



HOUSE OF COMMONS
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CANADA

CANADA AND INTERNATIONAL TRADE: AN INTERIM REPORT CONCERNING THE IMPACTS OF THE COVID-19 PANDEMIC AND BEYOND

Report of the Standing Committee on International Trade

Hon. Judy A. Sgro, Chair

**MAY 2021
43rd PARLIAMENT, 2nd SESSION**

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NOTICE TO READER

Reports from committee presented to the House of Commons

Presenting a report to the House is the way a committee makes public its findings and recommendations on a particular topic. Substantive reports on a subject-matter study usually contain a synopsis of the testimony heard, the recommendations made by the committee, as well as the reasons for those recommendations.

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THE STANDING COMMITTEE ON INTERNATIONAL TRADE

has the honour to present its

SEVENTH REPORT

Pursuant to its mandate under Standing Order 108(2), the committee has studied Canada's international trade after COVID-19: changes, federal supports for exporters and trade agreement priorities and has agreed to report the following:

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LIST OF RECOMMENDATIONS

As a result of their deliberations committees may make recommendations which they include in their reports for the consideration of the House of Commons or the Government. Recommendations related to this study are listed below.

Recommendation 1

That, as efforts are directed to an economic recovery from the COVID-19 pandemic, the Government of Canada implement measures and adopt policies designed to increase awareness of, and to improve coordination among, various federal departments and agencies. These departments and agencies should include Innovation, Science and Economic Development Canada, Global Affairs Canada and its Trade Commissioner Service, Agriculture and Agri-Food Canada, the Business Development Bank of Canada, Export Development Canada, Invest in Canada and the Canadian Commercial Corporation. In implementing measures and adopting policies, the Government's goal should be ensuring that more Canadian businesses can take advantage of the services these departments and agencies offer to expand exports and access new international markets. 12

Recommendation 2

That the Government of Canada implement measures and adopt policies aimed at improving export opportunities for Canadian businesses in priority sectors, which should include clean technology, health technology and agri-tech. 12

Recommendation 3

That the Government of Canada implement measures and adopt policies designed to increase its focus on an inclusive trade agenda. Recognizing the disproportionate impact of the COVID-19 pandemic on various groups, such an agenda should identify and promote opportunities for Canadian exporters who are female, Indigenous, Black or from other racialized groups. 13

Recommendation 4

That, in its planning for an economic recovery from the COVID-19 pandemic, the Government of Canada include a special focus on engaging the United States as a key partner to ensure a strong and resilient North American market

and supply chain network. The planning should also include an assessment of critical weaknesses in Canada’s trade infrastructure framework, with dedicated resources deployed to enhance domestic trade corridors with the goal of ensuring future resiliency. 13



CANADA AND INTERNATIONAL TRADE: AN INTERIM REPORT CONCERNING THE IMPACTS OF THE COVID-19 PANDEMIC AND BEYOND

INTRODUCTION

Trade is an important contributor to Canada's economy. According to [*Canada's State of Trade 2020*](#), prior to the COVID-19 pandemic, trade represented nearly two-thirds of the country's gross domestic product and supported 3.3 million domestic jobs. Since mid-March 2020, measures put in place in an attempt to prevent the spread of the COVID-19 virus and to address the pandemic's effects have had various impacts on Canada's trade.

On 23 October 2020, the House of Commons Standing Committee on International Trade (the Committee) adopted a [*motion*](#) to undertake a study "on the government's COVID-19 recovery plan for Canadian exporters." In particular, according to the motion, the study should "include an examination of changes to how international trade will be conducted in a world impacted by COVID-19, of what the Trade Commissioner Service is doing to prepare for these changes and help Canadian businesses navigate them, and of which agreements would be in Canada's best interests to pursue at the present time."

As of 29 January 2021, the Committee's four meetings on this study involved—as witnesses—government officials and representatives of the following: six trade associations focused on businesses generally, or on businesses relating to a specific sector, region or demographic group; one academic institution; one think tank; and one civil society organization. The Committee also received a brief submitted jointly by the Canadian Canola Growers Association and the Canola Council of Canada.

