



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

Standing Committee on Foreign Affairs and International Development

FAAE • NUMBER 011 • 1st SESSION • 42nd PARLIAMENT

EVIDENCE

Thursday, May 5, 2016

Chair

The Honourable Robert Nault

Standing Committee on Foreign Affairs and International Development

Thursday, May 5, 2016

• (1530)

[English]

The Chair (Hon. Robert Nault (Kenora, Lib.)): Colleagues, I'd like to bring this meeting to order.

Pursuant to Standing Order 81(4), we have the main estimates for 2016-17. You have in front of you the whole description of the rationale for our meeting.

To start off, dealing with the estimates, we've invited both Minister Bibeau and Minister Dion to be our guests and our witnesses. The objective of the exercise this afternoon is to have a discussion about the estimates. We'll have opening statements by the ministers, followed by questions from members of the committee.

Without further ado, I want to turn the floor over to Mr. Dion. After his presentation, we'll go right to Ms. Bibeau, and then to questions.

Mr. Dion.

[Translation]

Hon. Stéphane Dion (Minister of Foreign Affairs): Thank you, Mr. Chair.

Thank you for inviting me to here with my colleague, Marie-Claude Bibeau, to discuss the 2016-17 main estimates.

We are accompanied by key senior officials, Peter M. Boehm, deputy minister of international development, and Arun Thangaraj, who has the impressive title of assistant deputy minister and chief financial officer for corporate planning, finance and information technology. In other words, if there is anyone here who knows everything, it's him.

Also with us is Daniel Jean, who will stay on as deputy minister of Foreign Affairs for a bit longer. I am not surprised that the Prime Minister took him away from me to have him closer to him. I look forward with great interest to the work I will do with the next deputy minister assigned to me. I am told he is excellent. His current minister says he is a very talented senior public servant. We will really need him given the wonderful work Mr. Jean did under the previous and the current government.

The exercise we are about to conduct is important. Ms. Bibeau and I will try not to speak for too long so we have the time to consider the budget document, which is essential to the quality of our parliamentary democracy and the transparency we deserve. It is difficult to be transparent in the sense that the document is fairly technical. There are some essential points that I have to clarify and that will facilitate our work, I am sure.

[English]

The main estimates represent the department's projected expenditures for the current fiscal year, but I should note here, for the committee, that given the timeline for preparing and tabling the main estimates each year and the proximity of this to the budget speech, most budget announcements will instead flow in the supplementary estimates rather than the main estimates.

We will have plenty of opportunities throughout the year to exercise parliamentary oversight of these expenditures. That said, there are a few key areas I would like to highlight now before turning it over to Minister Bibeau.

The department had a net decrease of its budget of \$11.3 million, if you look at these estimates, over the last year's main estimates. That's \$11.3 million out of a budget of roughly \$1.5 billion. How can this decrease be explained? This is what I will do now.

The decrease is mainly due to the program renewal schedules for both the stabilization and reconstruction task force, START, and the global peace and security fund. These sunseting programs appear as a drop of \$130 million in these main estimates, but new funding was announced in budget 2016. This new funding of \$450 million over the next three years to renew the fund will be brought before Parliament as part of the supplementary estimates process. I hope you follow me.

There are also a few other smaller items that account for the differences between this year and last year. These include initiatives related to sunseting funding for security upgrades and real property projects, as well as other technical adjustments that are contained in these main estimates.

Also, our operations at home and missions abroad, like so many other sectors across our economy, have not been immune to currency fluctuations. As a result, there is an increase of \$62 million in the cost of payments made from Canada in foreign currencies and around \$40 million for fluctuations affecting payments by our missions abroad.

Taken together, these account for the vast majority of the variance you see in the estimates before you. When looking at the main estimates by program, you will note that there has been a decrease in international security, democratic development, and international development. For the former, this reflects the sunseting of funding of the START program I just mentioned.

As I mentioned, new funding was announced in budget 2016 and will be sought through the supplementary estimates process. The variance with respect to the international development program reflects the increased demand for humanitarian assistance, and you can see the resulting shift from this program to the humanitarian assistance program.

• (1535)

Madam Bibeau will have more to say about that.

[Translation]

I hope I have anticipated some of your questions and made the document clearer.

Thank you, Mr. Chair.

[English]

The Chair: Thank you, Mr. Dion.

We'll go to Madam Bibeau.

[Translation]

Hon. Marie-Claude Bibeau (Minister of International Development and La Francophonie): Thank you, Mr. Chair and members of the committee. It is a pleasure to be here today to talk about the main estimates.

I would like to recall that this budget, as Mr. Dion just stated, is always prepared in November. So it does not include the supplementary estimates or new commitments made by our government.

The main estimates include \$3.8 billion in grants and contributions, \$2.8 billion of which is earmarked for international development and humanitarian assistance programs. These amounts are disbursed through our multilateral and bilateral agreements, and in partnership with well-known and experienced Canadian organizations. A sum of \$1 billion is set aside for payments to international organizations.

It should be noted that these main estimates also include all administrative expenditures. That being the case, they do not allow us to focus on what probably interests you the most, namely, official development assistance or the funding envelope for international assistance.

As in the past several years, the main estimates provide initial funding of \$5 billion for international assistance. In accordance with our government's priorities, this amount is increased through the course of the year through the supplementary estimates. By way of example and based on interim results, budget 2015 was increased by \$270 million. Excluding this additional funding which is still available, budget 2016 provides an additional amount of \$256 million over two years.

Moreover, as you know, we are currently reviewing our policies and fiscal framework. Budget 2016 already increases funding for international development starting in 2017, further to the tabling of our five-year plan.

Officially, the budget available for humanitarian assistance is approximately \$320 million. Given the global context, however, large amounts are transferred each year from the development

assistance budget to the humanitarian assistance budget. In 2015, \$480 million was transferred, for a total of \$800 million allocated to humanitarian assistance. The review of the fiscal framework will formalize this situation.

There is also the emergency fund. It is an envelope of \$200 million, in addition to the residual amount carried over from the previous year, that is set aside to deal with extraordinary humanitarian crises.

It should also be noted that development assistance projects are carried out through various channels and partners. Consider for example the contributions made to major banks and international funds, the calls for proposals to directly address our intervention strategies in targeted countries, and the local initiatives funds administered by our missions abroad.

• (1540)

[English]

I would like to provide a brief description of some of the definitions we refer to.

The international assistance envelope, or IAE, is the main planning instrument for international development and humanitarian assistance at the federal government level. It includes expenditures from Global Affairs Canada, the International Development Research Centre, and the international assistance programmed from Finance Canada. It also includes official development assistance, ODA, both eligible and non-ODA-eligible programming—for example, security programs.

The official development assistance, ODA, is a measure and guideline for capturing spending on international development and humanitarian assistance as established by OECD's development assistance committee. It includes expenditures funded from outside the IAE, such as expenditures by the Department of National Defence; Public Health Agency of Canada; Environment and Climate Change Canada; and Immigration, Refugees and Citizenship Canada, as well as funding from Canadian provinces and municipalities.

Based on provisional data, in 2015 Canada ranked eighth of 28 in terms of ODA volume, and fourteenth out of 28 in terms of ODA/GNI ratio, at 0.28%. In 2014 Canada ranked tenth out of 28 in terms of ODA volume, and sixteenth out of 28 in terms of ODA/GNI ratio.

That is an outline of some of the cold numbers and some of the key definitions.

I would like now to very briefly outline some of the development challenges they are addressing and the way in which this connects to my mandate on refocusing our international assistance to support the poorest and the most vulnerable, including the fragile states.

While major gains have been made in reducing extreme poverty around the world in the last two decades, today there still remain over 700 million people who live below the international poverty line of \$1.90 a day. Conflicts are becoming more complex and difficult to resolve and are driving levels of forced migration not seen since the Second World War. Worldwide, one in every 122 persons is now either a refugee, internally displaced, or seeking asylum. The humanitarian response system is straining under tremendous pressure.

In the last five years alone, the number of people needing basic life-saving humanitarian assistance has risen from 53 million to over 87 million. Canada is the top humanitarian donor and we remain committed to meeting the needs of those affected by humanitarian crises. Last year Canada provided \$800 million in humanitarian assistance. Canada responded to communities affected by conflicts and acute food insecurity in 52 countries, and by natural disasters in 23 countries.

Our government strategy for engagement in Iraq, Syria, Jordan, and Lebanon includes \$1.1 billion over three years, of which \$840 million is for humanitarian and development assistance. This is the first time Canada is providing multi-year humanitarian assistance. Our recent announcement of \$100 million for humanitarian projects in Syria and neighbouring countries is a further testament to this commitment.

When we last met, I outlined at length my priorities for you, as well as speaking about the policy review, which I will be officially announcing next week. I will simply restate my overarching focus on empowering women and girls globally and protecting their rights. As you know, this is not only a goal on its own but is essential for achieving all other goals. Our decisions will be evidence-based. We will focus on effective indicators and sound monitoring so that we can accurately track results, and we will use innovative approaches to make our dollars go further. This includes working with new partners, exploring different funding mechanisms, and ensuring that successful results are replicated and scaled up where appropriate.

