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Chair

The Honourable Mark Eyking

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• (0850)

[English]

The Chair (Hon. Mark Eyking (Sydney—Victoria, Lib.)): Good morning, everyone. Welcome back in this new year. I hope everybody had a good session in their riding. I hope everybody will love this early morning meeting of ours, especially anybody on our committee who's a farm boy or a farmer.

Mr. Hoback, it's good to see you back.

Mr. Randy Hoback (Prince Albert, CPC): Thank you, Chair.

The Chair: Are you going to be permanent?

Mr. Randy Hoback: That's what it sounds like.

The Chair: That's good. You know how we roll.

Mr. Randy Hoback: I'm not sure. Could you brief me on that?

The Chair: We are classified as the most active, fun-loving committee on the Hill, so we're going to keep it that way.

Mr. Randy Hoback: I hope you keep that reputation.

The Chair: Just before I start, I would like to inform the committee that we've submitted our report on NAFTA. We got it in under the wire before Christmas, and everything's out there.

We're going to have some future committee business. In the second hour, we'll talk about our Asia trip and whatnot, but our committee agreed to this study on the potential agreement between Canada and the Pacific Alliance, which would include Chile, Columbia, Mexico, and Peru.

We're going to have a few meetings with witnesses to get our heads around it and to see its potential. Today's our first meeting, and I welcome our guests here on the panel today, our witnesses.

We're short one witness, I think, Mr. Robertson. There was a switch of rooms, so we can continue. Then, when Mr. Robertson lands here, we can get him to jump right in.

It's great to see our witnesses here. Many of you have been to our committee before. We have quorum, so we'll get going. Thank you for coming before our committee. It's very important that we get your perspectives before we do anything from this side.

As you may well know, we try to keep the presentations to under five minutes each, so we can have lots of room for dialogue with the MPs.

Without further ado, I think we'll start with Mr. Alex Neve from Amnesty International.

Go ahead, sir. You have the floor.

Mr. Alex Neve (Secretary General, Amnesty International Canada): Thanks very much, Mr. Chair.

Good morning, committee members. It's a pleasure to be back in front of you.

It is a time of peace in Colombia, which was lauded by the Nobel Peace Prize in 2016 for bringing decades of devastating civil war to an end. However, serious, widespread human rights violations continue. Last week we published an urgent news release highlighting the forced displacements of over 1,000 civilians over the course of just four days of renewed fighting. We've drawn particular attention to the concern that peace continues to be elusive for indigenous and Afro-descended communities, which have frequently been forced from their mineral and agricultural-rich lands during years of war, and are now facing obstacles and threats as they seek to assert their rights to restitution.

Mexico continues to face a devastating human rights crisis marked by years of enforced disappearances, now numbering an estimated 34,000 people, and extensive torture and threats and attacks against journalists and human rights defenders. Numerous encouraging laws have been passed to strengthen human rights protection, but have consistently fallen short when it comes to implementation. Ildefonso Zamorahas, an indigenous Tlahuica leader, has spoken up about logging in his people's lands in central Mexico for over 25 years. He has been relentlessly threatened and attacked. Ten years ago loggers killed his son Aldo. In 2015 and 2016 he was arrested and jailed for nine months, at which time Amnesty International recognized him to be a prisoner of conscience, targeted simply because he seeks to protect the environment and defends Tlahuica territory.

In Peru, an Amnesty International report issued last September documented callous and deliberate failure by the authorities to protect indigenous communities in the country's Amazonian and Andean regions from toxic contamination of their water supplies arising from metals such as mercury, cadmium, aluminum, arsenic, and lead, all linked to oil drilling and mining in the area. Meanwhile, human rights defenders who stand up against such concerns are regularly threatened, attacked, and subject to harassment through unfounded court cases.

In 2016 and 2017, Amnesty International activists around the world, including in Canada, stood in solidarity with Máxima Acuña, a Peruvian farmer and environmentalist who defied endless pressure from multinational and local mining companies determined to push her off her family's land.

In Chile, activists with the Defence Movement of Earth, Environmental Protection and the Access to Water, MODATIMA, have campaigned to expose illegal extraction of water in water-scarce regions of central Chile. Human rights defender Rodrigo Mundaca Cabrera and other members of MODATIMA are regularly threatened for this important work, including numerous death threats, which have intensified so much over the course of the last year that many MODATIMA activists are now fearful to leave their homes.

Amnesty International is not a trade policy organization. We do not answer the question before you on whether Canada should pursue a free trade agreement with the four countries of the Pacific Alliance with a “yes” or a “no”, but we are a human rights organization.

As these opening examples illustrate, there are serious human rights concerns in each of the four countries of the Pacific Alliance, and those violations very often occur in contexts related to economic and commercial activity associated with the business opportunities that stand to grow and expand with freer trade. There is danger for human rights defenders speaking out about the impact of business operations on the environment, and peril for indigenous leaders seeking to defend their land in the face of powerful economic interests. Labour leaders are threatened and killed. Contamination and pollution from mining and other activity are posing serious, even lethal, health risks, and there are acts of violence by company or government security forces when disputes and protests arise about a corporation's operations. That is why trade agreements and trade policy attracts Amnesty International's attention.

● (0855)

Ideally we encourage governments to pursue trade, business, and investment in ways that will advance human rights protection at home and abroad, but at an absolute minimum we insist that governments take measures and adopt safeguards that ensure that trade policy and business activity do not cause or contribute to human rights violations.

Amnesty International welcomes the government's efforts to advance a progressive trade agenda generally described as including strength and provisions in trade deals with respect to environmental protection, labour rights, gender equality, and the rights of indigenous peoples, all of which is important and very welcome. But, the key question remains, how do we ensure that these and other serious human rights concerns will be adequately safeguarded as trade deals are negotiated and implemented—in other words, that there will be more than just words on paper?

Amnesty International has therefore repeatedly called on the Canadian government, over many years now, to commit to carrying out independent expert, transparent, and comprehensive human rights impact assessments of all bilateral and multilateral trade deals, both before a deal is finalized and at regular intervals thereafter, with any potential harms identified by such assessments addressed to

ensure compliance with international human rights obligations. Our recommendation with respect to any potential deal with the Pacific Alliance is that it be subject to robust human rights impact assessments.

Thank you very much.

The Chair: Thank you, sir.

We're going to go to the Canada West Foundation with Ms. Hall Findlay.

Welcome. You're no stranger to this building.

Ms. Martha Hall Findlay (President and Chief Executive Officer, Canada West Foundation): Thank you for inviting me. It's fun to be on this side of the table this time.

The Chair: It's good to see you here. You have the floor. Go ahead.

Ms. Martha Hall Findlay: Thank you.

Before going into my own comments, I want to say that I agree wholeheartedly with my colleague Alex's concerns about human rights, labour rights, gender rights, indigenous rights, and the concerns that are raised about things that happen in many parts of the world. I think we all share those concerns, but I'm here today to wholeheartedly support our engagement with the Pacific Alliance. It really comes from a different approach to how one can deal with the sentiments and concerns raised about some of the challenges that people in different parts of the world—and frankly, in Canada—still have to deal with.

