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# Standing Committee on International Trade

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Chair: The Honourable Judy A. Sgro





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• (1710)

[*English*]

**The Chair (Hon. Judy A. Sgro (Humber River—Black Creek, Lib.)):** I call meeting number 20 to order.

My apologies to the witnesses for the delay today.

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 must wear a mask except for members who are at their place during proceedings.

I will make a few comments for the benefit of the witnesses. Please wait until I recognize you by name before speaking. For those participating via Zoom, you have interpretation options. I remind you that all comments should go through the chair.

Before we start with the witnesses, just for the information of the committee, the clerk has circulated the travel budget that we were talking about last week. She was able to do great work and bring it down to under the amount that was required.

Is there any discussion?

(Motion agreed to)

[*Translation*]

**Mr. Simon-Pierre Savard-Tremblay:** Madam Chair, I would like to make a proposal.

The schedule will be disrupted because of many votes in the House and some members have indicated they will have to leave before the end of the meeting. Could we agree that we will not vote on any motions today and simply listen to witness testimony and ask questions?

[*English*]

**The Chair:** Is everyone good with that?

**Some hon. members:** Agreed.

**The Chair:** Okay. Thank you very much.

Let's go on to our witnesses.

From the Canola Council of Canada, we have Chris Davison, vice-president of stakeholder and industry relations. From Pulse Canada, we have Mac Ross, director of market access and trade policy. From Cereals Canada, we have Mark Walker, vice-president of markets and trade, and Daniel Ramage, director of market access and trade policy. From Grain Growers of Canada, we have Erin

Gowriluk, executive director. From Justice For All Canada, we have Taha Ghayyur, executive director.

Welcome to all, and apologies again for the long wait. We're looking forward to hearing your valuable testimony.

Mr. Davison, would you like to start with a five-minute presentation?

**Mr. Chris Davison (Vice-President, Stakeholder and Industry Relations, Canola Council of Canada):** Thank you very much.

Chair Sgro and members of the committee, thank you for the opportunity to be with you today and to join you with my fellow panellists. As was mentioned, my name is Chris Davison, and I'm the vice-president of stakeholder and industry relations with the Canola Council of Canada.

The Canola Council encompasses all links in the canola value chain. Our members include canola growers, life science companies, grain handlers, exporters, processors and others. Our shared goal is to ensure the industry's continued growth and success, and to do this by meeting global demand for canola and canola-based products, which include food, feed and fuel.

Canola's success is Canada's success. Our industry represents almost \$30 billion in economic activity annually, 207,000 jobs, \$12 billion in wages and the largest share of farm cash receipts in the country. Our strategic plan is built on three key pillars: sustainable and reliable supply, differentiated value, and stable and open trade.

Today, 90% of Canadian canola is consumed in export markets. However, there remains about 40% of the world economy where Canada does not have a free trade agreement, with the result that canola faces tariffs in many of these countries, including in the Indo-Pacific region. We also face non-tariff barriers, NTBs, which can create unnecessary barriers to Canadian canola exports.

At the same time, we see opportunity in a number of the countries in the region. That, in part, explains our interest in trade negotiations under way, as well as a recent collaboration that we undertook with colleagues from Cereals Canada and Pulse Canada to commission a report on agricultural strategy for the Indo-Pacific, with a focus on best practices to address agricultural trade barriers.

With this report in mind, I am pleased to be joined today by colleagues from Cereals Canada and Pulse Canada. Together, our three value chain organizations represent over \$45 billion in economic activity annually and account for over 77% of principal field crop production in Canada.

The objectives of our recently completed report were to gain a better understanding of agriculture trade policy and market access and market development capacity in the region. We undertook this work with a view to supporting improved approaches to the design and delivery of agriculture trade policy and market access and development capacity supporting Canadian trade in agriculture.

The study did this by assessing on-the-ground capacity and programming available to Canadian agri-food exporters in the region, examining on-the-ground approaches and programming undertaken by some of our competitors, and assessing gaps, opportunities and priorities for the improved design and delivery of Canadian government support for agriculture in the region.

I will make a few comments about the market dynamics in the region and then turn things over to my colleagues to speak to other aspects of the report.

While each of our industries typically identifies and prioritizes market opportunities based on factors including import demand and product-specific opportunities, the intersection of positive demographics and income growth trends has galvanized agri-food market interest in the Indo-Pacific. However, I can tell you that interest is not limited to Canadian agri-food interests. We have stiff competition in the region, with a number of competitors who have had a long-term presence. Our report indicates that the Indo-Pacific is being courted by 70 or more countries. While the main subregions of the Indo-Pacific are approximately equal in terms of magnitude, we recognize that the challenges and opportunities with each are not the same.

