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Chair: Mr. Ken Hardie



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• (1835)

[*English*]

The Chair (Mr. Ken Hardie (Fleetwood—Port Kells, Lib.)): I call the meeting to order.

Welcome to meeting number 31 of the House of Commons Special Committee on the Canada–People’s Republic of China Relationship. Pursuant to the order of reference of May 16, 2022, the committee is meeting on its study of the Canada–People’s Republic of China relations with a focus on Canada’s Indo-Pacific strategy.

I’d like to make a few comments for the benefit of the witnesses and members. Today’s meeting is taking place in a hybrid format. Members are attending in person and at times may be attending by Zoom. Please wait until I recognize you by name before speaking. For those participating by video conference, you’ll click on the microphone icon to activate your microphone. Please mute it when you’re not speaking.

On interpretation, for those on Zoom, you have the choice at the bottom of your screen of floor, English or French. For those in the room, you can use the earpiece and select the desired channel. I will remind you that all comments should be addressed through the chair.

For members in the room, if you wish to speak, please raise your hand. For members on Zoom, use the “raise hand” function. The clerk and I will manage that.

I’d like to welcome Ms. Damoff in place of Robert Oliphant.

Now I’d like to welcome witnesses for our first panel.

There was an update to our agenda. Dominique Caouette, professor and chair of Asian and Indo-Pacific studies at the Université de Montréal is not attending. There is job action at his university, and he’s not permitted to take part in this evening’s event.

We do have with us Fen Osler Hampson, chancellor’s professor and professor at the Norman Paterson School of International Affairs, Carleton University. Also, we have with us Mr. Gordon Houlden, professor and director emeritus at the University of Alberta’s China Institute.

Gentlemen, you each have up to five minutes for an opening comment, after which we will proceed to questions.

Would you like to begin, Mr. Hampson?

• (1840)

Dr. Fen Osler Hampson (Chancellor’s Professor and Professor, Norman Paterson School of International Affairs, Carleton University, As an Individual): Certainly.

[*Translation*]

I’d like to thank the Chairman and Committee members for the opportunity to appear this evening.

[*English*]

I would like to focus my remarks on China’s approach to global governance and its implications for Canada.

The foundations of the current order were built after the Second World War and are anchored, as we all know, in the United Nations and the Bretton Woods system. For many years, Canadian foreign policy under both Liberal and Conservative governments was based on the premise that including China in the institutions of global governance would encourage it to become a responsible member of the international community and socialize it to adopt western norms and values.

Today I would suggest that we need to revisit that premise. In addition to its apparent steps to acquire a dominant position in the world, militarily and economically, China has embarked on a quest to acquire a dominant role in global governance.

The first pillar of that strategy is to strengthen its position and leadership within existing international institutions, particularly within the UN system and its specialized agencies.

The second pillar is a more ambitious quest to build a new economic order centred on the BRICS, which one day—and I stress “one day”—may parallel the Bretton Woods trading and monetary system.

To achieve this goal, China is using its wealth and power through its trillion-dollar belt and road initiative, which I think you’re all familiar with, but it has developed a number of other new initiatives. These include the global development initiative and the global security initiative, which are also part of that blueprint for a new world order, and more recently its much-touted global civilization initiative and community with a shared future. However, its ambitions don’t stop there.

The Human Rights Council, as we all know, has been one of China's targets in the UN system. UN peacekeeping is another area where China is expanding its role and influence. Over the past three decades, China has provided 50,000 peacekeepers to some 30 UN peacekeeping missions. It's the second-largest funder of those missions and today contributes more peacekeepers than any other permanent member of the Security Council.

Chinese personnel and staff also occupy many critical positions in the UN Economic and Social Council. It would also like to fill the leadership position of the department of peacekeeping operations, which today is filled by a French national and that probably isn't going to change for a bit.

Why does this matter?

Over the years, UN peacekeeping and peacebuilding operations have played an essential role in fostering democracy, advancing human rights and contributing to developing open markets. China's reputation and influence in those missions will move the goalposts away from democratization and good governance. China is also actively expanding its influence in bodies like the International Telecommunication Union, the International Organization for Standardization, the International Electrotechnical Commission and the third-generation partnership project. These are all vital standard-setting bodies for a wide variety of highly innovative Internet-based technologies, which, as we now know, are the focus of intense competition between China and the United States and its western allies.

Why does this matter?

A dominant position in these organizations, especially in the key global technology standard-setting bodies, gives a country control at the leading edge of the technological frontier, especially in setting technical protocols, standards for data exchanges, formatting and communications network security and performance, thus conferring a competitive advantage to its technology sector.

The second pillar of that global governance strategy is centred on creating its own separate international institutions and global forums, such as expanding BRICS, which has added six new members. China is also keen to replace the American dollar's dominance as a global reserve currency and the economic clout that comes with it.

• (1845)

Now, that's not going to happen any time soon because China would have to lift its capital restrictions for the renminbi, but never say never. The world is changing. The renminbi's global use is being aided by renminbi-clearing banks, the People's Bank of China's bilateral swap lines and China's cross-border interbank payment system.

The Chair: Mr. Hampson, we've come to our five minutes. If you have a concluding paragraph—

Dr. Fen Osler Hampson: I do.

The Chair: —then perhaps work the other points in there. Thank you.

Dr. Fen Osler Hampson: What does this mean for Canada and Canadian interests?

First, we must become more active in offsetting Chinese influence, not just here in Canada but internationally and in those institutions where the Chinese are making a real bid for power and influence.

Second, many developing countries are interested in the BRICS because there is widespread dissatisfaction with the governance structures of existing international institutions. Accordingly, Canada should be a strong champion of governance reform to counter influence in those institutions.

Third—and this is my final point, Mr. Chair—we should be under no illusion that China will support our positions and aspirations for leadership in the UN and other bodies. That's not the reason to throw in the towel or walk away from our international commitments and responsibilities. It does mean that we're going to have to work much harder to make new friends and build new international coalitions beyond our traditional western support group to advance our values and interests.

The Chair: Thank you, Mr. Hampson.

We'll now turn to Mr. Houlden for five minutes.

Mr. Gordon Houlden (Professor and Director Emeritus, University of Alberta - China Institute, As an Individual): Thank you, Chair Hardie, for the opportunity to speak to the House of Commons China committee on Canada's Indo-Pacific strategy.

[*Translation*]

I can answer questions in either French or English.

[*English*]

It has been just over a year since the public release of the Indo-Pacific strategy, but we've already seen significant changes in the strategic environment.

Before directly addressing Canada's Indo-Pacific strategy, I'd like to examine some of the risks of open conflict that characterize today's Indo-Pacific. The complex nature of the region is revealed in several ways.

First, it is, counterintuitively perhaps, characterized by the general absence of interstate armed conflict with only one major intrastate conflict present at the moment—the civil war in Myanmar. However, there is an arms race under way in Asia. Twenty-six per cent of global arms purchases are made in the Indo-Pacific region, compared to the case in the United States where it is 65% of total arms purchases. These are the heavy battalions, which means that open warfare in east or southeast Asia, should it come, risks being especially violent and destructive.

The Indo-Pacific does contain a number of latent conflicts, some of which could produce major wars that would profoundly affect Canada and Canadians. Just as in Europe in 1913, the current lack of interstate warfare can lead to a false sense of security. Let me just very briefly touch upon those risks.

First, the situation with Taiwan is a leftover and unresolved conflict from the Chinese civil war of 1946-49. Formerly autocratic Taiwan, now democratic, is vulnerable to attack by the People's Republic of China, either by direct assault or through a wide range of grey-area pressure tactics.

While President Biden has publicly stated that the U.S. will come to the defence of Taiwan in the event of a Chinese assault on the island, there are some doubts among the Taiwanese public regarding the willingness of Washington to defend the island. The precipitous U.S. withdrawal from Afghanistan and the failure of U.S. Congress to authorize additional funding for Ukraine and Taiwan feeds this uneasiness.

Members of the House of Commons are well aware of the limitations of public polling, but some polls have indicated that a slight majority of Americans would not support a U.S. military action in defence of Taiwan. Unlike the situation of Ukraine, in which Russia has a four-to-one advantage in terms of population, for Taiwan, China has a population that is 60 times larger. Only direct U.S. military intervention, in my view, could prevent Taiwan being overwhelmed in the case of attack.

As well of course, there is also insecurity and instability in the U.S. given that this is an election year. Historically, I would submit, whether during the Roman Empire or in the history of more modern circumstances, there has been chaos or weakness in the metropole, in the centre, when distant provinces or allied states have been overwhelmed.

There's also the frozen conflict in the Korean peninsula. The 80-year division remains a latent but increasingly dangerous threat. Pyongyang's nuclear weapons capacity is growing in both quality and quantity including in terms of a range of delivery options.

I happen to believe, based on limited visits to North Korea, that Kim and his generals want to die in bed as do most dictators, but the DPRK's reach, as it increases, has the ROK, Japan and U.S. now planning how they might defend against a conventional attack on the Korean peninsula or an even more ambitious regional targeting by Pyongyang.

The United Nations Security Council consensus on isolating the regime is broken, with Russia engaged in huge arms purchases from the North Korean regime and China harassing Canadian efforts to enforce the sanctions. Canada is working to enforce those sanctions, but it is problematic when two UN Security Council members are either directly undermining the sanctions regime or undermining its enforcement.

I could also speak about the South China Sea—a topic that I've probably spent too much time on as someone who comes from a landlocked province—or the China-India border, which I believe to be somewhat less hazardous given that I fail to see the net interest of either party in engaging in a broader conflict.

U.S.-China relations remain fraught. Each views the other as a medium- to long-term threat, and the armed forces of both countries have shaped their forces and their weapons systems towards the possibility of a war between the most powerful militaries on earth. We did, however, see in late 2023 an effort by both Washington and Beijing to re-establish a high-level dialogue aimed at reducing the risks of hostilities.

The U.S. is greatly distracted by wars in Europe and the Middle East, despite decades-long efforts to disengage from the Middle East and west Asia in favour of the Indo-Pacific. They just get close to being finished in the Middle East, and they get dragged back. That's a consistent theme.

I will now give you five conclusions to which I have come. These are more directly aimed at Canada's IPS.

First, it was overdue, but its release a year ago was a net-positive step.

Second, while the conflicts in the region are latent as opposed to actual, they're deep and pressure is building particularly in regard to Taiwan, the Korean peninsula and the South China Sea.

Third, political turmoil is a genuine risk in the United States in 2024—not a certainty but a risk—and foreign policy will not be untouched. Evidence of U.S. paralysis or a new administration's reduced interest could encourage adventurism.

Fourth, Canada will remain, on balance, a minor factor in the Indo-Pacific region, but major events in the region will profoundly affect Canada. That's the harsh reality for us—modest influence but potentially great impact.

Finally, with the dynamic Indo-Pacific—and I've noted some of the ways in which that region has shifted over the course of the last 12 months—and with the risk that the latent security challenges could morph on short notice into immediate security challenges, a public update of the IPS should be undertaken on an annual or at least a biennial basis.

• (1850)

Thank you.

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

We'll now turn to our first round of questioning, and we'll begin with Mr. Seeback for six minutes or less.

Mr. Kyle Seeback (Dufferin—Caledon, CPC): Thank you very much, Mr. Chair.

Mr. Hampson, in February 2022, you came and testified at the Standing Committee on National Defence. You made a comment about the extent to which Canada's military was under-strength and how Canada's armed forces might not be up to the task of confronting what's going on now.

The Indo-Pacific strategy that the government's released has the following phrasing:

Canada is stepping up as a reliable partner in the region to promote security and stability across the region and at home.

Canada will increase our military engagement and intelligence capacity as a means of mitigating coercive behaviour and threats to regional security.

Has your assessment of the status of Canada's military to meet these threats changed since you talked in February 2022?

Dr. Fen Osler Hampson: I forgot what I said two years ago. I don't know whether I should be flattered that somebody was paying attention. I probably should be.

I don't think the delta on that has changed very substantially. Yes, there are commitments under way to add to the strength of our navy, or at least to replace old stock, but we have yet to, shall we say, really put any of that new capital into the water.

I think there's a lot of positive rhetoric in the Indo-Pacific strategy around boosting our defence capabilities, but at the end of the day, one has to ask, "Where's the beef?" I would say it's still more hat than cattle.

• (1855)

Mr. Kyle Seeback: Those are some of the complaints that I'm seeing and hearing about the Indo-Pacific strategy. It talks a lot about things, but the actual deliverables aren't there when they're specified. However, most things aren't specified.

I was reading an article by Hugh Stephens from the school of public policy in Calgary. He says:

While it is expected that some details will be lacking when a new comprehensive strategy is unveiled, the lack of specificity and details on the paths to implementation of many of the IPS's elements is concerning.

That's my concern. It seems like it's a lot of talk, but there are no actual mechanisms within the strategy to measure the deliverability of the things they've said. Would you share that concern, or any concerns you have around that as well?

