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Chair

Mr. Lee Richardson

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•(1110)

[English]

The Chair (Mr. Lee Richardson (Calgary Centre, CPC)): We'll begin the 35th meeting of this session for the Standing Committee on International Trade on our continuing discussion of a study of Canada-South America trade relations, with particular reference to Canada and Colombia.

I'm delighted to have, as our witness and guest at the committee today, Carlo Dade. Carlo is the executive director of the Canadian Foundation for the Americas, FOCAL. We've asked him to come here today to give a little background and to respond to questions of the committee.

Without further ado, because he will be the lone witness today, I think that rather than subject him to two hours of torture, I'm going to ask for a brief opening statement from Mr. Dade, followed by a couple of quick rounds of questions, and we will adjourn at 12 o'clock.

For the information of the committee, I'll then proceed to the liaison committee to deal with Brazil. If we get the go-ahead on that, we will be back to Brazil the Tuesday following the break to have additional briefings and to hear witnesses on Brazil. That presumes we have our trip approved by liaison committee. That's by way of information. And that will be it for today.

We'll now proceed with Mr. Dade.

Mr. Carlo Dade (Executive Director, Canadian Foundation for the Americas (FOCAL)): Thank you very much, Mr. Chairman.

[Translation]

Good morning, ladies and gentlemen. The committee has changed a little since the last time I was here.

[English]

It's indeed a pleasure to be here for the second time to speak with the committee about Colombia and the Canada-Colombia free trade agreement. I will also touch on the broader relationship between our two countries.

As I noted, the committee has changed a bit so perhaps it's best if I steal a minute or two from myself to talk about FOCAL. For those of you who were not here last time, FOCAL is the Fondation canadienne pour les Amériques. We use the French acronym to spell out the name, as it's much more interesting than the English.

We are the only independent policy research organization in Canada devoted to Canadian relations and engagement in the

western hemisphere. This includes Latin America, as our name indicates, but it also has us in the Caribbean and the United States. We deal with the entire hemisphere from the 48th parallel down to Tierra del Fuego.

You will see us in several places throughout the hemisphere. In Port of Spain, at the Summit of the Americas, we were leading a coalition of think tanks from throughout the hemisphere to support the summit process, bringing in a new resource to help a vital and strategic Canadian interest, the summit, our one connection and the only heads-of-state meeting in the hemisphere to which we are invited.

You will also see us in such places as Mexico, where we have just launched a new initiative on the Canada-Mexico relationship, trying to strengthen and reinforce a relationship between the two countries. This is something that really hasn't been done before. There was a lack of institutes and activity in Canada working on Mexico.

I'd be happy to talk about that privately afterwards, but I note that this initiative is being led on the Mexican side by Rosario Green, whom some of you will know as the former foreign minister and current chair of the Mexican senate foreign relations committee. On the Canadian side, it's being led by Bill Graham, a former defence minister and foreign minister. This new initiative has just been launched. We were just in Mexico and the reception there was fantastic, as was the reception in Toronto.

You'll also see us in places such as Panama, where we were helping out on a conference on socially responsible mining. As Chairman Richardson mentioned, that's where I met many of you about 18 months ago as you were coming back from a visit to Colombia, where you were talking about the ongoing negotiations. At that point, there was a great deal of optimism and hope surrounding the free trade agreement with Colombia. Today, eighteen months later, it's a pleasure to be here and it's a good chance to revisit the discussions and also look at where we are now.

The chairman mentioned "brief remarks". I don't know how many people who come before you actually manage to deliver brief remarks, but we'll do our best in that regard. Very quickly, there are three things we'd like to talk about with the agreement.

As with any agreement, the first question that is asked is whether the agreement is good for Canada. That's the question that I imagine will preoccupy this committee. It's also a question that will preoccupy people across Canada, in cities, towns, and ridings across the country. That's the bottom-line question: is this agreement good for Canada and will it benefit us?

A second question that we ask—and we ask this because this is Canada and not the United States—is whether the agreement will also benefit Colombia. In this case, we think it certainly will.

Finally, the third question is not normally dealt with in free trade agreements. But because of the situation in Colombia and because of the discourse that has grown around Colombia, we need to touch on the human rights situation. I've provided some new information, empirical research that's coming out of Colombia about the situation vis-à-vis human rights, and I'll talk about that briefly at the end.

I'll also leave the facts and figures of my presentation for that part of the discussion. I won't bore you with figures on trade and the \$1.3 billion bilateral. I'm sure you've heard this ad nauseam, so we'll focus instead on some new information.

First, is the agreement of benefit to Canada? According to our analysis and our conversations with academics and other think tanks throughout the hemisphere, people that work on trade at multilateral institutions such as the World Bank, the Inter-American Development Bank, and the UN Economic Commission for Latin America and the Caribbean, and through attending seminars and talking with Colombians and with academics, there are two reasons why this agreement is important for Canada.

The first has to do with competitiveness and job protection. Obviously, given that the bulk of our trade is with the United States, any free trade agreements we sign and any new trade deals we're looking at are not going to have huge numbers. They are incremental changes and incremental additions, yet given the status of the Canadian economy and given where we are in our recovery, we're at the point now where every job is important. The Colombia free trade agreement gives us the opportunity to grow jobs in certain sectors in Canada and also to protect jobs.

