end of next year we'll be working in just nine countries, focused in west Africa, southern Africa, and South America, where there's need and where we think we have something to contribute, by matching community-based organizations and networks overseas with those in Canada. We leverage significant resources and expertise and engage Canadians directly in development.

In our experience of contributing to Canada's development of justice, we've learned a few things over the years, and we're going to share our comments about the international policy statement, based on our experience. We have opinions about all kinds of things, but we'll focus on what we've learned.

First of all, let me just say that we really do appreciate that the government is taking the time to develop a comprehensive framework, and with a whole-of-government approach that looks to strengthen Canada's role in the world. We also appreciate the commitment to working multilaterally with the United Nations in its stated desire to develop new relationships and partnerships with developed and developing countries.

We strongly support the IPS's stated commitment to respecting the fundamental rights of all people and promoting respect for human rights—this is critical in building genuine development—and doing so by enhancing local capacity. We would say that those are really important overall frameworks.

As well, we would note the government's commitment to creating a level playing field in international trade. We'll talk about that specifically, but we think trade is critical to development and would encourage Canada's continued role in the WTO, and we think an even stronger role, in ensuring that there is a level playing field.

I want to talk about some areas where we have some concern and think there could be strengthened approaches. As I mentioned, we really appreciate the whole-of-government approach and the commitment to ensure coherence across aid and non-aid policies that impact development. Coherence and effective coordination and communication between departments is really essential so that, for example, trade policies don't undermine our development efforts.

What's not clear is what takes priority. It's important, we think, that we not conflate purposes but be really clear, because we in fact have very different objectives. Defence, commerce, diplomacy, and development have very separate but clearly connected goals. Blurring the lines between military action, humanitarian assistance, and human development, as one example of where things get murky, can in fact put at risk the very people and goals we hope to advance.

•(1555)

While the IPS commits the government to respect human rights, we would say from reading it that the IPS really falls short in putting human rights and poverty eradication at the centre of foreign policy. Poverty eradication is dealt with, clearly, but really only substantially in the development paper. A moral imperative to end global poverty is largely absent in the IPS, and risks becoming a subsidiary to Canada's interests in promoting our own prosperity. We actually don't believe that's what Canadians want.

While we appreciate the government's commitment to advocate for an ambitious outcome to the WTO Doha Round—and we are behind you 100% in doing that—in seeking fairer rules for developing countries, we think there's too much emphasis on trade liberalization as a panacea for development. It really isn't the only answer. In fact, trade liberalization, as we know, can make it really difficult for developing countries to find their way out of poverty.

A fair trade deal for developing countries will ensure that they have power to choose how they will use their trade policies to address poverty and support the development of domestic industries, just as Canada does. In fact we have some good examples to share, and we know there are sectors in Canada, the dairy sector for example, that really understand what developing countries are asking for. We think Canada can play a role in that.

These are all really general comments.

We also commend your commitment to transparency in representation in effective democratic institutions. We ask that this principle be applied to multilateral institutions like the WTO. Someone described the WTO talks as 140 different poker games going on at the same time, and developing countries not having the resources to play all of them. So they are at a distinct disadvantage. Are there mechanisms, for example, to bring trade deals to committees for Parliament to debate, where there can be more transparency, more accountability, and more dialogue?

I'm just going to focus now on the development paper, and I'll start by talking about the need for more and better aid. As I noted earlier, our human rights framework for all of Canada's foreign policy in an over-arching goal of poverty reduction is absent from the general framework of the IPS. Even the development paper talks about the importance of development for our own security interests. I think that gets really murky. Canadians really want to see that their aid is making a difference in the lives of the world's poorest people. We've seen absolute evidence of Canadians' generosity and willingness to give. It's been unprecedented this year.

On poverty reduction, not our security or other self-interests, it's not to say we don't have those and they shouldn't be met, but aid should really be about poverty reduction and should be the over-arching goal of official development assistance. I know others have asked for it, and we just want to echo that a legislated mandate around official development assistance would ensure that those goals were met.

In the area of debt relief, Canada is really to be commended on its commitments to date and its leadership role in the G-8. There are some areas, though, that are of concern. Conditions imposed in those agreements for structural adjustment may undermine developing

countries. More than 40 countries are still in need of immediate debt relief, and we would encourage Canada's continued leadership in this issue.

