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Chair

Mr. Bernard Patry

Standing Committee on Foreign Affairs and International Trade

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● (1115)

[*English*]

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

Our order of the day, pursuant to Standing Order 108(2), is a review of issues related to the subject matter of Bill C-357, the Taiwan Relations Act.

As a witness this morning, we have Mr. Paul Evans, from the Asia Pacific Foundation of Canada, where he is vice-chair of the board of directors and co-chief executive officer.

I just want to point out to my colleagues that Mr. Evans will be here until noon, and after that we'll go with

[*Translation*]

the witness from the Association of Universities and Colleges of Canada.

[*English*]

I understand you have a statement, Mr. Evans. You can go through it, please.

Mr. Paul Evans (Vice-Chair, Board of Directors and Co-Chief Executive Officer, Asia Pacific Foundation of Canada): Thank you very much, Mr. Chairman.

I'm very appreciative of the opportunity to appear before the committee today. The invitation only arrived on October 25, and as a just-in-time or end-of-the-parade witness, I apologize for not being able to provide a written statement in advance. If the committee so desires, I'd be very happy to provide one that could perhaps respond to some of the specific questions and issues raised this morning.

I'm not a specialist in international law or Taiwanese affairs. Rather, I work on regional security and economic issues in East Asia and the Canadian connections to them. Since September I've been seconded from the University of British Columbia to help lead the Asia Pacific Foundation of Canada. I need to state for the record that the foundation is deeply interested in contemporary Asian affairs but does not take advocacy positions on them. What I will be saying today are my personal views.

In 25 years as a professor at universities in Canada and the U.S., I visited Taiwan many times; organized collaborative projects with several research institutes, universities, and government ministries in Taiwan; and have written essays and edited one book that dealt with Canada–Taiwan relations. In 1989, I prepared a commissioned report for the Canadian Department of External Affairs that presented a seven-step plan for expanding bilateral relations between Canada and Taiwan.

By this point, the members of the committee have heard a variety of opinions, asked many questions, and probably formed their own conclusions about whether Bill C-357 should proceed. Let me emphasize at the outset that I share the desire of many Canadians to deepen substantive relations with Taiwan. Unlike thirty years ago, I sense that there is now broad support in Parliament and across the country for the intentions noted in the bill to brighten the prospects for stronger Canada–Taiwan economic, cultural, and other relations, and to build a strong, albeit unofficial, relationship.

Taiwan's triple success that combines economic dynamism, political democratization, and respect for human rights is widely and rightly admired. At the same time, I feel the bill will harm Canadian interests, reduce our influence in the region, and possibly disrupt the delicate balance in cross-straits relations.

Several witnesses have already laid out a series of concerns, some of them very serious, about the risks and implications of passage of the bill. Let me comment on four of them.

First are the commercial and diplomatic consequences for Canada's relations with the People's Republic of China. I share the view that they would be severe in destroying our high-level contacts and strategic partnership with the People's Republic. There would be a detrimental effect on the gateway strategies being pursued by the federal government in Bill C-68, which was proposed on Thursday, and also the gateway strategies as proposed by the provincial governments of B.C. and Alberta and the private sectors in those provinces.

Beyond economic impact, I am afraid we would jeopardize our access to Beijing, which has been patiently developed on political and security issues that are at the heart of Canadian foreign policy and projection of Canadian values. Whether it be the promotion of human rights, United Nations reform, the weaponization of space, or the responsibility to protect, the road to solution runs not just through Washington but also through Beijing. I fear our capacity to influence those discussions would be jeopardized if this bill goes forward.

Second, it is not apparent what hard Canadian interest will be served by the bill. There's a great deal in the bill that would be of value to Taiwan, but not as much, at least to my mind, that would be of value to Canada. While Canadian actions would be mandated related to presidential visits and promotion of Taiwanese membership in the WHO, there are no binding commitments in the bill or implied in the bill on what the Taiwanese side of the bargain would be.

● (1120)

Third, it calls for what my teenaged sons might call an extreme makeover of the bilateral relationship, when my view is that bilateral relations are in fact quite good, albeit if constructed in an unconventional way, one in which MOUs replace treaties and offices replace embassies. There are limits to our relationship with Taiwan, but these are not the product of a faulty or unworkable framework now in place.

Fourth, there is the near certainty that passage of the bill would be seen as a diplomatic breakthrough by pro-independence forces in Taiwan. This has the potential to destabilize cross-straits relations and disrupt the delicate balancing act involving Washington, Taipei, and Beijing. It's worth remembering that Canada's recognition of the PRC in 1970 set the pattern for what followed in the deals struck by many other governments with Beijing. There is fear both in China and elsewhere of a reverse precedent in this case.

Since May, I have spoken about the Taiwan Relations Act with academics and officials in Beijing, Washington, Hong Kong, Singapore, Australia, Indonesia, and South Korea. While not everyone had heard about the bill, the general reactions were, first, a curiosity about what it was intended to do and why it was being introduced now, and I think more importantly, an anxiety that it will embolden pro-independence forces in Taiwan, inflame Beijing, and make it more difficult, rather than easier, to conduct substantive relations with Taiwan. I'm not suggesting that I spoke to every voice in all of those countries, but I think the people I did speak to reflected a mainstream pattern of thinking. My conclusion is that passage of the bill would harm our standing in the eyes of almost all of our Asian partners and make regional diplomacy more difficult.

Where should we go from here? The bill's admirable intention to generate new thinking about how to advance relations with Taiwan is very positive and very welcome, but it is not yet persuasive that crafting a new legislative framework is the best way to proceed. Rather, let me recommend three steps that could be both practical and constructive and that might be worthy of the attention of this committee.

First, it is prudent to avoid the zero-sum game of sovereignty and state-to-state relations and instead continue with carefully managed unofficial channels and development of commercial, educational, and cultural connections. We can do more to encourage and assist Taiwanese participation in international networks that involve civil society actors, universities, NGOs, and the so-called track two processes that have been set up for the discussion of a range of issues in East Asia and across the Pacific, and indeed on a global basis. Taiwan has one of the most dynamic civil societies in Asia, and working with that civil society in deeper ways is valuable.

As we have found, in the non-governmental Council for Security Cooperation in the Asia Pacific, even this approach to non-governmental groups can be difficult. Beijing restricts, limits, in a constant cat-and-mouse game on each of these. However, I think it is more productive to resist Beijing on these specific initiatives in the economic, cultural, and track two policy world than it is on the more sensitive issues of sovereignty that are implied in the bill.

Secondly, we need more channels for policy exchanges with Taiwanese experts, academics, and scientists. While exchanges in the area of science and technology are proceeding positively, exchanges are less developed on issues including the environment, migration, health, and human security. The topics need to be expanded to include developmental assistance programming and corporate social responsibility, issues of great interest in both Canada and Taiwan civil societies. Whenever possible, mainland Chinese participants should be included.

Special attention should be devoted to ensuring that Taiwan is a partner in the gateway activities that are beginning to unfold. As seen in the initial draft of Bill C-68, one of the key issues as the gateway council sets up is to make sure Taiwan is part of that screen. It is going to be China-driven, and Japan is our principle economic partner, but in the human, economic, and commercial exchanges and in the creativities that are going to be necessary for those exchanges to work, Taiwan must receive special attention and should not be kept out of that gateway strategy in any way.

● (1125)

Third, I would suggest that the two sides, us and the Taiwanese, commission a comprehensive study by non-governmental experts on the future direction of the relationship and practical steps that can be taken to expand collaboration. It may well be that this committee could facilitate that kind of process, and also in its future activities take a look at the broader unfolding of economic, political, and strategic relationships in east Asia and in the area of greater China. What you have been deliberating on for the past few months is really just one part of a puzzle—an economic puzzle, a security puzzle—that is playing out in east Asia. For Canadians both to understand that dynamic in the region and to express our views on it could be extremely helpful.

