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Chair

Mr. Lee Richardson

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● (1535)

[English]

The Chair (Mr. Lee Richardson (Calgary Centre, CPC)): I think we'll have to begin. We are always a little late when we're meeting in this venue, because of the video conferencing. It takes a little longer to get from the House to this building.

We have witnesses waiting and I think we shall begin. We have five today, so we're going to have to be careful about our timing of questions and answers—we'll have to be firmer than usual.

I would like to begin by welcoming everyone to the Standing Committee on International Trade. This is the 14th session of the current sitting.

We will continue our discussion and study of the proposed Canada-Korea free trade agreement. We have witnesses from the Canadian Labour Congress, Congrès du travail du Canada; Spirits Canada/Association of Canadian Distillers; the Canadian Association of Mouldmakers; and, I hope, via video conference, Fission Energy.

This will be the only business we deal with today. We will commence hearing from the witnesses. We'll hear from all of you. Hopefully Mr. Khan will be joining us on video conference. If not, we'll begin the questions without him.

I'll ask each of the witnesses after their introduction to give a brief opening statement, which will be followed by a round of questions. We have a format: questions and answers are limited to seven minutes per member. We hope to stick to that. I'll remind you of it as we begin questions.

Mr. Khan, can you hear me?

Mr. Steve Khan (Executive Vice-President, Fission Energy): Yes, I'm here now. Thank you.

Can you hear me?

The Chair: Yes, we can. I have just begun the meeting and you haven't missed anything yet.

I'm going to introduce the witnesses as they speak. We're going to begin with the representative of the Canadian Labour Congress. I'll probably bring you in when the four speakers are finished. At that time we'll take questions from the members.

To begin, may I introduce Teresa Healy, senior researcher from the Canadian Labour Congress. Ms. Healy.

● (1540)

Dr. Teresa Healy (Senior Researcher, Canadian Labour Congress): Good afternoon, members of the committee. Thank you for the opportunity to appear before you today.

I'm here to speak on behalf of the Canadian Labour Congress, which is Canada's house of labour. The CLC represents over three million working people across the country.

We are pleased to participate in your study on the implications of the bilateral trade negotiations currently under way between Canada and the Republic of Korea. We know that your findings and recommendations will have an impact on how the Canadian government decides to proceed with the Canada-Korea trade file, and we wish to make a meaningful contribution to your report. We realize this is especially important now that the negotiations have come to what seems to be an apparent impasse.

We have three major concerns with the Canada-Korea negotiations. First of all, we are concerned that the model of trade under consideration will solidify Canada's role as a resource-producing region within North America and within the world economy, at the expense of Canada's manufacturing base and communities and public services. Second, we are concerned that the deal is wrong for workers in both countries. It puts corporate profits ahead of the needs and interests of working people in both Canada and Korea. Third, we are concerned that Canada is playing an unfortunate role at the level of world order. Instead of understanding why there is such deeply held and widespread opposition to neo-liberal trade and investment policies around the world, Canada is unfortunately reinforcing U.S. unilateralism, to the detriment of the multilateral system.

Our first point concerns long-term effects and structural changes in the Canadian economy. We represent women and men who work in resource industries, and with our affiliated unions we continue to work for collective agreements and public policies that ensure good, safe, environmentally responsible jobs in these sectors. We recognize that Canada's natural resources have often been the basis upon which we as a society have supported secondary manufacturing, public services, and strong communities.

With thoughtful stewardship of our natural resources, we could ensure economic justice and prosperity for many generations to come. We realize that the fate of many Canadian communities is linked with stable export markets for resources and agricultural products. Nevertheless, we are very concerned that Canada's rush towards a bilateral free trade agreement with Korea is intemperate and short-sighted and will lead to even more uneven development.

You have heard from other presenters that Canada's trade with Korea in manufactured goods is wildly unbalanced. As the Canadian Centre for Policy Alternatives has shown, Korea exported \$1.7 billion in automotive products to Canada in 2006, meaning that for every \$153 of automotive products Korea sends to Canada, we export only \$1.

Our major exports to Korea are in resource industries, and include coal, wood pulp, aluminum, and copper. A free trade deal between our two countries is likely to ensure that the mix of trade will favour resource-based exports and manufactured imports. It is likely that food processing and paper industries would benefit from an expansion in Canada-Korea trade. If Korea decides to open up its beef industry, this might benefit workers in Manitoba. Workers in Kelowna might also benefit from the export of paper products, but job losses in other sectors will be much greater.

As you have heard from other presenters, it is expected that high value-added manufacturing industries will be negatively affected. These include the electronics, machinery, and automotive assembly and parts industries, and the textile and apparel industries, among others. Using real-world assumptions, the Canadian Auto Workers concludes that at least 33,000 jobs will be lost.

Members of this committee who represent the people of Sherbrooke, Welland, Niagara, Mississauga, Markham, Owen Sound, the lower mainland, and Louisville, Quebec, will be intimately aware of the effects of plant closures on families in their ridings. I'm sure they could vividly relate to the impact of plant closures that have already happened and their impact on the communities they represent.

As you know, Canada has lost nearly 300,000 manufacturing jobs since November 2002. One in eight of Canada's manufacturing jobs that existed six years ago is gone. According to Statistics Canada, workers displaced by closures and layoffs, and those who go on to find another job, suffer an average decline in income of over \$10,000, equivalent to 25% of a typical manufacturing wage. As our CLC economists have found, the total number of jobs in mining and in oil and gas extraction is less than the number of jobs lost in manufacturing.

• (1545)

While plant closures might not be the issue of the day in certain parts of the country, we would like to remind the members of Canada's historical weakness in the capital goods sector. If Canada were stronger in advanced green technologies and in the manufacture of capital goods, the economic boom in the oil sands could be that much more balanced and sustainable.

The service sector is affected as well. Many of these jobs are low paid and are tied to the support for the manufacturing sector. Workers in the service sector are disproportionately women and workers from racialized groups. These workers are disadvantaged because of their already precarious employment situation, and will now be doubly disadvantaged because their sector is so closely tied to manufacturing, which is under attack.

Second, we are aware of the opposition to free trade in Korea and of the negative impact on workers in both Canada and Korea. Recently, the Canadian Labour Congress and the Korean Confed-

eration of Trade Unions issued a joint statement and called on our respective governments to halt these trade talks immediately. In light of the serious manufacturing crisis, the devastating deterioration of Canada's automotive trade balance, as well as the serious risks facing the Korean agricultural sector posed by this agreement, both labour centrals recognized that the Canadian and Korean manufacturing sectors will be adversely affected. In Korea, workers face the trend towards irregular and precarious employment, already at 54% of the labour force. This will only intensify as a result of such a trade deal. Korean and Canadian workers suggest that our governments choose instead to engage in a process of real consultation with labour and relevant stakeholders, one that will lead to an economic development strategy that will build our societies rather than pit worker against worker.

Third, we are further concerned that the Canadian government has decided to abandon an independent trade policy and, as it is doing in negotiations with Colombia, is pressing forward with a trade agenda that is widely unpopular around the world and one which the U.S. administration cannot get past Congress. Canada, it seems to us, is playing the unfortunate role of legitimizing unpopular bilateral deals forged by the United States. In the context of a weakening multilateral international system, this strategy concerns us.

By following the North American Free Trade Agreement model, the governments of both countries are trying to undermine opposition in the international community. Evidence of such opposition is seen in the apparent failure of the Doha Round. Yet the Canadian government continues its efforts to undermine this widespread opposition and entrench investors' rights at the expense of workers' rights and their wages on a bilateral basis. We expect these negotiations are intended to impose NAFTA-style restrictions on industrial policies and to entrench WTO plus intellectual property rights. Following in the footsteps of the unratified U.S.-Korea deal, we're concerned that both governments intend to weaken public services and social safety nets to the point where they are ineffective in protecting the people of Korea and Canada from the painful side effects of an unrestricted free market.

Not having learned the lessons of NAFTA, there are plans to keep the infamous chapter 11 provisions, which allow corporations to sue governments that act in the public good and keep governments constrained from implementing active social, environmental, and industrial policies. The core of these negotiations is based on a devastating model of development that can only lead to competition at the expense of workers' rights, labour standards, and the environment. These agreements, which grant excessive rights to business—in particular to transnational corporations—and facilitate the mobility of speculative financial capital, weaken workers' rights and lead to the erosion of basic labour and human rights.

Our recommendations are as follows. The Canadian Labour Congress calls for a moratorium on the current Canada–Korea negotiations. We recommend that discussions begin on a fair trade arrangement based on the rights of workers in both countries to fair social and economic development. We further call this committee to recommend that Canadian trade policy take a back seat to sustainable industrial and social policy, so as to ensure decent jobs based on the fundamental rights enshrined in ILO core conventions.

I thank you for considering our views on this matter and look forward to your questions.

The Chair: Thank you very much. That was great timing.

We will proceed with the presentation from the Confédération des syndicats nationaux. We have Josée Lamoureux.

• (1550)

[Translation]

Ms. Josée Lamoureux (Union Advisor, Confédération des syndicats nationaux): Thank you, Mr. Chair and members of the committee. Good afternoon.

On behalf of the Confédération des syndicats nationaux, I thank you for this invitation to testify about our concerns about the negotiation of a free trade agreement with Korea.

The Confédération des syndicats nationaux is the second largest labour organization in Quebec, representing more than 300,000 workers in all sectors of the economy, mostly in Quebec. We have a presence in both the public and private sectors. The CSN is a member of the International Trade Union Confederation and sits on the Trade Union Advisory Committee, also known by its French acronym CSC, of the Organisation for Economic Cooperation and Development.