• (1115)

It's important to note that in Colombia our trade is complementary. We're not displacing Colombian producers when we ship wheat. Colombians don't grow wheat. As for off-road all-terrain vehicles used in mining exploration, these aren't being made in Colombia. They're being made in Canada. The agricultural products and the minerals we pull up are complementary to things we have or produce in Canada.

Yet the competition and the displacement in Colombia will come vis-à-vis the Americans. We compete head to head with the United States in pretty much everything we sell to Colombia. Whoever signs a free trade agreement first with Colombia is going to have the competitive advantage in that market.

Again, there won't be a huge difference for us, but given the current status of our recovery, I think every job is important. And it's really difficult, I think, to go around the country and tell certain people that jobs are expendable and that we're not doing enough to protect those jobs. I would urge that it be.... Even though these are not huge amounts, again, every little bit is important.

The other reason the agreement is important and is good for Canada is the larger competitive picture. Through the 1990s and early 2000s we focused our trade agenda on signing multilateral agreements. This simply made sense. This was the best idea at the time. Other countries were doing the same thing with the Free Trade

Agreement of the Americas, the World Trade Organization, the Doha Round, and the subsequent rounds. We put our efforts and our beliefs in multilateralism into multilateral trade agreements.

Recently it's become painfully clear that this process is dead. The FTAA, the Free Trade Agreement of the Americas, is not going any place. The WTO is stalled. As a response, we've seen countries around the world rush to sign bilateral agreements, and in this regard, it's important for competitiveness and it's important for job growth. It's also important in Canada and abroad.

The bad news is that Canada has lagged behind in this. We have, I believe, about four free trade agreements in effect and another couple have been signed. If you look at the competitive picture vis-à-vis the Americas, we are close to the bottom in terms of competitiveness vis-à-vis free trade agreements.

Even in North America we are the laggards. A major blow to North American competitiveness has been our lack of signing free trade agreements. Look at the Americans, who have 17. Look at Mexico. Mexico has agreements with 30 countries. The Mexicans are looking at us and wondering what the holdup is.

So in terms of competitiveness, signing these agreements is important. It's a reaction to the post-WTO round, to the failure of the Free Trade Agreement of the Americas. It's a great signal that this government has decided to push free trade agreements, but it's an even better signal that the women and men of the Department of Foreign Affairs and International Trade have done such a remarkable job in getting these agreements negotiated and signed.

The progress on the Panama agreement was simply outstanding. I would like to take a moment to commend DFAIT for the job it's doing. When push comes to shove, it's the men and women of DFAIT who get things done. This time, they've really come through.

Is the agreement good for Colombia? Yes. Colombia is currently facing stress on its economy due to the shutdown of trade with Venezuela, a major trading partner. The Venezuelans are starting to cut off the ability of the Colombians to ship out flowers through the airport in Caracas. KLM and several of the big European suppliers have been flying flowers out, consolidating shipments in Caracas, and that's been cut off. That's been a terrible blow to the Venezuelans and they're seriously worried about the impact on the economy.

But this also has the ability for Colombia to grow trade and jobs with Canada and they're very anxious for this. Interestingly, we also have support for the free trade agreement from some unions in Colombia. Our ambassador in Medellín has just met with a confederation of trade unions who were announcing support for the free trade agreement.

• (1120)

Mr. Richard Harris (Cariboo—Prince George, CPC): Hear, hear! I like that.

Mr. Carlo Dade: Moving right along....

Voices: Oh, oh!

Mr. Peter Julian (Burnaby—New Westminster, NDP): Make up anything you like....

Mr. Carlo Dade: So the agreement is good for Colombia. The Colombians are anxious to have the agreement signed, for several reasons, and are looking forward to it. Trade will grow. We've seen this with other countries with whom we've signed agreements. Trade has grown with these countries after we sign the agreements. We will see the same thing in the case of Colombia.

Very briefly, I'll touch on the issue of human rights. The debate about Colombia has unfortunately been clouded by—let's not beat around the bush here—a lot of misinformation about the human rights situation and the progress that Colombia has made.

We already have trade with Colombia. That trade has not been impacted by human rights violations. What we're lacking, though, is a rules-based system to make sure that our concerns about labour and other things are in place, and this agreement will give us that. It's good for both Canada and Colombia in that regard, and it's one of the few ways in which you could possibly construe that a free trade agreement would somehow impact the human rights situation.

I would direct your attention to the short synopsis paper from Professor Dan Mejía at the Universidad de los Andes in Bogotá. After years of discussion, after years of he-said-she-said talk about human rights in Colombia, we finally have some hard data, data reported by both the government and the unions themselves, from the Escuela Nacional Sindical, the national school for unions, which is a group out of the Medellín that provides training to unions, does research on labour activities, provides support for union causes, and advances a labour agenda in the country. It's perhaps roughly equivalent to our Canadian Labour Congress. The analogy is not perfect, but I think this is probably as close as you're going to come.

There's also a longer paper that Professor Mejía has published. He's actually presenting this in Washington, D.C., today. It hasn't been released yet, so we're not handing that out.