In conclusion, in all of these activities we need to proceed aware that with democracy in Taiwan has come a superheated and volatile political atmosphere, a politicized bureaucracy, and deep and abiding societal divisions over independence, reintegration with China, or maintenance of the status quo.

Taiwanese democracy no longer needs external support, save perhaps for security assurances from the United States. Rather, the key policy challenge for Canada continues to be how to balance relationships on both sides of the Taiwan Strait and how to avoid being pulled into one side or the other of the intense internal political debate in Taiwan about its identity and its destiny.

Almost 35 years ago, when earlier parliamentarians were wrestling with the Taiwan issue in the context of a one-China policy, Mitchell Sharp said in the House that the question of the future of Taiwan is a question for the future to decide. My suggestion to the committee is that the moment has not yet arrived when we should be giving the answer from the Canadian side.

Thank you very much.

The Chair: Thank you very much, Mr. Evans.

We will now start with questions and answers. It's five minutes for Q and A.

We'll start with Mr. Sorenson, please.

Mr. Kevin Sorenson (Crowfoot, CPC): Thank you very much, Mr. Evans, for being here today.

I will apologize on behalf of the committee for the tardiness in sending you the invitation, but sometimes that's the way things work around here. Let me tell you this. In spite of the late invitation, we certainly have appreciated your testimony here today, and I have personally found it very helpful.

You also mentioned at the outset that you would be willing to provide written testimony or more information on this. I would, again on behalf of the committee, ask if you could do that and see that our committee has access to that.

One of the things you mentioned was the seven-step plan you authored back in 1989 that would help Canada expand its relationship with Taiwan. I guess the brunt of my question would be whether we have done enough.

When you concluded your statement, you talked about Mitchell Sharp saying that sometime in the future we would need to decide what measures we could take to do it. Many times I see, especially in this town, that we keep pushing things off. I think when Mr. Abbott brought this bill forward, he brought it forward with every good intention. We need to recognize, first of all, that Taiwan has quite a history—a history of democratization, a history of moving not by revolution but by peaceful means. How do we then recognize Taiwan today? Certainly things have changed in Taiwan since 1989 when you offered the seven-step plan. What could we do today, not sometime in the future? What can we do substantively today?

I know Mr. Abbott has tried to bring forward legislation that would not cause a lot of division but would recognize some of Taiwan's achievements. How many of those seven-step plans were accepted back then? Have we done enough?

You also mentioned that when we do this exchange, with the expertise from China, Taiwan, and Canada, we have to make sure that Taiwan is included. I can tell you this. From what we have seen, there has been a great deal of effort to exclude Taiwan. Even in the midst of the WHO, when we were dealing with SARS and the fact that they had cases of SARS in Taiwan, there were people questioning whether we would even invite them to the table because of what it might do. Would it legitimize their claims? What was it going to do?

Have we done enough? What can we do now? Perhaps some things need to be postponed to the future.

If you could comment, please....

● (1130)

Mr. Paul Evans: Thank you so much.

Those seven steps, I'm afraid to say, were all incorporated into the Canadian strategy at the time, which sometimes makes me wonder if I shouldn't have added two or three more at that stage. I would say that in 1989, as Taiwan's democracy had really started to blossom and Canadians began taking a second look and the Taiwanese economy was going well, it was a creative moment.

I'd suggest that if that kind of study were done again now, there might be two or three elements that could be added to it for, as you put it, not just more study and reflection, though that can be useful, but for current activity. One of the things I would suggest is to deepen our financial capacity for scientific, cultural, and other exchanges and training programs with Taiwan. This can be done through universities; this can be done through research institutes.

If we take issues, as you correctly identified, like health and SARS, there are some limitations to what can be done diplomatically, but there are no limitations to what we can do with the creative work with our scientists and with our health people at local levels. Comparing, for example, the level of Canadian contacts with Taiwan in these areas to that of the United States or some of the Europeans, we see we're way behind. We need to have more of those kinds of activities.

Secondly, I would say that one of the steps we should be pushing as quickly as possible is Taiwan's involvement in regional institutions of a non-governmental nature. This is a tactical issue that would demand a great deal of detail if we were to get into each of the events, but it seems to me that there are things we can do to at least try to get more Taiwanese into the process. The attitude I think of the government is to try this, but whether it's a strong enough push is something I think civil society forces and Parliament should ensure.

So I would say those are two areas, and the last one, just to repeat, is to make sure Taiwan is part of this unfolding gateway strategy. In my sense, the gateway strategy is the most important initiative on the Canadian side in Asia-Pacific in more than a decade. There, there are instruments; there, there is financial capability for deepening these networks; and that's where I would put Taiwan top of the agenda.

Mr. Kevin Sorenson: Thank you, sir.

The Chair: Thank you.

Now we'll go to Madame Lalonde, s'il vous plaît.

[*Translation*]

Ms. Francine Lalonde (La Pointe-de-l'Île, BQ): Thank you, Mr. Evans. I'm focusing on a part of your testimony to appealed to me particularly as a Quebec sovereigntist. I'm interested in this bill, but, as I've said on a number of occasions, I feel it makes a change to the international status of Taiwan. In particular, clause 4 seems to me to constitute recognition. We don't think we can go as far as that. Why? Perhaps because we know from experience that a country, even a friendly one, can't outstrip a people or a nation that aspires to sovereignty. It can't go further or faster than the country. France, for example, has developed expressions for that. It supports us, but doesn't precede us.

An hon. member: In Corsica.

Ms. Francine Lalonde: In Corsica? I don't believe that's entirely...

● (1135)

The Chair: Ask your question, please.

Ms. Francine Lalonde: I'm entitled to establish...

The Chair: You have every right, even the right not to ask a question.

Ms. Francine Lalonde: This is important because this is the first time I've heard that argument. It may be a fundamental argument. If that's the case, we have no business interfering in China's strategy with regard to Taiwan. For the moment, we know that the majority in Taiwan doesn't want independence. Are we going to punish the entire population — we've experienced that at times — because some elements within the majority would like to change status? One may wonder whether that's really the right strategy to seduce the Taiwanese.

I want to say clearly that we're interested in this bill, but it doesn't constitute a form of recognition. It would even be utterly irresponsible on the part of the Taiwanese to want to use such legislation to promote the idea of independence. They're familiar enough with the situation to know that the opposite would occur.

What you say opens my eyes and makes me wonder whether it isn't time to take a loot at this. I've been a member of the Standing Committee on Foreign Affairs and International Trade for a number of years now. With the other committee members, I've examined relations between Canada and various more or less democratic developing countries to determine what our attitude toward them should be. Taiwan isn't a recognized country; it's a territory. It must be quite difficult to be in that situation. We shouldn't interfere in future relations between Taiwan and China, except to say that we want the matter to be resolved by discussion and negotiation, not by arms. In the meantime, shouldn't we refine certain relations, without them being country-to-country relations?

Canada authorizes all its provinces to have delegations, which do not have the status of embassies, in various countries. Those delegations are in a position to negotiate a certain number of contracts and exchanges of experts and to resolve problems that fall within provincial jurisdiction with the other country. Why wouldn't this bill be of the same type? We're not advancing, we're not going any further, we're not taking a position on domestic issues. We're not recognizing, but we're saying “If they were provinces”.

What do you think of that? I've spoken a long time, but I thought it was important to sum up the situation.

[*English*]

Mr. Paul Evans: Thank you, Madame Lalonde.

I'm not sure that legislation is necessary for us to move to the next layer of relations with Taiwan. I think it's important to say there are voices in Taiwan that share your concerns that too dramatic an action could actually be unfortunate for the people of Taiwan, who want to maintain connections to Canada and who want to have strong relations with other neighbours in their region. It's very hard to know what the people of Taiwan want.