Both because of its membership and because of its international affiliations, the CSN is greatly concerned by everything involving trade and the negotiation of trade agreements. The CSN is not opposed to trade. We know that the Quebec economy depends in large part on the strength of its exports. But we have serious reservations about the process currently underway. Given that the multilateral negotiations at the WTO, the Doha Round, are struggling to make progress, we are now seeing a profusion of bilateral accords.

We are particularly critical of agreements like NAFTA, in which the elimination of tariffs comes with provisions that limit governments' freedom of action to regulate, and reduces their ability to support local industry or to require local content.

We believe that not only should any investment provision not restrict a government's room to manoeuvre, but that it should also insist on social responsibility from companies in their labour standards. It should also require that OECD's guiding principles for multinational companies be applied and implemented.

The CSN has always supported the need for trade agreements to recognize the primacy of social rights, human rights and labour rights, specifically upholding basic labour standards in commercial and company law.

We do not feel that these rights are an obstacle to trade. On the contrary, we believe that they must be at its foundation. The opening of markets must have as its objective the improvement of our quality of life; it must encourage the creation of high quality jobs for us, but also for people in the countries with which we sign these agreements.

So we are particularly sensitive to the concerns expressed by the Korean Confederation of Trade Unions, which is affiliated with ITUC as we are, about the negotiations underway between our two countries and about the possible effects on their working conditions and on their union rights. In this free trade treaty, Canada favours reaching subsidiary cooperation agreements on the environment and on labour. The government has already indicated its intention to proceed along these lines with Korea.

Unfortunately, beyond this stated intention, we have little information about how discussions are moving forward. We are particularly worried about what form a cooperation agreement on labour could take. Experience teaches us that just because countries have signed an agreement to uphold the ILO's basic principles and labour rights, this does not mean that these rights will become a reality. Regrettably, we must point out that this kind of agreement, NAALC, for example, is clearly limited. The violation of workers' rights is a reality we still face, while a number of trade union rights, such as freedom of association and the right to collective bargaining, are excluded from the complaints procedure.

In a word, the shortcomings in complaints and in dispute resolution, as well as in sanctions, are clear. Let us also not overlook problems that a lack of vigilance in upholding social and union rights could cause. According to ITUC's latest report on the violation of union rights, progress has certainly been made, but much remains to be done in Korea. The violations are numerous: anti-union repression directed against the Korean public servants' union, arbitrary firings of union activists, violent attacks on strikers, and so on.

The government must ensure that labour legislation reflects the ILO's basic rights. It must also ensure that they are implemented and that measures are in place so that they are upheld. Furthermore, it must provide for legal recourse when there are disputes and for severe consequences when there are violations. In addition, we are particularly concerned about the Canadian government's position on Special Economic Zones.

According to the International Trade Union Confederation report mentioned earlier, the Special Economic Zones Act of July 2003 contains preference clauses for foreign companies that invest in these zones by exempting them from many national regulations on the environment and on labour standards. This provision suggests the possibility of further violations of workers' rights. Korean trade unions are strongly opposed to this act, mainly because it will allow the hiring of a workforce that is casual and has almost no protection.

• (1555)

How will imports from these zones be handled? What will our requirements on upholding social rights be?

These questions affect us all the more because we have a strong presence in the manufacturing sector—agri-food, paper, forestry, smelting, metal products, electronics, shipyards, etc.—that is presently experiencing serious difficulties. It has seen significant job losses in recent years, and the bleeding has not stopped. Since 2002, 135,000 jobs have been lost in the sector, that is one job in five. In 2007 alone, the year that has just ended, we have 38,100 fewer jobs in manufacturing.

Of course, some sectors are affected more than others. Forestry and textiles above all. Some say that the jobs lost in manufacturing are offset by jobs in the service sector. This is true, but they are often lower quality jobs, meaning that they are less secure, poorly paid, with few benefits, or none at all, and not unionized. We must not forget that, for several years, wholesale and retail sales have replaced manufacturing as the largest provider of jobs in Quebec and this trend shows no sign of being reversed.

The rising level of anxiety from those who see themselves as the losers in globalization must not be taken lightly. It is not enough to say that jobs lost are made up elsewhere. Job loss is first and foremost experienced by real people who find themselves unemployed and with few prospects of finding another job with comparable conditions. This is the turmoil that thousands of Quebec workers are now experiencing. The downward trend in the number of manufacturing jobs is going to continue because of the slowdown in the United States and the rise of the Canadian dollar, which is now hovering around parity with the American dollar.

It is in this particularly difficult context that Quebec must also deal with a drop in productivity, mostly due to the lack of investment in machinery and equipment and to inadequate training. Since 2000, Quebec exports have been progressing at a rate that cannot even be called moderate, only 1% per year from 2000 to 2006. This performance is significantly below the 8% recorded in the 1990s.

So, just as for the rest of Canada, Quebec's balance of trade with Korea is in a significant deficit. We do not believe that a free trade agreement with the country will succeed in reversing this trend. Quite the opposite. Far from what now seems to be an article of faith about the virtues of free trade, it seems to us that significant uncertainties persist as to the positive effects that such an agreement will have on our economy, our jobs, our income and our working conditions.

Without getting into a battle of statistics here, economic impact studies on this agreement hardly show cause for optimism. Of course, the CSN is particularly influenced by the study done by the Canadian auto workers, which foresees significant job losses for Quebec.

In summary, the CSN is asking that no agreement be rushed into. A number of factors lead us to believe that a free trade agreement with Korea will have no positive outcomes for workers. Before it proceeds any further, the government has the responsibility to study more carefully the possible consequences of such an agreement on employment, on working conditions and on the distribution of income. It must also provide us with a much clearer picture of the impact on the economy in general, the various sectors of that economy, and on the provinces. In addition, the CSN asks it to take utmost care with social rights and to break new ground in the area by

imposing truly deterrent sanctions and penalties when basic labour standards are violated.

Thank you.

[English]

The Chair: Thank you.

We will now hear from Spirits Canada/Association of Canadian Distillers. I see that we have Jan Westcott, president and chief executive officer, as well as C.J. Helie, executive vice-president. I take it, Mr. Westcott, that you're going to present the brief.

We will hear from Mr. Westcott.

Mr. Jan Westcott (President and Chief Executive Officer, Spirits Canada / Association of Canadian Distillers): Thank you, Mr. Chairman.

Spirits Canada is the only national trade association that represents the interests of Canadian spirits manufacturers and marketers. On behalf of the Canadian distilled spirits industry, we appreciate this opportunity to appear before you today to share our perspectives on the ongoing negotiations between Canada and South Korea to reach a potential free trade agreement.

Let me begin my comments with a strong endorsement on behalf of our member companies for an FTA between Canada and Korea. Korea is an important beverage alcohol market in its own right, and in addition may also be of strategic interest in terms of acting as a form of gateway or springboard for the entire region.

By volume, total spirits consumption in Korea is approximately the same as in the United States, or about ten times the size of the entire Canadian market. The leading local beverage alcohol products in Korea are beer and a locally made spirit called soju, but international whiskey brands also have a significant presence.

At its very core the Canadian spirits industry is comprised of primary manufacturers. Our members buy agricultural products like rye, barley, and corn predominantly from local farmers here in Canada and transform these grains into premium consumer goods that are enjoyed by discerning adult consumers around the world.

It sounds simple enough, but in reality the experience, technology, investment, knowledge, and dedication behind this part-science, part-art, part-magic creation is truly something to behold.

Our signature product is Canadian whiskey. Canada is fortunate to be one of only four regions in the world with an internationally recognized premium whiskey category. Our main competitors in terms of the international trade of whiskey are the United States, with American bourbon, and Ireland and Scotland, each with their own distinctive whiskey styles.

By practice and by law, all Canadian whiskey must be distilled and matured in Canada, which creates important local manufacturing, employment, and other significant economic spinoff activities.

The Canadian spirits industry has important manufacturing, maturation, and/or bottling facilities across the country, including Lethbridge, Hay River, and Calgary in Alberta; Gimli, Manitoba; Amherstburg, Brampton, Grimsby, and Windsor in Ontario; and Montreal, Dorval, and Valleyfield in Quebec.

The Canadian spirits industry is an international trade focused sector, with 70% of our overall production and 80% of Canadian whiskey production actually shipped and enjoyed outside of Canada.

The spirits business is also a brand business. Consumers, and yourselves, I'm sure, would be most familiar with us through our companies' world-renowned and respected brands like Crown Royal, Canadian Club, Canadian Mist, Gibson's, Schenley, and Wisers. These Canadian whiskey brands are icons for Canada and for a premium Canadian quality all over the world.

I began my comments with an endorsement of a free trade agreement with Korea. Let me now identify the key elements of any FTA that are a prerequisite to our support: one, recognition and protection of Canadian whiskey and Canadian rye whiskey as geographic indications and/or distinctive products solely of Canada; and two, duty-free access to Korea for Canadian whiskies immediately upon ratification of the agreement.

Korea currently imposes a 20% customs import tariff on Canadian spirits, limiting the ability of Canadian whiskey brands to compete effectively for their fair share of the consumer adult beverage market. In contrast, Canada eliminated its import duties on all whiskies and other brown spirits as part of the World Trade Organizations' Uruguay Round a number of years ago. I should also point out that American whiskies received similar concessions in the recently concluded U.S.-Korea FTA. Canadian whiskies need equivalent market access opportunities to ensure that they can compete effectively with U.S.-sourced whiskies in Korea.

We would also like to take this opportunity to extend the industry's thanks and appreciation to Canadian trade officials within the Department of Foreign Affairs and International Trade with the Canadian embassies, missions, and consulates around the world, as well as officials with the Department of Agriculture and Agri-Food and the Department of Finance in their ongoing diligent efforts to open up new export market opportunities through FTA negotiations such as those undertaken with Peru, Colombia, and the Caribbean community.

