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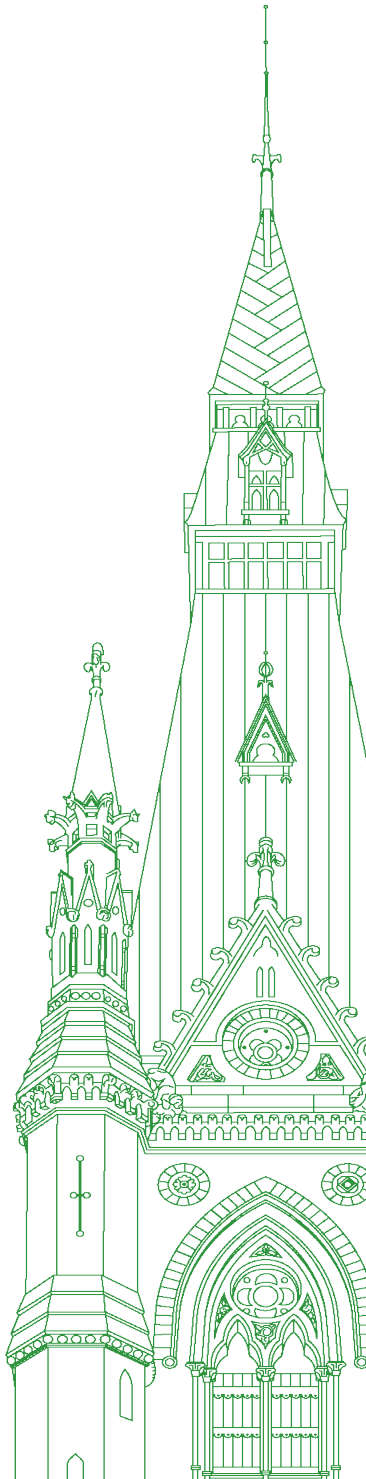

Chair: Mr. Ken Hardie

Special Committee on the Canada–People's Republic of China Relationship

Tuesday, October 18, 2022

● (1840)

[*English*]

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

Welcome to the fourth meeting of the House of Commons Special Committee on the Canada—People's Republic of China Relationship.

I've heard skiing described as a series of linked recoveries, and I think that also describes our process for putting these sessions together late on Tuesday evening. We've had to do a bit of playmaking along the way here, but we'll go through the preliminaries for the benefit of the people on Zoom. We'll get that done, and then I think we'll also have a decision to make around the vote that's expected a bit later this evening.

Pursuant to the order of reference of May 16, 2022, the committee is meeting on its study of Canada-People's Republic of China relations.

Today's meeting is taking place in a hybrid format, pursuant to the House order of June 23, 2022. Members are attending in person in the room and remotely using the Zoom application. For the benefit of the witnesses and members, please wait until I recognize you by name before speaking. For those participating by video conference, click on the microphone icon to activate your mike, and then please mute yourself when you're not speaking. For interpretation, for those on Zoom, you have the choice at the bottom of your screen of floor, English or French audio. For those in the room, you can use the earpiece and select the desired channel.

I'll remind meeting participants that all comments should be addressed through the chair.

For members in the room, if you wish to speak, please raise your hand if we're in that kind of a session. For members on Zoom, use the "raise hand" function. I'll keep an eye on the screen for you. Of course, we'll try to maintain a speaking order as best we can.

Before we welcome our witnesses, I believe Mr. Chong wishes to raise a point.

Hon. Michael Chong (Wellington—Halton Hills, CPC): Yes, I have a point of order, Mr. Chair, thank you very much.

There have been discussions with various members of the committee, and I believe that if you seek it, you will find unanimous consent for the committee to sit until 8:25 p.m. tonight, then suspend for the vote that is to take place at 8:30, and then come out of suspension when the vote has been completed and members have returned to the committee.

I believe that if you seek it, you will find unanimous consent to do that, which will allow our second and third panels of witnesses to maximize the availability of their time to provide testimony to the committee.

The Chair: I'd also add that we'll probably ask for unanimous consent to continue on for a wee while after the bells start ringing.

Hon. Michael Chong: That was my suggestion. The bells will start ringing at eight o'clock. The votes are at 8:30. I believe that if you seek it, you'll find unanimous consent to suspend at 8:25 p.m.

The Chair: Well, let's seek it. Is everybody in agreement? Do we have unanimous consent for that?

Some hon. members: Agreed.

The Chair: I think we're in good shape. Thank you very much.

I'd like to welcome witnesses for our first hour.

Oh, there's one other thing before I forget. In our second panel, Dr. Sophie Richardson from Human Rights Watch, who you will see was scheduled to be here, unfortunately did not receive the proper headset in time to participate, and for purposes of interpretation, we have to make sure that the right equipment is being used. The clerk is making arrangements to have Dr. Richardson, who's a very valued witness in this process, appear at our next session—just to flag that for you.

Welcoming our witnesses for the first hour, as an individual, we have Dr. David Curtis Wright, associate professor of history at the University of Calgary, and as an individual, Guy Saint-Jacques, consultant and director.

Mr. Saint-Jacques, I believe we'll start with you for five minutes or less.

Mr. Guy Saint-Jacques (Consultant and Director, As an Individual): Thank you, Mr. Chairman.

[*Translation*]

Good evening, ladies and gentlemen, members of the Special Committee on the Canada-People's Republic of China Relationship.

Thank you for inviting me to appear before you. My presentation will be mainly in English, but I will be happy to answer questions in French.

[*English*]

Let me start first with the China of Xi Jinping.

As you know, the 20th National Congress of the Communist Party of China is ongoing. While we know that Xi Jinping will get a third mandate as secretary general of the party, the only suspense is whether he will have to compromise with other factions in the makeup of the standing committee of the politburo. Also, will he get a new title, chairman or leader of the people, which would give him status similar to that of Mao Zedong?

Based on his speech at the opening of the session, we know he is not changing course, as his goal remains to make China the greatest superpower by 2049. He warned CCP members to be ready to "withstand high winds, choppy waters and even dangerous storms". He stressed also the need to tell the China story, to promote China's narrative, to present a China that is credible and respectable, and to better show China's culture to the world.

[*Translation*]

We also have to recognize that China has become much more influential in international organizations, where it is trying to control the debate, change the norms to its advantage and avoid criticism of its practices and policies. Most recently, this happened at the United Nations Human Rights Council in Geneva, where China and its supporters managed to prevent a debate on the report of the United Nations High Commissioner for Human Rights, Ms. Bachelet, on the situation in Xinjiang.

[*English*]

Let me now turn to the bilateral relationship. Despite the release of Meng Wanzhou and the two Michaels one year ago, our relationship with China is still very difficult, with almost no political dialogue. China keeps saying that Canada must learn from its mistakes. This illustrates how difficult it has become for all western countries to engage with Chinese diplomats, as they reject any criticism and they follow the instruction of Xi Jinping to push back.

The good news is that China has agreed to the nomination of Jennifer May as Canada's new ambassador to China. Mrs. May is a career diplomat who will do well in Beijing because of her relevant prior experience and her competencies, including in Mandarin, and I wish her the best of luck.

Ottawa has been struggling with how to deal with China. We were first promised, a few years back, a revised engagement strategy with China by Minister Champagne, but the process got derailed. It then morphed into an Indo-Pacific strategy that Minister Joly has been working on for a year now. We learned recently that, after all, it won't be unveiled before the Prime Minister goes to the APEC summit next month, so that's another delay.... This is puzzling, to say the least.

While Ottawa is faced with the challenge of dealing with a bully that does not respect international law, it must still find ways to deal with it and push back when its values and interests are threatened. This should normally lead to an engagement strategy that is much more strategic and limited to areas where it is in our interest to pursue co-operation with China, assuming, of course, that it wants to entertain a more limited relationship.

For example, on the environment, Canada has already a reputable record of providing assistance. We could provide China with clean technologies, liquefied natural gas and green or blue hydrogen to help China reduce its coal addiction. On public health and pandemics, Canada should continue to collaborate with China, especially to ensure it doesn't cut corners. Nuclear proliferation is another area that requires more discussion.

● (1845)

[*Translation*]

It's also crucial that Canada work closely with its allies to develop common strategies to oppose China's abhorrent behaviour. One way to do this would be to strengthen the multilateral system and ensure that UN organizations, including the World Health Organization and the World Trade Organization, play their part and can be used to counter China.

In this respect, I was very encouraged by last week's speech by Minister Freeland before the Brookings Institution in Washington, where she emphasized the need to reduce our vulnerability to totalitarian regimes, both in trade and politically.

[*English*]

The Chair: Monsieur Saint-Jacques, I believe we've gone through your five minutes. I'm sure you'll have more to say. We can maybe work that in as you respond to questions from the members here. Thank you very much for your presentation.

Dr. Wright, you're up next, for five minutes or less.

Dr. David Curtis Wright (Associate Professor of History, University of Calgary, As an Individual): Thank you.

I teach a course in Taiwan history at the University of Calgary. Every other year, I teach it. I'm now completing a book on the White Terror in Taiwan, or Chiang Kai-shek's crackdown on suspected Communist agents between 1947 and 1986 or so.

I've been thinking and worrying about Taiwan for over four decades now. I first went to Taiwan in 1980 when I was still a teenager, and I have been criss-crossing the Pacific to and from that beautiful island ever since. I am still as besotted with it today as I was in September 1980, but now I worry more than ever about mainland China's military threat to the island.

In the free and democratic world, we feel an easy and natural affinity with fellow democratic countries and societies and long deeply to be in solidarity with them and protect them, if we can, against threats by non-democratic and anti-democratic dictatorships, but ironically and tragically, some of the steps that democratic countries wish to take towards protecting Taiwan's democracy may in fact achieve just the opposite result.

As far as Taiwan today is concerned, are high-profile visits by political bigwigs from democratic countries the best way to support Taiwan? What if they make us feel good but make hundreds of millions of people in mainland China feel very bad indeed?

As I wrote in the Calgary Herald on August 6 this year:

> On the mainland, a large majority of Chinese support unification with Taiwan, even by force if necessary, not out of mindless pugnacity or sheer cussedness, but because they feel deeply, in their bones, that China's loss of Taiwan in 1895 is a longstanding grave historical injustice to China, one that must not remain unredressed indefinitely.

My wife of 38 years, who is with me here tonight, was born in Taiwan to Chinese parents who fled the mainland in 1949 in the face of the Communist takeover. She both strongly dislikes Chinese Communism and understands very well that the overwhelming majority of people who identify as Chinese, including her, will never accept Taiwan formalizing and normalizing its current de facto independence. For her and the overwhelming majority of people in mainland China, China's loss of Taiwan to Japan in 1895 remains a deep humiliation, one that will never be erased until the effects of the Treaty of Shimonoseki are fully reversed.

Today, she greatly fears that the failure of or refusal by many Taiwanese today to take this threat seriously will end in unspeakable tragedy for Taiwan.

I am sure that the situation in Ukraine right now does indeed give the CCP and the People's Liberation Army significant pause and great cause for concern, but this does not mean that the CCP will abandon the option of military force against Taiwan. China may defer its plans to invade Taiwan, but it will never abandon them.

Make no mistake: China will attack Taiwan if it becomes convinced that Taiwan will always decline any and all overtures for peaceful annexation. China's sabre-rattling and gruff pronouncements about Taiwan may look bellicose and buffoonish, and they may well be, but this does not mean China is bluffing. It is not.

I do not presume to advise this committee on all aspects of Canada-China relations, but your difficult—and prickly right now—management of these relations will require careful, prudent and multivalent formulations. I ask only that this committee take Beijing's firm and recently reiterated commitments regarding Taiwan into account as it navigates the troubled waters of Canada's relations with China.

A line in the ancient Chinese text *Tao Te Ching* says this: “No other folly or calamity is greater than underestimating one's opponent.”

I implore this committee and this Parliament not to underestimate or downplay or discount Beijing's resolve in this regard.

Thank you.

● (1850)

The Chair: Thank you very much, Dr. Wright.

It's time now for our first round of questioning.

With that, I'd like to welcome Mr. Seeback and Mr. Kmiec as our new Conservative members on this committee.