Finally, in addressing international development and humanitarian assistance issues, no one political party has a moratorium on good ideas. There is a great deal of experience around this table and I look forward to working with all of you, either as a committee or on an individual basis, on these important issues.

Thank you for your time.

• (1545)

The Chair: Thank you very much, Madam Bibeau.

Colleagues, we'll go right to the questions, starting with Mr. Clement for six minutes.

Hon. Tony Clement (Parry Sound—Muskoka, CPC): Thank you.

Thank you very much, ministers, for being here, and deputies as well.

What is the status of the consolidation of office presence in Paris?

[Translation]

Hon. Stéphane Dion: I will ask Mr. Thangaraj to provide that information.

[English]

Mr. Arun Thangaraj (Assistant Deputy Minister and Chief Financial Officer, Corporate Planning, Finance and Information Technology, Department of Foreign Affairs, Trade and Development): The Paris project is under way. Considerable design work was done last year. We are using an innovative public-private partnership approach to deliver that project, and the design work is well under way. We've secured approvals from the city on that. To this point it looks as though that will be completed on time and will be successful.

Hon. Tony Clement: So it's full steam ahead then.

Mr. Arun Thangaraj: Yes.

Hon. Tony Clement: I notice under my list as table 140 there's a significant decrease in the North Atlantic Treaty Organization civil administration budget of about \$14 million. Can someone explain that?

Mr. Arun Thangaraj: That's the assessed contribution for NATO. Those assessments are based on the bills that we anticipate each of those international organizations will provide us at the beginning of the year. Again, that's our initial estimate of NATO's budget. If it gets revised or adjusted because of currency fluctuations, those funds will be sought through the supplementary estimates.

Hon. Tony Clement: There's no cutback in services, or anything in that regard.

Minister Dion, you spoke openly and proudly of re-engaging with Iran and reopening, at some point down the line, the embassy in Tehran. Has there been a cost on this endeavour, in terms of costs to Canadian taxpayers, or added costs in terms of protecting our diplomatic personnel in Tehran? Is that included in the increase of the \$24 million to implement security projects on missions abroad, or would that be over and above that amount?

Hon. Stéphane Dion: Yes, it would be.

We did not cost it yet, colleague, because we aren't there in our plan to re-engage in Iran.

Hon. Tony Clement: There would be supplementary estimates or some other fashion of reporting to Parliament on that.

Madam Minister, one of signature projects of the Conservative government, prior to you, was the initiative on maternal, newborn, and child health. That was designed to accelerate progress on women's and children's health in developing countries. I'm wondering, although you're going through a review of all the projects, is the budget the same for that until the review is done?

• (1550)

Hon. Marie-Claude Bibeau: Yes, absolutely. We want to build on the previous MNCH program. I have already explained, the other time, that we want to enlarge it, but women and girls will remain a priority.

You engaged \$3.5 million to this whole program. When I came into office, around \$3.1 million was already engaged. I've just informed these partners we might have discussions without changing anything, but have a discussion about the range of services they are offering.

This is something we want to build on, improve, and put more focus on.

Hon. Tony Clement: I appreciate that. Thank you very much.

I have one final question for this round and I ask the ministers this question because I'm not quite sure which budget it is part of.

Your government pledged an additional \$2.65 billion by 2020 on a cash basis to address climate change in developing countries. I'm wondering what measures were in place to assess whether the money goes to its intended purpose, so we avoid any corruption issues in some countries. What are the terms and conditions attached to the distributions of these funds?

Hon. Marie-Claude Bibeau: We are working in collaboration with the Department of Environment and Climate Change, with Minister McKenna, to design more precisely where we are going to invest this amount of money. Part of it will be through different loans, and another part will be for grants and contributions.

I come back to one of my priorities, which is building on the previous sustainable economic growth. I call it, for now, sustainable and green economic growth, because the idea is to focus on everything related to helping different communities to be more resilient in the face of climate change. It will be focusing on agriculture and the energy sector, for example.

[Translation]

Hon. Tony Clement: Yes, of course it is very important to report on each project in this process.

[English]

Hon. Marie-Claude Bibeau: Yes.

We do go through due diligence before, during, and after each and every project we finance. It's already well established. It's still very important to us, but we are not at that stage for now. We are looking at how we are going to invest this amount of money.

We are still committed to due diligence.

The Chair: Thank you, Mr. Clement.

We'll now go to Mr. Sidhu.

Mr. Jati Sidhu (Mission—Matsqui—Fraser Canyon, Lib.): Thank you Minister Bibeau and Minister Dion, for being here today.

We have Canadians all over the world working as staff in our embassies. Our mission is not to support only our staff, but all Canadians abroad, in their work and travels. These Canadians represent our Canadian perspective in their good work. I understand the security of our people is of the utmost importance to you and your department. I can see some changes in the estimates accordingly.

Can you talk a bit more about the steps that are taken in these estimates to ensure security of our embassies and other Canadians working abroad?

Hon. Stéphane Dion: That is a very crucial issue that you raised. If there is something that may stop my deputy and me from sleeping at night, in addition to the consular cases that you know, it is the security of our men and women who are working for Canada abroad in many difficult conditions. They are very courageous, and we need to do everything to support them.

Mr. Clement mentioned that there is \$24 million in the budget plan, new money that is earmarked to implement new security projects and upgrades to our missions abroad. Budget 2010 allocated \$450.2 million over seven years, so it will be over in 2017. That means that during the current year, with the Minister of Finance, we need to look at that very carefully, because it is a big concern that we may have.

For now, we are doing a lot. We are doing everything we can. We will see if there is room for improvement; certainly there is. We are investing \$152.7 million for the security of the mission security teams, \$247.5 million for upgrading the infrastructure, and \$49 million for equipment and systems. We will review these measures, information systems, and properties through vigorous risk assessment analysis so that the security of Canada's diplomats is not compromised. That is a top priority.

● (1555)

Mr. Jati Sidhu: Thank you so much.

Minister Bibeau, you mentioned that there is going to be more funding coming through these estimates. Is there any timeline? When are you coming back with those changes?

Hon. Marie-Claude Bibeau: We are going through the review first to prioritize, to make our choices.

Would you be more precise in your question?

Mr. Jati Sidhu: You mentioned in your statement that we have some changes in the estimates, and they are not in these estimates. I was wondering when we can expect those changes.

Hon. Marie-Claude Bibeau: We are starting with the reference level. We already know from the budget that we have an additional budget of \$256 million for two years, and there are some funds available through the supplementary estimates budget. We will see during the year when we have to ask for more funds in the supplementary estimates.

Arun, maybe you can explain.

Mr. Arun Thangaraj: Any new initiative that comes along during the fiscal year will be reflected in supplementary estimates. There are three sets of supplementary estimates: (A), (B), and (C). (A) is usually in late spring, (B) is in early winter, and (C) is toward the end of the fiscal year. At one of those intervals, any of the new funding for international development that was talked about in the budget will be reflected in one of the supplementary estimates.

Mr. Jati Sidhu: Okay. Thank you so much.

Thank you, Mr. Chair.

The Chair: There are two minutes left for Mr. Miller.

[Translation]

Mr. Marc Miller (Ville-Marie—Le Sud-Ouest—Île-des-Soeurs, Lib.): Thank you, Mr. Chair.

Mr. Dion, the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment defines torture as follows:

[...] any act by which severe pain or suffering, whether physical or mental, is intentionally inflicted on a person for such purposes as obtaining from him or a third person information or a confession, punishing him for an act he or a third person has committed or is suspected of having committed, or intimidating or coercing him or a third person [...]

Obviously, the mistreatment of prisoners and inmates is serious, inhumane and always illegal.

Mr. Minister, this week you signed the Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment. I would like to know how signing this protocol will help us achieve the objective of eliminating torture.

Hon. Stéphane Dion: Thank you very much for your question, my dear colleague.

You are ahead of things though because I have not yet signed the protocol. I would certainly like to sign it, but it requires a great deal of preparation. We will all have to do that together. This committee will certainly have work to do in this regard.

I announced that Canada would like to join the Optional Protocol to the United Nations Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment, which would mean that the protocol would no longer be optional for Canada. As you said, it is an important agreement to ensure that the ban on torture is applied and implemented and that governments are held responsible for their actions. The membership process will require numerous consultations with other departments, with provincial, territorial, and aboriginal governments, and with Parliament.

It must be done. I think Canada has lagged behind for too long; it is really time to do it. We must first ensure that, in Canada, we have all the necessary protections against the horrors of torture.

Moreover, it is difficult to put pressure on other countries if we don't set an example ourselves and if we don't show that we take all the available tools seriously. If we want problematic countries to join the protocol, it is hard to encourage them if we are not members ourselves. In that sense, it would be a key asset to our steadfast policy of combatting torture around the world.

[English]

The Chair: Thank you, Minister.

Mr. Aubin.

[Translation]

Mr. Robert Aubin (Trois-Rivières, NDP): Thank you, Mr. Chair.