What the evidence shows, looking at the numbers from the ENS, from the Escuela Nacional Sindical, is that we've seen a drop in homicides of those affiliated with unions in Colombia over the past years, a steady and persistent drop. Interestingly, the drop for the earlier part, up until about five years ago, matched the overall drop in homicides in Colombia.

Recently it has begun to fall even more rapidly, a sign that the protection being provided to vulnerable populations by the government of Colombia, including people in unions, is working. The Colombians last year spent over \$10 million and have some 463 state agents providing protection to vulnerable groups. Protection is assigned based on a committee with the UN High Commission for Human Rights, the government, the police, and members of the three largest unions in Colombia.

This program has worked. The Colombians have responded to criticisms. They've recognized a serious issue and they've responded. But it's also important to note that in addition to the data provided by Professor Mejía, which is interesting because it tracks the drop in

homicides, he also did panel regression studies on indicators of union activity and the homicide rate. So he factored in things for each department in the country, things like organizations, strikes, negotiations, recruitment campaigns, union activities, and the press, etc. Taking into account variables such as income, size, density of population, etc., he correlated that with homicides in the provinces, and he found no statistical correlation between union activity and homicides. He did this on a state-by-state level in the country.

So what's interesting nowadays is that we're starting to get some hard, empirical econometric analysis of the situation, and it's showing fairly conclusively, according to Professor Mejía, that there is no hard link between union activity and homicides in Colombia.

The last point I'll make, before opening it up to questions—and hopefully there will be some questions—is that recently we've also had work looking at some of the trials of people accused of homicides of people affiliated with unions. The Colombian government has about 190 trials of people involved in cases of murders of people affiliated with unions.

• (1125)

Looking back, in 2007, the last year for which we had hard data, there were actually 125 trials under way. In these, looking at the evidence that was presented in court, union activity was a motive in only 17 cases. In the vast majority of cases, it was ordinary crime: carjacking, mugging, and home invasion.

Currently Colombia has a homicide rate of 36 per 100,000. By comparison, the rate in the United States is five-point-something, just under six per 100,000. Colombia has one of the highest homicide rates in the hemisphere. It's not as bad as Guatemala's or Jamaica's, but it's still a very high homicide rate. Given the problems in violence generally in the country, it's not surprising that all groups would somehow be impacted by violence.

Looking at the court cases, what the numbers show is that in the vast majority of cases it is common crime, and if you look at the sheet by Professor Mejía, this would explain the tracking between union deaths and overall deaths in the population. The recent sharper drop, with union deaths falling faster than deaths in the overall population, would then be attributed to the special measures of the protection program that the Colombians have instituted.

I think the Colombians have taken the issue seriously. They've responded. They've made changes to laws in the country. They've instituted a protection program. They've taken some pretty incredible measures and I think the results speak for themselves. The drops have simply been outstanding. This rate of change this quickly is rare to see, so it's a real credit to the Colombians that they have done this.

Finally, to conclude, again, given that the agreement will be important for Canadian competitiveness, given that the agreement will benefit Colombia and that it's wanted by all sectors of Colombian society, and given that the Colombians have done so much to really improve the situation, there really is no reason to hold up the agreement.

In fact, it would be just the opposite. Holding it up will send the signal that should you invest this time and effort, should you be this responsive, should you take these issues of human rights so seriously, and should you have this sort of success, the reward will be having your free trade agreement turned down. To us, that seems slightly perverse.

Thank you.

• (1130)

The Chair: To us too.

Thank you, Mr. Dade.

An hon. member: The meeting's adjourned.

The Chair: Yes. Could we just type that into the minutes and we'll call that our report?

Mr. Carlo Dade: Professor Mejía is actually in Washington. I'm not going to try to recreate his regression analysis for you or go through the charts and diagrams, but if you want a deeper explanation of this, I'm sure he'd be happy to come up here if you'd like to have him run through the econometric analysis for the data and talk to you about sources and other things.

The Chair: Thank you. We may have time to do that.

Mr. Harris.

Mr. Richard Harris: Mr. Chair, on a point of order, I just wonder if it would be possible for us to give all the time to Mr. Julian to ask questions of this presenter, because I would really appreciate—

An hon. member: Absolutely not.

Some hon. members: Oh, oh!

Mr. Peter Julian: My goodness, Mr. Harris.

Mr. Chair, I am a fan of Mr. Harris on a number of things, although not on everything, but this is remarkable cooperation and I certainly support his proposal.

Mr. John Cannis (Scarborough Centre, Lib.): Mr. Chair, I have a clarification, if I may. What I think my good friend Mr. Harris is referring to is that we were all so very pleased with this wonderful presentation that we can go right to the NDP's five-minute questions and answers and leave it at that. I think that's what he meant.

An hon. member: It's not going to happen.

Hon. Scott Brison (Kings—Hants, Lib.): Mr. Chair, I appreciate Mr. Harris's suggestion and I think I understand his motivation. As a friend of Mr. Julian's, I want to protect him from himself in this case—

Some hon. members: Oh, oh!

Hon. Scott Brison: —and I think the best defence is to limit his time as much as possible, although I am looking forward to the titillating exchange between our learned witness and Mr. Julian.

Now, may I begin?

The Chair: Thank you.

I think we'll begin the questioning in spite of the suggestion.