Thank you. It's good to have you here.

Madame Normandin is representing the Bloc in place of Mr. Bergeron tonight, and Ms. Kwan is here in place of Ms. McPherson. On the screen, I recognize Mr. Iacono, who doesn't look a bit like Jean Yip but will be replacing her tonight.

With that, we'll go to our first questions, with six minutes for Mr. Chong.

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

I appreciate our witnesses giving their opening remarks.

I know my father was deeply humiliated when he fled mainland China ahead of the Communist advance southward, never to return to that land, immigrating to Canada in 1952, and severing his entire life, as millions of others have done over the last number of decades, because of the authoritarianism and human rights violations of that state. I want to make sure, Mr. Chair, that goes on the record.

I have a question for Mr. Saint-Jacques. As he mentioned in his opening statement, the government is working on an Indo-Pacific strategy that has been talked about for some time. Does Mr. Saint-Jacques believe this document should identify the People's Republic of China as a strategic rival, as has been done by some of Canada's closest allies, such as Germany, the United States and other very close formal allies?

● (1855)

Mr. Guy Saint-Jacques: Thank you, Mr. Chong.

I think we have learned a lot about China in the last three or four years. Of course, the detention of the two Michaels was a very difficult period, but we also learned that China is adept at using trade as a weapon. We suffered a loss of $4.5 billion in exports after the arrest of Meng Wanzhou. More recently, Australia was at the receiving end after former prime minister Scott Morrison asked for a full investigation into the origin of the COVID-19 pandemic.

We also know how much repression has increased in China under Xi Jinping. In listening to Xi Jinping's speech last Sunday, it was clear he feels he is on a mission and wants to change the norms and standards at international organizations. From my perspective, it should be easy for Ottawa to conclude that China has become a strategic rival and competitor, and that we have to align very closely with our friends and allies.

Hon. Michael Chong: Thank you, Mr. Saint-Jacques. I have another question.

You mentioned the big meeting taking place, currently, in Beijing, which will crown President Xi for his unprecedented third term and possibly provide him with the title Mao once had. However, there are signs that China is faltering. In fact, yesterday the Government of China delayed the release of key economic and GDP data, and rumours are flying around that it's because the data isn't very good. China's growth has dropped precipitously, as has a key element of their economy: their housing market. There have been many companies going bankrupt and runs on banks. That has been evident in China.

I'm wondering if you could comment on Xi's goal of creating China as the world's greatest superpower in the context of an economy that is faltering and a demography that is about to peak and decline.

Perhaps Dr. Wright could also comment on that.

Mr. Guy Saint-Jacques: I think you describe very well the situation General Secretary Xi is facing. In fact, housing represents 25% of the Chinese GDP. Housing construction is down 40% this year. The unemployment rate among young people 18 to 24 is 20%, and there's a lot of dissatisfaction among young people. Add to this the fact that this year we will probably see the start of the decline of the Chinese population, because last year there were 10.6 million births, but the number of deaths was over nine million. This year, probably, the number of deaths will be over the number of births.

If you add to this the deaths at the municipal level and the impact of bad management of COVID-19 on the Chinese economy, according to institutions like the World Bank, growth will be reduced by 2%, which means China will be lucky to have a growth rate of 2.8% to maybe three point something—

Hon. Michael Chong: Thank you, Mr. Saint-Jacques.

I'd like to hear from Dr. Wright on the challenges President Xi will have in light of declining economic growth relative to that over the last 20 years and also relative to their demographic challenges.

The Chair: Please give us a short answer if you can, Dr. Wright. Thank you.

Dr. David Curtis Wright: The economic decline is going to be very difficult for China, I think. China is still an overwhelmingly export-oriented economy, and as world economic conditions worsen, they will worsen in China as well. There will be a lot of political implications to this, and I think Xi Jinping is gearing up for them. As for demography, by 2035 there will be only three point something working individuals for every elderly person in China. No public pension system in the world could withstand that kind of strain. That is why Xi Jinping is trying to download the responsibility back onto children, as it traditionally was. There are people—

● (1900)

The Chair: Thank you, Dr. Wright. I appreciate your input, but we've run out of time for Mr. Chong.

It is time now to turn to Mr. Oliphant for six minutes or less.

Hon. Robert Oliphant (Don Valley West, Lib.): Thank you, Chair, and thank you again to both the witnesses for being here.

I'm probably going to focus a bit more on Mr. Saint-Jacques tonight.

Just to give Dr. Wright notice, we may want you to come back when we get more into Taiwan, which will be a study in the very near future. That's just to give you a little heads-up that I think your expertise could be helpful.

Thank you, Mr. Saint-Jacques, for your comments. As always they were thoughtful and strong, and you avoided jargon or rhetoric, which you do very well, so thank you for that.

I want to give you a chance to finish your remarks, because I always think your finishes are strong. I was getting a little sense, without your using the jargon that the government has been using, around the areas of co-operation, competition, challenge and co-existing—the four Cs that Minister Garneau used.... You didn't use them, but they seemed to be in line with your approach as we come out of, perhaps, what was formerly a naive approach to China and into a more “eyes wide open” approach.

Do you have any comments on that?

Mr. Guy Saint-Jacques: Thank you, Mr. Oliphant. In fact, I was getting to the part of my speech where I was congratulating the government on the adoption of the declaration against arbitrary detention in state-to-state relations in February of last year, and I was going to add that in fact now is the time to maybe put some teeth into that declaration by talking with allies to agree on common responses, including sanctions, if China uses such tactics again.

I agree, as I said in my remarks, that we have to engage with China. That being said, I'm not sure that China will want to engage with us. Messages coming, for instance, from the Chinese ambassador to Canada, Cong Peiwu, are discouraging. He keeps saying that we have to learn from our mistakes, but, assuming they want to play games and that Ambassador May is able to make progress, we have to define areas in which it's in our interest and also in the interest of China to work with us.

I mentioned environment and climate change. Canada has had long-standing co-operation with China. We helped to create the Chinese ministry of the environment through the development assistance provided by CIDA. We helped to create the dairy industry. We helped in many areas, and we were financing the functioning of the China Council until a few years ago.

On health, I don't know the situation now, but we used to have very good collaborations between Canadian scientists and Canadian doctors and their Chinese counterparts. Unfortunately the arrest of Meng Wanzhou derailed such co-operation.

This being said, I was quite encouraged to hear Minister Freeland in her speech last week in Washington, because in my view she understands very clearly the challenges we face with China, which is a country that has become more and more aggressive and assertive on the international scene and one that does not listen very well to criticism. China has also started to decouple its economy from the rest of the world, which means Canada has to work a lot more closely with allies in all kinds of political and commercial subjects to try to develop common approaches and positions with regard to China.

● (1905)

Hon. Robert Oliphant: Because my time is very limited, I want you to comment a little.... In that search for allies, we have a difficult situation following the UN Human Rights Council report that High Commissioner Michelle Bachelet did, that China was successful in gathering its allies together, perhaps more successful than we were. Have you any comments on that?

Mr. Guy Saint-Jacques: Clearly, we have to try to reinforce multilateral institutions. Canada is a small country when we look at it from an international perspective, and we need well-functioning international organizations, be they the World Health Organization or the World Trade Organization.

It's true that China has been using its assistance through the belt and road initiative and its development assistance to rally support, mostly from developing countries, to good effect. As you said, the latest example came when the UN Human Rights Council in Geneva decided not to study the report of Ms. Bachelet, which was a big disappointment.

For that, I think it's possible to work with allies, to work with developing countries, to try to convince them that their interests are better served by well-functioning, multilateral organizations.

The Chair: Thank you, Mr. Oliphant. That's your time.

Ms. Normandin, you have six minutes or less.

[*Translation*]

Ms. Christine Normandin (Saint-Jean, BQ): I'd like to thank the witnesses for taking part in this meeting. I'm very happy to participate in this committee's work because I always learn so much.

Mr. Saint-Jacques, I'd like to come back to what Mr. Oliphant just mentioned about the allies Canada can call upon on the international scene, particularly in terms of security.

As we know, Canada is not part of the AUKUS alliance. Some say that it's a missed opportunity. Others say that Canada was simply not invited, perhaps because of a lack of seriousness in some respects. Very recently, a French ambassador to Canada was somewhat critical of Canada's approach to continental defence. He was talking about Canada's aging fleet of submarines.

Could you tell me what you think Canada could do to become a more credible partner for potential allies, particularly in terms of national security?

Mr. Guy Saint-Jacques: Unfortunately, I think you're right: Canada's importance internationally has indeed diminished. I think it started when the Harper government was in power and has continued under Mr. Trudeau's government, unfortunately.

It's important to understand that in the current context, international issues are closely linked to domestic issues. If we don't invest enough internationally, it can come back to haunt us.

In the past, Canada's diplomacy was very active, which was an added value, particularly appreciated by Washington. We were able to interpret the views of developing countries through our development assistance program, and we had a lot of influence in some African and Asian countries as well.

The fact that we haven't been invited to join the AUKUS alliance or other recently created forums may indicate that we're paying the price after years of neglect.

From a defence perspective, Canada clearly needs to invest more, particularly in the Canadian Arctic. Again, this has to be linked to China, which is very interested in the Arctic because of the fishery and mineral resources there. I would say that we are under-equipped. Increasing our investments would be a way to demonstrate to NATO that we are serious about defending not only the North American continent, but that organization as well.

Ms. Christine Normandin: At the Standing Committee on National Defence, on which I also sit, we are discussing Arctic security. The territory to be protected is huge, and its effective occupation is quite difficult.

However, I would point out that, politically, the United States doesn't even consider the Northwest Passage to be part of Canadian territorial waters.

Is there any work to be done with our allies to politically protect this passage, which may be used even more in the future, especially by science-based vessels, but also by Chinese military vessels?

● (1910)

Mr. Guy Saint-Jacques: There has already been a Chinese ship in the Northwest Passage.

Having said that, I don't think this passage is as interesting as the one through the north. China understands that it's more difficult to navigate the Northwest Passage. Anyway, going through the north is more direct. It takes less time to get to Europe, provided you can count on the contribution of Russian icebreakers, which are very active.

A global approach to the Arctic is required. We talk about occupying the territory, but if we aren't there, it's difficult to proclaim our sovereignty and protect territorial integrity. There has to be a physical presence. We have to have planes that fly over the Arctic regularly. We must remember that global warming will make certain resources, such as fish, increasingly available and moving north. We need to be concerned about that, and we need to work with our friends and allies in the Arctic Council.

Ms. Christine Normandin: We are currently debating a private member's bill in the House, Bill C-281, which deals with media that could be banned or denied a licence to operate in Canada if they are owned by governments of countries that commit genocide. In this regard, by the way, Canada has yet to recognize the genocide against Uighurs.

You talk about the influence of countries around the world. Is media influence something that should be given more attention?

Mr. Guy Saint-Jacques: Yes, absolutely.

If I'd had the opportunity to finish my speech, I would have told you that we must fight Chinese interference at all costs, not only within the Chinese community in Canada, but also in our institutions, including our political institutions.

The Chinese use all sorts of ways to create interference. They take advantage of the fact that we are an open society. There are Chinese dailies that run full-page ads. They're given access to our media. But, of course, there is no reciprocity. I think that we have to be much more vigilant in this regard.

Ms. Christine Normandin: Thank you.

[*English*]

The Chair: Thank you, Madame Normandin.

Now we move to Ms. Kwan, for six minutes or less.

Ms. Jenny Kwan (Vancouver East, NDP): Thank you very much, Mr. Chair, and thank you to the witnesses for their presentations.

I'd like to build on that response from Mr. Saint-Jacques.

You mentioned needing to counter the issue of influence, which is proliferating in many spheres in our communities across the country. Can you give me some specific examples of measures Canada should take?

Mr. Guy Saint-Jacques: We have to start by paying a lot more attention to what is said on Chinese social media. I was struck at the start of the Meng Wanzhou crisis. I gave many interviews to Canadian media that publish in Mandarin. The questions they were asking me were straight from Beijing. They didn't know what the position of the Canadian government was. They didn't understand it. They were just reflecting the views expressed in Beijing. For that, we have to make a lot more effort.