In terms of aid, we appreciate the investments and assistance made to date, and in particular a commitment to double aid to Africa by 2008-09. There are commitments to increases beyond 2010. I'm sure you've heard this before, but we will say very clearly that Canada has to meet its commitment to 0.7% by 2015. With one of the most robust economies in the world.... I was just at a conference on international volunteering with people from 15 different countries, and Canada is not seen as a leader.

•(1600)

There are other countries such as Norway that have already met and exceeded that commitment. It's really hard for us to rationalize that when we've got such a robust economy and sound government with repeated surpluses. It will be impossible for us to take our place of pride and influence in the world if we cannot commit to a timetable to meet what is a very long-standing world commitment.

In terms of the overarching framework of the development paper, we would recognize the need for greater sectoral focus, and generally agree with the framework that's been presented in the sectors and with the criteria. However, as others have said, given that most of the world's poor live in rural areas, agricultural and rural development have to be stated priorities for sectors. We also appreciate the commitment to private sector development. In particular, the focus on addressing the needs of small and medium-sized entrepreneurs, particularly in the informal economy, is critical in our experience. As well, we would agree the consistent focus on women as entrepreneurs is essential.

We also appreciate the discussion about what contributes to an enabling environment for private sector development, recognizing the importance of procedural and government regulatory laws, for example. But what the paper fails to address are the specific needs of rural farmers, for example, and of women and their rights to own land and property, and to have access to land. That's part of what creates an enabling environment as well.

Again, we would say recognition of the need to help entrepreneurs supply local and international markets is really positive. But there's not enough emphasis on their strategic imperative of prioritizing local and regional markets as opposed to international markets.

I'll talk about good governance. Again, it's a priority sector we recognize, and we would certainly support the importance of assisting countries build conditions for secure and equitable development. As you've witnessed over the past two days, a key element of good governance is a strong and vibrant civil society that can work with government, implement programs, give voice to citizens, and hold their governments accountable. You can't have good governance without an active and engaged citizenry, and civil society really plays a critical role there.

We would say you have to make a direct investment in civil society organizations through Canadian civil society organizations, which have years of experience working with groups in the south and infrastructure to support them. As a whole, Canada's foreign policy needs a framework—I would say that's missing, and I want to stress this point—for engaging civil society. Despite repeated commitments and recognition of the role civil society plays....

In fact, as an example, CIDA's financial commitments to civil society have been declining significantly. The percentage share of aid to civil society went from 28.5% in 2000 to 18.5% in 2004-05. We've talked about this many times, and I think there is a genuine interest. Robert Greenhill, a president who's fantastic, seems to understand the role of civil society. There needs to be a policy framework that recognizes the role across CIDA—across all programming branches—and not just in responsive programming.

In terms of gender, we applaud the government's recognition of the importance of gender in development. Some would say that mainstreaming gender, making it a crosscutting theme, is useful. I think there are some dangers. For example, a criticism we've often heard is that by mainstreaming gender equality in the MDGs it's largely absent in fact. You can see it in some of the finer points, but not in one of the goals that address women's issues, and that's really the education of girls.

The IPS risks the same. So we would encourage the government to ensure that every aspect of foreign policy and development addresses women's rights.

• (1605)

In terms of country focus, we would again say that we're in general agreement with the need to be focused, and we've done the same. But we want to caution that there has to be room to continue to work aside long-standing partners and fragile and frail states.

In our case, for example, there are Zimbabwe and Togo. Togo is a classic example where every other donor has pulled out. There are civil society groups that are really trying to hold their governments accountable. Nothing will change if we don't support them and if the world doesn't stand with them. We can't abandon them.

I think that's the role of responsive programming, and I would be explicit about that. We have good examples of that. Canada played a significant role in South Africa during apartheid by supporting NGOs and was applauded later. We have some very good examples of that, and I think that's critical.

On engaging Canadians in development in Canada Corps, I would again say that we applaud the commitment to engaging more Canadians in development. We think that's critical. We recognize that the government is currently in the midst of refining the mandate

of Canada Corps, and I was in a meeting yesterday with many different folks. We have a few comments to share that we think might be helpful.