We at the Canada West Foundation certainly—and it's worth repeating—wholeheartedly support Canada's signing of the open trade agreement with the Pacific Alliance. We've supported the government's efforts in response to the invitation to become an associate member. This is a tremendous opportunity for us. Just as a reminder, only Canada, Australia, New Zealand, and Singapore have in fact been invited to become associate members. This is not only a terrific opportunity for us to expand economically, but also socially and with other forms of engagement with the countries involved in the Pacific Alliance.

Importantly, this would be an opportunity to expand our engagement in Asia. At first blush that might not seem obvious, but the Pacific Alliance was partly formed because the Latin American countries involved in APEC felt as though their influence was maybe not as strong as it might have been. Therefore, the formation of a bloc, the Pacific Alliance, was an opportunity to improve that influence. Canada's involvement in it would allow us to participate in that increased engagement with Asia. Peru and Chile already, for example, have trade agreements with China. Those opportunities to learn from their experiences can only help us in our continued negotiations with China and, indeed, with other countries in Asia.

In sharing the concern about human rights and various other issues, this is the challenge that we always face whenever we're discussing trade agreements, even with the sentiment behind the so-called progressive trade agenda. We pride ourselves in this country on being pretty progressive. We're not perfect by any means. We're not perfect on gender equality. We're not perfect on indigenous rights. We're not perfect on labour rights. We're not perfect on environmental concerns.

To some extent it is challenging. Other countries look at Canada coming onto the world stage and sometimes, frankly, appearing to lecture them on how they should be behaving and how they should be treating different sectors in their domestic economies and societies. The fact that we do as well as we do is indeed something to be very proud of, but trade agreements really need to focus on trade. On the concern for human rights and having a progressive agenda, Canada can do far more by leading by example, as opposed to lecturing others on what they need to do. We are in a far better position to lead by example the more we engage economically and the more we engage socially.

Fundamentally, even though my colleague, Mr. Neve, and I can have similar concerns, we come at the whole concept of trade very, very differently. We are very much of the view that the more we engage in trade, the more we engage economically, and the more we engage socially, the more we have an opportunity to expose some of the things that happen, the greater the opportunity to be more engaged in helping change those things, as I've said, by leading by example.

● (0900)

My third and final point—I won't speak for long, as I look forward to the questions—is that we already trade. Whenever we talk about trade agreements, and obviously this is about the Pacific Alliance today, but this comment holds true for whenever we engage in trade negotiations, the history of Canada is one of trade. It started with wood and fur. We trade a lot. Canada actually trades more, relatively speaking, than almost any other country in the world. Trade agreements don't all of a sudden create trade. We already trade with China a lot. We already trade a lot with the Pacific Alliance countries. Indeed, we already have trade agreements with all four of the Pacific Alliance countries.

The point I want to make is that whenever we engage in a trade negotiation, there are people who say, "We don't like this about that country, we don't like what they do internally, we think they should do this or that", or "we need to be able to be seen to be encouraging better behaviour and more progressive behaviour". These are good sentiments, but a trade agreement doesn't start or stop trade.

Sure, from an economic perspective, we encourage the greater engagement. From an economic perspective and a social perspective, we encourage trade agreements because they can open trade more fully, but the point I want to make is that—

● (0905)

The Chair: Excuse me. You're going to have to wrap up.

Ms. Martha Hall Findlay: —it is better to have an agreement because it will put rules around the trade that we already have. It doesn't start and stop. A trade agreement allows us to put parameters

and rules in place for that relationship, which is better than not having rules at all.

The Chair: Thank you.

We're going to hear from Cavendish Farms.

Mr. Daniel Richard (Corporate Counsel and Director of Government Relations, Cavendish Farms): Thank you.

The Chair: It's a big company from Atlantic Canada that's around the world.

Mr. Daniel Richard: That's right.

The Chair: It's good to see you here, sir. You have the floor.

Mr. Randy Hoback: They do a lot in Alberta.

The Chair: Alberta also?

Mr. Daniel Richard: That's right. We're in Alberta, P.E.I., New Brunswick, and Ontario.

I thank the committee for the invitation to appear this morning. You're right, Cavendish Farms began operations in P.E.I. in 1980. At that time, Cavendish Fries was shipping 25 truckloads of product per week. As of last year, we were shipping 815 truckloads of French fries per week.

Most of North America's quick-service restaurants are our customers, and over half of the retail frozen potato market is Cavendish's. We are also one of the largest private label manufacturers, and most of the retail and restaurant clients use Cavendish. We're the fourth-largest frozen potato processor in North America, and we have four plants in Canada: two in P.E.I., one in Ontario, and one in Alberta. We also have one in North Dakota.

Aside from providing product to the U.S. and Canadian marketplaces, we've exported to over 50 countries in the last three years and produce over 1.46 billion pounds of product per year.

Right now we're building a new plant in Lethbridge, Alberta, that will triple our capacity out of Lethbridge. Obviously, that product has to find a market, which makes us very interested in this conversation today.

Right now our market share in TPP countries ranges from zero to 6.7%, but we see a lot of opportunities in several of these markets. Currently, the duty rates on our import product ranges from zero in the several of the countries, because we do have some trade agreements—and I had some slides but for technical reasons I couldn't provide them today—to 10% in Japan, and about 5% in Australia and New Zealand, I believe.

In the U.S., our duty rates are the same as our competitors'. As I said, we're the fourth-largest potato processor in North America. Two of the big three are based out of the U.S. Currently, our competitors in the American market, while they have the same duty rates, do have a logistical advantage over us, in that they have easier port access because of where they are located. They're closer to the market, so they have fewer days of shipping time, which is an advantage in our world.

Now that the U.S. has opted out of the TPP, we see this as an opportunity to equalize the game, or certainly to give us a leg up in these particular markets.

Of course, duties are only one of the obstacles to trade. There remain some non-duty barriers. Japan, the largest import market for frozen potato products outside of North America, has non-traditional requirements on food quality and safety. They also require their own packaging.

Mexico, which is one of the top three markets for frozen potato products, has passed laws that require unique retail packaging compared to the rest of the world.

Malaysia has cultural sensitivities that require unique SKUs, stock-keeping units.

In Chile and Peru, where we see significant market opportunities, there are non-traditional barriers to trade that include microbiologic and inorganic testing, which are not required in other markets in the industry. Just getting our product registered in both of these markets can take over a year, which means that it's very difficult to respond in a timely manner to market forces there.

In order for Canadian producers to be able to be competitive and to meet the competition around the world, we fully support Canada's ratifying the Trans-Pacific partnership agreement.

Thank you.

• (0910)

The Chair: Thank you, sir.

That's given all of our panellists their time. Now we're going to have the fun stuff, the inter-connection with the MPs. We're going to start with the Conservatives.

Mr. Allison, you have the floor first. Go ahead, sir.

Mr. Dean Allison (Niagara West, CPC): Thank you very much, Mr. Chair, and to our witnesses for being here today.

I've got three questions.

The first question revolves around the fact that we do have agreements with all four of these countries right now. In your opinion, what is the benefit of a new free trade deal, and where do you see the greatest benefit coming? Do you see an increased amount of trade as a result of a renewed focus?

