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Chair: The Honourable Judy A. Sgro



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• (1100)

[English]

The Chair (Hon. Judy A. Sgro (Humber River—Black Creek, Lib.)): I call the meeting to order.

Good morning, everyone, those online and those in person. It's always great to see people in person. It reminds us that we're all human beings.

This is meeting number 19 of the House of Commons Standing Committee on International Trade. Today's meeting is taking place in a hybrid format pursuant to the House order of November 25, 2021.

Per the directive of the Board of Internal Economy on March 10, 2022, all those attending the meeting in person must wear a mask, except for members who are at their places during proceedings.

I'd like to make a few comments for the benefit of 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 please mute yourself when you are not speaking.

For those participating via Zoom, you have interpretation options at the bottom of your screen of floor, English or French audio. I would remind everyone that all comments should be addressed through me as the chair.

Pursuant to Standing Order 81(4), the committee is considering main estimates 2022-23, vote 1 under Canadian Commercial Corporation and vote 1 under Invest in Canada Hub, which were referred to the committee on March 1, 2022.

We have with us today, from the Department of Foreign Affairs, Trade and Development, Sara Wilshaw, chief trade commissioner and assistant deputy minister, international business development, investment and innovation; Bruce Christie, assistant deputy minister and chief trade negotiator; Arun Alexander, associate assistant deputy minister, trade policy and negotiations; Annie Boyer, director general and deputy chief financial officer, financial planning and management; Jay Allen, director general, trade negotiations; Doug Forsyth, director general, market access; Eric Walsh, director general, North America strategy bureau; Weldon Epp, director general, trade and diplomacy North Asia; Emmanuel Kamarianakis, director general, investment and innovation. From Investment in Canada Hub, we have Katie Curran, interim chief executive officer.

Welcome to everyone.

Ms. Wilshaw, I invite you to make an opening statement of up to five minutes, if you wish.

Please go ahead.

Ms. Sara Wilshaw (Chief Trade Commissioner, Assistant Deputy Minister, International Business Development, Investment and Innovation, Department of Foreign Affairs, Trade and Development): Thank you very much, Madam Chair. I am happy to be here with everyone today.

I want to acknowledge that I am speaking from the traditional and unceded territory of the Algonquin Anishinabe people.

I would also like to note that we're meeting at a time when the Russian illegal invasion of Ukraine is a really grave threat to world peace, and it's obviously well known that Canada stands with Ukraine and condemns the unjustifiable invasion, which has challenged the rules-based international order. This violence has devastated the Ukrainian people, has forced many to flee their homes and has disrupted economies and global supply chains.

The consequences of Russia's actions have extended well beyond Ukraine's borders and have serious repercussions around the world for human rights, global food security and energy security.

Since Russia's illegal invasion of Ukraine, Canada has responded with sanctions on more than 1,450 individuals and entities under the Special Economic Measures Act. These sanctions—many implemented with Canada's allies and partners—have a strong impact on the Russian economy, and they are a powerful symbol of Canada's commitment to Ukraine's sovereignty and territorial integrity, and to the international rules-based order.

Canada also implemented many other economic measures against Russia. We expanded export control restrictions; cancelled valid permits to prevent military, strategic and dual-use items from going to Russia; revoked Russia's most favoured nation trading status; and denied Russia access to Canadian ports and airspace.

Here at home, while the COVID-19 pandemic has affected the global trade landscape and the Canadian economy, the good news is that Canadian trade and the economy rebounded strongly in 2021. We've started to rebuild from the pandemic, with GDP rising by almost 5% in 2021. Our imports and exports combined rose by almost 14% to reach a record \$1.5 trillion. Exports increased even more, growing by an unprecedented 18% to reach \$766 billion, another record.

More exports to the United States, thanks to CUSMA, helped drive some of that growth. Since the agreement was signed in 2020, Canada-U.S. trade has grown almost 17%. We have a thriving bilateral trade and economic relationship with the United States, underscored by a recent visit to Canada by United States trade representative Katherine Tai.

To keep this momentum going with the U.S. and other countries around the world, the Canadian government is supporting businesses as they start up, scale up and export into new markets. Our free trade agreements are crucial for businesses looking to diversify their export markets, and we have made lots of progress on those trade agreements.

March was a particularly busy month. We relaunched negotiations with India for a comprehensive economic partnership agreement. We held the first round of negotiations towards a Canada-Indonesia comprehensive economic partnership agreement to secure our access to the large export market in Southeast Asia.

When the U.K.'s secretary of state for international trade, Anne-Marie Trevelyan, visited in March, negotiations were launched for a bilateral free trade agreement with the U.K.

The Government of Canada is also working hard to expand the benefits of CPTPP into new economies, beginning with the U.K., and started the accession process for that last June.

We expect to hold the first round of negotiations this summer towards a free trade agreement with ASEAN, working closely with all Canadian exporters to help them to take advantage of these free trade agreements and the preferential access that we have, now covering 1.5 billion people around the world.

Our work didn't stop, of course, with free trade agreements. We also have a mission to help create the conditions for Canadian businesses to pursue opportunities abroad and grow here at home. All of this support is particularly important for the small businesses that had to stop exporting during the pandemic. There is no doubt that COVID-19 brought significant disruption to international trade and forced businesses to adapt and put a strain on the international supply chain.

These challenges have compelled us to reflect on how we make our economy more resilient for the future, and that's where some of our trade tool kit comes in, which includes things like the trade commissioner service, or TCS. As the chief trade commissioner I am very proud to say that we have more than 160 offices worldwide, providing on-the-ground support, expert market knowledge and local contacts to take Canadian companies global.

Given that innovation plays a pretty vital role in our economy, we are very pleased to see that the TCS CanExport program received \$35 million over five years in the 2022 budget. This will help Canadian businesses to protect their intellectual property assets as they pursue those new opportunities abroad.

We are promoting Canada also as a destination of choice for international investment. Invest in Canada's interim CEO, Katie Curran, is here today and will tell you all about the work her organization is doing to bring investment here.

• (1105)

However, I would highlight a figure that speaks volumes on what we have been able to accomplish, even during these challenging times. The OECD recently reported that international investment in Canada was up 158% in 2021 from the year before. New and enduring partnerships remain vital to restoring supply chains that are both efficient and resilient in the postpandemic world.

We've taken the lead within the WTO, as well, to promote a rules-based, predictable trading environment. It's one that supports long-term supply chain resiliency and can help us build back better with like-minded economies—

The Chair: Thank you very much, Ms. Wilshaw.

I'm sorry to cut you off.

Ms. Sara Wilshaw: Not at all. I'm happy to answer questions.

The Chair: The members always have lots of questions, since we have you with us. Thank you so much for that.

I'll open the floor for questions.

Go ahead, Mr. Baldinelli.

Mr. Tony Baldinelli (Niagara Falls, CPC): Thank you, Chair, and good morning, everyone.

It's important that we study the supplementary estimates. In Canada's parliamentary system, the federal government must seek Parliament's authority in order to spend taxpayers' money, and one of Parliament's fundamental roles is to review, approve and hold the government to account for its spending.

First and foremost, thank you to the officials present today. I believe we have nearly 10 witnesses with us. I'm disappointed that, unfortunately, we have only one hour of time dedicated to the study of these estimates and we were unable to have our Minister of International Trade, Export Promotion, Small Business and Economic Development come forward to appear.