At the same time, while there's variability in the frequency, coverage and prevalence of NTBs by country and industry, there is broad recognition of their use in the agricultural sector in Indo-Pacific countries, and a keen interest in doing a better job of addressing them from a Canadian agricultural trade, market access and market development perspective.

In this regard, one of the things highlighted in the report is the changing market dynamics in the region over the last several years, inclusive of more sustained efforts toward greater self-sufficiency and local value-add opportunities, which have been accompanied by protectionism and the use of NTBs to modulate imports, even as free trade agreements transform the landscape.

Let me close by saying that as a trade-dependent industry, ensuring stable and open access to markets is a critical success factor to Canadian canola. The Indo-Pacific region includes several markets of interest and importance to us, but it also comes with some

unique challenges. That has encouraged us, together with other agri-food sector colleagues, to think critically and creatively about both the industry's role and the government's role in realizing our market access goals in this region.

As it relates to the government's role in supporting international market access and providing infrastructure to support markets, we are calling for the creation of an Indo-Pacific diversification office that is aligned with the intent of Canada's evolving Indo-Pacific strategy and will be an important catalyst in realizing significant growth potential in agri-food exports.

Thank you for your time today. I look forward to our discussion.

● (1715)

**The Chair:** Thank you very much, sir.

We will now hear from Mr. Ross, please.

**Mr. Mac Ross (Director, Market Access & Trade Policy, Pulse Canada):** Thank you, Madam Chair and members of the committee, for having us here today. It's a pleasure to be here alongside colleagues from across the Canadian agriculture value chain to discuss a very important topic for Canada's growing pulse industry.

My name is Mac Ross, and I am the director of market access and trade policy with Pulse Canada.

Pulse Canada is the national association representing growers, traders and processors of Canadian pulses, which include dry peas, beans, lentils and chickpeas. We have the privilege of serving over 25,000 pulse grower members, as well as businesses from every aspect of the value chain. On behalf of our members, we are proudly leading the future of healthy, sustainable food through the growth of Canada's pulse industry.

At Pulse Canada, our strategic plan is really centred around finding new markets and new uses for 25% of Canada's pulse production by the year 2025. When given a chance to compete, our industry is a Canadian success story.

Canada is the world's largest pulse exporter. Roughly 85% of pulses grown in Canada are exported to some 130 different markets around the world, and our competitiveness in each of these markets is dependent on predictable, rules-based trade.

Today roughly 80% of Canadian lentil and pea exports are exported to Asia. With the majority of exports concentrated in China and the Indian subcontinent, the Canadian pulse industry has a major opportunity to diversify our exports to other fast-growing markets within the Indo-Pacific region. However, the increasing prevalence of market access issues, mainly in the form of non-tariff barriers, continues to stifle our industry's ability to compete and achieve market growth in the Indo-Pacific. Strengthening market access and trade capabilities in this region is an important step that we can take to help proactively prevent and address increasing market access issues.

From a pulse perspective, we have long-standing and well-documented trade irritants with large pulse-importing markets like India, but over the past five years, we've also seen other markets within the region increasingly introduce non-tariff barriers that impede trade. These can range from fumigation requirements in Pakistan to unjustified weed seed requirements in Vietnam and abrupt import bans in Sri Lanka and Nepal. The common feature among all of these issues is that Canada had no advance warning. These non-tariff barriers only became apparent once shipments were denied entry at the port or en route at the time of the measures' implementation, leaving both industry and government reacting.

That is why, in co-operation with our colleagues at the Canola Council and Cereals Canada, we are pleased to bring forward this report, which Chris already mentioned, recommending how our industry can move from reactive to proactive in addressing these issues. Among the report's findings, a deeper presence within the Indo-Pacific with an increased focus on government-to-government engagement, regulatory and technical capacity building and diplomacy is identified as an important area of opportunity in responding to agricultural market access issues in the region.

Our report is clear that the use of non-tariff barriers in the Indo-Pacific region is a prevalent and growing threat to export diversification. To address this threat, Canada can establish a trade diversification office in the Indo-Pacific. Through a trade centre of excellence with a full complement of relevant experts in the region to build relationships and solve problems in real time, not only can Canada better respond to non-tariff barriers, but we can proactively manage issues before they become detrimental to our industry.

Canadian embassy staff currently do a commendable job, but they are often given many files to manage and, in certain markets, they may lack the relevant technical expertise to move such files along. Having in-region expertise with a long-term posting will help build the necessary relationships that are required to manage these difficult trade issues.

Our report is clear that our competitors also recognize the importance of a deeper presence in the Indo-Pacific when it comes to addressing these restrictive trade issues, and they're not sitting idly by. The United States, the EU, Australia and other competitors are investing heavily in resources to grow their respective exports in the region.

Our groups are here today not to paint a bleak picture but to come to the table with an actionable path forward. Our members pride themselves on being part of the solution. That is why we have invested in the development of a tangible business case for how

Canada can not only catch up but surpass the work being done in the region by our competitors.