We'll begin with Mr. Brison, who will be followed by Monsieur Cardin.

Hon. Scott Brison: Thank you, Mr. Chair.

The Chair: We're going to keep it to seven minutes all around, for questions and answers.

Hon. Scott Brison: Thank you, Mr. Chair.

Thank you very much, Mr. Dade, for your intervention today.

In addition to your points, one of the facts that surprised me after speaking to Canadian companies that do business in both Colombia and Canada was that the labour laws in Colombia are actually more robust and rigid than are the labour laws in Canada. There is an issue around enforcement, but through HRSDC, Canada is providing funding for hundreds of enforcement officers. That's an example of economic engagement and the capacity to strengthen labour rights as part of it.

You raised another issue in mentioning Venezuela as a risk to the Andean region and particularly to Colombia, where there's such dependence on the Venezuelan market. There's another factor there, which is that FARC is increasingly based in Venezuela, and the threat to the geopolitical stability and economic stability of Colombia represented by Venezuela is very significant. I'm glad you raised that point.

The public sector union leaders in Colombia are opposed to this agreement. There are a number of private sector union leaders who are supportive of it. In Canada, the opposition is largely from the labour movement, and there's a question I ask them: although Colombia has faced a lot of challenges in terms of security, in terms of violence, in terms of rights, and we can go down the list and agree there are challenges, when you get to the bottom of it, how can a free trade agreement with the most robust labour and environmental agreements of any FTA signed anywhere in the world have the potential to make things worse?

That's where I go in a different direction. We can agree on the points in terms of the fact that there are some challenges.

Do you view the opposition to this FTA as being completely ideological, as opposed to fact-based?

• (1135)

Mr. Carlo Dade: That's an interesting question. With some polling data you could take an analysis of the media. You would have to run two things like that to try to come up with an objective answer, so in objective terms I would be hard pressed to say. Like everyone else, I have an opinion and subjective thoughts about it.

I think there's a lot of disinformation. Unfortunately, the agreement has gotten caught up in other debates in the United States, debates with other ends and other purposes, and Colombia has been used very conveniently to settle scores in the United States. In that regard, the impact of moving the agreement ahead is not the end in and of itself in discussions in the United States, in which a lot of information about Colombia has come especially from the union side; the larger goal is to defeat trade agreements in the United States.

We saw this with the last presidential election, which, despite the historic turn in the United States, was really more about trade than it was about anything else. I think this aspect should worry us too. The agreement with Colombia goes down; there were also discussions about redoing NAFTA.

I think we see this misinformation in the discourse about NAFTA in the United States. It's the same discourse that's rolling in about the Colombia agreement. It's not the same thing in that it's not talking about human rights, but it's the larger constructs in which the debates are taking place. It's not about Canada; it's about anti-trade in the United States. Unfortunately, this has become caught up in some of that.

Hon. Scott Brison: The violence in Colombia, the war in Colombia, began as more of an ideological conflict, but today, with the paramilitary forces demobilized and increasingly becoming drug gangsters, and with FARC continuing, it's become more of a drug war than an ideologically based war. People are living in communities and being raised in communities where the only opportunity they have is to become engaged in the drug trade on one side or the other, either with the drug gangsters or FARC. Do you see legitimate trade as an opportunity to help wean the people of Colombia from their dependence on the economic benefits of the drug war?

Mr. Carlo Dade: Everything that can be done in that regard will be of assistance, but it will not turn the tide. Poverty and inequality are major issues throughout the hemisphere. I would never say that one trade agreement is going to turn this around, but certainly it's an incremental step, and again, every little bit is helping. This will be an important signal. It will certainly help Colombia. Any jobs or any opportunities you create are important in the struggle between legitimate activity and the drug trade, which is so powerful and so rich.

Hon. Scott Brison: There are two types of economic engagement that western governments can pursue with countries like Colombia and emerging or developing economies. One is aid and one is trade. I'd appreciate your explanation, because I can't quite understand how there are people in western countries like Canada who support aid to Colombia but do not support increased trade with Colombia. They're both forms of economic engagement.

How do you feel about this notion, which comes in some cases from the labour movement and in other cases from particular political parties, that we should continue to provide hundreds of millions of dollars of aid to these developing economies but, for God's sake, not buy their products? I'd be interested if you could help me find a rationale for that policy, because I assume rational people must have rational reasons, unless they're irrational people.

Mr. Carlo Dade: Well, if you want to base it in a western perspective, you could go back to Schopenhauer and Nietzsche: you feel better about yourself if you're giving. This is your largesse, and it's about helping people, but it's also about making you feel better.

Trade doesn't give you the same sort of good feeling. What trade does, on the other hand, is give the recipients the ability to make their own decisions about buying education and buying health. So rather than our giving them education and health, it's kind of nice when they can earn money to make their own decisions about whether they want to invest in buying health and other things.

Let me note one last point. In terms of groups in Canada, we haven't talked much about the diaspora, the Colombian diaspora. In terms of groups that support the agreement, we have a small but incredibly entrepreneurial Colombian diaspora. If you compare it to several of the other diasporas—the Haitian diaspora, let's say—the Colombian diaspora is composed of three or four professional organizations, of associations of Colombian professionals. These are people who are deeply involved in business and are very entrepreneurial.