What I find disappointing, Madam Chair, is the fact that today is May 30 and tomorrow, regardless of what we do today, these will be deemed adopted anyway. It's late that we're at this point, examining the spending of two organizations that account for \$47 million. From my standpoint, that's disappointing.

I'd like to first talk about Invest in Canada's promotional efforts. I'm reviewing some of the briefing notes prepared by our staff. There is mention that promotional efforts have "reached over 54 million business decision-makers in over five countries and increased investor interest in Canada by 90%".

What are the metrics used to measure investor interest?

• (1110)

Ms. Sara Wilshaw: Madam Chair, if you will allow me, I'll turn to my colleague Katie Curran for the answer to that question.

The Chair: Yes, please do.

Ms. Katie Curran (Interim Chief Executive Officer, Invest in Canada Hub): I appreciate the opportunity to be here today to speak about the results of Invest in Canada.

Part of our promotional efforts includes content series campaigns and promotional campaigns. In non-pandemic times, it includes international events. For our content series campaigns and our promotional activities, we use research and testing after the waves of these campaigns, so that we're able to see what the interest was of the viewers before and after they viewed the campaigns. We saw a 90% increase in their interest in investing in Canada after they saw the campaigns.

Mr. Tony Baldinelli: Would one of the metrics not be the direct sum of investment flowing into Canada as a result of the work and promotional activities that you undertake on behalf of Canada?

Ms. Katie Curran: Yes, it would. We see, though, that investments have a very long runway before they land in Canada. Investors often take 12, 18 or 24 months before they come to these decisions, so we will see investments that come from promotional campaigns in years to come. That being said, in the past year, we saw record investments come into Canada and some really significant investments in areas that are a key focus for our economy and for our recovery.

Mr. Tony Baldinelli: What would some of those key areas of interest and promotion be currently, coming out of this pandemic?

Ms. Katie Curran: One of the big areas of focus is on mines to mobility, which is the EV battery supply chain. In March, there was a significant investment that was facilitated by Invest in Canada and our partners across various levels of government. That investment, which is publicly available now, was a joint venture between Stellantis and LG Energy Solution. It's a \$5-billion investment that has the ability to create around 3,000 jobs for Canadians. This is in battery manufacturing, which is a key component that Canada did not previously have the capacity to do, so it's very important to fulfill that EV battery supply chain.

Mr. Tony Baldinelli: Mr. Curran, if I can follow up, when you're speaking to the investment community on an international level, do they tell you some of the limitations that Canada has in terms of its potential in the investment field? For example, you'll see an investment by Hyundai of \$5 billion into Georgia, and recently General Motors made a huge investment of billions of dollars into Michigan. We hear things from groups such as the manufacturers association of Canada about how there's not enough serviceable land in Canada available for industries to come forward with and make those investments.

In my community of Niagara, in certain areas, their industrial lands are already full. Are you hearing some of those challenges, and what is it that we can do to highlight initiatives to challenge and tackle those challenges?

• (1115)

Ms. Katie Curran: Right now, we're hearing a lot about opportunities in Canada. We are hearing investors who are excited about what our value propositions are and things like our wealth of talent, our ability to access markets through our free trade agreements—

The Chair: There is a point of order.

Mr. Chris Lewis (Essex, CPC): It was coming through in French.

The Chair: Can we check the interpretation, please?

Mr. Baldinelli, can you start again, please? You have 50 seconds left.

Mr. Tony Baldinelli: Ms. Curran, could you follow up and provide some of the actions that can be taken to enhance some of those challenges that you're hearing that international investors face when coming to Canada?

Ms. Katie Curran: I was highlighting some of the feedback that we hear from investors about the opportunities they see in Canada and how we have the wealth of talent and the access to consumers through our free trade agreement. I think we're at a point where investors are seeing lots of opportunities in Canada, and they see the ability to make committed investments that will create good jobs for Canadians.

The Chair: Thank you very much.

Thank you, Mr. Baldinelli.

Mr. Arya is next, please, for six minutes.

Mr. Chandra Arya (Nepean, Lib.): Thank you, Madam Chair.

Madam Chair, at the outset, I would like to place on record my disappointment that the chief executive officer of the Canadian Commercial Corporation is not here. I have a number of questions, and I think he or she would have been the right person to address them to.

With no disrespect to Ms. Sara Wilshaw, what she stated in her opening statement is mostly known to us. I would have preferred to hear from these two corporations. I'm happy that Ms. Katie Curran is here. If she had made an opening statement, we could have gotten an overview of what the Invest in Canada organization is doing, and I would have expected the same thing from the Canadian Commercial Corporation.

For example, CCC is a very interesting and very underutilized agency of the Government of Canada. People may not know that, for U.S. defence acquisition or purchases, Canadian companies are considered to be U.S. domestic corporations, and CCC can help a lot of small and medium-sized businesses get business there.

On the operational side of CCC, if I remember what Ms. Wilshaw stated, Canadian export is \$766 billion, and the amount of contracts CCC has signed is just around \$1.5 billion. It's not even that, it's \$1.35 billion. That is too small. We have been signing free trade agreements across the world. We need Canadians to start exporting to other parts of the world, because those markets are new and because we want to increase small and medium-sized enterprises for export. CCC must play an active role in promoting these exports into new markets, whether they are non-Western countries in Europe or countries in Africa or Asia. I don't see that.

CCC has been in existence for a long, long time, and even now, they're just doing \$1.35 billion. It's not even a drop in the bucket. Even their targets.... I'm looking at their corporate plan. The target for next year does not go up even by 10%. I think it's less than 5%, and every year it is less than 5%. It is pathetic. I'm sorry to use this language, but a corporation growth rate.... When we want exponential growth rate in exports from Canadian businesses, the growth rate that CCC is projecting, even to 2025-26, is not even 10% of what they're doing today.

Another thing is that they mentioned that they helped 221 small and medium-sized firms out of 300 exports. It's a good thing, but I would like to know the number of contracts that the CCC did for these 221 SMEs and how many of the total contracts they've signed are outside of the U.S.

As for the U.S. and western Europe, we don't need organizations like CCC to make a breakthrough in these mature markets. We need CCC to hold hands with Canadian exporters when they tap into the new markets in Asia, Africa and other places.

I'm disappointed on that front, Madam Chair. I wish they were here, as I had questions for them. In any case, I'm glad that Ms. Katie Curran is here.

Ms. Curran, I was reading through your departmental plan. It was mentioned that the pandemic reduced FDI. I can understand that. It was reduced by about 50%, but what is the trend you have been seeing in the last, say, seven or 10 years? What is the trend you are seeing in the growth of foreign direct investment in Canada? I know that Canadian companies are aggressively investing in other parts of the world. Canadian pension funds, Canadian corporations and private corporations are doing it.

• (1120)

What is the trend we are seeing in the growth of foreign direct investments in Canada?

The Chair: I'm afraid you will have to give us that answer in 50 seconds, Ms. Curran.

Ms. Katie Curran: I can do that.