What Mitchell Sharp was saying 35 years ago was I think that this is a process that is playing out; it is not for us to try to influence that internal debate. There is always the risk that some kinds of Canadian actions will be portrayed as entering into that debate, as trying influence it, and that might be one of the reasons for being very cautious with this kind of bill.

[*Translation*]

The Chair: Ms. Lalonde, your time is up.

[*English*]

We'll go to Mr. MacAulay.

Hon. Lawrence MacAulay (Cardigan, Lib.): Thank you very much, Mr. Chair.

Mr. Evans, again, it's a pleasure to have you here and on short notice. It's unfortunate, but that happens a lot for us too.

There appears to be a lot of discussion around here on this bill on Taiwan and on reality versus perception. We have been told that the perception in Beijing is that this bill will unilaterally change Canada's one-China policy. It would also put the perception in Taipei that independence has moved closer. I'd just like you to comment on how it would contribute to the situation if this bill was to actually pass. Also, could you make a comment on whether it would do anything to increase Taiwan's security or would have a negative impact on security?

Of course, we have had great relations with China and Taiwan. You could comment too on how we would deal with human rights issues and these types of things. I agree fully that Taiwan has advanced dramatically in democracy, but what we don't want to do is end up causing a problem in the area.

I'd just like you to comment on those three situations.

● (1140)

Mr. Paul Evans: Thank you.

I think this question is fundamental for this committee as to whether the contents of the bill in fact or only in perception indicate a dramatic change in the status of our relations with Taiwan. There may be lawyers and others who can comment on this with the kind of detail that you'd find helpful, either before the committee or in private submissions.

My view, as someone involved with the politics of these issues, is that as currently worded, not only in Beijing but in virtually every country in east Asia, there is the perception that this would be a fundamental change in Canada's relationship.

However it could be explained, whatever the legal fine points on it, perceptually other countries are watching this very carefully, and they also share the concern that this really does change the nature of our relationship with Taiwan in ways that many of them fear might be destabilizing.

You asked your second question about the security of Taiwan. Largely, that's provided by Taiwanese military with assistance from the United States. But Taiwan's security most fundamentally depends upon its relationship with Beijing. Any number of aircraft carriers or anti-missile systems are not going to be adequate to the defence of Taiwan should the situation across the straits deteriorate.

That's why this issue, in which Canada is not a principal player, is so important, because most countries in the region feel there is a very delicate balance, a status quo that has been reached now that even for its deficiencies is positive. Movement around diplomatic relations, even with a country like Canada, which is distant but also has a reputation for being a leader in this...several are concerned that this could hamper Taiwanese security.

On this, as on many other issues, there are deep divisions within Taiwan. We have heard here in Canada the views of some of their representatives, but within other parts of government in Taiwan, within large sections of the public, there are anxieties. This is not a universally popular initiative in Taiwan, and it shouldn't be. In any democracy we're going to have divisions, but to play into that can become a very tricky game.

Maybe I could leave the human rights question for another time, but I would suggest that human rights issues involving Chinese and Taiwanese are things that we have been doing and can do more....

One of the most interesting topics now is corporate social responsibility. As Chinese firms are going around the world, investing in different parts of the world, they're pretty lousy corporate citizens, whether it's in Africa or Canada. Taiwan has been slightly better, in fact considerably better. There is an area where human rights, not only in their own countries but in the way they project human rights in the places they do business, could be part of our agenda and we could encourage.

The Chair: Thank you.

Ms. McDonough, please.

Ms. Alexa McDonough (Halifax, NDP): Thank you, Mr. Chairman.

First, I want to thank you, Mr. Evans, for coming to the committee on such short notice to share your expertise. Secondly, I want to say how appreciative I feel about the constructive presentation you've made. I say that in contrast to what we witnessed here at the committee on Tuesday, because what is very worrisome is any possibility that this committee would be driven to a position based on threats, fear of reprisals, fear of retribution. That's not a sound basis for public policy or any other decision.

It's obvious that you have a considerable track record around encouraging an increased deepening of the relationship between Canada and Taiwan. Not that there is time to do it here, but I wonder if you would be willing to follow up further with either some written material or perhaps another meeting. I would be very interested in you sharing in more depth your thinking about where you would see us going, beyond your seven-point plan that goes back about 16 years. I think this is the aspiration that really has driven us to want to go down this path.

Having heard some of the threats that have been placed before the committee, one does have to be even more worried about the possibility that the defeat of this legislation would further embolden the repressive forces in China. You did comment that you felt the possibility of the passage of Bill C-57 would embolden the pro-independence forces in Taiwan. I'm wondering if I can ask you to comment on the reverse effect. From that, I would be interested in more concrete suggestions that you could make for us to try to achieve exactly what I think lies behind this bill.

As you've outlined, despite all odds, Taiwan is a jewel in its economic dynamism, in its advance of democracy, in its upholding of human rights. In the name of advancing democracy, there are the most godawful things happening around the world at the barrel of a gun, yet we don't want to back off lending our solidarity and support to the very important developments in Taiwan. I wonder if I could ask you to comment on that.

● (1145)

Mr. Paul Evans: I couldn't agree more that our policy choice should be based on what is in the interests of Canada and in the interests of promoting our values abroad and our influence abroad. What we all feel will be some repercussions from Beijing, some downside risks with Beijing, should not be the reason we make a decision, although those consequences would be severe. If it were the case that we felt this bill would substantively improve cross-straits relations and the prospects of peace and reconciliation in that part of the world, and that it would deepen our relations with Taiwan at one stage, we would go whether or not Beijing was onside. But I think there are enough reasons for questions on these issues that it's not exactly in our interest to do it.

Will this embolden repressive forces in China? I don't think so. The reason I don't think so is that in this case, the decision, the discussion, is really around our Canadian interests. Though there were some hard words from the Chinese ambassador on this—and Beijing no doubt has very firm views—I don't think people in this room are greatly influenced by those words. I think we take heed of them, but the reason for coming to this decision is that we have balanced the multiple forces.

As you know, I'm not positive on the bill itself, but what I would say is that it would be a tragedy if we cannot take from these hearings some specific, concrete actions to expand our relationship with Taiwan in ways that don't jeopardize that basic political agreement that already is in place.

On recommendations on specific steps, I would be happy to make some suggestions to the committee. I think there would be others who would be very happy to do that too, if it were in the context of positive, practical, constructive steps that we can take, short of changing the fundamental framework of the relationship.

I don't know that I can provide all of the answers, but we certainly could, over the period of the next two to six months, commission some work and encourage a joint venture with some thoughtful non-governmental Taiwanese on this. But channelling it, getting something positive out of it, indicates that Canadian policy is made in Canada, and it's made on the basis of our interests.

● (1150)

The Chair: Thank you very much, Mr. Evans.

Now we'll go to Mr. McTeague.

Hon. Dan McTeague (Pickering—Scarborough East, Lib.): First of all, I want to thank you for being here, Professor Evans. It's very helpful that we were able to get you to make your way here in your capacity as vice-chair of the foundation.

Professor Paltiel was here the other day, and he more or less made the point about the conferral of what he thought was legal status through this bill. In his view—very similar to your comment that the moment has not yet arrived—he referred to what I thought was the special relationship that Canada has with Taiwan in terms of its evolving democracy, and he said that recognizing this democracy does not in itself necessitate the conferral of some recognition, near or approximate, on the question of sovereignty. From your comments, I take it that you would agree with that assertion.

I don't have the actual quote in front of me here, and I apologize for that, but it was a very important revelation. Do you believe that to be the case? Is this something you support?

Mr. Paul Evans: I believe one of the earlier witnesses, Dr. Paltiel, said something to the effect that we can admire and support Taiwanese democracy without getting into the game of sovereignty and recognizing Taiwan as some sort of sovereign country. Is that correct?

Hon. Dan McTeague: That's correct.