The cornerstone of this plan is the establishment of an Indo-Pacific diversification office, working in lockstep as a key part of the government's Indo-Pacific strategy. Together, with the support of the government, we are confident that we can seize the tremendous opportunity ahead.

Thank you, and I look forward to your questions.

**The Chair:** Thank you very much, Mr. Ross.

Next we have Mr. Walker and Mr. Ramage, please.

**Mr. Mark Walker (Vice-President, Markets and Trade, Cereals Canada):** Madam Chair and members of the committee, thank you for having us here today. My name is Mark Walker. I am the vice-president of markets and trade at Cereals Canada. I'm joined by my colleague Daniel Ramage, director of market access and trade policy, with whom I will be sharing my time today.

Cereals Canada is the national industry association for wheat, durum, barley and oats in Canada. We represent the full value chain, from farmers to crop development companies, grain handlers and exporters. Our members are focused on the benefits of export-led growth, facilitated by access to diverse global markets.

Canadian cereals are a staple food exported to every corner of the world, bringing close to \$10 billion in export sales to the Canadian economy annually. In the last half-decade, Canadian wheat exports have reached over 80 countries.

The Indo-Pacific region encompasses a large and growing share of our export portfolio. Our export opportunities into the Indo-Pacific have followed alongside the region's recent impressive economic and population growth. Over the past five years, the Indo-Pacific region has accounted for 46% of Canada's global wheat exports. The prospects for continued growth and diversification are significant.

A trade environment that facilitates the production and export of Canadian agriculture is key to strengthening Canada's contributions to global food security in the coming years and to building on our competitiveness in the Indo-Pacific region.

We believe export successes begin at home with Canadian production of sustainable food. Farmers need access to science-based regulations to support the productivity, reliability and quality of Canadian exports. Canadian exporters also need trade infrastructure that keeps up with the capacity needed to meet growing export demand.

Trade thrives when it is facilitated by a reliable, rules-based trading system. That is why we are strong proponents of Canada's ongoing FTA negotiations across the Indo-Pacific region, particularly with Indonesia, one of Canada's largest wheat import markets. Equal attention and energy must also be dedicated to the aftercare and enforcement of trade agreements. This is needed to secure the full potential of agreements and keep trading partners accountable for their commitments.

We can learn from past experiences under the CPTPP and CETA, in Vietnam and Italy, where non-tariff barriers have eroded the access for Canadian agriculture following the entry into force of these agreements. To fully leverage our FTAs, Canada must enforce them and lead proactive efforts to resolve and prevent non-tariff barriers.

• (1720)

**Mr. Daniel Ramage (Director, Market Access and Trade Policy, Cereals Canada):** Continuing on Mark's points, we believe a proactive and collaborative approach to advancing market access priorities should continue to be embedded in Canada's trade relationships across the Indo-Pacific. To do this, and to recognize the importance of food security in the coming years, we believe there is a need for agriculture to feature very prominently in the Government of Canada's emerging Indo-Pacific strategy.

Cereals Canada, of course, is united with our colleagues at the Canola Council of Canada and Pulse Canada in calling for the government to take action in advancing an Indo-Pacific diversification office as a focal point for agriculture within this strategy. The joint study described by my colleagues previously emphasizes why an Indo-Pacific diversification office represents an opportunity for continued improvement in the way that Canada addresses market access challenges. These improvements go hand in hand with the greater diversification and relationship building needed to maintain and grow our exports across the region.

Our study recommends that Canada take action in developing an in-region centre of excellence, as we've described. The development of this office is going to expand Canada's on-the-ground presence and strengthen the government capacity that's needed to be proactive and to prevent and resolve agricultural market access issues. It's also going to support Canada in becoming a more trusted knowledge partner with regulators and stakeholders in the region. We can do that by embedding personnel with scientific or technical backgrounds and developing that renowned capacity and that renowned centre of excellence in the region so that we can better position ourselves to engage when market access issues emerge.

The greater technical capacity and trade facilitation assistance that could be mobilized via the type of office we're describing can also shape the trade environment and improve relationships on the ground across that region. That's important to support the proactive management of market access issues and risks and to deal with risks if they emerge, preferably before they emerge.

For example, in Indonesia, where free trade agreement negotiations are currently taking place, deeper technical engagement would help facilitate a more predictable and transparent trade environment by resolving outstanding technical trade risks and strengthening ties between Canadian and foreign regulators.

Canada's Indo-Pacific strategy represents an opportunity to mobilize foundational improvements to Canadian market access, alongside stronger investments in market development and continued attention to the implementation of free trade agreements. A stronger trade environment is ultimately going to enhance Canada's contributions to food security while unlocking greater diversification opportunities for the benefit of Canadian farmers and exporters and helping us to keep pace with our competitors across that region.