I would like to thank all the witnesses for being here today. I would especially like to thank the two ministers who no doubt have very busy schedules.

While my questions might be directed to one of you, it is sometimes difficult to draw a line between issues relating to foreign affairs or international development. So please feel free to complete your colleague's response.

You will no doubt remember that the former government withdrew from the United Nations Convention to Combat Desertification. Once again, that was a first, after the withdrawal from the Kyoto Protocol. Looking at the budget, I don't see a contribution for this program. Does that mean that Canada is still not a signatory to this convention?

● (1600)

Hon. Stéphane Dion: I would simply say that I hear you. I said the same things when I was in opposition. Now that we are in government, we are in a position to act. We are looking at that and will no doubt reach a decision very soon—within a few weeks or months. It is a very important issue, as you say, because desertification is a major problem affecting large parts of the world. When it is not properly addressed, it seems that populations can no longer survive on their own. That increases the pressure on us.

I am very happy you raised this issue today, Mr. Aubin.

Mr. Robert Aubin: Thank you.

I impatiently await further details on this because, without action, desertification increases. It knows no boundaries.

Hon. Stéphane Dion: Yes, I fully understand and I appreciate your impatience.

Mr. Robert Aubin: Thank you.

On another international issue, what role are we playing in the elimination of anti-personnel mines? I have not been able to figure out the data.

Hon. Stéphane Dion: Mr. Thangaraj, where can we find that data? What is the extent of our participation in those efforts?

Until the data is located, I would simply say that I spoke about this at the international conference on the subject. I emphasized that Canada was supposed to play a much more active role than it has in recent years.

Mr. Daniel Jean (Deputy Minister of Foreign Affairs, Department of Foreign Affairs, Trade and Development): By way of example, in Colombia and elsewhere right now, we are looking to see what we can do with our partners with respect to mine-clearing.

Mr. Robert Aubin: Okay, thank you.

Perhaps you can forward those numbers to me. We do not need them this afternoon.

My next question is for Ms. Bibeau.

In the 2016-17 report on plans and priorities, Global Affairs Canada states that it will support the implementation of the 2030 Agenda for Sustainable Development. As you can guess, I would like to know how much Canada has budgeted for this. Will there be a specific budget for the implementation of these objectives? Or will they be achieved through existing programs and budgets?

Hon. Marie-Claude Bibeau: Are you referring to the international development or global component?

Mr. Robert Aubin: I am referring to international development.

Hon. Marie-Claude Bibeau: That is part of our review. It will be set out in our upcoming five-year plan, probably much more clearly. For the time being, as far as our priorities are concerned, it is related to our sustainable development objectives.

Mr. Robert Aubin: So it is in your existing budget envelopes. That means there will not be a separate envelope for sustainable development initiatives?

Hon. Marie-Claude Bibeau: I would not presume to say what will be in the five-year plan that will begin in 2017. Assuming that we continue thinking about this, will it be included in the plan? I am inclined to think it would be in the plan because every action we take on international development relates to one of the sustainable development objectives. It would be rather difficult to create a separate budget.

Mr. Robert Aubin: Let's make it even more complicated.

There is international affairs, international development, and the environment. There is also funding earmarked to help developing countries look for solutions to climate change. Will there also be separate funding for that? Does the \$2.5 billion or \$2.6 billion cover this entire initiative?

Hon. Marie-Claude Bibeau: The \$2.65 billion is specifically for our actions relating to projects we will undertake to help communities be more resilient in dealing with climate change or to reduce the greenhouse gas effect.

Mr. Robert Aubin: Okay.

I will let you continue your work then. When we meet again, you can give us further details.

Thank you very much. That's all for me, Mr. Chair.

● (1605)

[English]

The Chair: Mr. Miller.

[Translation]

Mr. Marc Miller: Madam Minister, the committee heard from numerous witnesses during its study on women, peace and security. They told us that the department had stopped providing base funding to small NGOs, in Canada and in developing countries. This is of course tremendously problematic for many of them.

I would like to know whether you will consider this in your review the policies of Global Affairs Canada.

Hon. Marie-Claude Bibeau: Yes, of course.

One of my objectives is to re-engage Canadians on international assistance. We have seen that a certain detachment has set in and that Canadians do not understand international development objectives as well on the whole. This could in part be attributed to the fact that smaller organizations have received less assistance in recent years.

For the moment, I will not talk about funding or assistance for operations. These topics are covered in our discussions with the organizations and in our review. That said, we are somewhat open to this. We are looking for ways of increasing the involvement of Canadian NGOs, whether small or medium in size. We are also trying to determine the associations or groups through which this can be done.

I am also very interested in the Canada fund for local initiatives, which is managed by our missions abroad and which provides an avenue for working with small NGOs in developing countries.

[English]

Mr. Peter Fragiskatos (London North Centre, Lib.): Thank you to everyone for being here today. Your time is very valuable. Obviously we appreciate your testimony.

The issue of Iran has come up already, but I'm interested in the issue in general policy terms, particularly because it's so important for Canadian foreign policy these days.

Mr. Minister, as you know, yesterday Ahmed Shaheed, the United Nations Special Rapporteur on the situation of human rights in Iran, spoke to a Senate committee. He said that in his view, engagement with Iran and continued focus on human rights are not mutually exclusive realities. This view obviously takes seriously the notion that a dialogue between states is vital for advancing human rights.

Minister, can you speak about why this government, under the leadership of the Prime Minister and yourself, has taken a different approach in our relations with Iran? In particular, how might this help Canada meaningfully raise human rights concerns to the regime in Tehran?

Hon. Stéphane Dion: It's because, dear colleague, this government is convinced that engagement is better than isolation, that Canada has a role to play, and that if you're not there, you don't play a role. It doesn't mean we should have closed eyes as a country. We should have open eyes. We should be very careful.

We also believe in multilateralism. Take sanctions; sanctions are effective if they are collective. If a country stops trade and others are trading, it will be barely seen in the country that is the target of the sanction, but it will affect a lot the country that decided to stop the links or to close the channels with the country.

You have a lot of exchanges between Iranian Canadians and Iran. We have an opportunity to improve the situation in this country. There are some political parties that are close to us and want to see a more liberal society—in the philosophical sense of the word, not a partisan sense. Thank God, as I said, Canada was in Iran at the end of the 1970s to rescue the U.S. hostages. We have a role to play, and our allies are asking us to do so.

There is something that I find completely incoherent in the policy of the former government. That is, you're out of Iran, but when you really need to address an issue in Iran, you use a friendly country. That was Italy. It's still Italy, and we need to thank Italy. That means Italy stays in Iran, and we use Italy, but we get out of Iran and say that everybody should get out of Iran. So why are you using Italy?

Do you see the incoherency? I think we should stop that. We'll see how we may improve the situation in order to help the people of Iran, Canadian interests, the interest of Israel, and the interest of all of our allies to make progress.

We will continue to sponsor the UN resolution of the situation of human rights in Iran, something Canada has been doing for several years, during Liberal and Conservative governments. We'll continue to do so. We have a lot of credibility to do so, especially when we will improve our capacity to understand the society of Iran of today and see where we may find room for improvement and which deterioration we need to denounce.

• (1610)

Mr. Peter Fragiskatos: I think it runs counter to the kind of instinctual approach that some have adopted in the past, unfortunately: there is a regime that we disagree with and therefore we isolate ourselves from it. What you're saying runs completely counter to that, and I think it's a very promising development, frankly.

Hon. Stéphane Dion: Yes, this makes sense. Collective sanctions may work; they worked in South Africa. We have collective sanctions on Iran today in order to denounce *les essais balistiques* to be sure that the militarization of their nuclear capacity will not exist. We do it with our allies to be sure that Iran knows that they have behaviour to avoid.

Russia is the same. We need to support the Ukraine, but for that we need to be involved. If you are not involved, if Russia is somewhere and your chair is empty, Canada is penalized but not Russia. This kind of incoherent and irrational policy should stop, and we should use all the capacity we have, as a Parliament, as a government, and as a great country to see improvements in human rights, national interests, and the peace process. Canadian must be a peace builder. In order to be a peace builder, we need to be there.

The Chair: Thank you, Minister.

That's the end of the first round. We'll now go to the second round, and we'll go to Mr. Saini.

Mr. Raj Saini (Kitchener Centre, Lib.): Thank you very much for being here.

Minister Bibeau, this question is for you.

All members on this committee, I think, were greatly saddened by the earthquake in Ecuador. It was very good to see the government respond in their time of need.

Being a new MP, I'm a little bit curious about the procedure and protocol of how your department gets the funding it needs to ensure that we are able to send aid when and where it is needed. With natural disasters, they can strike at any time, any place, and without warning, so it's very difficult to put that into the budget. How do you allocate the funding? Can you just give us an insight into how the money gets appropriated and what the formula is, what the protocol is, and how you decide how much to give?

Hon. Marie-Claude Bibeau: Every year, at the end of the year more or less, we get appeals from the major international organizations that provide very urgent humanitarian assistance. We contribute once a year to these major organizations so they are in a position to respond right away when something happens. It may take a day or two before we get some information, and then we will.... I have different examples in mind. Sometimes we give a little amount right away to such organizations, but the main thing is that we are waiting for the call from these organizations.