Mr. Paul Evans: I would concur with the general thrust of the observation, and I would add a couple of things. Taiwanese democracy is vibrant, it is to be admired, and in many ways it can be a model in many other parts of not just the Chinese world but the broader Asian world.

Everyone is looking at Taiwan, but not as a perfect model. Anyone who has attended or seen what happens in their legislature—as compared to this Augustine, peaceful institution here—will recognize that there's a certain rambunctiousness.

Taiwanese democracy is not perfect in its funding, how it comes about. Money politics are an important element of it. But on balance, it is an extraordinary success. It doesn't need us to strengthen it. Taiwanese democracy has a life of its own, and we can benefit from learning a few things from it. There are some parts of our procedures that are helpful.

Like Professor Paltiel, I feel the study of and the interaction with Taiwanese democracy does not have to entail us being committed to particular views on the independence/integration/status quo debate within Taiwan itself.

Hon. Dan McTeague: The quote—and I must thank Mr. Lee for this—is as follows: "Supporting democracy does not require us to treat Taiwan as a sovereign nation." That's really the quote I was looking for, and that's verbatim what he said the other day.

On that same wavelength, because we have talked about Taiwan's democratic achievements, there is obviously an example of how other countries that are struggling with their own democracy can certainly take note of what Taiwan's strength has been. My question really relates to the same theme of democracy. As we know, Taiwan has official relations with about 25 relatively poor countries throughout the Caribbean, Africa, and Central America, some of which are in the process of consolidating their democracies, of course. Do you see Taiwan's dollar diplomacy, if I can call it that, as contributing to sustainable democratic evolution in unstable places like Haiti and some islands in the South Pacific? In your view, is this the best way for Taiwan to export its democratic principles?

Mr. Paul Evans: Thank you.

Two years ago, we conducted a series of meetings with Taiwanese think tanks on the question of the long-term prospect of their diplomatic competition with Beijing for essentially those 22, 25, or 28 countries—the number shifts. I think it's fair to say that it is a losing game. Taiwan is losing in the battle of state-to-state competition, step by step, inch by inch. Further, it is not just losing the numbers game, it is losing what we feel and what so many Taiwanese feel is the opportunity to have positive substantive relations with other countries by first of all playing that competition game, but also by what is going on in the kind of assistance that Taiwan provides to those countries.

Democrats within Taiwan would like to see more scrutiny of Taiwan's foreign assistance. Almost 40% of the money that is given by Taiwan as aid money in its competition in these countries is not scrutinized by their parliament. How that money is being used is in some ways not very positive for democratization in the countries that are affected.

So even within Taiwan there's a very interesting debate on this now. Is it the right strategy for the country? And if it is going to be providing developmental assistance, how can it do it in a way that promotes democracy in other parts of the world?

● (1155)

The Chair: Mr. Menzies.

Mr. Ted Menzies (Macleod, CPC): Thank you, Mr. Chair.

Once again, thank you for coming on such short notice. I and my colleague Mr. Sorenson have a couple of quick questions. I know the clock is ticking, so we're going to be very short. If you can't answer them here, maybe you can provide some written follow-up.

I have followed what the foundation has done since meeting with some of your people in 1999 in Seattle, and I have a great deal of respect for your work. I want to compliment you on your consultations with all of the Southeast Asian countries to get their feel for this bill. We appreciate that.

I guess I want to pick up on your comments about the negative impact this may have on Taiwan. They're improving their own stature and their own connections with mainland China. There is a lot of investment from Taiwan in China that could very well be threatened by this and the amount of support they have within the country for continuing their own climb to establishing a relationship.

If you don't have time to comment on it, I would appreciate some follow-up on it.

Mr. Paul Evans: I would just say that within Taiwan, the balancing act with Beijing is exquisitely subtle and sensitive in how it moves. I don't think anyone fears that should this move ahead it would mean that Taiwanese investment in the mainland would disappear or be harmed. But if it were the case that something happened in the distant land of Canada on these matters, and others began to take that same course, or it was seen as a diplomatic initiative by Taiwan, on many fronts—and in fact it might well be, as Canada is the leading edge of this—then it could destabilize those relations in some of the ways you talk about.

So we just don't know if this is a single case of a particular Taiwan approach to this issue or if it's part of a deeper pattern. If it's successful, it almost certainly will be part of a deeper pattern.

Mr. Ted Menzies: Thank you.

The Chair: Mr. Sorenson, a quick one.

Mr. Kevin Sorenson: Just very quickly, Mr. Evans, should this bill be defeated, would it have implications, or a negative impact, for the people of Taiwan? Would it have a negative impact on the democratization in Taiwan?

Let me put it this way: should this be defeated—and maybe I missed this question, if it was asked before—how can we go hand in hand with other...? I know you've talked about other things we could do, but what should we look at doing right at the time of the defeat, more than a ministerial comment, perhaps, or two sentences from the Prime Minister? How can we do something in conjunction, should this bill be defeated, that would minimize any negative impact to Taiwan?

Mr. Paul Evans: If this bill is not passed, there will be some in Taiwan who will be very disappointed. Many in Taiwan don't agree with the comment of Dr. Paltiel, or my observation, that you can have democracy without sovereignty. There are 20%, 30%, 40%—hard to put a figure on it—in Taiwan who support Taiwanese independence, and I think most of them will feel disappointed.

On that side, I would say that there is fundamentally nothing we can or should do to respond to it. The people I am more concerned about are the people in Taiwan somewhere in the middle on this debate, who feel that their democracy...who feel that the contributions their society can make are not being recognized in Canada, in much of Europe, or in Asia. It's for those people, who are proud of what their country is doing, who want to have more relations with the outside world, that we need to redouble efforts to have bilateral contacts with them and also work even harder to get them into some of these international processes from which they've been excluded.

I'm very careful that it would not be international at the level of formal governmental activities, but as we know, in almost every policy area now, there is a whole range of governance institutions that are not just government. I think being involved in governance, showing some initiatives, making some stronger pushes in some contexts, will show that middle group in Taiwan that we are deeply concerned about their future and want to see them as part of the world community, albeit in an unusual way.

● (1200)

Mr. Kevin Sorenson: Do you think that's enough? This would be in print in Taiwan. This would be a news story in Taiwan; they're following it in Taiwan.

I'm looking for something. Perhaps I'm wrong, but I'm looking maybe for something a little more specific, that with that news story in Taiwan—"But Canada is...."

Some of the suggestions you made are more that we do not need to go to governmental agencies, but to business and other groups. This doesn't seem to be quite at the same level as what the negative impact of this may be. Yes, but we're doing that anyway, aren't we?

Mr. Paul Evans: Yes, sir, but I don't think this committee needs to be defensive from the perspective of what Canadian interests and values are. In Taiwan there has been a considerable debate about which routes it should go to expand its influence. The desire to encourage and support the legislation that's currently before us is one route. I suspect there will be calculations, should this not pass, that this is not the best route to go in some other locations.

So as I said, I don't think we need to be defensive, but I think at the same time we shouldn't miss an opportunity to say we want contacts with Taiwan. I would think too that this gateway strategy—which I'm sorry to have been repeating again and again—of getting Taiwan involved is a big gain on the Canadian side. And letting the Taiwanese know they are going to be welcome is a pretty big signal; it's as big a signal as we can send right now.

Mr. Kevin Sorenson: Thank you.

The Chair: Thank you, Mr. Evans.

Thank you, everyone.

We're going to recess for a few minutes, and after that we'll have the Association des universités et collèges du Canada for five minutes.

Merci.

● (1204)

(Pause)

● (1212)

The Chair: Pursuant to Standing Order 108(2), we continue our study of the international policy statement.

[*Translation*]

It is a pleasure for us to hear from Mr. Wade MacLauchlan, Chair of the Standing Committee on International Relations of the Association of Universities and Colleges of Canada and President of the University of Prince Edward Island, as well as

[*English*]

Mrs. Karen McBride, vice-president, international affairs branch.