First of all, the goals of Canada Corps are not clear.

• (1610)

**Ms. Beth Phinney:** They're not what?

**Ms. Karen Takacs:** They're not clear. Specifically, there was the initial discussion about engaging young Canadians and promoting good governance. We would say those are two very separate goals. Sometimes they can be mixed, but if you mix them up, you get murky programs.

To our knowledge, our southern partners aren't clamouring for more youth to help them figure out how to develop democratic processes. It's not to say that engaging youth isn't a good idea, but it's different from promoting good governance. Young Canadians have much to contribute and much to learn, but they're probably not the most effective agents to work with developing countries on governance issues, and perhaps on many other things.

If we want to engage young Canadians, then that's a separate strategy. I would say let's engage not only young Canadians; Canadians of all ages and all walks of life have lots to contribute, they want to be involved in development, and they care. If they're going to be involved in a meaningful way, then we would say the focus should be on meeting the needs of southern partners. If we begin there, then Canadians will contribute something that's useful and significant, and they will feel that they've made a difference and not just gained international experience.

I'm almost done, if that's okay

Specifically on the issue of governance, I would say that the definition is narrow, and I spoke about the importance of civil society in doing that. There's a discussion about the need to coordinate and to again have a single portal for Canadian involvement. We would say that we don't see the need for that.

In fact, having different portals allows many different Canadians to be engaged. There are lots of ways. Every organization has a different membership and reaches out to different people—seniors, executives, disparate communities, and specific ethno-racial communities. The different faces allow people to connect in a way in which they wouldn't necessarily, and they don't necessarily see government as the way to do that. It's not to say that there isn't some need for some coordination and increased access, but I don't know that a portal is the solution to that.



Finally, I would say that in terms of talking about engaging Canadians and the vision of global citizenship, it's not only about educating the public or helping communities overseas. Global citizenship is about critical reflection on our values and obligations and about collaborative learning and action with the citizens around the world. We think that the IPS misses the mark in terms of articulating how Canadians can act in true partnership with people in the south on global issues and in terms of how the Canadian government can truly engage citizens in a genuine and ongoing dialogue on development cooperation.

We have 40 years of experience in engaging Canadians. We know that they absolutely and desperately want to be involved. Cross-roads are doing that. They give up time and energy to go overseas. They raise money to do that. If we look at this past year, there was the campaign to make poverty history. Many of you may have received e-mails. There were 250,000 Canadians who signed on and had a genuine interest in global issues, and lots to say and contribute.

And we would just say that regarding the commitments around transparency and accountability, we also need to look at how we actually continue at all levels to engage Canadians in real dialogue and allow them to contribute what they know and care about.

I would just stop there. Thank you. You may have questions.

• (1615)

**The Chair:** Thank you.

Who's going to speak now, Mr. Sparks or Ms. Schauerte?

Go ahead.

**Ms. Gwen Schauerte:** Thank you.

I would like to start by saying as well, on behalf of the Ontario Council for International Cooperation and our members, that we appreciate that the standing committee has invited us to participate in the process and we appreciate the opportunity to share our ideas and priorities on Canadian foreign policy with you.

I'd like to begin this submission by describing briefly our organization. OCIC has nearly 60 members across Ontario that are not-for-profit voluntary organizations that work in both the north and south in their efforts to provide sustainable people-centred development in a peaceful and healthy environment.

OCIC is committed to principles of fair and equitable cooperation between north and south and promotes a participatory style of education that helps Canadians to develop a global perspective and to take action for global justice.

OCIC is an active member of the Canadian Council for International Cooperation, and we're one of seven provincial or regional councils across the country that are councils for international cooperation. We support the previous papers and discussions undertaken by CCIC with the government in 2004 and the reflections presented in CCIC's commentary on the IPS, which you may have already received.

We'd like to take this opportunity to outline four areas of particular concern that our membership has at the provincial level. As noted by CCIC, the IPS published by the government lays out important initiatives to strengthen a distinctive Canadian foreign policy with

increased investment in development, diplomacy, and defence. The statement builds on initiatives already taken by the government to increase Canadian aid, while continuing to focus on sectors and programs that will make vital contributions to poverty reduction in a select number of countries.