With the exception of the year of the pandemic, when there was a decline, we have seen growth in foreign direct investment into Canada. Just today, we saw the numbers come out from Statistics Canada on Q1 of 2022. We saw that there was 25% more than Q4 in 2021 and a 48% increase over the 10-year quarterly average, so we're seeing substantial growth in this area for Canada.

The Chair: Thank you very much.

We'll move on to Monsieur Savard-Tremblay for six minutes, please.

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay (Saint-Hyacinthe—Bagot, BQ): Thank you, Madam Chair.

Greetings to my colleagues.

I'd also like to thank the witnesses for being here.

I'd like to know what the basis is for assessing this foreign direct investment. For a long time, the definitions could be problematic, because they might refer to purely financial investments, for example. In this case, are there any assurances that it's truly an investment in productive activities?

[*English*]

Ms. Katie Curran: At Invest in Canada, we are focused on greenfield investments—setting up new investments as a physical location in Canada—as well as brownfield, which are expansion investments.

These are the two areas we're focused on at Invest in Canada.

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay: Let me rephrase my question.

I remember for a while the OECD had what I thought was a rather problematic definition of what constituted an investment. It could refer simply to a financial transaction. A financial transaction isn't really enough to constitute a new productive activity.

In your case, do you use a methodology to make sure that you really calculate what has an impact?

[*English*]

Ms. Katie Curran: We look at jobs created in Canada and capital expenditures that are invested in Canada. Those are the two figures we look at when we're calculating foreign investment.

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay: That's fine, thank you.

We know that when it comes to foreign investment, there are rankings and real competition between countries to be among the most attractive locations. Generally, Canada does well, depending on the rankings and the annual reports in question, as well as their authors.

Are regulations assessed on an ongoing basis from an investment perspective, or are regulations and incentive policies assessed solely to attract foreign direct investment?

• (1125)

[English]

Ms. Katie Curran: I'm sorry. Could you clarify that question with regard to what you're looking for?

[Translation]

Mr. Simon-Pierre Savard-Tremblay: Are the current regulations and their impact on foreign direct investment subject to ongoing assessment?

[English]

Ms. Katie Curran: No. I'm not aware of any such evaluation.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: Excellent.

How much time do I have left, Madam Chair?

[English]

The Chair: You have three minutes and 20 seconds.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: That's great, thank you.

The 2022-23 departmental plan says that Invest in Canada has “reached out to over 54 million business decision-makers in over five countries and increased investor interest in Canada by 90%”.

To shed some light on this, can you tell us how these promotional efforts are made abroad? How is the work done on the ground? What's the main strategy?

[English]

Ms. Katie Curran: We're focused on three results at Invest in Canada. The first result is the promotion result, which you're referring to, and that is part of campaigns that we run both in terms of content and advertising campaigns, as well as attending signature events.

We also work with our network of trade commissioner services abroad. We have officers who are dedicated to investment attraction, and they support us in advancing our promotion effort by attending signature events and hosting clients at those events to offer assistance in promoting Canada as an investment destination.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: I'd like to ask another question on how you assess foreign direct investment.

In this era of economic interdependence, how can we ultimately ensure that foreign direct investment is not, in a sense, domestic investment in disguise? In other words, how do we know that it's not a Canadian investment that has gone through another country flying what we might call a flag of convenience, and it's therefore been registered abroad? There are several ways of doing that. How do you ensure that the investor is truly foreign?

[English]

Ms. Katie Curran: The companies we work with are typically companies that are looking to invest in greenfield or brownfield expansions, so they're not necessarily running through another country on a financial transaction. We work with companies that are looking to set up either a manufacturing site or a physical location

here. They have headquarters in another location. The ones we focus on are typically well-known companies that operate in a foreign country.

The Chair: You have 40 seconds remaining.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: In your opinion, is the budget adequate? Whether it's for the Canadian Commercial Corporation or Invest in Canada, are investments meeting needs?

[English]

Ms. Katie Curran: Yes, I believe we have an adequate allocation in our budget for what we are trying to achieve. We've seen substantial results over the past year on what Invest in Canada has been able to accomplish, including the promotional campaigns, working directly with investors and facilitating, as I mentioned before, the \$5-billion investment into a critical sector for our country.

The Chair: Thank you very much.

Next, we have Mr. Masse for six minutes.

Mr. Brian Masse (Windsor West, NDP): Thank you, Madam Chair, and thank you to our witnesses.

Ms. Curran, with regard to investing and targeting, how much of your work goes to the United States versus other parts of the globe? What kind of proportion do you focus on regarding the division of resources, just to get a snapshot?

Ms. Katie Curran: Obviously, the United States is a key player in foreign investment to Canada. It represents about 50% of all investments that come into Canada. We do have a portion of our resources, both from a promotional perspective as well as servicing clients, supporting investors from the United States. However, part of our mandate is also to increase the diversification of investments that come into our country, so we are looking at working with investors from around the globe to help increase investments in countries that might not necessarily know about Canada as an investment destination.

This is also important for our promotional campaigns. Investors in the United States typically have a higher awareness of Canada as an investment destination, whereas some countries abroad may not be aware of all the benefits and attributes that Canada has to offer, so there might be a requirement to put more effort and more resources toward those countries that aren't fully aware of us as a country.

• (1130)

Mr. Brian Masse: Obviously, that's the attraction in getting into the U.S. market too for those foreign, outside the U.S., operators and investors. How much of a problem or issue is that?

People like to think that the U.S. is a free market economy. It actually already has “buy America” policies and the Buy American Act on the books. The Americans are talking about expanding that. There's the Jones Act. There's a whole series of different.... In the defence industry, procurement is destined for American versus foreign investment, and so forth.

How much of a barrier do you run into? What's the strategy to deal with those types of issues, when it comes to insecurity about the political system in the United States, which can be protectionist at times?

Ms. Katie Curran: We work closely with our colleagues at Global Affairs, like Ms. Wilshaw and her team, to help with answering those questions, when they arise from investors. We make sure they have all the information and they know Canada is well positioned to deal with some of those issues.

Right now, we're seeing really positive feedback from investors. That isn't a main concern for them. We're able to address those concerns with our partners at Global Affairs.

Mr. Brian Masse: Where I'm from right now is very close to the Ambassador Bridge. We are, thank goodness, building a new bridge, and thank you, Madam Chair, for your work on that.

How much of a concern is there with regard to infrastructure access? We had the blockade down here, which was very damaging, not only in terms of what it did physically at that time but also with the residual concern afterwards that this type of lack of access or disruption could actually be a concern. Is it raised when investment decisions are made?

Ms. Katie Curran: Earlier this year it obviously was a concern for some investors; however, it wasn't a long-standing concern and it was something they felt was not a major impediment to their investments. We were able to work with our partners across all levels of government to help ease some of the concerns, and we've seen that the results have been really positive investments.

Mr. Brian Masse: Thank you. Those are all my questions.

The Chair: Thank you, Mr. Masse.

Now we have Mr. Martel for five minutes, please.

[Translation]

Mr. Richard Martel (Chicoutimi—Le Fjord, CPC): Thank you, Madam Chair.

I'd like to thank the witnesses for being here today.

Much like my colleague who mentioned it before me, I too don't understand why we're considering the budget appropriations the day before they are to be passed. Personally, I find this to be disrespectful of our democratic institutions.