Welcome, both of you.

Do you have a statement, Mr. MacLauchlan?

[*Translation*]

Mr. Wade MacLauchlan (Chair, Standing Committee on International Relations and President of the University of Prince Edward Island, Association of Universities and Colleges of Canada): Good morning, Mr. Chairman and committee members. Thank you for the invitation to appear before you this morning.

My name is Wade MacLauchlan and I am the President and Vice-Chancellor of the University of Prince Edward Island. I am here in my capacity as Chair of the Standing Advisory Committee on International Relations, a committee of the Association of Universities and Colleges of Canada. I am joined by my colleague from the AUCC secretariat, Ms. Karen McBride, Vice-President, International Affairs.

AUCC is a non-government and not-for-profit organization representing 90 Canadian public and private not-for-profit universities and university-degree level colleges. Our standing committee is made up of university presidents from across the country who provide strategic direction on international issues to our national association.

Canadian universities have an active interest in Canada's international policy statement. Its acknowledgement that the future belongs to knowledge-based economies and the references given to the strategic importance of internationalizing higher education and research are welcomed by our community. But we believe there should be a stronger emphasis on the contribution that Canadian universities can make to Canada's role in the world.

Canadian universities are already significant drivers of Canada's international relations. We have over 3,500 active institutional agreements with partners around the world, have trained over 260,000 people in the developing world and enrol more than 70,000 international students at the undergraduate and graduate level.

In short, Canadian universities have the expertise, relationships and a commitment to global citizenship to play an even larger international role. Given the major domestic and global challenges we face as a nation, it is imperative to take full advantage of these assets. Concerted action is all the more necessary in light of the fact that other countries are “engaging the world through knowledge” in their foreign policy.

In your kits, you will find a backgrounder AUCC has prepared which summarizes the strategic approach of several OECD countries to international education. To keep pace, Canada has some critical gaps to address. We have made recommendations for targeted measures in a number of specific areas to help fill these gaps. You have no doubt read our brief which captures three key priority issues.

● (1215)

[*English*]

But let me speak then to these three priority areas, and we look forward to the opportunity to engage with the committee on how we advance these areas, and more broadly, how we advance the whole building on the international policy statement, which we understand is of course the work that your committee is undertaking here and in your cross-Canada hearings.

First, we must do more to prepare Canada's students, tomorrow's leaders and citizens, with the international knowledge, the cross-cultural skills, and the global perspective that they require and that Canada requires to thrive in the current globalized environment.

In today's world such skills are no longer optional; they are essential for all Canadians. Yet as a country, we currently send less than 1% of our university students abroad for short-term, for-credit international educational experiences. At the current rate of growth, it would take 23 years to double the number of students that we currently send abroad, that number being 6,000 students in any one year. We think this is unacceptable, given the documented benefits of such experiences. Canadian universities have therefore set a long-term target to have 5% of students participate annually in an international education experience.

As an important first step, we are calling for a tripling of the present number from 6,000 to 18,000 students annually by 2010. May I say, and it's in your documentation, that this would still put Canada in the running but, frankly, still not by any means at the top end of countries internationally in terms of the number of our students going abroad and having an international experience.

There are many ways to reach this target. The AUCC research shows that lack of finances is the key barrier to student participation in such experiences. We must make international education opportunities broadly accessible to a critical mass of students from a range of backgrounds and from across the country. We are therefore calling for a range of measures, including a needs-based study-abroad grants program to meet this goal.

We speak then to the second of our priorities that we raise with you this morning. At the same time, we must ensure that Canada is a destination of choice for the best and brightest international students. These students become our long-term research, business, and diplomatic partners when they return home and when they fuel our knowledge pipeline should they choose to stay in Canada.

As a nation, we must be on a level playing field with other competitor countries seeking links with such global talent. We are therefore calling for a prestigious scholarship program to attract this particular group of highly qualified students to brand the excellence of the Canadian university system abroad, and indeed to become the underpinning of future relationships and to expand the capacity that Canada has in its relations broadly, internationally. As you know, this was in fact one recommendation of this committee in its June report on Canada's emerging markets strategy.

Further, Canada must ensure that it is fostering awareness of the talent available in our universities and must promote higher education as a globally competitive asset with huge relationship-building and export potential. We must do this particularly with those countries that are currently our important economic partners, such as the United States, the European Union, Japan, China, Brazil, India, and Mexico. As you will see from the map that is in your kits, these are all countries in which Canadian universities have an impressive range of linkages on which to build.

For example, we have had and are currently engaged in discussion with Japanese universities and have discovered that we have much in common in terms of values and strategic interests when it comes to research collaboration and student mobility. In China, with the strong domestic demand for higher education, we are seeing a growing trend towards establishing joint academic programs with high-quality foreign partners.

We need to ask ourselves, as a country and as institutions, what we are doing to ensure that we are well positioned to take advantage of the interest among such partner countries in Canada and in taking advantage of our higher education and research strengths. Over the recent period we've seen an impressive growth in the number of students who come from abroad to study in Canadian universities, and 70% of that growth has come from Asian countries.

● (1220)

There have been positive steps taken with the creation of the international science and technology partnership program in last year's budget to promote greater research collaboration with key countries such as India, China, and Brazil. That said, we need to ensure country-specific programs that take into account the important role to be played by Canadian university research linkages. To underscore another recommendation made in this committee's report on emerging markets, I can say we need to ensure that there are systematic connections between Canadian universities and appropriate international trade officials in Canada and abroad to facilitate partnership opportunities for commercialization purposes.

Third, as part of Canada's development assistance efforts, we must capture the full potential of our knowledge partnerships. This means leveraging higher education research and knowledge transfer to support Canada's contribution to meeting the millennium development goals and to reducing poverty in developing countries. We know that other donor countries recognize the importance of building on knowledge partnerships and the value of a strong focus on research for development in their assistance efforts. For example, both Finland and Sweden have development programs dedicated to strengthening the capacities of southern universities to leverage their own universities' research strength to address development problems.

In your package you will see a review of what a number of countries have done in this area, notably the countries of northern Europe, increasingly Great Britain. Australia has been in this business for some time, and, frankly it's very important that as Canadians we understand that we aren't the first into this game by any means and that we are by far not the most strategically oriented. Likewise, developing countries are calling for increased investment in their knowledge infrastructures and are looking actively for partners in countries like Canada to help.

Our brief calls for a range of possible measures to make knowledge partnerships a building block of Canada's approach to development. Broadly, Justice Canada shows leadership in supporting higher education and research to ensure a strong foundation for our own economy, for our culture, and for social development. We should explicitly recognize the importance of doing the same in our relationships with universities and with communities in southern countries, within our international policy framework. More specifically, it is critical that CIDA work with Canadian universities to develop a strategy for the transfer of cutting-edge knowledge in each of Canada's official development assistance priorities.

May I say that we met this morning with the president, Mr. Greenhill, and the new senior vice-president, Madame Vincent, of CIDA. We had very positive discussions with them along these very lines, which is to say on bringing all of our efforts internationally into a more strategic focus that recognizes at its core the enormous capacity of our knowledge-based relationships and our relationships that are built through our universities and then with our graduates as community partners in developing countries and in Canada as a tremendous tool for Canada's international efforts and effectiveness.

In this regard, Canadian universities have much to contribute and a long tradition of cooperation with developing-country partners. In fact, we have engaged in over 2,300 international development projects since the 1970s. For example, the University of Manitoba has been at the forefront of AIDS research and the training of health care workers in Africa for more than 25 years. This story is mentioned in our brief.

Finally, where recommendations are being put forth to devote 5% of Canada's R and D to development issues, Canada should prioritize mechanisms that engage Canadian university research capacity and relationships, given the convergence of Canadian universities' research strength and interest and Canada's priorities for its international cooperation efforts. Canada stands at the edge of a huge opportunity to be a leader in making knowledge partnerships a foundation of our foreign policy. This would allow Canadians to exert a positive influence on the world stage and help to find solutions to global challenges, as well as fueling our own competitiveness and standing in the world.