Thank you.

• (1725)

**The Chair:** Thank you very much, sir.

Ms. Gowriluk, go ahead for five minutes, please.

**Ms. Erin Gowriluk (Executive Director, Grain Growers of Canada):** Thank you very much, Madam Chair and committee members, for the invitation to address the committee today on a topic of importance to the farmers our association represents.

My name is Erin Gowriluk. I am the executive director of Grain Growers of Canada, a national association that represents the interests of about 65,000 grain, pulse and oilseed farmers in every province across the country.

We are fortunate. We grow more food than what Canadians can consume. In fact, depending on the commodity, about 80% of the grain we grow is destined for international markets. The agriculture and agri-food industry is a key driver of Canada's economy. It contributes over \$142 billion, which is about 6.7%, to Canada's GDP annually, and it employs about 2.3 million people. As the fifth-largest agri-food exporter in the world, trade remains a key engine of growth for our sector and for the Canadian economy.

Canadian grain farmers derive their livelihoods from the international marketplace. Simply put, farmers get paid when they deliver their grain to market, and their ability to access international markets has a direct impact on the profitability of Canadian farms. For this reason, farmers have always had their sights set on growth and diversification opportunities. The Indo-Pacific region is a burgeoning market, one that, for some commodities, already holds significant value. For others, it's a market with great potential.

By way of example, Canadian oats have experienced significant growth in the Japanese market. In the past 10 years, Canada's portion of the Japanese market has increased from as little as 5% to as much as 95%. Oat demand in Japan continues to grow, despite the large price increases due to drought conditions in 2021.

As part of this study, the Canadian Canola Growers Association, a member of Grain Growers of Canada, appeared before the committee on May 9. In their remarks to the committee, they highlighted the potential growth opportunities for canola products in regions such as Thailand, Vietnam, Malaysia and Indonesia.

This region is also an important market for Canadian wheat, as it purchases about 50% of all Canadian non-durum. China, Indonesia, Japan and Bangladesh were among the largest buyers of the 2020 Canadian wheat crop. There is potential to grow wheat exports beyond the aforementioned countries into price-sensitive markets such as Malaysia, the Philippines, Thailand, Sri Lanka and South Korea. Canada has exported wheat to these countries in the past, but we are often their last choice as a seller. Stronger trade relations could improve access.

Canada's agriculture sector is facing unprecedented challenges in the international marketplace. Nationalism and protectionism are having an impact on our sector, and will continue to have an impact for some time to come. According to the Canadian Agri-Food Trade Alliance, CAFTA, of which GGC is a member, more than 90 governments around the world recently introduced over 200 import and export restrictions and other measures that have affected trade, including for Canada's agri-food sector.

Despite our leading role in global food trade, Canada is not self-sufficient, and it cannot take its own food security for granted. Unfettered and predictable two-way trade and diversity of markets are the best protection against supply shortfalls, natural disasters, diseases and price shocks.

These unprecedented times warrant an unprecedented approach, one that is strategic and comprehensive and acknowledges the resources as well as the level of commitment that is required to effectively develop a market like the one in the Indo-Pacific region. As such, it is critical for the success of Canada's agriculture sector that the Government of Canada prioritize the development of a comprehensive strategy in one of the most economically important regions of the world. As stated earlier in my remarks and by my colleagues here today, the Indo-Pacific is a burgeoning region, one that holds multiple market opportunities for a variety of Canadian sectors.

For some time now, GGC has been calling for the provision of additional resources, such as regionally based "SWAT teams", as we call them, consisting of trade officials, technical experts and industry representatives from all levels and departments within gov-

ernment and designed to work with customers to prevent market access concerns from becoming barriers. We need additional resources stationed abroad to promote Canadian products and ensure continued access.

That is why we support the grain value chain associations in their recommendation to establish an Indo-Pacific trade diversification office, which would include a dedicated and resourced market access team to work alongside industry partners. This office would be able to maintain regular contact with agriculture policy-makers and regulators in the Indo-Pacific, ensuring that Canada is at the leading edge of emerging trends in the region and building professional contacts to facilitate communication with foreign officials when required.

I'm grateful to have had the opportunity to present these comments to the committee, and I invite any questions you may have.

Thank you.

• (1730)

**The Chair:** Thank you very much.

Go ahead, Mr. Ghayyur, please, for five minutes.

**Mr. Taha Ghayyur (Executive Director, Justice For All Canada):** Thank you, Honourable Chair Sgro and members of the Standing Committee on International Trade, for this opportunity to share a human rights perspective.