Talk to us about what would be different versus the deals we have right now. In fairness, I'm probably going to direct them to Ms. Hall Findlay, just because she's probably got more expertise on this question than the other two witnesses.

Do you have any thoughts, Ms. Findlay, on the benefit of a free trade deal with the Pacific Alliance versus the deals we have now? Is it a matter of updating progressive standards? What do you see as the main benefit?

Ms. Martha Hall Findlay: I think a lot of people have that same question, because you're absolutely right that we do have free trade agreements already with each one of the four members. What we don't have is a relationship, one that deals with some of the issues that will be covered in this new arrangement, as things move and change so rapidly, and there are digital economy issues and labour mobility issues. Those are things that aren't necessarily covered in those agreements already that can and should be.

So there's a broadening of the opportunity, but there's also the value in having an agreement with the Pacific Alliance as a bloc. The Pacific Alliance created itself to become a bloc. The irony is that North America really ought to be more of a trading bloc in terms of the rest of the world, and obviously that's a challenge, but to have an effective trading bloc, you need to have internal regulations, and internal harmonization, for example.

Frankly, even under NAFTA, North America was unable to do that as well as we might perhaps have done, and we can always hope, but that is something the Pacific Alliance has done. So not only do we have the agreements with each one but also we have the opportunity to take advantage of the harmonization that they have been building among themselves. Add to that the fact that they have increased relationships with many of the Asian countries. Through APEC, through the fact that, as I mentioned earlier, both Peru and Chile have agreements themselves with China, there is an opportunity for Canada to use that conduit, if you will, to enhance our trading and other relationships with other countries.

I'd just add that if the other members that were invited to become associate members—Australia, New Zealand, and Singapore—joined, that would add to our engagement with those countries as well, which is an added benefit.

Mr. Dean Allison: Sure. I'm hearing you say harmonization, regulation, that kind of stuff, labour mobility possibly, and things like that.

Ms. Martha Hall Findlay: Yes.

Mr. Dean Allison: What about infrastructure in our country? We could spend a whole meeting on just that. What more do we need to do in terms of infrastructure around trade and certainly around the west, ports, and all these kinds of things? I want you to answer in 60 seconds, but as I said, it's probably a discussion for a whole bunch of meetings.

Ms. Martha Hall Findlay: My 60-second answer would be that you need not just a meeting but actually a whole study on trade infrastructure. We keep talking about how important trade is but we actually need to get stuff to market. I'd love to hear my colleague from Cavendish talk a little bit about infrastructure, for example. From the west, it's great. You're expanding in Lethbridge, but we need to get stuff to market. We need infrastructure, so I recommend a much bigger study, frankly.

Mr. Dean Allison: Sure. Maybe that's a good suggestion for future studies.

Mr. Richard, do you have any comments quickly on infrastructure, from your company's perspective?

Mr. Daniel Richard: I didn't really come prepared to answer that, but I can certainly prepare a brief for the committee. For us, it's all about logistics. The faster we can reach those ports, the better, and so anything that will support that, obviously would be exactly the advantage that we feel we don't have against our American competitors. We have to cross the Rockies to reach the ocean, and right now it's not.... Everything can be improved. That's for sure.

• (0915)

Mr. Dean Allison: Perfect.

I have one last question. In a recent *National Post* article, Carlo Dade from your foundation raised the question of who deserved credit for progressive aspects of the TPP. He asked whether, if all the government did was to get cultural exemptions strengthened through a tweak or two, that meant the Harper government really negotiated a progressive agreement.

With the exception of changing the name, to your knowledge at this point in time, did anything progressive happen with TPP in terms of labour and environment and some of these things?

The Chair: Could you give us a quick answer?

Ms. Martha Hall Findlay: First, I think it's great that both the prior government and the current government wanted to sign the TPP, so, one, that was good. I don't think we achieved as much in terms of what was written as I think perhaps the current government had hoped. There is a concern that it may backfire. We damaged our respect internationally for sure. We continue to do so, frankly, by appearing to be lecturing others, and I think we have to be very careful about that.

Kudos to the negotiators for actually getting something signed. I don't think we accomplished as much certainly in that regard, but those of us who are really concerned about it would prefer, frankly, if we didn't focus so much on that and would focus more on, as I said before, getting the deals and then leading by example.

The Chair: Thank you. I'm not trying to be hard on the panellists, but I remind my colleagues not to ask a question with only 10 seconds remaining in your time.

Go ahead, Mr. Dhaliwal, for the Liberals.

Mr. Sukh Dhaliwal (Surrey—Newton, Lib.): Welcome, Mr. Chair, and committee members.

Carrying on with what Mr. Allison asked, my question is this: when we look at Canada, it's the small businesses that are the backbone of many communities. Particularly in the community that I come from, small businesses are the key. To what extent will this agreement give small businesses the opportunity to trade better than what they're doing now?

Mr. Daniel Richard: Usually what small businesses are missing is a lot of the internal strength to be able to process and wade through all of the regulations. To the extent that you have a clear, defined set of rules for trading with a country or a pact, that certainly makes it easier.

The government can support small businesses by educating businesses as to what opportunities there are. We find that a lot of small businesses don't realize the opportunities in foreign markets. This could be a great opportunity for many of them to understand how they can access these foreign markets.

Ms. Martha Hall Findlay: There are things we can do domestically. Whether it's SMEs or encouraging women-owned businesses, for example, rather than saying you should do this, there's an awful lot we can do here at home in domestic policies.

The United States is very good at including exemptions in some of its trade agreements to allow them to provide extra support, extra government procurement requirements, for example, to women-owned businesses or minority-owned businesses.

We like to think that we do things really well here. We can still do things a lot better. In negotiating agreements like this, there's a tremendous opportunity for us to look domestically. How can we help and encourage some of our SMEs and women owned-businesses? How can we effect changes here and use exemptions in trade agreements so that we can encourage Canadian small business and the like?

Mr. Sukh Dhaliwal: Can you give me some tangible examples that you would like to see improved domestically, Martha, particularly when it comes to women in business?

Ms. Martha Hall Findlay: I look to the example that the United States has given. When negotiating trade agreements, one of the issues is government procurement. It's common to say that we want to have government procurement opened up so that we will have open and clear access.

Obviously when the United States does something like Buy American, we get upset about that because it flies in the face, frankly, of open access. However, in the United States they have successfully maintained exemptions for minority-owned businesses or small and medium enterprises. They have specific programs that encourage government procurement, extra opportunities, if you will, for government procurement contracts for some of the sectors they want to encourage. There's no reason why we can't do the same here. It should be something we keep in mind as we negotiate trade agreements with other countries.

• (0920)

Mr. Sukh Dhaliwal: Mr. Neve, first of all, thank you for the great work that your organization does across the globe.

You mentioned that there are still human rights violations across these poor nations. We have a free trade agreement with Colombia and we signed a parallel agreement with it when it comes to the environment, as well as on child labour and human rights. In your opinion, by signing that agreement did the situation improve or is it still the same?

Mr. Alex Neve: Thank you for the question, because that is very much on our minds.

The human rights provisions in the free trade agreement we have with Colombia are unique. It's the only trade deal Canada has with those provisions included. It was an opportunity, but sadly in our view, at the end of the day, it was a missed opportunity to achieve what I put in front of you today as a recommendation: this idea of having an independent, comprehensive, human rights impact assessment.

