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## Standing Committee on International Trade

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**Thursday, May 17, 2007**

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**Chair**

**Mr. Leon Benoit**

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Thursday, May 17, 2007

•(1100)

[English]

**The Chair (Mr. Leon Benoit (Vegreville—Wainwright, CPC)):** Good morning, everyone. Let's get started with the meeting this morning.

We do have witnesses, of course, on our machinery of government study. We will get to them in just a little while.

We have some committee business to deal with. The first is the notice of motion of non-confidence by Peter Julian. The second is bulk water removals and the report. I'll just explain that when we get to it, but it won't take long, I hope. The third one is the press release on travel. I'm hoping we can deal with all these issues very quickly and get on to our witnesses, because we certainly would like maximum time with our two witnesses here today.

Perhaps we could start. In terms of the notice of motion of non-confidence, Peter Julian is on the agenda. I don't know whether Mr. Julian wants to deal with this today or not.

**Mr. Peter Julian (Burnaby—New Westminster, NDP):** Mr. Chair, as you know, putting forward a motion and giving that 48 hours' notice then allows the motion to be tabled at any time with the committee. I'm not putting forward the motion at this time. I may later in the meeting or at the next meeting, or at the meeting after that. But for the moment, the fact that I've provided the 48 hours' notice is sufficient to bring it back at the committee at a later time of my choosing. I'm not bringing it forward at this moment.

**The Chair:** Okay.

I didn't recognize the member with the comments there.

Let's go on to the second item, which is the report on bulk water removals. Of course, the Bloc motion was passed by this committee. The only issue with that—and this is something I requested at the time—is that we decide on a particular length of time that would be allowed to bring forth dissenting opinions, or any opinions, any reports, to be amended to the main report.

At the time the committee decided that we would have to decide, with each report, how much time would be allowed. I suggested at the time that we just establish 48 hours, or whatever it is, so we don't have to deal with it. We forgot to deal with that when we dealt with the motion at the last meeting.

So I just want to go to the committee to ask how much time we will allow, or have allowed, for dissenting opinions to be attached to that report.

Yes, Monsieur Cardin.

[Translation]

**Mr. Serge Cardin (Sherbrooke, BQ):** Mr. Chairman, I thought the appropriate time for indicating one's intention of tabling a dissenting report was when the motion passes.

Normally, this motion should have been tabled in the House. I imagine that could have been done yesterday and that it could still be done today. Tomorrow is Friday.

I don't know whether the discussion with respect to a potential dissenting report is intended to delay the tabling of the motion in the House, but the appropriate time to inform the Committee of one's intention of tabling a dissenting report is normally when the motion is passed.

I would also like to hear the Clerk's opinion in that regard.

•(1105)

[English]

**The Chair:** Monsieur Cardin, first of all, my hands as chair are tied. They were tied by the committee when the committee decided that with each report we would determine how much time we would allow for a dissenting opinion to be attached. I have no choice but to respect that. I would like the committee to change that opinion at some time, but I don't want to deal with that now. It's up to you if you want to.

So all we need from the committee today is to say how long will be allowed for members to attach a dissenting report. So perhaps we could just deal with that quickly. If the committee decides 48 hours is the right length of time, which is very common, then I can have it tabled in the House tomorrow.

Yes, Mr. Julian.

**Mr. Peter Julian:** Mr. Chair, these are motions that are adopted by committee. It would be absurd to start to have a motion that is then followed by a dissenting motion, and then followed by another dissenting motion. It just becomes absolutely bizarre. What we have is the opportunity to provide a dissident report when the committee provides a full report, as we did with the international trade committee report that we completed a few weeks ago. There, it's a very complex matter.

It's obvious that each party might agree or disagree with certain of the recommendations, and it's important to be on the record, and we've clearly indicated that the parties have the right to be on the record for these reports. But for a motion, we're already on record. We voted on the motion. We had a recorded vote, so every single member of the Canadian public would know which member supported that motion and which member did not support the motion. But it's absolutely absurd to get into the point where we have a two-paragraph motion, followed by another two-paragraph motion from the Conservatives because they disagree with the motion that was adopted. It's just an absurd practice.

So there was in Mr. Menzies' motion absolutely no indication that it would apply to all motions. We adopted a motion. It's on the record, whether Conservatives supported it or not, and you should have tabled the report this week.

**The Chair:** Mr. Julian, this is the ninth report of this committee to the House. It is a report to the House. This committee has tied my hands. You know what's gone on at this committee over the past few meetings. As chair, I hesitate to step out of line or to make calls that I normally, quite frankly, would make as chair. That's a result of what's happened at this committee. If we could just get on with this and decide how much time—we have witnesses waiting—I think that would be the appropriate way to handle it.

If we want to take this to the steering committee or back to this committee at some future time and say that for any report we'll allow 48 hours for people to attach dissenting opinions, then we can do that.

But I would encourage the committee to get on to the witnesses we have here today.

Mr. André.

[*Translation*]

**Mr. Guy André (Berthier—Maskinongé, BQ):** Mr. Chairman, I agree with my colleague. I believe the motion carried on a majority vote. I think that your duty, as Chair, is to table that report in the House, as passed here by the Committee.

Furthermore, as regards the motion, I am pleased to see that the French translation is good. As for the English, we may want the Clerk to check it. In the fourth paragraph, the motion reads:

Whereas this situation puts the provincial and federal laws concerning the protection of water, including the prohibition of bulk water exports;

In the English version, I think we may have to add the words "at risk". I am not moving a motion, but I did want to mention that it's important that correction be made when you table the motion in the House.

[*English*]

**The Chair:** Yes.

The clerk had pointed that out to me before you mentioned it, Mr. André. That is what was intended, and we can make that change. It's just accommodating what was agreed to.

Can somebody make a motion that the committee allow 48 hours, or whatever, for dissenting opinions to be put in?

Mr. Julian.

**Mr. Peter Julian:** Mr. Chair, I propose that we simply have this report tabled in the House as soon as possible and that we allow the vice-chair, Mr. Cardin, to present the report in the House as soon as possible. There is no allowance for any additional muddying of the waters around this motion that was adopted.

**The Chair:** Actually, I apologize to Mr. Allison and Mr. Cannan, who were both on my list to speak before your motion, Mr. Julian.

But it's out of order, because the committee had agreed, in fact, to allow dissenting reports to be attached and had decided to determine how long would be allowed to do that in each case. How do we now just throw that aside and go on with a motion that contradicts a procedure agreed to by this committee just a few weeks ago?

• (1110)

**Mr. Peter Julian:** If we adopt this motion, Mr. Chair, the committee is making a decision on it. We're saying that there's no dissenting attachment to this report in this case.

**The Chair:** I am going to Mr. Allison and Mr. Cannan.

I apologize, gentlemen.

**Mr. Dean Allison (Niagara West—Glanbrook, CPC):** I was just thinking, Mr. Chair, that to avoid any confusion in the future, at this time I'd like to present a motion that we could—

**The Chair:** There is a motion. I shouldn't have, then...because I should have recognized you. I apologize.

**Mr. Dean Allison:** My comments were the same as yours; that this is a report, and we should be allowed a dissenting opinion, which you've already put on the table.

I'll just leave it at that.

**The Chair:** Thank you, Mr. Allison.

Mr. Cannan, I apologize.

**Mr. Ron Cannan (Kelowna—Lake Country, CPC):** I have similar comments, Mr. Chair.

I just want to clarify that we had agreed as a committee that whenever there was a report tabled we'd have an opportunity to prepare a dissenting report. On the last discussion, on the eighth report, we had the same.... I guess some people have short memories, but I remember quite clearly.

**The Chair:** Okay.

Mr. Temelkovski.

**Mr. Lui Temelkovski (Oak Ridges—Markham, Lib.):** Thank you very much, Mr. Chair.

In terms of reports, I think we all agree that we did agree to have dissenting reports reported back to the chair within a specific period. What I think happened here is that when Mr. Cardin tabled his motion, it was not a report; it was a motion.

Maybe you and the clerk can clear up for us what the difference is between a motion and a report when it's reported to the House, so that we all know the technical aspects of a motion and a report.

**The Chair:** Mr. Temelkovski, the thing is that this is being reported to the House, because the motion that we passed asks for that, I believe. That was passed by the committee, so it is being reported to the House for exactly that reason. Again, in the future I hope we would just allow 48 hours. Everybody knows. We won't have to deal with this—

**An hon. member:** [*Inaudible—Editor*—]—did that.

**The Chair:** Well, we didn't. That's what we tried to do, but the opposition decided that every time there was a report to the House we would determine how long. That's correct, isn't it? Yes, that is correct.

So here we are. Mr. Julian's motion is out of order because we have agreed to a procedure on this. Could somebody bring forth a motion with a certain amount of time?

**Mr. Lui Temelkovski:** Could you explain what I asked, Mr. Chair?

**The Chair:** Just ask again, Mr. Temelkovski. I didn't fully understand your question.

**Mr. Lui Temelkovski:** My question is, what is the difference between a motion and a report?

**The Chair:** I'll let the clerk explain, but a motion passed isn't always reported to the House. In this case it was in the motion that it be reported to the House. But I'll let the clerk explain this and give a specific answer to your question.

**The Clerk of the Committee (Mr. Normand Radford):** Mr. Chair, through you, the chair is correct in the sense that a motion is a statement, if you wish, adopted by the committee. A motion can be reported to the House if the committee so decides. In this instance, there was a provision in the motion of Mr. Cardin that the motion and preamble, I may add, as amended by Mr. Julian, be reported to the House. So the report, then, reflects the motion and it reflects the preamble, as amended.