I'd like to come back to the fact that Invest in Canada reached out to 54 million business decision-makers. I understand that you've spoken to a number of people. If so, how do you explain the fact that despite all those interactions, Canada was not even invited to participate in key initiatives like last week's meeting led by the United States and the Indo-Pacific nations?

[English]

Ms. Katie Curran: I will refer that question to my colleagues at Global Affairs, as that's not an area we deal with.

Ms. Sara Wilshaw: On the Indo-Pacific Economic Framework for Prosperity, both the Prime Minister and Minister Ng spoke about this last week. Obviously this is a U.S. initiative. We have very close ties already with the United States, and a very integrated economy with them through CUSMA and with the Indo-Pacific re-

gion through the CPTPP. The American initiative is something we'll continue to follow with interest, and we'll continue to work closely with them and through an integrated economy.

• (1135)

[Translation]

Mr. Richard Martel: Given the supposed ties between Canada and the United States, I find it a bit peculiar that Canada was not invited to participate.

In the departmental plan, you state that Invest in Canada activities have "increased investor interest in Canada by 90%". I'd like to know what that means in more concrete terms.

[English]

Ms. Katie Curran: As part of our promotional campaigns we do surveys before viewers see the campaigns or the advertisements, to gauge their interest in investing in Canada originally. Then they see the campaigns. They interact with the campaigns, and then their interest is gauged again to see if the campaign has increased their interest in investing in Canada. We saw that 90% of the people who viewed the campaigns were more interested or had significant interest in investing in Canada.

As I mentioned, this can take quite a long time to turn into an investment, depending on the stage of their growth plans at their corporate headquarters, so it could take 12, 18, 24 months to make that investment decision, but at least we are starting to raise awareness of Canada as an investment destination early on for foreign investors.

[Translation]

Mr. Richard Martel: If we want to attract new investment to Canada, of course we need to provide winning conditions for businesses: fewer regulations, a better tax environment, and reduced time and costs for new projects.

What's the government doing in concrete terms to improve the regulatory and tax environment in Canada?

[English]

Ms. Katie Curran: This is outside of the scope of Invest in Canada, as we're focused on promoting and providing services to companies. We don't have a regulatory or policy framework at Invest in Canada.

The Chair: You have 50 seconds remaining.

[Translation]

Mr. Richard Martel: Would it be possible to know what major foreign investments you have in the pipeline for Quebec?

[English]

Ms. Katie Curran: I can definitely provide further details in writing about our pipeline. We're very excited. There's a lot of interest in Quebec, and we work very closely with our partners at the provincial level, who have an excellent investment promotion team and are really focused on driving investments into Quebec. We can provide that in writing to you.

The Chair: Thank you very much.

[Translation]

Mr. Richard Martel: Thank you.

[English]

The Chair: We'll move on to Mr. Miao for five minutes.

Mr. Wilson Miao (Richmond Centre, Lib.): Thank you, Madam Chair, and thank you to all the witnesses for today's meeting. It's great to see some of you today.

I'd like to direct the following question through the chair to Mr. Alexander.

Can you tell us a little more about trade and investment responsibilities? What are some of the highlights of this year's departmental plan? How will they contribute to the minister's mandate?

Thank you.

Mr. Arun Alexander (Associate Assistant Deputy Minister, Trade Policy and Negotiations, Department of Foreign Affairs, Trade and Development): Perhaps I can begin, but then I'll invite Ms. Wilshaw and Mr. Christie to add on, because we work on promoting international trade investments together.

There are many highlights this year. The key one is the continued implementation of the CUSMA. We've been working very closely with our Mexican and U.S. colleagues to implement the CUSMA and to make sure that small and medium-sized enterprises and those led by under-represented groups in particular are made aware of the benefits of the CUSMA and are more engaged in international trade. That has been a key highlight.

We've also been working with our partners to address key issues like climate change and forced labour in a very collaborative manner, and the strong relationships that we have built with the United States and our Mexican friends have been very helpful.

Maybe I'll just turn to Mr. Christie to talk about it more globally as well.

Mr. Bruce Christie (Assistant Deputy Minister and Chief Trade Negotiator, Department of Foreign Affairs, Trade and Development): Madam Chair, we continue to work to fully implement the trade agreements that we've negotiated and brought into force over the past few years. As my colleague, Mr. Alexander, mentioned, those are the CUSMA and the CPTPP, which, as you know, is a very ambitious comprehensive free trade agreement with 11 countries in the Asia-Pacific region.

We're now, in that regard, looking to expand the agreement to accept new economies to join. Our focus right now is negotiations with the United Kingdom, which has expressed an interest in formally acceding to this trade agreement, and we're looking at those

negotiations as providing more of a precedent and a model for future accessions from other parts of the world.

As I'm sure you know, we've also received heightened interest from other economies around the world, and we have received formal applications to join the CPTPP from Taiwan, China and, more recently, Ecuador. We know that other countries, specifically in the Asia-Pacific region, like Thailand, Indonesia and Korea, are also very interested.

On one front, we're continuing to implement that trade agreement to make sure Canadian producers and exporters take full advantage of the benefits provided to them through that agreement, while at the same time expanding the opportunities.

On top of that, Madam Chair, I would say that we continue to have a very active negotiating calendar. We're negotiating with the block of 10 ASEAN countries. We're negotiating a free trade agreement with Indonesia. We're also negotiating a more permanent free trade agreement with the United Kingdom, and negotiations continue with other important economies for Canada.

• (1140)

Mr. Wilson Miao: Thank you.

As you have mentioned, Minister Ng was also in Thailand recently, meeting with APEC. She announced that Canada has submitted a formal request to launch negotiation for Canada's accession to the Digital Economy Partnership Agreement.

Can you please provide us an update, maybe open to everyone on the floor here, on recent developments, provide some background information on the DEPA, and expand on the benefits that joining the DEPA would bring to Canadians?

Mr. Bruce Christie: As you mentioned, in May of this year, Canada formally notified the DEPA parties, the Digital Economy Partnership Agreement parties, of Canada's interest in formally acceding to this agreement. I'm specifically referring to New Zealand, Chile and Singapore.

It is a stand-alone digital trade agreement. It's really a novel trade policy instrument that's positioned to support digitally enabled commerce around the globe but also contributes to a broader dialogue on a range of technology issues of interest to both industry and consumers here in Canada, particularly to allow our small and medium-sized enterprises an opportunity to engage in this increasingly enlarged digital space.

Building on the CPTPP digital trade e-commerce chapters, the parties I mentioned earlier are looking to expand this trade agreement to take on new members. Canada has formally notified the parties of our interest in acceding to the agreement. We're looking to work with the DEPA parties to establish a working group, hopefully, in the weeks ahead. We know there are several other economies that are interested in acceding. We'd like to get ahead of the queue in that regard.

The Chair: Thank you very much.

We'll now move to Monsieur Savard-Tremblay for two and a half minutes, please.

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay: Thank you, Madam Chair.

I would like to come back to Invest in Canada. How would you spend the amount you have requested in the 2022-23 main estimates? In short, how is that amount justifiable?