Dr. Fen Osler Hampson: At the end of the day, people will look and our allies will look at our capabilities, which have not increased substantially in the past two years. Yes, we're doing things to upgrade surveillance in the Arctic, and that's important for the defence of North America, but we're not moving, for example, in the same direction that our Australian friends are moving. They are committed to increasing their defence spending by some 4%—I think that's correct—or to bring it up to 4% of GDP with their proposed acquisition of new nuclear-powered submarines.

I'm not suggesting that we should necessarily move in that direction, but we're playing a catch-up game and we're falling further behind, I'm afraid, even with the new commitments the government is making.

Mr. Kyle Seeback: I'm going to switch gears a bit to business. In your book, you mentioned that "Canadian relations with countries

of the region are under-developed and our businesses under-perform in their markets."

Can you expand a bit on that in the minute and 40 seconds we have left?

Dr. Fen Osler Hampson: I'm not sure what book you're referring to. Is that the "Braver" series with Derek Burney: *Brave New Canada*?

Mr. Kyle Seeback: It's *The Indo-Pacific: New Strategies for Canadian Engagement with a Critical Region*.

Dr. Fen Osler Hampson: The short answer is that we have a long way to go. The Indo-Pacific paper is aspirational.

One of the concerns I have.... Yes, the business community is suddenly beginning to pay a lot more attention, because I think they see the writing on the wall in terms of protectionism south of the border. Yes, there may be some new opportunities, but at the end of the day, if we're really going to boost our economic fortunes, we have to engage with the major emerging economies of the Indo-Pacific. That's a horn that I and others have been blowing for many years that preceded the Indo-Pacific strategy statement, which, as Gordon said, was long overdue, but you're not going to achieve that overnight.

It's going to require a substantial commitment on the part of not just the business community but Canada's leaders—more than team Canada missions but real follow-up. One of the concerns I have is that, as we see developments south of the border and the prospect of an election that may bring a former president to power, that's just going to suck the oxygen out of the Indo-Pacific strategy. It's going to be difficult for our leaders, who need to be courting the Americans, to be, at the same time, jumping on airplanes to go south and to go west. That's also true, by the way, of the business community.

• (1900)

The Chair: With that, thank you, Mr. Seeback, for your questions.

We'll now go to Mr. Fragiskatos for another six minutes.

Mr. Peter Fragiskatos (London North Centre, Lib.): Thank you to both of you for being here tonight.

Professor Hampson, there's a lot in your nuanced statement that you leave us with, but I always like to turn it back to the witnesses. If you were to share with us, sir—or emphasize, rather—a key point that you want this committee to really take in, what would that be? What is the critical thing that you want us to keep in mind on these issues as a committee?

Dr. Fen Osler Hampson: My comments were very much focused on the Chinese game that is being played in existing international institutions. They're putting a lot of their people into key positions. You see that in the staffing of the Economic and Social Council of the United Nations, but it goes beyond there.

Number one, I think we have to put more people in the field. Some of the things the Chinese are doing aren't necessarily bad, and they may well be in our interest, but at the same time, it's also a competitive game—a highly competitive game—that's being played. That means having more people in the field and more people in New York. I think we have 24 officers there right now. That's grossly understaffed compared to other countries of a similar size to ours.

One of my colleagues just did a terrific report on Canada at the UN, and one of their principal findings, based on extensive research, is that we don't have enough people in the field, and we don't have enough people at the specialized agencies watching what's going on and advancing our own interests.

It's a real capability challenge, and that means also funding those missions properly.

Mr. Peter Fragiskatos: It's an interesting point. Some have said recently, in fact, as we know, that Canada should pull out of the United Nations. What do you make of comments like that?

Dr. Fen Osler Hampson: It's not in our interest to do so. We will then, as I've suggested, really be leaving the ground to our enemies, our adversaries, our competitors, who will fill the void. We're already seeing that: The Americans are experiencing that because they were pulling back.

As I've suggested, when it comes to promoting democracy and human rights, one of the principal avenues for doing that has been through peacekeeping—through peacebuilding missions in which Canada helped to write the resolutions, the enabling resolutions. Put people in the field to do those jobs. Those missions, by the way, create an enormous space for our civil society actors, who are much more important in some ways than what our officials do, because they're on the ground. They're promoting democracy. They're promoting human rights.

If you're not there, it's goodbye, and it goes well beyond that to the technology frontier, as I've suggested, where those international organizations that I mentioned play a key standard-setting role. We have to be there.

Mr. Peter Fragiskatos: Thank you very much.

Mr. Houlden, Professor Hampson just commented to us—and the comment has been made before—that while there is understandably plenty of tension between Canada and China, there are areas of co-operation. What areas of co-operation should we continue to look at? My mind goes to climate change, for example.

Mr. Gordon Houlden: Climate change makes good sense. China is 20% of the world's population, so there are going to be areas where we have common ground.

Health would be another. Unfortunately, it's been damaged in the eyes of the Canadian public due to some of the factors involved in the pandemic: vaccines that didn't go forward, suspicion about the origins of COVID, etc. That is still an area that we can't ignore. The next pandemic is more likely to emerge in China than anywhere else.

When I was a deputy head of mission, I was there during SARS, and we had no medical expert. Every day I was going to the briefin-

gs by the health organization, trying to make sense of the technical terminology. When I came back a few years later to be the director general in Ottawa, I said that we needed a health agency doctor in place who speaks Chinese. We did so, but the person was removed before the pandemic. We had someone there when the timing was useful but not essential, and then we didn't have someone there. Little things like that can be hugely important.

I think there are also areas of biodiversity in that broad environmental category. China is almost the same size as we are. It has a lot of species at risk, and it has a lot of clout in the UN system. I think the COP meeting in Montreal was a success overall. It might be hard to think back, but even in a time of fraught relations bilaterally, I understand that worked reasonably well.

A hard-nosed assessment of where we have an interest and where it happens to align—some things won't—with the Chinese interest can work. Finding those areas is not always easy, but it can be done. That's why I look forward to at least a better dialogue at senior levels. It can be behind closed doors, or it can be public. However, we can't go on indefinitely.

Our allies, the Australian prime minister, the Germans, the French, the Americans, the Brits and others—all of our G7 and Five Eyes partners—have been engaging at high levels with China. I'm not saying that it's all our fault that the Chinese are punishing us, but we need to fix that.

It's not a perfect analogy, but we kept our embassy in Berlin open until September 1, 1939. In other words—I'm a former diplomat—you talk. If that utterly fails, you turn it over to the other side, to the military, but we need to be talking. A dialogue from a distance by loudspeaker doesn't work. We need to be there on the ground, having regular contact in both directions.

● (1905)

Mr. Peter Fragiskatos: Thank you very much.

The Chair: Thank you, Mr. Fragiskatos.

We'll now go to Mr. Bergeron for six minutes.

[*Translation*]

Mr. Stéphane Bergeron (Montarville, BQ): Thank you, Mr. Chair.

Good evening to our witnesses, I'm very pleased to have you here. Thank you for contributing to our consideration of Canada's Indo-Pacific Strategy. I have some questions, which I invite either of you to answer.

In the Strategy, Canada asserts that it will continue to defend universal human rights, mentioning Uyghurs, Tibetans and other religious and ethnic minorities, though without saying how it will go about defending the rights of Uyghurs, Tibetans and other religious minorities. Presumably, the specific reference is to China.

The Strategy also raises the possibility of opening a dialogue with states that do not share our values. Do you see this as a contradiction between a firmer, more aggressive policy towards China and a more permissive one towards other countries in the region that might also be ambivalent about our values?

Mr. Gordon Houlden: It's always tempting to only talk with countries that share our values, rather like a conversation that takes place between members of the same family. In my opinion, this is because the majority of the world is not democratic. Some one hundred countries have human rights policies that are distressing or, at least, less than stellar.

Curiously, in my opinion, it's more important to have a dialogue with countries with shortcomings or difficulties, even if, at the end of the day, we're not on the same wavelength. Simply engaging in a conversation with these countries at least provides an opportunity to advance the dialogue.

For its part, China is a country with a challenging culture. It's a country with great international weight and a long tradition.

[English]

I have the bruises and scars.

[Translation]

This is due to years of interaction with the Chinese on difficult subjects such as human rights.

The fact remains that it's necessary. From time to time, we find a way to communicate, even with the Chinese. For example, some twenty years ago, with the Canadian International Development Agency, there were discussions on prison management, in which I was not directly involved even though I was on the China mission. How was this possible? It turned out that part of the problem was a lack of knowledge. China was willing to consider improving certain aspects of its penal system. However, I'm not naive. The Chinese are still going to put people in jail who wouldn't be incarcerated in Canada. The list of offences is long in China.

I am optimistic, however. Indeed, in the case of China, if we can change 1% or even a fraction of 1% of the policy, a very large number of people will be affected. That said, do I think that tomorrow or the next day, the situation will be much better for Uyghurs, Tibetans and religious minorities? Not at all.

On the other hand, we can at least maintain contact and keep the dialogue open, in the hope of seeing changes. If we don't communicate, if we don't engage, we surely won't see improvements.

• (1910)

Mr. Stéphane Bergeron: I understand your answer.

[English]

Mr. Hampson.

Dr. Fen Osler Hampson: Talking is not the same as capitulation, and sometimes the two get confused, particularly in public discourse.

I would agree with everything Gordon said, but I would add two caveats. One is that we shouldn't go soft. Diplomacy is about hard talk. It's not just sweet talk. I think that when it comes to China, as we saw with the declaration against arbitrary detention, we're much more effective when we engage in team talk, which is to say that we build coalitions, informal coalitions, and deliver the same message at the same time—in this case, to the Chinese, because they don't like to be called out in numbers.

That requires a very adroit diplomacy. It requires a strong diplomatic leadership, and it requires consistency. You don't deliver the message once. You have to deliver it many times over.

[Translation]

Mr. Stéphane Bergeron: Going back to the answer you both provided, are we to understand that we need to show the same resolve towards states that we want to engage in dialogue?

[English]

Dr. Fen Osler Hampson: Yes.

The Chair: With that, Mr. Bergeron, your six minutes have gone by.

We'll now go to Ms. McPherson for six minutes.

Ms. Heather McPherson (Edmonton Strathcona, NDP): Thank you very much, Mr. Chair.

Happy new year to all my colleagues, whom I am seeing for the first time this year.

Thank you very much to both of you for being here. Your comments have been very interesting.

One of the things I'm hearing from you is that China is increasing its influence around the world, both diplomatically in terms of development and in terms of utilizing the tools within the multilateral institutions. They're gaining more influence. This is happening at the same time that the influence Canada has in the world is diminishing.

We've seen—and I don't blame the current administration solely—in the last 20 years a diminishment in our diplomatic resources, in what we do with our diplomacy. We've seen a diminishment within our development dollars, in how we spend money and what that looks like, and even, as you mentioned, in our participation in multilateral institutions like the United Nations, in those areas where Canada can't even get a Security Council seat any longer. I'd like to get a better sense of what the implications are of that.

I'm going to pass that to both of you. Then, if you wouldn't mind, just touch upon the idea that this is the current context we are in, but we are in a context now where we could have a Trump presidency, which pulls the U.S. even further back. Also, to be honest, we have a potential federal government in Canada that has spoken about pulling back from the world stage in multiple ways. What are the implications of that? What does China see when these things are happening?

Perhaps I could start with you, Dr. Houlden.

I'm sorry, Professor, but as an Albertan I have to nod to my fellow Albertans despite the hat, the cow and the beef part.

Mr. Gordon Houlden: You can take me out of Alberta, but you can't take the Alberta out of me. It's very true.

The world is shifting in profound ways. The fact that it's rather gradual doesn't mean that it isn't happening swiftly. When I left Beijing in 2004 to go to Taiwan, and it feels like forever now, the Chinese economy was roughly one-twelfth of what it is today. Twelve times in roughly 20 years. While there are a lot of serious doubts about the Chinese economy going forward, the idea that it's going to collapse and that it's not going to grow, assuming the global economy is stable, is something that's just not going to occur.

We have seen a relative diminution in U.S. strength and in the strength of western countries, generally. If you just look at the percentage of GDP in the G7, there's no sign that this change is going to.... We're going to be in a different world. We are in a different world of diminution, plus the Asia-Pacific region doesn't have a NATO. The groups we belong to, be it Francophonie or Commonwealth, don't have as much clout there. We have influence, but our cultural mindset, in my opinion, is still very much oriented toward Europe and the United States. It's easy to say, as it says in the IPS, two-thirds of operations in Asia are growing quickly, but it understates, in my view, the growth of China.

Yes, we can send our business people to southeast Asia and to ASEAN countries if we wish, but when they arrive there, they're going to find the infrastructure is often built by China. For the great majority of those Indo-Pacific countries, excluding the United States, China is the number one trading partner. Therefore, you can move from Burlington to Kuala Lumpur to open an office there, and you may be doing way more China business than you were doing back home.