An agreement like this will enable them to also do more; it will unleash the talent of people who have come to Canada from Colombia and are engaged in business and trade. So in terms of impacting the situation in Colombia, this is another vehicle for transmitting Canadian experience and Canadian ideas; it's an interchange with the country. The Colombians are incredibly open to receiving ideas and to working with us. This is a vehicle we have that the free trade agreement will impact.

It's not just in places like Toronto or Montreal that we see this. The largest immigrant population from Latin America in Quebec City is not Haitian; the Colombians outnumber them. In places like Quebec City, this agreement will also have the potential to unleash new economic activity and will be important to people in the community.

• (1140)

The Chair: I'm sure we could get unanimous consent to let this dialogue continue for half an hour, but we also want to hear from Monsieur Cardin.

[*Translation*]

Mr. Serge Cardin (Sherbrooke, BQ): Thank you, Mr. Chair.

Good morning, sir. Let me welcome you to Sherbrooke. It is in my constituency, and a number of people from Colombia live there. Most of them oppose this free-trade agreement. The number of Colombians in Sherbrooke is very representative, I feel.

I went onto the FOCAL website. On the “Mission” page, which is quite short, we read the following:

...is an independent, non-partisan think tank dedicated to strengthening Canadian relations with Latin America and the Caribbean through policy dialogue and analysis. By providing key stakeholders with solutions-oriented research on social, political and economic issues, we strive to create new partnerships and policy options throughout the Western Hemisphere.

It also talks briefly about the appearance before this committee of Mr. Torres and Mr. Barrera, analysts with the organization.

Mr. Carlo Dade: That is correct.

Mr. Serge Cardin: They appeared before the committee last year. In that context, let me read you this: “Trade agreements are not a cure-all for any country’s economic, social or political problem,” said Mr. Torres. “They are one part of building a stronger relationship and a more stable economy that can generate jobs and opportunities for Colombians and Canadians.”

Clearly, we are dealing with an organization that may be independent, but that is financially supported by CIDA and International Trade Canada.

Mr. Carlo Dade: That is the case for all similar organizations in Canada.

Mr. Serge Cardin: True, and let us continue to hope that they remain independent. On your site, I did not see any up-to-date information on Colombia, but there used to be some.

In 2000, I believe, Mr. Martin Roy, a policy analyst at FOCAL, said the following:

As the Canadian International Development Agency has stated, it would be preferable in the future to focus on human rights and other areas of people’s safety. After all, the main victims of the conflict in Colombia are its civilians.

Of course you support the free-trade agreement. You feel that it will benefit both Canada and Colombia, and you only mention human rights after that. Now, the report that was tabled by the committee responsible for the study, supported by the Liberals and the NDP, of course, recommended that an independent body should assess and track progress in human rights before the report be signed or ratified.

Your organization’s work focuses on relations with the countries of Latin America, but I still do not grasp the importance that you attribute to human rights. I assume that the government has conducted a study to measure the economic impact of this trade, but have you studied the effect that it will have on human rights? After all, this accord is supposed to be a major lever. We would like to think that it would bring about progress in Colombia more quickly in protecting workers’ rights, human rights and environmental rights.

• (1145)

[English]

Mr. Carlo Dade: Thank you for the question.

We have not done such a study or carried out a study.

The interesting thing about Colombia is that there are groups in Colombia that are independent, strong organizations and have the capacity to do this work.

[Translation]

Colombia is still developing, but the fact remains that a good number of organizations in the country are capable of doing that kind of study, and are doing them.

[English]

You have the ability within Colombia to have these things done.

In terms of the first part, an independent organization to assess human rights and to assess the status of labour, you have two very good bodies already functioning in Colombia that do this: the UN

High Commissioner for Human Rights and the OAS human rights mission.

We had the UN High Commissioner for Human Rights in Ottawa about a year and a half ago, I think. It was not the current one, Christian Salazar, but his predecessor. He was visiting DFAIT and giving a talk in town. He was asked point blank, both at DFAIT—by me, while walking from DFAIT to his hotel—and by *Embassy* magazine, if he supported the free trade agreement with Colombia or if he saw any reason why it shouldn’t be supported. He said on each occasion that there is no reason why the agreement shouldn’t be supported and that we should go ahead and sign it. He said that there is nothing that would prevent us from signing it.

I think that if an independent, credible organization, involved daily with staff throughout the country examining human rights, looking at the data, working on issues in the courts, feels that there’s no reason.... There’s your independent body. To my mind, if the UN High Commissioner for Human Rights says it’s okay, and the OAS concurs with that, there are your two independent bodies. If you want to do something to follow up, perhaps there could be an investigation of what they’ve done.

In terms of a study, no, we have not done a study. We are not financed to work on Colombia. We do not have money to work on Colombia. Our engagement in Colombia comes through other things we do, and we take advantage of other business to be in Colombia, to talk to people, and to bring up the issue at seminars and so on.

[Translation]

Mr. Serge Cardin: Do I have a minute left?

[English]

The Chair: Everybody else gets seven minutes. Monsieur Cardin, as usual, gets eight minutes.

Go ahead.

[Translation]

Mr. Serge Cardin: Thank you.