As an executive director of a not-for-profit advocacy organization, Justice for All Canada, which focuses on human rights and genocide prevention, my statement deals with CEPA and FIPA as it closely relates to India, a key region of the Indo-Pacific. Even though CEPA and FIPA have not yet been signed, Canada should not facilitate investment pathways with India at the expense of the human rights and safety of persecuted religious minorities in the country.

India is governed by Bharatiya Janata Party, or BJP, a right-wing nationalist group guided by the Hindutva ideology, which envisions India as a nation for Hindus only, promoting a belief that Muslims, Christians, Sikhs, Dalits and Adivasis are second-class citizens.

Human Rights Watch and Amnesty International have long documented the Indian government's exclusionary framework that gives tacit support to right-wing groups to threaten, attack and discriminate against religious minorities with impunity. Between 2009 and 2018, 90% of religiously motivated hate crimes occurred since the BJP came to power in 2014, with 83% of these attackers affiliated with right-wing organizations, and 62% of the victims being Muslim. In 2019, 66% of recorded hate crimes were against Dalit minorities. In 2021 alone, 305 attacks took place against Christian communities and places of worship.

The BJP government has instituted notorious citizenship laws that disproportionately target over 200 million Indian Muslims. The Citizenship Amendment Act, or CAA, for instance, is a law that protects minorities from several countries surrounding India, but conveniently excludes Muslim refugees. The United Nations described the CAA as "fundamentally discriminatory".

The reason we don't hear much about this deteriorating human rights condition in India and the occupied Kashmir is that the BJP has repressed, raided, harassed and shut down over 19,000 NGOs in India and Kashmir since coming to power in 2014, in particular Amnesty International India, which was shut down last year.

Genocide Watch has issued two genocide warnings concerning Muslims in India. According to the U.S. Holocaust Memorial Museum, India ranked second in its early warning project statistical risk assessment. The United States Commission on International Religious Freedom, or USCIRF, has recently demonstrated the rising threat to Indian minority communities under the BJP government.

In December 2021, recently, during a Hindu religious parliament, prominent Hindutva leaders with close ties to BJP leadership publicly called for genocide against Indian Muslims and other minorities. After these genocide calls took place, state authorities began indiscriminately demolishing properties and homes of Muslims. Recently, a high court in south India's Karnataka state has upheld a discriminatory hijab ban restricting Muslim girls from obtaining an education in the state of Karnataka.

India wants to be friends with Canada while it continues working with Russia. The Canadian government has swiftly responded to the Ukrainian crisis while remaining silent over BJP's crimes against humanity. This indicates a strong double standard with regard to implementing CEPA and FIPA.

In conclusion, Justice for All Canada recommends the following.

The Standing Committee on International Trade is urged to enforce compliance with international conventions on human rights and protection of minorities as a precondition to any economic and trade relations with India. Canada's re-engagement with India on CEPA and FIPA must be contingent on India's commitment to take concrete policy actions to protect its vulnerable minorities.

The standing committee must ensure that all trade-related conversations and agreements with India involve independent human rights experts and include dedicated human rights chapters and provisions so our bilateral relations are not built at the expense of freedom, justice and the human rights of persecuted minorities in India.

We understand that India is a high-priority partner for Canada, but the Canadian government must prioritize developing progress agreements that rather promote and protect the human rights of vulnerable minorities in India. Canada should not overlook India's human rights violations and not treat India as a counterweight to China.

Thank you very much.

• (1735)

**The Chair:** Thank you very much. All of that information was very informative.

I need to ask the committee if they would like to stay. I know it's beyond their regular time, given the votes.

Would you like to stay long enough for each party to have one round?

**Mr. Randy Hoback (Prince Albert, CPC):** Yes, that would be fine.

**The Chair:** Is this something that everybody's good with?

Okay. Terrific.

We're going to start off with Mr. Hoback.

**Mr. Randy Hoback:** Thank you, Chair.

Thank you, witnesses. Again, apologies for the votes and the fiasco that we're going through. I'm glad you're able to stay here and at least have one round with us to get your message on the record.

You mentioned, in all your presentations, an Indo-Pacific office to deal with the non-tariff trade barriers, I assume. At this point in time, with CPTPP and the EU deal, CETA, we are hearing about lots of non-tariff trade barrier disputes. Can you give us a few examples of what those disputes would be?

Maybe I'll start off with you, Chris, and go to Mac afterwards.

**Mr. Chris Davison:** Yes, I'm happy to give some examples.

Typically, they arise from what we call sanitary and phytosanitary measures. At their heart, and when done well, they're intended to protect human, animal and plant health. They are typically designed to have corollary import requirements related to potential concerns. That could be insects or food-borne pathogens. It could be plant diseases and weeds. I think what you're hearing from us is that when these are overly restrictive or not scientifically justified, they become NTBs. I think we all have examples of those, but that's the basic category from which they emerge.