We also have to look at the experience of other countries, like Australia. It has adopted four laws to try to counter foreign influence in its society and political system. That would be a good point from which to start.

Ms. Jenny Kwan: Thank you very much.

Bringing the issue closer to home, in Canada, veteran journalist Victor Ho was put on the wanted list by China. The application of its national security law is spreading. We have always known it, because that's what the Chinese said they would do. They would apply that law not just in Hong Kong or China, but globally. Mr. Ho is the first Canadian who has been targeted in that way.

What do you think the Canadian government should do to counter this? It's for the protection of all Canadians as well.

I would ask this question to both of the witnesses. Maybe I can have Mr. Saint-Jacques answer that question, and then we'll go to Dr. Wright.

● (1915)

Mr. Guy Saint-Jacques: I agree entirely with you. I think the Canadian government should speak very forcefully on this subject to say that it will oppose any effort by China to use this national security law to try to get people. What we have to understand is, in fact, that if Canadians fall under...it's easy to be found guilty. I would be found guilty. I have been very critical of China.

What I fear is that China may want to use its extradition treaties with other countries. If I ever go to visit one of those countries, they could request that I be arrested and extradited to China because I've been critical of China. I think the government has to speak out on this. This is another example of where we have to work with our allies to develop a common position to push back on China.

Dr. David Curtis Wright: My instinct on looking at questions like this is to take a longer-term view, like historians do over decades.

As far as Chinese media is concerned, I read some of those newspapers, and sometimes it's disturbing. These are strangers in our land. Do they not really understand the way Canada works? However, those people are first generation. Their kids and their grandkids are going to wind up thinking very differently. A lot of the influence that we are so concerned about with Beijing pertains to one generation. Their kids and their grandkids are going to come around a lot more, and that's really how it's always been over the course of Chinese immigration to Canada.

As far as national security is concerned, I've read that law, and it does say that anywhere in the world, people who damage China's interest are subject to arrest. We often assume that will apply to Chinese citizens, but Mr. Ho is not a Chinese citizen; he's a Chinese Canadian. Will this eventually apply to non-Chinese people as well? I think maybe so. I don't see any impediment to that, and it's troubling.

Ms. Jenny Kwan: Thank you.

They are applying it to Victor Ho, and I am cognizant of the fact that not just I but a number of parliamentarians, in fact, would be in violation of the national security law, given our comments and our vote in the House on designating the treatment of the Uighurs as a genocide. We could all be subject to arrest and put on the wanted list, no less.

I'll set that aside for a minute, because I have much to say about that, but I want to get to the Taiwan question.

Given the threatening posture that's escalating with China towards Taiwan, from this perspective, what action do you think Canada should take to prepare itself with regard to this escalating tension, and what should we be doing with allied countries, Dr. Wright?

The Chair: I will ask for a fairly short answer. We're just about out of time.

Dr. David Curtis Wright: We should prepare ourselves for the possibility of a big, ugly and surprisingly strong conflict. That may be the price of standing up to Beijing on this. It's a price that we, as a democracy.... I don't see how we can not pay it, if it comes to it.

As far as what Canada should do, Canada should work closely with its allies. Canada punches above its weight in international relations, and I think some quiet backstage discussions with Chinese diplomats would work better than humiliating them publicly.

The Chair: Thank you, Dr. Wright, and thank you, Ms. Kwan.

We'll now go to our second round.

Mr. Seeback, you have five minutes or less.

Mr. Kyle Seeback (Dufferin—Caledon, CPC): Thanks very much.

Mr. Saint-Jacques, you said that the ambassador has said that Canada must learn from its mistakes. What do you think the ambassador means by that, specifically?

Mr. Guy Saint-Jacques: Well, you know, when I was in Beijing, very often I had discussions in which I was told that we were the lapdog of the United States. From the start of this sad episode with Ms. Meng Wanzhou and the two Michaels, they said that we should not have acceded to the extradition request. They showed total disregard for how extradition requests work, and they just assumed that things could work in Canada as they do in China, where the prime minister picks up the phone and speaks with the judge and says to throw this case away and just return the person.

To be frank with you, I don't think the Chinese have a very high opinion of Canadian politicians right now, and this is unfortunate, taking into account all the efforts that were made by various Canadian governments over the last 40 years to help China become a modern country. We helped them to prepare to join the World Trade Organization. We helped them to develop their dairy industry. We helped them to develop their hydroelectricity. All this has disappeared since the arrest of Ms. Meng Wanzhou.

● (1920)

Mr. Kyle Seeback: I've read a report from the Australian Strategic Policy Institute on coercive diplomacy. Incidents of coercive diplomacy really seem to have skyrocketed—at least according to this report—from around 15 in 2016 to close to 60 by 2019. Coercive diplomacy can include all kinds of things: arbitrary detention, restrictions on official travel, pressure on specific companies. This seems to be an increasingly worrying problem.

This is for both our witnesses today. Would you have any advice on how Canada should be dealing with coercive diplomacy with respect to China?

Mr. Guy Saint-Jacques: It's very important to make the trade regime more reliable and predictable.

I was surprised, at the start of our latest problems with China, when they put a ban on our exports of canola. Why didn't we go immediately to the World Trade Organization to lodge a complaint? We have to use those mechanisms to push back on China.

I think we are also at the stage where.... As I said, a good first step was the adoption of this declaration to try to prevent hostage-taking in state-to-state relations.

On the trade side, we are at a point where we have to work with allies to try to develop common positions. To give you an example, there are very few countries that export barley, canola, soy or wheat to China. The next time China wants to impose punitive sanctions on Australia, through its barley, Canada and the U.S. should agree they will not increase their exports above their historical share of the Chinese market. That would immediately send a message to China that it no longer has the ability to divide us.

In fact, the EU is in the process of adopting a new anti-coercion instrument. The bipartisan Countering China Economic Coercion Act has been introduced in the U.S. Congress. I think we have to look at concrete examples like this to push back on China.

Mr. Kyle Seeback: We have a bit of time left, Mr. Wright.

Dr. David Curtis Wright: China craves positive public relations, internationally, so creative embarrassment with other allies will work, to some extent, even if China denies that it will.

Diplomatic démarches can work. Quick reprisals for trade coercion should be engaged. China says that politics should not have anything to do with trade, but the canola decision in Alberta is very much politics interfering with trade.

The Chair: Thank you, Dr. Wright, and thank you, Mr. Seeback.

We now go to Madame Normandin for two and a half minutes or less.

[*Translation*]

Ms. Christine Normandin: Thank you very much.

A University of Ottawa task force recommended that Canada establish a national counter foreign interference coordinator. As I understand it, that exists in Australia now. However, this could be problematic since, for example, Canada doesn't have a central point for coordinating the interference initiatives of the various departments.

Mr. Saint-Jacques, I'd like to hear from you on the relevance of having this kind of position in Canada. Would it be useful or even necessary?

Dr. Wright, you'd be welcome to jump in if there's any time left.

● (1925)

Mr. Guy Saint-Jacques: That's an extremely important issue. I see a lot of areas where China is intervening illegally. As I said earlier, this country is taking advantage of the openness of our systems, but it's also figured out how to use our social media, like Twitter, Facebook and Linkedln, to spread misinformation and try to interfere in our political systems.

This is an issue that should involve many departments, and we need to start by being much more vigilant and agreeing that there's a problem. Then we need to look at how we can counter it. Can technology be used? I don't know if a national coordinator position would be helpful. Of course, it would send a message that this is an important issue for the government.

That said, if you look at China's cyber-activities, it's engaged in intellectual property theft, interference in our political systems, and attacks on Canada's freedom of speech and democratic system. So we need to look at this situation carefully. I hope that the task force established at the University of Ottawa to look at these issues will provide recommendations that will be of interest to the government.

[*English*]

The Chair: Thank you, Mr. Saint-Jacques.

I committed a rookie mistake, and I missed Mr. Fragiskatos.

You have five minutes, sir. Are you ready?

Mr. Peter Fragiskatos (London North Centre, Lib.): Yes, Mr. Chair. I'm happy to go ahead.

Can I ask Dr. Curtis Wright...? There are a few things, as a matter of fact.

Regarding deterrence, as far as the potential invasion of Taiwan is concerned, is there anything to deter China from that? For example, there's the U.S. policy on coming to Taiwan's defence. Is this something that President Xi rules out automatically?

Dr. David Curtis Wright: The question of Taiwan will, I think, boil down to a matter of regime survival.

If—and this will never happen—Xi Jinping were just to announce “Okay, we're giving up on Taiwan. We're not going to use coercion at all. We're just going to woo Taiwan into coming over and joining with us,” there would be widespread public disagreement and anger. I think that even a division or more of the PLA could get involved.

The second red generation that is Xi Jinping's main pillar of support largely runs the PLA today. The PLA doesn't interfere with politics, but if it came to something like this, I think that the PLA might get involved. Xi Jinping knows this. Giving up on Taiwan would be tantamount to recognizing the possibility of regime overthrow, and when that is a possibility, the regime is capable of doing anything.

That's the message of 1989 with the Tiananmen massacre. Deng Xiaoping said in a key meeting with the core group of the politburo that they would pay any price and endure any hardship to keep their political power.

Taiwan is a core interest, and it's a core matter for the survivability of the regime. I think, quite frankly, there is not a whole lot that we could do militarily. We can make it very clear that there will be an enormous cost, that China will be outcast internationally and that it will face massive world boycotts, but in the end, the CCP won't care.

Mr. Peter Fragiskatos: Just a few days ago, the Asia correspondent for The Globe and Mail, James Griffiths, said that the decision as to whether or not China invades Taiwan lies with one person: President Xi.

Would you agree with that? Does it really come down to what he wants to do?

● (1930)

Dr. David Curtis Wright: Very much so.

The way politics are configured in China right now, the entire state architecture is an instrument for the will of one man. He has more political power gathered into his hands than anybody since Mao.

Just yesterday, the American Secretary of Defense said that it appears to the U.S. defence establishment that he is now ratcheting up the timetable. In other words, the invasion of Taiwan could come sooner rather than later. It's terrifying.

Mr. Peter Fragiskatos: It is indeed.

The final question is what Canada can do in a situation like this. We heard earlier from Mr. Saint-Jacques that we ought to reach out more to multilateral organizations and seek to strengthen them as a middle power.

Do you have any advice? I consult you, instead of Mr. Saint-Jacques on this—no disrespect to him—because you offer a historian's perspective. With that perspective, looking back to the Canadian tradition of being a middle power, are there things we can do within multilateral organizations, to continue to engage allies?

This is something that has been a central goal of our foreign policy, but it's difficult.

Dr. David Curtis Wright: Canada should continue the course that it is on right now with multilateralism. Canada should use its special relationship with the United States to encourage the Americans to continue to become more multilateral.

Maybe doing the right thing is more a matter of not doing the wrong thing. Are there things Canada might do that would provoke or hasten the attack on Taiwan? Sometimes it's better to do nothing at all than it is to do something stupid.

The Chair: Thank you, Mr. Fragiskatos.

We'll now go to Ms. Kwan for two and a half minutes.

Ms. Jenny Kwan: At the beginning, Mr. Saint-Jacques, you raised the issue of the UN Human Rights Council vote. There are, of course, implications with respect to that. The outcome clearly demonstrates, to a degree, China's ability to rally its allies.

In the face of that and in the face of potential threats to our friends in Taiwan and in other situations—the Uighurs, and I could go on—what specific action do you think Canada can and should take in terms of building up the allyship in the international community to address this ongoing and, I think, heightening situation with China?

Mr. Guy Saint-Jacques: Starting with the Taiwan issue, Canada can do a lot. If we say we support human rights and democracy, we have to translate that into our foreign policy. In that regard, it's important to continue with visits by parliamentarians. We have to support Taiwan's joining multilateral organizations. We should start to negotiate a free trade agreement with the Taiwanese. We should welcome them into joining the CPTPP, and we should work with allies to jointly deliver a message to China that says, "If you dare invade Taiwan"—and I think this could become more likely three to five years from now—"here is the list of sanctions we will apply." They will then know the price they would have to pay. I already see Canadian businesses starting to adjust their supply chains in order to be less vulnerable and dependent on China.