Thank you for your attention.

We'd be pleased to answer any questions.

● (1600)

The Chair: Thank you, Mr. Westcott.

Now, from the Canadian Association of Mouldmakers, Dan Moynahan. Mr. Moynahan.

Mr. Dan Moynahan (President, Platinum Tool Technologies, Canadian Association of Mouldmakers): Thank you, Mr. Chair-man.

First, I'd like to thank you for inviting me to participate and to have a voice before the Standing Committee on International Trade.

On short notice, as of Friday of last week, I have put something together on Canada-South Korea free trade and its effects on the Canadian economy.

First of all, let me tell you a little bit about myself. I am married; I have two children and have been blessed with four grandchildren. I'm a journeyman mouldmaker with over 36 years of experience. Presently I am employed as the president of Platinum Tool Technologies. I have three partners, who are also skilled tradesmen.

Platinum Tool was incorporated on August 17, 1999. In eight and a half years the company has become the leading manufacturer of moulds in North America for the automotive lighting sector. Today the company has 52 employees and utilizes 16,400 square feet for manufacturing along with 4,000 square feet for engineering and administration. The end of this month will be my first anniversary as president of the Canadian Association of Mouldmakers.

I have brought charts for everybody today, but they have not been handed out. The charts and numbers in this booklet, along with the facts that follow, are based on the most recent data available.

The last time Canada had a positive trade balance with South Korea was in 1997. It was \$197 million. In the following nine years, to the end of 2006, Canada has had a negative balance with South Korea averaging negative 97.45% per year. Canada's trade deficit for 2006 with South Korea has grown to \$2.5 billion for the year. From 1997 to 2006 the Canada-South Korea trade deficit has risen by an astronomical 11,661%. We have amassed a \$23 billion trade deficit with South Korea over the last 10 years alone.

How many Canadian jobs must be sacrificed for South Korea? When does it end? What trade deficit must Canadians accumulate with South Korea before we have fulfilled our obligation? Is there a dollar-value target we must attain?

In the mould manufacturing sector, the hemorrhaging has not fared much better. Canadian mould imports from South Korea had grown by 3,885% at the end of 2006 to \$13 million, from \$345,000 in 1997. In the five years from 1997 to 2001, Canadian mould imports from South Korea grew by 80% per year, to \$1.7 million. However, during the next five years—from 2002 to 2006—South Korean mould imports into Canada grew by an additional 86% per year, to just over \$13 million a year.

The last time the Canadian mould manufacturing sector enjoyed a positive trade balance with South Korea was in 2002, and it amounted to \$1,680,000. By the year end of 2006 the Canadian trade deficit with South Korea stood at \$2,111,000 for the mould sector.

In the previous 12 months from December 2005 to November 2006 South Korea exported \$3,830,000 into Canada. During the same period, Canadian mould exports were \$1,664,000, resulting in a 43% decrease, or a \$2,165,000 trade deficit with South Korea for the year.

South Korean total mould exports to Canada ranked them at number nine for the period ending November 2006. During the following year South Korea total export moulds into Canada for the year ending November 2007 has grown to \$5,228,000.

•(1605)

The most recent 12-month data from 2006 to 2007 shows South Korea's trade advantage having grown by 87.6%, or a \$4,578,000 trade deficit for Canada for the period. South Korea remains the number nine country for mould exports into Canada for the year ending November 2007.

Meanwhile, Canadian mould exports to South Korea for the year ending November 2007 totalled \$649,000. For this period, Canadian exports to South Korea represented the largest percentage drop, at 61%, among Canada's ten largest mould-supplying countries. The November 2007 year end showed a trade deficit increase of 77.9% in total mould trade with South Korea for a net difference of \$4,578,000.

With more time to research, the Canada—South Korea free trade agreement would only result in my filling you full of negative points. You will have the opportunity to look at the facts and the numbers yourselves.

For the manufacturing sector, and more specifically the mould-manufacturing sector, there is nothing positive that can come out of this agreement. We have bled enough jobs to South Korea's democracy. Now is the time to reach an agreement that is beneficial to all Canadians. The Asian nations have knocked us to our knees, and yet we get up and fight back using technology, innovation, and a skilled workforce.

Let's talk fair trade, not free trade. Level the playing field for tariffs on Korean imports and exports. The net result will be fair trade. What future does the proposed Canada—South Korea free trade agreement offer to my grandchildren and the generations that will follow them? Trade agreements with any country should be developed to allow the small and medium-sized businesses to flourish, as they are the backbone of our economy in Canada. Canada was built on entrepreneurship. Let's keep the entrepreneurial dream alive.

Thank you.

•(1610)

The Chair: Thank you, Mr. Moynahan.

Now, from Vancouver, we have a video conference and, representing Fission Energy, Steve Kahn, the executive vice-president.

Mr. Kahn, can you hear us all right?

Mr. Steve Khan: Yes, I can, thank you.

Thank you very much for allowing me to join you today.

I was invited to this panel just late yesterday afternoon. I apologize; I haven't had a chance to prepare a formal presentation. But I want to share with you and the group there today some anecdotal evidence of some recent developments in our company.

Fission Energy Corporation is a junior mining exploration company based in Canada that is involved in the development of uranium resources and mining development in the Athabasca basin of northern Saskatchewan. Some of you may be aware that this area is the most prolific producing area in the world for uranium.

I recently returned from South Korea, about 11 days ago, after experiencing a very positive reception from a group of companies that have come together in a consortium. That group has been led by a company called Korea Electric Power Corporation. The consortium of companies has recently committed to an earn-in agreement with our company to spend \$15 million over the next three years to earn 50% of our project in the Athabasca basin.

The reason I think it's important to share this story is that we are a small company and we depend upon risk capital. While there is evidence that there are flows going outside the country, I want to share with you that there are flows coming in for companies like ours that depend upon risk capital.

To have one of the largest utility companies in the world, like Korea Electric Power Corporation, make an investment of this type is unique. It also opens the door for them and other companies of the same nature to come in and look at additional investments in Canadian mining companies like ours. We are certainly predisposed to and optimistic about the relationships we can build with additional Korean companies, such as KEPCO and its partners.

I think it's important to share, from the small company perspective, that in Canada many new jobs are created by small companies. Our company right now probably has about 15 employees. We can double or triple that over the next two years because of the investments coming in from the Korean companies that are interested in securing the potential for future sources of uranium to fuel their power plants.

This will help develop some of the northern, remote areas of the country that require capital that would not necessarily be forthcoming from traditional sources, such as banks or other more conservative sources here in Canada. We're very welcoming of the opportunity to have international companies, and certainly the Korean companies, come in and help us develop these projects. Opening markets for us would be very beneficial. We certainly are benefiting from the additional risk capital that we see coming in from South Korea.

International groups continue to recognize the large commodity base here in Canada, and companies like KEPCO are leading the way in helping companies like ours develop these early stage projects. Hopefully this can result in the development and discovery of new mines, which will create jobs and increase the tax base, particularly in areas such as the remote areas I talked about. Other companies are following KEPCO to look at ways to deploy risk capital here in Canada. We're hoping that we can garner more of that access to capital.

Fission welcomes further cooperation with Korean companies and the support of free trade. We've been very pleased to date with the experience. It has been a very short one, but we think it will grow significantly over the coming years. From the point of view of small business Canada, we would look to see, hopefully, more developments of this kind.

Thank you for the opportunity to share my thoughts with you today.

•(1615)

The Chair: Thank you, Mr. Khan.

We'll now proceed to questioning. As I mentioned at the outset, with five witnesses and witness groups here today, I think we're going to have to be fairly firm with our timing of questions. We have allocated to each member in the first round seven minutes for questions and answers. I would begin by asking members to try to keep your questions brief. You can direct them to a specific witness or to all the witnesses. If a question is directed to all the witnesses, obviously, I would have to ask you to keep your answers brief.

We're going to begin our questioning today with Mr. Maloney.

Mr. John Maloney (Welland, Lib.): It would appear that there's been a significant impact on the mould industry sector without a free trade deal. We've been able to keep up with improvements and technology, if I understand you correctly. How would you be affected if there was a free trade deal? What is the tariff right now for your product?

Mr. Dan Moynahan: I'm not familiar with the tariff rates. In a lot of Asian countries there are hidden tariffs, where they penalize the companies if they do not buy from certain suppliers. In China they penalize the mould manufacturers if they import moulds. There's a VAT tax they apply to the companies, penalizing them. It's not a tax; it's a penalty.

My company is a small company. That's why we've been able to sustain ourselves. We also have a niche in automotive lighting. We stick within our niche, and we're 100% committed to it. We developed our customer base from all the number-one tier ones and OEMs.

Mr. John Maloney: But if we had a free trade deal with Korea, would this affect your business, or would you be able to continue in business as usual?

Mr. Dan Moynahan: I'd like to see a free trade agreement that would level the playing field.

Mr. John Maloney: How would you suggest doing this?

Mr. Dan Moynahan: As Teresa mentioned earlier, we should look at all the living standards, the hidden tariffs on the exports. There's obviously something wrong when Canada, one of the leading countries for mould manufacturing, only exported \$634,000 worth of moulds last year to Korea.

Mr. John Maloney: You don't export at all, though?

Mr. Dan Moynahan: Yes, I do. Eighty percent of my business goes to the United States and Mexico. I've also exported to Turkey.

Mr. John Maloney: Do you feel there's a possibility to increase your business and then trade with Korea?