The first section of this interim report discusses the pandemic's impacts on Canada's international trade during the pandemic, regarding which witnesses spoke about supply chains, borders and medical goods, and on federal supports for affected Canadian businesses. With a focus on the future, the second section summarizes the witnesses' comments about avoiding protectionism and reducing non-tariff barriers, and about diversifying into new markets and negotiating new trade agreements. The final section provides the Committee's recommendations.

Because the focus of this interim report is Canada's international trade in the context of the pandemic, some comments made by witnesses or in the joint brief submitted to



the Committee that are not directly related to the Committee's motion are not summarized. These include their views about the Canada–European Union *Comprehensive Economic and Trade Agreement* and about the rules governing Canada's trade with the United Kingdom.

THE IMPACTS OF THE COVID-19 PANDEMIC ON CANADA'S INTERNATIONAL TRADE

When speaking about the impacts of the COVID-19 pandemic on Canada's international trade, witnesses commented on: supply chains; movement across the country's borders and medical goods; and the federal supports available to Canadian businesses affected by the pandemic.

A. Supply Chains, Borders and Medical Goods

Supply chains

Global Affairs Canada [officials](#) maintained that the Government of Canada has “leveraged” the country's existing trade agreements to work with its trading partners in supporting Canadian businesses during the pandemic. The [officials](#) noted that, although global supply chains “were affected [by the pandemic] and there were certainly some disruptions and some trade restrictions on the movement of people and, in some cases, of goods,” those supply chains have “held up reasonably well” and there is “little evidence of large-scale reshoring.”

As well, Global Affairs Canada [officials](#) said that, in the context of the Ottawa Ministerial on WTO Reform or—more commonly—the Ottawa Group, Canada is working with like-minded World Trade Organization (WTO) members to reduce supply chain restrictions, including through efforts to promote rules-based and predictable trade in medical and other health-related products.

In providing a different perspective about the resiliency of supply chains, the [Trade Justice Network](#) highlighted the pandemic's “direct impact on the industries that depend on international supply chains,” which “have been affected simultaneously by COVID-19 and by geopolitical conflicts.” The Trade Justice Network added that, overall, there has been a “drop in exports and imports of automotive products, machines and material for electronics” since the start of the pandemic. As well, the [Schulich School of Business' Centre for Global Enterprise](#) commented that the pandemic

and “some of the political issues and some of the diplomatic trade issues” indicate that there are “risks to supply chains both upstream” and “downstream.”

The [Canadian Vehicle Manufacturers' Association](#) suggested that pandemic-related lockdowns and other disruptions to supply chains have made it difficult for the auto and other sectors to procure parts. The Canadian Vehicle Manufacturers' Association thought that, as a consequence, Canadian businesses “will be re-examining supply chains from a resiliency perspective” to ensure the existence of “secondary and tertiary” input suppliers if similar situations arise in the future.

Borders

In discussing border restrictions, the [Canadian American Business Council](#) emphasized that “the [Canada–U.S.] border must remain open to essential business, [and] our supply chains cannot be interrupted.” However, the [Canadian American Business Council](#) also stated that there are people who are not “able to get across the Canada–United States border to deliver goods that have been ordered.” Moreover, in the view of the [Canadian American Business Council](#), Canada and the United States should “find smart, safe, risk-safe ways to reopen the border ultimately.”

In their joint brief submitted to the Committee, the [Canadian Canola Growers Association and the Canola Council of Canada](#) asserted that the Government of Canada’s “commitment to keep borders open and to maintain the flow of essential goods” is “critical to mitigating the impact of COVID restrictions.” The [Canadian Vehicle Manufacturers' Association](#) urged a “redoubling of efforts to reduce border thickening.”