The government reaffirms its commitment to concentrate diplomatic, defence, and development resources in whole-of-government efforts, particularly in response to conflict in failed and fragile states.

The statement underscores the central importance of multilateralism in a more equitable and peaceful world. Canada will continue to build international consensus for the responsibility to protect civilian populations in crisis zones around the world, which is the United Nation's initiative that Canada has also played a decisive role in.

The Prime Minister, in his introduction, broadened this notion of responsibility to five complementary responsibilities: respect the fundamental rights of all people; deny terrorists the means to attack innocent civilians; work with the needs of people living in poverty to improve their lives; ensure sustainable development for future generations; and finally, the IPS makes a welcome commitment to invest in human and financial resources for the Canadian Forces in supporting peace operations in various areas of conflict. These initiatives, along with others outlined in the IPS, are important steps toward a progressive foreign policy in which Canada takes leadership in confronting urgent issues of global justice.

At the same time, the statement fails to put global justice at the centre of the government's international agenda. As noted by the Canadian Peacebuilding Coordinating Committee, it lacks a strategic analysis of global issues in which to situate Canada's strengths and weaknesses in contributing to the progress. It fails to acknowledge and build on the government's fundamental obligations to international human rights law. Nowhere is there a sufficiently clear commitment to working with the international community through the United Nations.

There are four areas of concern in regard to the IPS that OCIC has identified. First is the place of poverty and human rights in Canadian foreign policy. The second area is public engagement, in terms of engaging Canadians as global citizens. The third area is non-priority countries and long-term CIDA policy regarding a mechanism for funding. And the fourth area is the need to emphasize process over outcomes, rather than outcomes over process.

My colleague Bill Sparks will now address each of those points in greater detail.

• (1620)

**The Chair:** Thank you.

Mr. Sparks.

**Mr. William Sparks (Vice-president, Ontario Council for International Cooperation):** Thank you, Mr. Chair.

With regard to the place of poverty and human rights in Canadian foreign policy, the issues of poverty are addressed substantially only in the development paper. While there are repeated references to Canadian values in the overview paper, the ethical imperative to end global poverty is largely absent. Rather, the obligation to address global poverty is seen as subsidiary and instrumental to the pursuit of Canada's particular interest in promoting its own prosperity, reducing threats of global terrorism, and responding to regional insecurity. Addressing poverty as a human rights obligation is nowhere articulated; rather, references to human rights are intertwined with discussion of Canadian values and cultural relativism.

With regard to methodology and means, the 0.7% UN target, the IPS acknowledges that Canadian aid will increase beyond 2010 but fails to commit to a timetable to achieve the UN target of 0.7% of gross national income by 2015. We know this committee is prepared to make a strong recommendation that the government move forward on that. We support that and encourage you—all members of the committee, in each of your respective caucuses—to work towards that. As we've heard today and from other groups in the NGO community, it's truly reflective of the broad base of support from the international development community within Canada.

On debt reduction, the IPS recognizes that debt reduction is a critical dimension of development financing, for which Canada is demonstrating renewed leadership. The statement gives positive government support for a debt relief plan that can be supported by the G-7 and other international institutions and results in a net increase in flows to the developing countries, treats non-HIPCs in an equitable manner, and preserves incentives for economic reform and improved governance, but the IPS ignores widespread support, most recently in Canada, for the Jubilee 2000 movement for 100% unconditional debt cancellation for the world's poorest countries.

With regard to security threats, the IPS paints a picture of a security-centric world in which threats to Canadian lives, values, and prosperity are a driving force behind policy decisions. While these are legitimate measures to be taken by countries to prevent attacks on civilians, the government statement is inflammatory in its description of the terrorist threat. Failed and fragile states are posited as harbours for terrorists. Investment in counterterrorism is significantly increased to reduce vulnerability to terrorism. Weapons of mass destruction are a concern because of a potential for terrorists to get hold of them. Canadian foreign policy should be clear that the complex conflicts raging outside Canada are primarily human catastrophes, not threats to Canada's security or potential harbours for terrorists.