● (1225)

In sum, AUCC suggests that the committee's final report call on government to put a stronger emphasis on the international dimension of higher education and research in our implementation of the international policy statement. Quite specifically, we would find it very interesting, as the committee proceeds across the country and reflects on what you're hearing, if there were in fact a chapter devoted to this great potential to build Canada's role in the world and our relationships and our effectiveness in all aspects of what we're doing around these knowledge partnerships.

Through existing programs we have already seen the benefits in international cooperation at the university level and have introduced many countries to Canada's excellence and strengths. Canadian universities are convinced that this committee's support for the measures called for in our brief will invigorate Canada's international policy so that it will indeed be possible to do well and do good at the same time.

The Chair: Thank you very much.

Now we'll start with questions and answers. We'll go with Mr. Sorenson, please.

Mr. Kevin Sorenson: First of all, Mr. MacLauchlan, thank you for being here today. We certainly have appreciated your input on this.

Today we've gone from discussing Taiwan and China back to the international policy review. It's good to see that you're the president of the University of Prince Edward Island. We don't hear enough about the University of Prince Edward Island. We have heard so much about Holland College—

Some hon. members: Oh, oh!

Mr. Kevin Sorenson: —over the years, but we do welcome you. It's good to have you here.

I do understand the importance of Canadian students studying abroad, especially to understand the world better, to get a global perspective, to know what's happening. We live in a global community now.

I just want to quote from page 4, and you've mentioned it in your briefing as well. On page 4 of your presentation you say:

> AUCC research found that in 2003, less than 1% of university students participated in short-term for-credit international education opportunities. At the current three percent annual growth rate

—and you mention this—

> it will take 23 years to double the number of Canadian students going abroad

Then you say "Lack of financial resources remains the most significant barrier to addressing this situation". It's a statement we hear quite often in government: lack of resources prevent that from happening. Also you mention that we need to increase our investment so Canada does not fall behind.

How can we make more funds available for international travel when we really can't seem to even do anything about the increasing cost of post-secondary education here at home? I have young people, students, coming. I'm from an agricultural constituency, but so many of them talk about the rising rates. Canada, when you look at it, is still fairly reasonable compared to other parts of the world.

In your paper you say there are only a small number of privileged students or those from, as you word it, "socio-economically privileged backgrounds" who can benefit from international studies. More and more we're finding in this country that this is exactly what's happening even here at home. Yes, we have student loans; yes, we have some things that are available. I just wonder if you can address that.

An issue I would like you to comment on is that Canada is increasingly having to depend on immigration to fill our demands for skilled labour. I'm from the province of Alberta, where the economy is absolutely booming, and we can't find enough labourers and skilled workers to fill the void. Don't you think that as a priority right now we should be attempting to steer more students into colleges and into the trades? We do have great colleges and technical institutes here in this country.

My final point is that the Alberta Minister of Learning—I'm not certain if you are aware of this—has been putting out feelers or flying this balloon about government perhaps looking at kindergarten to second-year university or college. The problem with that is I think he believes the government would be willing to pick up tuition for colleges and universities in this country. Again, you'd have an increase of people looking only to Canadian colleges and universities.

There are about three points there. If you want to try them, we'd appreciate hearing from you.

● (1230)

Mr. Wade MacLauchlan: Sure, and let me—

The Chair: You have three minutes—one minute for each point.

Mr. Wade MacLauchlan: Okay. Let me take them as three.

You'd be surprised at how little it would take to get those students to move abroad. We're talking on the order of $3,000, and in fact our students go to Africa now on the strength of bake sales, selling tickets, charities, and so on. It's amazing what they do. But this is really to, you might say, prime the pump. Overall, it's not a huge investment that we're talking about to move from 6,000 to 18,000 who would go.

Let me take your second point about moving people into the trade, and I know just what you're saying about the workforce situation in Alberta. We have people leaving Prince Edward Island I think at too steady a rate—

Mr. Kevin Sorenson: And we welcome them, and we sure hope they stay.

Mr. Wade MacLauchlan: I'm going out there early next month, if not to get them to come back, to get some of their money.

In any event, we have a real issue in trades, and in fact, if you look at the demographics right across the country, there the issue is not to steer people out of universities into the trades, but to get a greater participation rate in those people who currently go to grade 12 and then don't pursue that avenue. It's a huge story, but frankly it's one where we as a country could do much better, and we would be glad to talk about that.

The third piece is the whole question of the role that immigration does currently play and will in the future play as a source...a workforce at all levels, including talented people to lead in the knowledge sector in Canada. And let me just walk into what is really one of the most sensitive parts of that. I think it's really important to take a balanced approach there, and notably in our relationships with developing countries, so that we're really approaching this with a view that people will return to those countries to be leaders and to be part of our ongoing networks and relationships.

The Chair: Thank you.

We'll go to Mr. MacAulay, please.

Hon. Lawrence MacAulay: Thank you very much, and welcome, Ms. McBride and Mr. MacLauchlan.

It's good to have the president of the University of Prince Edward Island here in Ottawa, and I'm also pleased that you're going to Alberta to gather up some money. My good friend from Alberta mentioned other institutions that have had a direct connection with my career and whatever—and I'm still here, and pleased that you're here.

I'd like you to expand on the international policy statement. You mentioned one thing when you were speaking about establishing a scholarship. Is that for students who are coming in from foreign countries?

● (1235)

Mr. Wade MacLauchlan: When we spoke about the prestigious scholarship, it would indeed be for students from abroad to be attracted to Canada, and in fact for Canada to be competitive with other countries that are doing this very thing.

Hon. Lawrence MacAulay: Are you talking about government, or whatever way it could be put together?

Mr. Wade MacLauchlan: It would be moved out through the institutions, but it would be an initiative, and frankly, against other measures, not a wildly expensive one for Canada to make a difference and to be competitive in that area.

Hon. Lawrence MacAulay: I'm just thinking of the business community itself. Does it appreciate the value of international students studying here? We're very big, of course, on students studying here, but to have our students going elsewhere also...they become diplomats, more or less, in another country and they can have a great impact on bringing business and business opportunity back to this country.

Mr. Wade MacLauchlan: Absolutely. And those two measures are very much a part of what we're proposing.

Hon. Lawrence MacAulay: Coming back to Prince Edward Island...I think you were involved in this knowledge partnership in a number of areas, but I'd like you to just explain to the committee your involvement in China. Also, I'm certainly aware of farmers helping farmers around the world, and this has direct involvement in third world countries. I think we've certainly made a mark in that area, specifically in Prince Edward Island. Perhaps you could expand on that.

Mr. Wade MacLauchlan: Those are two great examples of how this works, in terms of Prince Edward Island being out in the world and, more broadly, of how Canada can make a difference.

I was in China about two weeks ago. We have a number of relationships there, institution to institution, which will involve Chinese students coming to Prince Edward Island to study. But let me make a very specific point—and it's a beautiful one. On Saturday, just this past week, there was launched in Beijing as part of the celebration of the 35th anniversary of Sino-Canadian diplomatic relations the first official Mandarin Chinese translation of *Anne of Green Gables*, which will be printed in 10,000 copies in its first edition, and we have every expectation that there will be further editions. In fact, we had people there from UPEI, where we have an L.M. Montgomery Institute, and there were discussions about this becoming a feature of the 2008 Olympics in Beijing as part of the cultural program.

I think it's really important to make the more general point that we have in mind about how Canada can step out in the world through the humanities and through our literature. Frankly, one of the best faces that we have in the world is through our literature and our music at the present time, even some of it that, in the case of *Anne of Green Gables*, was written a hundred years ago.