Depending on the capacity of the country, depending on the call we receive, depending on our proximity—I don't how I should say it—with the country, we have a fair share that we normally contribute to a country. For example, in the case of Ecuador, we first gave \$1 million as a quick response. We sent a team into the field made up of three members of Global Affairs Canada and three members of National Defence. They went there to evaluate the situation to make recommendations. In addition, the embassy put in \$100,000 from the local initiative fund and then, further to the recommendations of our team and the appeal from the international organization, we increased our contribution to \$2 million.

In terms of proportion with other natural disasters, it's more or less always the same fair share that we contribute to a country. In the case of Ecuador, they will also get *l'hôpital de campagne de la Croix-Rouge*, the hospital.

• (1615)

Mr. Raj Saini: The Red Cross field hospital.

Hon. Marie-Claude Bibeau: Thank you—and it will stay there after the action of the Red Cross. This is more or less the way it works to decide how much we give.

Mr. Raj Saini: Just to follow up on that, and this is maybe for Minister Dion, you mentioned earlier in your commentary \$24 million more being funded for security. We have 177 mission points abroad in 109 countries. Security is tricky. The point I would like to highlight is that sometimes you could have a natural disaster in a country, and the infrastructure system in that country may not be the greatest to begin with, but when you have a natural disaster, it could further deteriorate. How are you able to compensate for that, especially if Canadians are living in that zone or Canadians need access to an embassy or a mission in that country that has undergone that natural disaster?

Hon. Stéphane Dion: The budget of Madame Bibeau includes provisions for this kind of risk, in order to give us the capacity to find the funds rapidly when there is a disaster. That's the way we work.

Hon. Marie-Claude Bibeau: We also have \$200 million per year for what we call the crisis pool. If we still have funds left from the previous year, they are added to the \$200 million. We have very quick access to this fund. I even have special authorization to proceed for very urgent needs.

Mr. Raj Saini: Will some of the \$24-million increase that you mentioned be going to cybersecurity, and in what way?

Hon. Stéphane Dion: Indeed, part of the budget is for improving our systems. I don't think the \$24 million is targeted to a specific aspect. It's part of the seven-year plan that was identified by the government in 2010 and will continue until 2017. At that time, we'll see how we may change the allocation if we consider that one aspect has not been developed as much as the others.

The Chair: Thank you very much.

Mr. Kent.

Hon. Peter Kent (Thornhill, CPC): Thank you to both ministers for your appearance today.

I won't rise to respond to my honourable colleague on the other side with regard to foreign policy differences of past and previous governments, but I do have one question on Iran.

Could you tell us just how many exemptions you have authorized for the SEMA Iran sanctions since taking office, and for what Canadian companies?

Hon. Stéphane Dion: I'm told that we don't have that with us today, but since you asked, we'll look at that and see which answer we may give to you later.

Hon. Peter Kent: I ask that as an honest question, simply given the outreach for commercial opportunities in Iran, and knowing that to do that you would have to authorize with the Iran exemption authority.

Hon. Stéphane Dion: Yes, but if it's military, we cannot. There are still sanctions.

Hon. Peter Kent: I understand that, but I also understand there's at least one Canadian aerospace company that has been talking a pretty aggressive game about attempting to engage.

Hon. Stéphane Dion: What do you mean?

Hon. Peter Kent: Bombardier.

Hon. Stéphane Dion: Yes. Well, aggressive...they want to be in the competition, certainly.

Hon. Peter Kent: Can I ask if you've signed an authorization for them to avoid the sanctions?

Hon. Stéphane Dion: My deputy will want to intervene now.

Mr. Daniel Jean: Following "Adoption Day", where a lot of like-minded countries adjusted the sanctions because of the Joint Comprehensive Plan of Action, a number of sanctions were removed. Some of the competitive interests in certain sectors that you're talking about may not be subject to sanctions anymore. There

are some areas where sanctions are clearly still there. The minister just mentioned the military.

When we did that, we also tightened the ballistic terms. There are certain goods that can be used for dual purposes, which are still subject to export control. I think that's what you're asking. I just want to clarify that, with the adjustment of the sanctions, there are certain sectors that are not at risk of diversion where companies can now operate.

● (1620)

Hon. Peter Kent: Okay, thank you.

Moving on, I understand—and I know this is not official—that Canada is proposing to assume the lead military role in the Haiti stabilization force, in line with the Prime Minister's intention to broaden peacekeeping operations. It is a military force known as MINUSTAH, which until now has been directed by Brazil. However, I understand Canada is proposing to assume control by this fall.

Have you estimated what the costs of such a peacekeeping would be? Don't you think that Canada should engage with UN partners?

It has been six years since the earthquake. Pitifully little has been achieved in reconstruction, stabilization, and governance. Is it perhaps not time to shift from the military administration of Haiti to the United Nations Development Programme?

Hon. Stéphane Dion: There have been no announcements regarding decisions about what we'll do in the future, but it is true that Canada has been involved in Haiti for a long time, and we'll continue our solidarity with this country. We want to see improvements and we want to be sure that there will be an election, which has been postponed and postponed. We are not satisfied with the situation, but it does not convince us to withdraw. We want to be sure that Canadian taxpayers indeed see a result, because Canadians care about Haiti. However, we want to see an improvement and we're working with our allies to be sure that we'll have a collective effort that will provide results for the people of Haiti.

Hon. Peter Kent: I see that you have increased contributions for non-proliferation, arms control, and disarmament, which obviously indicates that you like that program and that we will move forward.

On April 19, this committee had an opportunity to establish a subcommittee with the sole aim of inquiring into matters related to Canadian arms exports and export permits. In a recorded vote, every Liberal member of this committee voted against it.

I'm just wondering if you believe that you would be assisted by the analysis that such a study would have achieved?

Hon. Stéphane Dion: I think this committee has a lot of work to do and we just mentioned some of it. I will table, and we'll see when, the plan for Canada to be member of the Arms Trade Treaty, and let me tell you that it will be a lot of work for this committee to be sure that before Canada becomes member of the treaty that we adhere to the treaty and that we do our homework about laws and regulations. So you will have plenty of work to do altogether.

The committee is master of these decisions, but I think you made the right decision to leave some time for the Arms Trade Treaty.

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

We'll go to Mr. Oliver.

Mr. John Oliver (Oakville, Lib.): Thank you very much, Mr. Chair.

Thank you, Ministers, for being available today.

My question is for Minister Bibeau. The estimates show a total of just over \$3.5 billion in grants and contributions for international development and humanitarian aid.

I was wondering what the distinction is between grants and contributions, and how the organizations being funded are monitored, evaluated, and held accountable for the funding they receive from Canadians.

Mr. Arun Thangaraj: Grants and contributions are governed by the transfer payment policy established by the Treasury Board. The decision to award a grant or a contribution is, first, based on the activity that is being undertaken and on the risk assessment and fiduciary analysis we do for each recipient.

Up front we evaluate every project based on its development objectives. We then look at the financial capacity of the organization, and we make a decision as to whether it's a grant or a contribution, and we look at what oversight and monitoring are in place. We try to work with every recipient up front so that proper controls are put in place to safeguard funds. We do have audits, and every one of our project contribution programs is subject to an evaluation to ensure that we achieve the expected results and that funds are managed in accordance with the principles that we have established right up front.

• (1625)

Mr. John Oliver: Development assistance is disbursed within guidelines in alignment with the government's development goals. Can you explain how the results of this funding are evaluated and how that will affect future priorities of spending in terms of government priorities?

Hon. Marie-Claude Bibeau: As you know, we are actually going through this review, and we want to make decisions based on facts. We are really into the deliverology process. It's hard for me to answer your question clearly now because we're really in this process, but we really take all of this very seriously.

I will have much more to explain next time. Sorry.

Mr. John Oliver: Thank you very much.

The Chair: Thank you very much.

Now we'll go to the last round.

Mr. Genuis, go ahead, please.

Mr. Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC): Minister Dion, Santayana said those who don't learn from history are doomed to repeat it. I would be curious to hear your opinion of the American 2009 reset policy towards Russia. This was a policy of reset to an increased engagement.

Do you think that policy worked?

Hon. Stéphane Dion: I don't know. If you compare it with which other policy? The relationship between Russia and the United States is key for the world. Even in the tougher times of the world wars, these two countries were speaking together. Just read the books of Kissinger and you will see. It's impossible to think that they would cut their channels. It would be awful for the world.

The policy that Canada followed in the last years would have been foolish for the United States. I don't think it was very wise for Canada, but it would have been foolish for the United States.

Mr. Garnett Genuis: Minister, I'd just like to clarify, though. I don't believe that we should ever eliminate the possibility of, say, back channels with Russia. My question was specifically about the reset policy, which was a policy of communicating a reset in relations. I guess you've answered it the way you want to.