With regard to trade liberalization, while the IPS identifies the need for a level playing field in global trade rules and reductions in agricultural subsidies, the statement advances with unjustified certainty that more liberalized trade is the way to move towards greater prosperity for all countries. There is insignificant emphasis on the need for policy space for developing countries to carve out locally owned development strategies, whether for agriculture, health, or industrial development.

With regard to the World Trade Organization, the IPS affirms Canada's commitment to a rules-based multilateral trading system and a pivotal role for the WTO in the global architecture. It highlights the WTO only as a positive governance model, with no

recognition of its fragility, its continued inequitable power dynamics, the significant internal and citizen mobilization against its undemocratic decision-making, or the implications of these for development prospects in the coming rounds.

OCIC would like to see, with regard to poverty reduction and human rights, mandated legislation to clarify Canada's human rights obligations, to contribute to poverty reduction, and to see that as the exclusive goal of Canadian development assistance.

With regard to the Canadian government, we recommend that the Canadian government join like-minded allies among donor countries and international activists and artists to set a timetable for achieving aid levels of 0.7% of Canada's GNP by 2015.

We would also like to see the Canadian government advocate for a more democratic decision-making WTO, including the Hong Kong Ministerial Conference. We would like to see substantive changes in trade rules and a commitment to defend the right of poor countries to manage trade borders.

We would like to see the Canadian government ensure that its trade objectives, including new bilateral and regional deals, are pursued in a transparent and accountable manner and are rooted in our human rights and development commitments as per the principles of fair trade.

With regard to public engagement of Canadians as global citizens, in the development paper there are references to engaging Canadians in dialogue, but they are linked to comments about awareness and understanding. It is not clear if it later includes participation in policy dialogue.

I note the absence of a large audience today in our hearings. I appreciate the committee's constraints; you just got your budget for travel last week, and notice had to go out fast. All those things are complications, but they restrict democracy; we need to be aware of that and correct those things.

● (1625)

**Ms. Beth Phinney:** There will be a Tory government next time. That will help.

**Mr. William Sparks:** We shall see.

People need adequate notice. We have over 55 members. Many could have been here, and we could have had time to consult and present a strong program, as you know.

**Ms. Beth Phinney:** We had to get permission from all our whips, and as you know, in a minority government everybody is playing games and it wasn't something we could—

**Mr. William Sparks:** Yes.

**Ms. Beth Phinney:** It was either not do it at all, or do it at short notice. As I say, it was short notice for us too.

**Mr. William Sparks:** As you know, groups have been urging this travel across Canada for consultations, so we appreciate it, and I know you'll work hard to ensure there's adequate time and space for it.

The discussion on the diplomacy paper about building policy capacity makes no mention of either public or civil society roles. This lack of consistency in public engagement must be explicitly addressed by expanding opportunities and mechanisms for dialogue and debate on Canada's whole-of-government international policy by providing adequate preparation time and access for those outside of major Canadian cities.

The discussion on public diplomacy focuses on cross-cultural education opportunities to help build awareness, but it is largely about Canadians promoting themselves and Canadian interests. The vision of global citizenship elaborated in the development paper is a narrow one, remaining tied to past notions of educating the public about Canada's role in the world and seeing Canadians as the experts helping communities overseas in need. It misses the opportunity to enable a mutually beneficial process whereby Canadians could work in partnership with peoples in the south on many issues.

OCIC would like to see CIDA develop a policy framework that sets out issues and approaches for strengthening civil society roles, a government public engagement strategy inclusive of a modern vision of citizens actively engaging in Canada and abroad, increased opportunities for Canadians to learn about and influence policy development in their world, an understanding of active global citizenship as a critical reflection of our values and obligations, collaborative learning with fellow citizens around the world, and ethical decisions and actions taken here and abroad. It's not about solving or helping to solve problems as if they belonged only to others.

With regard to non-priority countries and long-term CIDA policy regarding funding mechanisms, members of each of the provincial and regional councils for international cooperation were concerned and dismayed with the Canadian International Development Agency's recent decision to indefinitely defer the calls for proposals for the NGO project facility and the environment and sustainable development program. We were particularly disheartened by how damaging the decision was to small NGOs that depend on smaller projects to provide tangible development links between Canadians and local communities worldwide. If you want to go into those further, we have lots of examples.