Turning to the Uighurs, it's a matter of applying sanctions to counter the use of forced labour in China. That will also send a very powerful message. We have had some challenges in identifying shipments of goods that could have been produced with forced labour. I think we have to do more. Again, it's a question of working with allies and developing common strategies and approaches. When you have tough messages to deliver, go as a group.

● (1935)

The Chair: Thank you, Mr. Saint-Jacques. That brings us to the end of our first panel.

Dr. Wright and Mr. Saint-Jacques, thank you very much for your attendance tonight.

We'll now pause briefly while we get our second hour teed up.

● (1935)

_____(Pause)_____

● (1935)

The Chair: We're back in session for our second hour. Welcome back.

We're resuming the meeting with our second panel—a small panel, this time. Dr. Martel is our witness for the next 40 minutes, I would say, because we have a vote coming up in the House of Commons fairly soon.

I would like to introduce Dr. Stéphanie Martel, assistant professor, department of political studies, Queen's University.

Dr. Martel, you have an opening statement of five minutes or less.

[*Translation*]

Dr. Stéphanie Martel (Assistant Professor, Department of Political Studies, Queen's University, As an Individual): Good evening.

I'd like to thank the Special Committee on the Canada-People's Republic of China Relationship for inviting me to testify this evening and participate in these very important discussions.

My contribution to the ongoing discussions will be rooted in my expertise in international relations in the Indo-Pacific region and the Association of Southeast Asian Nations, in particular.

My opening remarks will focus on China's ambiguous relationship with the liberal international order, commonly known as the international rules-based order. In doing so, I will draw on considerations that are relatively consensual and fairly well established in foreign policy and defence analysis, but which I think are worth recalling because they offer useful insights about the future of our relations with China.

● (1940)

[*English*]

People, including policy-makers, tend to learn from past experience, and this typically informs how they are going to interpret information and events. People basically perceive what they expect, and their expectations—it is important to draw from what we know about the way policy-makers engage in foreign and defence policy—are not necessarily always accurate, especially if they're rooted in misleading analogies. This lesson we can draw from foreign policy analysis has important implications for how we approach our relationship with China.

For example, Chinese policy-makers will tend to expect China to be stigmatized or treated unfairly by the west in international fora, and they will behave accordingly. This means that sometimes we'll see behaviour on the part of Chinese actors in exploiting loopholes or advancing particular interpretations of the rules in a way that is self-interested. This is not particularly surprising behaviour, however, on the part of a great power.

We also see a tendency among western policy-makers to expect China to behave like other states, and particularly Russia, among other revisionist powers with values that have clashed with our own throughout history. Policy-makers in the west also typically expect that what China is doing in areas that it would consider to be its core interests means that it will seek to do the same in other regions of the world—for example, the Arctic—but we should be wary about a number of these analogies and whether they actually hold up.

Another lesson we can draw from foreign policy analysis is that people, including policy-makers, tend to see the actions of others as much more planned, centralized and coordinated than they actually are. That's even more so when reliable information is scarce and in the case of authoritarian states.

There is a tendency to assume that everything China does is part of a coherent long-term plan or grand strategy, when in fact it is as likely to be the result of a disaggregate set of ad hoc uncoordinated decisions from individuals and groups with competing interests, preferences and world views.

While it is obvious that we should be concerned about the growing centralization of power in China, this doesn't mean other interest groups within the domestic politics ecosystem do not have various interests and preferences when it comes to China's pushing for a more assertive position in the international sphere.

People, including policy-makers, also fear what they do not know. Those are typically the unknown unknowns, so the fact that we don't know China's true intentions or China's true motives will typically lead to speculation, to assuming the worst in virtually every domain of China where we observe China's behaviour that can be a source of concern. This can lead, however, to confirmation bias being built into policy and potentially also to implications in terms of self-fulfilling prophecy that we should be mindful of.

I'm not sure we can ever know, to be honest, what China's true intentions are, and this is for a number of reasons. Again, China, is not a black box.

I don't think, either, that the intentions of policy-makers are as clear or coherent as we think they are, and finally, motives and intentions typically change over time according to evolving circumstances.

This underlines the importance of supporting sound country expertise on China and Canada with knowledge of developments in domestic politics.

The Chair: Thank you, Dr. Martel. If you have further things to say, you can hopefully work them into the answers you'll be giving our committee.

Dr. Stéphanie Martel: Absolutely.

The Chair: In fact, we'll start questions now, with Ms. Dancho for six minutes or less.

Ms. Raquel Dancho (Kildonan—St. Paul, CPC): Thank you, Mr. Chair, and thank you to the witness for being here.

I appreciate your opening testimony. I found it quite interesting. I've been on the China committee before, and certainly it was an issue that we studied at the immigration committee when I was on that panel in reference to Taiwan. We also have studied, at the public safety committee, Canada's security posture in response to Russian aggression, and China came into that discussion as well.

I was a bit surprised, actually, at some of your opening remarks. It seemed like perhaps.... Perhaps “downplaying” is not the word, but it seemed like you were saying that perhaps Canada is...that some folks on the international communications are overplaying the dangers that China has and that they aren't really as coordinated as some of us feel. Can you just clarify or further comment? I may be misinterpreting what you were saying.

● (1945)

Dr. Stéphanie Martel: Yes. Thank you for the opportunity to clarify.

I think that, when assessing and trying to unpack behaviour and interpret the implications of that behaviour from a particular state, there is a risk of threat inflation that we need to take into account. There is a risk in terms of assuming that speculation about what is going on is evidence that this particular behaviour that we expect is in fact going on. We should be mindful of a tendency to think that there is an analogy, that what Russia is doing in the international stage means that China will necessarily embark on similar courses of action. It is important to consider that China's relationship with the existing international order is much more ambiguous, and it is much less clear that China is aiming to act as much as a spoiler and a destabilizing force when it comes to the international order as Russia is at the moment.

It's about being wary about drawing analogies.

Ms. Raquel Dancho: Thank you for that.

What do you feel China's goals are on the international stage?

Dr. Stéphanie Martel: I'm not convinced that China seeks to overthrow the existing international order or to replace the United States as the main driver behind the existing rules. It is important, when it comes to assessing China's behaviour, to compartmentalize the discussion a bit, focus on breaking down certain domains of the international order, and then try to assess whether China's behaviour is merely pushing for a particular interpretation of the rules that doesn't align with our interests or our preferences or, alternatively, seeking to overthrow the rules. I think there is a nuance, and there is a difference. Here, China's behaviour, insofar as I can tell.... It is not as clear that China is pushing for alternate conceptions of the rules the way Russia is doing it.

Ms. Raquel Dancho: Thank you very much.

It's my understanding that in the last 30 to 40 years we've really provided a lot of our manufacturing jobs over to China, that the western world has really led its foreign policy concerning China with the idea that the more we build trade and relationships, the more China will become like us. I'm sure you've heard this. That certainly has not been the case. We have a lot of vulnerabilities with China, as we saw during the Meng Wanzhou situation and with the canola ban and pork and many others, so we are very vulnerable in some ways with our trade. Of course, China needs to feed over a billion people, so it does need food, and Canada is a large supplier of that, but we certainly saw China take advantage of that.

I'm just concerned that it seems very much that their intentions are not necessarily for our interest and are certainly serving their own.

You may have heard recently that our chief of the defence staff, General Eyre, has said that his position is that China wants to remake the world to suit its needs. It's very much the position of our military, obviously. Can you comment on that? Are they seeing this wrong in your opinion, or do our defence capabilities need to step up to meet this challenge that he sees?

Dr. Stéphanie Martel: You're absolutely right to point out that our expectations of China's becoming more like us have not materialized, and we need to adjust to that reality. Absolutely.

I don't think, though, that we can derive from that the conclusion that China will behave in particular areas all the time in ways that conflict directly with our interests and preferences. It's important to be able to identify the areas where, indeed, a difference of interests, values and preferences needs to be reacted to or addressed, and areas where our interests and preferences might align in ways that we don't necessarily suspect. It's important to remember that.

The fact that our expectations of China's transitioning into a liberal democracy through its embeddedness in the global economy have not materialized doesn't mean we shouldn't continue to engage China and be able to find ways to convince them to engage in forms of behaviour that align more closely with how we see the rules underpinning the international order in ways that can sustain our interest and preferences in this regard.

I don't think it's a mutually exclusive thing, but I think we need to move past these expectations that we're going to be able to see a transformation of China in a way that China becomes one of the like-minded in virtually all domains. Getting rid of these expectations and reacting to that is important.

● (1950)

The Chair: Thank you, Dr. Martel.

Ms. Dancho is out of time, but Mr. Cormier now has the opportunity to ask questions for six minutes or less.

[*Translation*]

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

Thank you, Dr. Martel, for being with us tonight. I have a few questions about our trade relations, especially with China. I think you'll be able to answer some of them.

As we know, China is our second- or third-largest trading partner, if I'm not mistaken. I think humanitarian law should always be the priority. Beyond all that, if we think about the trade relationship between Canada and China and everything that Canada imports from China, should we be afraid? Should we be concerned about the future of our companies that do business with China? How do you see the current situation?

Dr. Stéphanie Martel: Thank you for your question.

The economic aspect of Canada's relations with China is somewhat outside my area of expertise. My focus is more on regional security issues.

Mr. Serge Cormier: Okay. I'll ask my question another way.

In this case, in terms of security, we could talk about foreign investment from China. To give you a very simple example a lot of fish processing plants in my area have been acquired, at least in part, by foreign investment, including investment from China, probably.

For the security of the country, should we in our regions be concerned about these takeovers by foreign investment like China?

Dr. Stéphanie Martel: I think any doubts, challenges or vulnerabilities that we're able to identify should be a cause of concern to some extent. Having said that, I think the presence of foreign investment and Chinese business and economic interests in the country is simply a reflection of an interdependent global economy.

This makes the arguments for a possible decoupling from China seem unrealistic to me, or even desirable. I think this interdependence between China and global economic dynamics also mitigates the risks of confrontation and conflict.

The way in which China is involved with the dynamics of economic interdependence therefore opens the door to a certain positive reinforcement, which can be used to convince China to adopt more favourable behaviours, since it benefits greatly from the current international order. China is well aware of this.

Mr. Serge Cormier: You spoke earlier about the centralization of power in China. You also said that, from the outside, there may be dissent with the Chinese regime. Can you tell us more about that?

● (1955)

Dr. Stéphanie Martel: I think an expert on Chinese domestic policy, which I am not, could tell you more about this.

However, we can see that the Xi Jinping's rise and strengthening of power in China is quite consensual; there's a real centralization of power around this figure.

That said, I think there's a tendency to exaggerate this centralization of power by drawing an analogy between Xi Jinping and Mao. I also think it's important to be aware that these dynamics that we're seeing in China are also a response to a number of vulnerabilities in the country.

This underscores the importance of developing, supporting and fostering expertise in Canada on Chinese domestic affairs, which must be leveraged to truly understand what's happening in China. This would have a direct impact on China's position on the international stage.

Mr. Serge Cormier: I think you also talked about Arctic security earlier. Did I understand correctly?

Dr. Stéphanie Martel: Yes, I talked about the Arctic.

In fact, there is a lot of concern and speculation about a possible increase in China's presence in the Arctic, and again we tend to look for hidden motives or agendas. I was talking about the unknown unknowns earlier. In this case, there are fears of a growing Chinese presence in the Arctic. These fears are legitimate, since it's difficult to see where China wants to go with this in the Arctic.

That said, on paper, China is quite clear about its intentions in the Arctic. It obviously has a vested interest in developing its access to strategic resources in the Arctic and pushing for a definition of passages in that region that would allow it freer access to international waters.

I think it's healthy and constructive to look at what China is promoting. It isn't hiding its intentions. It's obvious that China is an actor that has interests and is promoting them on the international stage. However, I think the analogy that China has similar motivations in the Arctic to what it's doing in the South China Sea doesn't hold water. In fact, China isn't going to claim sovereignty over territories in the Arctic any time soon.