I want to ask you about the issue of human rights, though, because your government has decided to kill the Office of Religious Freedom, and we've had that debate and we probably won't get to agreement on that today. But certainly at the same time you've professed concern about religious, ethnic, and linguistic minorities.

During a debate we had on this in the House, you talked about your intention to continue this work, to expand this work, just to do it in a different way. That debate happened on March 21. We had a budget that didn't have any commitment for a new, let's say, human rights office or vehicle for delivering these things. The office was officially killed on March 31, and here we are on May 5, and despite claims about continuing to do this work, expanding this work, we have absolutely nothing in place, so we've lost time. We haven't heard an announcement.

So I would like to know—and I think Canadians and especially people affected by the good work that Canada was doing would like to know—where the plan is. Where's the plan when it comes to international human rights? The Office of Religious Freedom is gone. We've seen no replacement, no announcement of replacement. So where's the plan, Minister? When will we see it?

Hon. Stéphane Dion: Thank you very much.

The office of religion was supposed to sunset—

Mr. Garnett Genuis: I just want to clarify because you said “office of religion”. It's the Office of Religious Freedom, which is something very different.

Hon. Stéphane Dion: I agree with you.

It was supposed to sunset. It does not exist anymore, but all the programs that were planned are going ahead. Not one of them has been cut. It's true that we are working on a plan that will enhance our ability to protect human rights around the world, including freedom of religion, to be sure that Canada will be more effective. I understand that you want to see this plan yesterday, if possible. It's coming, and I think you will be very impressed by the plan when it gets out.

Mr. Garnett Genuis: Minister, just to clarify, it wasn't yesterday that I wanted to see the plan. I think we should have had a plan in place when the previous structure was done away with. You could have extended the previous structure by a month or two months if you wanted to.

I have about a minute left, and I want to just get a question in for Minister Bibeau.

The earthquake in Nepal was about one year ago, and my understanding was that around that time there was a specific plan in the context of our development assistance to ensure that there would be support for the Tibetan minority in Nepal as well. A year later, I wonder if you could update us in general on Canadian activities in Nepal, specifically whether support was given to the Tibetan minority to ensure that Tibetan refugees in Nepal were included in terms of receiving relief.

• (1630)

Hon. Marie-Claude Bibeau: I'll have to get back to you. I'm sorry, I don't have the information.

Mr. Arun Thangaraj: There it is, right there.

Hon. Marie-Claude Bibeau: Thank you.

[Translation]

Between April 25 and May 25, 2015, Canadians donated \$51.7 million to eligible organizations to assist Nepal. This incredible generosity strengthens our commitment to continuing to help Nepal rebuild.

That was followed by \$27 million in emergency assistance. Canada has committed to providing \$24.7 million to support the reconstruction in Nepal. Of this total, \$10 million will go to rebuilding housing in rural localities.

That is all the information I have about Nepal for now.

[English]

Mr. Garnett Genuis: Just on the Tibetan minority, if you could get back to the committee subsequently with information, we'd really appreciate it. Thank you.

Hon. Marie-Claude Bibeau: We will.

The Chair: Colleagues, I want to take this opportunity to thank both ministers for appearing before the committee.

I very much appreciate both ministers' opening comments, in particular the comments relating to the importance that Minister Dion and Minister Bibeau place on the estimates. I think it's very important for us as a new government and as a new Parliament to look at the estimates, and the supplementary estimates that we'll have a chance to look at, as an opportunity for us to get information on behalf of the Canadian people. That really is about openness and transparency.

I want to thank you very much for this first opportunity to do so and to invite you to come back very soon, when our supplementary estimates come in.

Lastly, everyone got a chance today, which was good. This was very impressive and a good start to the relationship with these two very important ministers.

On behalf of the committee, thank you.

We'll take a short recess and then we'll come back in the second hour with the officials.

• (1630)

(Pause)

• (1635)

The Chair: Please take your seats. It's Thursday afternoon, and as you know, we try to keep a tight schedule. There are many other meetings to do later on this afternoon.

In front of us are officials from the Department of Foreign Affairs, Trade and Development.

I would maybe ask deputy Jean to introduce his colleagues. Then we'll get right into the questions. I understand there will be no opening comments by the officials. We'll get right into talking about the estimates further for roughly the next 40 minutes.

Deputy Jean.

Mr. Daniel Jean: Thank you, Chair.

As you know, we are what you could call a portfolio department with several sectors. I'm the deputy minister for foreign affairs. I'm also the deputy head of the department, which means I'm responsible for the management of the department.

My colleague Peter Boehm is the deputy minister for international development. He's the deputy minister serving Minister Bibeau.

Arun is our chief financial officer and our ADM corporate services, if I can translate his title into layperson language.

Vince here is our ADM strategic policy. The strategic policy is integrating all the various aspects of the department.

I hope I've answered your question, Mr. Chair.

The Chair: You have.

Mr. Clement, I understand you will be starting off the questions here this afternoon.

Hon. Tony Clement: Thank you, Chair.

In terms of the development aid budget, how much goes to China and how much goes to India?

Mr. Arun Thangaraj: Directly, we have no bilateral programs with either China or India, so we don't do anything—

Hon. Tony Clement: In terms of funding to NGOs that in turn is then spent in those countries, perhaps.

Mr. Arun Thangaraj: I do have that. It's in one of these binders somewhere. I'm sorry....

Hon. Tony Clement: No worries.

The Chair: Take your time. You have four years.

Voices: Oh, oh!

Mr. Arun Thangaraj: It's all right. I have it right here.

The answer to that is in the statistical report. As Madam Bibeau said in her remarks, we have official development assistance. So there's a portion of our assistance that either would go through NGOs, or some of the money that we get to multilateral organizations gets accounted for against countries.

I have it here. It's a good thing I have good binders.

• (1640)

Mr. Daniel Jean: It depends on how you take the definition of development. We do human rights with groups. We do human rights work in China. We do women's empowerment. We do forced early marriage work in India with groups.

It depends on how you define development. From a human rights perspective, we are active in some of those countries.

Hon. Tony Clement: Right. That's good to know, but I was more interested in economic development and that kind of thing.

Mr. Arun Thangaraj: Our overall official development assistance from Canada to China is about \$1.35 million and for India it's \$4.97 million. A lot of that work is done through NGOs such as World Vision or others. Certain health projects are run by multilateral organizations, such as the Global Fund to Fight AIDS, Tuberculosis and Malaria, which will spend a portion of what we as a country give them in those areas. That is the official development assistance spending from Canada for those two countries.

Hon. Tony Clement: I guess we're into the world of sustainable development goals now. Is that right? We're past the MDGs and we're on to the sustainable development goals.

I'm just wondering whether we do an audit in terms of how those intersect with our bilateral spending to make sure we're trying to reduce overlap, because obviously, the sustainable development goals is a multilateral project under the auspices of the United Nations, and then we have our own bilateral spending. Is there an audit done to make sure we don't duplicate?

Mr. Vincent Rigby (Assistant Deputy Minister, Strategic Policy, Department of Foreign Affairs, Trade and Development): Mr. Chair, perhaps I can answer that question.

It goes back to, I think, the question that Minister Bibeau fielded in the previous session in terms of funding for the sustainable development goals. We haven't actually established priorities and identified specific activities in support of the sustainable development goals.

There are 17 goals altogether, as you know, 169 targets. We're not necessarily going to support every single goal, but at the end of the day, whatever we do will support the sustainable development goals. You say it's under the UN auspices, but whatever we do, whether it's bilateral, multilateral, or something through NGOs, it's, in all likelihood, going to support those goals, whether we end up supporting all 17 or focusing on five or six.

Hon. Tony Clement: It's kind of hard not to support those goals if you have so many of them.

Mr. Arun Thangaraj: We have to remember they're universal, so there's going to be a domestic side to this as well. I guess I'm just trying to clarify that it's not sort of separate. I think anything we do at the end of the day is going to be in support of sustainable development.

With regard to the review that's being conducted right now, if you look at the mandate letter that's been provided to Minister Bibeau, it's about going away and conducting the review and consulting Canadians, and as we do that, it's in support of sustainable development goals. The SDGs are like the international framework, and Canada's development assistance, like everybody else's development assistance, will operate within that framework.

• (1645)

Hon. Tony Clement: I have sort of a picayune question. If we're looking at this table again in terms of assessed contributions to international organizations, there seem to be a lot—not a lot but several that have the word “Commonwealth” in them. There's the Commonwealth Secretariat, the Commonwealth Foundation, and the Commonwealth Youth Programme. Are those all run by the Commonwealth or are they separate programs? How do they intersect with one another?

Mr. Arun Thangaraj: These are all separate programs. For example, the Commonwealth Youth Programme supports youth development initiatives in Commonwealth countries and it's designed to enhance the relationship between Canada and Commonwealth countries. The Commonwealth Foundation, for example, has a separate objective, and that's to contribute to civil society and governance within the members of the Commonwealth country. Each of those assessed contributions for the Commonwealth has distinct purposes and objectives.

Hon. Tony Clement: If I aggregated all of the line items that have “Commonwealth” in their name, would I get a better understanding of how much we contribute to the Commonwealth?