I would say that weed seed is one that's been quite prevalent across multiple crops recently, depending on the market in-country, but that would be a good example.

**Mr. Randy Hoback:** I'll go to Mac quickly.

**Mr. Mac Ross:** Sure.

You made a good point about how Canada has achieved reduced duties and tariffs through lots of our free trade agreements, but these non-tariff barriers are becoming the irritant that's restricting trade the most. We're seeing it happen in markets throughout the Indo-Pacific. As Chris mentioned, lots of times it has to do with sanitary and phytosanitary concerns.

What we're proposing with this office is to have a multidisciplinary group to respond to these issues. What our report has exposed is that many of these barriers are often due to the importing country's lack of resources, time or expertise to implement a risk assessment system for incoming commodities. Lots of times they could benefit from training in risk-based regulation versus hazard-based regulation.

Oftentimes, though, as Chris mentioned too, it could be guised as a technical issue, but there are other actual drivers, whether they be political or to thwart competition and protect domestic producers.

I think it's important to have the appropriate technical personnel, but also a multidisciplinary group that can understand the key drivers of these issues and deploy the correct response.

**Mr. Randy Hoback:** I'm going to stop you there, because I only have five minutes, Mac. I hope you don't mind my being informal.

As we do our new trade agreements, should we be spending more time on the dispute settlement mechanisms for problems such as non-tariff barriers?

Erin, do you want to take a kick at that?

**Ms. Erin Gowriluk:** Sure.

Yes, I think we should absolutely be dedicating more resources. We've talked for a long time—the value chain associations, along with the Grain Growers of Canada—about the need for a policy pivot as it relates to international trade.

**Mr. Randy Hoback:** But should we put in actual negotiations up front? We're talking about coming in after, to get the tariff removals, but should we be looking, up front, at making sure we have the appropriate bodies in place to actually deal with the disputes in a relatively timely manner?

**Ms. Erin Gowriluk:** I think that's a great question, Mr. Hoback.

I'll turn to my value chain partners to answer that question more specifically—

**Mr. Randy Hoback:** Okay, sure.

**Ms. Erin Gowriluk:** —but I'll build on some of the responses they shared already to say that in representing Canadian farmers whose livelihoods depend on international markets, a level of stability and predictability is what's required at this point. They're facing an increasing amount of unpredictability now in the international trade environment. Anything we can do to be proactive through this office and to create a more predictable environment is something that we would support.

I would invite my colleagues to speak to some specific examples of where we should be dedicating resources.

**Mr. Randy Hoback:** Okay, go ahead very quickly. I only get so many minutes.

**Mr. Daniel Ramage:** Yes, I can quickly chime in on that.

I think there are two areas. The enforcement of trade agreements is obviously very important. We actually have examples, as in Vietnam, where following the introduction and the entry into force of the CPTPP, the grain industry lost meaningful access to that country. That's one example where we need to be doing a better job of engaging and resolving the issues that are preventing us from exporting bulk grain into Vietnam.

Also, at the front end, we can do more in terms of engagement and relationship building to lay the foundation, the groundwork that is going to help us resolve issues proactively and prevent them from emerging in the first place. One example is in Indonesia, where we're currently negotiating a free trade agreement. We have ongoing trade risks that are not currently preventing trade, but those are risks that we should be resolving as we negotiate this trade agreement.

● (1740)

**Mr. Randy Hoback:** It's fair to say, then, that you're all in favour of seeing a trade agreement go forward with the ASEAN countries. You are all looking for good results from that.

Taha, you're talking about India a little differently from what we're talking about now, so I'll probably talk to you on another day.

We just want to make sure that we actually get what we negotiate and that we actually get the results that are promised. Is that fair to say? Okay. Can you table your entire Indo-Pacific trade study itself with the committee? I think that would be really good for our clerks to go through.

**The Chair:** You have 30 seconds.

**Mr. Randy Hoback:** What are other governments doing in that region outside of Canada? What are your competitors from other countries doing in that area? What's the first move or advantage?

**Mr. Chris Davison:** There are different approaches, but I will say that, generally speaking, we look primarily at the U.S., the EU and Australia.

The U.S. in particular has an extremely well-resourced presence in the region, in terms of the government-based personnel. They also have a large number of industry associations that have a significant footprint in the region. That's just one illustration of what was a recurring theme coming out of the report about the need for more on-the-ground, sustained presence in the region. There are some unique characteristics associated with the Indo-Pacific that we think justify that.

**The Chair:** Thank you very much.

We'll go on to Mr. Virani for six minutes.

**Mr. Arif Virani (Parkdale—High Park, Lib.):** Thank you, Madam Chair.

Thanks to all the witnesses for some very informative testimony. It's good to see some of you whom I've met before.

I'm going to start with Mr. Ghayyur and reflect on some of what he mentioned with respect to India.