To build then on the second point, which is how through rich partnerships developed over time we can make a difference in the developing countries, Farmers Helping Farmers have been working in Kenya for more than 30 years now. That means that our education students from the university and our veterinarians from the university can go, and they're our friends there. We had students placed there this past summer through the Canada Corps program. Then we have another group that's community-based in Prince Edward Island joining together in this.

You see that these are really about sustained relationships, where people get to know each other and trust each other. Ultimately, it's very much a two-way street. We're proud to see that, and there are many, many benefits on both sides of the north-south divide.

Hon. Lawrence MacAulay: Also, before this committee—I've mentioned it a number of times myself, and I don't know if you wish to elaborate on it—we've had a number of people expressing concern about the development in third world countries and the importance of supply management in the agricultural system, which has been the backbone of that sector, in dairy and poultry and this type of thing. I don't know if you wish to expand on it or not, but it's a great concern in Hong Kong to make sure that the agricultural sector is protected and that the supply management system that we have that works so well in this country and is so much needed in third world countries, as expressed by many speakers before you, remains.

Mr. Wade MacLauchlan: I think I'll let Mr. MacAulay's comments stand on that. Thank you.

[*Translation*]

The Chair: Mr. Paquette, over to you.

Mr. Pierre Paquette (Joliette, BQ): Thank you, Mr. Chairman.

First, I want to thank you for your presentation. We've adopted elements from that presentation because the AUCC has previously testified before the Subcommittee on International Trade on the issue of emerging markets. The role of Canadian and Quebec universities may be decisive in enabling us to take full advantage of those markets.

I made a comment to you at that time, and I'll make it again. We members of the Bloc québécois consider that the International Policy Statement makes no room for the provinces or parliamentarians. Education is a provincial jurisdiction.

In the general approach of your brief, what role should the provinces play in the implementation of what you're proposing? The federal government can't do it all alone. I believe you're well aware of that fact. How do you view that? What should the mechanisms or the division of responsibilities be?

● (1240)

Mr. Wade MacLauchlan: Let's take the example of the first recommendation. We're asking that students be sent and supported outside Canada. As you know, Quebec already has a program to fund and assist students in going outside the country to acquire experience of the world and to become complete citizens. The initiative we're proposing today is more or less modelled on the Quebec program. In general, there's enough room for the provincial and federal initiatives, resources and actions to be complementary.

Mr. Pierre Paquette: More specifically, I found it interesting that you talk not only about bringing in more foreign students to Canadian universities, but also about encouraging Canadian and Quebec students to go abroad. As you mentioned earlier, there is a program in Quebec for that purpose.

What do you think would be the benefits of encouraging Canadian and Quebec students to study abroad, particularly since you point out to us that Canada is really lagging behind in this regard?

Mr. Wade MacLauchlan: There are a lot of benefits. First, this enables individuals to be trained, to grow up and to be exposed to other cultures and other living conditions. Then they can bring back those experiences to their institutions and tell other students in their communities about them. Lastly, it enables them to have relationships that will continue throughout the rest of their lives.

In your information kits, we've included a brochure entitled “Training Citizens of the World”.

These same benefits also work in the other direction; currently, there are 70,000 foreign students at our universities. They bring influences and experiences with them. At the same time, they establish relationships that will enrich our students, our institutions and our communities.

Mr. Pierre Paquette: I'm going to take the time to ask one final question. Do you see a connection between this strategy of attracting foreign students and our immigration policy?

As you know, we're an immigration country and our population growth is relatively low. So we have to rely on immigration, even though it's not the only solution. Foreign students who come here could be a target clientele for immigration. Is that part of your thinking?

● (1245)

Mr. Wade MacLauchlan: Without a doubt. There are 70,000 foreign students in our communities in Canada who are developing relations and who will soon have the opportunity to work. That increases the likelihood that they'll stay in Canada.

Furthermore, many of those who come to Canada, to our provinces and our institutions to study will subsequently return to their home countries. As a result, there will be relationships and partnerships that could well result in business relations. Many opportunities will open up to create ties.

The Chair: Thank you.

Ms. Phinney.

[*English*]

Ms. Beth Phinney (Hamilton Mountain, Lib.): Thank you, Mr. Chair, and thank you for coming today.

I have a couple of questions. What you were just talking about, those 70,000 students from abroad who are in Canada, isn't that number mainly because it's a money-maker for universities?

Mr. Wade MacLauchlan: No.

Ms. Beth Phinney: They want as many students as possible to come in, because they make a lot of money; they make more money if a foreign student is registered in Canada than if a Canadian student is.

You were suggesting earlier that a student could go abroad for $3,000. If the students who come here are paying $25,000 to get into university or to register—a huge amount over what a Canadian student is paying—does that not happen the other way?

Mr. Wade MacLauchlan: Let me take the first question you raise, if I may. No, our motivation for having international students is not as a cash cow. Frankly, it's because of the ways in which they enrich the life of all. For example, at the University of Prince Edward Island we currently have students from 45 countries, representing about 8% of our student population. For the majority of our students who are from Prince Edward Island to have that exposure is an absolutely positive experience of growth, enrichment, diversity, and, in a way, an opportunity for them to become global citizens.

But quite precisely on the numbers, in our case the international students pay a premium of about $3,200 on a tuition; for Canadian students this year it's $4,700. In that case, we take that to reflect the fact that Canadian taxpayers and Prince Edward Island taxpayers still support slightly over 50% of the total cost of the education. So it's not that we're gouging anyone; it's simply to reflect a contribution for the value of what they're getting. This is true in many institutions, or perhaps all institutions, across the country.

Our commitment with that international premium that the students pay is to provide services and to offer financial assistance to the international students.

The Chair: Ms. McBride.

Ms. Karen McBride (Vice-President, International Affairs Branch, Association of Universities and Colleges of Canada): I would like to add to one of your questions about the cost for Canadian students. When we talk about the support that Canadian students need to go abroad, we're talking about short-term study abroad, not pursuing a full degree program abroad. If they were to pursue a full degree program abroad, they would be paying a much more substantial amount. But that $3,000 Professor MacLauchlan referred to is really a contribution to a short-term experience abroad.

Ms. Beth Phinney: Okay.

Most of the countries you have in this paper that list the activities in different countries seem to have set up a central office in their country that handles all kinds of bursaries and anything at all to do with foreign students, I presume both coming in and going out. Do we have anything like that in Canada?

My second question to go along with that is, how do we encourage this? How do we encourage Canadians to go to other countries?

Beside my constituency office is a private company from Australia that is sending students from Canada to Australia for a year. Are they charging these students for this service? Are they lending them money?

You must know about these offices that are set up. It seems to be a private company and it's very secretive—they have their windows covered and everything—but there are students going in there all the time looking for a trip down to Australia.

● (1250)

The Chair: Very short, please.

Mr. Wade MacLauchlan: I can speak very briefly to that. In fact, there are agents who are very effective players in both immigration and the recruitment of students internationally, and it's true for those 70,000 students who have come to Canada. In many cases, various institutions will work through agents. In other ways the students find out about this through the Internet, through someone else in their community who has gone, and so on.

But let me take the question about how we encourage Canadians to go abroad. There's actually an increasing appetite for this, in which we see these 14-year-olds, 15-year-olds, and 16-year-olds coming through the system. It's really amazing, the extent to which they arrive, coming from a world without borders, especially because of technologies and so on. Frankly, it's to signal to them that Canada, that we, that our institutions, not only encourage them to go but will help to remove some of the barriers.

The Chair: Thank you.

Now we'll go to Ms. McDonough.

Ms. Alexa McDonough: Thank you, Mr. Chair. I want to thank both Dr. MacLauchlan and Ms. McBride for being with us this morning and making such a cogent, compelling set of arguments for what a win-win situation it is for us in Canada to take more seriously the challenge of giving our young people that overseas experience.

