

45th PARLIAMENT, 1st SESSION

Standing Committee on International Trade

EVIDENCE

NUMBER 001

Monday, June 16, 2025

Chair: Judy A. Sgro

Standing Committee on International Trade

Monday, June 16, 2025

● (1540)

[English]

The Clerk of the Committee (Grant McLaughlin): Honourable members of the committee, I see a quorum.

Pursuant to Standing Order 106(3)(a), as the clerk of the committee, I will preside over the election of the chair and the vice-chairs.

I must inform members that the clerk of the committee can only receive motions for the election of the chair. The clerk cannot receive other types of motions, entertain points of order or participate in debate.

[Translation]

We can now proceed to the election of the chair.

Pursuant to Standing Order 106(2), the chair must be a member of the government party.

[English]

I am ready to receive motions for the chair.

Go ahead, Mr. Fonseca.

Peter Fonseca (Mississauga East—Cooksville, Lib.): Thank you, Clerk.

I'd like to nominate the Hon. Judy Sgro. As members know, the Hon. Judy Sgro was the chair of this committee in the last Parliament. She's been a champion for free, fair trade and we know the integrity this member has, so I think she'd do an amazing job.

The Clerk: Thank you.

The motion proposed by MP Fonseca that MP Sgro be elected as chair of the committee has been received as a notice of motion.

Are there any further motions? Seeing none, I will now put the motion to the committee.

It has been moved by MP Fonseca that MP Sgro be elected as chair of the committee. Is it the pleasure of the committee to adopt the motion?

(Motion agreed to)

The Clerk: I declare the motion carried and MP Sgro duly elected as chair of the committee.

The Chair (Hon. Judy A. Sgro (Humber River—Black Creek, Lib.)): Thank you all very much.

It's exciting to get back to work to some degree, especially when we have new members around the table who haven't been here before. We have a good committee. I think if you talk to some of the other members who were on the committee before, you will hear that we had a very good working relationship, didn't we? It wasn't particularly adversarial. Matt was with us and, of course, Simon-Pierre Savard-Tremblay was with us as well.

I would prefer that we figure out a way to move forward together on important issues. We have a great opportunity in trade to really make a significant move forward. I think that's why we all run to get elected: to make sure that Canada does well. I think we can do well here working together.

Thank you, Peter, and thank you all for your confidence and support. If you lose that confidence, let us know and you can have another chair, but I think we'll work pretty well together.

Mr. Clerk, we now have to go to the vice-chairs.

The Clerk: Thank you very much.

Pursuant to Standing Order 106(2), the first vice-chair must be a member of the official opposition.

I am now prepared to receive motions for the first vice-chair.

Go ahead, Mr. Jeneroux.

Matt Jeneroux (Edmonton Riverbend, CPC): I nominate Adam Chambers.

The Clerk: Thank you.

It has been moved by MP Jeneroux that MP Chambers be elected as first vice-chair of the committee.

Are there any further motions?

Seeing none, the motion proposed by MP Jeneroux that MP Chambers be elected as first vice-chair of the committee has been received as a notice of motion. I will now put that motion before the committee.

Is it the committee's pleasure to adopt the motion?

(Motion agreed to)

The Clerk: I declare the motion carried and MP Chambers duly elected first vice-chair of the committee.

[Translation]

Pursuant to Standing Order 106(2), the second vice-chair must be a member of an opposition party other than the official opposition.

I am now prepared to receive motions for the second vice-chair.

Mr. Lavoie, the floor is yours.

Steeve Lavoie (Beauport—Limoilou, Lib.): Good afternoon. I would like to nominate Simon-Pierre Savard-Tremblay for second vice-chair.

The Clerk: Thank you.

It has been moved by MP Lavoie that MP Savard-Tremblay be elected as second vice-chair of the committee.

Are there any further motions?

(Motion agreed to)

The Clerk: I declare the motion carried and Mr. Savard-Tremblay duly elected second vice-chair of the committee.