Mr. Arun Thangaraj: That's an indication of what we would contribute through our contributions to Commonwealth organizations.

Hon. Tony Clement: Are there any other programs we do, apart from these, that are not listed?

Mr. Arun Thangaraj: These are all the programs through which we contribute directly to the Commonwealth.

The Chair: Thank you.

I'll go to Mr. Sidhu, please.

Mr. Jati Sidhu: Thank you, Mr. Chair.

Thank you to the panel for coming out and clearing some air.

The main estimates indicate that Global Affairs Canada is planning to grant more than \$1.9 billion to multicultural societies. This funding is in addition to Canada's assessed contributions to international organizations. My question is, spending that kind of money, in general, how does Global Affairs Canada evaluate the effectiveness of the money it's providing through these multicultural organizations?

Mr. Arun Thangaraj: Canada works with a lot of multilateral organizations, on both the foreign policy and international development side. There are a number of steps that we take to ensure that the funding we provide is managed effectively and achieves value for money.

If you go on the development side, for example, and you look at specific institutions, Canada often sits on the board of governors of those institutions to help set the strategic direction, to be part of the oversight mechanisms of those organizations, and to examine the audit and inspection functions to make sure that funds are safeguarded.

We do due diligence, as well, on all of those multilateral organizations. That robust due diligence framework that was asked about previously—how do we know our money is well spent?—applies to the funds that we spend with multilateral organizations.

Mr. Vincent Rigby: We have a very robust evaluation function inside the department, in particular on the development side, for looking at work that we do with multilateral organizations. They are assessed. They are looked at and examined in terms of their effectiveness in Canada's role in those organizations on a regular basis.

Mr. Jati Sidhu: Have we increased this funding from previous years? This is the budget for 2016-17. Did we always have that kind of money, a couple of billion dollars, for this purpose?

Mr. Arun Thangaraj: For multilateral assistance...? I can look at what we had in 2015-16. That breakdown of multilateral funding is relatively stable year over year. I think it is important to be mindful that a lot of the humanitarian interventions that we do are through multilateral organizations, because they are our trusted partners. They are the partners that can respond most quickly. They have on-the-ground capacities to ensure that our aid goes where it needs to go, as quickly as possible.

That is the reason why we have that amount, and it has been relatively stable over the years.

The Chair: Thank you very much.

Mr. Miller, you have the next four minutes.

Mr. Marc Miller: Gentlemen, thank you for coming.

In the Global Affairs Canada report for planning priorities for 2016-17, there is a forecasted spending for 2015-16, under international security and democratic development, for the amount of \$395,178,104. The same report indicates that planned spending for international security and democratic development for 2016-17 is \$237,901,526. Where does that difference come from?

Mr. Arun Thangaraj: Do you mind repeating those numbers, as I look for my RPP?

Mr. Marc Miller: I can repeat them, and if you don't have it in front of you, you can get back to me. It's okay.

In the planning priorities for 2016-17, there is a forecasted spending for the 2015-16 period for international security and democratic development of \$395 million. The same report indicates planned spending for 2016-17 of \$237 million.

Mr. Daniel Jean: There were variances because there were increases and decreases. For example, one of the decreases was \$130 million for START, for the GPSF, because it came through later on the supplementary estimates.

● (1650)

Mr. Arun Thangaraj: That is correct. In the planned spending, there are also certain technical adjustments that we have.

Your main estimates don't include, for example, very technical transactions, such as the operating budget carried forward. In our spending plans, we will have an idea or an estimate of what that is and will include that in our planned spending, because it is not appropriated at this time by Parliament. There are other certain things, like refunds for maternity and severance.

You will often see a difference between main estimates spending and planned spending.

Mr. Marc Miller: Okay. Thank you.

Then, if you could just explain.... It appears in the footnotes at times that many of the performance targets are to "obtain baseline information". Could you briefly explain what exactly that is?

Mr. Arun Thangaraj: This probably goes back a couple of years, when the departments were amalgamated. We established a new performance alignment architecture with new programs. When we did that, we had certain programs that had ongoing performance metrics. When we did the new performance alignment architecture, we had new activities, where we had to create new performance measures and performance indicators.

In the current fiscal year, what we are doing is capturing the performance indicators to look at the results for that specific program. We will establish the baseline information or the baseline performance target, and then measure against that in subsequent years.

The Chair: Thank you.

We'll go to Mr. Aubin.

[Translation]

Mr. Robert Aubin: Thank you, Mr. Chair.

Thank you for your input, gentlemen.

It is often said that politicians come and go, but the public service remains. You are both our memory and our continuity.

Could one of you give me a rough estimate of the budget cuts to international assistance between 2010 and 2015?

[English]

Mr. Arun Thangaraj: In budget 2013 there were reductions to the international assistance envelope based on a program review of those. I do have that figure with me, and I will get to it in a second. It was around the \$300-million figure overall.

[Translation]

Mr. Daniel Jean: In this year's budget, you will see that money has been added back to this funding envelope.

Mr. Robert Aubin: The \$256 million advanced more or less puts us back where we began, but it does not really increase funding.

Thank you.

For the period from 2010 to 2015, was part of the funding earmarked for international assistance not spent and then returned to public coffers, or was all the funding allocated and spent?

[English]

Mr. Arun Thangaraj: This fiscal year is not over, so the best numbers we have are the public accounts for the last fiscal year. In 2014, from the international assistance envelope, the amount was small. Overall, I think, our public accounts lapse for our grants and contributions was about \$59 million, and on the development side that's \$5 million. We have processes in place to make sure we don't exceed our appropriation. On a budget of overall grants and contributions budget for international development of almost \$3 billion, having a small net lapse of \$5 million was right on our target.

[Translation]

Mr. Robert Aubin: Thank you.

That concludes my historical questions. Let us turn now to 2016.

The government would like to invest \$586 million in the following peace and security programs. I will mention them quickly, even though you are familiar with them: \$450 million for the global peace and security fund; \$106 million for international police peacekeeping; and \$30 million for the counter-terrorism capacity building program, funding that is allocated to the Sahel.

Are some of these expenditures funded from the international assistance envelope? If so, to what extent do these expenditures meet the criteria set out in the Official Development Assistance Accountability Act?

● (1655)

[English]

Mr. Arun Thangaraj: Yes, for some of these programs, funding does come from the international assistance envelope. There are strict criteria as to what is counted as official development assistance. We ensure that any spending we report on through our OECD DAC report, and also through the Official Development Assistance Accountability Act report, meets those criteria. They have to meet the criteria of alleviating poverty. Yes, there is security spending, and some of it is ODA-able. We built capacity in the police forces, for example. Some of that security spending is not, and we make sure through our financial oversight mechanisms that the reporting, and what is counted as ODA, is accurate.

The Chair: Thank you.

We'll go to Mr. Fragiskatos.

Mr. Peter Fragiskatos: Thank you first of all for coming.

The amalgamation has come up already, and I wanted to ask about that. In 2013 CIDA merged with DFAIT and formed DFATD. How has Global Affairs Canada's organizational structure been affected? How has the governance framework changed since the 2013 amalgamation, and what challenges have been encountered to this point in implementing that amalgamation?

Mr. Daniel Jean: From a structural standpoint, our structure is very much integrated. For example, Vincent Rigby was our ADM of strategic policy. He's responsible for the strategic policy of all sectors, whether trade, foreign policy, or development. In the same way, in our geographic bureau, under the ADM for each of the Americas, Europe, the Middle East, and Asia-Pacific, you have people who do development and trade, and we push the envelope even more on how far we integrate.

We have created governance that integrates all the sectors. We have an executive committee that has representation from everyone. Also, under that we have a policy committee where there are representatives on all policy discussions on any of the subjects. They try to leverage the full potential of having an integrated department. It's the same for our program policy and some of our corporate policies.

As well, one of the first actions we took early in the amalgamation was to change the role of our head of mission abroad and make them truly the head integrator of the various sectors. That has led to some real success. For example, when I was in Ukraine last year, some of our like-minded allies told us that our agility to be able to respond using our tools, whether they are the stabilization tools we just described or development assistance, helped us perform very well.

We de-streamed all our executive category about a year and a half ago and are encouraging people to take assignments in others. We're now working on even more foundational work where we're going to try to establish what competencies we have.

In June, at the request of the previous minister, we had a third-party review of where we were in amalgamation. It was done by somebody who was a deputy minister many years ago and who does a lot of consulting work both in Canada and abroad. He was a deputy minister who was involved in many structural changes like this, and he basically felt we were very advanced and that, as with most exercises like this one, the biggest challenge that remained was on the cultural front. We continue to work on this.

Mr. Peter M. Boehm (Deputy Minister of International Development, Department of Foreign Affairs, Trade and Development): Let me maybe add just two points to what Daniel has said. The amalgamation effort is continuing. It's not a finite thing. It continues with deeper integration, depending on the needs of our various branches.

The second point, too, is that we're not the only country in the world that's done that. We check with some of our friends in the Nordic countries, just to see how their own amalgamation effort is going. The Netherlands has done this. Australia has also done the same thing.