Canadians are involved with international development work primarily and visibly through the work of NGOs. Canadian support of international development will diminish if there is no credible link to local involvement. CIDA's decision to indefinitely defer NGO project facility funding and the perceived movement towards bilateral development leaves the NGO sector very concerned about the future of CIDA's NGO partnership branch.

The situation also leads us to ask how the Canadian government proposes to be accountable to Canadians if there are not meaningful opportunities for a broad base of Canadians to engage with the international development sector. Canadian NGOs are the first and often the only link many Canadians have with international development. Cutting these smaller projects is yet another means

of disconnecting Canadians from the international community, and we know that this is not the goal of the Canadian government.

A healthy international development sector is reliant on involved constituency and strong relationship between international development organizations and CIDA. If CIDA wants Canadians to support international development, it must recognize small NGOs and civil society organizations as critical to public engagement and support, often on a regional or smaller scale.

In that regard we would like to see a new focus on several countries that are not eligible for priority ODA. Will Canada remain engaged in these countries? And if so, what will be the nature of the engagement?

Finally, we would see an emphasis on process over outcome, rather than outcomes over process. And we were mystified to see this in the IPS statement and the work-ups. This is fundamentally contradictory to OCIC process and orientation. It's our experience that process determines outcome. It's our experience that participatory process determines better outcomes. It's our experience that engagement of the global south with its civil society organizations in a participatory process humanizes results-based managements and allows the beneficiary, which is the world, to determine the results.

We would question this emphasis in the language on outcomes over process and support a participatory process that engages people in determining the outcome.

Thank you.

• (1630)

**The Chair:** Thank you.

I have a couple of comments, to start with. First of all, I must say that we're very pleased to be here. NGOs, for us, are very important. We hear from as many as we can in Canada, the national branch. I must say that if Canada has a fabulous reputation still in a certain sense in the world, it's because of our NGOs working on the ground. I believe in this very strongly.

The second thing is about the 0.7%. Our committee already passed a report concerning this. It was unanimous. All 12 members of the committee agreed on 0.7% for the year 2015. Also—I think it's report number 12, but I'm not sure about the numbers—we passed a report concerning the human rights with the Canadian mining companies working in some other countries, which I think is a very important issue also. We passed a unanimous report on this issue also. It doesn't mean that we're happy with the government's response, but we're pushing them, and I really feel that's the role of parliamentarians.

Concerning the fact that many other NGOs would like to appear in front of this committee, I might just tell you also that we have an e-consultation. They could consult our websites, and every one of them is very welcome to give their opinion. There is a questionnaire concerning defence—or it could be diplomacy, development. They could just take one portion for anything they want to add at the end. Feel very free to tell them, if you see any NGOs that you know, that it's welcome. All of this is very welcome for us.

It was very important because even if we'd been in Winnipeg and Toronto—and tomorrow we're in Montreal—all the capitals, we feel that NGOs coming from small rural areas are also very important. An idea doesn't come just from the capitals like Toronto, Montreal, or Vancouver. Many people have good ideas to bring to us, and this is why we have this e-consultation.

Now we'll go with the questions and answers.

You have the floor, my colleague.

• (1635)

**Ms. Beth Phinney:** There are lots of questions I could ask, but I'll just start with two.

You're probably aware that Foreign Affairs is split and International Trade is off to one side now—or maybe it's an equal balance, I don't know. I just wonder if you have any comments about that, whether it's helping you or hindering you in the particular work that you're doing.

The other is about CIDA and whether you feel that—some of the other groups have commented on this—it needs to be a little bit more transparent about all of its activities, more willing to be open and to look at projects that didn't work—or did work and why that was so—and to consult with NGOs about this.

Would you start, Karen?

**Ms. Karen Takacs:** I'll start with the last question first on our relationship with CIDA. I feel compelled to say that our relationship with CIDA has improved dramatically in the past two years. And part of this is due to the fact that we're starting to work in a way that is about partnership. That's how we'd describe it. But I know this is not the experience everywhere, and I think this can be replicated. There can be some lessons learned from it.