[*English*]

Ms. Katie Curran: Our budget of about \$33 million has stayed consistent to what it was last year. We have allocated approximately 78% to achieving our core responsibility in the three areas of focus: promotional mandate, working with investors and providing services to partners to help them increase their investment attraction efforts. The remaining balance goes to support services, similar to other government departments, to help support the corporate service function that is required.

Within that envelope, a large portion goes to the promotion efforts, which include launching the campaigns and the content series advertisements that are shown to foreign investors. The other portion goes primarily to salaries for employees who are working directly with global investors.

• (1145)

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay: How can the budget be the same given that the situation has changed? Last year, we were in the thick of the second wave of COVID-19. Then came the third wave. How could actions be budgeted in exactly the same way when the situation is quite different today?

[*English*]

Ms. Katie Curran: Most of our advertisement happens digitally, so we have the ability to continue efforts. Whether it be through the pandemic or coming out of the pandemic, our promotional efforts continue. We still see a high level of interest, if not an increased level of interest over the past year from investors looking to come to Canada. We saw a slight dip at the beginning part of the COVID pandemic, but increased interest has gone up over the past 18 months.

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay: Thank you.

[*English*]

The Chair: Thank you very much.

We'll go to Mr. Masse, for two and a half minutes, please.

Mr. Brian Masse: I don't know whether Mr. Christie would be the person to answer. Is there an evaluation done with regard to our trade agreements with respect to what we profess they're going to accomplish? With the investments, a lot of numbers are thrown around. Are they reviewed later on and then made public as to what actually transpired?

I've been around, and have seen many promises from different nations in terms of free trade agreements and trade deals we've cut,

but I haven't seen much follow-up. That doesn't mean I know where that information is, but I'd like to hear how we evaluate what's transpired.

Mr. Bruce Christie: After a free trade agreement comes into force, we work with our negotiating partner to regularly monitor the impact of the trade agreement. On the Canadian side, we work very closely with our chief economist's office at the Department of Global Affairs to measure the increased benefits through trade investment across a wide range of sectors of importance for Canada.

We work very closely with Sara Wilshaw's team and the trade commissioner service to target those specific markets and sectors to make sure that Canadian producers and companies, particularly SMEs, are made aware of these specific opportunities, for example—

Mr. Brian Masse: I'm sorry. I'll have to interrupt, as I have only two and a half minutes.

Do we publish the results? Like with the free trade agreement with Lithuania that we signed, is there anything made public afterwards in terms of what we said and promised that it would actually result in? Do we measure and report back to say where we're overachieving and underachieving?

Is that made public and published?

Mr. Bruce Christie: I don't believe it's published. We provide that information to all our stakeholders and industry partners, but I don't believe it's formally published in a parliamentary document, if that's what you're referring to.

Mr. Brian Masse: Yes, that's what I'm after. That might be helpful, because we sign these agreements as politicians and then, unless we do independent parliamentary research, we don't really get a snapshot as to where we may have overachieved or underachieved in some areas. There could also be different dynamics that have arisen since then.

I am looking for whether or not we should be looking at an annual report to Parliament at some point.

The Chair: Thank you, Mr. Masse. I'm afraid your time is up.

We go on to Mr. Hoback for five minutes, please.

Mr. Randy Hoback (Prince Albert, CPC): Thank you, Chair.

I'm giving Mr. Baldinelli my last minute. I'll just make you aware of that, so you can let me know when we're close to that point.

The first thing is on the U.K. agreement. I understand we started into negotiations on that agreement. We look forward to seeing the interim agreement come to an end, the new agreement come into play, and the fixes we require for our agricultural producers.

I want assurances from the department that they will not approve U.K.'s accession into CPTPP until we have a bilateral agreement in place at this point in time.

Has that been the mandate given by the minister to the department?

• (1150)

Mr. Bruce Christie: Madam Chair, I can answer that question.

I'm working with my colleague, Doug Forsyth, who's our chief negotiator for the Canada-U.K. free trade agreement.

I'm responsible for negotiating the U.K.'s accession to the CPTPP. I can assure you that Doug and my team are working very closely together to make sure we're able to maximize the benefits to Canadian companies and producers through those two parallel negotiations.

Minister Ng has requested that we continue to leave both negotiations open until we are satisfied that we have obtained everything we can through both channels for Canadian companies.

Mr. Randy Hoback: What process are you putting in place to consult with stakeholders in regard to both these agreements as they unfold?

Previously, we used to have quarterly and monthly meetings with Mr. Verheul, where stakeholders could actually dial in and listen to an upcoming report on the exact status of both negotiations.

What have you put in place at this point in time to do that?

Mr. Bruce Christie: I will answer your question related to the CPTPP negotiations. As I'm sure you're aware, we did extensive consultations with stakeholders in terms of which of the priority markets they believed Canada should pursue in a CPTPP expansion. We held industry and other stakeholder group events, including with indigenous groups, SMEs and whatnot, but I will turn to my colleague, Doug Forsyth—

Mr. Randy Hoback: Just before you turn it over, though, you didn't answer about ongoing...going forward, as you're going through the process.

Historically, there have always been consultations while we have been in the negotiating process. Are you doing that as well?

Mr. Bruce Christie: Yes, we absolutely will. We will continue to hold consultation meetings with our stakeholders to keep you informed of the progress made during the negotiations.

Mr. Randy Hoback: Thank you.

Mr. Doug Forsyth (Director General, Market Access, Department of Foreign Affairs, Trade and Development): I can just pick up on that, Madam Chair.

Yes. I can confirm that following round one of our negotiations with the United Kingdom, we had a full stakeholder debrief. We will continue to hold those debriefs and those consultations as we move forward in the negotiations.

Mr. Randy Hoback: Okay. That's exactly what I wanted to hear, because those have been so helpful in the past. I sure hope that's continuing.

I'm going on to our trade commissioner service. I'm a big fan of the trade commissioner service. I think they do a wonderful job. I often think they are unsung heroes.

One thing I'm always concerned about is their plugging into our municipal markets. For example, we have Greenfield. We have land sitting there, available. Are they aware of it? How do they know what's available in Saskatchewan versus what's available in Mr. Baldinelli's riding?

How do they take that to our foreign investors to show what the opportunities are in Canada? How do they transfer that knowledge?

Ms. Sara Wilshaw: Thanks for your ongoing support of the trade commissioner service. They certainly appreciate that.

We have a network of 44 trade commissioners who are dedicated to foreign direct investment around the world in our missions abroad. They also work very closely with a lot of the provincial representatives, who are increasingly co-located in missions abroad and work very closely together.

We also have regional offices across the country. They stay very closely plugged into their provincial counterparts and economic development agencies, and meet with them regularly. We have very close co-operation across the board.

We also work, of course, with Ms. Curran and Invest in Canada. They have other means and mechanisms to stay coordinated with both provincial and municipal authorities to understand the opportunities and to help work out any challenges that arise.

The Chair: Thank you very much, Ms. Wilshaw.

Mr. Baldinelli, you have 45 seconds.

Mr. Tony Baldinelli: Madam Chair, I'd like to propose the following motion. "Given that the committee has had only one day to examine the estimates of both Invest in Canada and the Canadian Commercial Corporation, the committee requests that the Auditor General examine both agencies and their expenditures to ensure they are meeting their mandates and providing value for the expenditures being allocated to both, and that the Auditor General present his findings to the committee and make his findings public."