Mr. Peter Fragiskatos: I'm very interested in what you've just said there, because the potential to learn from other states is something that can really help avoid mistakes being made, frankly.

Is there anything in particular you would point to in your dealings with the Nordic countries, Australia, or the Netherlands, that really stood out as being particularly important in terms of learning?

Mr. Peter M. Boehm: I think it would be efficiency, both in policy-making and in how resources are allocated.

Mr. Peter Fragiskatos: They are technical questions, I suppose. However, when Canadians hear acronyms being thrown around, CIDA for example, which we don't have anymore, I think it's important for Canadians to understand that significant changes have been made. However, what has been the impact of those changes? Hence, the reasoning for the question.

Thank you.

• (1700)

The Chair: Thank you very much.

That's the end of this round.

We're now going to go to Mr. Saini.

Mr. Raj Saini: Thank you very much, gentlemen, for coming today.

I have a couple of questions on the main estimates.

On one of the line items, you have global commerce support program, which I see from 2014-15 has almost doubled for 2016-17. Can you explain what that program is?

Mr. Arun Thangaraj: Global commerce support program.

Mr. Daniel Jean: Maybe you're talking about the Canada export program.

Mr. Raj Saini: I'm going by the line item here in the main estimates. It says global commerce support program.

Mr. Daniel Jean: Is that \$21 million?

Mr. Raj Saini: No, it's \$17.955 million.

Mr. Arun Thangaraj: I don't have that.

Mr. Raj Saini: That's okay. You can provide that later.

Mr. Arun Thangaraj: I will get back to you on that.

Mr. Raj Saini: There's another program I found interesting. It's the Canadian international innovation program that almost doubled to \$5.8 million.

Mr. Arun Thangaraj: The Canadian innovation program is a bilateral program we have to support technology and science partnerships with Canada, Korea, China, India, and Israel.

What we do is partner small and medium-sized industries between Canada and these countries to spur innovation in those companies.

Mr. Raj Saini: You're predicting that from the 2014-15 fiscal year to the current fiscal year that expenditure will be doubled. That's to increase and promote commercial interests?

Mr. Arun Thangaraj: That's correct.

Mr. Raj Saini: Another item I found interesting was your contributions for the anti-crime capacity-building program that almost doubled.

Mr. Arun Thangaraj: This is a program we've had for a number of years. You see the renewal in these main estimates. This funding is for us to work with key partners and allies to slow migrant smuggling, especially in working with authorities in Southeast Asia and West Africa. By providing technical assistance to police forces, and other national organizations abroad, it encourages those local authorities to have the processes they need to have in place to prevent this.

We've had a lot of success as a government and as a country in doing this and providing training, and a lot of co-operation between governments in buying in for Canada's priorities on this.

Mr. Raj Saini: The program has doubled. Is it more because our engagement in this file is deeper, is it because other countries have asked us, or is it because the issue has grown more profound?

Mr. Daniel Jean: I think it's one of the variants. It was in the budget last year. It's coming through mains now, so it's not that it has increased, it's just because it happened in the budget. We're getting it into our main estimates this year.

Mr. Raj Saini: I have a quick question. This is out of personal interest.

It's a question about currency fluctuations. When you have the main estimates, these are all in Canadian dollars, but a lot of the programming that's done abroad I'm assuming is in U.S. dollars. Is that correct? Or could it be the currency of where you're doing the programming?

Mr. Arun Thangaraj: It's in local currency. We manage 100 different currencies. In those 170-something missions, we operate in over 100 currencies.

Mr. Raj Saini: Does it come out in the wash in the end, because with the currency fluctuations there are going to be some places where you have spent more and some places where you have spent less? How do you accommodate for that fluctuation?

Mr. Arun Thangaraj: What you see in these main estimates is a line that says, "compensation for currency fluctuations at missions abroad". We work with our colleagues at the Treasury Board Secretariat and Finance Canada to look at the inflationary impacts and the currency impacts in all of those 100 currencies, and we look at what the operating costs are. Our main estimates are adjusted for both inflation and currency.

The way the formula worked when the currency dropped between September and January was you saw in supplementary estimates (C) an amount that was added to our reference level.

What you see in these main estimates are the known currency losses as of September 2015. We make adjustments on an ongoing basis throughout the fiscal year. It's a model we use. Finance, Treasury Board, and Statistics Canada help with the inflation adjustment, as well.

The way it works is when the currency decreases, you see funds flowing into our main estimates. When the currency appreciates, the funds flow out of our main estimates. Essentially, we're held harmless. We don't gain on currency gains, and we don't lose on currency losses.

• (1705)

Mr. Raj Saini: What would happen if at the end of the year, for whatever reason, there were more currency losses? Who would backstop that? Does Treasury Board bring the money into the system to make sure the programming is done? Is that how it works?

Mr. Arun Thangaraj: We work closely with our colleagues at Treasury Board Secretariat. This issue was acute given what happened in January. Every individual mission has a good line of sight on their finances. We at headquarters work with our missions to balance those budgets where our first action is to look at how we manage within that using the supplementary estimates process to provide sufficient funding based on the projections at the time.

If in the event there's a major shock, we do work with our Treasury Board officials to determine what the best course of action is, so that we respect our parliamentary appropriations.

Mr. Daniel Jean: What Arun is describing is the bit of a lag time between the time we get the adjustment and then the impact. We always make sure we operate within an acceptable margin of risk, but if there were a sudden significant drop, then we would have to call on the—

Mr. Raj Saini: What happens if the currency is stronger for that fiscal year? Where do the excess savings go?

Mr. Arun Thangaraj: What you'll see is that at the end of the fiscal year, we will have an amount left over in our budget. So if the opposite happened this year—if in January currency appreciated, and we had an excess amount—then that amount would be deducted from our reference levels in the following fiscal year. Again, we don't gain or lose from currency.

Mr. Raj Saini: Okay. Thank you.

The Chair: We'll now go to Mr. Kent, please.

Hon. Peter Kent: Thank you very much.

I'd like to return to Haiti and the minister's commitment to ensure that Canadian aid and development dollars are well spent. I think Canadians were justifiably proud back in 2010 with Canada's whole-of-government response, along with other major participants in the disaster recovery operation. Since then, I think failure characterizes almost everything that's been done—other than, fortunately, keeping people alive, fed, and well-medicated.

Again, the military and policing commitment aside, I'm just wondering what the estimates specifically foresee for this year in Haiti. Other than basic survival, given that schooling has not achieved its targets, people are still living in slums...and all of this, admittedly, a result of political gridlock and no elections.

Can Canadians be any better assured that their aid and development dollars will be more effective this year than they have been for the last six?

Mr. Daniel Jean: Maybe I can start, and my colleagues will continue.

First of all, I think it was the spring of last year when under the former government the Minister for International Cooperation renewed the development engagement to Haiti. An accountability framework was part of it. It shows very clearly that we have the safeguards in place.

Secondly, as the minister has pointed out here today, in question period, and in other fora, we're not happy that there are the delays, and neither are our like-minded partners that are trying to help Haiti in terms of the electoral process. We're working together in encouraging the Haitian government and elected officials to make sure that the Haitian people can get the governance they deserve. We are working very closely with the like-minded United States, other countries in the Americas that have lots of interest in Haiti, and European countries as well.

On the specific numbers for Haiti, do you have the figure?

Mr. Arun Thangaraj: We don't have the budget figure for this year.

We're in the process; the fiscal year has just started. As the minister said, we're setting plans for the budget for this year—

• (1710)

Hon. Peter Kent: Are there any anticipated increases or decreases? Or is it too soon to say?

Mr. Arun Thangaraj: It's too soon in the process.

Mr. Peter M. Boehm: We have built a hospital in Gonaïves. We have built roads. We have put in various oversight mechanisms. We are working very closely with the UN and our other partners, as Daniel has said. It's a great topic of discussion among the donor communities, all of us together.

Hon. Peter Kent: Thanks.

Coming back now to the grants for the anti-crime capacity-building program, after the coup in Honduras, Canada invested substantially in programs to bolster the justice system, to address human rights abuses, to advocate for the rule of law and democracy. Does a portion of this year's allocation in the estimates provide for continued support in Honduras, where we've seen, unfortunately, a deterioration again of human rights?

Mr. Daniel Jean: I'll give Arun some time to come up with the numbers, but you're absolutely right that we wanted to support Honduras in moving in the right direction. We have expressed our dismay at some of the drawbacks, at the murders of Berta Cáceres and Nelson García. We've certainly told the Hondurans that we are concerned about these setbacks.

Mr. Arun Thangaraj: I don't have the breakdown by country, but we can find it.

Hon. Peter Kent: The committee would be interested in having it.

Finally, the 2014 report of the Auditor General recommended that the department, then Foreign Affairs, take steps to identify opportunities for improving the response time for global crises. I'm just wondering what has been achieved. In general, how does the department, or the sub-departments within the department, manage budget anticipation in standing ready but at a prudent level?