China has half of the Asian economy. The reality, for anybody who's been an adult since 1945, has been that the west, the United States, has been in a dominant leading position, and I don't think we can automatically assume that. China is not going to go away. China is not going to be all-powerful, but we're now in a place where the U.S. can be challenged. The U.S. may choose not to engage. That creates real difficulties for us who live snugly along that U.S. border and are deeply dependent on the U.S. market. The idea that we cannot engage, as an option, is not there.

The U.S. is about 24% dependent on foreign trade. We're closer to 60%. China is somewhere in between. The idea that you can maintain the prosperity without being engaged globally is just not there. If that's where the growth is, that's where we need to be.

• (1915)

Ms. Heather McPherson: Thank you.

Dr. Hampson.

Dr. Fen Osler Hampson: Canada got a tremendous boost during the unipolar moment after the Cold War ended. Our soft power, if I can use that term, travelled well, because it didn't encounter much resistance.

International institutions today have become arenas of great power and soft power competition. I tried to underscore that in my comments—how the Chinese are extending their influence in those institutions. Simply put, we have to invest in our hard power in response to the first question I got, but we also have to invest in our soft power. We need to get much smarter about it. It's not one or the other. It's both. It's driven by, as I said, geopolitical forces. Yes, we're a middle-sized power, but many countries still look to us for leadership, because there is a legacy there.

To come back to something Gordon said, our economic fortunes are in those parts of the world where we traditionally didn't play, the Indo-Pacific region being one of them. Those countries expect us to be an active partner, not just in the new and emerging institutions of the Indo-Pacific region but particularly in southeast Asia, where I'd say there are enormous opportunities for Canada. They're democracies we can work with, imperfect democracies but democracies nonetheless.

Indonesia is one where, at one point, we were one of its largest aid partners. It hasn't forgotten that, but we sure have. There's opportunity there, but we've got to up our game—hard power and soft power. That means investing in both at a time when Canadians don't want to invest in them. Part of political leadership is to say, as Gordon said, that the world really matters to us in our prosperity and our security.

• (1920)

The Chair: Thank you, Professor Hampson.

I'm being a bit, shall we say, generous on time today, because we have a fair amount of time. We'll go to our second round now.

Mr. Chong, go ahead for five minutes.

Hon. Michael Chong (Wellington—Halton Hills, CPC): Thank you, Mr. Chair.

Thank you to our witnesses for appearing.

I want to ask a counterintuitive question and get both of your reactions.

The narrative over the last two decades has been the ascendancy of the PRC and the relative decline of the United States. However, what if we are entering an era where the opposite is happening?

This past year, China's population dropped by 2.1 million people, and we know demographic decline is impossible to reverse. We've seen this in country after country. When you enter into that kind of population decline—particularly in a country like the PRC, which is not open to newcomers and is somewhat xenophobic in terms of its racial composition—that decline is almost impossible to reverse. In seven short years, the population will be down by 1% and in 15 years by 2%. That's a pretty difficult demographic wave to counter economically.

In addition to that, according to the World Bank, U.S. GDP per capita was \$76,000 this past year. In the PRC, it was \$12,720. On those relative two bases, the U.S. economy in the last year grew at a breakneck pace off that much higher base. According to the recent data I've seen, on a nominal basis, U.S. GDP grew last year by 6.3% and China's nominal GDP grew by 4.6%. Youth unemployment is skyrocketing. It is now higher than it is in southern Europe—breaking through 20%, I believe. In fact, it was so high that, last August, officials in Beijing said they were no longer going to publish the data on youth unemployment.

When we put all that together.... Perhaps we are entering an era where the PRC is economically declining, which may result in domestic instability. In that context, what should western countries' position be relative to the PRC? We've been in something of a defensive position for the better part of a decade because of the increasing threats. We may be facing a China that is inwardly focused, as it was in the fifties, sixties and seventies, and vulnerable to domestic instability.

What should our position be relative to that, if that's the era we're about to embark on?

Mr. Gordon Houlden: Do you mind if I go first?

I'm thinking of a recent column by Mr. Ibbitson, which touched on those things. I agreed with his description of the problem. I'm not sure I entirely agreed with the conclusions.

It is certainly true that the Chinese population is irrevocably going to decline. There's no factory churning out 18-year-olds. The percentage of the economically unproductive group, aged over 64 or below 15.... That bothers me a bit, because I'm over 64. Am I economically unproductive? However, over half of the monies being spent on robots is being spent in China. Can that compensate? Only partially.

However, if I look at Japan, which is a bit further along that curve, I don't see the Japanese economy collapsing. What I see are a couple of decades of very slow growth. The idea that China is going to outproduce.... There was that time, you will recall, when Japan was expected to own the world and real estate in Tokyo would be worth more than all the real estate in the United States on paper. That's not true. What you've seen is slow growth and a flattening.

China's not going to disappear. Things like youth unemployment and the declining population of those of working age can be

brought into balance. They're teaching the wrong skills. The parents want them to do certain things. Those aren't the jobs that necessarily are there for them. That's a mismatch of the labour market with the economy, and that can be fixed.

The U.S. economy is not about to collapse. It will have the largest economy for the foreseeable future. There will be two great economies. I am skeptical about the decline, but we must be ready for whatever comes. Beware of the unexpected. The Chinese political system seems remarkably stable. It is remarkably stable, but to me—and I've lived in communist countries on three different continents—it's that strength of iron, not of steel. It can crack. I served in eastern Europe at the onset of the collapse of the Soviet Union. I didn't see it coming. My job was to follow the dissident movements in politics, and I got it all wrong. I'm wary now about getting things badly wrong again, but I'm skeptical of collapse.

I think there will be slower growth and difficult growth. Quite frankly—and I've had this conversation with many Chinese—a China that has 700 million people would be a much more livable place than a place with 1.4 billion, and most Chinese agree. It would be easier on the environment and have more space and a higher quality of living, so let it be less dynamic—not overtaking us all, but perhaps relatively stable at a level where the gross GDP remains number two in the world.

• (1925)

The Chair: Thank you, Mr. Chong. Your five minutes and change are up.

We'll now go to Ms. Yip for five minutes or less.

Ms. Jean Yip (Scarborough—Agincourt, Lib.): Thank you for coming.

Professor Hampson, in your opening statement you mentioned that China is one of the largest contributors to the UN peacekeeping team. China has been participating in these missions for over 30 years. Why do you think they have taken such a role?

Dr. Fen Osler Hampson: They have taken that role in part for geographical reasons. Many of those peacekeeping missions have been in sub-Saharan Africa, which is a key, shall we say, area of investment for China under its development programs, its belt and road initiative and its desire to acquire bases, not just on the eastern side of Africa but now also on the western side of Africa. It's been driven very much by self-interest. They have an interest as well in stability in the sub-Saharan continent. By the way, that serves our interests as well, but it's on their terms, not ours.

It also comes back to the proposition about the Chinese desire for influence. Look at the influence and the reputational bounce that we got when we were the big peacekeepers in the world back in the 1950s and 1960s. It defined us as a middle power. Guess what. It's doing exactly the same thing for China today, not as a middle power but as a great power.

Ms. Jean Yip: Do you think that they can maintain this level of participation in the current climate?

Dr. Fen Osler Hampson: Notwithstanding the comments about China's population decline, absolutely. They can underwrite the missions. We decided long ago that peacekeeping was too expensive for us and that there were others who could do it more cheaply. Well, it's expensive for the Chinese, but they are prepared to write the cheques, for obvious reasons.

Ms. Jean Yip: Thank you.

Professor Houlden, you mentioned that Canada should invest more in soft power. Could you elaborate on that?

Mr. Gordon Houlden: It might have been....

Dr. Fen Osler Hampson: I used that term, but you said the same things.

Mr. Gordon Houlden: That's fair enough.

The influence comes in different ways. We are but 40 million people. Again, the heavy battalions are in Asia, where provinces of China have, in some cases, triple that. India obviously as well, and Indonesia.... We have what we call the physics of power, that scale issue. It doesn't apply quite as much to western Europe, necessarily, but it applies in spades to Asia.

Also, you have the tyranny of distance. You have that great distance with a fainter footprint, and then you have the size. That means expense to overcome that distance, and spending sufficiently on exerting influence at a distance is great. We're going to be more affected by Asia than we will affect them, but that is not an excuse for inaction and not making the effort. There is support—a bit of a bias here—for our academic institutions operating abroad, and it isn't and shouldn't be all about government. Business as well can have an important role internationally. We are more or less invisible in the United States, but we're present, our firms, in a particular, in large numbers. That's not quite so true in Asia.

Distance is only an excuse sometimes. People look at a globe, and Australia is right next door. I spoke to some Australians today at their high commission. Sydney is further from Shanghai than Vancouver is, but the difference is that, for Australians, the psychological distance is much shorter. In other words, they have made a decision that Asia is important to them, so they engage and they expect that to be the case. They are present on the ground in large numbers throughout southeast Asia in particular but also in east Asia.

For us sitting in Toronto or even in my home province of Alberta, China doesn't loom large. For the diaspora community it does, of course, but that shouldn't be the only place where expertise on Asia, interest in Asia or a role in Asia should apply. It takes money and sustained effort. The key thing there, I'd say, would be sustained effort.

Some of the issues in the past decades have been that we have had these episodic enthusiasms for Asia, and then some other crisis or some other situation comes along, and we move. That is noticed in those countries. If you visit a couple of times, and then it's six years since you were there, that will diminish any impact you have, whether it's soft power or just in terms of commercial promotion.

• (1930)

The Chair: Thank you, Ms. Yip. That's five minutes for you.

We will now go to Mr. Bergeron for two and a half minutes.

[*Translation*]

Mr. Stéphane Bergeron: Thank you very much, Mr. Chair.

Witnesses, would you say that you see the recent election in Taiwan as a stabilizing factor in the region or, on the contrary, as a factor for potential upheavals in the region?

[*English*]

Dr. Fen Osler Hampson: Given the Chinese reaction to the election, I would say it's destabilizing. They were hoping for a different outcome.

Does that mean that they're going to do what they have threatened to do? A lot of that depends on how the new leadership in Taiwan handles and manages its relationship with China, as well as on the deterrent messages that the United States and its western partners send to China.

There are some strategic experts who say that we should get ready, given what's going on in the world, for a March or April military offensive that the Chinese will launch against Taiwan, because they've simply had enough. I am somewhat skeptical of that.

However, the other factor you have to put into the mix is the risk of miscalculation, what is sometimes referred to as the “inadvertent escalation”. It could be an incident at sea. There have been quite a few where American forces or the forces of their allies get into a shooting match with a Chinese vessel. A ship gets sunk, and then what do you do?

If there is a breakdown in communications, we've seen that scenario in 1914 with the mobilization and countermobilization of forces in a war that nobody really wanted. I don't think anybody wants—and that includes the Chinese, by the way—to get into a war with the United States over Taiwan. They have simply just too much invested in the global economy and their own prosperity to do that, but if they feel the Americans are distracted, looking the other way, they may be opportunistic. As I said, there could also be inadvertent actions resulting from a loss of control over military forces that get you into a shooting war.

The Chair: Thank you, Mr. Bergeron.

Now we will go to Ms. McPherson for two and a half minutes.

Ms. Heather McPherson: Thank you very much, Mr. Chair.

This has been very interesting. Thank you so much.

Dr. Houlden, I am going to ask you a question about Taiwan now, actually.

What do you think the likelihood of an open conflict is in the near future or the relatively near future, especially hearing from Dr. Hampson that we have an election that is causing some mayhem. Obviously the Middle East and Ukraine have U.S. interests divided somewhat. I'm just wondering about your perspective on that.

● (1935)

Mr. Gordon Houlden: I've been really wrong in my long career on certain things, particularly the Soviet Union. I could see the cracks in the wall. I thought it was all going to come down. I thought it was going to take 50 years. Eighteen months after I left my mission, it had all collapsed. Take that as a warning. I have no magic crystal ball.

I actually thought that the Chinese reaction was much milder than I'd expected and many people had thought, which tells me something, I think, about their willingness to pull a trigger in the near future. I thought it was relatively mild. They fly jets almost every day that are within sight of the island. I didn't see the strong reaction, and they have lots of tools that they can bring to bear—not just an actual invasion but all sorts of grey areas, boycotts and shutting Taiwan out of markets. Taiwan's main market for their goods is still the PRC.

Looking into the future, I think the Ukraine may have been a bit of a warning. When you start a war, it's not easy necessarily to conclude it. It doesn't necessarily conclude in a time frame you wish or in a manner that you would hope for. An opposed maritime landing is one of the most difficult military exercises conceivable. There's no defence in the medium term—let's say a few weeks into a conflict—without direct U.S. assistance. However, I think that also brings in another factor. Are Xi Jinping and the Chinese willing to engage in a potential open military conflict with the United States?