For example, we were involved in setting the criteria for new agreements jointly with our CIDA partners, and in an evaluation of the program, which again was done jointly with external consultants, but we were involved in it. In the end, we wound up with a five-year agreement. That agreement has allowed us to work together, because we're not all terrified that we're going to have to negotiate next year and about what will happen then. So it means we can try new things. It means we can take some risks, and we can learn together.

Those aren't practices that are spread across CIDA. I think those kinds of things contribute to increased accountability and transparency.

I know that the partnership panel that has been set up—it was identified in the IPS, has already been set up and has met, and apparently had a very good first meeting—looked at the whole question about how CIDA works in a real partnership. One of the things they've looked at, and I would certainly encourage, is using the accord that this government took a leadership role in signing with the voluntary sector, the framework for working with the voluntary sector, as the framework for its relationships with partners, not just the NGO sector but the private sector as well. And the kinds of things that are outlined there are about transparency, accountability, long-term agreements, so that people have the chance to try things and learn and share what they've learned and make mistakes and

learn from that as well. If you don't make mistakes, you're never going to move forward, right?

So certainly the kinds of things you've asked about are absolutely concerns for us. We've seen increased openness. Now, I don't know if that can be generalized. What we've seen we've liked, and it's in particular pockets. We think that needs to be spread out, for sure. Some recent decisions, like the cancelling of the NGO project facility, were of huge concern for a variety of reasons. It was a bad process, no matter what; it's not the way you work with partners, period. We have concerns there.

In terms of Foreign Affairs and International Trade, as we said, it doesn't directly affect our work, but we see its indirect effects in terms of our partners. There's a need for coherence about what our priorities are internationally. Again, I understand that we have particular interests ourselves, but it does make it hard when trade trumps development, which is what we see, I would say.

**The Chair:** Thank you.

Do you want to add something quickly? Go ahead, Mr. Sparks.

**Mr. William Sparks:** Great. Well, we can certainly see the emphasis here where trade trumps development, and it's not a good process.

To take a look at history in terms of the rise of that small ministry of industry, trade, and commerce 40 years ago to become actually a full-fledged partner of the old external affairs department and to begin, in fact, to emerge as the department that sets the predominant agenda on Canadian foreign policy is frightening. It puts Canada forward not as a conveyer towards international development and equalization of all peoples, which it still has the reputation for being, but rather as a gobbler of the G-8. It's a sad thing, in my view.

With regard to CIDA, we see some interest in openness and transparency, and transparency and engagement and being engaged in project evaluation. We see some progress in that.

We think if there were a legislated mandate, it might give some further guidance to CIDA, because there's tremendous change in staff, tremendous education all the time of CIDA people by NGOs.

Kim, do you want to talk about the NGO project facility?

• (1640)

**Mrs. Kimberly Gibbons (Coordinator, Ontario Council for International Cooperation):** To the extent that I'm aware of it, yes. One concern, on behalf of other provincial councils as well, with many more small NGOs, is the timeliness of the feedback. At this time, I understand the innovation fund was put in place to patch up the NGO project facility but many NGOs, particularly in Alberta and B.C., still don't have a word on when the funding is going to come next, and that's a concern. So despite the expert panel having met, we don't know yet what the feedback is from that meeting and when they're going to hear.

**The Chair:** I have a question before closing, Mrs. Takacs.

You mentioned that now you're involved in nine countries. You have decreased from I don't know how many countries to nine but are working in southern Africa, western Africa, and South America. And a lot of people talk about Norway. We see the Nordic countries and also the Netherlands.... Norway is present in nine countries and is helping some other countries, maybe 15 or 16. I don't know the exact number. Do you feel that by reducing our aid, two-thirds of our bilateral aid, to 25 countries, even this is too many countries? How do you see this? Do you see this as progress?

The problem we face is that every time the Prime Minister travels in the world, he promises everything to every country. There's only so much money and we feel we need to help the country that wants to be helped also in a certain sense, and there are so many countries in the world.

That's my first question.

You also talk about being clear on goals. I fully agree with you.

I'd also like to come back to Canada Corps engaging young Canadians. I don't want an answer right now, because it's a preoccupation for the committee in the sense that we want to engage young Canadians. We try even here to go to the University of Toronto. It's too expensive for the committee just to have our hearings there. This is why we're in a hotel. Tomorrow we'll be in Montreal, in one of the universities over there. We'll have a town hall meeting over there with the university.