It's neither independent, nor comprehensive. It's not independent, in that it is carried out by government officials on both sides of the deal, by Canadian and Colombian officials. What is truly needed for any impact assessment in the human rights realm, environmental realm, and gender realm is for it to be truly done on an independent basis.

The agreement with Colombia is also not comprehensive. The review that's part of the Canada-Colombia agreement is very narrowly focused on identifying any specific tariff reductions that are linked to that deal, and then drawing a direct line from those tariff reductions to a human rights violation.

The Chair: Thank you, sir.

Mr. Alex Neve: That's not the nature of the concern.

The Chair: Thank you, Mr. Dhaliwal.

We're going to the NDP now. Ms. Ramsey, you have the floor.

Ms. Tracey Ramsey (Essex, NDP): Thank you, Chair, and thank you to our presenters today.

I think we're at a point where modern trade agreements have become about so much more than just trade. Therefore, to say that we could somehow extract them at this point would, I think, be very difficult, because the stories Mr. Neve brought us today—horrible stories of human rights conditions that most Canadians would be shocked to learn about—are happening in the countries that we're considering as trading partners.

We can't continue to trade with no regard for its impact on people. That means on people here in Canada, but also on people in the countries we're trading with. We need to ensure that we have robust human rights provisions that are enforceable, that allow people who are working on the ground in these countries on behalf of Canada to have mechanisms to challenge this behaviour, particular when it's a Canadian company that's participating in the behaviour. We could certainly look to what's happening in Mexico in the extraction sector for examples of that. Of course, an ombudsperson has been announced, which we're supportive of, but that needs some fleshing out.

I don't believe that Canada should promote lower standards in accepting this, because it also hurts Canadian workers. When we accept lower standards in other countries, it has a direct impact on workers here in Canada, because we start to compete on very uneven playing fields, if you will.

We had the Global Affairs officials here on December 11, and I did ask them about the human rights tools they were using in the Canada-Pacific Alliance agreement. We couldn't get a direct commitment from them. I specifically mentioned *Guiding principles on human rights impact assessments of trade and investment agreements*, which I'm sure you know well—it's been published by the UN. You've mentioned another tool that you're bringing us today.

What tools do you feel the government should be using, and what training do our trade negotiators potentially require to understand the impact and use of these tools?

Mr. Alex Neve: We too feel that the UN principles that have been developed over several years now by a range of UN human rights experts.... These experts aren't necessarily focused on trade—because it's come up through the UN human rights system, not through trade bodies—but have had opportunities to really study the impacts on human rights of what's in, or sometimes what's not in, trade deals, including the right to health or equality rights of women, or a whole range of other human rights concerns. That is what we have repeatedly recommended the government use as the framework

to develop a robust human rights impact assessment process going forward.

We would be a bit of a world leader here. We wouldn't be the only government that's out there. The European Union is doing more and more around the human rights impact of their trade deals—but we certainly would be leading. I think that's where we often hope and expect to see Canada when it comes to global human rights issues, that we're not waiting for the pack to get ahead of us and then catching up, but that we want to be creating best practice and developing new models.

● (0925)

Ms. Tracey Ramsey: You spoke specifically about one of the Pacific Alliance countries, one that we have a trade agreement with, namely Colombia. My colleague asked about the human rights provision that's in that agreement.

Can you speak more specifically to what is lacking in it and what has created an environment where the human rights violations continue even though we have some sort of mechanism? How do you see that being improved?

You mentioned, of course, the tools. How do you see that language being built upon going forward so that we don't have these provisions and agreements that are unenforceable and largely just aspirational?

Mr. Alex Neve: I'll bridge back to Mr. Allison's question at the outset as to what the benefit might be of something that's multilateral as opposed to bilateral. The fact is that the only agreement of the four that exist that has any attention to human rights is the Colombia deal, and it's woefully inadequate, as I said before. In fact, we've reached a point of feeling that it's more problematic than beneficial, because it gives a veneer, as if human rights are being taken quite seriously in the context of the deal, when they truly are not. A whole, wide range of... Indigenous peoples would be a perfect example. There are massive human rights violations that indigenous peoples throughout Colombia have experienced that are clearly in an economic, commercial, and trade context and are totally overlooked and ignored by the assessment. Having a bilateral process has been problematic. Perhaps something multilateral would open it up and offer us the opportunity to create some new mechanisms.

The Chair: Thank you, sir, and thank you to Ms. Ramsay. You're right on time. We're going to go to Madam Lapointe for the Liberals. Go ahead.

[Translation]

Ms. Linda Lapointe (Rivière-des-Mille-Îles, Lib.): Thank you Mr. Chair.

I have questions for all three of you.

Mr. Richard, you said earlier that when there are free trade agreements, there are no customs duties. You mentioned that Mexico is a very important market for you, as well as Chile, possibly.

Are there duties on your exports to Mexico currently? What tariffs apply to exports in the three other countries of the Pacific Alliance? What would happen if they were eliminated?

Mr. Daniel Richard: Currently, there are no duties on our exports to Mexico, nor to some countries in South America, but there are duties on exports to Japan, Australia and New Zealand.

Ms. Linda Lapointe: I am talking about Pacific Alliance countries.

Mr. Daniel Richard: Okay.

The advantage of an alliance like that is that there are clear rules of the game, and Canada takes part in the development of those rules. We support an agreement that can provide a framework for our trade. We see that as an advantage for Canada.

Ms. Linda Lapointe: What Chilean tariffs apply to your sector?

Mr. Daniel Richard: Where Chile is concerned, the problem is not tariffs, but non-tariff barriers like inspections. Several inspections are atypical for our industry and we consider them a barrier to trade.

Ms. Linda Lapointe: Why does that happen? Is that due to other things you don't see?

Mr. Daniel Richard: It's possible that there are local market forces that want such barriers to exist, but we aren't experts on the Chilean and Latin American markets. In any case, we see such a free trade agreement as an instrument or lever that will allow us to broaden access to those markets.

Ms. Linda Lapointe: Would an agreement like that help you to export to Peru and Colombia?

Mr. Daniel Richard: Having access to one country helps us to export to all of the neighbouring countries, because the logistics improve considerably. The more we can export our products to the south, the more our access to those markets improves.

Ms. Linda Lapointe: Thank you.

Mr. Neve, I have a question for you.

You spoke earlier about safeguards. You said that the agreement with Colombia was unique. What mechanisms should be put in place to advance human rights? Ms. Hall Findlay said earlier that we had to set an example and show leadership in that regard. How would you go about ensuring that such safeguards are in place?

• (0930)

[English]

Mr. Alex Neve: I want to make it clear that we don't necessarily disagree fundamentally on some of the key aspects here. Amnesty International is not saying with respect to the Pacific Alliance—or really any trading proposal—don't do it, don't enter into trade, and don't have freer trade. We're saying that in doing so, use this as an opportunity to make sure we maximize every possibility for advancing stronger human rights protection, and, as your question highlights, that we absolutely pay attention to the safeguards needed to make sure this will not contribute to or cause human rights violations.