It has enough interests that may conflict with our national interest. If that's the case, then obviously Canada has to respond. None of this is—

[*English*]

The Chair: Dr. Martel, I'm sorry. I have to intervene. We've used up the time for Mr. Cormier.

[*Translation*]

Mr. Serge Cormier: Thank you, Dr. Martel.

[*English*]

The Chair: Now Madame Normandin has six minutes, and perhaps she'll ask you to continue.

[*Translation*]

Ms. Christine Normandin: Thank you for your remarks.

Actually, I had intended to follow up on the comments of Ms. Dancho and Mr. Cormier, and come back to the malicious intentions that are too often attributed to China. Your comment about that piqued my curiosity.

Can you give us some examples of times when malicious intent has been wrongly attributed to China?

Dr. Stéphanie Martel: I'll answer your question indirectly by using the example of the conflict in the South China Sea. Much has been made of the fact that China responded to a decision by an arbitration tribunal in the South China Sea by saying that it wasn't going to comply with international law, or at least with the view of international law held by a tribunal it considered illegitimate.

Between this extremely strong rhetorical response by Chinese government officials and what happened on the ground, it was observed that China gradually abandoned the idea of presenting its claims in a manner considered to violate international law.

In fact, through the “nine-dash line” concept, China stopped presenting its claims in a manner that the arbitration tribunal considered to be outside the bounds prescribed by international law. Instead, it has since attempted to align its official international position increasingly with that of international maritime law, at least within the limits of its interpretation of the rules of that law.

So there is one example where China's position on compliance with international maritime law has been much more ambiguous or nuanced than we expected.

● (2000)

Ms. Christine Normandin: Thank you for your response.

This committee stopped meeting before the release of Michael Kovrig and Michael Spavor. I'd like to know if you've seen any change—positive or negative—in relations between the two countries since that bomb was defused. Could you also explain that a little bit?

Dr. Stéphanie Martel: I haven't seen a fundamental change, no. I just see that we've come out of a period of crisis. Perhaps this is an opportunity to reopen channels of communication that were closed during the crisis and to re-establish a bit more of a constructive and productive basis on which to find interests that are perhaps more compatible than originally thought in some areas of global governance.

That said, there hasn't been much change in the public debate across the country, or in the way China engages in a kind of rhetoric war with countries that it associates with a liberal western view of the international order. If opinion polls are any indication, Canadians' perceptions of China haven't changed either.

So I don't see a fundamental change other than an exit from the crisis. Perhaps we can hope that relations between the two countries will be restored on a slightly less toxic basis than they were before.

Ms. Christine Normandin: Thank you very much.

Global Affairs Canada has announced that the China issue will be somewhat integrated into its Indo-Pacific strategy. Is that a good idea, or should there be a completely separate strategy for China?

Dr. Stéphanie Martel: There is a case for looking at our relationship with China separately.

That said, it's essential that our strategy toward China be aligned with a more comprehensive and coherent approach to the Indo-Pacific region, as the two must go hand in hand to avoid any risk of contradiction in our engagement in the region. China's position is also central to the negotiations on a rules-based order in the Indo-Pacific region. So these two must absolutely go together, be coherent, and be aligned with each other.

[*English*]

The Chair: Thank you, Dr. Martel.

We'll now go to Ms. Kwan for six minutes or less.

Ms. Jenny Kwan: Thank you very much, Mr. Chair, and thank you for the comments, Dr. Martel. My question to you kind of builds on this notion.

Your opening comments seem to indicate that perhaps China's intentions are misread in a variety of circumstances. Given what's happened in Hong Kong and given the situation we can see, the deterioration of what's going on in Hong Kong, the violence, the abuse and the arrest of civilians in that context and, of course, the imposition of the national security law and the application of it even extending here to veteran Canadian journalist Victor Ho, I wonder if you can share with our committee how we should interpret those actions.

● (2005)

Dr. Stéphanie Martel: Obviously, when it comes to what China considers its core interests, clearly our preferences are going to clash with those of China. Our value system is going to clash with that of China. I don't think we should shy away from pointing that out when that is the case.

What I want to stress is that just because China's and Canada's and western democracy's interests and values clash on a number of key issues doesn't mean they clash everywhere. That would be the nuance that I would put to the committee.

We need to disaggregate areas where there are clearly conflicting preferences and interests that need to be put forward and discussed and may even warrant some condemnation. This doesn't mean that in other domains of global governance, such as climate change, we cannot find areas where we can align in terms of interests with China.

I think it's important for us to be able to have flexibility in our approach to China in this regard.

Ms. Jenny Kwan: Thank you. That's interesting.

Should we have flexibility in our approach to the principle of democracy in China's approach to Hong Kong, which they actually promised, not just to Hong Kongers but to the international community, really? They promised a "one country, two systems" rule, which they really dismantled very quickly.

How should we entertain the principles of human rights and democracy in this regard? How should we advance that with China when we conflict in our points of view on that?

Dr. Stéphanie Martel: China has proven over the years that it is impacted by naming and shaming on the international stage. Where I see room for flexibility is that, for this naming and shaming to be effective in terms of the end goal that we want, for human rights to be respected, for people not be subjected to tactics and behaviours that we see as condemnable, there needs to also be room for diplomatic channels to push for our preferred courses of action.

This is where I see flexibility. Naming and shaming, if the end goal is for us to feel better about ourselves as Canadians, only gets us so far. The end game that we want, really, is for China to align its behaviour in ways that are closer to what we would like to see.

There is room for flexibility in terms of pushing different channels, using name and shaming tactics for sure, which China responds to even if it says otherwise, but also using back channels as well.

Ms. Jenny Kwan: When you say "naming and shaming", there's of course the element of the inconvenient truth. On the issue around Uighurs and the genocide that's going on, China vehemently rejects the notion of human rights abuse of Uighurs. It says very clearly that it is simply untrue.

In the face of that, how should we approach dealing with that issue, trying to address it and ensuring that Canada is doing something to support Uighurs who are faced with these violent human rights abuses?

● (2010)

The Chair: Could we have about a 20-second answer, please, Dr. Martel?

Dr. Stéphanie Martel: It's going to be very difficult for Canada alone to do anything of consequence, so it's really about building our relationships with like-minded partners to be able to push China, and to present evidence that China is engaging in behaviours that are condemnable and need to be condemned.

The Chair: We're now into our second round. The bells are ringing, but we should get through the second round as long as everybody keeps as close to time as possible.

With that, we'll go to Mr. Kmiec for five minutes.

[*Translation*]

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

Prof. Martel, my NDP colleague asked a good question: how should we interpret the actions and attitude of the government in Beijing toward Hong Kong?

We saw that the Sino-British Joint Declaration was flouted by the Beijing government. Then we saw the violations of human rights and democratic rights of the people of Hong Kong. This isn't just theory. Our relationship with Hong Kong has lasted for decades. More than 300,000 Canadian citizens and their families live in Hong Kong, so we have very close ties, and it's in our national interest to make sure that our citizens are treated well when they're in other countries.

I'll repeat my NDP colleague's question: how should we interpret the actions of the communist government in Beijing when it violates the human, civil and democratic rights of our own citizens and then does the same thing by sending its intelligence officers to our country to continue the intimidation of these same people?

Dr. Stéphanie Martel: Once again, this is an area where our interests, preferences and values fly directly in the face of what's being promoted by China. We shouldn't shy away from continuing to express our disagreement in this regard. I doubt that Canada will be able to meaningfully change the situation in Hong Kong unless we go through multilateral channels and create and maintain collaborative relationships with other actors to put some form of group pressure on China.

That said, when it comes to what China considers its own territory, jurisdiction and internal affairs, it's extremely difficult to make our condemnation bring about a positive change of circumstances. I share your concerns about that.

With respect to the second part of your question, I'm aware of the allegations of a possible Chinese police presence in Canada resulting in illicit activities on our territory. Again, I feel it's crucial to get evidence of what's being claimed and to get our facts straight. I'm confident that our law enforcement agencies will be able to shed light on these allegations.

[*English*]

Mr. Tom Kmiec: You referred to “territory”. There's the territory of Hong Kong, which is in fact a part of the People's Republic of China, and there are the people of Hong Kong.

I'd like to make a distinction here. Do you believe that we can save Hong Kong? Alternatively, do you believe that we can save the people of Hong Kong by offering as many of them as we can an opportunity to come to Canada to find safe haven here in Canada, with safe haven then meaning also that we ensure we can protect their rights as Canadian citizens, as permanent residents and as individuals working here from foreign influence and intimidation campaigns from the People's Republic of China?

● (2015)

Dr. Stéphanie Martel: Obviously we certainly can do something with what falls within our own jurisdiction in terms of making sure that the allegations that are made are followed through on and that we get our facts straight and are able to respond accordingly—absolutely.

In terms of what Canada can do towards Hong Kong, again, using multilateral channels and our networks and connections with other international partners is crucial. Apart from that, I don't see, honestly, a lot for Canada in and of itself to do to make sure that the situation resolves, but working through our partnerships and alliances and using diplomatic channels might yield results.

The Chair: Thank you, Mr. Kmiec.

We'll now go to Mr. Oliphant for five minutes.

[*Translation*]

Hon. Robert Oliphant: My questions will be along the same lines as Ms. Normandin's, and they were very wise questions. I'm a bit sad because this is her first time in committee and here I am asking the same questions she did.

[*English*]

I want to thank the witness for her time with us today. I think she's doing an important thing as we start this new phase of our committee work. She is calming us down and being rational and evidence-based.

I want to follow up a bit on that. I'll speak very personally. When I began my time as a member of Parliament, I had a very strong and open understanding of China. I wanted to have stronger relations. I had two trips to China that were eye-opening. They were my first two trips.

Michael Kovrig and Michael Spavor were then arbitrarily detained for over a thousand days. That is still with me as an individual. It's still collectively with the people of Canada. I think we are still hurting from that arbitrary detention.

We're now moving into a new phase, looking for an opening to see if we should, or could, open a different door with China. The “Should we?” question has to do with better, peaceful relationships in our world and that kind of stuff. Is it in Canada's interests? Is it in the world's interests? Is it in Canadians' interests?

If we wanted to that, what is your recommendation on how we do it? Sometimes, I just don't know. We're passionate people and we've been hurt. Now we're trying to look for a possible new way.

Do you have any thoughts on that?

Dr. Stéphanie Martel: To your question, I don't think we have much of a choice, to be honest. China is a great power and it is not going away. We need to find ways to be able to deal and live with that reality.

That said, Canada has a good record when it comes to engaging in informal mechanisms of diplomacy, through expert diplomacy, for instance, and other channels that might be used to find areas where our interests might converge. Clearly, we're not going to agree on a number of different things. In some domains, our interests and preferences are clearly going to clash. That's something we will need to be aware of and make China aware of.

In my opinion, it doesn't mean we cannot also use informal and formal diplomatic channels to be able to find some convergence of interests in certain domains.

Hon. Robert Oliphant: If this committee were going to travel to better understand the situation and our multilateral possibilities and instincts, are there suggestions for how this committee may get a better understanding on how we could relate to China?

● (2020)

Dr. Stéphanie Martel: Anything that can support country perspective and country expertise when it comes to China, but is also able to tap into our networks that are connected with regional perspectives on how to deal with China and with great power rivalry in general....

This is where the ASEAN angle might come into play. I think that's something that deserves more attention. There is a tendency when it comes to discussions about foreign and defence policy in the Indo-Pacific in general, but also toward China in particular, to favour a certain kind of expertise, which is absolutely needed in these discussions. That is the perspective of Canadian expertise on foreign policy and defence policy.

However, whatever we can do to make room for regional expertise and perspectives that are anchored in the region is really needed.

Hon. Robert Oliphant: Can I ask...?

The Chair: I'm sorry, Mr. Oliphant. You are out of time.

Madame Normandin, you have two and a half minutes.

[*Translation*]

Ms. Christine Normandin: Thank you very much, Mr. Chair.

My question is somewhat general. When two superpowers who respect the rules-based international order have a dispute, they will often take a step back, ponder solutions and come back to the table to discuss them.