[English]

The Chair: Thank you very much.

The committee needs to adopt the routine motions, which everyone would have received from the clerk, for how we actually run the meetings.

Peter, will you please read out the routine motions?

Peter Fonseca: The first motion is about analyst services:

That the committee retain, as needed and at the discretion of the Chair, the services of one or more analysts from the Library of Parliament to assist it in its work.

The next is on the subcommittee on agenda and procedure:

That the Subcommittee on Agenda and Procedure be established and be composed of four members, the Chair and one member from each recognized party, as designated by each party's whip; and that the subcommittee work in a spirit of collaboration.

The following motion is about meeting without a quorum:

That the Chair be authorized to hold meetings to receive evidence and to have that evidence published when a quorum is not present, provided that at least four members are present, including two members of the opposition parties and two members of the government party.

Next is a motion on travel:

That, when travelling outside the Parliamentary Precinct: (a) the meeting begin after 15 minutes, regardless of whether quorum is present; (b) no substantive motion may be moved during such meetings.

The following motion is in regard to time for opening remarks and questioning of witnesses:

That witnesses be given five (5) minutes for their opening statements; that whenever possible, witnesses provide the committee with their opening statements 72 hours in advance; that, at the discretion of the Chair, during the questioning of witnesses, there be allocated six (6) minutes for the first questioner of each party as follows:

First Round:

Conservative Party

Liberal Party

Bloc Ouébécois

For the second and subsequent rounds, the order and time for questioning be as follows:

Conservative Party, five (5) minutes

Liberal Party, five (5) minutes

Bloc Québécois, two and half (2.5) minutes

Conservative Party, five (5) minutes

Liberal Party, five (5) minutes

Next is a motion about document distribution:

That only the clerk of the committee be authorized to distribute documents to members of the committee and only when the documents are in both official languages; and that all documents submitted to the committee in both official languages that do not come from a federal department or members' offices, or that have not been translated by the Translation Bureau, be sent for linguistic review by the Translation Bureau before being distributed to members, and that the witnesses be advised accordingly.

The following motion is about working meals:

That the clerk of the committee, at the discretion of the Chair, be authorized to make the necessary arrangements to provide working meals for the committee and its subcommittees.

Next is travel, accommodation and living expenses of witnesses:

That, if requested, reasonable travel, accommodation and living expenses be reimbursed to witnesses, not exceeding two representatives per organization; and that in exceptional circumstances, payment for more representatives be made at the discretion of the chair.

The following motion is on access to in camera meetings:

That, unless otherwise ordered, each committee member be allowed to be accompanied by one staff member at in camera meetings and that one additional person from each House officer's office be allowed to be present.

That, during in camera meetings, committee members may be informed by the committee Chair of the MPs who have been designated as substitutes for permanent members, in order to know which MPs are authorized to speak and vote during these committee meetings. That only those who have been recognized and identified as such be authorized to speak, in keeping with the usual agreed rules of order and decorum.

Next is the transcripts of in camera meetings:

That one copy of the transcript of each in camera meeting be securely retained by the committee clerk for consultation by members of the committee or by their staff; and that the analysts assigned to the committee have access to the in camera transcripts

The following motion is on notice of motion:

That a 48-hour notice, interpreted as two nights, be required for any substantive motion to be moved in committee, unless the substantive motion relates directly to business then under consideration, provided that:

- (a) the notice be filed with the clerk of the committee no later than 4:00 p.m. from Monday to Thursday, and no later than 2:30 p.m. on Friday;
- (b) the motion be distributed to members and the offices of the whips of each recognized party in both official languages by the clerk on the same day the said notice was transmitted if it was received no later than the deadline hour;
- (c) notices received after the deadline hour or on non-business days be deemed to have been received during the next business day.