The Colombia human rights review process—it's not a human rights impact assessment process—was potentially a step forward in

that direction, but as I've said repeatedly, it has ended up being a serious disappointment. We are looking for something that highlights the four key attributes I mentioned. It needs to be independent, and there are ways to do that by drawing upon expert bodies, academics, institutions, and expert consultants. It needs to be comprehensive. In other words, that very specific, limited focus on tariff reductions and whether they caused a specific human rights violation is not at all adequate. It needs to be transparent, in that it needs to be open to the public and accessible. If we can move in that direction with any trade deal, but certainly the possibility of something with these four nations, I think we would see some significant progress.

[Translation]

Ms. Linda Lapointe: Thank you.

Ms. Hall Findlay, you suggested that we do a study on the infrastructure that supports international trade and exports. What would you suggest, specifically?

Ms. Martha Hall Findlay: I suggest that we do a study on the importance of international trade infrastructure, since it is that infrastructure that helps us to improve our economy. This will allow us to do even more.

[English]

Yes, in English, I strongly recommend that we should do a more complete study on the infrastructure required to further our trade, because good trade infrastructure is what we need to enhance our economic prosperity, which then encourages our ability to build all of the rest of the infrastructure our communities need.

[Translation]

Ms. Linda Lapointe: Thank you.

[English]

The Chair: Thank you.

That ends our first round. I have word that our other panellist is going to be here very shortly. If you're a member of Parliament who's in the middle of your five minutes and I cut you off and I go right to the panellists, we'll pick you up again to finish up your time, because you might want to change your questioning with the new panellist coming in.

Without further ado, we'll start the second round and go to the Liberals. Madam Ludwig, you've got the floor.

Ms. Karen Ludwig (New Brunswick Southwest, Lib.): Thank you.

Good morning, panellists. Thank you so much for being here.

I am going to be transparent and say that there's a strong New Brunswick connection.

Mr. Neve, we'll see you again hopefully in St. Andrews.

Mr. Richard, thank you for joining us.

Ms. Findlay, it's nice to meet you today.

I have a number of questions. Firstly, from someone who's taught international trade for almost 20 years, one of the things that I would always tell my students in New Brunswick is how important it is that we are at the table. An agreement is valuable because it represents people who have come together to agree upon different terms, different rules. I'm certainly very proud of what the government has done with the progressive trade agenda. While I see it less as about lecturing, I do think this agenda is an important part of the discussion. If we're not having that discussion, whether about human rights or the role of women and indigenous people, then who is going to have that discussion with these nations?

I'll form my questions largely around that.

I also want to get back, Mr. Richard, to the questions on infrastructure, so I'll proceed quickly.

Ms. Findlay, you had mentioned the importance of domestic policy and working with businesses. I couldn't agree more. If we look historically at the number of trade agreements that we have penned in Canada, we have not done a reciprocal amount of work, I believe, in helping companies get more engaged with trade, whether it's indigenous people, whether it's women, but also with the small or micro businesses.

Mr. Richard, if we look at a company like Cavendish Farms, you are well integrated in the international trade market. For the micro businesses with one to four employees, and that are about 54% of Atlantic Canadian businesses, what's the spinoff for them from you as a larger company, or medium-sized company on an international scale? How can the micro businesses benefit?

● (0935)

Mr. Daniel Richard: Of course, there's the indirect impact. For example, this plant that we're constructing in Lethbridge, 80% of whose product will be for our export market, there are going to be a lot of new farmers—I don't have the numbers with me—who are going to be growing potatoes as a result. There will also be a lot of equipment sellers selling equipment. There's going to be infrastructure dollars spent on irrigation, on warehousing. There are a lot of spinoffs. It still remains difficult for small and medium-sized companies to operate internationally.

The indirect impact is certainly there. It's probably multiplied. I'm sure there's quite a significant multiplier effect. We often hear the spin that this is just in support of multinationals, but multinationals also operate in their home country. That's where I think you see the most direct impact. To the extent that we're supporting companies like Cavendish, we're supporting farmers on the land. I think that's one of the big impacts.

Ms. Karen Ludwig: Great. Thank you.

My next question, starting with Mr. Neve and then Ms. Findlay, is regarding the domestic side.

Mr. Neve, when you're working at Amnesty and with others on the human rights aspect, which is absolutely critical, how much work is done with Canadian businesses on that domestically here in Canada, as Ms. Findlay talked about, in terms of international business planning and corporate social responsibility before these Canadian businesses engage, for example, with the Pacific Alliance?

Mr. Alex Neve: We have done a lot of that over the years. It's obviously nowhere near as extensive or comprehensive as it could be. We simply don't have the capacity to be engaged in that way, but we have over the years directly engaged with individual companies on their operations in countries like Colombia, which is one that comes to mind. We have often also dealt with an industry sector, have welcomed opportunities to speak at conferences and that sort of thing. It's been in two dimensions. Certainly we often try to do it in a proactive way before there are major concerns, by urging companies to adopt better policies and safeguards, etc. It is also, unfortunately, sometimes done in a more confrontational instance where are very serious concerns that a Canadian company's operations have caused human rights violations. We've even been involved in court proceedings here in Canada that have been launched against some Canadian companies about very serious human rights allegations. It's quite a gamut.

Ms. Karen Ludwig: Thank you.

Ms. Finlay, I've just got a few seconds left, and I'm going to give the rest of it to you.

The Chair: No, I'm sorry. Maybe we can get it into another segment, because we're going to have to move over to the Conservatives.

Mr. Carrie, you have the floor for five minutes.

Mr. Colin Carrie (Oshawa, CPC): Thank you very much, Mr. Chair.

Thank you to the witnesses for being here.

I want to get back to this non-tariff barrier issue. I always hear that when Canada goes into these agreements, we're like the Boy Scouts. We always obey the rules and all of that stuff. We've had different countries like Korea and Japan that have non-tariff barriers. If we move forward with this, what should be the strategy going into it to address or reach potential agreements on these non-tariff barriers ahead of time?

I'm going to throw you a curve, too, just because it sounds like you'd like it, about marijuana. The government's current policy on marijuana seems to be a little bit out of sync with our international obligations. I come from Oshawa, and there is a lot of auto work back and forth across the border, and if our policy on marijuana doesn't line up with that of other countries—and on this list we've got Colombia and Mexico, countries like that, where drugs are a very big issue—what does the government have to do ahead of time to get out in front of the marijuana issue so it doesn't become one of these maybe non-tariff barriers that might slow down the movement of product across these borders?

● (0940)

Mr. Daniel Richard: Frankly, this is of concern right now to us. Legalizing marijuana is a social policy decision, and we don't have an opinion on that, but we are starting to worry about how it's going to impact our trade. For example, and I'm not talking just about Cavendish now, we have a trucking company, and are we going to start having issues at the border or even on shipments?

While I wouldn't deign to provide advice to the government on how to address these issues, I suggest that this should be thought out in advance while we have these social policies that affect us in our markets and also affect us in our trade. To the extent that I hear this concerned voice, we appreciate this, and this is something that we're starting to worry about.