The number one job of the Communist Party of China is to stay in power. Yes, on that short list is unification, welcoming Taiwan back into the embrace of the motherland. However, it's not number one—the party maintains power. Number two would be, then, how they do that—mainly economic means.

Yes, they want to do it. If there was a moment of weakness, as my friends have suggested, they might lunge forward. However, we're not there yet. I think right now, actually, a working relationship of some fashion with the United States—reducing the risk of open conflict and maintaining market access and a stable global economy—is more important than bringing back Taiwan right now.

Xi is in the position where he can redefine those goals at any given time. It's really up to him and the Chinese media, and they have a big role in shaping public opinion. He's not saying in 12 months or in 24 months. Obviously he would like to do it sooner rather than later, but I see hesitation and caution.

The Chair: Thank you, Ms. McPherson.

Now for our next round, we'll go to Mr. Chong for five minutes.

Hon. Michael Chong: Thank you, Mr. Chair.

Just building on that, many people suggested that, if there's something that happens with Taiwan, the American-led response will be similar to their response for Ukraine—in other words it will be non-kinetic, non-military.

In that context, maybe you could describe to us, based on your knowledge and analysis, the kinds of non-kinetic responses we would see, like sanctions, and how that would impact Canada and Canadian interests. Just say one last thing about that.

The U.S. is relatively autarkic as an economy. It exports about 1% of its GDP to China and imports about 1% of its GDP roughly in imports. China exports between 5% and 10% of its GDP to United States consumers and imports a lot as well, much more in excess of 1% of its economy, from the United States, so it's much more reliant on U.S. trade than the United States. It's a similar kind of relationship we have with the United States. About one-fifth of our GDP is exported to the U.S., and they only export about 1% of their GDP to us.

In that context, with an American-led economic response to a threat to Taiwan, what is the impact on our economy and our interests?

Dr. Fen Osler Hampson: There are two questions there.

One comment I would make is that Taiwan has a dual importance to the United States. One is as a democracy, and that's the values proposition, but the second is as the world's dominant maker of computer chips. I think the Americans, and others, have woken up to the fact that it's not good to have a single source of supply there, so they're making a very active effort now to diversify. In economic terms, and particularly technological terms, Taiwan is going to be of diminishing importance in the technology frontier.

● (1940)

Hon. Michael Chong: I guess what I'm asking is this: We enacted almost all the same sanctions the European Union did when it came to Russia. That was easy for us to do. A two-way trade investment between Canada and Russia was almost non-existent. Our repercussions here were small. European companies took a big hit—tens of billions of dollars in investments written off, family fortunes wiped out, a lot of pain.

To me, our relationship with the PRC and trade investment is similar to many European countries' relationships in trade investment with Russia. I guess what I'm looking for is whether anyone thought out the implications of a non-kinetic response to a PRC threat to Taiwan.

Dr. Fen Osler Hampson: To come back to the proposition about what the Americans would do if they imposed sanctions, a lot depends on the nature of those sanctions. If it's trade restrictions, to be honest, we buy more from China than we sell, so it will hurt the consumer. A lot of what we import are consumer durables. The stuff we buy on Amazon, a lot of it comes from China. We'll see a rise in prices for certain consumer durables. Is it catastrophic? No, because, as Gordon said, the bulk of our trade is with the United States and with Mexico.

I think what we might worry about, to be honest, is sort of a repeat—Trump 2—under a Trump administration, where they impose tariffs that are directed at China, but we become collateral damage because it's a general tariff against America's trading partners. Trump has pretty much said that he's going to put a 10% tariff on all imports coming into the United States and, by the way, that includes us. If he then decides that he's going to make nice with the Chinese, as he did, and strike a deal on agriculture, that side-swipes us or has the potential to side-swipe us, because it would be a preferential arrangement with the Chinese.

If it's economic sanctions or financial sanctions, that would likely affect our investments in China, which are considerable but they're not enormous. Speaking in terms of our global footprint, the majority of our investments go south of the border, and that's certainly true of our financial institutions.

Mr. Gordon Houlden: Could I add a few words?

I haven't done the math, but I think the effects of a thoroughgoing set of sanctions in the United States would be catastrophic in the short to medium term. It would be immensely inflationary. In many cases, the necessary inputs to manufacture would not be there. Magna alone has 13 factories in China. We thought it was bad enough with the disruptions from COVID. That would be mild compared to the effects of a thoroughgoing effort to isolate the Chinese economy from the North American economy. Even Mexican factories very often have Chinese investment or Chinese inputs in them. Even the U.S. defence industry gets alarmed every now and then when they find a chunk of Chinese chips or other pieces in their aircraft.

I think there would be a cascading, rolling effect, which would be devastating for the stock market and inflationary, with higher unemployment. Again, I haven't done the math, but my gut feeling is that I hope we don't have to go there but, if we do, tighten your seat belts as the effects would be very seriously felt across this country.

The Chair: Thank you, Professor Houlden.

We'll now go to Mr. Cormier for five minutes or less.

[*Translation*]

Mr. Serge Cormier (Acadie—Bathurst, Lib.): Thank you, Mr. Chair.

Mr. Houlden, thank you for being with us this evening to share your expertise.

While we were in our ridings, I met with some groups with whom I discussed the economy. We talked about everything that's

happening on the world stage, and my fellow citizens expressed great concern.

We also talked about Canada's Indo-Pacific Strategy. As I've already told the Committee, China is a partner that New Brunswick regrettably can't do without, especially for exporting its seafood such as crab and lobster, among other products.

How might this strategy help New Brunswick exporters, not only in the area I just mentioned, but also businesses in our region? How could a strategy that isn't exactly tailor-made at least calm the situation we're currently facing worldwide?

Do you see the Indo-Pacific strategy as a solution that could help our companies diversify their exports? What is your view of this strategy?

• (1945)

Mr. Gordon Houlden: When I look at Canada's Indo-Pacific Strategy, I don't necessarily see any details that could apply to the New Brunswick situation. In principle, though, we need to make greater efforts to help seafood exporters, for example.

Although we shouldn't limit ourselves to this, one possible measure is to increase Chinese investment in Canada, in the Atlantic provinces, but this approach presents a political challenge. I would point out that the China Institute at the University of Alberta has conducted several studies on the level of investment in Canada, and it is now much lower. Indeed, there is public opposition to the People's Republic of China investing in Canada, even in non-strategic areas such as the agricultural sector, where there are no major risks.

China is the world's second-largest economy. All of Canada's provinces depend on exports. Canada has a tradition of exporting luxury goods to Europe, the United States and other places with more or less the same values and institutions as ours. It's a different story in Asia, especially when it comes to China.

In my opinion, we should have a slightly more sophisticated investment policy. I agree that every Chinese investment in Canada needs to be carefully analyzed to see if it provides clear benefits to our country. However, Canada's current answer to this question is almost always no, even in non-strategic areas. And yet, a Chinese firm setting up in New Brunswick must comply with Canadian and provincial rules and laws. Based on this, I believe we can find solutions that are in the interests of both parties. Right now, however, it's very challenging, both politically and in terms of public opinion.

Mr. Serge Cormier: Mr. Houlden or Mr. Hampson, even with an Indo-Pacific strategy and a wide diversification of markets for its goods, do you really think that Canada could ever do without China in terms of economic trade?

[English]

Dr. Fen Osler Hampson: When it comes to the Indo-Pacific strategy, I think the real question is, what are we selling? At the end of the day, our comparative advantage comes from selling commodities.

When it comes to China, we don't need free trade agreements to do that because the prices of commodities are set on global markets. That, by the way, also applies to the wheat we sell to Indonesia. I think we're the largest supplier of wheat to Indonesia.

We're not competing with the Chinese. We're exercising good old Ricardian comparative advantage. I just don't see China as a competitor.

As we've seen before, if the Chinese decide to put sanctions on us as they did with our beef, pork and canola, there are third parties we can sell to that will sell those products to the Chinese. I think the UAE was the middleman in that exchange. We continued to sell canola to China, even though it said it wasn't going to buy it from us over the affair with the two Michaels.

• (1950)

Mr. Serge Cormier: Thank you.

The Chair: Thank you, Professor Hampson.

In the time available, we have time for one question and one answer from each party.

I'll call upon Mr. Kmiec and Mr. Fragiskatos for one question, and then Mr. Bergeron and Ms. McPherson.

Mr. Kmiec, it's your question.

Mr. Tom Kmiec (Calgary Shepard, CPC): Thank you, Chair.

In the Indo-Pacific strategy, it talks about "reviewing all mechanisms and structures" between Canada and the PRC, so I want to ask about the Asian Infrastructure Investment Bank.

Professor Hampson, you mention that the PRC's intention is building these replacement institutions to replace the Bretton Woods institutions.

On the Asian Infrastructure Investment Bank, the government invested heavily into the bank and called it part of its foreign policy strategy. Now it has regrets. In June last year, it announced it was freezing co-operation. There have been no announcements since then on what's going on and whether they will pull out or not. Was that in the best interest of Canada? Is the AIIB a replacement institution to try to push out Bretton Woods institutions?

I'll go to you, Professor Hampson, and to you, Professor Houlden as well.

The Chair: Give a brief answer, please.

Dr. Fen Osler Hampson: Very briefly, yes, we did the right thing because we woke up to the fact that the Chinese are calling the shots in the AIIB, and we have very limited influence there. If

you want to play their game, keep your membership, unfreeze it. If you don't want to play their game because it's not advancing your own national interest, then suspend it.

Mr. Gordon Houlden: If you're going to cancel it or freeze it, better to not have gone in in the first place. However, I would note that while the belt and road is a totally opaque organization with no governance that's visible, it is at a scale that's at least 10 times the size of the AIIB. The belt and road is a far more challenging and difficult institution. Creating the AIIB was an effort to try to create a counterpart to the Asian Development Bank. It's relatively successful and more admirable—I suppose you could say—than the belt and road, but if you're going to freeze, if you're not going to be there constantly, it's better to not start in the beginning. I don't see the gain in going in and then pulling out. It's better to have stayed out. I'm not sure there's enough common ground to have gone in in the first place.

The Chair: Thank you, Professor Houlden.

Mr. Fragiskatos, you have one question.

Mr. Peter Fragiskatos: Both of you mentioned BRICS. How worried should we be about the fact that it has grown in membership? Where is this going, and how should Canada respond in working with others or taking actions on its own? What do you think?

Dr. Fen Osler Hampson: I wouldn't be losing sleep tonight over the BRICS, but I might five years from now if it expands in the way the Chinese would like it to expand. In the written remarks I submitted to the committee, I raised some of the flags that are out there about the BRICS.

On some of the countries that have joined, I'm not sure we should be worried, to be honest. They're not a club that we would necessarily want to be in.

However, I think we should be concerned that the BRICS are responding to a frustration with the existing global machinery of international governance, and part of that frustration is born out of an unwillingness on the part of key countries. We're not in that group, but there's an unwillingness to allow for greater reform of those institutions. What should we do? We should be pushing for the reform of the World Bank and the IMF and giving a bigger voice to developing countries who might want to jump over to the other side.

The Chair: Thank you.

Mr. Bergeron, there is one question for you, sir.

• (1955)

[Translation]

Mr. Stéphane Bergeron: About twenty years ago, Chinese intelligence services were described in reports by CSIS, the Canadian Security Intelligence Service, as the most active perpetrators of economic espionage. In the mid-2000s, CSIS reports expressed concern about the People's Republic of China's use of Mandarin in the media to influence the diaspora. Moreover, in 2010, the reports predicted an increase in intimidation and interference. So we've been seeing a trend for the last twenty years or so.

What have we missed?

Mr. Gordon Houlden: That is a challenge, and poses a constant threat. It's a fact of life. History reveals that, over the last 100 years, Chinese intelligence services have focused on the Chinese diaspora, with whom they are most comfortable, since this population speaks Mandarin or one of the Chinese dialects.

The current Chinese government—like many of its predecessors throughout history—seems to hold that a Chinese person always remains a citizen of China, even if, technically, that is not the case. The Chinese government can still exert influence over that person, who, in its view, must have a certain allegiance, a certain respect for Beijing. It's very difficult to counter that. Most members of Canada's various diasporas, such as Brazilians or Greeks, take a natural interest in their country of origin. When a country's intelligence service has the ability and the will to control and use its diaspora against Canada's interests, even if only a very small minority of that diaspora is targeted, we need to monitor it closely.

Is there any way around it? No.

[English]

For me, it's a bit like crabgrass. You pull it up and it comes back.

It will always be like that. They will continue to use their power in the diaspora to follow their own interests. It's naive to think it's going to stop. You won't be able to stop it. We're a very minor influence. We have to continue to combat it and to be aware of it.

The Chair: Ms. McPherson, you have one question.

Ms. Heather McPherson: Thank you very much, Mr. Chair.