First of all, the testimony was very informative and excellent in terms of its content. Just to give you one reassurance, in terms of any dealings we're having with the Indian government, we're going in on an eyes-wide-open basis. That's the approach that Minister Ng has taken so far with her counterpart, Minister Goyal. It's an understanding of what is on the table and what the present incarnation of the Indian government represents. Know that many members of her caucus, including yours truly, have been vocal as well.

I took note of what you said in terms of chapters. I think about what we've done in terms of inclusive trade recently. We've taken steps with the renegotiation of NAFTA 2.0—or what we now call CUSMA because we like putting Canada first—with things like inclusive trade chapters on gender, chapters on the environment, and ensuring that women and indigenous partners are there as part of the negotiation team.

I'm just wondering if you could reflect on it and elaborate a little bit. When you talk about a human rights chapter, what are you envisaging in terms of the next wave of free trade agreements with India or otherwise?

**Mr. Taha Ghayyur:** Thank you very much, first of all, for that reassurance. It's great to hear that members of the caucus and people in Parliament do care about this cause and want to hear more about it. Thank you very much for that and for the acknowledgment.

As far as the specific question is concerned, just as you have specific provisions around gender, we would like to see protection of religious minorities more specifically, because that is what seems to be an issue in this case, when it comes to India and many other countries around the world. China is another example.

Specifically, it is the protection of ethnic and religious minorities, and their human rights essentially being promoted and protected. That is really what we are concerned about.

**Mr. Arif Virani:** Thank you, Mr. Ghayyur.

We'll turn to some of your colleagues. Maybe I'll start with Ms. Gowriluk from the Grain Growers of Canada.

It came up a little bit, but it wasn't focused on too much by most of you as panellists. Tell me about the context of where we are with Russia and Ukraine, grain and wheat supplies, and global food insecurity. What does it mean in terms of the people you represent here at this committee?

There are different optics to it. One is that we have to ensure that Canada is playing its part in terms of grain and wheat supply around the planet. Another is that there's also a concern about not looking predatory in terms of global shortages and not exacerbating that and being opportunistic.

Can you sort of layer into your testimony a bit an aspect of the geopolitical situation we're faced with? Does that present us with opportunities? How do we handle those opportunities in the Indo-Pacific with respect to grain, in particular?

• (1745)

**Ms. Erin Gowriluk:** Sure, I'll offer a brief comment on that, and my colleagues, I'm sure, will have more to add on that.

From the perspective of Canadian grain farmers, at this point right now the crop is going in the ground; in many parts of the country, it has already. It's under way in other parts of the country. It's really up to Mother Nature at this point. We know that parts of Alberta and parts of the Prairies that are still recovering from drought conditions last year are lacking the moisture they need, so they're watching their crops very closely. In many parts of Manitoba that are still underwater, they're just getting that crop in the ground now.

We don't have a lot of insight at this point in terms of what we can expect the harvest will look like. We're hopeful that Mother Nature will co-operate and we'll be able to fill any gaps that the international market may be facing. We know there are a number of food-insecure regions around the world that rely on grain from the Black Sea region. All other countries will be pulling together to supply what we can for those regions.

**Mr. Arif Virani:** As some of you chime in—Chris and others—I'd also like your thoughts on this. The perspective I'm going to get at, and I'm going to be candid with you.... When you talk about a trade diversification office on the ground—and I also heard that from Troy, who was sitting in the back literally 24 hours ago—I appreciate the sentiment and what you're driving at.

Tell me two things: Is there a precedent in any other region in the world where we do business of having a dedicated office that is outside of the normal rubric—when I talk about the normal rubric, I'm talking about our trade commissioner service—and also, how do we explain that the TCS is good, but not quite good enough for this specific role?

How do you differentiate what you're contemplating from the current trade commissioner service, which I think most of us would generally agree does a very good job?

**Mr. Chris Davison:** Maybe I can kick that off.

First of all, our report reaffirms just what you said. It's very complimentary to a number of existing services and programs that are afforded and that support exporters from the Canadian government. I want to be really clear that this is not a criticism. It's about how we complement and strengthen this in that space.

What's a little bit unique about this is a recognition that trade commissioner service and other post staff in many instances don't have the technical background and capabilities that we're talking about associated with this office. They're also tasked with a number of files to deal with that have them looking at exports and promotion from a number of different aspects.

The office we're talking about would be made up of principally three buckets or types of people. We would have technical people—plant science, plant pathology and veterinarians—who can proactively work with a number of these sanitary and phytosanitary types of measures that I was talking about earlier. We're talking about regulatory experts who can provide that capacity building, both on the ground in terms of greater capacity from Canada and also in terms of working collaboratively to develop greater capacity and support risk-based systems in the Indo-Pacific region, for which there are varying capabilities. Then, of course, there are agriculture and trade policy personnel. All of those are linked with staff in the region, but also here in Ottawa and provincially, etc.