At the end of the first paragraph of the document that you gave us, it says:

However, the arguments have been based in demagoguery and lobby to block the FTA with the purpose of protecting personal interests, rather than on results and specific figures.

What do you mean by “demagoguery” and what personal interests is the author referring to that are blocking the free-trade agreement?

• (1150)

[English]

Mr. Carlo Dade: The comments were in the context of Mr. Brisson’s question about the larger debate about free trade and the Colombian agreement. I was referring to discussions in the United States. The author’s obvious point of reference, the point from which you would start, would be the larger discussions, the longer discussions that Colombia has had with the United States.

Obviously he's talking about the disinformation in the United States about Colombia, and about the progress that it's made. You have people saying that murder rates for unionists are at an all-time high, that there's no country in the world where union leaders are under such sort of attack, and that murders of people affiliated with the unionists are occurring every day in Colombia. These are the statements we hear. This is what I believe Professor Mejia is referring to.

Again, my comments were following up on Mr. Brison's question about the debates in the United States and how dangerous those debates have gotten. They're spinning out of control, losing sight of what's important, and losing sight of the facts. Also, for a change, we actually have hard empirical data not just from the government, but from the largest union research organization in the country, and we have some good, solid, econometric analysis by a professor, an economist of impeccable credentials, who is looking at the information.

So again, not demagoguery but, I think, the data and analysis speak for themselves.

The Chair: Thank you.

Mr. Julian.

Mr. Peter Julian: Thank you.

Data and analysis speak for themselves. Now, you mentioned earlier—and we appreciate your giving your opinion here, Mr. Dade—the Inter-American Commission on Human Rights. Have you read their report on Colombia?

Mr. Carlo Dade: For which year?

Mr. Peter Julian: For 2008, the most recent report.

Mr. Carlo Dade: No, not for 2008. For 2007, that is the last one we got. We—

Mr. Peter Julian: Okay. I'm just going to read some excerpts from the report, because it's hardly any sort of endorsement of the Uribe government.

They express concern over the high number of extrajudicial executions reported—approximately 900—and say that the victims are unlawfully taken into custody at their homes or workplaces and are taken to a place of execution. Persons executed or “disappeared” are generally campesinos, indigenous persons, labourers, youth, disadvantaged persons, or community leaders. Military or police report that the victims are insurgents who died in combat; often the victims turn up wearing uniforms and with arms and military equipment of various kinds.

The victims are selected at random. Frequently the bodies show signs of torture. They are stripped of personal objects and their identification papers are disposed of. Bodies are taken to places far from where the abduction occurred. There are serious difficulties locating family members to identify the body. Members of the military and police are given financial and professional incentives and rewards.

This is hardly an endorsement of the Uribe government's military arm—hardly—so when we talk about hard empirical data, I think we have to actually look at the reports that are coming out. Anyone can express an opinion. Mr. Dade, and I'd think you'd concur with me on

this, but we have report after report after report actually indicating something quite different from what you've been saying to us.

The other question I want to ask you is whether you have read the CENSAT report that came out just a few weeks ago. It's entitled “Land and Conflict—Resource Extraction, Human Rights, and Corporate Social Responsibility: Canadian Companies in Colombia”.

Mr. Carlo Dade: No, I haven't seen that one, but I have talked to Canadian companies that have been investing and to our ambassador in Colombia who has spoken on the issue several times.

Mr. Peter Julian: Let me read for you part of the executive summary; again, this is from hard empirical data.

These are the human rights advocates who are actually going in and looking at the situation in Colombia. I'll quote from their report, which says that “Colombia continues to suffer widespread human rights abuses, including extrajudicial executions, disappearances, extortion, and threats”.

The report notes further on: “Striking correlations have been observed between where investment—both domestic and foreign—takes place and rights abuses, ranging from murder and massacres and related massive land and property theft to violations of the rights to freedom of movement and to a healthy environment”.

This is a quote from the report and the executive summary: “Human rights violations are linked to efforts by those behind Colombia's murderous paramilitaries to create conditions for investment from which they are positioned to benefit”.

Again, I'd say that it is hardly an endorsement of the agreement or the position you're setting out.

I'll continue, because I think there are a number of other comments we should address. As Mr. Cardin mentioned, the diaspora from Colombia is very clearly.... I will ask a question at the end, Mr. Dade, but I do want to get these comments on the record.

• (1155)

Mr. Carlo Dade: Okay.

Mr. Peter Julian: Unfortunately, Mr. Harris's motion did not pass, so I have to telescope my comments into seven minutes.

Mr. Cardin mentioned the diaspora. Certainly the vast majority of the feedback I have received from the Colombian diaspora in Canada opposes the agreement. There is no doubt about that.

You mentioned the issue of Mexico having signed more free trade agreements than Canada. Quite frankly, if anything, I think this kind of argument is actually more supportive of the position that the NDP and Bloc have taken on this agreement.

Mexico signed 33 trade agreements, as you are well aware, and we're seeing a meltdown in the Mexican rural economy. Because of the recent tariff reductions under NAFTA at the beginning of 2008 we're looking at about two million rural jobs lost in Mexico. Many of those people who've lost their jobs—thousands of them—have been applying for asylum in Canada, and the Conservative government has moved instead to cut off those asylum seekers. There is no doubt that Mexico, and particularly its rural economy, is hardly an example for Canada to follow.