One of the goals of the Indo-Pacific strategy is to expand our diplomatic relationships in the Indo-Pacific. In your opinion, what does China think about that changing dynamic?

Mr. Gordon Houlden: I don't think China lies awake at night worrying about Canada.

Ms. Heather McPherson: They don't care.

Mr. Gordon Houlden: Maybe they don't care because they have a *tous azimuts* foreign policy. They have folks in their embassy in Copenhagen who speak Danish. Like any great power, they do everything in detail so other people notice. They really didn't like the fact that we called them a “disruptive” actor. They don't like it when they are criticized. They have thin skins in that regard.

On the idea that they are somehow particularly terrorized... We've seen the recent efforts of foreign ministers to have a dialogue again. They're there for the long term. Was it Talleyrand or Palmer-

ston who said that France has no permanent friends, only permanent interests? That's the way China will continue to see it.

They don't like what we're saying now. They'll hope to be dealt better cards tomorrow, but we have to remember... There's one thing that bothers me about all of those strategies that I've seen in the course of my career. We write them as if it is we who are changing things at that end. I can assure you that there is a Canada strategy there somewhere or a North American strategy. Sadly, their influence on us, I believe, over time will be much greater than our influence on them. We can and should be influencing the Indo-Pacific in any way we can, but they're going to influence us quite profoundly. In the case of China, what they call the “physics of power” tilts in their favour.

The Chair: Thank you for that.

Gentlemen, thank you very much. I think that out of your comments we will be able to distill perhaps the way forward in the relationship that we could have, should have and hope to have with China as we proceed in the Indo-Pacific. Thank you for your time. You've been very generous with it tonight.

We will suspend for a few moments while we get our next panel in place.

• (1955)

(Pause)

• (2005)

The Chair: I'd like to call our session back to order.

Our second panel will involve Paul Evans, who is a retired professor, from the school of public policy and global affairs at the University of British Columbia. I don't know if “retired” or “recovering” is a better description for anybody in a profession that's as all-consuming as the ones many of us around here have had.

We have Victor Ramraj, professor of law and chair of Asia-Pacific legal relations at the University of Victoria and the Centre for Asia-Pacific Initiatives. As another Alberta representative, we have Jia Wang, deputy director of the University of Alberta's China Institute.

Each of you will have five minutes and 20 seconds, or thereabouts, to make an opening statement.

Ms. Wang, we'll start with you.

[Translation]

Ms. Jia Wang (Deputy Director, University of Alberta - China Institute, As an Individual): Good evening.

[English]

Thank you to the committee for this opportunity to appear before you for this important discussion on Canada's Indo-Pacific strategy. Several esteemed colleagues have already spoken before me. It's a tough act to follow, but I'll try my best to share my observations.

I also note that I'm the only one who is not a gentleman with a beard tonight.

Voices: Oh, oh!

Ms. Jia Wang: IPS is an ambitious strategy with a broad spectrum of objectives, from trade and investment to sustainable development to people-to-people connections to peace and security. Much work and many resources have been put forth to implement this strategy and promote it in the region.

Canada, as we all know, is heavily dependent on global trade, much more so than our leading trading partners such as the U.S. and China. As Canada needs to diversify our market and supply chains and the world's economy and security agendas increasingly pivot to the Indo-Pacific region, the launch of the IPS study, I think, is very timely.

The framing of China's role as an increasingly disruptive global power has caught a lot of attention. The term Canada uses has gone further with a more negative connotation than other countries', including our closest ally, the U.S., which called China a "strategic competitor".

Canada's framing prompted a very strong reaction from China, perhaps not surprisingly. A disrupter, however, can also refer to a global power that challenges the norm, spurs tectonic changes and also shakes things up. It is my understanding that the second layer of this meaning was considered in the policy thinking but is rarely mentioned.

As Canada endeavours to expand engagement with the Indo-Pacific, we must recognize that many regional players' views and policies towards China don't necessarily align with ours. ASEAN, which was elevated to Canada's strategic partner status last year, for example, collectively endorsed an inclusive and engagement approach. They favour multilateralism and dialogue rather than isolation and containment. They prefer working with both China and the U.S. rather than being pulled firmly into the orbit of one single great power. Perhaps our regional path forward can be informed in part by the vast experience of the countries in the region.

Aside from geopolitical considerations, the reality is that the Indo-Pacific economy and supply chains are highly integrated both laterally and vertically, with China at the very centre. The size of the Chinese economy roughly equals the rest of the Indo-Pacific combined. Despite the attempt to decouple and de-risk from China and the rise of localization and protectionism in the region, China remains the top trade destination for most countries in the region. Since 2020, ASEAN has become China's number one trading partner. Major ASEAN economies saw double-digit trade expansion with China. Intermediate goods, raw materials, investment and technologies from China play a vital role in the leading industries of these emerging economies.

China's economic reach in the region is both broad and deep into all segments of the supply chains. Diversifying from China in the region won't be easy or even possible. By boosting our presence in this region and engaging with nations other than China, Canada and Canadian entities will inadvertently increase their exposure to China directly or indirectly. Enhanced competencies and knowledge of the region and China are needed to manage this complexity.

Canada's strategy towards Asia, the Indo-Pacific, shall be put into the broader context of a broader global vision. Emergence of regional hot spots and global shocks are nearly inevitable in our volatile world. When there are other competing priorities, countries in the region would ask and wonder if Canada is here to stay and if Canada is really committed to advancing common goals long term in the Indo-Pacific.

We should also not lose sight of what the endgame is for us in our global pursuit and perhaps walk back from that point in contemplating our steps to get there. If the ultimate aim is peace and security, peace and prosperity or, at a minimum, survival of humanity and our planet, we shall try to avoid a binary, value-based approach, where we only see things through the lens of good versus evil, democracy versus autocracy, which implies that confrontation is inevitable. It is not a shared perspective by the majority of the world's population, especially not by countries in the Indo-Pacific.

Perhaps capitalizing on our past success as a visionary and a thoughtful middle power and bringing back a nuanced approach and pragmatism in our foreign policy thinking might help us go further in the Indo-Pacific.

• (2010)

Thank you.

The Chair: Thank you, Ms. Wang.

Now we'll go to Professor Ramraj for five minutes and 20 seconds.

[Translation]

Dr. Victor V. Ramraj (Professor of Law and Chair, Asia-Pacific Legal Relations, University of Victoria and Centre for Asia-Pacific Initiatives, As an Individual): Good evening, Mr. Chair and Committee members.

Thank you for inviting me to share my thoughts on your study.

[English]

The greater the density of ties between two societies, the greater the ability to survive during difficult times. Dense societal ties ensure resilience when official ties are strained.

One of the strengths of the Indo-Pacific strategy is its recognition of the importance of non-official ties, notably in pillar three.

What is the role of government in building people-to-people connections? The strategy outlines specific ways of connecting people, such as investing in visa processing, air services agreements, scholarships and humanitarian assistance. However, if Canada is truly committed to engaging with Asia, what can governments do to foster enduring societal ties for the longer term? Cultivating meaningful economic ties is critical in trade and industry, small business, clean tech, agri-food and the like, but let me spotlight two other possibilities.

In his remarks to this committee in November, Mr. Frank Des Rosiers mentioned that indigenous business leaders participated in a trade mission to Japan last January. This initiative, alongside the Indigenous Peoples Economic and Trade Cooperation Arrangement, IPETCA, as it's known, demonstrated the significance of indigenous businesses in the global economy and their role in advancing Canadian and indigenous engagement in Asia.

Considering that two-thirds of the world's indigenous peoples live in Asia, facilitating these initiatives could play a critical indigenous-led role in building ties across the Pacific.

A second possibility concerns universities. For division of powers reasons, some creativity is needed here, as with tri-agency funding. What is clear, however, is that Canada's universities serve a critical long-term role in supporting the Indo-Pacific strategy. The role of universities is not limited to teaching undergraduate students about history, politics, language, literature and geography or generating research. Universities send students to Asia on exchanges, field trips, co-ops, internships and study tours. They send them for language training and field work. With more than 1.4 million students in Canadian university classrooms each year, universities are an obvious and untapped focal point for strengthening Canada's ties to Asia. So too is the growing number of Canadian university alumni in prominent positions in the region who want to engage with Canada.

While the strategy's aim of increasing China-related capacity at its missions is laudable, where will the experts come from? What about India, Japan, Indonesia and Vietnam? Excellent work is being done in Canada, but the number of experts is nowhere near what it should be and nowhere near that of our peers. Taking Asia seriously will require a generational investment in universities by all levels of government, including a dedicated Canada research chair type of scheme to foster capacity building on Asia.

Let me add two cautionary notes. First, while there are clearly genuine threats to security that arise from foreign governments, focusing too much attention on threats can distract us from developing deeper expertise on Asia. Demonizing foreign actors and stoking fear can undermine social solidarity and people-to-people ties. This is a time for us to invest in learning more, not less, about the diversity of Asia. We have to hold our rhetoric in check.

Second, while it is critical to distinguish between real and perceived threats, for universities, and for the role they play in democracies, the costs of failing to do so are high, especially for academic freedom. Universities are diverse, cosmopolitan institutions that

thrive on critical thinking, empathetic listening and reasoned disagreement, but testing ideas also requires engaging with world views that challenge our own. An awareness of security threats is important, but university researchers should be resolutely encouraged to exchange ideas and engage robustly with their peers in Asia. Intellectual decoupling is a dangerous game.

• (2015)

The Indo-Pacific strategy might be read by some as a document about geopolitics and national security. A more nuanced reading, however, recommends a more holistic approach that focuses as much, if not more, on fostering dense, multi-layered and enduring connections between Canada and Asia.

The Chair: Thank you very much, Professor.

Now we'll go to Professor Evans for five minutes.

Professor Paul Evans (Professor Emeritus, School of Public Policy and Global Affairs, University of British Columbia, As an Individual): Thank you. The professor emeritus really just takes the role of a pensioner in coming to this group.

Thank you for a third opportunity to appear before the committee. This time it's on the China dimension of the government's Indo-Pacific strategy.

Now at the implementation stage, the strategy provides a platform and resources for dozens of initiatives involving multiple departments here at home and multiple players in the region. Not since the era of Canada's "Year of Asia Pacific" in 1997 has there been such a surge of regional interest and activity.

It's important to note that the frame of "Indo-Pacific" varies significantly from the previous "Asia-Pacific". This is not just a shift that's putting more emphasis on India and south Asia. The international policy statement embodies a bigger change in tone, direction and positioning.

"Asia-Pacific" was born in the aftermath of a Cold War, in the late 1980s and early nineties. It, too, was based on appreciation of growing economic dynamism. However, it promoted free trade and open regionalism. It aimed to supplement alliances and deterrence with new co-operative security mechanisms led by the Association of Southeast Asian Nations and assisted by Canada. It aimed at the inclusion of the non-like-minded—like Vietnam and China—in the regional order.

“Indo-Pacific” is born in a more pessimistic and zero-sum era. It is characterized by an escalating rivalry between two great powers, anxiety about a rising China and uncertainty about the United States. It is spawning new multilaterals—like the Quad and AUKUS—that are composed of like-minded countries focused on resisting elements of China’s rise. There is a new skepticism about open markets and free trade, and a belief that regional economic integration is as much a source of vulnerability and risk as it is opportunity.

Buzzwords of the Indo-Pacific era are things like “decoupling”, “de-risking”, “deglobalization”, “diversification away from China”, “strategic competition”, “industrial policy” and “democracy versus authoritarianism”. We’re in a new context, which the Indo-Pacific strategy tries to address.

In this context, Canada’s Indo-Pacific strategy repositions China as an increasingly disruptive power. Some 15 countries and two international organizations also have Indo-Pacific strategies, but no two are closer than the United States and Canada in framing the China challenge.

I’d like to spend the last minute of my remarks on the U.S. dimension of Canada’s China policy.

As the committee members on your Washington visit no doubt discovered, there are unmistakable signs of a closer convergence between positions in Ottawa and Washington. Both reflect negative sentiment about China. Legislators are focusing on pushing back against China on issues, which include human rights, domestic interference and Taiwan—the issues we heard about.

One way of capturing this is through the famous three Cs—competition, co-operation and confrontation. In the words of Secretary Blinken, this is a China policy that is “competitive when it should be, collaborative when it can be, and adversarial when it must be”.

For America, however, it is, above all, a strategic competition without end that has military, technological, diplomatic and ideological dimensions.

Canada’s leaders talk about the three Cs as well and in similar terms, but occasionally with a slight twist. A fourth term in some of the Canadian lexicon is coexistence. That still has supporters and reflects the engagement ambitions of an earlier era. This includes accepting the legitimacy of the People’s Republic of China as a nation-state and looking for ways to live with it rather than defeat it. It implies the possibility of mutual respect and respectful dialogue beyond transactional matters. Ironically now, in the Canadian case, those channels are mainly closed.