The next motion is about orders of reference from the House respecting bills:

That in relation to orders of reference from the House respecting bills:

- (a) the clerk of the committee shall, upon the committee receiving such an order of reference, write to each member who is not a member of a caucus represented on the committee to invite those members to file with the clerk of the committee, in both official languages, any amendments to the bill, which is the subject of the said order, which they would suggest that the committee consider;
- (b) suggested amendments filed, pursuant to paragraph (a), at least 48 hours prior to the start of clause-by-clause consideration of the bill to which the amendments relate shall be deemed to be proposed during the said consideration, provided that the committee may, by motion, vary this deadline in respect of a given bill; and

(c) during the clause-by-clause consideration of a bill, the Chair shall allow a member who filed suggested amendments, pursuant to paragraph (a), an opportunity to make brief representations in support of them.

(1545)

This motion is on technical tests for witnesses:

That the clerk inform each witness who is to appear before the committee that the House Administration support team must conduct technical tests to check the connectivity and the equipment used to ensure the best possible sound quality; and that the Chair advise the committee, at the start of each meeting, of any witness who did not perform the required technical tests.

This motion is on the whips' access to digital binders:

That the clerk of the committee be authorized to grant access to the committee's digital binder to the offices of the whips of each recognized party.

This motion is on the maintenance of order and decorum:

That, during meetings, the Chair, if necessary, use her prerogative to suspend the meeting to maintain the order and decorum necessary to ensure the application of the House of Commons' policies on workplace health and safety.

(1550)

The Chair: Do members agree to adopt the routine motions?

(Motion agreed to)

The Chair: Our meeting schedule will be Mondays from 3:30 p.m. to 5:30 p.m. and Thursdays from 3:30 p.m. to 5:30 p.m. for the period between now and Christmas. In the next period, they will rotate.

I need to ask a really important question. Are there any allergies? Does anyone have any food preferences?

I'm looking at Matt because he's been around for a while.

Matt Jeneroux: We had that charcuterie thing the last time. That was great.

The Chair: You liked that. It was one of your members who mentioned it.

The clerk will have to come up with something interesting for Mondays.

The Clerk: I'll see what I can do.

The Chair: If you have any food preferences, please let me or the clerk know. It's important for you to eat well. That makes the meetings go much easier as well.

Can we have our analysts please come up and join us? These are the folks who write the reports and so on.

Please introduce them, Grant.

The Clerk: Briefly, as I said to a few of you before the meeting began, my name is Grant McLaughlin. I will be the clerk for the international trade committee.

The analysts who have just joined us are Bashar Abu Taleb and Offah Obale. They have been with the committee for some time and are an excellent resource.

Adam Chambers (Simcoe North, CPC): May I make a suggestion? This is something that worked well at our last finance committee. We had name tags for the analysts. It allowed us to know each other a little better.

The Chair: That's a good idea.

Are there any other thoughts or directions before we close the meeting off?

Yasir Naqvi (Ottawa Centre, Lib.): Madam Chair, we were having a conversation around getting a motion or two passed so that we can get some work going.

If it's okay with you, I would like to put forward a motion. We have given a copy to the clerk in both English and French.

The Chair: Would you read it out?

Yasir Naqvi: Madam Chair, the motion is as follows:

Canada is a trading nation. At a time of global uncertainty and protectionist trade practices, it is important for Canada to pursue diverse trading partners. Canada has always championed rules-based trade agreements that create jobs, support industries and build a strong Canada.

That the committee on international trade conduct a study of no fewer than three meetings on the exploration of:

- a) free trade agreements,
- b) what constitutes rules-based trade and why it is important to uphold rules-based trade practices, and
- c) rules of origin in foreign investment promotion and protection agreements (FIPAs).

That the committee hear from expert witnesses and report its findings back to the House.

• (1555)

The Chair: Is the intention there for us all to become much more aware of why trade deals are important?