Mr. Dan Moynahan: Smaller companies like us, 52 people, don't have the resources to do it properly. If you're going to sell a product like ours, you have to stand behind it. Our moulds come with a lifetime warranty, and our customers expect it and hold us to it. To set up anything with Korea and start exporting there, we'd have to create a partnership with a shop in Korea.

• (1620)

Mr. John Maloney: I'd like to turn now to Ms. Healy and then to Ms. Lamoureux.

You've introduced an interesting aspect to this debate. I don't believe anyone has appeared before this committee who was

concerned about the rights of workers in Korea. We've heard from many people concerned about Canadian workers. What are your sources? What are the concerns of Korean workers, and where do you get this information?

Dr. Teresa Healy: We have a relationship with the Korean Confederation of Trade Unions. They were happy that we agreed to work with them on an analysis of this kind of free trade agreement. The Koreans are worried about the increasing precariousness of their jobs. They're worried about their labour rights. They're worried about the downward pressure that they would feel with the increasing liberalization of the markets. They're also worried about the restrictions that their government would face in protecting the social policy space under the new liberalism.

Mr. John Maloney: You also said they're concerned about their human rights. I'm just trying to draw a connection here. How would that happen?

Dr. Teresa Healy: When increasing liberalization is visited upon workers already facing precarious situations, they will face downward pressure, continued opposition to union organizing and to the exercise of free collective bargaining. They're finding that the threat of the new liberal agenda is going to have an impact.

Mr. John Maloney: Ms. Lamoureux, do you have any comments on this line of questioning, on the concerns of the Korean workers?

[Translation]

Ms. Josée Lamoureux: Yes. We can say that information is easily available. As I said earlier, the International Trade Union Confederation produces an annual report that lists violations of human and union rights. If you want a copy of their report, I can get you one. The organization, I feel, is concerned about the fact that when basic rights are under attack, especially those of the ILO, the workers bear the brunt of the comparative advantage. But this comparative advantage from the trade that the workers make possible is not real. This is a great concern for trade unions in all countries, not just in Korea. This is why we are calling for basic rights to be respected. If they are not, that very fact means that some companies get an advantage and that competition is unfair.

[English]

Mr. John Maloney: Ms. Lamoureux, you also indicated that obviously you're concerned about potential job losses if this trend continues, when we also look at the increasing value of our dollar and the declining value of the U.S. dollar and the concern about a recessionary period in the United States. Are you saying this is perhaps the wrong time for a trade deal with Korea, or are you saying we should never have a trade deal with Korea?

• (1625)

[Translation]

Ms. Josée Lamoureux: What I am saying is that, at the moment, we do not have the conditions to properly evaluate the effects of free trade in an already-difficult business climate. For that reason, it is quite difficult to give an informed answer to the question. The current situation concerns us greatly, and the job losses that we are going through at the moment add to the concern, as I said. There is nothing here that puts our minds at rest. I do not want to wage a war of economic studies, but I am astonished that we have so little information. It was only this year that the department published its first study, although negotiations have been going on since 2005. It would have been good to have much more evaluation and analysis, especially analysis by sector and by province. Then we would have been in a better position to judge the possible consequences of such an agreement.

[English]

The Chair: Mr. Moynahan, I'm sure you'll have an opportunity to get back in.

We're going to proceed to Monsieur Cardin.

[Translation]

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

Ladies and gentlemen, welcome to the committee.

My first question in a way stems from Ms. Lamoureux's answer about studies and/or possible consultation. Have the five groups that you represent here—whether they be companies, industries or anything else—been consulted in any way by the department with a view to discussing the potential impact or analyzing the effect of a possible agreement with Korea? I put the question to Mr. Westcott, Mr. Khan, Ms. Helie, Mr. Moynahan and Ms. Lamoureux in that order.

[English]

Mr. Jan Westcott: Yes, we have. We are an export-oriented industry. We've been highly successful. We have identified markets around the world where we have gone and worked hard to introduce our products into them and to successfully sell them. It's an ongoing aspect of the business.

Many years ago we identified South Korea as a prospective opportunity market for Canadian goods, particularly for Canadian whiskey. We explored that market, developed that market, and see continued opportunity. And yes, we have had ongoing discussions with the Department of Foreign Affairs and International Trade to apprise them of the opportunity to discuss any particular issues or problems we have had.

Generally speaking, I think we would say that for those people who want to go out and do business as exporters and are willing to go and do things there are those opportunities. But you actually have to go and seize the opportunities and try to do something.

I would hope and I would expect that this kind of collaboration between businesses that want to sell their goods overseas and the Government of Canada would continue.

[Translation]

Mr. Serge Cardin: Forgive the interruption, but I am tight for time. You are confirming that your company has been consulted by the department, but I would really like to find out if the other organizations have been consulted by the department on a possible free trade agreement with Korea.

[English]

Mr. Dan Moynahan: Mr. Cardin, to answer your question, this is the first time I've been approached about it. I've been working at the provincial level with the provincial government, because 93% of all mould manufacturing takes place in the province of Ontario. So although it is a Canadian issue, it is also a provincial issue for us. But to answer your question, no.

Dr. Teresa Healy: As you know, the labour movement is very diverse and regionally based across the country.

It might be the case that labour representatives whom I have not heard of have spoken to the Department of Foreign Affairs in the context of the negotiations. But to my knowledge, we have not been approached.

We have found the process quite closed and would echo the concern that there's not enough information being shared. It will be one of our recommendations that the committee suggest that in this negotiation and in others there be a free and open discussion about the issues that are being dealt with before the negotiations are heading towards the end of the path—right at the inception, right when the actual concepts about the free trade agreements are even thought of. We think there should be open discussion all the way along.

• (1630)

[Translation]

Mr. Serge Cardin: Ms. Lamoureux.

Ms. Josée Lamoureux: To my knowledge, the CSN has not been consulted either.

Mr. Serge Cardin: Mr. Khan.

[English]

Mr. Steve Khan: No, I have not had any other, prior discussions regarding this.

[Translation]

Mr. Serge Cardin: I have a question for Mr. Westcott. Your organization seems to be the only one to have participated actively in discussions with the department, because of the potential market.

Could you explain this sentence in your statement “...total spirits consumption in Korea is approximately the same as in the United States.”

What is the population of Korea?

[English]

Mr. Jan Westcott: I believe the population of Korea is about 50 million people.

[Translation]

Mr. Serge Cardin: That is a sixth of that of the United States and consumption is the same. Are they still in a condition to carry on these discussions?

[English]

Mr. Jan Westcott: You can understand, then, why Korea represents such an important market. I don't think Korea is out of step with a number of Asian and South Asian countries, and we've identified a long time ago that they're important markets for Canada.

Mr. C.J. Helie (Executive Vice-President, Spirits Canada / Association of Canadian Distillers): I'd just clarify that when we talked about the size of the Korean market, we were talking about the spirits consumption, not total beverage alcohol consumption. There is virtually no wine being consumed domestically in Korea. There's a huge difference in the types of beverage alcohol products being consumed.

[Translation]

Mr. Serge Cardin: That is what I was saying, the consumption.

Mr. Khan, you are working in nuclear fission. Do you export uranium?

[English]

Mr. Steve Khan: We have not gotten to that stage right now. We are still an exploration development company. We have a project in which we are hoping to find a uranium resource.

But the Koreans have decided to expand their program to secure international sources. To that end, it will help us develop a potential resource that we feel has very good prospects.

[Translation]

Mr. Serge Cardin: If you found some uranium and wanted to export it, the government has signed something called the Global Nuclear Energy Partnership. The agreement could mean that people exporting uranium to foreign countries would have to go and get it back once it was spent and radioactive. So Canada would be responsible for its spent uranium.

Have you heard about that and the impact it would have?

[English]

Mr. Steve Khan: I wouldn't believe that's the case. Korea generates a significant amount of nuclear energy. They have 20 nuclear power plants now and are building six others as we speak; they have their own reprocessing facilities; they have their own storage facilities; they currently stockpile spent uranium. Those types of products are not a two-way street. Once they buy that product, they're responsible for ensuring the safety and the ongoing containment of the spent nuclear fuel. It's not something that would find its way back into Canada or North America or anywhere. It's a product for which they themselves, as members of nuclear non-proliferation treaties, as well as because of their own commitments, would have to ensure they provide a safe storage mechanism for the spent fuel.

The Chair: Thank you, Mr. Khan, and thank you, Monsieur Cardin.

We'll go next to Mr. Julian.

Mr. Peter Julian (Burnaby—New Westminster, NDP): Thank you, Mr. Chair, and thank you to the witnesses for coming forward today. They were very interesting presentations.

I'd like to start with you, Ms. Healy. You referred to the structure of what we know of the South Korea-Canada free trade agreement, and that it's basically a NAFTA template. We know that since the start of the process of implementation of the Canada-U.S. Free Trade Agreement, most Canadian family incomes have fallen, or the incomes of about two-thirds of Canadian families, according to StatsCan; and that the average debt load of the average Canadian family over the last 20 years has more than doubled.

I'm wondering to what extent the CLC has studies about the gutting of our manufacturing sector that's taken place at the same time, and what the impact would be of continuing with the same types of deals you mentioned. You prefaced your remarks by talking about the Korean deal, with your concern being that it would essentially be raw resources we'd be exporting, along with a lot of manufacturing jobs.

To what extent has the CLC studied the question of what's happened to manufacturing and good, family-sustaining jobs over the past 20 years?

• (1635)

Dr. Teresa Healy: We have quite a few studies that we'd be happy to share with you and the committee, if you would like to see them.