● (2020)

We need to get a handle on the specific areas of Canada-U.S. convergence on China policy, but also the areas of difference. On the research side, a new Wilson Center-McGill University “Canada-U.S. Commission on China” is asking two key questions: Where we are aligned, how do we co-operate with the United States? Where our interests, values and approach differ, how do we manage the differences with Washington?

Topic areas include artificial intelligence, the Arctic, critical minerals, debt and governance in the global south, supply chain re-

silience and friendshoring, foreign interference, the prospects for co-operative security and the positioning of Canadian military assets in Asia.

One evident area of disagreement that was hinted at in the early session was the matter of what kind of open, rules-based multilateral trading system we want. Canada has a special interest in that.

A second is whether the scope of technological restrictions should extend beyond dual-use and military technologies in our universities and other areas. Should it also include preserving economic advantages against China? Should we control technology as a weapon?

● (2025)

The Chair: Perhaps at that point, Professor Evans, we’ll call time. Perhaps other pieces of what you had left will come out in answers to questions.

For questions, we will go to Mr. Kmiec for six minutes.

Mr. Tom Kmiec: Thank you, Chair.

Professor Ramraj, I’m going to begin with pillar three. You mentioned it in your statement.

It says in one of the subpoints, “strengthen Canada’s international student program”, and then it goes on. What we’ve seen in the last two weeks is that the government’s going in opposite directions. Now it’s imposed caps on provinces. It’s moved hard to try....

By their own admission, they’re saying the system is “out of control”. That’s one minister. I’ll call him the junior Minister of Immigration. The senior minister of immigration, who’s expressed a lot of regrets for all the things he did over two and a half years has said the system’s a mess. Now we’re massively shutting it down. These are their own words that they’re using.

On this subpoint in the Indo-Pacific strategy, how do you think the government’s doing?

Dr. Victor V. Ramraj: I’m not sure I’m going to comment on domestic politics. I know the confluence between housing, health care and students is a very complex one. It involves multiple layers of government.

The gist of my comments is that we need to play the long game. I’m hoping that changes in student numbers are short-lived. I’m hoping that we will continue to focus on bringing students in. Students from Asia will be ambassadors for Canada when they go home. I think we should continue to send students abroad. It’s that exchange that, over time, develops those really deep bonds.

I come from Victoria, as you know. There are big housing issues there. They were there when I arrived in 2014. These are complicated problems. There are multiple layers of government. A need for coordination is extremely important among municipal, provincial and federal governments.

Mr. Tom Kmiec: Can I ask you something, Professor? One frame that you gave in your introduction was the role that universities play, and that universities and, obviously, professors, should have freedom of speech and the widest latitude possible to express themselves.

I used to work for a professor who got into politics. He would always say they're inversely related. Everybody used to listen to what he had to say and believed him. Afterwards, he got into politics and nobody believed him. He lost all of the credibility he accumulated over 25 years as a constitutional professor.

What I see in this strategy is that we talk about a worry about academia, but what about Canadian academics that travel to the PRC or to Hong Kong? Do you think the strategy addresses protecting their rights to free speech?

Dr. Victor V. Ramraj: The first point I'll make is that I appreciate the advice to not go into politics.

You may know from my CV that I spent a lot of time in Asia. I'm actually working on a project now on constraints on academic freedom among public law scholars in Asia. With my team of colleagues, we've interviewed 30 colleagues from across the region, and there are all kinds of constraints—hard and soft.

Our interest is in the soft constraints, but what is also really interesting is that public law scholars in Asia find ways of addressing those soft constraints—not always—but it requires a deep understanding of the society and the context in order to do so. If a Canadian colleague goes to Asia, it's going to take some time to understand how to work around those rules.

• (2030)

Mr. Tom Kmiec: Professor, can I bring up a case of a Canadian academic then—

Dr. Victor V. Ramraj: Please.

Mr. Tom Kmiec: —Professor Rowena He, who was denied a visa.

She was an educator at the Chinese University of Hong Kong. She was denied a return visa in November 2023. I haven't heard a statement from any government minister about her case. The most prominent, I would say, Canadian academic, specifically on Tiananmen Square and the public's relationship with the stories and the history of it, is denied a visa, fired from her job—unfairly, I would say—denied the ability to keep telling the story of Tiananmen Square in the context of Hong Kong, obviously, and how important the story is, and teaching and educating those—but obviously from a Canadian perspective.

Don't you find it's interesting that the government hasn't said anything, and hasn't intervened in her case? There's been no communication. All in the Indo-Pacific strategy, if we're exchanging a people-to-people connection, you would think the Canadian government would do more to protect Canadian academics who are go-

ing overseas to spread the Canadian message that we can speak freely and we can share sometimes tough messages and share our stories and our perspectives on history.

You have a very unique perspective, Professor, so I want to hear it from you. What do you think the government should do on a case like Professor Rowena He?

Dr. Victor V. Ramraj: I'll have to look up the details of that case. I can't comment on the specifics, but one of the points that I learned during my time in Asia—not just in Singapore but in the region—is that a lot gets done through informal channels, whether in terms of politics or of discussions with colleagues. There's a lot that can be said and done behind closed doors through unofficial ways, rather than writing to the newspapers, by having private discussions or having private, influential conversations.

In those contexts, there is a lot that can be done by Canadian academic—

Mr. Tom Kmiec: I'm sorry, Professor. I'm running out of time. I love your train of thought.

Just for my last question here, do you think it's a failure when the Canadian government doesn't stand up for Canadian academics who are trying to fulfill their jobs and teach students overseas at international universities?

Dr. Victor V. Ramraj: I'll make a general comment, which is that I think the Canadian government and all levels of government should robustly defend academic freedom and the rights of professors and students wherever they are—in Canada or abroad.

Thank you.

The Chair: Thank you, Mr. Kmiec.

We'll now go to Ms. Damoff for six minutes.

Ms. Pam Damoff (Oakville North—Burlington, Lib.): Thank you, Chair.

Thank you for letting me join your committee tonight.

I'm going to start with Ms. Wang because she doesn't have a beard, and I quite liked that comment.

You talked about the importance of not framing things as good versus evil, and I know you've written about how increased tensions can lead to misinformation, disinformation and also the impact of anti-Chinese hate here in Canada. I wonder if you could just elaborate on that a little bit.

Ms. Jia Wang: The purely value-based approach can be problematic. Of course, we will firmly defend Canadian values, including freedom of speech and respect of all human rights, but in the reality of working with many other countries, if that's the only topic we focus on, and then we open the conversation by pointing fingers and saying, "We are a democracy; you're not a democracy," there seems to be no common ground or space where we can actually have a conversation or have engagement to tackle some of the global issues, including climate change, public health, nuclear non-proliferation and even biodiversity. We have to reserve that space because these are some of the issues that could potentially pose an existential threat to the whole human race.

If we're always framing things, especially opening a conversation with that kind of framing, I wonder if we may not be able to get things done. Like some other speakers mentioned, sometimes you can get more done by using diplomacy. It could be harsh. They could be challenging, difficult conversations, but we still need to have those conversations. Rather than having megaphone diplomacy, we sometimes need that quiet diplomacy, behind closed doors, to talk about issues and focus on specific issues rather than having a broad stroke and making a value statement.

When it comes to the diaspora community, especially the Chinese community—I happen to be a member of that community; I was born and raised in China—there is a concern. With a lot of these policies, although they're not naming a certain group or singling out a certain group, people are feeling the pressure. They're feeling like there's a target on their backs and they're being scrutinized more just for, sadly, being a member of a certain ethnic group. That is not a good feeling and, also, I don't believe that is Canada. Those are not Canadian values. That is something we do have to be careful about.

• (2035)

Ms. Pam Damoff: Thank you very much.

Professor Evans, could you comment on the role China might be able to play with North Korea? We've seen rising tensions and escalations with North Korea. It has been cozying up to Russia on arm sales.

Could you comment on the role that China might be able to play in de-escalating tensions in the region?

Prof. Paul Evans: I had the opportunity over 12 years to run 22 meetings with North Koreans, 10 of them with the Chinese in those sessions. The baseline on this is that no one has influence over North Korea. It's extremely difficult. In the case of China, the tensions between North Korea and China are considerable. This is not a loving relationship, but it is one in which the Chinese feel they do not want North Korea to disappear. At the same time, they don't want it to start throwing nuclear weapons around in the region. That its actual influence is minimal is not quite right. There are certain things they can control with North Korea.

On balance, North Korea runs to its own drummer. This is made more complex now, because of the very quickly growing relationship between Russia and North Korea, where China is an observer of some of the things that are occurring.

We try very hard, Ms. Damoff, to bring North Koreans and the Chinese into dialogue mechanisms on what a Korean peninsula might look like. It was a major Canadian initiative in the 1990s and into the early 2000s. As Canadians, we're not part of that discussion any more. This is a grey zone interaction between the United States and China.

I don't think we can look to China to solve our North Korea problem, and the world's North Korea problem. The Chinese may just be able to put some limits on the techniques the North Koreans will use.

Ms. Pam Damoff: Professor Ramraj, you mentioned the inclusion of indigenous-led businesses on the trade mission. Could you elaborate a little on that?

Dr. Victor V. Ramraj: I don't know first-hand. I was reading the transcript of the previous meeting.

Ms. Pam Damoff: Could you just provide your thoughts on the importance of it? I've done a lot of work with the CCAB, and Tabatha Bull, who is amazing. What is the importance of including indigenous-led businesses in anything we're doing in the region?

Dr. Victor V. Ramraj: Again, this is in the policy. It was in my comments that two-thirds of the world's indigenous peoples are in Asia. My area is more southeast Asia. If you look across southeast Asia and at the number of indigenous people, there are different kinds of laws, including adat laws. Other forms of laws are abundant. It seems to me that having that engagement between indigenous peoples and Canada, and indigenous peoples and ethnic minorities in places like southeast Asia...

Taiwan is an excellent example. That engagement would strengthen Canada's ties at a different level from the official level.

Ms. Pam Damoff: Thank you very much.

The Chair: Thank you, Ms. Damoff.

Next, we have Mr. Bergeron for six minutes.

[*Translation*]

Mr. Stéphane Bergeron: Thank you, Mr. Chair.

I'd like to thank the new panel of witnesses for their absolutely fascinating and interesting comments.

First of all, Mr. Ramraj, if I were you, I'd reconsider my decision not to run for office: I think you've done rather well.

Professor Evans, I loved that you took the time to compare Canada's Indo-Pacific Strategy to that of the United States. I found it frustrating, to say the least, when you were interrupted. I felt as if the power had suddenly gone out while I was watching a riveting film. If you have a few words to conclude your presentation, please go ahead.

● (2040)

[English]

Prof. Paul Evans: Thank you for that. The film without an ending is a very interesting idea.

What I was going to end with is that we're at a very difficult moment in the Canadian approach to the Indo-Pacific. The China question is going to be of enduring difficulty and challenge, but we also have a challenge with the United States. The Indo-Pacific era is an era that is largely an American projection on what the region is and can be.

In that context, we're able to work with the Americans now. For this alignment I talked about—Canada and the U.S.—your committee discovered an 85% overlap. That overlap would change very quickly if the administration in the United States changes. We don't need to focus on Mr. Trump exclusively on this matter. Americans, including Mr. Lighthizer, Mr. Navarro and Mr. Pompeo earlier, put the U.S.-China relationship into hyper-strategic competition. We'll be side-swiped by that in several ways if it comes to pass.

I think what we're trying to do with our American friends, right now, is identify areas of hard Canadian interest and areas of hard American interest that we can discuss and come up with some common ideas about what to do with China in the Arctic or how tightly we limit the restrictions we put in place on technology interactions with China. Please try to codify some of the areas where we differ.

However, where we think we can take it forward into an administration in the United States is unpredictable. We all know we're in a very fluid situation in Canada on our political future, and in the United States. Some of us are trying very hard to put in place areas where there can be U.S.-Canada agreement and some areas where we had better get ready for a discussion.

[Translation]

Mr. Stéphane Bergeron: Thank you so much.

Canada's Indo-Pacific Strategy stipulates the following:

[...] Canada will pursue dialogue with China to advance Canada's national interests [...]

It also states the following:

In areas of profound disagreement, we will challenge China, including when it engages in coercive behaviour—economic or otherwise—ignores human rights obligations or undermines our national security interests and those of partners in the region.

My question is for all three witnesses. In your opinion, how should we interpret the phrase “We will challenge China?”

[English]

Prof. Paul Evans: I'm not sure I understand the full import of the question. I think understanding China is complicated. It is not a single entity with a predefined long-term position. China is mobile.

On human rights, if that is the essence of the question, the Chinese situation is abhorrent in a number of ways, but it is flexible around the edges. Canada had good success with China in the context of some issues related to labour and rule of law. We don't change their system but rather their interactions, as Mr. Houlden indicated. China adjusts around the edges on some of these matters,

and we think we may have a special ability to try to keep that discussion with them going.