Someone told me that you can't expect that from a country that doesn't respect the rules-based international order. For example, Russia might interpret any step back as an opportunity to occupy the space.

First, could this analysis also apply to China and the way it intervenes when there's a dispute?

Second, what role could smaller powers, including Canada, play as a diplomatic alternative with China, but also generally in the Indo-Pacific region?

Dr. Stéphanie Martel: If you consider how U.S. engagement has fluctuated in the Indo-Pacific region, that could be an example of a step back from which China has benefited. Withdrawing from certain multilateral platforms or cooperative mechanisms that favour diplomatic channels as a potential mechanism for dispute or crisis mitigation is not a solution, because it raises the risk of that.

To promote rules that are beneficial to all actors, we must instead keep as many doors open as possible to foster diplomatic engagement and reinforce less confrontational and more positive tendencies. That role is typically entrusted to middle powers or even smaller powers.

It's especially important that Canada adopt an Indo-Pacific strategy to renew its multilateral engagement in the region. Given the growing concerns about the dynamics between the superpowers in the region, Canada must not only have a formal presence in key institutions, but also informal ears to the ground outside of direct and formal channels.

[*English*]

The Chair: Thank you, Dr. Martel.

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

Ms. Jenny Kwan: Thank you very much, Mr. Chair.

I'm wondering what comments Ms. Martel can offer about the reality that a Canadian in Canada—Victor Ho—has now been put on a wanted list by China for a supposed violation of the national security law. There was also the latest situation in England, where a protester was demonstrating against President Xi Jinping and was reported to have been dragged inside the consulate grounds and beaten. Clearly, these are issues of concern with respect to democratic rights for the British in that instance and, in this instance with Victor Ho, for Canada. Our countries are being challenged.

How should we interpret those incidents and how should we respond to them?

● (2025)

Dr. Stéphanie Martel: We obviously need to be concerned about these incidents. Clearly, when it comes to the potential of a Chinese presence and that state-sanctioned, potentially illegal activities of surveillance are being carried out, this is a matter of getting our facts straight and making sure that whatever kinds of behaviour fall outside the line of legality are addressed and responded to.

When it comes to the other incidents that are mentioned, this is obviously a key concern and a preoccupation that needs to be addressed. It is also rooted, unfortunately, in the kind of vicious circle, basically, of animosity that gets created between China and Canada. There are repercussions for the toxicity of the public debate as well that we need to factor in, but obviously these are a cause for concern and we need to react accordingly.

The Chair: Thank you, Dr. Martel.

We're coming to the time for a vote, but we have time for one quick question and answer from each party.

Mr. Kmiec, do you have another quick question that you'd like to work in?

Mr. Tom Kmiec: No, not really.

The Chair: Mr. Oliphant, I know you had another question that you didn't get to, but Mr. Fragiskatos, the floor is yours. Can we have a quick question and a quick answer, please?

Mr. Peter Fragiskatos: Thank you, Mr. Chair, and thank you to the witnesses.

On travel, if this committee were to travel in order to enhance its understanding of Canada-China relations, which countries in particular, Professor, should we look at going to?

Dr. Stéphanie Martel: When it comes to having very well-established experience in navigating difficult situations that have to do with great power rivalry, there are a number of ASEAN countries that Canada needs to connect more with in terms of defining our approach to China, to the major power rivalry in the Indo-Pacific, and in terms of the Indo-Pacific in general. Those would be, in my mind, Singapore, Vietnam and Indonesia in terms of being really key players in discussions about the reform of regional order grounded in the rules.

Mr. Peter Fragiskatos: Would Japan, South Korea and Australia possibly...?

The Chair: Excuse me, Mr. Fragiskatos, but we'll move on.

Madame Normandin, do you have a quick question that requires a quick answer?

[*Translation*]

Ms. Christine Normandin: Thank you. I don't know if this will elicit a quick response, but I will try.

It was said that China would be a component of the Indo-Pacific strategy. Given its proximity to China, shouldn't North Korea also be targeted in this strategy?

Dr. Stéphanie Martel: Recent developments in North Korea merit Canada's attention, and we've been paying attention for years. Like Canada, North Korea is a member state of the Association of Southeast Asian Nations Regional Forum. The ASEAN Regional Forum has its flaws, but it's still a great place for Canada to open lines of communication with North Korea. I feel Canada should continue to be involved.

[*English*]

The Chair: Thank you.

Ms. Kwan, do you have one more question?

Ms. Jenny Kwan: Thank you.

Given that China has launched, on multiple occasions now, ballistic missiles over Taiwan, and there are many Taiwanese Canadians who are very concerned about the state of play, I wonder if the professor has any comments on how Canada should be communicating its concerns on this with China. How can we show our support to Taiwan and Taiwanese Canadians who, rightfully, are very concerned about the situation?

● (2030)

Dr. Stéphanie Martel: I will say that they very much share the notion shared by a member of the previous panel, that sometimes doing the same.... Carrying on with what we've been doing is probably better than missteps, or finding new ways to act that might lead to avoiding the vicious-circle scenario that we want to avoid.

I think there is no solution to the Taiwan issue outside of diplomatic channels when it comes to Canada, in particular. We need to reinforce these kinds of solutions or a best course of action.

The Chair: Dr. Martel, you've done double duty in this last segment of the last panel. You've handled a lot of questions extremely well, and we value your attendance here tonight.

With that, we have a vote coming up in about five minutes. We will pause and then come back after the vote to continue with panel three.

● (2030)

_____(Pause)_____

● (2100)

The Chair: We'll call our meeting back to order for our third round.

Thank you, all, for doing your democratic parliamentary duties. Welcome back to our third hour.

I'd like to welcome our witnesses for the third hour today: as an individual, Dr. Thomas Juneau, associate professor, graduate school of public and international affairs, University of Ottawa; as an individual, Vincent Rigby, visiting professor, Max Bell school of public policy, McGill University; and from the Macdonald-Laurier Institute, Jonathan Berkshire Miller, senior fellow and director, Indo-Pacific program.

We'll ask each of our guests to provide us with a five-minute comment, then we will go into one round of five minutes each, for each of the parties represented here.

We'll start with you, Dr. Juneau, for five minutes or less.

Dr. Thomas Juneau (Associate Professor, Graduate School of Public and International Affairs, University of Ottawa, As an Individual): Thank you for the opportunity to talk to you today.

Vincent and I will talk about the key findings and recommendations in a report we published with the University of Ottawa's graduate school of public and international affairs in May this year. The report was co-authored by Vincent and me with the support of a task force of a dozen senior retired officials, including deputy ministers of foreign affairs and defence, four former national security advisers, two former directors of CSIS, former ambassadors and others. The report is available online and I'm happy to pass it on to the committee in electronic form.

The report deals with the deterioration of Canada's threat environment and, overall, makes 65 recommendations on what we can do. Many of those recommendations are relevant to the committee's work on China.

The starting point of the report is one that will be familiar to everybody here, which is this: Canada faces a growing range of threats from great power competition, including, of course, the rise of an increasingly aggressive China, terrorism and extremism—both domestic and international—and a range of transnational issues, including climate change, pandemics and so on. The report's core message is that we are not ready, collectively, to address the growing range of threats Canada faces today.

Successive governments in Canada, in our view, have tended to neglect national security issues. To a large extent, we did that because we could. We are blessed by geography in this country; we are sheltered in North America, and we are under American protection. However, our main point in the report is that this luxury is eroding. As these threats intensify, our fear—and this is based on the collective wisdom, in our task force, of quite literally hundreds of years of experience at the highest levels of government—is that we will pay an increasingly high price, because we are not ready to address them. To be clear, China is not the only threat we discuss in the report, but it is, of course, a major and central one.

The committee is well aware of this aspect, so I will go on very quickly. China poses a threat to Canadian interests through cyberattacks, economic espionage, foreign interference, growing military assertiveness in the Indo-Pacific and so on.

The value add of the report is in this next question: What can we do? Of the 65 recommendations we make in the report, quite a high number are directly or indirectly relevant to China. I'll mention only a couple of broad ones, then Vincent will take over with a few more specific ones.

The first I want to mention is a general one, in terms of our response: the need for a whole-of-society response to the range of threats China poses. The intelligence community cannot respond on its own to most of the challenges I just mentioned. Of course, it has a central role to play, but it needs to work with other partners in the federal government—economic departments and so on—and with provincial and municipal governments, the private sector—think about economic espionage—and civil society—think about, in particular, foreign interference with the Chinese-Canadian diaspora. We need to do a much better job in this country, at this level, with the federal government's ability and willingness to lead, coordinate and share intelligence on threats and advise on how to deal with these threats.

Within the federal government, sometimes, obstacles to information-sharing among national security agencies impede our ability to respond. It's even more of a problem, beyond the national security community, among the rest of the government—economic departments like ISED and so on—and when you look beyond Ottawa at other levels of government, the private sector and civil society. However, these other actors all have an important role to play in dealing with that range of threats.

The second recommendation I want to mention is on transparency. Our first line of defence against many of the threats posed by China—and others, for that matter—is not always CSIS, the RCMP or CBSA. In many cases, it is. In other cases, it's societal resilience—for example, against economic espionage or foreign interference. The target of these threats is not, in most cases, the federal government itself. A lot of factors go into building societal resilience. We could have an entirely different discussion on that, but one is trust in government, which is a challenge in democracies today, including, but not only, in Canada. There's no magic recipe to build societal resilience, but greater transparency has to be at the centre of that.

● (2105)

The Chair: Dr. Juneau, you've hit the five-minute mark. You'll now be eating into Mr. Rigby's five minutes if you continue.

Dr. Thomas Juneau: In 20 seconds, we need to define transparency more broadly as engagement, sharing information and sharing insight on threats to Canadian civil society and the private sector in general.

I'll stop right there.

Mr. Vincent Rigby (Visiting Professor, Max Bell School of Public Policy, McGill University, As an Individual): So I still have five minutes—

Voices: Oh, oh!

The Chair: Yes, pretty close.

Mr. Vincent Rigby: Thank you very much, Mr. Chair, and thank you for the invitation to be here tonight. It's a great pleasure and an honour.

During a 30-year career in the public service, I have appeared many times before parliamentary committees as a government official. This is my first appearance, as the chair said, as a private citizen. I must say that I feel slightly less stressed than I did when I was a government official, but I guess we'll see how the next hour goes. Maybe we'll have a different conversation at the end.

In one of my last acts before I retired last year as the national security and intelligence adviser to the Prime Minister, I gave a speech to the Centre for International Governance Innovation, CIGI. It was one of the rare occasions when an NSIA has spoken out publicly on national security issues.

The theme of my speech was Canada's response to a changing global environment. I argued that the world was at an inflection point. It was experiencing seismic political and economic shifts and facing a complex array of new and old national security challenges.

At the centre of this change was heightened geopolitical competition. This competition was reflected in a tilt of the international balance of power towards the Indo-Pacific region, and the defining element of this multipolar transformation was, of course, the rise of China.

I identified Beijing's political, economic, military and technological emergence as one of the key international developments of this century. I suggested that China would continue to be a significant international force in the years to come and that China would become much more assertive in its region and beyond.

It expanded its power and influence, including through the belt and road initiative. It also attempted to directly undermine states it perceived as competitors, often—as we know all too well in Canada—within their own borders. China leveraged a well-integrated economic, military and diplomatic tool kit, as well as human and cyber-enabled espionage, to achieve its objectives.

Based on this analysis at that time—and this would have been June 2021—I concluded that the People's Republic of China represented a key strategic threat to the west and to Canada. It's a year and a half later, and I see no reason to change my assessment. Indeed, the Ottawa U report, which I co-authored with Thomas, put an exclamation point on my views.

China remains assertive on the global stage, as we have seen with its threatening behaviour towards Taiwan, its suppression of democracy in Hong Kong and its continued treatment of its Uighur minority. Its activities in Canada continue. The latest CSIS annual report identifies China's activities in such areas as foreign interference, espionage and cyber-threats.

The Deputy Prime Minister's speech at Brookings last week identified China as one of the world's dictators that are guided by entirely different principles from our own. She placed emphasis on economic security, saying that China was adept and intentional in using its economic ties with us as leverage to achieve its geopolitical objectives.