Mr. Colin Carrie: Are you aware of the international agreements that Canada signed on to, and the timelines, things like that? One of the concerns that I'm hearing, and I've spoken frankly with some American stakeholders, isn't so much about what Canada does—as you said, that's a policy issue—but about people coming in and border agents who have been directed to make sure that drugs don't enter the country. If there's a normalization of marijuana use in Canada, even though Canadians want that, dogs and border agents can all still have an effect on that. Are you aware of what we need to do with these international trade agreements before we move forward?

Mr. Daniel Richard: It's something that we're thinking about in our businesses. Probably one way of addressing this, for example in transport—and a lot of this is going to happen at the borders with transport—is to align things. For example, DOT in the U.S. has very stringent requirements and whatnot, and possibly the solution—and this requires some consideration—is aligning our regulations on transportation in Canada to align with our.... This is what you gain by having these international trade agreements. You get a seat at the table, and you can talk about these things, and hopefully you come to a solution. Right now we see this as a potential problem.

Mr. Colin Carrie: All right.

Ms. Hall Findlay, you're kind of smiling a bit on that one. Do you have a comment?

Ms. Martha Hall Findlay: It's only that the fact of legalizing marijuana will not start or end trade in marijuana, one. There is an awful lot of marijuana crossing the border between Canada and the United States already. The numbers are really quite astounding. The legalization of a product like that allows us to bring it above the table and have some really important discussions about how to manage that.

Listen, you have different jurisdictions with different rules on different substances, and this won't be the first time. How many states in the United States now have legalized marijuana? We've needed that discussion in the other direction. The legalization of a product like this only allows us to better manage it, as opposed to the complete black market that we're not managing terribly well right now.

I would just add that it's an opportunity for a lot of southwestern Ontario tobacco farmers, who've had significant challenges for many years, and it's a crop that Canada can do well with.

Mr. Colin Carrie: Do you see it as a potential non-tariff barrier, though, if you don't make those—

The Chair: Uh-oh, it's getting a little too close there to throw a question in. Those are very different questions, so there's a good mix here today.

We're going to the Liberal Party with Mr. Peterson for five minutes.

Mr. Kyle Peterson (Newmarket—Aurora, Lib.): Thank you, Mr. Chair.

I think Mr. Robertson is here now.

The Chair: I'm sorry. You're right, Mr. Peterson.

Mr. Robertson, welcome.

Mr. Colin Robertson (Vice-President and Fellow, Canadian Global Affairs Institute): Thank you.

The Chair: It's good to see you back.

Mr. Colin Robertson: My apologies for being in the wrong place at the wrong time.

The Chair: That's certainly okay. The timing is perfect.

Are you okay to jump right in and do your—

Mr. Colin Robertson: Absolutely.

The Chair: If you can do it in under five minutes, that would be great, and then we'll just go right into the dialogue with MPs.

Mr. Colin Robertson: All right.

The Chair: Welcome again, Mr. Robertson, from the Global Affairs Institute.

Go ahead, sir.

Mr. Colin Robertson: I believe associate membership with the Pacific Alliance would make sense for Canada. For Canada, the Pacific Alliance is the right platform to advance our interests in Latin America. They are business-minded and embrace the rules-based democratic order.

Canadian investment in the Pacific Alliance is estimated to be in the ballpark of \$40 billion. The economic health of a lot of Canadian firms, especially in resources and finance, is tied up in the economic well-being of the alliance.

The “Pacific pumas”, as they are sometimes called, have more than 221 million consumers, with a combined GDP that would make them the sixth biggest economy. The four countries are responsible for approximately 33% of Latin America's total gross domestic product, 50% of Latin American exports, and 40% of the total foreign direct investment capitalized in the region.

Their goal, as you have probably been discussing, is the free movement of people, goods, and services. They are negotiating their stock markets, and they even share embassies in some countries.

My belief is that the Pacific Alliance is a good match for Canada, especially as other key Pacific partners—Australia, New Zealand, Singapore, and now South Korea—are also looking at associate membership.

Since the days of the *coureurs des bois* and the Hudson's Bay Company, Canada has been a trading nation. According to Global Affairs, our trade-to-GDP ratio is around 70%, one of the highest in the world. During the past century, we have become a nation of traders. One in five jobs depends on exports. The progress and prosperity enjoyed by Canada is thanks to trade liberalization. My view is that participation in the Pacific Alliance should be part of a broader strategy, which I think we're undertaking, that will increase opportunities for our goods, services, and particularly—interestingly enough, in the Pacific—for our pension funds.

Services today account for about 70% of the Canadian economy. We're good at trade and services, notably banking, insurance, and engineering. Think of Scotiabank, which is now one of Mexico's biggest banks and is of growing interest in Chile, Columbia, and Peru; or of Manulife in Asia; or of SNC-Lavalin or Brookfield in engineering and infrastructure projects around the world.

The trade explosion, of course, began with the Canada-U.S. FTA, and then the NAFTA. These deals opened up access to the U.S. and Mexican markets and gave us, I think, the confidence to compete internationally. We've had a slew of other agreements since then, including the Uruguay round, and we have more trade agreements in Latin American than in any other part of the world.

The recent negotiation of the Canada–Europe agreement, CETA, and now the FTA with the Pacific nations, the CPTPP, give us even more opportunities for sales and investment. However, you might ask, if we already have free trade agreements with Chile, Columbia, Mexico, and Peru, why do we need to take the next step of associate membership in the Pacific Alliance?

First, we must take our opportunities where they come. We must consider Pacific Alliance associate membership against a backdrop of “America first” protectionism with our biggest trading partner, and no foreseeable conclusion to the somewhat zombified WTO Doha round. With the Trump administration having removed the U.S. as the anchor of trade liberalization, middle power groupings such as the Pacific Alliance need to pick up the slack to sustain the rules-based order that serves our interests.

Second, for Canada, the Pacific Alliance would consolidate our position as a first mover within the best trade agreement in the Americas, just as we've done within the Pacific through CPTPP, and the transatlantic through CETA. It's always better to be a driver setting the course in the front seat rather than a late passenger along for the ride at the back of the bus.

Canada would become a leader within the Pacific Alliance by virtue of being the biggest economy in what would constitute the most liberalized caucus of trade nations in the world. While it's about trade, it's also about building deeper cooperation through regulatory integration and addressing emerging issues like the digital economy, the environment, and women's empowerment.

Canada can benefit, I think, from linking to the best parts of the Pacific Alliance. The “accumulation of origin” is also an argument for associate membership, weaving the four FTAs we have with those four countries into a somewhat seamless web, which will make it easier for us to do business.

The Pacific Alliance's innovative approach means working on one-stop shop initiatives for foreigners looking to do business in the Alliance and implementing flexible rules of origin so that we can integrate into value chains.

Third, deeper bridges with the alliance will bolster the deep linkages we have developed in the region. What better place to advance the progressive trade agenda than with these progressive democracies? We've already begun. Last year the Canada–Chile FTA was revised to include gender rights.

Fourth, associate membership will give us more place and standing in the Americas. The Pacific Alliance countries share values and an outlook on the world similar to Canada's. They are liberal democracies with open economies. Given the periodic illiberal governance in parts of the hemisphere—think of Venezuela—the stable and open economies of the Pacific Alliance stand in stark contrast.