**Mr. Lui Temelkovski:** The motion?

**The Clerk:** That's correct, and it is a report.

**Mr. Lui Temelkovski:** So a motion is a report?

**The Clerk:** If the committee so decides.

**Mr. Lui Temelkovski:** Okay. So when it makes a report, it's tabling it?

**The Clerk:** Correct, presenting it to the House.

**Mr. Lui Temelkovski:** Presenting it to the House. If it is not presented, then it is not a report, it's a motion?

**The Chair:** Mr. Temelkovski, the motion called for the preamble and the motion itself to be reported to the House. Therefore a report was prepared by the clerk accommodating that. So what I want to do is to ensure that this is reported to the House, but I have to meet the

requirements determined by the committee just a few weeks ago, which is that we set a period of time that will be allowed to attach dissenting reports. If we can just quickly do that, we can get on to the witnesses.

Monsieur Cardin and then Mr. Cannan.

• (1115)

[*Translation*]

**Mr. Serge Cardin:** Thank you, Mr. Chairman.

I understand the distinction. The motion passed this week gave rise to a report being tabled in the House, and that was what we asked for. So, I fully agree that we are talking about a report; indeed, we are talking about the ninth report of the Committee.

I also recall that when the reports previously tabled were passed, we immediately decided how much time would be available for members to present dissenting reports. That was a point that was resolved as soon as the motion passed. I remember that quite clearly. So, it should be the same thing this time around. This week, we passed that motion and, technically speaking, members had 48 hours to table a report. The deadline for that has now passed.

I would like one clarification. Did you say a little earlier that you will be tabling the report tomorrow?

[*English*]

**The Chair:** That depends on the committee and how much time the committee decides to allow for dissenting reports to be attached.

Mr. Cannan.

**Mr. Ron Cannan:** Thank you, Mr. Chair.

Trying to move on with business—we have witnesses waiting—I'd like to move a motion that all parties have 48 hours to attach a dissenting report to any report presented to the House by this committee.

**The Chair:** The committee has heard the motion. Any discussion?

Mr. Julian, then Mr. Bains.

Mr. Julian.

**Hon. Navdeep Bains (Mississauga—Brampton South, Lib.):** I'd like to make a friendly amendment in the spirit of cooperation—

**The Chair:** Mr. Bains, I recognized Mr. Julian first.

Go ahead.

**Mr. Peter Julian:** Well, Mr. Chair, it's simply not acceptable that if the Conservatives see a motion that they voted against come forward, they try to cut it up and throw in their particular political spin on it and additional material.

Very clearly, this ninth report says that this was a motion adopted by the committee. A motion is not subject to a dissident report. A motion is subject to how members vote on it. The Conservatives voted against it. You can question their political judgment, but that's fine. They voted against it. That's enough. They can't keep beating this dead horse and try to essentially diminish or water down the report by adding in an additional series of comments or an additional motion, or maybe it's a five-page report they want to table. It's absurd.

This is very clearly a motion coming from the committee. Dissenting reports are attached to committee reports. They're attached to long, and sometimes complex, material. They are not attached to motions for the simple reason that it can lead to a great deal of confusion.

So Mr. Cannan's motion simply is inappropriate.

**The Chair:** Mr. Cannan's motion is completely in order, Mr. Julian.

I go now to Mr. Bains.

**Hon. Navdeep Bains:** I'd like to make a friendly amendment to that motion, saying that because during this debate it was clear that the parties articulated their viewpoints, the Conservative Party went on record on numerous occasions, through various committee meetings that we held, to state their position, and I feel that that's on the record. Therefore, I feel that with this motion, the way it was intended, yes, it was supposed to be a motion. It got interpreted as a report, as per the language in the body of the motion originally, and hence I think the confusion today.

So my friendly amendment would be that we eliminate the 48-hour notice and that we present this committee report as soon as possible.

**The Chair:** I don't think there's any confusion. As you've said, it was clearly asked for in the motion.

**Hon. Navdeep Bains:** Misinterpreted.

But that's my friendly amendment. We don't even—

**The Chair:** The problem, Mr. Bains, with your motion is that it allows no time for a dissenting opinion to be tabled or attached to the report, and the motion that we decided just a few weeks ago clearly says there will be an opportunity to attach a dissenting report. So we can't prevent that from happening in a motion or in an amendment to a motion.

• (1120)

**Hon. Navdeep Bains:** No, you raise a point, but I think there has been 48 hours since this committee passed this motion, since the motion was passed, to allow the opportunity for individuals to provide a dissenting report. It's an additional 48 hours that we're discussing now. Is that correct?

**The Chair:** Well, it's up to the committee to decide how long.

**Hon. Navdeep Bains:** No, I'm just saying, it's not that we are not saying—

**The Chair:** The motion is for 48 hours from now, yes.

**Hon. Navdeep Bains:** From now. I'm saying that time has already expired, and let's move on with this business.

**The Chair:** Mr. Cannan, I see—

**Mr. Ron Cannan:** Thanks, Mr. Chair.

Just to clarify, any party or all parties have 48 hours to attach a dissenting report to any report to be presented to the House. So this is not only today, Mr. Bains, it's for the future so we don't have to waste time, so we can get some constructive productivity out of this committee instead of the jibber-jabber back and forth. Let's get on with it.

**Mr. Peter Julian:** On a point of order, Mr. Chair, this is not in order. What this would require, if Mr. Cannan is trying to—

**Mr. Ron Cannan:** Excuse me, Mr. Chair, you said it was in order.

**Mr. Peter Julian:** No, because it was referring specifically to this report, which is on the table for discussion.

It is out of order to not provide a notice of motion, if your intention, Mr. Cannan, is to raise this in consideration to all motions and all reports coming forward to this committee. Unfortunately, if your motion intends to deal with greater than the report before us, it's out of order.

**The Chair:** Mr. Julian, Mr. Cannan's motion is in order. This issue has been brought to the table and it is dealing with the issue that was on the agenda, in fact.

In debate on the motion, Mr. André.

[*Translation*]

**Mr. Guy André:** I don't know whether this is debate on the motion, Mr. Chairman. The motion was passed on Tuesday. Members who voted against the motion could have asked at the time to append a dissenting report, but they did not. That being the case, you should have tabled the motion at the first possible opportunity, yesterday or today. You did not do that, though.

I believe we should move forward as quickly as possible and table the motion. When this was discussed Tuesday, Conservative members did not ask to attach a dissenting report. That being the case, the motion is valid. We have to proceed with it, because the majority of Committee members voted in favour of the motion. Your role, Mr. Chairman, is to table the motion in the House.

[*English*]

**The Chair:** Monsieur André, the motion passed by this committee just a few weeks ago clearly says that anyone would have an opportunity to table a dissenting report and to attach it to the report going to the House. The opposition doesn't have to ask for that, nor does any member. This issue probably should have been dealt with at that time. There is nothing that says it has to be, but it would have been appropriate. It wasn't, so we are dealing with it now.

This motion that we have before us now, of course, wouldn't preclude another motion coming to deal with the motion that has already been passed by the committee and the report, which is ready to be tabled in the House. So certainly we can deal with that after.

On Mr. Cannan's motion, Monsieur Cardin, go ahead, please.

[*Translation*]

**Mr. Serge Cardin:** I have a question with respect to procedure. If members were given an opportunity to attach a dissenting report today, would it be possible to table the ninth report in the House tomorrow? A dissenting report or opinion is normally appended to the report.

[*English*]

**The Chair:** Monsieur Cardin, first of all, it is certainly related to the motion we're dealing with. That could still happen, because the motion that is before us now is talking about future reports.

Regarding this report, certainly the committee could determine to allow a lesser time, and that lesser time could accommodate this being tabled tomorrow. It is not precluded by passing this motion we have before us now, in my judgment.

Are we ready for the question on the motion?

Mr. Julian.

**Mr. Peter Julian:** Mr. Chair, I simply disagree with your interpretation. This was not a constitutional amendment that we adopted a few weeks ago. We said that we would give an opportunity to discuss the possibilities around issues of distance. I completely disagree with this new attempt to stonewall the work of the committee.

Essentially we have a motion that was adopted. The Conservatives are on record, and we have very clearly expressed, on this side of the committee table, that we do not believe that a dissident report is in order. We very clearly said that.

We have tried to move motions repeatedly to simply allow this report, this motion to be tabled. So we've had the discussion around whether or not it's appropriate to have a dissidence motion around a committee motion. Most members of this committee do not believe that it is appropriate, and so we have had a proposal from Mr. Bains. We have had my proposal.

What we have to do is defeat this motion, very clearly. I don't believe it's in order, because Mr. Cannan has indicated that he believes it covers all motions and all reports, which would clearly not be in order. But if it is simply referring to this particular motion that we are bringing forward to the House, it might be in order.

If we defeat it, please allow the members of this committee to then put forward a motion that allows this motion to be tabled immediately in the House. I would suggest—and I will come back to this issue in a moment, once we defeat this motion—that the vice-chair, Mr. Cardin, should be the one tabling it in the House, because he originated the motion.

• (1125)

**The Chair:** Mr. Allison.

**Mr. Dean Allison:** I once again point out to my honourable colleague that there was a request that this be reported back as a report. We have a motion before us indicating that we should have a dissidence report. We should deal with this motion and then be able to move forward on that basis.

I say once again, there is a difference between reporting this as a report and reporting it as a motion.

Just to clarify, for any future reports that we have going forward, I think it would be important that we consider Mr. Cannan's motion before us now.

**The Chair:** That is the motion we have before us now. Is the committee ready to vote on Mr. Cannan's motion?

Mr. Cannan, do you have a final comment?

**Mr. Ron Cannan:** I just had a chat with the clerk, and he recommended that since some reports could be 500 pages, the committee might want more than 48 hours to prepare a dissenting report, so it would just have 48 hours to attach a dissenting report to this report that is to be presented to the House.