Yasir Naqvi: The intention is twofold. One is for us to become more aware of why a rules-based international trading system is extremely important. I think it also sets for us the foundation in this time when we're seeing unfair trade practices and protectionist strategies being used as a weapon against Canada, impacting Canadian jobs and Canadian businesses. I think this allows us, at a foundation level, to be on the same footing as to what we as a committee, and this House, hopefully, has adopted, and what we feel about the importance of a free and liberalized rules-based trading system.

The Chair: I have Mr. Savard-Tremblay next, and then Jacob.

[Translation]

Simon-Pierre Savard-Tremblay (Saint-Hyacinthe—Bagot—Acton, BQ): I'm not speaking to the motion. I just wanted you to add my name to the speaking list so that I could also put a motion on notice.

[English]

The Chair: Jacob.

Jacob Mantle (York—Durham, CPC): Thank you, Madam Chair.

Is it your intention that the review on rules-based trade and the importance of that include a reflection on Canada's actions and whether they are in keeping with rules-based trade as well?

Yasir Naqvi: I think at a foundational level we need to understand from experts why Canada has pursued the strategy it has pursued over several decades around the globalized trading system. We obviously had a free trade agreement with the United States, and then NAFTA, and then CUSMA. That's not to mention our being signatory to various regional and bilateral free trade agreements.

Obviously, there's a reason behind it and around how it has positively impacted the growth of our economy. There are things that work. There are things that could be improved. I think this study will allow us to look at both those possibilities.

The Chair: Are there any further questions?

[Translation]

Simon-Pierre Savard-Tremblay: I know that our colleague says that he sent the text, but it seems that we haven't received it. Can it be sent?

[English]

The Chair: It should be delivered in both French and English.

Mr. Savard-Tremblay, have you circulated your motion as well? [*Translation*]

Simon-Pierre Savard-Tremblay: It has also been sent.

[English]

The Chair: We'll suspend for a few minutes until we get these motions in front of us to deal with.

| • (1555) | (Pause) | |
|----------|---------|--|
| | | |

• (1610)

The Chair: I'm calling the meeting back to order.

Whenever you are introducing motions, please ensure that they are in English and French. I prefer to have a paper copy of the motion, but you can have them on paper or on your iPads or whatever. Just ensure that you read them before we vote on them.

We have a motion from Mr. Naqvi. We also have a motion from Mr. Savard-Tremblay. I think we need to formally go into committee business in order to be able to deal with these motions.

Mr. Naqvi, your motion is on the trade issue.

I think everybody's probably okay with Mr. Naqvi's motion as far as having, when we come back, a session on trade deals, what they are and why they're important for the committee.

(Motion agreed to)

The Chair: Mr. Savard-Tremblay, you've just introduced this motion now. Do you want to speak to this, or do we want to table it today and deal with it in September when we come back?

[Translation]

Simon-Pierre Savard-Tremblay: If I may, I will read it first.

Whereas the transitional measure the Canada Border Services Agency's Assessment and Revenue Management (CARM) system, which allowed importers to use their customs broker's financial guarantee for the Release Prior to Payment (RPP) Program, expired on May 20, 2025;

Whereas this situation has resulted in delays at the border—

[English]

The Chair: Mr. Savard-Tremblay, hold on a second. The interpreters do not have the correct copy of the motion.

Is it your intention, Mr. Savard-Tremblay, to give notice of it today, and we will deal with this in September?

[Translation]

Simon-Pierre Savard-Tremblay: The motion I was reading to you is the one that was sent.

[English]

The Chair: The interpreter now has the copy that you are reading out.

Please continue.

[Translation]

Simon-Pierre Savard-Tremblay: I will continue.