The two things that are extremely graphic in your presentation are, one, what it is the universities are now doing with nothing like the kind of public support that's needed. I have to say, as the foreign affairs and international development critic of my caucus, as well as the post-secondary education critic, that I was actually stunned—and I'm embarrassed for my previous ignorance—at the magnitude of the work that's now being done without the kind of support that's really warranted.

Second, it leaps off the page when you present here graphically the comparison between Canada's support for students having an educational experience abroad compared with other OECD countries. Other countries that you've mentioned—the Netherlands five times as much, Germany seven times as much of an investment in ensuring those kinds of experiences. I think nobody could argue with what your description is of the benefit from this. There are many benefits, but in this turbulent world, with the challenges we face, giving young people a real sense of global citizenship is probably the objective that's most important of all.

I have a couple of very specific questions, and one actually arises out of the last question raised by my colleague, Beth Phinney. There are more and more private institutions that are responding to this explosion of interest in the motivation of young people to go abroad. I am not trying to single out anyone, but there was a really pretty disturbing incident a couple of weeks ago that was the culmination of a great deal of lobbying that was done by a private institution to get all kinds of people to sign on to say it would be great for this private institution to start offering private educational experiences abroad. I've no idea what happened. Bill Clinton was supposed to be the big champion and all of a sudden he pulled out. I, for one, have serious concerns about, in some cases, the safety and security of students going into these situations, but secondly, the quality controls. We have a whole system of governance. We have universities that are in the business of assuring quality and continuity of experience and so on. I'm wondering if this is something that's rearing its head more and more that we should be looking at within the context of the foreign policy review.

You've mentioned a number of important benefits, but I want to ask you to comment further on the issue of the explosion in the numbers of students enrolled—if I'm not mistaken, I think it's the fastest-growing enrolment in universities across the country today in international development studies. Graduates are increasingly having a difficult time getting jobs, yet they're facing these mountains of debt because they don't have the overseas international experience. Government says they're not hiring them because they haven't had the overseas experience, and the NGOs aren't hiring them because they don't have the overseas experience. So they're in the chicken and egg problem, and I'm wondering if you could comment on that.

● (1255)

Ms. Karen McBride: Thank you very much. I think we have seen the proliferation of a number of organizations that, as Professor MacLauchlan said, see that there's an appetite for having that international experience and that there's a motivation because of the kinds of benefits it brings to students, and perhaps they aren't that reliable in terms of protecting the health and safety of students, making certain that it's going to be a quality experience.

That's why in our brief we talk about working hand in glove with partners that already have those platforms, in particular the institutions or universities across the country. We believe that for mobility to be very effective, it has to be for credit, it has to be embedded in the academic studies of the student, and it needs to be *encadré*, in terms of health and safety, by the institutions that take an active interest in the well-being of the students. So that's why we think universities are key partners, key platforms, and have the networks to really move a critical mass of students with, as Professor MacLauchlan pointed out, relatively little investment in order to help the students make it happen.

I think the appetite we're seeing for overseas experience is across the disciplines, but it comes to be particularly important when the students' envisaged career path requires that they have that kind of practical experience. I think it's fair to say that institutions are being very innovative with the partnerships they have in trying to find very practical approaches for students to get that experience. Nonetheless, our research shows that for most students, given the costs they already bear, it's that additional support, when they have financial need, that can make it happen. It's not that the institutions don't have the networks and the capacity to send them, it's that they don't have the means.

The Chair: I'm sorry, Ms. McDonough, but we need to finish by 1 p.m.

Ms. Guergis, please.

Ms. Helena Guergis (Simcoe—Grey, CPC): Thank you, Mr. Chair.

Thanks very much for being here today.

First, I want to tell you that my father was born and raised in Summerside, Prince Edward Island. I have a lot of family who are still living there. In fact, we have a Conservative candidate by the name of Eddie Guergis, for the riding of Egmont. But I'll leave it there, without getting any more political.

The Chair: That's a political comment.

Ms. Helena Guergis: It's a family thing.

Going back to the 1% of our students being sent abroad, I really do like the idea of you pushing towards 18,000 students by the year 2010. I think that's something I could support.

Everyone has talked about the 0.7% by 2015—it's the most talked about millennium development goal—and different ideas on how to reach that.

Specifically, what are some of the programs that most of the students are showing an interest in? First, can you answer that question for me? Is there a specific area where students are really showing more of an interest in, in travelling?

Ms. Karen McBride: To be honest, I have to say that it's quite broad based. We, for example, working with the Canada Corps initiative, were able to field, in the span of two months, 100 student internships in developing countries, in a broad range of governance-related internships.

As opposed to perhaps 10 or 15 years ago, when maybe the interest would have been in more traditional partners, I think now there's a broader interest in going to developing countries, emerging countries, as well as our traditional partners.

Ms. Helena Guergis: Often I've talked with some of the smaller NGOs and other people around the country about doctors, nurses, trades, those kinds of professions—a recruitment program in the country. In order to reach the 0.7% by 2015, could we think of that a little bit more outside of the box and talk about these students having an opportunity to serve a year in a developing country and having that work towards reaching the 0.7% by 2015? Do you see any kind of program like this that could possibly work?

Ms. Karen McBride: Yes, indeed. I think in fact Canada Corps—and one could even envisage a broader Canada Corps that addresses not only governance but all of CIDA's priorities—could mobilize quite a critical mass of students who bring that expertise across various disciplines in demand in developing countries. I think that would be a legitimate contribution to trying to meet that overall objective.

● (1300)

Ms. Helena Guergis: Thank you for that.

What accountability measures are in place? Is there a process with CIDA, and how much money do you receive from CIDA? Do you have a figure on that?

Ms. Karen McBride: Are you speaking specifically about the Canada Corps initiative?

Ms. Helena Guergis: You can break it down for me.

Forgive me, because I don't understand in full detail exactly how much you get and how many different programs you have.

Ms. Karen McBride: Right.

Ms. Helena Guergis: You can follow up afterwards too, if it's more appropriate.

Ms. Karen McBride: Why don't I follow up afterwards? There is a range of ways in which universities interface with CIDA, one of which is a partnership program that's quite large, which we can give you more information about. In your package we've provided you with a few fiches that talk a little bit about that program.

Canada Corps, at the moment, is a $2 million pilot program.

The Chair: Thank you.

Before closing, I have one question.

You gave us a chart concerning the overall investment in international education coming from OECD countries. Knowing there are about 30 countries in the OECD, how far from the OECD is Canada's average? How does Canada's average compare to all of the OECD? You mentioned Germany, the United States, the United Kingdom, Japan, and the Netherlands. What is the average of all of the OECD?

Ms. Karen McBride: It's very difficult to get that average. In fact, we had to work very hard to get these comparators so that we were comparing apples and apples. There is no OECD comparator that one can judge Canada against. We worked very hard to choose countries that we think Canada should compare with and to make certain we were looking at apples and apples.

The Chair: Thank you very much.

Mr. MacLauchlan.

Mr. Wade MacLauchlan: I'd like to make a very quick final comment, because it builds on your question, really, about how Canada compares and, as Ms. McDonough pointed out, where Canada stands in relation to others. The document is in your kit.

This is a very competitive world. Korea is doubling its spending from 0.3% to 0.6%, and Singapore and Malaysia.... Things are happening very, very quickly. Frankly, I think out of all of this question of what we're going to do with the IPS, the number one objective should be, in a world where Canada could indeed be simply swept out of business in terms of any relevance or profile or impact, that we aim to achieve a brand and an impact that puts us on the map. That's not going to be easy, but with your guidance we'll get there.

Thank you.

The Chair: Thank you. If you cannot provide us with the OECD material, do you have any studies concerning the G-8 countries? It would be very good if you could provide those to the committee.

Ms. Karen McBride: We'll provide you with everything we have on it, yes.

The Chair: Thank you very much, Ms. McBride and Mr. MacLauchlan.

Have a nice day. The meeting is over.

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