**The Chair:** Maybe I'll just read the motion that we passed on February 27, just so it is clear:

On motion of Ted Menzies, it was agreed on division,—That any member of the Committee have the right to attach, as an annex, a dissenting opinion on any report to be presented to the House of Commons by the Committee within the conditions imposed by the Committee and in accordance with the Standing Orders of the House of Commons.

Of course the Standing Orders of the House of Commons allow dissenting opinions to be attached. It is up to the committee to set the length of the report and the time for members to attach that dissenting—or that report they want to attach to the main report.

Is the committee ready for the question? Mr. Cannan, do you want to repeat the motion just so it is perfectly clear?

**Mr. Ron Cannan:** That any member of the Committee may attach a dissenting opinion to this, and future, report(s) within 48 hours of the adoption of the report(s).

I guess it's the ninth report.

**The Chair:** To “this” report—? That isn't what your motion—

**Mr. Ron Cannan:** That's why it's changing. I just said that after discussing it with the clerk. He recommended that because of the fact that some reports could be 500 pages long and this committee might want to change—I could ask the clerk if we could have a standing motion, and in the future if we wanted to extend the time, I would rather go that way. But I'll ask the clerk, maybe, through you, Mr. Chair, if that would be better. Then we don't have to have this discussion every time we have to table a report. That's what I'm trying to do.

**The Chair:** Right. But your motion, Mr. Cannan, was a motion that would deal with all future reports and set that 48-hour timeline. So if we're going to amend that motion, we have to amend—

**Mr. Ron Cannan:** We could clarify through the clerk, Mr. Chair, if we can leave it the way I had it originally, and then in the future we can have a superseding motion if we want to have extended time rather than 48 hours. As I said, if we had a long, extensive report, we could agree upon giving a week or something to prepare it.

**The Chair:** It could be done, but we—

**Mr. Peter Julian:** I have no idea now what Mr. Cannan is proposing.

**The Chair:** We have to stick with what the motion—

**Mr. Ron Cannan:** That any member of the Committee may attach a dissenting opinion to this, and future, report(s) within 48 hours of the adoption of the report(s).

• (1130)

**Mr. Peter Julian:** I have a point of order, Mr. Chair.

**The Chair:** Just a minute, Mr. Julian, please.

Yes, the original motion said “all reports”, not “this report”, so that's what the motion is, then, Mr. Julian. It's asking all reports to be tabled to the House, so it would include this one, since it hasn't been tabled yet. That's a good point.

Mr. Julian.

**Mr. Peter Julian:** Mr. Chair, that motion is simply out of order. He did not provide the 48 hours' notice. The committee agenda is dealing with this report motion. It is out of order, simply out of order, to throw this out without giving the required 48 hours' notice, and Mr. Cannan knows this.

**The Chair:** Mr. Julian, on your point of order, you had asked earlier, and I had discussed it with the clerk, but there was a misunderstanding on my part. I agree in fact that because of this motion, that it is to change the way business is dealt with at this committee, it does require the 48 hours' notice. I am reversing a decision I made earlier. It wasn't a correct decision earlier. So we've discussed this.

But the issue now is on this report and how much time is to be allowed to attach a dissenting opinion. That's the issue we still have to deal with. It's the same issue we had to deal with when this was brought before the committee half an hour ago.

So would someone suggest how much time should be allowed? Mr. Temelkovski.

**Mr. Lui Temelkovski:** I move that this report be presented immediately.

**The Chair:** That's out of order, Mr. Temelkovski, because the motion passed earlier says that members will have an opportunity to attach a dissenting report. So you have to allow some time.

Yes, Mr. Allison.

**Mr. Dean Allison:** Could I make a suggestion? Since we're already past the time, I'll make a motion that we be allowed until the end of today, until 5 o'clock today, since we're past the 48 hours, to provide a dissenting opinion, and then that it be reported in the House tomorrow.

**The Chair:** Thank you, Mr. Allison.

You've heard the motion that Mr. Allison made.

Again, Mr. Allison.

**Mr. Dean Allison:** The motion is that the Conservative Party submit its dissenting opinion on the ninth report to the clerk's office no later than 5 p.m. today, and that the report be presented to the House.

**The Chair:** Okay, until 5 o'clock today.

Mr. Julian.

**Mr. Peter Julian:** Mr. Chair, reports on motions simply do not include dissident reports. They simply do not. So reports on motions

—and this is very clearly a report on a motion—I think need to be treated in a different way.

If Mr. Cannan wants to bring forward a notice of motion for after the break, or Mr. Allison wants to bring forward a notice of motion for after the break, on reports on motions, certainly he can do that. We talked about reports, complex reports, and having dissenting opinions. In this case, no provision for a dissenting opinion is necessary. In fact, it is, to say the least, confusing and I think a little irresponsible to start having motions that have other motions attached to them, or other reports attached to them. It just becomes a bizarre circumstance. No other committee does this.

**The Chair:** Mr. Julian, this is in order, and this is a report to the House. Our motion was very clear—the motion we passed on February 27—that it include all motions.

**Mr. Peter Julian:** It does not.

**The Chair:** So the business left to the committee right now is to decide how much time we have. Mr. Allison has brought a motion forth saying that the committee allow until 5 o'clock tonight for members to bring in dissenting opinions and that the report be tabled in the House tomorrow.

**Mr. Peter Julian:** Mr. Chair, we'll have to come back to this, but given the respect for the witnesses we have today and not wanting to have this go on eternally—we've seen the Conservatives filibuster in other committees trying for total, complete gridlock in this Parliament—I will offer the amendment that “until 5 o'clock” be changed to until noon today.

• (1135)

**The Chair:** Is there any discussion on the amendment? Do you want a recorded vote?

**An hon. member:** Yes.

(Amendment agreed to: yeas 5; nays 4)

**The Chair:** Now, the motion as amended, would read—?

**The Clerk:** That the dissenting opinion be submitted to the clerk's office by 12 o'clock today—

**The Chair:** And it will be reported to the House tomorrow.

**The Clerk:** —and that the report be presented to the House tomorrow.

**The Chair:** We'll go to the vote.

(Motion as amended agreed to)

**The Chair:** The members who would like to attach a dissenting opinion have 22 minutes to get it to the clerk.

Let's carry on with the business. There's one other issue on the orders of the day, on committee business, and that's a press release on travel.

There has been some discussion, some media, on committee travel and the cost of travel. The question is simple. It's whether the members of this committee would like the committee to put out a press release explaining why this travel is important.

We'll have Mr. Temelkovski.



**Mr. Lui Temelkovski:** Mr. Chair, I've been on the committee since the election of the 39th Parliament. I don't remember our authorizing any trip to Washington or any other trips. What I saw in the media, in my opinion and view, did not reflect the true numbers for the expenses the committee has authorized.

I'd like to see a financial statement of what we have spent and authorized as a committee. What was reported were some huge numbers and trips to Washington that do not reflect, I believe, the travels of this committee.

As you remember, I'm a big proponent of this committee travelling, because international trade cannot be done in Ottawa. We must travel. But it's ridiculous to see in the paper that we've travelled where we haven't travelled, I believe. Where they're getting this information, I don't know.

I'm also of the opinion that we should not be provoking them further, the media, because they're not totally aware of the operation of the committee, and their information has proven to be wrong already, I believe.

**The Chair:** Are there any other thoughts on that? Is there a general desire, then, that we just leave this alone and have no committee response?

Okay, agreed.

• (1140)

**Mr. Peter Julian:** I don't think Mr. Temelkovski asked the question.

**The Chair:** Well, he's seen the costs. We've had these budgets out and dealt with them several times. We have a copy here.

**Mr. Lui Temelkovski:** This does not total what's reported in the paper, nor the trips.

**The Chair:** The question is whether the committee should send out a press release explaining why we're travelling and giving some information to correct some misinformation.

Am I gathering there is no desire to do that? Right?

Mr. Julian.

**Mr. Peter Julian:** Thank you, Mr. Chair.

I don't get the sense there's a desire to do that. I do think there's a desire to follow up on Mr. Temelkovski's question about where they got their figures and how those correspond with what our actual budget allocation has been.

**The Chair:** Well, we have the numbers here. That's another issue, I think.

So let's get on, then, with the business of the committee today.

We have about an hour and twenty minutes for the witnesses. We are dealing with a study of the machinery of government and the implementation of Canada's trade policy.

The Standing Committee on International Trade is undertaking a study examining the machinery of government and how we can create a better trading strategy that makes Canada more competitive internationally for our citizens and businesses. The objectives of the study are to evaluate how the machinery of government delivers

trade and investment services and promotes Canadian products and businesses overseas and the idea that Canada is a marquee destination for investment.

We have two individuals as witnesses today. First is Carl Grenier, associate professor, Department of Political Science, Laval University. Thank you very much for coming today. Also here today, from the Centre for Trade Policy and Law, Carleton University, is William Dymond, senior executive fellow.

We will have your presentation of eight minutes first, and then we'll go directly to the questions.

Could you, Mr. Grenier, start with your presentation. But first of all, welcome here, and thank you for coming. Let's make the best use of this hour and twenty minutes we possibly can.

[*Translation*]

**Mr. Carl Grenier (Associate Professor, Department of Political Science, Laval University, As an Individual):** Thank you very much, Mr. Chairman.

I would like to thank Committee members for inviting me to make a presentation on this today.

I want to point out, right from the start, as I did with the Clerk, that I am appearing today as an individual. I want that to be clear because I am concerned that some Committee members may believe that I intend to talk about softwood lumber again. I obviously have discussed this with you a number of times in the past, and I do intend to use softwood lumber as an example to illustrate some of the points I will be raising today. However, softwood lumber is certainly not the main issue I wish to discuss with you today.