While supporting the Government of Canada’s “attention early in the pandemic to maintain commercial cross-border movement of goods,” the [Canadian Vehicle Manufacturers' Association](#) observed that “auto manufacturers are now witnessing an increasing number of issues with technical experts facing challenges when crossing the [the Canada–U.S. border] to perform critical functions.”

Medical Goods

Concerning trade in personal protective equipment (PPE) and other medical goods during the pandemic, Global Affairs Canada [officials](#) said that the Trade Commissioner Service redirected some of its efforts to sourcing such items, and identified Canadian businesses that can supply PPE and critical medical technologies to foreign countries. As well, the [officials](#) mentioned that Canada’s trade commissioners abroad “enabled



the Government of Canada to quickly identify and engage the right suppliers of PPE and other life-saving equipment in the first months of the pandemic.”

The [Canadian American Business Council](#) underscored that Canada and the United States “must design Canada-U.S. solutions to maintain and replenish strategic stockpiles of medical equipment.” Moreover, the [Canadian American Business Council](#) mentioned that the more than 1,000 Canadian and American business leaders and 140 business associations in the two countries that signed onto the North American Rebound campaign “believe that both countries must maintain a strong common cross-border manufacturing response” to the pandemic and collaborate on securing PPE.

The [Canada West Foundation](#) thought that “ideas for a North American supply and production chain for critical pandemic response materials is ... obvious and necessary,” but added that these ideas require “caution.” In adding that Canada should “have a plan B,” the Canada West Foundation identified Taiwan and South Korea as “good sources” of medical equipment.

B. Federal Supports

The Trade Commissioner Service

In commenting on the Trade Commissioner Service, Global Affairs Canada [officials](#) remarked that a number of Canada’s evacuated trade commissioners “have continued to work remotely.” The [officials](#) also highlighted that some of the commissioners are returning to the countries from which they were evacuated, while others cannot yet return because of the public health situations in certain locations.

As well, Global Affairs Canada [officials](#) pointed out that, since the beginning of the pandemic, the Trade Commissioner Service has increased its efforts in “some cases in certain areas,” such as problem solving. The [officials](#) explained that “problem-solving service requests from clients increased by 49% between April [2020] and August [2020], compared with the same period in 2019.” According to the [officials](#), the Trade Commissioner Service’s eligibility and other requirements have not changed since the start of the pandemic.

Global Affairs Canada [officials](#) also stated that Canada’s trade commissioners have helped Canadian businesses export their “COVID-related products and services more rapidly into international markets,” and noted that—through the Canadian COVID-19 Capabilities Directory—the Trade Commissioner Service is “highlighting [the] products and services of over 154 export-ready Canadian companies to foreign buyers.” In the

officials' view, the Trade Commissioner Service is working "very closely" with its "clients" during the pandemic.

In discussing digital services, Global Affairs Canada officials asserted that the Trade Commissioner Service was able to "respond to the surge in interest in e-commerce resulting from the pandemic." The officials pointed out that recent "major overhauls" to the Trade Commissioner Service's "digital tools" enabled "more service and program delivery via virtual platforms."

Moreover, Global Affairs Canada officials emphasized that the Trade Commissioner Service "has successfully transitioned from supporting traditional in-person business meetings to facilitating more virtual events, webinars and trade missions," like the virtual trade mission to South Korea. As well, the officials noted the "enhanced services for digital industries, trade, intellectual property and e-commerce" that were part of the Trade Commissioner Service's "trade diversification strategy that was launched some time ago." The officials added that the Trade Commissioner Service began to "orient" itself "towards these kinds of platforms even before the pandemic," and "created 21 new positions in key [international] markets" to support Canadian businesses in accessing these virtual platforms, understanding the risks associated with them, and "protecting [businesses' information technology] and their financial transactions appropriately."

While not focusing specifically on the Trade Commissioner Service, the Canada West Foundation expressed its belief that it is "confusing" for businesses to "figure out from [the] long list of [trade services] who does what," and maintained that Canada has "some real fundamental problems" regarding rationalization and organization of these services.