My question about young Canadians is this. In promoting governance, how do we first engage young Canadians? Perhaps both of you can provide us, maybe in a week or two weeks from now, with a response also on engaging the Canadian population, because we want to engage it. I really feel the government also wants also to engage it, but what's the best way to engage it?

You all have good stories, but good stories never reach the Canadian population, and we'd like to get your input concerning this.

**Ms. Karen Takacs:** Great. Thanks.

In terms of country focus, I think it's a tough question and I actually don't know that there's a right answer. But rationally, I would say it's devoting specific resources with a variety of methods. I don't think just multilateral institutions or sector-wide approaches will do. You have to have a wide range of options in terms of support—debt relief, everything, as a package. I think being focused in particular countries obviously makes sense, but I don't think it means that has to be exclusive.

Again, I think that's the role of responsive programming—to be able to continue to support civil society, for example, in countries with undemocratic or corrupt governments, both bilaterally and.... I think the responsive mechanism is critical, and I don't think that's addressed in the international policy statement.

So that would be my short answer to that.

**The Chair:** Sure. That's important.

**Ms. Karen Takacs:** We reduced from 35 countries five years ago. We went down to 28 and then 15 and then 9. It was hard to do for us as well.

**The Chair:** That's why I asked you the question.

**Ms. Karen Takacs:** Absolutely. And again, partly it's just that we have limited resources. We're trying to be effective.

And I don't know if it's the right answer. We'll tell you in a couple of years.

We've written a paper on Canada Corps, which we'd be happy to share, and we have some ideas we would be more than willing to share.

• (1645)

**The Chair:** We'd like that. Can you provide it to the clerk?

**Ms. Karen Takacs:** Absolutely.

Specifically, though, what I would say is that CIDA did an evaluation of the volunteer cooperation program, which is all the agencies that are funded to do volunteer exchange. One of our goals is engaging Canadians, and I think we do it very effectively.

What we learned from that evaluation was, if you are going to do it, you have to be strategic. You have to have a variety of mechanisms and use many partners, and you have to devote resources. CIDA has made public engagement a priority for many years and never devoted significant resources.

We were told, for example, last year that for years there was this rule—sometimes it was written and sometimes it wasn't—that you can't devote more than 10% of your resources to public engagement, but you have expectations about engaging Canadians. Then they said last year, oh fine, the 10% rule no longer applies; you can spend more of your money if you want. But they gave us no additional resources.

So with no increase over the next five years, our own increasing costs.... It takes time and it takes money to do it well. Again, as I said, there are many examples this past year of how Canadians really do want to be engaged.

We have ideas we would be happy to share with you. I think there are things government can do. These opportunities are fantastic. Meeting Canadians in your offices and on Parliament Hill also provides great opportunities. We're trying to encourage Canadians of all walks of life to take up those opportunities to do that.

But I think it's what civil society organizations do by definition. We involve people on our boards, on committees. These are concrete ways that Canadians can learn about these issues and be directly involved. So I think that's why you support civil society, so that we can do that.

**The Chair:** Thank you.

Are there any other short comments before closing?

Yes, Gwen.

**Ms. Gwen Schauerte:** Just to follow up on Karen's last point about engaging, we'll certainly provide a more detailed response.

**The Chair:** Sure. We'd be very pleased.

**Ms. Gwen Schauerte:** One of the things we're aware of as a provincial council is that in the past we've supported learners centres, which are locally based global education resource centres. I find this a fundamentally cost-effective way to engage with people face to face on very complex issues, with history and economic implications and all the detail that people may need to know about a particular issue at a very local level. So I think this is definitely an important way to engage people, through funding organizations. Their funding was cut in the late eighties, and there hasn't been sufficient funds since then to have the same kind of level of organizations in Ontario.

So we can provide more detail on that.

**The Chair:** I'd like you to provide that.

In closing, thank you very much for attending.

We are very happy with what we have learned here in Toronto. Just to let you know, last night we had a town hall. We had more than 25 people intervening at a town hall. We saw a lot of variety, from Taiwanese to Palestinians to NGOs. It was really great.

Once again, thank you very much.

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