Mr. Daniel Jean: This is an area where the amalgamation has been helpful. When the OAG report came out, it was looking at two to three years ago. If you look at response time in the context of the Philippines with a typhoon, and in the context of Nepal in terms of announcing money, we were one of the first off the block.

Recently in Honduras our record on this has improved quite a bit, but we always have to aim to do better. Every time there's a response, we look at how well we've done and what we could have done differently.

Hon. Peter Kent: Is whole-of-government still a concept that is occasionally engaged? Departments before Haiti were notorious for being somewhat siloed.

Mr. Peter M. Boehm: Indeed, it is a concept. What happens when there is an international crisis is we strike a task force almost immediately, any time of the day or night, and all departments that would be implicated are on that task force. We have standard

operating procedures, phone trees, email links, and that sort of thing. It's working quite well.

The Chair: Thank you.

We'll go to Mr. Oliver, please.

Mr. John Oliver: Thank you very much, Chair, and thank you for making yourselves available today.

My questions are going to be around consular services and emergency management. It's a \$52-million line item, which I believe is an increase over last year's forecast in 2014-15 expenditures. Could you outline quickly the factors that led to the increase in the consular service?

Mr. Arun Thangaraj: There are a couple of reasons for the increase. One is, as I said before, that we have a new program alignment architecture. What you saw in 2014-15 was right after amalgamation and our best estimate of where consular spending was happening across the organization.

Over the course of the year, we refined those estimates, and part of the increase is due to that. For the other part of the increase, which I think is almost \$7 million, \$6 million of that is for identifying what our spending is. The rest of it is due to currency fluctuations for the expenses we incur abroad.

Mr. John Oliver: Thank you.

I believe we share consular services with other countries, with Australia and Sweden, for example, where we might provide services to those nationalities and they would support Canadians. I know in your performance indicators that's one of the things you measure.

I was curious as to whether you see any variation? Is that shared consular service working? Are Canadians getting good service from other countries' consular—

• (1715)

Mr. Daniel Jean: Shared consular services work pretty well, particularly in terms of being able to ask them to serve Canadians where we're not present and us serving their citizens where they're not present. It's been a good experience for us where we are able to extend more immediate services in areas where we're not located.

Mr. John Oliver: I have one last question.

I know lots of people in my riding use the travel advice and advisories for medical concerns, safety concerns, and security. It's a new measure this year in terms of a performance indicator.

You're looking at scoring accuracy in the quality of those advisories, so how are you going to be tracking accuracy? How do you evaluate that measure?

Mr. Daniel Jean: Canadians travel all over the world, and every time there are events, maybe a threat, maybe in security, maybe a natural disaster to a country, we make an assessment and we determine whether or not the travel advisory needs to be determined. It's usually done within a matter of 24 hours. We always want to make sure Canadians have the best possible information to make a judgment on whether or not they should travel.

Mr. John Oliver: I understand that's how you set up the advisory, but how do you evaluate it after the fact to determine whether it was accurate? You've set it up, and you do it a year later. Do you go back and do a retro...? How are you going to evaluate that performance criteria?

Mr. Daniel Jean: I don't know if we've done a formal evaluation of our travel advisory, but I can tell you when we have a travel advisory—let's take a country where the threat of terrorism has increased, and maybe it's a country that is a major tourism nation for Canada—you will have a lot of representations from the country that our travel advisory is too strict. We want the travel advisory to have the most accurate information possible for Canadians to make informed decisions and manage their risks.

The Chair: Thank you.

We will go to Mr. Genuis, please.

Mr. Garnett Genuis: Thank you.

I want to ask about Canada's foreign policy and any development assistance with respect to Turkey. This is just in. I read in the news today that the Prime Minister of Turkey, Ahmet Davutoglu, has resigned. This is viewed by many as a further consolidation of Turkey in an authoritarian direction under Erdogan. Obviously, there are significant concerns about the direction in Turkey: a lot of criticism about the elections and the expropriation of historic churches, and questions about the many militants using Turkey as a route into Syria and Iraq.

I wonder if you could comment on Canada's relationship with Turkey, and ways we may be involved or could be involved, in terms of democratic development or development assistance, that would address these issues in terms of governance, as well as minority rights.

Mr. Daniel Jean: Turkey is an important country. Turkey is a NATO partner, but as the minister described here today, with all countries with which we have engaged, sometimes there are things we like, and sometimes there are things we like less. We have been critical of some of the issues around freedom of journalism. I don't think we have any development assistance in Turkey, not direct assistance.

With regard to the issue of transit, I think the Government of Turkey has been trying to work very closely with partners to see how they can deter and prevent these kinds of transits, but that is a difficult situation.

Mr. Peter M. Boehm: Where we are working closely with Turkey is with respect to the processing of the Syrian refugees who have come in. Of our \$100-million allocation to the UNHCR, a small portion went to the UNHCR specifically for processing at the Turkish end, and to help Turkish authorities in that context.

Mr. Garnett Genuis: Just coming back to our engagement with, as you put it, aspects we “like less”.... Perhaps I would prefer stronger language, but of course it is up to you to describe things as you like. You talked about raising issues around freedom of journalists. Is Canada raising issues of minority rights of ethnic and religious minorities in Turkey? Is that part of the agenda, in addition to the concerns of journalists?

● (1720)

Mr. Daniel Jean: As with any country around the world, we always monitor the situation very closely. When we have concerns, we raise them, sometimes publicly, as we did with the freedom of expression, and sometimes privately.

Mr. Garnett Genuis: Would it be fair to infer from that that we are not raising issues of minority or religious freedom in Turkey in the same way or at the same level as we were raising issues around freedom of the press? Would that be fair to say?

Mr. Daniel Jean: Preventing discrimination against minorities is very much part of our foreign policy. Whenever we see these kinds of things that are going against minorities, religious or others, we take action, sometimes privately, sometimes publicly.

Mr. Garnett Genuis: I asked a specific question there, but I guess we will just move on to something else.

The situation of the Uighur Muslim community in China is very dire. We have Ramadan approaching again this year. If past years are any indication, Uighur Muslims in China will not be able to mark that occasion in the way their faith would dictate they do. What is Canada's engagement specifically with respect to the situation of Uighur Muslims in China?

Mr. Daniel Jean: We have raised the issue of human rights and the rights of minorities, including Uighur, with China on a number of occasions, and we will continue to do so.

The Chair: Your time is up.

Mr. Fragiskatos, go ahead.

Mr. Peter Fragiskatos: I would just like to note that, as far as minority rights in Turkey go, this is a very important issue. Under the previous government, the Kurds in Turkey were not given a great deal of attention by the Harper administration, so I note that for the record.

The Chair: That is noted for the record.

Colleagues, I think that concludes our opportunity to speak to both Deputy Minister Jean and Deputy Minister Boehm and his colleagues.

I want to thank you very much for your great presentations and answers to the questions. As you know, we will be calling you back for the supplementary estimates. We very much appreciate all your hard work.

Mr. Jean, good luck with your new position. Thank you very much.

Colleagues, we'll just take a couple of seconds to let our witnesses go, and then I have one report I'd like us to move and we'll be finished.

We have the third report of the Subcommittee on Agenda and Procedure of the Standing Committee on Foreign Affairs and International Development. It relates to the subcommittee meeting on May 3. First is the list of priority witnesses and alternates outlined in the document prepared by the analyst for the committee's study on the countries of focus for Canada's bilateral development assistance. That needs to be agreed to.

Second, the news release for the study on the countries of focus for Canada's bilateral development assistance needs to be agreed to.

Third, the background information document prepared by the analyst for witnesses, who will appear in relation to the study on the countries of focus for Canada's bilateral development assistance, needs to be agreed to.

Fourth and finally, draft instructions for the report on women, peace, and security need to be discussed by the committee on May 10, 2016.

This is respectfully submitted, and I would like someone to move it and we'll approve it.

Mr. Kent.

Hon. Peter Kent: I so move.

The Chair: All in favour.

(Motion agreed to [See *Minutes of Proceedings*])

The Chair: Just for the committee's background information, as you recall, we had a discussion about the very question that, I think, Mr. Kent was asking, and I was going to ask the same question, which was about the countries of focus and what their individual budgets were. I have written the minister on our behalf to get a breakdown of all the budgets for all the countries of focus and the countries that are partners, with the idea that the information would help us with our study. That's in the works, and hopefully we'll be getting that information very soon.

Colleagues, thank you very much for your time and your effort, and we'll see you next week.

The meeting is adjourned.

Published under the authority of the Speaker of
the House of Commons

SPEAKER'S PERMISSION

Reproduction of the proceedings of the House of Commons and its Committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the *Copyright Act*. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a Committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the *Copyright Act*.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its Committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Also available on the Parliament of Canada Web Site at the following address: <http://www.parl.gc.ca>

Publié en conformité de l'autorité
du Président de la Chambre des communes

PERMISSION DU PRÉSIDENT

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la *Loi sur le droit d'auteur*. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la *Loi sur le droit d'auteur*.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

Aussi disponible sur le site Web du Parlement du Canada à l'adresse suivante : <http://www.parl.gc.ca>