Having read your report entitled "Ten Steps to a Better Trade Policy", which was passed and tabled in the House last month, I have chosen to deal with two points that you touched on in your report, but which are not really addressed in detail, and I understand why.

To begin with, I would like to talk about the federal-provincial dimension of developing and managing a Canadian trade policy. For that, I will obviously rely on my own experience, both at the federal level and working for the Government of Quebec, a number of years ago, as it relates to trade policy issues. I would then like to talk about the role of industry and how to involve it in discussions leading to the development of trade policy and in its management which, of course, includes conflict management.

Let me begin with the federal-provincial dimension. We all know—although I think it is worth reminding people of this—that the Canadian Constitution is perfectly clear: the federal government and the federal Parliament are responsible for trade policy. However, that was the case for a very long time without there being any real issues in terms of federal-provincial relations, up until about the 1970s. At that time, developments in multilateral trade negotiations, particularly the GATT at the time, meant that the issues being discussed for the purposes of negotiating and possibly concluding agreements directly affected areas of provincial jurisdiction.

As early as the 1970s—in April 1973—the Quebec Minister of Industry and Trade, Mr. Guy St-Pierre, as well as the Alberta Minister, I believe, asked the federal government to establish mechanisms whereby the provinces could provide input and express their views with respect to Canada's policy, as the Tokyo Round was beginning. That was done primarily through a committee of federal-provincial deputy ministers who would meet regularly to bring forward and discuss issues that would be negotiated. That process went beyond the Tokyo Round, but in mid-1980s, when the Free Trade Agreement with the United States was negotiated, things changed.

Why? At the time, it was envisaged that a very broad agreement would be reached with our main trading partner, and the provinces were even more concerned than usual about the need to be onside with the principles. As you know, the then government, led by Mr. Mulroney, had established the principle of full and complete participation by the provinces in the negotiation process. That did not mean that the provinces were at the negotiating table, but a certain number of mechanisms had been put in place, including more frequent First Ministers and Ministers meetings—that last mechanism was used only once—and even more frequent meetings of the Riesman Committee, named after Canada's Chief Negotiator. That committee met literally once a month to conduct a detailed review of positions being discussed at the negotiating table.

I have to say, having been involved at the time, that this mechanism was effective. That obviously does not mean that everyone agreed. You may remember the very strong and serious opposition expressed by a number of provinces, including Ontario and Manitoba, which continued to be opposed—adamantly opposed—to some things that were on the table, right up until the very end.

• (1145)

Immediately following the negotiations, in 1988-89, the provinces sought to formalize these mechanisms. It was believed—and I think the provinces were pretty well unanimous in that regard—that these mechanisms had worked very well. The idea was not to continue to hold frequent First Ministers meetings, as was the case while negotiations were ongoing, but there was most certainly a desire to maintain the kinds of consultation mechanisms that were developed at that time, particularly as regards officials.

Those discussions lasted almost a year and resulted in a codification, in a very short document, of practices followed for several years. Unfortunately, that exercise did not yield the desired results, because the then federal Minister of International Trade, Mr. Crosbie, refused to ratify the work that had been carried out by federal and provincial officials at the time. Provincial premiers made representations to the federal Prime Minister, Mr. Mulroney, who allowed Mr. Crosbie's decision to stand. Thus, the mechanisms established at the time were never formalized.

Several years later, in the mid-1990s, following the broadening of the Free Trade Agreement to include Mexico, the provinces made another attempt to formalize collaborative mechanisms. That basically resulted in the system we now know, which involves consultations and meetings. However, these consultations and meetings are never held within a formal framework. For example, there are no exchanges of letters between ministers or federal-

provincial agreements. There is none of that—just minutes of a meeting chaired by an assistant deputy minister in December of 1998. In fact, that is the basis for the mechanism being used today.

I would also add that this mechanism and its description are confidential, which is strange, because they are part of the minutes of a meeting of what is known as C-Trade, the main federal-provincial consultation mechanism. This refers to a quarterly meeting of federal and provincial officials with responsibility for trade policy issues.

As regards negotiations, the mechanism is working well. However, it still poses certain problems with respect to dispute management. Let me give you an example. Federal officials have decided that there are two types of disputes: offensive and defensive disputes. With respect to offensive disputes—when Canada takes the initiative of raising an issue at the World Trade Organization—the provinces are not included in the Canadian delegation, even if they have an interest in it. If it is a defensive dispute—when a foreign country attacks Canadian policies that may, for example, be provincial policies—the Canadian delegation includes provincial officials. Of course, they do not have the right to speak, unless the head of the Canadian delegation asks them to comment.

It's strange. For example, in the case of softwood lumber, when we raised the issue with the WTO—it was perceived and defined as an offensive dispute, because Canada was challenging an American measure. So, the provinces were not included in the Canadian delegation, which is rather ridiculous. I'm sure you will agree, since provincial actions are really at the heart of this dispute. So, there is definitely a need to adjust this mechanism so that it better reflects reality.

I would like to move on now to mechanisms for consulting industry. At approximately the same time, in the mid-1980s, two additional mechanisms were also formalized—

• (1150)

[*English*]

**The Chair:** Mr. Grenier, we had allowed eight minutes for the presentation; we're almost at ten. Could you wrap it up fairly quickly?

[*Translation*]

**Mr. Carl Grenier:** I only need another minute or two.

[*English*]

**The Chair:** A minute or two? That's great. Thank you.

[*Translation*]

**Mr. Carl Grenier:** There were two mechanisms, including a very broad based committee dealing with more horizontal issues, called the International Trade Advisory Committee, or ITAC, and 15 or more sectoral groups established with a view to gathering more detailed feedback on the issues under negotiation. That mechanism worked for a certain number of years. It has fallen out of favour in recent years, which means that there is no longer any real formal mechanism in place. However, there is more of an opportunity for industry groups to use websites and the Internet, for example, to present their views to government. That is not a bad thing, but it does not replace the mechanisms that were in place previously, and it most certainly does not provide an opportunity to bring together different points of view.

Once again, I will use the softwood lumber example. Unfortunately, there is no industry organization that represents the entire Canadian softwood lumber industry. That means that a lot of people have to be invited if you want to know what the industry's views are. In the case of the last dispute, the last meeting where everyone was around the table was in April of 2003. As you know, the issue remained on the table until October of 2006. In those three and a half years, there has not been a meeting which brought together all the stakeholders. I believe that is a partial explanation for the amount of time the dispute lasted. There again, I believe there is a need to restore these same consultation mechanisms and change them, if need be. There is absolutely no doubt, however, that the current approach is really not satisfactory.

I would like to make one last point. When anti-dumping measures are being discussed and we have to come before the WTO, the Canadian team does not include industry lawyers, unlike the U.S. team. That is clearly a problem, given that the expertise with respect to dumping is within the industry, as opposed to federal departments here in Ottawa.

I read your report with great interest. It makes a lot of points that I would like to comment on, but I don't have the time to do that now.

I am now available to take any questions you may have.

Thank you.

[*English*]

**The Chair:** Thank you, Mr. Grenier.

I will now go to Mr. Dymond.

I will allow you an equal time, Mr. Dymond. Go ahead, please.

**Mr. William Dymond (Senior Executive Fellow, Centre for Trade Policy and Law, Carleton University):** Thank you, Mr. Chair, and my thanks to the committee for the opportunity to appear.

I should say at the outset that I bring to this committee on this question much of the same background as my old friend and colleague Mr. Grenier. I could not count the number of hours I spent with him in the sea trade and other manifestations.

The question of machinery and implementation raises, in my mind, the question of the basic objective of Canadian trade policy. You cannot shape the machinery until you know what the objective is. So I'd like to offer a few reflections on that and then just comment on one aspect of Mr. Grenier's presentation.

In my view, Canadian trade policy now rests on some very outdated assumptions about how international trade is conducted. That outdated assumption is essentially that trade is a matter that occurs between firms and individuals in one country and unrelated firms and individuals in another.

It leads us to a view that a successful trade policy is one that expands exports, minimizes imports, and generates a positive trade balance, and following from that—as this committee has done, repeating in fact, I think, what the government has thought over many years—that there is a need to increase the resources for trade negotiation and increase the resources for trade promotion, all with a view to expanding Canadian exports. It's that assumption that I think is outdated.

How is trade actually taking place these days? That is the question.

It's now taking place within firms or among related parties or in related networks. We know, for example, that as much as two-thirds of Canada-U.S. trade is of this character. We know that trade increasingly comprises parts and components for assembly into end products. We know that the global fragmentation of production to take advantage of low-cost labour and specialized skills and access to critical inputs is now the dominant characteristic of international trade.

We can see the spread not only in sectors that we know well reflect this dynamic, such as the auto sector or the aviation sector. We're now seeing it creep into the resource sectors, as indeed we learned during the BSE affair with the United States. In fact, this old model of international trade, which we could witness in softwood lumber—which Mr. Grenier mentioned—now applies to an ever-diminishing number of sectors where the export sales from Canada are virtually wholly the production of Canada.

What are the new dynamics of international trade, what should our policy be, and how should we structure our machinery to reflect it?

In my view, the critical factor is the intersection of firm value and location value. Countries now compete in promoting policy settings congenial to mobile slices of production by removing barriers and providing incentives. Trade negotiation priorities, trade promotion priorities, and resources allocated to them that focus on particular countries could lead to serious policy errors and adverse economic consequences.

Just to give one example, if a Canadian firm—and we know this exists in the aerospace industry, for example—is part of a supply chain supplying components to other firms, which intend to further manufacture them and assemble them into final goods that are then blocked through trade barriers in third markets, with which country does the responsibility lie to negotiate the elimination of those trade barriers? If Canada were to decide, in order to favour the development of that sector, to negotiate free trade agreements with countries that are three or four steps down the line in the production process, rather than focusing on attracting that investment itself, we would probably lose it.