Collectively, these types of activities undermine our democratic institutions, our fundamental rights and freedoms, our social cohesion and our long-term prosperity.

If we agree that such a threat looms, how should Canada respond? Building on the Ottawa U report and Thomas's earlier comments, let me make a few quick suggestions before we go to any questions.

First, we need a new national security strategy that brings together all the government's assets, from intelligence to defence to diplomacy and international development, in an integrated and coherent way to counter the national security threats of the 21st century, including state actors. We have not had such a strategy since 2004—almost 20 years. We stand out among our Five Eyes allies in this regard. They regularly publish such documents, and I'm sure all of you know that the United States published its national security strategy last week.

Second, as part of that strategy, we need a specific integrated plan to counter the activities of hostile state actors. This would include China, but also Russia, Iran and others. This includes identifying specific measures and tools to counter espionage, foreign interference, disinformation and cyber- and economic threats.

Third, we need a home and an away game. National security covers both domestic and international dimensions. In this context, I look forward to the expected Indo-Pacific strategy that will be coming out soon, we hope, and which should bring our foreign policy, defence and development tools together to tackle threats in the region. It should focus on China in the region, in my view.

Finally, we need to work with partners. At home, as Thomas just pointed out—and to re-emphasize the point, because I think it's a really important one—this means other levels of government, the private sector, universities and research institutions, which are under threat from foreign actors like never before. It's not just state to state anymore; individual Canadians can be impacted.

Sharing information with Canadians in a transparent fashion will be critical in making this happen and, of course, internationally this means our close friends and allies, including in the Five Eyes and the G7. China likes nothing more than to divide and conquer. We need to stay together.

Mr. Chairman, we live in a complex and dynamic world in which, as the Deputy Prime Minister said in her recent speech, we have to find ways to coexist with competitors who do not share our values. This includes China, where we can potentially find common ground on issues like climate change and the management of pandemics, but we must do so with eyes wide open, clearly recognizing their strategic intent, and be ready to respond both at home and abroad to threats to our interests and values.

Thank you very much, Mr. Chair.

● (2110)

The Chair: Thank you, Mr. Rigby. That is your five minutes.

Mr. Miller, you have five minutes.

Mr. Jonathan Berkshire Miller (Director and Senior Fellow, Indo-Pacific Program, Macdonald-Laurier Institute): Thank you, Chair and members of the committee, for the invitation to speak before you today on such a critical topic to Canadian interests.

I'll be frank. Time is not on our side—obviously, not just the five minutes, but on this topic itself.

Increasingly, the international rules-based order appears to be hanging by a thread. Large nuclear-weapon states such as Russia and China continue to coerce neighbours—albeit in different manners—to achieve their maximalist interests. Meanwhile, smaller countries like North Korea pursue weapons advancement aimed at holding regional countries like Japan and South Korea vulnerable to nuclear blackmail, often with tacit support and backing from Beijing.

Chair, for too long Canada has been approaching its foreign policy toward China in tactical rather than strategic terms, thinking only of short-term goals rather than long-term challenges. Unfortunately, it took the unjust detention of two Canadian citizens, Michael Kovrig and Michael Spavor, for nearly three years for Canadians to awaken to the real challenges in dealing with an increasingly authoritarian actor in Beijing.

In this context, it is overdue for Canada to frame a serious, clear and coherent strategy towards China that is situated within the context of a greater Indo-Pacific strategy, as my colleagues mentioned.

In terms of what that might look like, Canada must first finalize and implement an independent and interest-based strategy for the Indo-Pacific that engages its regional partners. Countries like Japan, Australia, India and South Korea are all important in one way or another, as is working with Taiwan. Canada should also look to complement its engagement with a renewed vigour and focus on robust and comprehensive relationships in Southeast Asia with countries like Indonesia, the Philippines and Vietnam. If we strengthen trade ties, increase security co-operation and improve our diplomatic linkages, we can meaningfully offset some of the challenges posed by China's increasing challenge to the rules-based order.

Moreover, multilateral organizations and trade agreements, such as the Association of Southeast Asian Nations and the CPTPP, alongside other ad hoc mini lateral alignments, all provide potential anchors for a renewed approach to this region.

Let me be clear: The Indo-Pacific strategy that's being developed should not ignore or dilute the challenges of China, nor be monopolized by or fixated on Beijing. A real clear-eyed approach to Beijing and the risks it poses, both to our neighbours and to the rules-based order more broadly, must be a foundational element to any strategy in the region.

Toward China itself, Canada must be far stronger and clearer on issues of human rights. This includes clearly and consistently calling out China's egregious behaviour against Uighurs in Xinjiang, Tibetans and other religious minorities, as well as condemning China's clear and escalating violations of the Sino-British joint declaration over Hong Kong. In each case, we should avail ourselves of our ability to apply Magnitsky sanctions against known human rights abusers. We should explore paths for greater refuge and resettlement for individuals at risk of political imprisonment.

However, we must consider other challenges as well. China's desire to dominate the critical materials and raw materials supply chain, for example, is a long-term challenge with serious national security implications that Canada must address in tandem with its partners in the region.

Meanwhile, heated tensions and provocative acts that threaten the stability of Taiwan are simply the latest in a sustained list of concerns with Beijing's increasing military posture in the region. Indeed, stability in the Taiwan Strait is directly connected with China's other assertive moves in the maritime domain.

The Indo-Pacific, frankly, is facing a host of shared security challenges, from maritime piracy and crime to heated territorial disputes. In this vast maritime space, stretching from East Africa to the Pacific island chains, the foundations of regional commerce and security are secured through freedom of navigation and secure sea lines of communication, yet there are several key challenges to this order and China is posing these challenges.

In the South China Sea, for example, Beijing continues to practise salami-slicing tactics aimed at ensuring its de facto control of much of this key waterway. Meanwhile, Beijing also continues to raise regional concerns through its constant insurgence into the maritime airspace surrounding Japan's Senkaku Islands in the East China Sea.

Finally, Canada needs to diversify its trade away from China and towards partners in the region, understanding the risks of overreliance on the Chinese economy. This should include the creation of a dedicated mechanism amongst democracies to support one another when countries like China use economic coercion to achieve their ends. Such action would send a strong message that targeting trade for political purposes—as China did with Canada's canola, cattle and pork exports—will be unsuccessful.

● (2115)

Most importantly, and in conclusion, our relationship with China must be contextualized in the broader Indo-Pacific region. We should consider bilateral ties with Beijing no longer as an exceptional relationship, but rather as simply one important relationship among many in a diverse region. Canada must urgently rebalance its relationship with China and ensure that it advances its interests, both in national security terms and, importantly, in tandem with its partners.

Thank you, Mr. Chair.

The Chair: Thank you, Mr. Miller.

We'll now go to one five-minute section for each party. I believe we'll look to Mr. Chong for the Conservatives.

Hon. Michael Chong: Thank you, Mr. Chair, and thank you to our witnesses for appearing.

I was struck by your opening remarks about the need to work more closely with allies and partners, not just in the Indo-Pacific region, but around the world. I was surprised, as I think many people were, about the July 7 press conference. It was a joint press conference—unprecedented, I think—between the head of the FBI, Director Christopher Wray, and the head of MI5 at the MI5 headquarters, Thames House, in London this past summer. Christopher Wray and Ken McCallum, the director general of MI5, gave an unprecedented press conference, saying that China presented the biggest threat, not just to the United Kingdom and not just to the United States, but to allies in Europe and elsewhere.

They also indicated that the government in Beijing had definitely interfered in the congressional elections in New York state this year. I think many Canadians have concluded that Beijing interfered in the last federal election as well. Therefore, your comments ring true.

My first question is a very simple one. Have you had any indication that the PCO, other central agencies or the departments responsible are looking at a new national security strategy for Canada, since we haven't had one since 2004? Is there any indication that the government is seized with this idea of coming forward with a new national security strategy to parallel the Indo-Pacific strategy?

Mr. Vincent Rigby: I'm not aware, sir.

Mr. Jonathan Berkshire Miller: I'm not aware either.

Hon. Michael Chong: Okay. Thank you for that.

The other question I have relates to the Indo-Pacific strategy that is to be released before Christmas this year. My question is for each of you. What do you think is or are the essential thing or things that must be included in any credible Indo-Pacific strategy? When that document gets released, what will you be going through it looking for this December?

Mr. Jonathan Berkshire Miller: If I may, I'll answer that quickly first.

I think we need a balance. For too long, the way Canada has approached this region has been overly focused on economics and investment. We need to realize—and I think my colleagues also highlighted this through their statements—the severe security challenges we're facing in this region, whether it be in the South China Sea or whether it be in the Korean peninsula.

We need to have that empathy with our partners. We can't just base a strategy purely on what we want. Of course, it needs to be premised on our interests, but it needs to take into account the empathy of our partners and what sort of engagement they want from Canada.

That's very much what I'm going to be looking for.

● (2120)

Hon. Michael Chong: Thank you.

Mr. Vincent Rigby: I agree very much with what Jonathan said. I hope it addresses the security issue head on. Whether you like it or not, China is the 800-pound gorilla in the room, so it should not be focused exclusively on China. There was a conscious decision made to not focus it exclusively on China, and I think that's the right decision at the end of the day. It should be broadly regional, but China is there, and it cannot be ignored, so security has to be front and centre, I think.

At the same time, any strategy needs to be fully integrated. I use this word a lot for any strategy that we do, whether it's national security in the Indo-Pacific or a broader foreign policy strategy. It has to include defence. It has to include diplomacy, development, economic—

Hon. Michael Chong: We know there's a defence review going on right now, as we speak. Presumably, there's coordination between the Indo-Pacific strategy that's being worked on and the defence—

Mr. Vincent Rigby: This is where it will get interesting, because the defence update, I think, was called not long after Russia invaded Ukraine and might have had a European focus, but I hope it has a global focus. I hope it has a domestic focus as well, because there's a lot happening in our own neighbourhood, so it definitely needs to be fully integrated.

The last thing I'll say is that it has to be sustainable. One of the criticisms that Canada has had in the Asia-Pacific or Indo-Pacific region is that we pop in and out, especially on the security side. We're there for a little while, then we come out. I heard this 15 years ago when I was at the Department of National Defence: "Don't just send a ship once in a while; you need to really get in there and get your hands dirty." So I hope it comes with resources and we can sustain it.

Dr. Thomas Juneau: I will just add to that. Based on the public reports we've seen on what might be coming with the Indo-Pacific strategy, the focus is a lot on diplomacy and trade, and a bit on defence. That's all important, but I will be looking at the elements of intelligence and national security, which are very rarely in the public discussion in this country, but should be as part of what our interests are in the Indo-Pacific. Part of it is the threats we discussed.

What's in it for CSIS, the RCMP and CSE? What's their role? Are there additional resources for them? They're overstretched in many ways to address some of these threats. I can't say I'm very optimistic that they will be addressed.

Hon. Michael Chong: Thank you.

The Chair: Thank you, Mr. Chong.

Now, Mr. Fragiskatos, you have five minutes.

Mr. Peter Fragiskatos: Thank you, Mr. Chair, and thank you to our witnesses.

My first question will go to Professor Juneau and Mr. Rigby, and then I'll have something for Mr. Miller.

Both of you have written—and it's come across again tonight—on the importance of the United States for Canada's national security. As part of that, though, you've added a nuance that I think is a very important observation, and that is the polarization we find in the United States. Beyond that, the rise of right-wing populism in the United States makes clear that the United States' role vis-à-vis Canadian national security is automatically under major question.

In light of that, my question to you is what that means for Canada-China relations. To take it one step further as well and return the focus to Canada, what does the rise of polarization in general in Canada—and specifically the right-wing populism that we also see here in this country—imply for Canada-China relations?

Dr. Thomas Juneau: There's a lot there. I'll try to pick up at least on some aspects. As much as everything we said about China at the beginning absolutely stands, when I think about the order of threats Canada faces, or potentially faces, number one is in some ways the United States. When I say "in some ways", I mean by some scenarios, which are by no means guaranteed, where the situation degenerates in the U.S. That can pose a greater threat to Canada, because of our massive dependence on the U.S.