The CanExport Program and Other Initiatives

Global Affairs Canada officials mentioned that, because of the pandemic, the CanExport program was adjusted to help the country's small and medium-sized businesses "cover the costs of attending virtual trade shows, engaging in e-commerce, and pursuing other activities needed to enter new markets in an increasingly 'contactless' business world." The officials said that, since the start of the pandemic, in excess of \$20 million has been provided to more than 500 Canadian businesses hoping to diversify their export markets. The officials observed that, despite being unable to travel because of the pandemic, many Canadian businesses can use this program, "whether it be through e-commerce platforms, through expert advice or through learning how to do international business development in a virtual manner."



As well, Global Affairs Canada [officials](#) commented that the Trade Commissioner Service has continued to expand the Canadian Technology Accelerator program, “with new programs established in Mexico City and Berlin” and timely adaptations to recognize “the realities of COVID-19.”

The [Toronto Region Board of Trade](#) said that, through the World Trade Centre Toronto's trade accelerator programs, it brought together Export Development Canada, the Business Development Bank of Canada, the Trade Commissioner Service and the private sector to help provide the country's small and medium-sized businesses with “practical tools for exporting.” According to the Toronto Region Board of Trade, this work is “helping businesses understand what it's going to take to trade, and then connecting them to the right growth markets for them.” As well, the [Toronto Region Board of Trade](#) said that, because of the pandemic, these programs are being delivered virtually, with more than 200 businesses participating in them and in excess of 120 businesses participating in virtual trade missions.

CANADA'S POST-PANDEMIC INTERNATIONAL TRADE

A number of the Committee's witnesses identified measures that, in their view, would enhance Canada's international trade when the COVID-19 pandemic ends. In particular, they highlighted the need to avoid protectionism and reduce non-tariff trade barriers, as well as to diversify into new markets and negotiate new trade agreements.

A. Avoiding Protectionism and Reducing Non-tariff Trade Barriers

Global Affairs Canada [officials](#) noted that, between March and October 2020, countries had imposed more than 200 trade restrictions, ranging from export bans to lesser types of restrictions, and had not notified the WTO about most of them. In the officials' view, the result has been a lack of transparency about existing export restrictions that affect Canadian businesses that trade internationally. The [officials](#) stressed that any trade measures that countries implement in response to the pandemic should “be targeted, proportionate, transparent and consistent with WTO rules.”

The [Canadian American Business Council](#) acknowledged that protectionism is a concern for Canada, while the [Toronto Region Board of Trade](#) pointed out that—when the pandemic ends—Canada has opportunities to collaborate with like-minded countries to reduce protectionism.

In discussing protectionism in the agri-food sector, the [Union des Producteurs Agricoles](#) underscored that the “Americans are applying a significant amount of protectionism for its agricultural sector. Japan has maintained [similar] measures for its rice and beef [sectors] to assure a basic level of agriculture at home.” In their joint brief, the [Canadian Canola Growers Association and the Canola Council of Canada](#) said that “open and rules-based trade is central to Canadian agriculture.”

B. Diversifying into New Markets and Negotiating New Trade Agreements

Global Affairs Canada [officials](#) suggested that Canadian businesses’ responses to supply chain constraints experienced during the pandemic are likely to involve future efforts to diversify markets, as well as suppliers. The officials mentioned that, as part of the Government of Canada’s trade diversification strategy, the Trade Commissioner Service’s programs and services have been enhanced to support Canadian businesses in accessing new markets.

While acknowledging the Government of Canada’s “commitment to diversifying trade,” the [Toronto Region Board of Trade](#) underlined that Canadian businesses need financial support and trade accelerator programs “to access growth markets.” According to the Toronto Region Board of Trade, such programs would help these businesses benefit from the Government of Canada’s trade diversification strategy.

The [Schulich School of Business’ Centre for Global Enterprise](#) suggested that every small and medium-sized business in Canada that wants to “expand or do something abroad” is considering the “opportunity cost” and the expected benefits of doing so. The Schulich School of Business’ Centre for Global Enterprise proposed that the focus “going forward in terms of a post-COVID policy” should be to “reduce [those businesses’] opportunity costs, time, effort and risk in order to pursue a solution that is going to get them into international markets.”