We have been very concerned for many years about resource dependency, a path that we are seeing reinforced in deals since NAFTA, and since CUFTA actually, and to this point in time resulting in low value-added exports. We've been concerned that income inequality has accompanied this model of development. So we see, on the one hand, the manufacturing sector being under stress and incredible strain, and on the other hand we see resource dependency, as I said, with low value-added exports. We see a surrendering of the policy space at the same moment. So it's a package; it's an approach.

I think what we should see here is that it's a model of development in which we have given over very important policy space to these agreements and to these sorts of U.S.-driven international treaties.

Mr. Peter Julian: Could you share with the committee these studies that the CLC has done?

Dr. Teresa Healy: I'd be happy to.

Mr. Peter Julian: Terrific, thank you very much.

I don't have a lot of time, so I'll move on to Mr. Moynahan. You're quite right to be concerned about the possible impacts of a free trade agreement with South Korea. We certainly saw with Liechtenstein and the European Free Trade Association that they were able to out-negotiate our negotiators, and our ship-building industry is going to be profoundly hurt as a result.

I wanted to ask you and Mr. Westcott and Mr. Khan about the alternative—that is, rather than rushing ahead with a poorly crafted agreement, we should be looking at substantial investments in product promotion overseas. Canada does a very poor job at that. We invest about a dollar for every \$100 the Australians invest in promoting products and services abroad.

I'd like to hear from you to what extent the federal government has supported the mouldmakers in exporting overseas. Have you received any sort of promotional budget, any sort of concrete federal government support?

I'd like to ask Mr. Westcott and Mr. Khan the same questions.

Mr. Dan Moynahan: Regretfully, no, we have not really received any support. The only support that's available to our industry is the research and development program, and that's what we rely on for support.

Mr. Peter Julian: So you haven't received a penny.

Are you aware to what extent the Korean mouldmaking sector has received government support?

Mr. Dan Moynahan: I don't have a dollar value, but at the provincial level right now, we are doing a study on Canada-China and what the actual differences are when you compare apples with apples. I'll share that with your committee when the study comes out in March.

Mr. Peter Julian: The beginning of March or late March?

Mr. Dan Moynahan: Late March.

Mr. Peter Julian: Late March. Hopefully we'll be sitting then.

Thank you very much.

Mr. Westcott.

Mr. Jan Westcott: No, we have not accessed any government funds.

Over the past ten years, I would say, we have focused mainly on scenarios in which we see an opportunity to go and open up a market. You can't spend promotion dollars until you have created conditions that are reasonable for people to make those investments. Our relationship has been one of identifying those potential markets, and then asking the government to help us to eliminate potential barriers and to create circumstances in which it would make sense to go and make those investments.

From time to time, and certainly not recently, we have gone to the Government of Canada and said we believe a country that's a member of the WTO is not meeting their international obligations, and asked the government to help us make sure that they meet their international obligations so that the platform or the climate is available to us to go and make those investments. We have been pleased with the response we've had. We're not always successful. You have to go and push the button and do things.

The point I would make is that we don't believe you should sit and wait for somebody to come and identify opportunities for you. You have to go out and do that yourselves, and we've tried to do that.

Is there a potential to try to use promotional dollars? Perhaps. Often when you get promotional dollars from the government, there are other conditions or strings, and we'd have to look at those at that point in time.

● (1640)

Mr. Peter Julian: Are you aware of how much the American bourbon industry and the Irish and Scottish whiskey industries are subsidized for promotional support?

What's the Canadian sales value of spirit products right now in South Korea?

Mr. Jan Westcott: It ranges a little bit, but there are between \$500,000 and \$800,000 a year of exports into Korea. Korean imports of similar products into Canada would be \$200,000 to \$300,000, so we have a significant trade surplus with Korean spirits.

Mr. C.J. Helie: There is potentially significant new opportunity for us as well.

Mr. Peter Julian: Are you aware to what extent the other industries and other countries are provided with that trade promotional support? We've seen a real discrepancy between what Canada offers and what other countries are doing—the U.S., the European Union, and Australia. We're just outclassed right around the world. That has been a common theme coming out of these hearings.

Mr. Jan Westcott: I certainly don't believe that the Irish and the U.K. governments are directly subsidizing. I know that they have broad programs to promote British and Irish goods, as does Canada, and we do participate in those kinds of activities. Canada adopted some time ago a branding strategy that sees quality, reliability and integrity of source, particularly of food products, and we are strong supporters of that and active participants in those kinds of programs.

Mr. Peter Julian: Thank you.

Mr. Khan, have you received any federal government funding?

Mr. Steve Khan: No, we have not for our international efforts. We have been in the fortunate situation of having the South Koreans discover our projects and our company and come to us to provide us capital to expand our business. But from a Canadian perspective, mining companies like ours do receive tax benefits for developing mining projects in our own country. Those come through the flow-through shares funding initiatives, but they are not for our international activities, because at this point for us they have not been a necessity.

Mr. Peter Julian: Thank you.

[Translation]

Ms. Lamoureux, do you have an answer to the last question?

[English]

The Chair: Sorry, we're pushing it over eight. Maybe we can catch you up in the next round.

We'll go to Mr. Allison.

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

I want to thank our witnesses for being here today.

I'll be splitting my time with Mr. Miller, so I'll try to get three and a half or four minutes.

Mr. Westcott, I appreciate that you are in the exporting industry, so I have a couple of questions for you.

You talked in your brief about WTO not necessarily working for you in terms of the tariffs. Has that situation been rectified or is that something once again you're hoping will be rectified through an FTA? That would be my first question.

Mr. Jan Westcott: We are specifically looking to the FTA to help us overcome that 20% tariff into Korea. That would be a specific outcome of a successful conclusion.

Do you want to add something?

Mr. C.J. Helie: I would just add that we have very little faith that the Doha Round would deliver anything similar.

Mr. Dean Allison: Is that tariff illegal?

Mr. C.J. Helie: It is legal.

Mr. Dean Allison: It is a legal tariff?

A voice: Yes, very much so.

A voice: That's right.

Mr. Dean Allison: Okay.

Because your organization is exporting, I guess the challenge I have is that there are certainly people around the room who think that if we don't strike any deals at all and we just become protectionist, the world will go on without us, and everything will be okay. Obviously you yourself or the companies you represent have had to go into a lot of markets. Talk to us a little bit about the need for free trade agreements and the fact that we live in an increasingly global world where we need these opportunities to make our businesses more profitable.

Mr. Jan Westcott: I would point out that we think Canada should be aggressive on negotiating these bilateral arrangements to the extent that it can. The WTO process has been disappointing, I think, to a lot of people.

I'm not going to get into it here, but the fact of the matter is that America, which is a competitor of ours in terms of bourbon, and quite aggressive, is going around the world cutting deals. They've just done an FTA with Korea, which gives U.S. bourbon a distinct advantage: there will be no 20% tariff. So we're going to go into Korea, absent an agreement, and now be competing with a 20%... hands tied behind our back.

The U.S. is pursuing and has pursued successfully free trade agreements with a number of trading areas that are, in our view, important to our business in Canada. For Canada not to participate, they're basically saying we're going to be shut out of those markets, because in every one of those cases the other countries that are negotiating trade agreements are getting advantages and opportunities that will not be provided to Canada if Canada isn't trying to do something similar.

• (1645)

Mr. Dean Allison: I understand the deal hasn't been ratified yet. Are they receiving the benefit of the tariff, then? Is that something they look forward to if it's ratified?

Mr. C.J. Helie: Immediately upon ratification.

Mr. Dean Allison: Okay, great. Thanks.

Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC): Mr. Chairman, thanks to all the witnesses today.

Ms. Healy, you mentioned earlier that a free trade agreement would benefit food processors. I think I would agree with that, and

that's one of the advantages of a free trade agreement. It should do that.

Does your organization also represent on-farm workers? Do you represent all labourers in the country, or do you have to belong to a union in order to get your support—

Dr. Teresa Healy: I don't know much about the farm sector. I know the UFCW has been working hard to work with migrant workers on farms in southern Ontario, so I'm uncertain about the representation across the country.

Mr. Larry Miller: Okay, thanks. My point here is that besides the people who work in food processing plants, they would also benefit from it.

Mr. Moynahan, you said you'd like to see a free trade agreement that created a level playing field. I've heard some talk around here about getting rid of some tariffs and what have you. So it sounds like you approve of it, but with that condition, and if it could be in there....

You were asked whether you would expand or whether this would allow you...and it sounds like either you can't or don't want to expand your company. At the same time, it sounds like if we could address that level playing field, it would benefit companies like yours, and I think that's a good thing.

Mr. Westcott and Mr. Khan, there is a question I would like each one of you to answer. Again, we talk about tariffs and we've heard around the table over the last few weeks about diversifying our export markets, especially with the high Canadian dollar and the way that it's affected...because most of our trade is with the U.S.

First of all, would a Korean free trade agreement do something there as far as addressing diversification goes? And another thing beyond that, would getting access to Korea, for your individual companies and industries, open up other markets in Asia?

Could you both comment on that, if you wouldn't mind?

Mr. Jan Westcott: Should I go first?

Mr. Larry Miller: Certainly.

Mr. Jan Westcott: Absolutely. Clearly the United States continues to be our largest market. Canadian whiskey is the largest-selling whiskey in the United States. We outsell Scotch, Irish, bourbon combined, by a wide margin.

The dollar has had a significant impact on our ability to be successful in the United States, although we are working hard to continue to sell. Clearly it has eliminated for everybody the critical need to diversify your sales opportunities around the world.

Korea, as we've noted, is an important spirits market. Not every market in the world, not every country, is oriented to spirits. Some countries are beer-drinking countries; predominantly some countries are wine-drinking countries. We have to focus on the countries that have knowledge, appreciation, and a taste for spirits, and maximize and optimize those opportunities, and I think that does this. And clearly, with an FTA that reduces a tariff, that allows us to go into a country that has an appetite, if you will, for our goods, frankly, we'd be irresponsible if we didn't try to pursue that.