The civil war scenario, I think, is very unlikely, but scenarios of contested elections, of more unpredictability in their foreign policy, of more unilateralism, of retreat from NATO and other organizations, and of intelligence-sharing in the Five Eyes and so on are potentially very concerning.

The problem we face is that we have no other option. People have been saying for 50 years that we need a third way and that we need to diversify our trade and other relations. Because of geography, we'll never be able to fully do that.

If you bring in the China dimension, what that means for me is that Canada has to make significant efforts to diversify its relations, including with democracies in East Asia, South Korea, India and Japan. We saw a new intelligence-sharing agreement with Japan announced last week. That's great. That's what we need to do more of to link these two issues, but it's hard. It's not easy, because culturally we are so focused on the U.S.

● (2125)

Mr. Peter Fragiskatos: How does the rise of right-wing populism within Canada and the polarization we see here generally impact Canada-China relations?

Mr. Vincent Rigby: Maybe I can tackle that one. I want to make a point, though, just about polarization in the United States. There's the potential impact on the Canada-U.S. relationship, the old line that when the United States sneezes, Canada catches a cold. If there's extreme instability south of the border with respect to democratic backsliding, there will be an impact.

The other concern, though, is that if the U.S. is roiling with instability—and the civil war-type scenario, again, I would say is “black swan” and remote—it's going to impact U.S. foreign policy and the U.S.'s ability to operate globally. To confront a China threat and any other threat will potentially be compromised, because they'll be so inward-looking. That would be one of my concerns.

With respect to polarization in Canada, Thomas and I are actually working on a paper right now on domestic violent extremism. We see this as an emerging threat. A lot of it's coming out in the convoy discussions, etc.

One of my concerns with respect to China is just in terms of resources, to be perfectly honest with you, because our intelligence agencies and national security agencies dealing with domestic violent extremism.... The director of CSIS will tell you that's an emerging threat and something we have to pay a lot more attention to, but we have limited resources.

Again, it's a bit like I was saying with respect to the U.S. If, suddenly, domestic violent extremism becomes the number one priority of our national security agencies, how are we going to operate globally and how are we going to confront the China threat?

There are lots of other dimensions to it as well, and I don't have time to get into them, but the limited resources we have to deal with the spectrum of threats out there right now would be something that would jump out at me.

Mr. Peter Fragiskatos: I have only 30 seconds left, so I will put a question to you, Mr. Miller, and maybe we can speak another time, sir.

You talked about long-term challenges. It brings to mind climate change. It brings to mind whether or not Canada can co-operate with China on that particular question. Perhaps colleagues across the way will raise that as well—it was a theme in our first panel—but I will just leave that on the table. Again, I would be glad to follow up afterwards.

Thank you.

The Chair: Thank you, Mr. Fragiskatos.

We'll now go to Madame Normandin for five minutes.

[*Translation*]

Ms. Christine Normandin: Thank you very much to all three of you for your particularly compelling opening remarks.

Now I would like your perspective on information sharing among federal institutions.

When he appeared before the committee about a year and a half ago, Michel Juneau-Katsuya stated that the criminal prosecution of espionage cases is extremely complex, because the RCMP is responsible for prosecuting, but CSIS has the information and the two agencies do not talk to one another.

You mentioned an national security strategy. I was wondering, to what extent would that strategy be inefficient if it doesn't address this lack of communication between the various federal agencies?

Dr. Thomas Juneau: Thank you very much for your question.

I'd like to clarify that Mr. Juneau-Katsuya and I are not related. We've never even met.

You're quite right to point out this issue. We actually talk about it a lot in the report we released with the University of Ottawa earlier this year. The issue of information sharing is extremely complex. Sure, it's easy for people on the outside to say we need to share more information, but in practice it's not that simple.

Some laws exist for good reason. In a democracy, there needs to be some control over this type of sharing to ensure privacy and protect sources, among other things. That said, even considering all the restrictions that must remain in place in a democracy, Canada is clearly not doing a good job of sharing information. The reasons for this are cultural, institutional and, in some cases, technological, as computer systems are not necessarily compatible.

At the end of the day, in terms of a strategy for the Indo-Pacific region, our report states that serious effort must be made to address the structural problem of information sharing and the human resources problem, which figures prominently in our report even though we did not mention it earlier. Otherwise, our ability to deal with espionage-related threats will be limited.

● (2130)

Ms. Christine Normandin: I'd like to expand on that. I understand that you recommend in your report that a post be created as a focal point for a security strategy.

What concrete solutions would you suggest to improve information sharing and avoid any dichotomy between two federal institutions?

[*English*]

Mr. Vincent Rigby: Maybe I can tackle that.

We had a whole section on governance in the report, and we made a couple of recommendations. The first was to create a cabinet committee on national security that would be chaired by the Prime Minister. Again, we're a little out of step with respect to our Five Eyes allies and even the G7. We're the only country that doesn't have this type of committee chaired by the Prime Minister.

We would like to think that if this committee were established and met on a regular basis, with the Prime Minister and key cabinet ministers in the national security and public safety space getting regular intel briefs and dealing with issues every couple of weeks, this would help solve some of the information-sharing issues. You'd have a natural vector, a place where all of this intel was ultimately going to land on the Prime Minister's desk with key ministers. Having that sort of target zone would help in some respects.

Again, more strategically it would also really help. We find that the government tends to be a bit too ad hoc and responsive on national security issues these days. The incident response group is great, but it's responsive. It's not thinking about the longer term.

The other recommendation we have is to actually create a stronger intelligence function at the centre in PCO. We have a group there right now called the international assessment secretariat. We recommend that we take ITAC, the integrated terrorism assessment centre, and consolidate it with IAS at PCO. It would almost be like a mini kind of director of national intelligence, like we have in the U.S.

I don't want to push that comparison too far, but it would be a coordinating body. We don't have a big intelligence community. We shouldn't be having these problems. This would be a funnel to bring all that intelligence together and make sure it is going to the right places and ultimately being funnelled up to this committee and to the Prime Minister, who is the key person who needs to have this to inform his or her decision-making at the end of the day.

[*Translation*]

Ms. Christine Normandin: Would international cooperation result in a little more credibility and better partnerships with the Five Eyes?

Dr. Thomas Juneau: I believe that is a key argument. Canada benefits hugely from the Five Eyes, which also includes the United States, in that we get much more than we give.

One of the cornerstones of the intelligence community is give to get. If what Mr. Rigby just proposed and what we recommend in our report is acted upon, if Canada gives more intelligence, we're bound to get more.

[*English*]

The Chair: Thank you very much, Madame Normandin.

[*Translation*]

Ms. Christine Normandin: Thank you very much.

[*English*]

The Chair: We'll now go to Ms. Kwan for the final five minutes.

Ms. Jenny Kwan: Thank you very much, Mr. Chair, and thank you to all the witnesses.

Mr. Berkshire Miller talked a bit in his presentation about imposing Magnitsky sanctions. Canada, of course, has been very reluctant and very slow in the situation with Hong Kong and the breaking of the "one country, two systems" rule. It was a promise made to Hong Kongers. It was not made just to Hong Kongers, but to the international community as well.

There are repercussions. We're seeing that now, with the national security law reaching here to Canada. A Canadian journalist, Victor Ho, is being targeted and has been put on the wanted list.

My question to all of the panellists is this: Should Canada embark on sanctions? If so, what measures should we undertake? What do you think the repercussions would be?

Why is Canada so afraid to take action?

Mr. Jonathan Berkshire Miller: I can take that question first.

Absolutely, I think Canada should look very seriously at this. I think it should be taken from a targeted approach, so we should be looking specifically at targeted individuals we can identify and we feel would be the most impactful. However, I don't think we should be scared of this.

If we judge our foreign policy actions and our decisions based on how Beijing will react and may coerce us, that's not the way to make those decisions. I absolutely think there's a precedent and a possibility. Other countries have taken these measures and have had serious discussions on this, as well.

We're not alone on this, and I absolutely think we should look at it.

Mr. Vincent Rigby: I would endorse that view. We impose sanctions on other countries in similar circumstances, so why would we have an exception for China? Given the circumstances of the last couple of years, there may have been reasons we approached China a certain way, but, to a considerable extent, those circumstances are no longer in place with respect to the two Michaels and others, so we can perhaps proceed in a more forceful fashion.

Again, it's one tool and we have a whole tool box. There are lots of different kinds of things that we can do with respect to China, both internationally and domestically, so we have to keep that in mind. While I'm a big fan of sanctions in certain circumstances, we need to look at what the ultimate outcomes are going to be and what results we're going to get from those sanctions, and keep our expectations in the right ballpark.

● (2135)

Dr. Thomas Juneau: I would answer yes, absolutely, but with a massive “but”. This is something that we saw clearly in the debate on sanctions against Iran in the last couple of weeks.

Our ability and our capacity to monitor and enforce sanctions in this country is massively overstretched, and Canada has a reputation among its allies—as well as among the bad guys—of not being good at enforcing sanctions. We declare them and we don't follow up. At some point that's damaging, because it signals to the bad guys that when we impose sanctions, we don't follow up and we don't enforce them.

The answer is yes, but there is a major need to significantly increase the resources for our sanctions capacity at Global Affairs, CSIS, the RCMP, the CBSA and elsewhere. The $76 million that the government announced last week is a good first step, but it's really not enough. We don't have a lot of detail, but I'm not even sure it's enough to do what they said they'd do on Iran, let alone on Russia and other countries on which we are not fully imposing the sanctions that we've declared. That means human resources, but it also means improving the process, including on information sharing, but on other aspects too.

There's a big gap between what we say and what we do.

Ms. Jenny Kwan: Thank you.

Building on information sharing, it's really a question of enforcement. To a degree, CSIS is very limited in its ability to enforce.

What enforcement tools do we need to carry through? If you say it and you don't carry through, it's meaningless.

Mr. Vincent Rigby: Is that specifically on the sanctions side, or more broadly, in terms of the tools we use?

Ms. Jenny Kwan: If I have time, it is more broadly, but I think we probably only have time for sanctions.

Mr. Vincent Rigby: I'm not an expert on sanctions. On the enforcement side, I'm not exactly sure how we would approach that.

I think Thomas's point is well taken. It's a matter of resources. Having worked at GAC a number of years ago, I know how small the unit for sanctions is. It's very small. It's more of a GAC lead than a CSIS lead, when it comes to sanctions.

The Chair: Thank you, Ms. Kwan. That is our time.

With that, I thank our three visitors, Dr. Juneau, Mr. Rigby and Mr. Miller. It's fascinating work. I have a feeling we could probably keep them here a lot longer, but our technology will turn itself off in not many minutes, so we'll have to call it a night at that point.

Before we finish, though, Mr. Chong wanted to go through the process on his motion.

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

I'd like to move my motion, which I believe all members of the committee have in both official languages:

> That the committee study the matter of the three illegal police stations opened in the Greater Toronto Area by the Fuzhou Public Security Bureau of the People's Republic of China; that two meetings, made up of four 1.5-hour panels, be allocated for the study of this matter; that the Minister of Public Safety and officials be invited to appear for one panel; that the RCMP and CSIS be invited for one panel; and that experts on police and intelligence be invited as witnesses for the other panels.

The Chair: Thank you, Mr. Chong.

Is there any discussion?

Go ahead, Madame Normandin.

[*Translation*]

Ms. Christine Normandin: As you expected, I would like to propose an amendment.

I move to replace the words “four 1.5 hour” with “six 1 hour”.

[*English*]

The Chair: Is there any discussion on the amendment? Shall we vote on the amendment?

Madam Clerk, would you care to call the roll?

(Amendment negatived: nays 10; yeas 1)

● (2140)

The Chair: Are we ready for the question on the main motion?

(Motion agreed to: yeas 11; nays 0)

The Chair: We have not canvassed the issue of when we will do this. Perhaps that will be for another time.

With that, I want to thank everybody for a very productive evening, including our clerk, our MP supporters, our analysts, our interpreters and our technical staff. It all came together very well. It was a fascinating session. Thank you all for being here.

I declare this session closed.