What are the issues, then, that we have to deal with in thinking about the trade policy for today?

Participation in global value chains is the key to the future, in my view. Canadian participation in global value chains is inevitably anchored in the United States, as producer, as consumer, as a source of inward investment and a destination for outward investment, and as a source of technology.

•(1155)

We have to understand that imports in this mix are as important as exports. If we orient our trade policy and the machinery related thereto to what happens on the export side while ignoring the import side, we will deny the opportunity for Canadian firms to participate in the value chains.

What are the issues, then, that we have to get our minds around? They are no longer those of the classic market access issues—tariffs, quotas, and so forth. They are issues of border administration. How well does your border work? How well does your customs system work? They are issues of product standards. They are even issues of immigration. What is your access to critically needed skills? They are issues of investment. They are issues of intellectual property enforcement.

A good many of the issues we need to confront in order to have a coherent and successful trade policy are within the power of the Government of Canada and the government of our provinces to deal with, and what we need to do is start hacking away at those barriers that impede it.

Let me offer you a quote from the executive chairman of IBM, Mr. Palmisano. He points out that the new dynamic means putting “people and jobs anywhere in the world based on the right cost, the right skills and the right business environment. And it integrates those operations horizontally and globally—work flows to the places where it will be done best, most efficiently and to the highest quality. The forces behind this are irresistible. The genie's out of the bottle and there's no stopping it.”

What about our machinery? I entirely agree with what Mr. Grenier has said about what we do with the provinces. I think now there is a critical gap, and let me reinforce this moment on the private sector. We have now no regular mechanism of consulting the private sector on these issues. Departments that I talk to are fearful of convening meetings, because it gives a suggestion that a particular government initiative is in play on which views are needed.

I was one of the officials at the origin of the SAGIT and the ITAC mechanism, developing proposals for the government to consider. I think it functioned extremely well, because what it enabled you to do was to consider issues without attaching expectations to them, without attracting attention to them. These would occur in quarterly or semi-annual meetings.

The previous government gave this up in favour of a multi-stakeholder consultation. In my experience, the business sector will not participate effectively or substantively in that. One recommendation I would make is the system of private sector consultations, with whatever changes to update it, since it was invented 23 years ago, ought to be urgently reconsidered by the government.

Thank you, Mr. Chairman.

•(1200)

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

We will now go directly to questioning, to the official opposition Liberal, Mr. Bains, for seven minutes.

**Hon. Navdeep Bains:** Thank you very much, Chair.

Again, I'd like to thank the witnesses. This is the second meeting in a row where we've had to deal with some housekeeping matters and it's gone a bit longer than we anticipated, but I guess it's a reflection of this committee and its eagerness to move forward on some key issues.

Mr. Grenier, in your testimony, not only today but also in the Senate, you mentioned the machinery of government, and you talked about the softwood lumber agreement in your remarks. I'm glad you brought that forth, because that's something I want to use as an example, to talk about the machinery in government and lessons learned from that particular agreement.

You indicated in your testimony in front of the Senate committee this month that “the agreement is overly complex, it has needless punitive measures against Canada, and left too many loose ends that are open to interpretation.” That was one remark you made, followed by:

I guess the biggest frustration from our perspective is that the federal government viewed the signing of the agreement as the end of the process, it was just the beginning. The government has offered minimal help to industry in interpreting the agreement, resolving tax issues. In the six months since the pact was signed, they weren't around. They disappeared.

The concern I have—and I was trying to discuss this in the last meeting as well when we discussed the machinery of government with Mr. Siegel, the president of EDC—is about the refund process. He indicated some of the success stories around that and how industry received its refunds in time.

There's another concern that was raised, which is the misunderstanding of how the surge provisions were calculated in the province of British Columbia, for example. They interpreted it giving one perspective and the federal government had a different perspective on it, and my understanding is that the U.S. had a different perspective on it.

So how can departments better coordinate that? First of all, I want you to comment if there was a misunderstanding, and secondly, if there was a misunderstanding, how was it resolved?

•(1205)

[Translation]

**Mr. Carl Grenier:** Thank you very much, Mr. Bains.

You quoted some of the comments I made before a Senate committee, approximately a week and a half ago, with respect to the history of the softwood lumber dispute. However, I did not make the comments you attributed to me. In fact, they are comments made by the former Canadian negotiator, Mr. Waddell, and a representative of Weyerhaeuser, and I obviously fully endorse them. In a way, you are right to attribute them to me.

As regards the differences in perspective that you have referred to with respect to a part of the Softwood Lumber Agreement that was implemented on October 12, I was not intimately involved in discussions on those matters, for obvious reasons. All I can say is that this is second-hand information. As a result, I prefer not to make detailed comments in that regard. As was reported in the media, I believe there is still a difference of opinion and that this difference of opinion will eventually—and, most certainly very quickly—be referred to a board of arbitration, as provided for under the agreement.

[*English*]

**Hon. Navdeep Bains:** I agree with that, but when you're saying "difference of opinion", could you elaborate that difference? It doesn't only exist with the U.S. and Canada but it's also within Canada, between the provincial governments and the federal government. Is that correct, or am I misunderstanding the situation?

[*Translation*]

**Mr. Carl Grenier:** I believe you may be right but, as I already stated, I was not sufficiently involved in that to be able to provide further clarification in that regard.

[*English*]

**Hon. Navdeep Bains:** Speaking again with respect to the machinery of government, developing policy, implementing policy, and again using the softwood lumber agreement as an example, there is an anti-circumvention clause that exists and that dictates to a certain degree the terms of our policies. That concern has been raised.

How do you think the machinery of government can deal with that? Doesn't it tie Canada's hands, in effect, in what kinds of policies it develops and how it implements them, basically? Some people have described it as compromising our sovereignty in terms of developing policy here.

[*Translation*]

**Mr. Carl Grenier:** The anti-circumvention clause in the agreement is, indeed, one of the reasons why the Free Trade Lumber Council opposed the agreement at the time. It is a very worrisome clause.

For example, will this prevent the provinces from changing their policies? Probably not, but it will certainly be a constraint as to the type of changes that the provinces can make to their policies. And, if the new policies do not suit our American adversaries, they obviously now have an instrument—that they themselves developed—with which to go after us.

[*English*]

**Hon. Navdeep Bains:** Yes. You see, that's what surprises me. Any policy that we develop has to be now vetted by the U.S., and if they don't agree with it, they can use the consultation and arbitration

process to hold us to what they view as consistently in line with how they believe the agreement was administered, which is, "These are our terms and you cannot go outside those terms". It really compromised us a great deal. I think that's a concern many people have expressed in industry as well.

The question I have to this is with respect to the fact that this deal is so complex. Again, going back to the machinery of government, in your opinion do we have sufficient resources in the department to manage option A, option B, how it's calculated, how it's administered, how those tax levels are determined? Do we have the resources?

I know there was a concern raised by the Auditor General that there's a lack of strategic direction when it comes to human resources. There are issues around departmental resources. In your opinion, because this deal is so complex, does the department have the necessary resources? If not, should the government have provided additional funding in its budget for additional resources for this very complex deal?

**Mr. Carl Grenier:** Well, you're placing me in a strange position, because if I say yes, they should have more resources, I'm arguing for more people to manage trade. Yet I work for something called the Free Trade Lumber Council. So I don't think you should be given more resources to manage quotas.

But to answer your question, obviously they didn't have enough people, because the quota option, option B, was not implemented on October 12. It was only implemented two and a half months later, because it's complex to allocate quotas and it is complex to manage. It's not the way we should be going, obviously, but it's the way we've gone, the way this government has decided to settle the dispute.

•(1210)

**The Chair:** Thank you, Mr. Bains. Your time is up.

Just before we go to Mr. André, I would like to ask all members of the committee to indicate clearly to the clerk, or to the chair, when you would like to be up to ask questions. Too often the clerk is having to go to the members and ask if they want to ask questions. If no one indicates to us that they want to ask questions, I'm just going to bypass that party and go to the next party. I encourage you to cooperate.

In the case of Mr. Julian, you really don't have to indicate.

Please go ahead, Mr. André.

[*Translation*]

**Mr. Guy André:** Mr. Benoit, we shouldn't be changing all the Committee's rules at this meeting.

Mr. Grenier and Mr. Dymond, I was very interested in your comments with respect to international trade institutions and our trade. I have a question for Mr. Grenier, and Mr. Dymond may want to add something.

We believe there needs to be greater democratization of the results of our processes for negotiating and ratifying trade agreements by Canada and, of course, by the Quebec nation, by requiring, for example, that important agreements be approved by the House and that the civil society be consulted through the work of a parliamentary committee, before Parliament decides on an important treaty. Furthermore, in both offensive and defensive situations, the national government should hold mandatory consultations with the provinces and the Quebec nation before negotiating an agreement that falls within their jurisdiction.

Mr. Grenier, you gave us a few examples. Perhaps you could say a little more about that and Mr. Dymond can add some comments of his own, if he likes.

**Mr. Carl Grenier:** Thank you very much for that question, Mr. André.

I don't know that what you are proposing is very different from what already exists because, to my knowledge, both in Ottawa and Quebec City, as well as in some of the other provinces, parliamentary committees have been used in the past, and are used regularly, to look at issues relating to international trade negotiations.

As regards consultations with the provinces, there is no requirement to do that at this time. That is one of the things we should be trying to formalize. As I said earlier, this proved impossible in the early 1990s, as well as in the late 1990s. There is only an informal agreement in place.