You also mentioned comments around NAFTA and misinformation, but we should note that Americans did vote for Barack Obama. He did call for major changes to NAFTA. So what we are seeing very clearly is that the American public has looked at what has happened to their family incomes and they said that the promises of NAFTA simply have not had those clear results. In Canada, we're in a similar situation. About two-thirds of Canadian families are earning less now than they were 20 years ago. So systematically we are seeing economic problems that I think should be addressed in discussion.

We have very clear empirical evidence that suggests quite the contrary: that there are serious problems with the human rights situation in Colombia, with the killing of labour activists and the killing of human rights advocates. Some civil society groups have called for a full and independent human rights assessment prior to moving forward with this agreement, and in fact this committee endorsed that position.

Do you not agree, given that preponderant weight, that there are serious concerns about human rights violations? Could we not agree that at least we need to proceed to a full and independent and impartial human rights assessment of the impacts of the agreement before the government moves further on this agreement?

Mr. Carlo Dade: That's a very direct question built upon several very interesting building blocks. If we go back and take a look at a couple of these, I think we may wind up with an answer to that question along the way.

Let's just take a look at some of the things that you've raised here. In the case of the false positives, as identified in the report, there has been an increase as paramilitary groups have shifted to private crime and from ideological to other reasons. There has been an increase in these sorts of false positives, in targeting people, claiming they're guerrillas, and going after them for financial award.

Here's what interesting about this. Again, think about this in the larger context of the Colombian struggle with FARC, the struggle to re-establish rule of law, and the struggle to provide security throughout the country. It's an amazing struggle and the Colombians have made such great progress. They've made progress by responding to challenges as they've come up: re-establishing the armed forces, retraining the police, establishing the rule of law throughout the country, strengthening the judiciary, and providing protection to vulnerable groups.

When the false positive cases began to appear, the Colombians also responded. Again, it's a dynamic situation. The country is coming out of a civil war that has gone on for decades. The challenges they face are enormous. What's really amazing is how the Colombians have shown themselves to be open time and time again, responding to the international community and working with the UN High Commissioner for Human Rights whenever issues have come up.

In the case of the false positives, the Colombians recently sacked a general and, I believe, four other senior officers at the rank of colonel or higher.

Gentlemen, when was the last time you heard of a president firing a sitting general in a country in this hemisphere? When was the last

time we ditched a general? The Colombians have taken this very seriously and have responded.

In terms of empirical data, what you have there is a collection of anecdotes. What we have in the other report are data from the ENS and data from the government, cross-longitudinal and latitudinal data. This is serious data, on the other hand.

We can take a look at what databases they're using, their sources, and their methodology, but I would challenge it to stand up to what we've seen coming from Professor Mejía, an academic of outstanding credentials at the Universidad de los Andes, the most prominent university in the country, using union data. I would doubt seriously that it would hold up to that.

In terms of the issue with NAFTA, we could—

• (1200)

Mr. Peter Julian: You haven't answered my question on the human rights assessments. Yes or no?

Mr. Carlo Dade: I'm following your path to get to the answer.

The Chair: Mr. Julian, you're over time. It's nine and a half minutes already.

If you could, just quickly wrap up that answer, Mr. Dade.

Mr. Carlo Dade: The last issue is NAFTA and how we've done with NAFTA. The Mexicans are in a unique position that only we share with them vis-à-vis NAFTA: so much of our trade depended on the United States. Had the Mexicans not moved to expand trade elsewhere, we can only imagine that the recent negative impacts they've suffered from the fall in the U.S. economy would have been worse. With so much of our trade also dependent on the United States, we also need to look at branching out to mitigate the impacts of the decline in the U.S.

The debate in the U.S. has been negative. About NAFTA, you're—

Mr. Peter Julian: My time is almost up, but I did ask a very specific question on the human rights assessment. Yes or no: that's all we need to hear.

The Chair: Your time is up.

Mr. Allison.

Mr. Carlo Dade: We already have that in place with the UNHCR and with the institutes that are in Colombia. I would suggest that we use them and talk to them before designing something and sending it down to Colombia without consultation with them.

Work with the Colombians. Work with the independent institutions in Colombia rather than sending something down from Canada.

The Chair: Thank you.

Mr. Allison.

Mr. Dean Allison (Niagara West—Glanbrook, CPC): Thank you, Mr. Chair.

Thank you, Mr. Dade, for being here. We did meet in Panama. I was part of that delegation to Colombia.

You raised an interesting point and I think it's important to restate it. Sometimes it's the obvious.... But we are already trading with Colombia, so once again, the purpose of this agreement is really to put some rules in place that will benefit our businesses and protect some of the people who are there. Is that correct? We're not doing something—

Mr. Carlo Dade: Yes, sir.

Mr. Dean Allison: Exactly. I think we can't overstate enough that we're already trading with this nation and that really what we're trying to do is protect some of the investors from Canadian companies and Colombian companies as we move forward. Is that correct?

Mr. Carlo Dade: Yes, sir, and it's also to protect our position vis-à-vis the Americans, our competitors. We do enough for the Americans; we don't need to hand them the Colombian market too.