However, I'm not sure I got the gist of the question. Excuse me.

[Translation]

Mr. Stéphane Bergeron: Canada says it will challenge China in areas of profound disagreements, whether that concerns coercive behaviour, economic issues, human rights or security. In other words, what capacity do we have to challenge China?

[English]

Prof. Paul Evans: The translation was interesting.

Canada is not going to be able to change Chinese behaviour by calling it out, though we must do it for our own domestic purposes. On economic coercion issues, I think we can fight back in specific areas, but I think there's room to talk with China about economic coercion of great powers. It is not only China that uses economic coercion against other countries. The United States, through sanctions, is a principal player.

I guess that, unlike the previous panellists, I don't think China's future is predetermined in some of these areas. In some of them, we can continue a dialogue with them about what might be rules that should be applied in a new global order.

I think we have to work with third world countries, the global south.... Some of the things the Chinese are talking about are appealing. A lot of it is difficult for us, but the world's rules are no longer going to be the rules of the United States and the western democratic countries. They're an important part of the picture—we don't lose that—but the global balance of power is shifting. The Chinese are positioned on some of these issues in ways that we can push back against, but sometimes we can find areas where we can reinforce a common message.

● (2045)

The Chair: Thank you, Mr. Bergeron.

That's your six minutes—and change, actually.

Ms. McPherson, it's your turn now.

Ms. Heather McPherson: You got a little extra change there...?

Mr. Stéphane Bergeron: Yes, but that time, I think some of us had a little extra change too.

Voices: Oh, oh!

Ms. Heather McPherson: It's true.

Thank you, Mr. Chair.

Thanks to all of you for being here today. It's a very interesting conversation.

I would like to follow up, Dr. Evans, on what you've just said. We heard from the first panel and now we're hearing from this panel that China is playing an important role in sub-Saharan Africa and in developing countries. This is changing that discussion around democracy, the rule of law and what that all means.

As Canada has limited resources—more limited than certainly I would like to see, but limited regardless—and the Indo-Pacific strategy is committing more of those resources to the Indo-Pacific region and developing those relationships, you can see that there would be a problem. Because, of course, of these limited resources, we're pulling resources out of other areas to invest in the Indo-Pacific strategy, which may make sense and which may be a good idea, but that leaves us not investing in sub-Saharan Africa and leaving the continent in some ways—diplomatically, peacekeeping-wise, development-wise—wide open to messages coming from China or from even more malevolent players like the Wagner Group.

How do we balance that? How do we balance our need for that? That's just looking at sub-Saharan Africa. We're not even talking about multilateral institutions, the Middle East or some of these other areas of focus. What do we do?

Prof. Paul Evans: I've been a critic of elements of the Indo-Pacific strategy, so let me be clear: I'm not here to defend the government's position on this. I think the Indo-Pacific strategy is about a lot more than the Indo-Pacific. It's partly about our relationship with the United States, but it's also about our relationship with the developing world and the points that Mr. Houlden made about the fundamental importance of China in the global economy in other regions.

What I saw as a possible element in our Indo-Pacific strategy is that we should be opening dialogues and discussions with China about issues—including debt relief in the global south—and that there are elements of what they are proposing, some of it through belt and road but some through some other financing mechanisms, that might not be the best ones. They might not be good ones, but we should try to engage them in that. When we're now putting more resources into China, we're putting more resources into our embassies, etc., to see where China is playing in Africa. We're putting designated officers in 24 or 25 of our foreign embassies who focus on China even if it's not in China—if it's in southeast Asia, if it's in Africa and parts of it—because China is such a global actor.

We have to understand that this is so much bigger than a bilateral relationship between Canada and China. These are issues that are reshaping the global order, and it's useful for us to at least know what the Chinese are thinking and—this is the key—where we see it as good and where there is overlap to reinforce, not automatically reject.

• (2050)

Ms. Heather McPherson: There are obviously some real risks, as well, in sub-Saharan Africa in terms of debt relief when China offers infrastructure—

Prof. Paul Evans: That's correct.

Ms. Heather McPherson:—without perhaps providing the support to the country. I have some concerns with how that is ruled out.

Prof. Paul Evans: Absolutely.

Ms. Heather McPherson: Maybe I'll ask you, Dr. Ramraj. You were the co-chair for the Indo-Pacific advisory committee—were you not?

Dr. Victor V. Ramraj: I was an academic adviser to the co-chairs.

Ms. Heather McPherson: You might as well just take the bigger title.

As somebody who actually was involved in the writing of this or the advising of it—I saw your eyebrows go up—can you...? I know that, obviously, there are some strengths in this, but what are the gaps in the strategy? Can you identify those real, key gaps where we've kind of missed the mark on the Indo-Pacific strategy?

Dr. Victor V. Ramraj: First of all, let me clarify. As I said, I was one of a handful of advisers. I had a small role, and I'm not at liberty to talk about the deliberations of the committee.

Ms. Heather McPherson: What about looking forward with the botched policy we have?

Dr. Victor V. Ramraj: I've suggested to you in my comments where I think we should be going. It actually riffs off of Professor Evans' comments as well.

I think we need to invest even more in the societal ties. Professor Evans is right that a policy that addresses China or Asia needs to be globally focused. There are all kinds of ways that Canada can engage globally. I think that we have been looking more inward. Maybe since NAFTA, as it used to be called, we became more continentalist in our focus. I don't think 9/11 helped. We became a very continentalist power. This is part of a long-term correction in which we need to be engaging with the world again. I mean, there was a time when Canada was truly globally engaged.

This is part of an answer—the IPS. I guess to answer your question more directly, I would say that we need to go a lot further. We have to do it across party lines, and we have to do it for the long term.

Ms. Heather McPherson: Thank you.

The Chair: Thank you, Ms. McPherson. That's your six minutes.

We'll now go to our second round.

Mr. Seeback, you have five minutes.

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

Actually, I'm going to use this opportunity now to move my motion that I served on December 8. I know that the clerk will probably now try to find it and distribute it to members because she has a copy of it, but I will read it now so that everyone, as they're waiting for it, can understand what I'm doing.

I move:

That the Special Committee on the Canada-People's Republic of China Relationship express its deep disappointment that the Finance Minister ignored invitations sent by the committee; and, that the Minister of Finance has chosen not to appear during the committee's meeting on Canada's freeze in government-led activity with the Asian Infrastructure Investment Bank; and that this be reported to the House.

I am moving this motion because, as I look at this now, the first invitation went to the finance minister's office on October 27. It is now January 29. That is four months of our committee clerk sending requests to the Minister of Finance to give us dates to appear on the study—four months—and there has not been a single date that has been given to this committee. This is an important issue. During testimony at this committee, Mr. Steven Kuhn from the Government of Canada said, "I am aware that there are instances of projects that have been approved by the AIIB where Canada and other partners around the board have raised questions about forced labour and where Canada's engagement has not allowed for those projects to be blocked as a result of that."

It's very clear that Canadian taxpayer dollars went into the Asian Infrastructure Investment Bank and then funded projects that may have used forced labour. That the finance minister will not even give us a date to come and testify is, I think, deeply disrespectful to this committee. It's deeply disrespectful to members of this committee to not have responded, and I think that the minister should have responded and given us dates. Given that she's clearly not going to, we should express our deep disappointment in the finance minister. That's why I move my motion.

Thank you, Mr. Chair.

• (2055)

The Chair: Is there debate or comment?

Mr. Fragiskatos.

We'll keep a list of comments here.

Mr. Peter Fragiskatos: Thank you, Mr. Chair.

I do remember the meeting that took place several weeks ago now. Certainly I can speak for myself, but I know that members around the table, especially on this side, had a great deal of confidence in the comments of public servants, who made clear that, once those allegations were made by the individual in question, they were taken very seriously. Meetings did happen, and that was echoed by the witness himself.

When I asked him point-blank about how he felt about the engagement from the Department of Finance, he responded confidently to say that he felt that department officials did very well in terms of reaching out to him and listening to his particular view of the matter.

It's interesting that the Conservatives want to keep going back to this. They were trying to get some headlines out of that meeting,

and it didn't work for them. I think we have three outstanding witnesses in front of us. Their testimony has been interrupted. It's not the first time this, unfortunately, has happened. It seems to be a Conservative approach that when they don't get their way in one forum, they try to distract in another forum. That's exactly what's happening here.

I know that colleagues on this side will have a view on the issues that have been raised as well. I'll let them make comments accordingly. However, I think it's a bit rich to hear from the Conservatives this anger, which I think, frankly, is highly performative, that they haven't received answers to the substantive matter at hand, which is what took place when allegations were made. I think they were responded to in a very meaningful way.

The Chair: Thank you, Mr. Fragiskatos.

I'm keeping track of people who've requested to speak. In order, I have Mrs. Lalonde and then Ms. McPherson.

Mrs. Marie-France Lalonde (Orléans, Lib.): Thank you very much.

Again, I'm very disappointed in what we're seeing. I'm happy to have a discussion on this. I'm terribly sorry to our witnesses who, at 8:58 p.m. on a Monday, have made time to come and appear on our study.

Thank you.

Maybe, as a first step, I can ask, through you, Mr. Chair, if there is some correspondence from the clerk between the Department of Finance and the clerk. I know they came here to see us, as my colleague stipulated.

Could we have some aspects of the back and forth between the clerk and the Department of Finance on the appearance, or anything that justified stopping this meeting that was extremely valuable for all of us?

The Chair: We may be at a bit of a disadvantage with our regular clerk not being here.

I don't know, Nancy, if you're....

I'll look over this way and put our analyst in the spotlight. Were you privy to the conduct of the emails going back and forth?

Ms. Marie Dumont (Committee Researcher): No.

The Chair: Can you comment on that, Madam Clerk?

The Clerk of the Committee (Ms. Nancy Vohl): Yes.

The usual clerk of the committee told me that she did a lot of back and forth. I don't have all of the details, but she did send me pretty much everything so that I could be ready today for the meeting.

I can tell you that she did a lot of back and forth. Again, the last time she did some communications was on the 26th, and we're still waiting for a date.

• (2100)

The Chair: All right.

Ms. McPherson.

Ms. Heather McPherson: Thank you, Mr. Chair.

I also would like to get back to the testimony, so I think we should try to wrap this up and have a vote as soon as possible.

I will say, very quickly, that this is a worrying trend for me, when ministers are refusing to come to committee. This is not the only committee that I'm seeing this in. In fact, I just came this afternoon from the foreign affairs committee where we have also not been able to get either the international development minister or the foreign affairs minister to attend our committee.

For me, it is a dangerous precedent that ministers are not making themselves available to committees when we have important information that we would like to ask them about.

The Chair: With that, in essence, the motion—I'll look to Mr. Seeback to ensure we're getting very solid on what it is we're asked to decide—is asking that a report be made to the House, because the Minister of Finance has yet to confirm a date after an extended period since a request was made.

I don't know where you want to go with that, beyond this.

I'll ask for a comment from Mr. Seeback, and then go to you, Mr. Fragiskatos.

Mr. Kyle Seeback: The wording of the motion is:

That the [committee] express its deep disappointment that the Finance Minister ignored invitations sent by the committee; and, that the Minister of Finance has chosen not to appear during the committee's meeting on Canada's freeze in government-led activity with the Asian Infrastructure Investment Bank; and that this be reported to the House.

The Chair: Mr. Fragiskatos.

Mr. Peter Fragiskatos: Mr. Chair, again, these are matters that can easily be handled among MPs and not necessarily even at committee. I think Mr. Seeback is after some clips for theatrics, or I'm not sure what. We had a very productive meeting that took place weeks ago.

He seems to be agreeing with me. That in and of itself is interesting.

The point, Mr. Chair, is that we have witnesses here who want to present. I want to hear from them and I hope the majority of members do. Therefore, I move that we adjourn debate on this motion.

Ms. Heather McPherson: Can I suggest a compromise, or do we have to vote now?

The Chair: We have a motion, unfortunately, and there's no debate on that one. We will need to take a vote to adjourn debate on this particular motion.

Madam Clerk, I will ask you to call the roll.

(Motion negatived: nays 6; yeas 5)

The Chair: We will continue.

All right, you wanted another shot, didn't you, Ms. McPherson? Go ahead.

Ms. Heather McPherson: I did.

Because this is a committee that works very well together—and I'd like us to continue to work collaboratively—would it be possible to have a compromise?

Can we move this now and choose for the minister to have one more chance to come before the committee, and then perhaps next week have that vote, knowing very clearly what the vote will be at that time? This might give the minister the get-up-and-go to respond to our committee and come before our committee. I think we would all be more satisfied with this if we knew we were bringing it back in one week for a vote.

The Chair: We have a motion on the floor, and you've essentially made another motion, Ms. McPherson.

Ms. Heather McPherson: Isn't that an amendment?