•(1650)

Mr. Larry Miller: Mr. Khan.

Mr. Steve Khan: With regard to Mr. Westcott's point of view, having been in Korea, in Seoul, ten days ago, celebrating with them the signing of our transaction, I got a chance to experience firsthand the spirits that were there. Certainly it would be great to see more Canadian spirits in use there.

From our perspective, the ability to go into Korea certainly does help us in other countries. When companies like ours, particularly small companies, are doing transactions in places like Korea, they get recognition.

Currently Korea does buy uranium from Canada. The United States certainly is one of the biggest markets for buying Canadian uranium. But when a small company like ours help to expand that marketplace into places like Korea, that gets us into the limelight, so to speak, and allows smaller companies to then be able to offer their product and services into a bigger marketplace.

So as to the opening of doors and the free trade aspect, anything that removes barriers will be significantly beneficial to us. China and these other countries are looking for other secure sources for the safe supply of uranium, for example, and they're moving into Australia in a big way. We've been to Kazakhstan. They are certainly interested in seeing what's happening in Canada.

So our company moving forward in places like Korea is something that is getting us noticed. In fact, the Japanese already know us in our sector, and are starting to expand that as well. Anything that bodes well for these Asian countries, Korea in particular, opens up a huge marketplace for us. We know that the potential for expansion is there, particularly in industries that in North America have been somewhat constrained by political and environmental issues. In the rest of the world, these technologies have been embraced as being safe and secure and as able to produce the energy that's needed.

For us this door-opening is a huge aspect. Other Canadian companies are going to benefit from this type of move as well as they move closer to production targets and as they are seen as being able to supply the additional sources being looked for.

Mr. Dean Allison: Thank you, Mr. Chair.

The Chair: Thank you, Mr. Miller and Mr. Allison.

We will now proceed to round two. Beginning for the Liberal Party, we have Mr. Temelkovski.

Mr. Lui Temelkovski (Oak Ridges—Markham, Lib.): Thank you very much, Mr. Chair, and thank you to all the witnesses.

Mr. Khan, are you aware of whether or not we have a FIPA agreement, a foreign investment protection agreement, with Korea?

Mr. Steve Khan: I'm not aware, no. I'd have to look into that.

Mr. Lui Temelkovski: Okay. Maybe I'll go to Professor Healy.

Canadian automakers and unions have suggested that non-tariff barriers are effectively blocking domestic vehicles from penetrating the Korean market. Do you believe that in the absence of those non-tariff barriers there would be a market in Korea for Canadian vehicles?

Dr. Teresa Healy: I've seen a debate on this question suggesting that the product mix in Canada is not the one that might find easy sales in Korea. To my mind, the question is not so much....

Certainly non-tariff barriers complicate the discussion; we should discuss them, but I think the whole arrangement where the trade is so unbalanced has to be contemplated. The fundamental structural questions have to be contemplated as well.

What we suggest is that, for us, the structural questions that are in place right now are also going to be reproduced within the context of a free trade agreement. One problem with this is that it's not an economic development strategy over the long term that is going to have beneficial results for the Canadian economy.

Mr. Lui Temelkovski: You're aware of the Canadian Auto Workers, Professor Healy. They have done a study on the potential losses of jobs. You're also aware that the Canadian government has similar studies that are a little bit different. I believe the Canadian Auto Workers study model shows a greater number of job losses than the Canadian government model shows. Which one do you think is closer to the truth?

•(1655)

Dr. Teresa Healy: I find that the dialogue between the writers of these studies has been very informative and very important. I hope the members of the committee have a chance to look at the debate between not just the documents themselves but the dialogue that's been happening, because what the CAW argues is that they have been using real-world assumptions and historical experiences, based on the history of free trade and bilateral trading relationships that Canada has already entered into. So one would have to say it's quite ideological to assume that basically the lowering of tariffs and entering into a free trade agreement with a country like South Korea is automatically going to create the conditions for a resurgence of industry in Canada. That doesn't make any sense. If the members think about their own ridings and the economic circumstances of their own manufacturing bases, I don't think their real-world experience in their own ridings could actually concur with the ideological argument.

Mr. Lui Temelkovski: So you would agree that there cannot be a possible assessment.

Dr. Teresa Healy: No. I think what's in this model is entrenching Canada's relationship to the world economy as a resource producer. It's increasing the extent to which Canada will be involved in the globalized economy not on the basis of generating a long-term benefit for the workers and for the actual economy in Canada, but it will be developing a very uneven kind of growth in which the manufacturing sector is going to be harmed substantially and structurally, not just in a temporary way.

I haven't heard any argument that you could say the Canadian industry is actually going to be able to withstand the incredible imbalances that exist between our two economies.

Mr. Lui Temelkovski: Then if we look at it on a larger scale, I'm sure you will agree that when you're operating in ten different countries you will have some surplus and some deficits in some countries, but we must look at the entire revenue or income structure of the ten countries, as opposed to one. One may be a losing proposition initially, but you're hoping to develop it in the future. Would you agree with such an assessment?

Dr. Teresa Healy: I think what we have to do is look at the global situation, and we have to look outwards. It's very important that Canada has a progressive internationalist position so that the gains from trade can be equitably distributed across the country and also in the international system. There is a progressive alternative for an international position that could develop fair trade policies that bring about justice in the international system and do not entrench increasing income inequality within Canada, regional disparities, and also an unequal kind of world order in which we find ourselves very, very closely approximating the policies that come out of the United States' administration at the moment and acting de facto in terms of a customs union without actually ever announcing the fact. We seem to be increasingly acting as if we have already created a customs union in North America.

Mr. Lui Temelkovski: Thank you.

Maybe my colleague can ask a couple of questions.

The Chair: Not this round.

Monsieur André.

[Translation]

Mr. Guy André (Berthier—Maskinongé, BQ): Good afternoon. I welcome everyone to this committee on international trade.

I have heard you express concerns. They are legitimate and I encourage you to stick to your position. As you know, we have had many job losses in the manufacturing sector here. Ms. Lamoureux mentioned the losses in Quebec. Others of you indicated that across Canada, job losses reach 300,000. In Quebec alone, almost half the jobs in the sector have been lost. The government could have intervened and put in place a safety net in Quebec to protect our industries like textiles, furniture, bicycles. It did not intervene. Bills were tabled in the House, Bill C-411, for example, to establish international trade standards for dumping, standards like the ones in Europe and the United States. The bill was voted down.

So your concerns are justified because we see the jobs being lost only when these agreements are signed, sealed and delivered. Then the government just lets things take their course. I think it is very important that the members of the committee are able to receive the information that you are providing today. It is essential because if we sign an agreement, jobs are lost—as you say—and then the manufacturing sector disappears.

On December 4, 2007, the Minister of International Trade appeared here. He told us that there would be no signed agreement because he did not have the economic evidence and analysis confirming that a Canada-Korea agreement would have any benefits. We held hearings—we have done so for almost three or four months—we met the automobile industry, and everyone told us that we have a significant trade deficit with Korea, as Mr. Moynahan pointed out. It seems to have been \$2 billion or \$2.5 billion for years.

Should we just close the books? If we want a fair and equitable agreement that upholds workers' rights, their quality of life and so on, I think it will be very difficult. What do you feel are the issues in this Canada-Korea agreement? Is it possible to have a fair and equitable agreement that reflects our realities and lets us achieve a trade balance?

• (1700)

[English]

Dr. Teresa Healy: I think the conditions of the moment are indicating it is not possible for us to have a trade agreement based on these principles of freer trade and increasing corporate rights, increasing investors' rights, that would give sufficient benefit for the Canadian economy and for the Canadian workers.

I think what we're doing is entering into a situation that is highly ideological. It's based on ideology. It's not based on historical experience or on real-world experiences. I think it's a very dangerous time for the Canadian economy to be entering into this kind of agreement.

I do believe there are international possibilities for a global trading system that has at its heart justice and fairness. I think that's a possibility. I think Canada should be looking for that and should be in fact bringing it to the international community and leading the debate in the international community to make sure our global trading system would be fair and respectful of development policies and strategies of member countries. I think that would be fantastic.

I really look forward to this committee's report in which these positions you've referred to that you've been hearing all these months will be reflected. I look forward to that, and I'm really happy for the role that legislators play in this kind of policy discussion.

[Translation]

Mr. Guy André: Have you other...

[English]

Mr. Dan Moynahan: I want to clarify a couple of things. During my presentation I did say I would support any agreement that promotes fair trade for all Canadians. I did not say I was in support of a free trade agreement.

What I am saying, though, is that if the playing field is level, I'm confident we will win the battle.

[Translation]

Mr. Guy André: Do you believe Minister Emerson when he says that an agreement with Korea will not be signed unless we get clear benefits from it? Do you think that the government could sign agreements that would not provide clear benefits? Do you have any concerns in that regard?

[English]

Mr. Dan Moynahan: I haven't necessarily. I don't think any trade agreement we have should be based totally on the numbers. It has to be on the quality of life and all other issues that have to be compared. If it's a fair opportunity for Canadians....

Look at our biggest trading partner, the United States. We work very well together in our industry, with 86% of our exports going to them and 80% of their mould exports coming to us. There is a case where trade works. Right now it doesn't work in Asia.

● (1705)

The Chair: Thank you. That's your time.

We're going to proceed with Mr. Cannan.

Mr. Ron Cannan (Kelowna—Lake Country, CPC): Thank you, Mr. Chair.