Mr. Dean Allison: Thank you very much.

My second of three questions is about the challenge of misinformation. When we were debating this in the House, the Bloc and the NDP went back to some old numbers and talked about all the crime that happened before Uribe was in power, etc., so I really appreciate the hard data you've provided. This is important information because I know they'll still be quoting information from years gone by as if Uribe had something to do with the current situation.

I want to go back to where Mr. Brison started, which was in terms of ideology. Why do labour unions around the world or in Canada spend so much time trying to make this not happen and spreading these myths? Why do you think labour unions are so against this when quite clearly people from their own countries, on both sides of the coin, have said this is important?

Mr. Carlo Dade: I think there are two factors here. One, again, is the debate in the United States, where it's not about whether or not the United States should have a free trade agreement with Colombia, but as Mr. Julian correctly pointed out, about the fact there is a great deal of hostility towards trade in the United States, for several reasons, including the current downturn and unhappiness in the past, etc. There are several reasons for this in the United States. We don't need to get into those reasons, but the Colombian agreement has been caught up in them.

Also, at one time, this was a serious issue in Colombia. The number of homicides of union leaders in the country was close to 200 per 100,000 people. It was also a time when the overall murder rate in Colombia was 78 per 100,000 versus the 36 it is today. The Colombians have made a great deal of progress.

You're correct when you say that if you look at the past you would have one picture, but that if you look at today, there's a difference in the trend lines or the progress that has been made and continues to be made. I would argue that rather than looking at one fixed point in time, be it 10 years ago or today, it's more important to look at the trend lines and the progress. That's what's been lost.

The arguments about Colombia are grounded in an era when the homicide rate in the country was 77 or 78 per 100,000. They are not grounded in the reality of today, where that's been cut in half, on

average, where for union leaders it's been cut even more, and where the government has put in protections and done so much.

Again, the amazing thing about Colombia—and the free trade agreement speaks to this—is their openness and willingness to look at new ideas and to address issues. They've been very open and forthright in accepting help and seeking help to address issues. The agreement provides us another vehicle to do that in a more formalized mechanism. Of course, our ambassador, Geneviève des Rivières, is hard at work on these issues, as is the team from DFAIT. But this gives them another vehicle, another tool, to help them in the progress they're making.

• (1205)

Mr. Dean Allison: The last question I have, Mr. Chair, is about the whole issue of corporate social responsibility. Once again, we hear a lot of anecdotal information about how for us Canadians for some reason that just isn't there, which I disagree with. I mean, we've talked to companies about this.

In regard to your experience of dealing with the southern hemisphere and Canadian companies, and from what you're seeing, would you talk to us a bit about what Canadian companies are doing in how they're leading by example and how they do so much to add to the economies they're in?

Mr. Carlo Dade: Canada has a reputation for being very forward thinking and our companies for doing very well with corporate social responsibility; it's not an issue of being Canadian or of having a golden heart but of economic survival. Companies are finding a competitive advantage in dealing with communities in a more transparent way up front rather than having to deal with problems later on. Companies are finding it an advantage in learning about new markets.

We had a discussion with one mining company, which shall remain nameless, about sharing information with Spain. The Spanish have consistently come to me when I've been in Madrid and have said that Canada does CSR really well. They ask why Spain doesn't set up a joint CSR program and do more work on CSR. They say they want to learn from Canadians, given our reputation on CSR.

But in talking with some Canadian companies, their response is that it's the last thing they want to do. They say that we have a competitive advantage here, that we do this better than anyone else, and that we're recognized for this. Spain has an advantage in culture and in language, they say, while our competitive advantage is based on CSR. This is not an opinion. This is hard analysis by guys who are concerned only about the next quarter. They see a competitive advantage in this and the Spanish see it too.

Also, hemispherically, we have a reputation for doing this. This doesn't mean that every Canadian company is doing this. There are some neanderthals that just don't get it, but in a couple of years I think we're going to see fewer and fewer of these companies. The market simply won't let them survive. You either get it and the new way of doing business or you don't.

We've also seen very quickly in the mining sector that the majors have begun imposing CSR requirements on the prospectors and the juniors. They have started to discount the claims they're buying from the juniors if the juniors haven't put into practice good community engagement. They're saying, look, we're going to be paying this claim that's worth maybe \$100 million, but we're going to be spending \$20 or \$30 million dealing with protests, shutdowns, and problems with the government, so either you get it right from the beginning or we'll provide you with resources, prospectors, and developers who are doing a great job in developing frameworks for the juniors.

We're seeing this throughout the Canadian mining sector and Canadian private sector. Again, it's not out of the goodness of their

hearts, but from a competitive advantage. When we're competing against countries like Spain who have advantages over us in culture and language, we have to be more efficient, we have to do a better job, and we have to find competitive advantage where we can. One place we have found it is in community engagement, social investment, and CSR.

Mr. Dean Allison: Thanks, Mr. Dade.

The Chair: That was a great cap.

Thank you, Mr. Dade, for another excellent presentation. I think it was of great benefit to the committee. We appreciate your being here.

With that, we're going to adjourn for today. We'll be back in 10 days.

Mr. Carlo Dade: Thank you, gentlemen.

The Chair: The meeting is adjourned.

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