However, we are talking here about a much broader question. This is really a constitutional matter. The Constitution is clear: the federal government has jurisdiction over all matters relating to international trade. There is no doubt about that. But, in many cases, the issues under negotiation in future will involve areas of shared or exclusively provincial jurisdiction. That is certainly a marked trend that will be even more evident in future.

Without a formal mechanism, Canada runs the risk of being incapable of taking a position that is truly in the national interest, since it will not have had an opportunity to properly analyze all of its interests. It is very difficult to do that when negotiations are ongoing. Once the negotiations have begun, it's a little late to start designing a tool. It is far better to do that between negotiations, when you have an opportunity to look calmly at what has been done in the past and what it would be possible to do in future. That is my suggestion. There are a number of ways of making improvements that do not involve amending the Constitution.

• (1215)

[English]

**Mr. William Dymond:** Thank you.

I would urge against tinkering too much with the present situation. I think it works well, and it works on the basis of ad hoc solutions to specific problems.

We ought to bear in mind that in some areas Canada does not have a lot of discretion. Let me give you an example. Based on what I've read in the budget and in some speeches by Mr. Emerson, we are on the verge of entering into or proposing free trade negotiations with a

number of countries, in addition to the list that we already have. Whether the government will proceed, I don't know.

Those are clearly voluntary decisions. Consultation is clearly indicated. And my experience as a trade negotiator tells me that you'd better make sure that the business community is really interested in those free trade agreements, or don't waste the resources doing them. If you do them, there won't be a business response and you'll have spent a lot of time.

Multilaterally, where 150 countries agree on the progress or not progress of multilateral trade negotiations, the option for Canada to hold up the process is about zero. The idea that, as a result of consultation with the provinces or with civil society, Canada at that point would say no, we will not participate in multilateral trade negotiations seems to me to be quite unthinkable.

One of the things we've learned over the years—and I sense we now embrace this quite vigorously—is that nothing is to be lost from transparency. Everything is to be gained from transparency. There's very little that's secret out there. The government has far more to gain by opening the doors and letting people come and talk and tell them what their interests are. Trying to do it in one big group with all of civil society, I think, is a mistake because people won't say what they think.

The more time that officials, ministers, and members of Parliament spend listening to people, the greater will be the rewards. But don't formalize it in the sense that the government has to have this consultation before it can do that, where if the consultation were against it, the government would not enter into a multilateral round of trade negotiations or not participate in a big regional agreement. I think that would unnecessarily restrict Canadian flexibility.

My last point is, as Mr. Grenier says, don't do any of this until we know what our interests are. My presentation has argued that our interests are changing and we need to get our minds around how we're going to address that.

**The Chair:** Thank you. *Merci, monsieur André.*

We'll go to Mr. Cannan for seven minutes.

**Mr. Ron Cannan:** Thank you, Mr. Chair.

Thanks, Mr. Grenier and Mr. Dymond. It's good to see you again. Thank you for sharing some of your wisdom and experiences on the machinery of government.

I know that this committee has been discussing this issue over the last several months and we've been told by several witnesses that our country is falling behind in forging new trade relationships around the world. We continue to examine the different ways government functions, how we're organized and looking at the mechanisms, as we're discussing today, and how effective we are in facilitating Canada's ability to reach trade agreements.

I'd be happy to hear from you in a minute about how you see this fault, whether it lies with the machinery of government, or is it an uphill battle? One of the things we talked about earlier in the meeting was convincing the media and the public, Canadians, about the importance of forging relationships with other countries, that it is critical to trade in the global economy.

The machinery of government does seem to come to a grinding halt because of the negativity and the partisanship that's played out whenever we talk about concern. Even in the House earlier this week, the Prime Minister alluded to some of the great initiatives within our budget, that we have the strongest economy for over... unemployment close to record low levels in four decades, and the initiatives we've put into the manufacturing sector to try to expand our trade.

But specifically, from the committee's perspective, I'd like to hear from you, Mr. Dymond, on my point that government officials need to do more travelling, get more feet on the ground, and tying that in to the mechanisms of the different departments and how politicians can play a role to effectively enhance our trade, and whether this is hampering our progress in trade, or is it really a fault of the machinery of government? Or is an extremely negative and partisan climate hampering our ability to move forward?

• (1220)

**Mr. William Dymond:** Thank you.

Mr. Chairman, let me draw to the committee's attention a piece of news that I find amazing. It is that earlier this week a deal was reached in the United States Congress to approve four pending free trade agreements that are negotiated with changes—Peru, Panama, and so forth.

The political atmosphere in Washington, as we know, is poisonous. We have a Democrat-controlled Congress. We have a Republican White House with an incumbent who is desperately unpopular, and we are in the middle of presidential politics. We have all the conditions for gridlock, and they reached a deal to approve four of these agreements.

We have two agreements pending, one with four countries of Central America and the other with the countries of EFTA. They have been around for the last four years and they aren't moving. Indeed, the blockage occurred during the days of our previous majority government. These blockages began to appear in 2002-03, when there wasn't the type of political atmosphere that necessarily might apply in the situations we have now, yet there was no movement.

Why was there no movement? It was because very powerful—if small—lobbies, one in the area of textiles and the other in the area of shipbuilding, have blocked this. In my experience, governments and parliaments know how to deal with opposition; what they have difficulty dealing with is the absence of support.

When the government of the day—the successor government of Mr. Martin and the current government—looked to see who would support the government if they took these decisions to say no to the textile industry and no to the shipbuilding and they were not going to protect them, nobody supported them. And they don't support them because the kinds of things that we are able to negotiate in these free trade agreements are of very little positive interest to the business community, to the people who would benefit.

When we negotiated the free trade agreement, we had massive support from the business community and some isolated opposition in corners of the business community. Why? It was because they

could see their interest, and we could see what their economic response to it is.

Now, when we have a trade policy that's focused on maximizing export access with a range of countries when our principal interests continue to lie with the United States, you cannot look to the business community to come before the committee and say not to listen to the textile industry or to the shipbuilding industry because they have larger national interests of the type my colleague Mr. Grenier spoke about. The reason for that is that the trade agenda no longer matches the economic interests of the country. It therefore no longer draws those people who are prepared to come before this committee, to go before ministers, or to write letters to Mr. Julian and say they want this agreement and they're prepared to invest political coinage in doing it.

It's not a machinery of government problem; it's an agenda problem, an agenda that is not matching the interests of the country. A machinery of government response, in my opinion, will not provide the route out.

Thank you.

**Mr. Ron Cannan:** I have a supplementary question.

I appreciate that clarification. Your biography shows you have many years of experience working overseas, so your prospective agenda is one area. You had comments about the softwood lumber agreement, and it's very important to my community in the interior of British Columbia. The certainty and stability, the paying back of the \$5 billion in duties, and the providing of jobs in my community are very important. That is one of the aspects of an agenda and a government getting things done.

The other aspect is internal, working for the Department of Foreign Affairs and International Trade and with other departments. From your experience, how would you describe the working relationship?

**Mr. William Dymond:** Thank you.

It's interesting; when I began my career in trade policy, which is now almost forty years ago, only two departments of government counted: the Department of Finance, which controlled the tariff, and the Department of Trade and Commerce, which was the export department. They also controlled the Export and Import Permits Act. When agriculture issues were discussed, which was not frequently, the Department of Agriculture was clearly important. The Department of External Affairs had an overall coordinating role, but no authority to do anything.

The last time I looked, at least 24 federal departments and agencies were involved in the trade agenda, whether it's multilateral or bilateral. That's because the scope of trade agreements has grown. The scope of coordination, the task of coordination, has grown more complex. I dare say the task of members of Parliament in assessing these agreements has become more complex. Once you begin to add services and intellectual property and investment issues, it becomes more complex. This complexity is replicated at the level of the provinces because, as Mr. Grenier says, you have an increasing footprint of international trade agreements upon areas of jurisdiction that are either shared or exclusive.

In my experience, does the machinery cope with that? Yes, it does. We know how to do this. Departments of government know they need to talk to each other. They know that bad things will happen to them if they don't. They know that a properly functioning Privy council Office will ensure that this coordination occurs. It operates in an informal, ad hoc way. Most of the practitioners I think would hesitate to introduce formality into the process.

Remember that anything that happens, happens under the authority of the cabinet and in accordance with legislation adopted by Parliament.

•(1225)

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

Mr. Julian, go ahead, with seven minutes of questions.

[*Translation*]

**Mr. Peter Julian:** Thank you very much, Mr. Chairman.

I want to thank our witnesses.

I would like to begin with you, Mr. Grenier, obviously, regarding softwood and the implementation of our trade policy. We just heard Mr. Cannan say that the Softwood Lumber Agreement has been fantastic for his community. I am from British Columbia, and that is not at all what we are seeing on the ground. We have lost 5 000 jobs since that agreement was implemented. So, this is extremely problematic.

I would like to explore with you the difference between the principles behind our trade policy and the reality of its implementation. With NAFTA, there was a dispute settlement process that was supposed to protect us. Then we had the softwood lumber dispute.

This is my first question: What action should the government have taken when the softwood lumber dispute arose between NAFTA countries?

Second, lumber companies had launched a legal process which resulted, on October 13, in an Act Respecting the Implementation of International Trade Agreements with the United States, a process which Canada effectively won.

Once again, there is a difference between the principle and the implementation. Rather than focussing on the ruling, we focussed on the agreement.

My second question relates to that difference. What could the government have done with respect to that ruling on the agreement?

Third, the Softwood Lumber Agreement was implemented. In British Columbia, it was absolute chaos at the border, where people were not sure what tariffs to apply. It is quite possible that tariffs were doubled.

How could the government have set about implementing this decision to sign the Softwood Lumber Agreement? What could it have done better to avoid job losses?