In their joint brief, the [Canadian Canola Growers Association and the Canola Council of Canada](#) commented that increasing Canada’s trade competitiveness after the pandemic ends and promoting market diversification “requires a strong, trade enabling infrastructure” in the country.

Concerning trade agreements, Global Affairs Canada [officials](#) pointed out that—at present—the country has 14 trade agreements involving a total of 51 countries. The officials also noted that the Government of Canada is currently negotiating additional agreements. The [Toronto Region Board of Trade](#) recognized the Government’s efforts to



provide the country's businesses that trade internationally with access to 1.5 billion potential customers through those agreements. That said, the [Toronto Region Board of Trade](#) added that "the imperative now is to get Canadian businesses to take action on those [agreements]."

According to the joint brief from the [Canadian Canola Growers Association and the Canola Council of Canada](#), to diversify export markets, the Government of Canada should negotiate new trade agreements in the Asia-Pacific region. In the [Canada West Foundation's](#) view, because the value of Canada's trade with China has been growing at a rate of 12% a year, "not engaging China to manage this trade does nothing to help Canada, does nothing to advance our interests."

The [Canada West Foundation](#) asserted that, unlike such competitors as Australia, Canada lacks a "strategy, especially ... for booming markets in Asia." In the opinion of the [Canada West Foundation](#), Canada should try to expand membership in the *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* because such an agreement "allows you to build supply and production chains across a large group of countries, cuts the cost, [and] reduces the risk." As well, the [Canada West Foundation](#) maintained that Canada should focus on its existing trade agreements, particularly the *Canada–United States–Mexico Agreement*.

In speaking about the need to align various strategies in Canada, [York University](#) provided the example of Australia, where the international trade promotion and investment attraction agency "align[s] Australia's import and export, investment, tourism and education strategies." York University added that "this is part of the challenge of what we are facing in Canada—the alignment of those strategies ... "

The [Schulich School of Business' Centre for Global Enterprise](#) mentioned that, "as services become more important [and] non-tariff barriers continue to proliferate," multilateral agreements on such issues as intellectual property and investor protections are "certainly worth pursuing." As well, the [Schulich School of Business' Centre for Global Enterprise](#) remarked that sometimes tariffs are "no longer particularly important compared to quotas, industry standards, labelling and a plethora of other issues that are stymying trade."

Concerning sector-specific provisions in trade agreements that Canada signs, the [Union des Producteurs Agricoles](#) maintained that the agriculture and agri-food sector should be a priority in future trade agreements. Moreover, the [Union des Producteurs Agricoles](#) asserted that Canada should limit market access for certain agricultural products—particularly those that are supply-managed—in such agreements.

The [Canadian Vehicle Manufacturers' Association](#) stated that the United States will remain Canada's "most important automotive trade partner in a post-COVID world," asserted that a "successful recovery from COVID-19 depends on unfettered market access across the North American trading bloc," and urged "smooth and seamless implementation" of the *Canada–United States–Mexico Agreement*.

With a focus on regulatory harmonization as a post-pandemic priority for the auto sector, the [Canadian Vehicle Manufacturers' Association](#) believed that Canada risks losing "consumer access to new technology vehicles or services that are available in the larger U.S. market" if "regulations are not harmonized in an integrated North American auto sector." The Canadian Vehicle Manufacturers' Association pointed out that Canada has "largely harmonized auto regulations" with the United States because of the Canada–United States Regulatory Cooperation Council (RCC), and proposed that the Government of Canada should seek to "reinvigorate the RCC."

The [Trade Justice Network](#) characterized regulatory harmonization as a "key part" of the *Canada–United States–Mexico Agreement* and the *Canada–European Union Comprehensive Economic and Trade Agreement*, and said that Canada should maintain the "freedom to respond appropriately to future crises in health, climate and the economic fallout that comes from these crises."