● (0945)

Canada should support efforts in integration within the region and the best way to do it is within the alliance. Ties of history and migration have given us strong links across Asia, the Pacific, and the Atlantic, but our ties with south of the Rio Grande, in fact, are relatively recent.

Our relationship with Mexico, our third-largest trading partner, increasingly solidifies with significant Canadian investments in mining, banking, and manufacturing. Over two million Canadians travel there each year. But the investment in tourism flow is mostly one way. We need to do more to bring Mexico and our other Latin American partners to Canada to study, work, invest.

The government's consultations on membership in the Pacific Alliance need to look at potential problems. For example—

● (0950)

The Chair: Sir, I have to ask you to wrap it up if you have a final comment.

Mr. Colin Robertson: No, I'll stop there.

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

Before I go further I'd like to welcome the member from Etobicoke Centre. It's good to see you here again. The last time you were here was when we had the Prime Minister of Ukraine here, I think.

Mr. Borys Wrzesnewskyj (Etobicoke Centre, Lib.): Thank you, Chair.

The Chair: It's good to see you here.

We'll go to the Liberals now.

Mr. Peterson, you have the floor.

Mr. Kyle Peterson: Thank you, Mr. Chair.

Thank you, Mr. Robertson, for joining us. Thank you to all of the panellists.

I'll start with you, Mr. Robertson, since you're just settled in now and you sped through that presentation as quickly as you could in the time restraints.

If you want to finish your presentation, I'm happy to give a minute or two of my time now to let you finish what you were prepared to say.

Mr. Colin Robertson: I was going to say two things on mobility, which could be an issue because of the relations with the United States. I think there are ways around that. We have a trusted traveller program with the United States that also now includes Mexico through global entry, and we've had a seasonal worker program with Mexico for the last 40 years, which brings in about 22,000 seasonal workers each year. This is something to enlarge.

There's another area: securities. That, of course, involves the provinces since the Supreme Court has decided it clearly is a provincial responsibility. I think one of the things the committee has to keep in mind is the importance of the provincial governments in working with the national government in working this through. The provinces have played a critical role in the negotiation of the Canada–Europe trade agreement and in the comprehensive and progressive trans-Pacific partnership, and currently in the NAFTA negotiations. It is important that the levels of government be involved as we look to the Pacific Alliance, and I would throw municipalities in here because of course cities generate so much of our economy.

Thank you for letting me finish that.

Mr. Kyle Peterson: Thank you very much for that insight.

I have lots of questions but very limited time, so I will ask a general question and everybody may have a comment on this. We talked a little about trade infrastructure in Canada and that goods obviously have to get to market for us to benefit from these trade agreements. I want to take a look at another type of infrastructure, things like the Trade Commissioner Service, BDC, EDC, these government organizations that are meant to promote trade. A trade deal is really a door, but if no one goes through it, what's the point?

Do you think this infrastructure, these organizations, are doing an adequate job? Do enough Canadian small and medium-sized enterprises even know about them? Is there something we can do to make sure that trade is encouraged through these vehicles?

Whoever wants to pipe up, please do so, and hopefully we will have enough time for about 30 seconds from each of you.

Mr. Alex Neve: You may not be surprised to hear me say this. Obviously we don't have much to say about the trade-related aspects of their work, but we have repeatedly said with all of those of trade infrastructure arms of government, there's a need for greater attention to human rights in how they do their work. The fact that the proposed Canadian ombudsperson for responsible enterprise, amongst his or her powers, is going to have the ability to make recommendations as to whether human rights concerns would mean

losing entitlement to some of that assistance is an important step forward.

Mr. Kyle Peterson: Thank you.

Ms. Martha Hall Findlay: In every case, can those organizations be more efficient? Can they be more effective? I think yes. It's always an opportunity to improve.

The challenge also lies not just in what they do, but in our overall education about the opportunities. You're absolutely right: there are an awful lot of larger businesses even that either don't know about the opportunities, or don't have the confidence to actually embrace them. It's a continuing effort in Canada.

We don't do nearly a good enough job at it, oddly enough, given that we're such a strong trading country. We're actually doing specific case studies at the Canada West Foundation for smaller businesses. For example, we're looking at NAFTA. We're looking at Pacific Alliance. We're looking at all of these trade agreements, and most of the stats come out in terms of GDP or overall trade, overall imports, and overall exports. That doesn't mean anything to a small or medium-sized business. The opportunity is there for us to do much more in educating them about the specifics. For example, with NAFTA, what happens when NAFTA goes, or if it does go? What does that mean for the actual products that I sell or I import? We're not getting that information to businesses. It's still much too macro.

What the answer to that is, I'm not sure. I do think that some of those organizations could do more in that regard. You're absolutely right. It's really important. Open the door but people need to be able to go through.

● (0955)

Mr. Daniel Richard: I made the same comment earlier in the hearing. I believe they do great work, frankly. Could they be better? They probably could, but in our experience, they're great partners and they do help access foreign markets. But really, I don't see a lot of people who could use them using them. I don't know how well known their services are.

Mr. Colin Robertson: I'd flip it around the other way. I'd say that for a lot of the small and medium-sized enterprises, the biggest challenge is just getting through the regulatory stuff and the burdensome paperwork that they see, particularly in dealing with the Canada-U.S. border. If they can make it for Canada-U.S., then they're much more inclined to look elsewhere, but I think we need to redouble the efforts on working with the U.S. These are not the NAFTA negotiations, but we need regulatory co-operation and Beyond the Border to make that single portal. This is the biggest complaint you'll hear from trucking associations and from a lot of the small and medium-sized enterprises we're trying to encourage. I think that the CCC, BDC, and EDC are well aware and you'll find that they have all sorts of programs in place to deal with small and medium-sized enterprises. The bigger challenge is to get the small and medium-sized enterprises to feel that it's worthwhile to use their services. I think part of that comes down to the grunt work of dealing with our biggest trading partner, because if they can deal with them, then they're much more inclined, as we've found, to deal with the rest of the world.

I also think we need to make some more investments in our Trade Commissioner Service. I think the government does a tremendous job talking up trade, and I think there's commitment and there seems to be all-party agreement, but I do think that some of the resources on the trade commissioner's side probably need some bolstering. Not here at headquarters but particularly in the field, in the provinces, we used to have teams in each capital city across the country to work with the SMEs, because these are people who had actually worked in these foreign countries abroad. They would actually develop links, but we've really retrenched on that, and it's like having one person out there holding down the fort, and we need more.

The Chair: Thank you, sir. Those are good comments and good suggestions.

Those were good questions, Mr. Peterson.

We're going to move over to the Conservatives.

Mr. Hoback, you have the floor.

Mr. Randy Hoback: Thank you, Chair.

First of all, I'd like to welcome all four witnesses here today. I wish I could have you all at a round table for about two hours, because I have lots of questions for each of you, but I have only five minutes.

Alex, you gave a good report.

I hope you don't mind me being informal, panellists, but I'll just go by your first names.

Mr. Alex Neve: Absolutely.

Mr. Randy Hoback: You talked about your report, and you gave a good report on each of the countries, but you didn't give a report on Canada. Quickly, what would Canada look like in Amnesty International's report in the same context that you used to identify issues in other countries?