That is the motion.

The Chair: Thank you, Mr. Baldinelli.

I'm just checking on procedure here. Can we go on to our last speaker, so—

• (1155)

Mr. Randy Hoback: Sure. I just want to deal with it in this meeting, Chair. I trust you.

The Chair: Okay. We'll have Mr. Virani. He'll be the last speaker.

Mr. Arif Virani (Parkdale—High Park, Lib.): Thank you very much.

First of all, in respect to something that was raised by Mr. Baldinelli in his intervention, I just want to note that the minister was already scheduled to be here, at this meeting, when it was originally scheduled for 3:30 p.m., as Mr. Baldinelli and his party know. The finance committee took precedence because of the important work that's being done at the finance committee, thus shifting today's meeting to 11:00 a.m. from the previously scheduled 3:30. That is the only reason Minister Ng is not here right now, and all parties, including the Conservative Party of Canada, agreed to that arrangement.

For my second point I'm going to direct a question to Mr. Christie.

You were asked, sir, in some questioning—I think it was by Mr. Martel—about the U.S.-led initiation of discussions about Indo-Pacific strategy and Canada's not being present. I think you accurately outlined some of the ways in which Canada is already present in the Indo-Pacific, and I'm just going to reiterate some of this as a reminder to all committee members.

First of all, we have a Korean free trade agreement. We are a part of the CPTPP, and indeed, that's something the United States actually stepped out of. We are pursuing ASEAN, as you noted, and Indonesia, and we have an early harvest agreement with India.

Going back to the issue with the CPTPP, I'll actually put to you, Mr. Christie, a quote from Jacinda Ardern, the Prime Minister of New Zealand. She said that if the U.S. wants more engagement in the Indo-Pacific, then the CPTPP is the table to sit at.

Given that Canada is already at that table, Mr. Christie, can you comment on Canada's state of engagement in the Indo-Pacific, and how that compares to engagement by the Americans?

Mr. Bruce Christie: As you pointed out yourself, we are very active in the region, not just through the CPTPP.

Let me just add here that we would welcome the United States back to the CPTPP. My sense is that the Indo-Pacific economic framework is another way that the United States are looking to expand their footprint in the Asia-Pacific region, making it clear—at this time, anyway—that they have no definitive plans to come back to the CPTPP.

In terms of Canada's engagement, yes, as you pointed out, and as I referenced earlier, we're looking to engage with all of the CPTPP parties to broaden that trade agreement to provide further, more expansive benefits to Canadian companies and producers. We're also looking at the ongoing trade negotiations with our ASEAN friends, as well as Indonesia. As you stated, we have recently re-engaged—under Minister Ng's leadership—in a comprehensive free trade agreement with India. Ministers have asked us, as we proceed along those negotiations, to consider whether we would want to implement an early harvest agreement representing what has been accomplished so far.

I think it's fair to say we're really focused on that region.

Mr. Arif Virani: Thank you very much, Mr. Christie.

This next question will be for Ms. Wilshaw.

I agree completely with Mr. Hoback in terms of the TCS and what it represents in 160 locations around the planet. I think these are definitely unsung heroes in terms of the work we're doing abroad, both promoting Canadian interests in locations outside of Canada and also promoting foreign direct investment here in Canada.

On my recent trip to Zambia and South Africa, I was actually quite taken with the incredible trade commissioner service. They were directly providing me with briefings on sub-Saharan African countries in which we are engaged.

Thank you for the work you're doing, Ms. Wilshaw, and thank you to all of the teams of trade commissioners around the planet.

I want to ask you specifically about something we championed in sub-Saharan Africa, which I know is something championed by the Prime Minister and by Minister Ng, and that is the role of women entrepreneurs, domestically and abroad. Can you give us a bit more detail with respect to the trade commissioner service and the work you're doing to promote entrepreneurial opportunities Canadian women-owned businesses abroad?

Ms. Sara Wilshaw: Certainly, the trade commissioner service is very focused on.... The vast majority of our clients are small and medium-sized enterprises, and we put a particular emphasis on what we would call “under-represented” exporters traditionally: women, indigenous people, members of the LGBTQ2+ community, Black-owned businesses, youth-owned businesses and others.

For more than 20 years, we have had businesswomen in the international trade program, focused on women exporters. We run trade missions that are specifically focused on women exporters and on creating more opportunities for them. We also have the Canadian technology accelerator program, and several of those cohorts have been for women only. Really, it is an effort to encourage and enhance opportunities for women exporters. We also offer what we would call a “concierge service”, to give them greater access to the CanExport program, which is a co-funding program for their promotional activities abroad. There are a number of different pathways to doing more for women exporters and other under-represented groups.

• (1200)

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

If I can, I will go forward on the votes that are required for these main estimates, and then we'll go back to Mr. Baldinelli.

Thank you very much to the witnesses for your time today. It was very valuable. I think we'll have to have you back a few more times to keep us updated on the great work you're all doing.

Shall the votes carry, less the amount voted in interim supply?

CANADIAN COMMERCIAL CORPORATION

Vote 1—Payments to the Corporation.....\$13,000,000

(Vote 1 agreed to on division)

INVEST IN CANADA HUB

Vote 1—Program expenditures.....\$33,611,556

(Vote 1 agreed to on division)

The Chair: Shall I report the main estimates 2022-23 to the House?

Some hon. members: Agreed.

The Chair: Thanks. That's nice. I think it's kind of appropriate that I report it to the House.

Thank you very much, all of you.

Mr. Baldinelli, you moved a motion.

I'm just making sure that we have the procedures in place, Madam Clerk.

The Clerk of the Committee (Ms. Dancella Boyi): The motion has been moved, if the committee would like to proceed on that.

Mr. Arif Virani: At this point, we'd like to see a written copy of the text of the motion, and then we'd like a short huddle to discuss it.

Mr. Randy Hoback: As long as we deal with it today, I'm happy with that.

Mr. Arif Virani: Do you have it written?

Mr. Randy Hoback: Yes, we do.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: Naturally, it should be in both official languages.

[English]

The Chair: If you can provide that....

The Chair: We're not going to get it in English and French in this short time.

Mr. Randy Hoback: Regardless, we've given it verbally to the committee, so it's in both languages as we verbally get it. It's been translated verbally, so all members have had a chance to hear the motion.

The Chair: I don't think anyone has actually seen this motion—

Mr. Randy Hoback: No, but they've heard it. We've submitted it on the fly here.

The Chair: They've heard it, but I think it's only correct if they ask to see it.

Mr. Randy Hoback: No, that's not in your standing procedures. Once it's been read into the record it's deemed in both languages as having been moved. If they want to see it, that's fine. I have no issue with that.

The Chair: The question becomes, do we have unanimous consent?

Mr. Randy Hoback: You don't need unanimous consent. The motion is on the floor.

Mr. Arif Virani: Perhaps the clerk could respond to that.

The Chair: Can you speak to the members, please?

What's our next step in dealing with Mr. Baldinelli's motion?

The Clerk: We have a request for paper copies. I can make a photocopy, but I have it only in English at the moment.

The way it was moved was in order. It can be read out again for interpretation to translate that, if that's the wish of the committee.

Mr. Arif Virani: You don't have it typed out in any email of any kind.