With a focus on particular groups within Canada, the [Canadian Council for Aboriginal Business](#) stressed the benefits of both considering the priorities of Indigenous peoples and institutions when trade agreements are being negotiated and ensuring their engagement as those agreements are implemented. Concerning supports for Indigenous-owned businesses in Canada, the [Canadian Council for Aboriginal Business](#) expressed the need for a "navigator function specifically for indigenous businesses to assist with the understanding and uptake of various programs, including those designed to support exporters." Furthermore, the Canadian Council for Aboriginal Business stated that, "in the immediate term, ... a 5% set-aside with a navigator service across all four CanExport programming streams" for Indigenous businesses, organizations and economic development corporations is desired. As well, in the view of the Canadian Council for Aboriginal Business, the Government of Canada should include—in the upcoming federal budget—a plan to "build the capacity of indigenous organizations to deliver export opportunity awareness, export readiness training and exporter business missions."

Finally, for witnesses, trade-enabling infrastructure—both generally and for specific sectors—is important for diversifying into new markets and taking advantage of trade agreements. The [Canada West Foundation](#) urged that "attention" be paid to Canada's



“trade infrastructure file,” and shared the view that the National Trade Corridors Fund “was underfunded to begin with and has yet to be recapitalized.” In their joint brief, the [Canadian Canola Growers Association and the Canola Council of Canada](#) said that, when the pandemic ends, one of Canada’s trade priorities must be “creating strong trade infrastructure at home.” The [Toronto Region Board of Trade](#) noted the need for “solidifying our movement of goods capacity within the country,” and encouraged the Government of Canada to “double down on trade and on equipping [Canadian] businesses to export and to be digitally ready.” The [Canadian Vehicle Manufacturers' Association](#) believed that any Canadian trade strategy adopted after the pandemic ends should include efforts to “boost ... trade infrastructure and resiliency to protect against any future disruptions” to supply chains.

With a focus on the automotive sector, the [Canadian Vehicle Manufacturers' Association](#) stressed the need to invest in such trade-enabling infrastructure as the Gordie Howe International Bridge, as well as additional port capacity to support specific activities, such as vehicle on-loading and off-loading.

THE COMMITTEE’S RECOMMENDATIONS

In light of the foregoing, the Committee recommends:

Recommendation 1

That, as efforts are directed to an economic recovery from the COVID-19 pandemic, the Government of Canada implement measures and adopt policies designed to increase awareness of, and to improve coordination among, various federal departments and agencies. These departments and agencies should include Innovation, Science and Economic Development Canada, Global Affairs Canada and its Trade Commissioner Service, Agriculture and Agri-Food Canada, the Business Development Bank of Canada, Export Development Canada, Invest in Canada and the Canadian Commercial Corporation. In implementing measures and adopting policies, the Government’s goal should be ensuring that more Canadian businesses can take advantage of the services these departments and agencies offer to expand exports and access new international markets.

Recommendation 2

That the Government of Canada implement measures and adopt policies aimed at improving export opportunities for Canadian businesses in priority sectors, which should include clean technology, health technology and agri-tech.

Recommendation 3

That the Government of Canada implement measures and adopt policies designed to increase its focus on an inclusive trade agenda. Recognizing the disproportionate impact of the COVID-19 pandemic on various groups, such an agenda should identify and promote opportunities for Canadian exporters who are female, Indigenous, Black or from other racialized groups.

Recommendation 4

That, in its planning for an economic recovery from the COVID-19 pandemic, the Government of Canada include a special focus on engaging the United States as a key partner to ensure a strong and resilient North American market and supply chain network. The planning should also include an assessment of critical weaknesses in Canada's trade infrastructure framework, with dedicated resources deployed to enhance domestic trade corridors with the goal of ensuring future resiliency.