Mr. Alex Neve: We do regularly highlight human rights concerns in Canada. In fact, next week, on February 6, we'll be releasing our annual "Human Rights Agenda for Canada", which does raise serious concerns—

Mr. Randy Hoback: Be very quick.

Mr. Alex Neve: —on a number of issues. Right at the top of the list, of course, would be indigenous rights, especially if we're thinking about an area where there is an implication around commercial activities, etc.

Mr. Randy Hoback: A lot of issues you identified with regard to indigenous rights in all of these other countries are also problems we have here at home. Is that fair to say?

Mr. Alex Neve: Absolutely. The scale is obviously different, particularly with some countries, such as Colombia, where indigenous peoples are, in some instances, on the brink of extinction, but I also want to highlight here that when we talk about the need for human rights impact assessments of these trade deals, that is a two-way process. It isn't only about us assessing the other country. This is about opening dialogue around human rights issues.

Mr. Randy Hoback: That's why I'd love to have you for about an hour, to talk about the Colombia agreement, because I think there are

improvements we could learn about from that to build into other agreements. But I don't want to dwell on this issue.

The other issue I want to talk about is that when you look at countries like those in the Pacific Alliance, when they set out the harmonization of regulations, by default countries that aren't in the Pacific Alliance take on those regulations. How important is that to Canadian businesses when they are part of developing those regulations as they sell their products in Central and South America?

Maybe I'll start off with Colin and then move on to you, Daniel, and then just talk about the importance of us being at the table because of that scenario.

Mr. Colin Robertson: I would just say that the fact that we will be in early—and I do think we'll get in—and will be in with like-minded partners, and most of us are already members of the now CPTPP, and we do have the free trade agreements with these countries... One of the things they are trying to do, exactly as you described, is to come up with a common set of regulations, a high standard of regulations. The great advantage of us being there at the table and being the biggest player and having had a lot of experience because of the work we've been doing in these other trade agreements is that we can take that and apply it within, and it will be welcomed, I think.

That, then, becomes the standard by which other Latin American countries.... My sense is that Argentina will shift out of Mercosur at some point and will look to the Pacific Alliance. Other countries within Latin America will start to look to the Pacific Alliance as the high standard trade agreement because doing so will be in their interests. Similarly, we're seeing the same effect now in Asia with the signature of the CPTPP, which stands in contrast to the Chinese-inspired RCEP of Korea and Indonesia. They're going to come into that as well. From a Canadian perspective, if we're there, and we're able to take our values and our principles and the experience we have, these will become the regulations that we're already comfortable with. Again, this is the argument for being the first mover and being there.

• (1000)

Mr. Randy Hoback: Again, I apologize. Dan, I'm going to you. In regard to your investment in Lethbridge, I remember we were talking about the border adjustment tax at the time and what that did to your investment. Tell us the importance of having bankability and stability in your trade agreements as you make investments here in Canada.

Mr. Daniel Richard: That's right, and it goes even to the question of marijuana. We need a clearly defined set of rules that we know we can count on in the future. For example, there was speculation—this is the case you were alluding to—or concern for some months that the U.S. might be considering a border adjustment tax. Frankly, this was at a time when we were deciding whether to build this plant in Lethbridge or elsewhere, north or south of the border. This was crucial to us. We eventually did decide that we had some stability in the future, but we need to know the ground rules going forward.

To the extent that you're also asking what's the benefit of being at the table early, the question almost answers itself. To the extent that we can influence how the bloc is going to regulate industries that we care about, that our standards are adopted so they align with the way we do business already—

Mr. Randy Hoback: It's gives you an edge on your American competitors.

Mr. Daniel Richard: It's does give us an edge.

Mr. Randy Hoback: That would lead into the TPP.

Martha, you talked about the financial advantage to Canada in not having the Americans there. In that same scenario with regulatory developments within the Asia-Pacific region and the trading rules there, what does that mean for Canadian business?

The Chair: That will have to be left as a comment, not a question, Mr. Hoback.

Mr. Randy Hoback: Chair, don't you want to hear the answer?

Ms. Martha Hall Findlay: I would be more than happy to say that I agree with the comment of the honourable member.

The Chair: Okay, that's a good enough answer.

We only have a few minutes left, and the NDP are going to get them.

Ms. Ramsey, you have the floor.

Ms. Tracey Ramsey: Indigenous peoples have really been woven through our conversation today and they are impacted greatly, both in the countries we are looking at trading with, but certainly in our own country as well. I thank my colleague for the earlier question.

My final question is does your organization have concerns about the Pacific Alliance being compliant with the UN Declaration on the Rights of Indigenous Peoples? Before agreeing to a trade agreement with the Pacific Alliance partners, should the Government of Canada obtain free, prior, and informed consent from indigenous peoples?

I'll ask each of you.

Mr. Daniel Richard: This is a policy question that I'd rather our company did not take a position on.

Ms. Tracey Ramsey: Okay.

Mr. Colin Robertson: Clearly, this is part of the government's progressive trade agenda, and this will be one of the things that is discussed. There are indigenous peoples in these specific countries throughout Latin America. We hold discussions even before being members of the Pacific Alliance, so it's clear that's going to be there and there probably will be the opportunity, if you are there, to put in a chapter on this, but you have to be there at the table and you have

Ms. Tracey Ramsey: More than a chapter, do you think they should get that consent prior to signing an agreement?

Mr. Colin Robertson: It's pretty clear where Canada is coming from, but just as with trade, I'm not sure the Pacific Alliance would say we can come in with conditions ahead of time. That's not usually how trade—

Ms. Tracey Ramsey: No, I'm saying should we get consent from our indigenous people in Canada?

Mr. Colin Robertson: I pass.

Ms. Martha Hall Findlay: We have to be very realistic, and this speaks to a number of other aspects of these trade negotiations. If we forgo an opportunity to enter into an agreement because we're not really sure domestically if we should have consent or not, or whatever, we do ourselves a disservice. For all the discussion we've had about the importance of being at the table, it's important to be at the table.

I want to add another caution. As an unapologetic feminist, I have real concerns when we highlight, for example, this side piece about gender equality in the agreement with Chile. Nothing is in—

No, but it's—

• (1005)

Ms. Tracey Ramsey: I don't want to cut you off, Ms. Hall Findlay, but I only have about 30 seconds, and I'd like Mr. Neve to comment. I am asking specifically about indigenous people. I appreciate your comment—

Ms. Martha Hall Findlay: My point about the gender equality piece in Chile affects all of the rights, whether human rights or indigenous rights. It is that we have a real danger in putting in place things that sound good but are completely unenforceable. As a feminist, frankly, I worry that we'd do ourselves harm by saying, look at what we've said, but not at what we've done. I will repeat my earlier point, Canada can lead by example far more effectively, especially if we get our own house in order—

Ms. Tracey Ramsey: I take that as a no.

Mr. Neve, do you have an answer, quickly?

The Chair: That's a very feisty way to end our panel, but the time is up.

Ms. Tracey Ramsey: A short answer...?

The Chair: No. The time is up and that's it.

Thank you for coming, everybody. We've had good dialogue and good questions and answers. We hope to see you back here someday. Stay tuned for the report when it comes out.

We're going to go in camera for only a few minutes, and then we're going to future business.

[*Proceedings continue in camera*]

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