The Chair: How about reading it out—

Mr. Randy Hoback: We have it handwritten in front of the clerk.

Mr. Arif Virani: Okay. Can we see the handwritten copy, then? Can you photocopy that and distribute that?

The Clerk: I can make a copy. It's in English.

[Translation]

Mr. Arif Virani: I will leave it to Mr. Savard-Tremblay to decide if this is the right way to go. In my opinion, this is not exactly the appropriate way to proceed in consideration of the two official languages.

It's up to you, Mr. Savard-Tremblay.

[English]

Mr. Randy Hoback: That is the process of the committee. This is nothing unusual for a committee, Mr. Virani. This is very normal.

The Chair: Go ahead, Mr. Masse.

Mr. Brian Masse: [Technical difficulty—Editor] to speak to the motion when it's appropriate, if I may.

The Chair: Let's get it photocopied quickly. We can always read it into the record again in order to ensure that the translation is done. Then, possibly, we can deal with it.

Mr. Arif Virani: Madam Chair, perhaps we could suspend—

The Chair: Hold on. I'm told we need unanimous consent.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: I would like a clarification, Madam Chair: what exactly requires unanimous consent?

• (1205)

[English]

The Clerk: The only thing we need unanimous consent for would be to distribute an English-only copy. If it's read out and interpreted, that's different, but for a paper copy—

[Translation]

Mr. Arif Virani: We don't have unanimous consent, not at all.

[English]

Mr. Randy Hoback: Okay. Let's go to the motion, then.

We were offering the paper copy of the motion as a courtesy, not as a requirement for the committee. If you don't want the courtesy, that's up to you.

Mr. Arif Virani: I think courtesy would actually be distributing something

[Translation]

in both official languages.

[English]

Mr. Randy Hoback: These are the rules of the committee that we're following. We're not breaking any of the rules of the committee.

[Translation]

Mr. Arif Virani: We're discussing official languages and—

[English]

Mr. Randy Hoback: We are following the rules of the committee as set up in the Standing Orders, which have been around for years. If you'd been around for years, you'd know that.

Mr. Arif Virani: I've been around for seven years, Mr. Hoback.

Mr. Randy Hoback: Why are you surprised then?

[Translation]

Mr. Arif Virani: In those seven years, I've always—

[English]

Mr. Randy Hoback: I've already talked to Leif and he's okay with it.

[Translation]

Mr. Arif Virani: If I may, I will finish making my comment.

The Conservative Party always says the right things about official bilingualism. However, when it comes to procedures, they always try to do things in one language. That's what I've noticed.

[English]

Mr. Randy Hoback: This motion came up today in the committee in light of what happened. We are allowed to present the motion as we have done. We have not broken any orders of precedence or procedure. We've done everything fairly.

I've tried to be courteous to members by giving them a copy in English, because that's the only copy we have. I talked to the member from the Bloc to make sure he was okay with that. I have done my due diligence, Mr. Virani. Maybe you haven't.

The Chair: I think it's more an issue of courtesy that we make sure that everybody has a copy in both languages, so that everyone fully understands what we're asking people to vote for.

Mr. Masse, your hand is up. Do you want to speak to the motion that is on the floor?

Mr. Brian Masse: Thank you, Madam Chair.

Hopefully, this will help and we can move forward. I'll support the motion, because my understanding of the process for the Auditor General is that the Auditor General is independent and will make the decision to engage with whatever department or review they want to. I have done that as an individual member before on different issues. It's just advice that we can provide the Auditor General.

I think that, sometimes, when the notion of the Auditor General is raised, it creates heightened politics that aren't always necessarily there. For this, I don't think there is anything that we should spend a

lot of time on in the sense that we're just asking for advice for a review, which the Auditor General will take under consideration.

Let's leave it at that and move on to other committee business. That's my opinion.

Mr. Arif Virani: Madam Chair, can we have the text of the motion reread slowly, so that we can all write it down, since it's apparently impossible to get a written version of it?

The Chair: We'll ask Mr. Baldinelli or the clerk to read it.

Mr. Scarpaleggia, you had your hand up at one point.

Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.): I was curious about the procedure for distributing notices in writing. I know in our committee they have to be in both languages, but I don't know if it's the same in every committee.

However, I think that's been resolved.

The Chair: Normally, they have to be given and they have to be in both official languages. However, again, it's up to the committee whether or not they choose to deal with it in the language in which it is put on the table and whether it's read verbally into the record and translated at that time.

Mr. Chandra Arya: Madam Chair, my hand is up.

The Chair: Go ahead, Mr. Arya.

Mr. Chandra Arya: I agree with what Mr. Masse has said. I served on the public accounts committee for four years. The Auditor General's office has a system of selecting the departments and the Crown agencies to audit and not to audit. As individual members of Parliament and as a committee, we can submit our requests. However, the Auditor General's office has its own criteria that it goes through in making the selection of which Crown agencies it will audit next.

It makes an exception from its prepared plan when there are exceptional circumstances related to any department or any Crown agency. I don't foresee anything here. There is no harm in making a request from the committee, but it would not in any way influence the Auditor General to pick up and audit both of these Crown corporations immediately.

The Chair: Thank you very much.

I'm going to suspend for a few minutes. We have obtained copies, so we'll ensure it's distributed to all of the members and to the members online as well.

Mr. Randy Hoback: There's a vote coming up, so no.

The Chair: Okay.

We're going to suspend quickly, distribute the notice, and then move on with the meeting.

Mr. Randy Hoback: You don't need to do that.

The Chair: We can suspend for a minute while you get a copy, so everybody knows exactly what they're voting on.

• (1205) _____ (Pause) _____

• (1220)

The Chair: I call the meeting back to order.

Everyone has received the notice electronically. I'm going to ask the clerk if she would please read the motion out.

Mr. Francis Scarpaleggia: Madam Chair, as a substitute, maybe I wasn't included on the list, as I have not received it yet.

• (1225)

The Chair: I apologize. You'll have it in a second.

Have all the members received it, please?

Okay.

Madam Clerk, would you please read it out?

The Clerk: Madam Chair, it says, "Given that the committee has had only one day to examine the estimates of both Invest in Canada and the Canadian Commercial Corporation, the committee requests that the Auditor General examine both agencies and their expenditures to ensure they are meeting their mandates and providing value for the expenditures being allocated to both, and that the Auditor General present his findings to the committee and make his findings public."

The Chair: Is there any discussion on the motion?

Mr. Virani.

Mr. Arif Virani: I would make three points. One is procedural. Notwithstanding the interventions made by Mr. Hoback, I think, as a matter of courtesy, it's generally beneficial to distribute things in both official languages in writing prior to.... I know that can't always be observed, but I think that's important.

The second point is that the first line of the text of the motion says "Given the committee had only one day to examine the estimates". If the committee members, of whom the Liberals are not the majority, wanted more days to examine the estimates, I think that's incumbent upon us as committee members to arrange our scheduling such that more days were allocated for the study of the estimates. That should not be a backstop for addressing a motion that is coming at the 11th hour.

The third and last point is what I find to be the most important. We've heard from Mr. Masse, Mr. Arya, and I think we will hear from others about the institutional independence of the Office of the Auditor General. Mr. Masse went so far as to say the office will decide what to study, because it is independent, as it always has been and always should be.