APPENDIX A

LIST OF WITNESSES

The following table lists the witnesses who appeared before the committee at its meetings related to this report. Transcripts of all public meetings related to this report are available on the committee's [webpage for this study](#).

| Organizations and Individuals | Date | Meeting |
|---|------------|---------|
| Department of Foreign Affairs, Trade and Development Kendal Hembroff, Director General Trade Policy and Negotiations Duane McMullen, Director General Trade Commissioner Service - Operations Christopher Thornley, Director General Regional Trade Operations and Intergovernmental Relations Sara Wilshaw, Chief Trade Commissioner, Assistant Deputy Minister International Business Development, Investment and Innovation | 2020/10/30 | 3 |
| Canadian American Business Council Maryscott Greenwood, Chief Executive Officer | 2020/12/04 | 10 |
| Trade Justice Network Angella MacEwen, Co-Chair Eddy Pérez, International Policy Analyst, Climate Action Network Canada | 2020/12/04 | 10 |
| Canadian Council for Aboriginal Business Patrick Watson, Director, Public Policy | 2020/12/11 | 12 |
| Canadian Vehicle Manufacturers' Association Brian Kingston, President | 2020/12/11 | 12 |
| Centre for Global Enterprise, Schulich School of Business Douglas Kennedy, Managing Director | 2020/12/11 | 12 |

| Organizations and Individuals | Date | Meeting |
|---|-------------|----------------|
| Union des producteurs agricoles Isabelle Bouffard, Director, Agriculture Policy and Research Marcel Groleau, General President | 2020/12/11 | 12 |
| Canada West Foundation Carlo Dade, Director Trade and Investment Centre | 2021/01/29 | 13 |
| Toronto Region Board of Trade Jan De Silva, President and Chief Executive Officer Leigh Smout, President, World Trade Centre Toronto | 2021/01/29 | 13 |
| York University Rhonda L. Lenton, President and Vice-Chancellor | 2021/01/29 | 13 |

APPENDIX B LIST OF BRIEFS

The following is an alphabetical list of organizations and individuals who submitted briefs to the committee related to this report. For more information, please consult the committee's [webpage for this study](#).

Canadian Canola Growers Association

Canola Council of Canada

REQUEST FOR GOVERNMENT RESPONSE

Pursuant to Standing Order 109, the committee requests that the government table a comprehensive response to this Report.

A copy of the relevant *Minutes of Proceedings* (Meetings Nos 3, 10, 12, 13, 22, 27) is tabled.

Respectfully submitted,

Hon. Judy A. Sgro
Chair

SUPPLEMENTARY OPINION OF THE NEW DEMOCRATIC PARTY OF CANADA

New Democrats were disappointed that the committee declined to comment, or even mention, the testimony that it heard in respect of the role that investor-state dispute settlement (ISDS) mechanisms may yet play as the pandemic unfolds, as well as their place in post-pandemic international trade.

While the committee has undertaken a separate study on ISDS mechanisms in general, a report on the post-COVID trade environment cannot be considered complete without addressing these mechanisms. This is especially true in light of reports that some multinational companies are already preparing ISDS suits in order to recuperate profits lost as a result of public health measures implemented by governments in response to the pandemic.

We would therefore like to highlight the testimony of Ms. Angella MacEwen, Co-Chair of the Trade Justice Network, who said:

“[W]e think that in modern trade agreements, like the new NAFTA that was negotiated, we should be moving away from ISDS in those agreements. It prioritizes one thing above a whole host of other considerations that we think include government's responsibility in terms of public health and being able to respond in crises in ways that make sense without being afraid that they're on the hook for frivolous lawsuits from other companies.

. . . It makes sense right now to temporarily suspend any ISDS measures, but also, as we move forward in negotiations, we were quite upset to see that the U.K. agreement still had something around an investment court in it, when that hasn't actually even been finalized in CETA yet.

We think the way forward in trade agreements is to move away from ISDS, because it's proven to be so much of a barrier to progress on climate, human rights and indigenous rights that there's no excuse for keeping it anymore.”

The government would do well to heed her advice.