The Chair: I have to look to our clerk to see the order in which we do things.

Mr. Seeback.

Mr. Kyle Seeback: I would consider it to be an amendment to the motion.

Let's give it one more week. Let's amend the motion so that, if we don't have a date from the minister within the week, we then express our disappointment.

Ms. Heather McPherson: I can live with that.

The Chair: Will you accept that as a friendly amendment?

● (2105)

Mr. Kyle Seeback: I'll accept that as a friendly amendment. If we don't have a date within a week, the committee will then express its deep disappointment and report it to the House.

The Chair: Do we need to call the question?

Ms. Lalonde.

Mrs. Marie-France Lalonde: Mr. Chair, I want to understand a procedural component.

What does this mean for the motion my colleague put forward and the amendment? Does that mean we hold the vote until after a week's time?

Ms. Heather McPherson: No, it's within the motion.

Mr. Kyle Seeback: It's an amendment to the motion we have to vote on, and then we vote on the motion as amended.

Mrs. Marie-France Lalonde: Then we could bring another amendment to the amended motion.

Mr. Kyle Seeback: Yes.

Mrs. Marie-France Lalonde: Thank you.

The Chair: Is such an amendment forthcoming, Ms. Lalonde?

Mrs. Marie-France Lalonde: I believe so, Mr. Chair.

Mr. Kyle Seeback: Can we first vote on the...?

The Chair: Are we going to call the question on the amended motion? Is that where we are?

Then let's do that.

Mr. Peter Fragiskatos: How will this now read? What are we voting on now that the amendment has been put forward?

The Chair: If we take Mr. Seeback's motion, I think we've added basically that, if we don't have a date within a week, then the committee will express its deep disappointment that the Minister of Finance ignored invitations and this would be reported to the House.

Mr. Peter Fragiskatos: I can't hear you. There's too much talking.

Could you repeat that, Mr. Chair?

The Chair: Do we need a moment over on this side of the table to discuss this?

Mr. Peter Fragiskatos: I could go for a brief suspension.

Mrs. Marie-France Lalonde: Mr. Chair, could we ask for a small suspension just to review this motion, please?

The Chair: Of course you can.

We'll take a moment.

• (2105) _____ (Pause) _____

• (2110)

The Chair: Let's get back to work, guys.

Ms. Damoff.

Ms. Pam Damoff: The first thing we're voting on is Heather's amendment. Is that correct?

The Chair: Correct.

Actually, because it was a friendly amendment, I think we can just vote on the whole thing as amended.

Ms. Pam Damoff: No, we still should vote on the amendment.

The Chair: Do you want to vote on the amendment first?

Ms. Pam Damoff: I don't think we have friendly amendments. Do we? I don't know. Anyway, we'll vote on Heather's amendment, and then we'll deal with the rest of it.

The Chair: If that's the way you'd like to approach it, then I'm easy on that.

Basically, the amendment is to allow one week for the minister to respond. It's to give us a date. It's not to appear but to give us a date.

Can we take the vote on the amendment, please?

(Amendment agreed to: yeas 6; nays 5 [*See Minutes of Proceedings*])

The Chair: We will now go to the main motion.

Go ahead, Ms. Lalonde.

Mrs. Marie-France Lalonde: Thank you very much, Mr. Chair.

We would like to bring a few amendments to this motion. I'll start with the first one, if I may.

I'll read what we would be proposing: "That the Special Committee on the Canada-People's Republic of China Relationship express

its deep disappointment that the Finance Minister was unable to appear." This is what we would like to add.

We would like to strike, "ignored invitations sent by the committee; and, that the Minister of Finance has chosen not to appear". We would like to strike that as a first proposed amendment, please.

The reason we're saying this Mr. Chair, with all due respect, is that I think the wording makes it sound like the minister does nothing every day as the Minister of Finance and that she has intentionally refused to come. That is probably not true. Actually, it's not "probably"; it is not true. The fact is that, unfortunately, she was unable to appear, and on this we need to express our deep disappointment.

Thank you, Mr. Chair.

• (2115)

The Chair: I will look to the clerk to process that, so that we have a very clear text of the proposed amended motion.

Can you repeat that for us, Madam Clerk?

[*Translation*]

The Clerk: Mrs. Lalonde, I would ask you to repeat what you said. As I understand it, you're proposing to replace the word "ignored" in the English text with the words

[*English*]

"was unable to appear". It's to delete "that the Minister of Finance has chosen not to appear".

As per specifically what you cut and where you cut, I would like it if you could be a bit more precise.

Mrs. Marie-France Lalonde: Yes. I apologize, Madam Clerk.

On the removal, we would strike "ignored invitations sent by the committee; and, that the Minister of Finance has chosen not to appear". This is what we would like to strike.

We would like it to read, "that the Finance Minister was unable to appear". That's as a first proposed amendment, and there will be three.

The Clerk: That's fine.

Mr. Kyle Seeback: Let's vote.

The Chair: Okay. Let's vote on it.

(Amendment negated: nays 6; yeas 5)

The Chair: Go ahead, Mr. Fragiskatos.

Mr. Peter Fragiskatos: I think that Mrs. Lalonde was on to something. If it helps, this could be a compromise to deal with some of the concerns that the Conservatives have and that Ms. McPherson was also trying to address.

We would keep the spirit, if not entirely the words, of Mrs. Lalonde and add to it that, if in one week the committee has not received a response from the Department of Finance, the committee proceed to consideration of the motion from Mr. Seeback.

I will repeat that slowly if you wish, but that's the—

The Chair: That sounds like a new motion.

Mr. Peter Fragiskatos: We were taking out “unable to meet” rather than “ignored” because obviously we know there's been correspondence back and forth with the regular clerk of the committee, who was kind enough to provide updates to the clerk tonight. There is clear back and forth, and therefore an interest on the part of the Minister of Finance to come before the committee. The question is on a date.

I understand that colleagues across the way want to get this settled. I hope that it can be settled. I think it can be settled within a week's time. If it's not, then we would go on to consider Mr. Seeback's motion.

It's almost 9:30. I hope we can squeeze in some questions. Why don't we just agree here that, if we haven't dealt with this in a week, we come back to Mr. Seeback's motion.

We can do an honourable thing here and just agree. As Ms. McPherson said, we've worked well as a committee before. I'm willing to take that message back to the Department of Finance to make clear that we need an answer in the next few days.

• (2120)

The Chair: It would occur that we have Mr. Seeback's motion. We have dispensed with amendments except for the one about “if we don't have a date within a week”.

Mr. Peter Fragiskatos: I would move to adjourn debate again, Mr. Chair, with everything I just said in mind.

Mr. Kyle Seeback: Are you going to adjourn debate on your own amendment?

Mr. Peter Fragiskatos: Just hold on.

Has that amendment been received, then?

The Chair: Here's what I'm going to propose.

If the spirit of this is basically to give the minister a week to come up with a date, then we could agree amongst us that this is what we will do. We'll give the minister a week. Then, per your suggestion, Mr. Fragiskatos, if we don't have a date in a week's time, we go back and act on Mr. Seeback's motion.

Mr. Kyle Seeback: We have wasted all this time. Let's just vote on the motion as amended.

The Chair: Mr. Fragiskatos has actually come up with a new motion, basically.

Have you not?

Mr. Peter Fragiskatos: Mr. Chair, I was just trying to find a way that we could strike an agreement tonight to give it another week. Then we'd come back to Mr. Seeback's motion and try to get some questions in to our witnesses.

If Mr. Seeback wants to persist on this, we can, I suppose.

The Chair: We have rejected some amendments. We've rejected adjourning debate on this. What we do have is an amendment to the original motion that basically says that if we don't have a date within a week, then....

That's the amendment we have yet to move on.

Mr. Peter Fragiskatos: When Mrs. Lalonde's amendment was defeated, I said that I was putting forward the spirit, if not the letter, of what Mrs. Lalonde had just put forward, which was voted down. I was adding to it that, if we hadn't heard back in a week, we would revisit Mr. Seeback's motion.

That's what I put forward.

The Chair: That's your amendment.

Mr. Peter Fragiskatos: That's right.

The Chair: If we deal with that as an amendment, then we can vote on that.

Be clear if you can, Mr. Fragiskatos. This is an amendment to Mr. Seeback's motion.

Restate it.

Mr. Peter Fragiskatos: It's everything that Ms. Lalonde put forward—which the clerk already has the text of—with the following added: “that, if in one week the committee has not received a response from the Department of Finance, the committee proceed to the consideration on the motion by Mr. Seeback.”

Ms. Heather McPherson: I'm just asking a quick question.

This one's basically just doing exactly the same thing as Mr. Seeback's motion, so we're going to have to redo all of this work.

Mr. Peter Fragiskatos: Why did you guys vote it down then? Why did you vote down the amendment by Marie-France?

Ms. Heather McPherson: It was because I don't think it's actually true. I do think she's actually ignoring us.

Mr. Peter Fragiskatos: It can't be.

By definition we just heard that there's been plenty of correspondence.

Ms. Heather McPherson: It's been four months. I feel as though that's long enough to give us a date.

Mr. Peter Fragiskatos: No, you're not serious.

The Chair: We've had votes on suggested changes to some of the language to perhaps recharacterize the finance minister's reaction to the invitation to appear. We've had language suggested that we voted on and that was rejected.

What we now have is the amendment that Mr. Seeback has proposed that in essence—and the chair believes much the same as Mr. Fragiskatos has indicated—we give it one week, and if there's no date, then the rest of this motion will be acted upon. It's basically that.

What I would suggest we do is vote on Mr. Seeback's amendment, which would put us in the situation of having one week to come up with a date. If there is no date, then the motion with the amendments suggested by Mr. Seeback would basically be acted upon.

Ms. Lalonde, go ahead.

• (2125)

Mrs. Marie-France Lalonde: Mr. Chair, I do have another amendment—it's towards the end of the motion—that I would like to reflect on with my colleagues. I would certainly hope that, in the spirit of collaboration, we could agree on this last part of the proposed amendment to the motion.

The Chair: All right.

I think though that to basically come to a landing on Mr. Fragiskatos'.... That's kind of like another amendment.

Mrs. Marie-France Lalonde: I had said I had three, Mr. Chair.

The Chair: We are almost out of time.

We can hear your amendment now, quickly if you can read it.

Mrs. Marie-France Lalonde: I certainly can, Mr. Chair. It's a pleasure for me.

I feel very disappointed that the first one was not agreed upon but, as I said, in the spirit of collaboration I really hope that my colleagues will consider it. For our clerk, our analysts and our interpreters, I'll go as slowly as possible to make sure everybody understands.

As the motion is written, if you go to the last part, it reads, “activity with the Asian Infrastructure Investment Bank; and”. I would strike “that this be reported to the House” and instead add “that the committee request a government response to this motion”.

The Chair: I'm informed by the clerk that the only time you can get a government response is if there has been a report to the House.

In essence if we expected the government to respond to this, we would have to report it to the House, because reporting it to the House is what you do to get a response. We cannot just say that we strike “and that this be reported to the House” and replace it with “that the committee request a government response” because what are they responding to? There's no report.

Mr. Fragiskatos.

Mr. Peter Fragiskatos: Procedurally, I don't think we're in a good place, because we didn't deal with my amendment. Is that correct?

There are two—

The Chair: Actually, I've more or less determined, Mr. Fragiskatos, that it was out of order.

Mr. Peter Fragiskatos: Did you?

The Chair: I did now.

Mr. Peter Fragiskatos: Okay.

The Chair: That's probably the easiest way of getting that clutter out of the way.

Unless you want a vote, but you're going to have to frame this as an amendment to the main motion.

Mr. Peter Fragiskatos: I think there are two amendments on the floor, so, procedurally, I was suggesting that we vote on mine.

If you're telling me now that mine was out of order—

The Chair: I was thinking that it may be, but if you'd get satisfaction out of having a vote on it, I'm more than happy to do that.

Mr. Peter Fragiskatos: No. There's no satisfaction, I assure you. I'm looking for a compromise.

To remind committee members, my amendment took what Mrs. Lalonde proposed about 10 to 15 minutes ago, and added to it the point about waiting a week, at which point we'd return to Mr. Seeback's motion. That's all that it does. It's pretty straightforward.

• (2130)

Mr. Kyle Seeback: We'd debate it all over again and take up more committee time, like you've done tonight.

Mr. Peter Fragiskatos: No, not at all. We say a week, and we'll see a response in a week. I'm sure.

That's where we are.

The Chair: I think we will have to release our witnesses. We have come to the end of our time, and I do not believe we have the facilities available to us beyond this time. I'm afraid I will have to call an end to the meeting.

I would like to thank our witnesses. What you did give us was very valuable, and I know that will be considered.

We will have to carve off some committee time in our next session to deal with this. In the meantime, perhaps we can come to crisp language and something that works and is satisfactory across the board.

The meeting is adjourned.

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