That being said, there is something to be said about members of Parliament, elected officials who are partisan by nature, either directing or being seen or perceived to direct the Auditor General's office in terms of what it should study. Therefore, regardless of whether the Auditor General is bound by the terms of any motion that is passed by this committee, I think it is important as an issue of parliamentary procedure and in terms of safeguarding institutions that are independent and that oversee Parliament, that we not actually direct or be seen to be directing institutions such as the Of-

ice of the Auditor General. On that basis, I think there are serious concerns with this type of motion.

I'll leave it at that. Thank you.

The Chair: Mr. Hoback.

Mr. Randy Hoback: Thank you, Chair.

First of all, I did follow procedure through and through. I talked to our only Frenchman, the Bloc member, before I came forward, to make sure he was comfortable that I was doing it in one language, the reason being that the motion came out of this meeting. It was not something that was prepared last night or this morning; it was actually prepared and handwritten to the clerk.

The reason we're asking for it is very clear. We just feel we didn't have enough time with what we heard today. This would be a good opportunity for the Auditor General, if he or she so chooses, to look at this. Every once in a while, the Auditor General will ask the members of Parliament about different departments or Crown corporations that they should actually do an audit on, so this is not out of the norm by any means. In fact, if the Auditor General chooses not to, that's up to her. She has full independence, but this is something the committee can request. I think it would be good for both the department and the committee to have that type of audit done. I think it's good value for taxpayers to understand what they're doing well, what they're doing wrong and what they can do better, because I remember that whenever an auditor general reports, you'll see recommendations; and most departments will take on those recommendations and make improvements to the department. This is with the intent of making a stronger department and making things more efficient for taxpayers.

I think a lot of people would criticize us if we didn't do this, because we had one only day to go through the estimates and that's the process that we follow on the estimates. It's a goofy process that Canadians don't understand, and even here, when you look at it, you wonder how in the heck we can approve so much money with one hour's notice.

In this situation, I think it would be prudent to have the Auditor General's office, if it so chooses, just take a quick peek at it.

The Chair: Go ahead, Mr. Baldinelli.

Mr. Tony Baldinelli: Thank you, Madam Chair.

To Mr. Virani's point, I'd also like to thank Mr. Masse and Mr. Arya for their comments.

I wrote the motion in such a way as to make it a request. We're not compelling the Auditor General or in any way seeking to impede the independence of the Auditor General. Again, it's a simple request. With respect to the motion, we wrote it just based on the testimony and the fact that we're meeting today for only one hour.

I would like to say that I believe a friendly amendment to that motion would be because the Auditor General is a female and not male. I wrote it as "he" instead of "her".

• (1230)

The Chair: You should always write with the presumption that it's a woman.

Mr. Tony Baldinelli: Fair enough. Absolutely. I apologize for that mistake.

The Chair: Is there any further discussion?

Mr. Sheehan, your hand is up.

Mr. Terry Sheehan (Sault Ste. Marie, Lib.): Thank you very much for taking the time and sharing what you have proposed in writing for us to see.

I take a look at the last sentence and I think that's where the trepidation is. It seems like the last sentence is directing. Our friends across the aisle just mentioned they'd handwritten it, but when you read the last sentence, it seems to direct the AG. I don't know if there's any wordsmithing that could be done there to make it more of a suggestion, as people have been saying around the table.

When you look at that last sentence, to me it seems to be directing the AG. That's where my trepidation is. If there could be some kind of wordsmithing to deal with the wording.... It could be changed to "should she decide to examine". It could be that kind of thing.

I think allowing that independent decision-making process that Arif has put so well to be reflected in the verbiage.... It could be in the last sentence, in particular.

The Chair: Mr. Hoback had his hand up first, and then I have Mr. Baldinelli, Mr. Masse, Mr. Arya and Mr. Virani.

Mr. Randy Hoback: I understand where Mr. Sheehan's coming from. Again, it's a request. Everything is based on the request being followed through on. If the Auditor General chooses not to take on our request, that's her prerogative. Thus, the last sentence becomes moot.

If she decides to take on the report, then an invitation to come to committee would be part of the request. If she chooses not to come to committee, I believe we and the chair have no means to compel her. I think the request to come to committee and make the report public is reasonable in light of the context it's written in. I don't think we need to wordsmith anything here, Mr. Sheehan. I think it's already there.

The Chair: You could always add "give consideration to".

Mr. Randy Hoback: If you want to add it in there, I'm okay with that. I don't want to debate to the nth degree, because we have other business to move on to.

The Chair: We still have a lot of things to do today at this meeting.

If Mr. Baldinelli has no other comments, I have Mr. Masse next.

Mr. Brian Masse: In the interest of trying to move this along, would it be a friendly amendment to just drop the last sentence? The Auditor General reports to the House of Commons by standard procedure. I wonder whether we could find consensus on that. I don't want to belabour it, but I believe the Auditor General has to report all of the work to the House of Commons anyway. Perhaps that might be enough to put this to rest.

The Chair: Is everybody in agreement with that?

Let me continue with my list here.

Go ahead, Mr. Virani.

Mr. Arif Virani: The suggestion by Mr. Masse is an improvement.

I wouldn't mind something that reflects that the committee understands the institutional independence of the Office of the Auditor General. Right now, it says on line two, after the comma, "the committee requests that the Auditor General examine both agencies...." It could say something like "the committee understands the institutional independence of the Auditor General and requests...."

Madam Clerk, did you get that?

It would read, "the committee recognizes the institutional independence of the Auditor General and requests that the Auditor...." and then it follows, still deleting, as Mr. Masse suggested, the last line.

• (1235)

The Chair: Do we have agreement on this?

I have Mr. Savard-Tremblay.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: I'd just like to ask the member who introduced the motion a question.

The motion has no time frame; it leaves it open. In a case as specific as this, how did we come to agree on that?

I'd like to know why we decided to leave it open rather than establish a specific time frame?

[English]

The Chair: Go ahead, Mr. Hoback.

Mr. Randy Hoback: That's a great question. Actually, we thought about that. Again, they are an independent body, so they'll choose their own timetable in which to complete the request, if they choose to take on the request. That's why we didn't put a time on it.

Ideally, it would be nice to give a time frame, but they don't work under our time frames.

The Chair: I have Mr. Arya and Mr. Sheehan next.

Before I continue, Madam Clerk, what do we have on the table right now that everybody seems to be in relative agreement on?

The Clerk: It reads as follows:

Given that the committee had only one day to examine the estimates of both Invest in Canada and the Canadian Commercial Corporation, the committee understands the institutional independence of the Auditor General and requests that the Auditor General examine both agencies, and their expenditures, to ensure they are meeting their mandates and providing value for the expenditures being allocated to both.

An hon. member: That's good.

The Chair: I think everybody's in agreement with that.

Do you still want to speak, Mr. Arya and Mr. Sheehan, or will we just go to a vote on this motion?

Mr. Chandra Arya: It's perfect, Madam Chair. That's what I too was proposing.

The Chair: Thank you very much.

We have the motion on the table in both languages. Is everybody clear on it?

(Motion agreed to)

The Chair: Thank you very much.

I will now suspend so that we can go in camera.

[Proceedings continue in camera]

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