Thank you to our witnesses coming from British Columbia.

I'm going to split my time with my colleague, Mr. Fast.

This is to the folks from Spirits Canada. We just had the Canadian Vintners Association, and they see great opportunities for the icewine coming from the Okanagan Valley. We have some product we'd like to allow the Koreans to partake of.

Mr. Khan, I want to go directly to you. You have just returned from South Korea and have signed this exciting deal with the Korea Electric Power Corporation. Small business being the backbone of Canada, do you see other opportunities in Korea for businesses such as yours and of a similar size, and in what areas?

Mr. Steve Khan: We're actually the second Canadian company to sign a deal with Korea Electric Power Corporation. Another Canadian company signed a similar deal a few months prior, and I believe others will come as a result of the doors that are opening.

One of the attractions is to bring back some capital into the country from foreign sources that are benefiting from selling their goods and services to us. Getting that capital back and reinvesting it in our Canadian business is a significant benefit for us. I think we are just the first wave of mining companies that are going to benefit from this.

Some of the major companies, not just in Korea but also in Japan and China, as I mentioned earlier, are looking at opportunities in Canada in a bigger way. As we know, right now we have a bit of a dichotomy in the industry in Canada. We have the manufacturing sector and we have the resource sector, and while we're losing on the manufacturing sector, we've been picking up on the resource sector.

That's where the balance is coming from right now. In the oil and gas, energy, and related fields, certainly the opportunity is for us to take advantage of additional deals with Korea.

Some of the consortium members, as part of the group that came in on this investment, have expressed a keen interest in expanding their role in Canada by opening offices, spending money, and developing other projects in Canada on top of what we've already initiated. I think this is an opportunity we will see expanding as we move forward.

Mr. Ron Cannan: I have one quick supplemental question.

We were talking about trade promotion for industry. Do you see a need for additional dollars, or is there a level playing field and a competitive infrastructure? If we have the economic framework in place, is that as good or better from a trade promotion perspective?

Mr. Steve Khan: I'm always of the belief that the less government the better, but the fact is that there is always an advantage to have promotability of your products and services into a country such as South Korea. They very much respect the Canadian business community.

When we were there, we had the fortunate circumstance of having the Canadian ambassador join us for our signing ceremony. We talked briefly with them about continuing to promote the goods and services of Canada in Korea, and certainly that's their agenda. I would see that continuing from here.

Mr. Ron Cannan: Thanks, Mr. Khan.

I'll pass the floor to Mr. Fast.

Mr. Ed Fast (Abbotsford, CPC): Ms. Healy, are you aware that our government has committed to tabling any international agreements in the House of Commons and to allowing full debate on them? Are you aware of this?

Dr. Teresa Healy: Yes, I am aware of that. I think the government has backtracked on its commitment to make those agreements fully debatable and has not gone as far as bringing them to a vote in Parliament. I think it would be a wonderful thing if the government actually had more debate and more voting within Parliament.

Mr. Ed Fast: Would you agree that this is a step beyond what used to happen under previous governments: that an international agreement is tabled in the House of Commons and actually receives debate?

Dr. Teresa Healy: I was interested in what the Conservatives had said earlier about what their commitment was in terms of voting on and debating the agreement.

Mr. Ed Fast: So this is a step forward that we've taken. Is that correct?

Dr. Teresa Healy: I thought it was a step back in terms of Conservative policy.

Mr. Ed Fast: I would suggest this is much better than what previous governments have done.

Let me move on. You have suggested that moving forward with this free trade agreement with Korea is actually ideologically driven rather than based on historical experience. Let's talk about historic experience. Canada has one. It's called NAFTA. I'm assuming that you're fundamentally opposed to NAFTA.

● (1710)

Dr. Teresa Healy: I'm fundamentally opposed to the model of trade it has established.

Mr. Ed Fast: There seems to be almost universal agreement, perhaps not by Mr. Julian, that in fact Canada has been a huge beneficiary of free trade under NAFTA and that the agreement has actually significantly benefited Canadians overall.

If you're opposed to NAFTA, is it correct that you would essentially be opposed to any free trade agreement, with any country?

Dr. Teresa Healy: I would be happy to share some of our studies that have shown the deleterious effects of NAFTA and the NAFTA model on the Canadian economy and Canadian workers and families.

Mr. Ed Fast: What studies are those?

Dr. Teresa Healy: Those are studies we have done within the Canadian Labour Congress, and I would be happy to share them with the committee.

These are studies that show that family incomes have decreased at the same time that income inequality has increased in this country and that social transfers have reduced the economic reality for the lowest sectors of the population while income has increased in the top 20% and higher.

I'm also aware that the Canadian economy has suffered, in structural terms, by not having developed a capital goods sector in the context of the free trade agreement and the fact that we are tending towards increasing resource exports and not manufacturing, which has weakened our economy significantly.

Mr. Ed Fast: Thank you.

That doesn't change the fact that we presently have the lowest unemployment rate in Canada in 33 years. We have the strongest economic fundamentals of the G-8 nations.

I'm encouraged by someone like Mr. Moynahan, who actually acknowledges that if a free trade agreement provides for a level playing field he believes Canadians can compete. But you're saying you're afraid of competition around the world, and you want to protect against competition. I would suggest that's not realistic in a global trade environment, a global market for our goods, especially for a nation that is clearly a trading nation such as Canada.

The Chair: Your time has expired, unfortunately.

I think we have time for a quick third round, and we'll begin with Mr. Dhaliwal.

Mr. Sukh Dhaliwal (Newton—North Delta, Lib.): Thank you, Mr. Chair.

My question is directed to you, Ms. Healy.

I like the entrepreneur spirit you mentioned. I come from that spirit, and I live that spirit in Canada as well. But I want to see a government that keeps a balance between that entrepreneurship to be a trading nation like Mr. Fast mentioned..... At the same time, I'm very concerned.

You brought up the issues of the labour and human rights situations, here and in Korea. Even though Mr. Fast said we have the lowest unemployment rate—thanks to the previous Liberal government—can you tell me how many low-paying jobs this free trade will be creating and those high-paid jobs that Canada will sacrifice?

Dr. Teresa Healy: At the outset we believe that 33,000 high-paying manufacturing jobs will be lost. Those people who find jobs will lose 25% of their income immediately because they end up in sectors that are not as well paid and are much more precarious.

These are the things I think the committee needs to debate, rather than ideological positions. We can talk about ideology, but when we talk about the real historical experience of this economy and this country, we can see the problem is that the standards are harmonizing downward and the situation is becoming more and more precarious, not just for individuals, but for families, communities, and various regions of this country.

Mr. Sukh Dhaliwal: In case this free trade goes ahead, do you see any programs in place to provide elderly workers who become jobless with well-paying jobs so they can come back and compete in the modern economy?

Dr. Teresa Healy: One of the things that is sorely lacking is government funding and support for training, and encouragement for industry to actually put their fair share into training programs in this country. We are woefully lacking on this score when we compare ourselves internationally.

One of the problems in the NAFTA era has been the decline of the social transfers for people who are trying to find their way back into the economy, and trying to find a better economic path for themselves and their children. So if the Canadian government took their policy tools seriously, we could have a much different kind of scenario.

● (1715)

Mr. Sukh Dhaliwal: Does Canada need an agreement to remain competitive now, or should we wait maybe another five years for the negotiations to go well and awareness on the international scene to be much better?

Dr. Teresa Healy: I imagine that the members of the committee are well aware, from being very closely connected with their constituents, of the incredible crisis the Canadian economy is undergoing at this moment.

I don't think the people you represent are in a position to wait five years. The crisis is at the moment, and the impact of the uneven development is current.

Mr. Sukh Dhaliwal: So are you telling me we should do the agreement now, or wait another five years to go back into those negotiations?

Dr. Teresa Healy: Our critique is not a temporal one; it's on the substance of the agreement.

Mr. Sukh Dhaliwal: Thank you.

Mr. Khan, you said you have signed an agreement with Korea-. Congratulations; good job. Can you tell me if you are exploring any other market in South Asia?

Mr. Steve Khan: Yes. We're having discussions in Japan and have been approached by groups in China as well.

As you know, the rest of the world has embraced nuclear energy in a bigger way than North America. Without any other development of that industry here in North America, demand is huge and growing for uranium supplies, particularly from safe and secure supply countries like Canada. This is only now starting to become a very big issue for countries that are increasing their nuclear energy needs. We'll see this open the door now. Many other Canadian companies will be approached to look at securing future supplies of uranium.

We have a sister company that is more advanced. Its properties are predominantly in the United States, but it is a Canadian company and listed publicly. It has been approached by numerous other countries and major corporations looking to supply these sources with products. So it expands as we move forward.

Mr. Sukh Dhaliwal: So your entrepreneurial spirit is not attached to the free trade agreement. You still can go ahead and sign agreements with other nations, even if this trade agreement doesn't go ahead.

Mr. Steve Khan: Yes. That's a very good point. We have the benefit of being small and nimble and having a product that is needed, so those negotiations and discussions will continue.

However, any time barriers are removed to free trade it's positive, and will lead to additional contracts being made by companies at all stages of the production cycle. Particularly because of our strong resource base, Canada is going to benefit.

Mr. Sukh Dhaliwal: Thank you.

The Chair: Thank you, Mr. Dhaliwal.

We'll move to Mr. Allison.

Mr. Dean Allison: Thank you, Mr. Chair.

I want to go back to Mr. Khan. I apologize if this is repetitive, but could you give us details on the nature of your business and exactly what you do?

Mr. Steve Khan: Fission Energy is a mining exploration company focused on the uranium sector. Our projects are based predominantly in northern Saskatchewan and northern Quebec.