And, at each of these three stages, what could the government have done to better implement our trade agreement?

**Mr. Carl Grenier:** Thank you very much.

With respect to your first question about action the government should have taken at the outset, I have to say that it did exactly what it was supposed to do. In 2001, when the previous 1996 agreement ended, the government immediately stated, with the industry's unanimous agreement, that it would use all legal means and take any and all steps needed to defend the Canadian industry, while continuing to explore the possibility of reaching an agreement through negotiations. This was what is called the two-track approach.

That worked quite well to a certain point. Why? For the first time, in August 2005, the highest level of government in the United States refused to enforce a ruling which should have been final. Obviously, throughout that lengthy period, the monies paid by businesses at the U.S. border were quickly accumulating and becoming more and more considerable. That money, which still belonged to Canadian industry, began to hold enormous potential, and there is no doubt that many companies were suffering.

The softwood lumber file evolved very quickly under the new government. Having virtually rejected the legal approach, Mr. Harper's new government made the decision to put practically all its eggs in the negotiation basket. That sent a very clear signal. Our American adversaries and the U.S. administration understood that immediately. And you saw what happened next. It still took a number of months to negotiate this agreement and, as happens whenever there is a policy change, the government machinery followed but was a little further behind. We know that the final moments of the negotiation were quite highly political, as opposed to bureaucratic. That is just the way it works.

That brings me to your third question. There were obviously a number of hiccups initially, in terms of implementing this agreement. I already mentioned that those provinces that had chosen option B had to wait several months for it to become available. For a while, all provinces and all businesses in Canada were paying the export tax, rather than being subject to a quota and a tax.

The infamous dispute settlement process, which we had secured after a lengthy struggle during negotiations on the Free Trade Agreement, was working. But, like all dispute settlement processes of international scope, it is based on the fact that the parties to the agreement will enforce the decisions. If one party—in this case, the United States—does not enforce the rulings or finds all kinds of loopholes, the process breaks down.



It is unfortunate that we did not carry the process through to its conclusion. Only a few months ago, we had almost reached the end of the process, particularly in front of the American courts. Indeed, you referred to the decision handed down on October 13, where the judges, announcing their ruling one day after the agreement was implemented, clearly signaled to both governments that they did not agree with what had happened.

All of that is behind us now and, unfortunately, we are facing a situation in which industry is more at risk now than it was previously. Why is that? Well, it is because the entire softwood lumber issue has now been taken out of the Free Trade Agreement with the United States, to be handled, if a dispute arises, by an arbitration tribunal, the London Court of International Arbitration. That court of arbitration will have to interpret the agreement as it is currently written, without considering rulings we might have been able to secure through NAFTA, the WTO or the American courts. All of that has been set aside and the agreement, as currently drafted, gives a significant advantage to the United States.

That is not hypothetical: we will end up in arbitration sooner or later, and sooner rather than later. I am extremely concerned that the clauses of the agreement may be interpreted in a way that is not favourable to Canada.

• (1230)

With respect to your last point, unfortunately, even though under NAFTA and in front of U.S. courts, the industry has standing to represent itself and defend its own positions—the same applies to the provinces—that is not the case with the London Court of International Arbitration. Only the two national governments—the United States government and the Canadian government—will have an opportunity to make representations before that court of arbitration.

I do not believe that anyone in Canada would say, had they been closely following these issues, that the industry's contribution to softwood lumber litigation we have been a party to in recent years was not significant. However, we now will have to go through the government. We will have to wait and see how that works, because we really don't know at this time.

The mechanisms I talked about earlier, that have been established for the purposes of negotiating NAFTA, and which were used on occasion in [*inaudible*], no longer exist.

• (1235)

[*English*]

**The Chair:** Mr. Grenier, could you wrap up very quickly? Okay, thank you very much.

Thanks, Mr. Julian.

We will now go to the five-minute round, starting with Mr. Temelkovski.

**Mr. Lui Temelkovski:** Thank you very much, Mr. Chair.

Thank you to the presenters.

It's nice to see you again, Mr. Dymond.

Now, you mentioned that the atmosphere in the U.S. is toxic, yet they have managed to sign four more agreements. Maybe the recipe for signing agreements is a toxic atmosphere. Do you think the atmosphere in Ottawa is toxic enough for us to sign a few agreements?

**An hon. member:** It's getting really close.

**Mr. Lui Temelkovski:** I say that seriously.

**Mr. William Dymond:** I'm sure it would be wise of me not to comment on that.

One assignment I had in my professional career was to spend five years in the embassy in Washington, through the days after negotiations of the free trade agreements were announced. It really is a truly remarkable political environment to understand and to function in as a diplomat, quite different from our own.

If you had asked me several weeks ago whether the United States would have a trade policy to speak of until the election of a new administration, I would have said no. Congress now is dominated by Democrats, suspicious of trade agreements and suspicious of trade liberalization. The political authority of the President to do things is weakened for a variety of reasons, not the least of which is that he's a lame duck, as is traditionally the case for second-term presidents.

Yet they've cut a deal. These agreements have not been signed, but they've cut a deal on the basis of which the Democrats and the Republicans will agree, with some changes to these agreements, to adopt them according to the procedures of the trade promotion authority. The contrast between the ability to act in those circumstances and our inability to act—

I go back to the days prior to the 2004 election, when there was a very strong majority government. Even then the government felt unable to overcome the opposition of two small sectors. As they say, governments understand opposition; what they don't understand is the absence of support. And that's what we're facing: the absence of support.

**Mr. Lui Temelkovski:** We're seeing more and more border difficulties between the U.S. and Canada. The States, as our largest trading partner, poses large problems for our goods and people moving across the two countries, and even further to the next NAFTA member country.

It appears that most of the trade of the U.S. and Canada is going to be north-south as opposed to anywhere else. That may be the more logical way of thinking, as we've seen in the European Union, there being an enhancement in the market in Europe for them to trade with each other.

Do you see that maybe we should pay more attention to our north-south corridor? Or do you see that maybe the Asia-Pacific gateway should be pursued?

**Mr. William Dymond:** It's a question of choice, Mr. Chairman.

What happened to the Canadian economy under the impact of multilateral trade agreements, partly, but certainly under the impact of free trade with the United States, is that it was reoriented on a north-south basis and on the basis of integrated production networks. And that is evident not only in the auto sector but also in many others.

The only thing I can tell you on that is to recall a meeting I attended several years ago with Mr. MacLaren, who was the trade minister at the time and present with a number of Canadian business executives. Mr. MacLaren was talking about the Asia-Pacific and other things. And one very senior executive said, "Look, Minister, our interests are in the United States. If you have any time and energy and resources left over, spend them on the United States, as that's where the problems are. Unless you fix those problems, other markets don't matter."

So is this only for the trade department or the trade committee? No. We're talking about the gamut of public policy issues that we have to manage on a daily basis with the United States. And clearly we have to manage them better, because you're quite right that the border is beginning to thicken and become more difficult and more costly for Canadian companies to penetrate.

• (1240)

**The Chair:** Thank you, Mr. Temelkovski.

We now go to Monsieur Cardin, for five minutes.

[*Translation*]

**Mr. Serge Cardin:** Thank you, Mr. Chairman.

Good morning. Welcome to the Committee.

Canada has concluded a free trade agreement with its most important trading partner, but is also seeking to diversify its trading partners, in keeping with its international trade policy. In that regard, Canada is seeking to conclude more and more bilateral agreements, either free trade agreements with other countries or other kinds of agreements. The government wants to ensure that these can be dealt with as quickly as possible. As part of these processes, is there any analysis or are any impact studies carried out to determine the potential effect on industry and the provinces?

You have been talking about possible consultations with the provinces. I may have misunderstood what you said, but I had the feeling, at times, that you were saying there was consultation, but at other times, I wasn't quite so sure—perhaps you were trying to say that there was consultation, but that it wasn't particularly helpful. Under these agreements, many partners—be they the provinces, Quebec or affected industries—are seeking to protect their interests. Are they adequately represented to be in a position to defend their interests or positions, before final decisions are made?

**Mr. Carl Grenier:** I have in fact noted Canada's desire to negotiate a certain number of bilateral agreements with countries that are much smaller and less important to Canada in terms of trade. I believe that is related to the fact that our neighbour and main partner began to do that before we did. I believe that people have appeared before you to provide testimony on that. If the United States signs a free trade agreement with Costa Rica which favours their exporters over our own, our exporters will be at a disadvantage if we don't do the same thing. There is no doubt about that.

However, I do not see these agreements as the culmination of an in-depth analysis of our real needs. In my opinion, Canada's view is that if the United States are doing this, then it has no choice but to do the same. There is something inevitable about all of this, and that is unfortunate. Indeed, I believe, and others also believe, that it would be far better to turn our energies towards ensuring a successful conclusion to the Doha Round at the WTO. That would be far more advantageous for everyone. But, as you can see, things are somewhat different in the real world.

Having said that, I believe our international exports to the United States, which rose considerably following the conclusion of the Free Trade Agreement, are now going down. There have been a number of articles in the newspapers about that, but the fact is that few people have even noticed. Our international exports to the United States had risen to almost 86 or 87%. It is difficult to imagine their going much further than that. Now the rate has dropped to about 81 or 82%. It is also worth noting that prior to the Free Trade Agreement, they were at 78 or 79%. So, this is really a kind of realignment.

I think that is most certainly due in part to what my colleague mentioned—in other words, the fact that the border is becoming thicker, primarily for security reasons. However, that is not the only reason. I believe there are other factors at play, including the fact that Asia is a rising power. That reality is causing a realignment everywhere, and in many different ways.