Whereas this situation has resulted in delays at the border, warehouses at full capacity, goods being returned to the shipper and financial burdens for Quebec and Canadian companies;

Considering that any commercial shipment over \$3,300 not registered on the CARM portal and without a financial guarantee is refused, and that import sites have reached or exceeded their storage capacity;

Considering that importers report difficulties with the CARM portal, particularly in accessing it and posting guarantees, in addition to deploring that response times for assistance with the portal are several weeks:

That the Committee recommend that the Minister of Public Safety and the Canada Border Services Agency implement the following measures, as requested by several stakeholders:

- (a) Develop a contingency plan for all commercial shipments held in a warehouse for more than seven days, applicable to all goods;
- (b) Allow importers and customs brokers to submit payment for Type C entries online via CARM, to speed up the release of goods;
- (c) Establish an RPP waiver or exemption for companies importing low-value or low-volume shipments, to reduce administrative burdens for SMEs and help facilitate the movement of goods across the border;
- (d) Ensure transparency so that brokers can check whether an importer has obtained a bond, so that they can contact customers directly to ensure that everything is in place for efficient movement at the border;
- (e) Create an exemption or other financial guarantee mechanism, for example by allowing companies to use a credit card, to ease the financial pressure on small importers.

That's the text of the motion. Given the level of urgency, if my colleagues were ready to adopt it, I would encourage them to do so. If not, of course, I will put it on notice. That said, it should be noted that the CARM file has been so dysfunctional from the beginning that it was even put on the list of trade barriers by the U.S. trade representative. That's how bad it was.

This request for a transition program and measures has been communicated to us by a number of organizations and bodies that, in the current context, suggest that, given the tariff and other threats and the turmoil we are experiencing in trade, we don't need the additional difficulties of registering imports electronically.

• (1615)

[English]

The Chair: Go ahead, Adam.

Adam Chambers: I would be prepared to support the motion as it was presented.

The Chair: It builds on some work that the committee was doing previously in identifying areas that were problematic.

Is there any further discussion on it?

Jason Groleau (Beauce, CPC): We concur as well.

(Motion agreed to)

The Chair: The motion carries unanimously. Thank you all very much.

See, that's the way we need to work together. That doesn't always work all the time, but as much as possible....

Off the record, we've been having some discussions. The trade committee was not able to travel for various reasons over the last two or three years, and there has been some talk about us planning in the fall to possibly do some travel. I think there are some motions that will probably be shared around about where.

If we are going to travel, it has to be important to the country and helpful in moving along the work that we're doing. If there are any ideas about those things, we should start to discuss them—not nec-

essarily today—and have that in our minds as we move into the fall and see if we can get support for that in the fall.

Does anybody have any ideas they want to talk about while we're here? We can talk about them informally after the close of the meeting.

Adam Chambers: Madam Chair, I agree that any travel would have to be important to the country and advancing our shared objectives. I think some further discussions could probably identify some opportunities that we feel would be okay on that front.

However, I want to draw your attention to the one additional motion that we had to recognize the great work of this committee in the last Parliament, which completed two reports. One was with respect to supply chains and the other one was on fisheries. They were done and completed, but not reported back to the House.

I have sent some motions to the chair to that effect to resurrect those motions so that work could get the proper recognition in this Parliament and be sent to the government and reported to the House. I think those have all been distributed to the members. I would like to move that motion at this point.

The Chair: Are we clear on the two studies that Mr. Chambers is referencing?

The Clerk: Yes, I am.

The Chair: Yes, we are. I need to make sure the floor is.

Is everybody in agreement with that?

(Motion agreed to [See Minutes of Proceedings])

The Chair: I will adjourn.

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

SPEAKER'S PERMISSION

The proceedings of the House of Commons and its committees are hereby made available to provide greater public access. The parliamentary privilege of the House of Commons to control the publication and broadcast of the proceedings of the House of Commons and its committees is nonetheless reserved. All copyrights therein are also reserved.

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

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

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

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

PERMISSION DU PRÉSIDENT

Les délibérations de la Chambre des communes et de ses comités sont mises à la disposition du public pour mieux le renseigner. La Chambre conserve néanmoins son privilège parlementaire de contrôler la publication et la diffusion des délibérations et elle possède tous les droits d'auteur sur celles-ci.

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

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

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