Mr. Dean Allison: Thank you very much.

In your opening statement you said the Koreans are helping fund your venture, which I think is pretty unique. Is that correct? Is it a joint venture? Are they lending you money for capital? What exactly is this arrangement, if you can share that?

• (1720)

Mr. Steve Khan: Yes, sure. It's public information.

We actually have an agreement under which they will spend a total of \$15 million over three years to earn a 50% interest in one of our projects. We have numerous projects in the Athabasca basin and in Quebec. They are looking to enter into further discussions on our other projects. This is the door opening to Korean companies as well as other companies. We are now getting red-flagged as a company and also as an industry. As an industry, when these types of announcements are made in the international community, others pay heed. They see an opportunity they could explore as well. Canada is a great safe haven. It has a huge abundance of resources. The development of this area is massive and could lead to significant opportunities in other resources. These are all things that bode well for us.

For a company of our size and stature, this puts us in a big international context, which will lead to other contracts of this size.

Mr. Dean Allison: Mr. Khan, Mr. Miller has one more question.

Mr. Larry Miller: Mr. Khan, you talked earlier about how this might help to open up other Asian markets. I believe Mr. Westcott spoke of this as well. Will this help companies related to your industry? What's the potential for opening them up, the dollar value? Any opinion on this?

Mr. Steve Khan: That's a good question. In fact, KEPCO currently has 20 nuclear power plants. They are now looking to expand their technology worldwide, to provide their nuclear power

plants to the international community. They're talking to countries like Canada. They're looking at bringing their services in to provide their product. They have a unique, competitive product that could benefit countries like ourselves.

In developing our tar sands, nuclear power plants could provide a safe and secure source of energy that would allow us to explore these resources and reduce our costs.

Companies like KEPCO are looking to build relationships in countries like Canada. This opens doors to many other countries as well—they are looking at bringing their technology to Cambodia, Vietnam, and Australia.

We're talking about a company with annual revenues of \$29 billion, 31,000 employees—a company far larger than many of our Canadian companies. They're one of the ten largest utilities in the world. When a company of that stature comes to a small company like ours, it can be somewhat overwhelming.

The opportunities are outstanding. We are just the foot in the door that they'll use to explore other business opportunities. Their interests are in hydroelectric, coal, and other resources that could lead to further opportunities in Canada.

In the Asian community particularly, it's about relationships. When they build relationships, they look to explore other opportunities. So I think that this is just the beginning—many others will be entering into this arena.

Mr. Larry Miller: The fact that you were approached speaks well for your company, the Canadian industry, and the Canadian product. I congratulate you on that.

That's all I have.

The Chair: Thank you, Mr. Miller.

Mr. Dhaliwal.

Mr. Sukh Dhaliwal: My question is to Ms. Healy.

You mentioned in your presentation that there will be more jobs created in the processing industry. Newton—North Delta is my riding, and I see a lot of fishermen around there. In local banquet halls, in the restaurants I go to, like Burger King or McDonald's, even though I'm a vegetarian now, I notice that they serve fish caught here, sent to China for processing, and then sold back to us. I'm not sure how an agreement with Korea will create jobs for us in processing and the fishing industry.

• (1725)

Dr. Teresa Healy: There is certainly an illogical situation, when you describe things like that. As we see the manufacturing shrinking in Canada and we see the horizon, probably what we should do is think about Korea and what other agreements are on the horizon. We really need to take this into consideration. Why would we choose a trade policy that would do such damage to our industrial sector in such a widespread area?

We have been hearing today about some possibilities for economic advantage in certain areas, but when we look at the more general situation, we're in deep trouble. Why are we choosing that kind of policy? Why wouldn't we do that manufacturing here? Why wouldn't we have more secondary manufacturing and more complicated steps along the industrial path done right here in Canada? Why are we choosing to build a new set of infrastructure to receive containers from other parts of the world, which would then ship products into Canada? Why are we choosing that path in our infrastructure development and for our new investments in infrastructure?

Mr. Sukh Dhaliwal: In fact, it's becoming more and more of a reality now that if we have to compete in the globalization situation, we cannot compete with big giants like China and India in the labour force. Do you have some alternatives in mind by means of which we can be competitive on the world scene?

Dr. Teresa Healy: What we have to do is pay very careful attention to the form of development and start the discussion about those sorts of alternatives, instead of saying that they're simply protectionist or simply not on in a globalized economy.

In fact, there are all kinds of possibilities for us to look at the resources we have and think about them in a sustainable way and not have a short-term focus on our economic development. Why would we look at the incredible resources of this country and say, let's ship them out as quickly as possible, without becoming involved in a more nuanced model of development, which would look at how those resources can be used in a more sustainable way for the benefit of the economy and the society as a whole?

Mr. Sukh Dhaliwal: My question is for Mr. Westcott.

You said 50% of your spirits are exported to the U.S. How big an export industry do you have to Korea right now?

Mr. Jan Westcott: It's about \$800,000 a year.

Mr. Sukh Dhaliwal: What change do you see from signing an agreement like this?

Mr. Jan Westcott: We see a terrific opportunity to expand that \$800,000. If we didn't see that, we wouldn't be here. We definitely see opportunity to grow our business in Korea.

Mr. Sukh Dhaliwal: By how much?

Mr. Jan Westcott: Certainly double, triple....

Mr. Sukh Dhaliwal: When you say double, how many full-time, high-paid jobs would you create? Can you give me numbers? On the other hand, we'll lose some, and I just want to have that picture clear to us.

Mr. Jan Westcott: First of all, we don't believe we would lose any jobs. This would be a gain for the Canadian industry. Pressure on the business today—

Mr. Sukh Dhaliwal: Can you give me numbers? Would it be 10 jobs, 20, 100, 1,000? That's what I'm looking at—just for the Korean trade.

Mr. Jan Westcott: I wouldn't say it would be 1,000. It would be somewhere up to 1,000, potentially. It depends upon how big the business gets.

We are a primary manufacturer. We take raw materials and turn them into highly finished goods. The people we employ are skilled. It takes time for them to learn those skills. They are valuable skills to have inside this country.

Mr. Sukh Dhaliwal: My question is for Ms. Lamoureux. It's the same question I asked Ms. Healey earlier. You also mentioned conditions for the workers. You are concerned about the well-being of the workers here locally and in Korea. Is that true?

• (1730)

[Translation]

Ms. Josée Lamoureux: Yes.

[English]

Mr. Sukh Dhaliwal: Could you tell me how the lives of those people would be negatively affected and what the government should do to make sure that their concerns and the conditions that will be created are taken care of, if this treaty goes ahead?

[Translation]

Ms. Josée Lamoureux: As I said in my opening remarks, when we sign trade agreements of this kind, when we include the respect of basic labour standards, we are at least assured that employers in those countries, or even here when you come right down to it, will not take the opportunity to violate rights in order to obtain unjustified advantages on the backs of their workers.

I think that if we at least uphold these standards, if we make sure that they are really upheld and that labour law is applied in each of these countries, at least we can stop that sort of thing happening. I think it is important for us to do so.

We often ask for it to be done, but there are no real requirements or incentives. We are happy just asking for rules to be observed, but there are no firm measures in place to make sure that they really are.

[English]

The Chair: I think we've got a bell going.

We are being called to the House for a vote, so we're going to have to wrap this up.

I thank you again. I think we did very well today in getting through. I appreciate the answers of the witnesses. They were very concise. I appreciate your being here. Thank you again.

Mr. Cannan.

Mr. Ron Cannan: I have just a quick point of privilege.

I was trying to get the information on the job statistics that Mr. Julian tabled, those 200 jobs being lost. Was that tabled with the clerk?

The Chair: Did you table that, Mr. Julian?

Mr. Peter Julian: The reference Mr. Cannan is making is to figures that were raised in question period, and that's what I was referring to. Those figures are publicly available. They were available online through Canadian Press. They're out there.

You have a substantial research staff, and I'm sure they can—

The Chair: To clarify, I was under the impression at the last meeting that Mr. Cannan asked if you would table the documents to which you referred, and I thought you had said you would.

Mr. Peter Julian: He was referring to the 200 jobs lost to date, and I said they'd been tabled in the House.

The Chair: They have been tabled in the House?

Mr. Peter Julian: I was referring to question period. They've been raised in the House in question period, but they're public domain figures. They're out there.

Mr. Ron Cannan: I checked with his colleague, Peggy Nash, and she said she didn't have a report tabled in question period. My staff went and looked for the StatsCan report and they can't find anything. I would just like to get the information.

Mr. Peter Julian: There are two things, Mr. Chair, that Mr. Cannan has raised. I'd be delighted to come back to them when we sit again on Monday. There are Statistics Canada reports that I've quoted extensively, but Mr. Cannan has never requested them. He was requesting specifically the 200 figure, the 200 jobs lost—

The Chair: We have some time. We don't want to take the time of the witnesses.

Mr. Ron Cannan: I would just like the information, that's all.

The Chair: I appreciate that, Mr. Cannan. I was just going to ask—

Mr. Peter Julian: And it's public domain. Do a web search. You've got researchers. It's out there.

The Chair: I think, in fairness, Mr. Julian, you brought the statistics to the committee. It's only fair for a member to ask you to table the documents that you quote so freely and readily.

Mr. Peter Julian: I'd be pleased to, Mr. Chair.

The Chair: If you don't have such a document, you might have to retract your comments from the committee.

Mr. Peter Julian: I certainly won't have to do that, Mr. Chair. I will bring the figures for Mr. Cannan with a nice bow.

The Chair: With that, we're going to ask Mr. Julian to present them at the next meeting of this committee, which will be a week from Monday.

Thank you again.

We're adjourned.

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