As for consultations with the provinces, I believe they are occurring. But there again—and this goes back to the point made earlier by Mr. Dymond, that I fully agree with—the real issue is not the fact that some groups are opposed, but rather, that there is a lack of support from the business community at large, which is preventing these agreements from going forward, even though they are probably advisable in the real world of which we are a part.

• (1245)

**The Chair:** Thank you, Mr. Cardin.

[*English*]

To Mr. Lemieux, for five minutes.

**Mr. Pierre Lemieux (Glengarry—Prescott—Russell, CPC):** Thank you very much, Mr. Chair.

I'd like to ask some questions about consultation. It's something I've been dwelling on for quite some time, not just on this committee but on other committees, because I take to heart the comments you made, Mr. Dymond, about consultation and how the government consults. I think there certainly is an opportunity for misunderstanding, just from the way it's carried out.

Some of my thoughts on this are that there is definitely consultation going on at all sorts of different levels. For example, as an MP, I have formal and informal consultations with businesses in my riding. But also, as MPs, we get national groups coming to see us to explain their points of view on something or the concerns they might have.

There is the departmental level. We had officials here, and I asked them this question about consultation and about what sorts of consultative mechanisms they have in place. They confirmed that they do consultations at different levels—some formal, some informal, some at conferences, and some here in the government. There are all sorts of different mechanisms and different levels.

Of course, there is the ministerial level. The minister himself or herself is either lobbied or in fact reaches out to industry or accepts meetings from industry.

There is the committee here. We call in witnesses. We study a particular topic. And of course, we have to pick and choose who comes, and we do the best we can.

And of course, there are still reports and position papers. Oftentimes companies or organizations and associations that represent a particular sector publish reports.

Where I think some of the confusion sometimes comes in is that industries at certain levels don't realize that all this consultation is going on. So in other words, if they're not part of this picture, even though this consultative process is taking place, they feel that it's not taking place, because they don't know about it. So I think there's a communication issue that might hinder this.

The second thing is, for example, if they're not invited, because everyone has to pick and choose. Not everybody can participate in everything. So if they're not invited or they don't actively plug into the consultative process through these different mechanisms I spoke about, it can leave them with the feeling that the process that's in place isn't working. Or they may feel, actually, that they have limited time and resources and they can't plug in, because as you know, it takes time and effort to prepare your position and present your position and participate in a larger setting to communicate it. They may just feel that the payback isn't worth it for a company of that size or in that sector, or whatever.

I notice that you both have experience within our government. You have experience internationally. I wanted to ask both of you how other countries deal with this idea of consultation. I would start by asking if you agree with what I've said here. And do you have recommendations as to how this might be improved?

Second, are there models in other countries that you've experienced? Are there good things we could pick from those other countries?

**Mr. William Dymond:** We set up our ITAC session system in 1984 based on the U.S. model. We adopted some but not all of it. It was a bit too complex for us. The U.S. model was embedded in the Trade Act of 1974, passed by the United States. The Americans tend to formalize things that we do not.

It existed alongside this mechanism of consultation, which you described, at the level of officials, at the level of members of Parliament, and at the level of ministers. The great advantage of formalizing it within a system is that it forced the sectors to think about things. You had to make sure you had the right participants. You could make mistakes, but you basically relied on the network of communication to make sure you had the right people. They had to come to meetings if they wanted to be a part of it. The government would give them a briefing and put questions in front of them. They

could bring forward things. Nobody could ever say, "We never heard of this before. Where have you been?"

Even when there was something that was not very important on the agenda, and one of the inevitable problems with it—Remember, we went through an intensive period of negotiations in this country from the free trade negotiations to the NAFTA to the completion of the Uruguay Round in 1994. Then there was nothing, and business people and others who are involved in this won't come to nothing meetings. But I think it was important to keep it alive, to keep the mechanism well oiled so that when you needed it, you had it. You avoided the situation of people coming in and saying, "I've never heard of this before. What are you people doing?"

• (1250)

**The Chair:** Mr. Lemieux, you're out of time, sorry.

I'll go to Mr. Julian, for five minutes.

**Mr. Peter Julian:** Thanks, Mr. Chair.

I want to come back to the elephant in the corner—and thank you for answering my questions on softwood. The elephant in the corner is the difference or the disconnect between the principles of our trading policy and the implementation of our trading policy, in terms of economic betterment.

We went through the Canada-U.S. free trade debate. We went through NAFTA. We're now going through the SPP debate—at least sometimes, when we actually hold committee meetings. In each of those cases, when we've had representatives of the ministry coming forward, they've always started with Canada's seeing unparalleled prosperity. Mr. Cannan referred to that now. In his part of the world everything's fine. He actually comes from the province that has the highest rate of child poverty in Canada.

We know that most jobs that are being created now and that have been created over the past few years are temporary and part-time in nature. Statistics Canada tells us—and another report came out last week—that most Canadian families are earning less in real terms than they were in 1989. It's the elephant in that corner. You don't see it in the business press. The *National Post* won't report on it. The *Globe and Mail* won't report on it. You don't see it on any of the television networks. But it's the reality. Most Canadians are poorer now than they were in 1989, and that has to be the bottom line if we're talking about implementation of trade policy. I think we would all agree that if most Canadian families are poorer, there's a serious problem.

My question is to both of you. If we're failing on that bottom line, if most Canadian families are earning less now than they were in 1989, do you not agree with me that we have to look at the basic fundamentals of our trading policy to see what we're doing wrong if we're reaching a situation where this huge prosperity gap—indeed, prosperity gulf—is actually engulfing most Canadian families?

**The Chair:** Mr. Dymond, go ahead.

**Mr. William Dymond:** No, I do not agree.

**Mr. Peter Julian:** That would be his response.

**Mr. William Dymond:** One of the dangers in dealing with trade policy or any other area of public policy is if you consider it to be the be-all and end-all. Trade and trade policy is not an objective in itself; what we're trying to achieve is economic performance. The IMF tells us that since we got the fiscal books right, the economy, cycle over cycle, is performing more or less at capacity.

In fact, I read *The Globe and Mail*, so I saw that report, so it's doing its job in reporting. It indicates that yes, there are some serious problems out there that the government might want to address, but they are not problems of trade policy. You don't solve child poverty or any of these things by flipping trade policy on its head and saying no more imports. You don't, on the other side of it, solve some trade problems that you may have by fixing your trade problems without addressing, for example, the social policy mix, the education mix, infrastructure, and the macroeconomic policy framework that you have.

Trade policy and trade is a necessary but not sufficient answer to the problems that Mr. Julian mentioned or that others may wish to bring up. But to pin the responsibility for increasing child poverty rates and the bad news on this upon trade policies that we have been conducting since 1948 is, I think, a complete distortion of history.

•(1255)

**Mr. Peter Julian:** No, my question was...and I'll come back to you on that. I'll press you on this question: do we not have to look at the fundamentals? I'm not saying it's the entire explanation, but we have to look at trade policy in light of the fact that our economy is only performing for the wealthiest among us.

**Mr. William Dymond:** I'm familiar with that argument, and I've never understood it, because I don't know what I'd do with it, all right? One of the indicators that you might use—and perhaps you cited it or applied it—is a rising gap between rich and poor, rising indicators of inequality. One of the things that trade policy does—or free trade, rather, trade liberalization—is liberate. It liberates people to profit from a free market situation. It liberates owners of capital, owners of technical skill, owners of technology to earn the highest return from what they own. A trade policy that prevents that, restricts that and restricts the generation of wealth that occurs. If you say that because of that we must reimpose those restrictions that take the form of restrictions on the product market and the labour market, and fix our trade policy—

**Mr. Peter Julian:** That's not my question.

**Mr. William Dymond:** Yes, it is, and the answer is no.

**The Chair:** Mr. Julian, you're out of time.

I want to thank both of the witnesses very much, but I do have a couple of things to say to the committee too, so don't leave.

Thank you very much, Mr. Dymond and Mr. Grenier, for your presentations and for answering the questions.

The first thing I'd like to bring to the committee is this. I do want to say that from now on when motions are brought to the committee, before we debate them I will ensure that we know clearly what the motion is.

Today, what happened when Mr. Cannan brought his motion is that I heard the motion one way, and my thought was that it wasn't in order and would require a 48-hour notice. I discussed this with the clerk, who is very knowledgeable and I respect his opinion; he does a great job for us. But he'd heard the motion differently. So we were ruling on two different motions, in fact.

From now on, to avoid 15 minutes of unnecessary debate, I will insist on having the motions read clearly, or actually written and given to us, so that we can make sure we're all on the same page. It's a mistake of a chair, I think, not to do that. We will do that in the future to avoid confusion like this.

The other thing—and Mr. Cardin, I will give you a minute as we have a couple of minutes left—I do want to remind members that we will have our briefings on May 29 for the Middle East trip and May 31 for the South Asia trip. That's the week we get back. I encourage all members to come to both briefings. I think they'll be very beneficial.

Mr. Cardin, if you have something very quickly, we have about a minute left.

[Translation]

**Mr. Serge Cardin:** Thank you, Mr. Chairman.

There seems to be some confusion. In the motions that were presented, it said the report would be tabled tomorrow. Is that correct?

At the same time, I also heard someone say it would not.

[English]

**The Chair:** I don't know what you've heard, Mr. Cardin, but if you would be willing to table your report tomorrow, I would be happy to allow you to do that. Are you here tomorrow?

[Translation]

**Mr. Serge Cardin:** I will be here tomorrow, Mr. Chairman.

[English]

**The Chair:** Then I would appreciate it if you would table that report yourself tomorrow. It will be ready, and I certainly offer that to you.

[Translation]

**Mr. Serge Cardin:** It will be ready.

[English]

**The Chair:** Thank you.

This meeting is adjourned.







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