That's how I'd build on what you said. This is meant to be a complement to strengthen it.

I think the region is a little bit.... All regions are unique, but some are more aligned or maybe easier for us to work with more remotely or with less of a physical presence. We heard repeatedly the importance of sustained, on-the-ground presence. We need to be in the region. While there's significant opportunity, I also want to stress that the competition in the region is intensifying as well. This is not just about growth. Growth is what we're after, but we need this to sustain the market share that we have today as well.

**The Chair:** Thank you very much.

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

[Translation]

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

And thank you to all the witnesses for being here. On behalf of the committee, I just want to say that we are sorry.

Mr. Ghayyur, thank you for your testimony.

As part of our study, we heard testimony quite similar to yours. Witnesses warned us about certain countries, such as Indonesia, Malaysia and the Philippines. In some cases, we heard about the displacement of indigenous populations and the dangers of forced labour. We were told about jobs that don't pay enough and aren't subject to proper health regulations. I imagine you have similar concerns about India.

My colleague asked a question earlier about a human rights chapter.

Do you think there should be a chapter on labour? If so, what should it regulate?

• (1750)

[English]

**Mr. Taha Ghayyur:** Thank you for that question.

At this point, of course, we do not have sufficient evidence when it comes to labour rights. Of course, there are concerns about labour in many such countries, but when it comes to our concern right now with human rights, which is what Amnesty International and Human Rights Watch have been pointing out over and over again, it has to do with freedom of religion, expression and media, and freedom to express any critique of the government.

What we're looking for specifically is religious rights, the right to express yourself and the right to defend any person who is going through human rights violations. What we would like to see specifically concerns human rights defenders and journalists, as well as ethnic minorities and religious minorities.

[Translation]

**Mr. Simon-Pierre Savard-Tremblay:** So that must be officially included in a possible trade agreement.

In addition to violations committed directly by state actors, we've heard about human rights violations committed by multinationals. Obviously, there are fears that a possible trade agreement would increase multinationals' capacity to commit certain misdeeds. We heard testimony about the palm oil sector in Indonesia and Malaysia and the mining sector in the Philippines.

Do you think that, when it comes to India, there are contentious sectors that require particular caution and attention?

[English]

**Mr. Taha Ghayyur:** I can't think of any specifically at this point that I can talk about when it comes to multinationals. Our concern is, unfortunately, the lawlessness at this point, which has the tacit approval of the government.

It's not so much the multinationals and the businesses that are involved. Unlike China, for instance, and many other countries you just mentioned, whether it's Indonesia, Thailand, or other places where multinationals are definitely playing a very significant role and forced labour is a serious concern, in this case, this is not something we are concerned about, at least at this point. It's something we are definitely monitoring very closely, of course, when you have so much lawlessness and targeting of people indiscriminately.

Labour is another aspect that we definitely need to be studying, and it is something that Canada should be very seriously looking at. As a human rights advocacy group, we are also looking into it very seriously.

[Translation]

**Mr. Simon-Pierre Savard-Tremblay:** Since we're talking about a trade agreement, I'll use the example of Canadian companies doing business in countries where both the social safety net and regulatory toolkit are grossly inadequate. How can we strengthen the rules so that these companies respect human rights?

[English]

**Mr. Taha Ghayyur:** I think it comes down to the whole idea of due diligence. In some cases, we have seen precedents where government essentially has a code around responsible business ethics. That is something all businesses should follow in Canada when it comes to dealing with India or companies that have been doing business with India.

Of course, at a larger level, we're not necessarily suggesting at this point something like the Special Economic Measures Act, which we have seen with Myanmar or China, for instance. Right now we are talking about more proactive due diligence, which we should be doing both at the government level and also the corporations, and any company in Canada that is actually doing business with India.

• (1755)

[Translation]

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

[English]

**The Chair:** Thank you very much.

We have Mr. Masse for six minutes, please.

**Mr. Brian Masse (Windsor West, NDP):** Thank you, Madam Chair.

I want to start with Mr. Ghayyur.

I had the chance to go on a Governor General's trade mission type of thing. We went to Mexico, Guatemala and Peru. I was brought for the border stuff that I do. The Mexican component was for the justice system. They're changing their justice system around to be more accountable. Peru was interesting, and so was Guatemala, because of a series of human rights issues that have been going on.

The interesting component, because I think I side more with you, is in terms of needing to have better behaviour before you even start to engage in some of this, as opposed to exploitation. Is there a kind of tipping point or is there a structural component...? I'll ask

the other guests here to think about this as well. How do we build that into even our offices or the extensions of developing relationships as we go ahead? Usually, they're kind of seen as separate, but we are going into trade agreements now that have these components. The new NAFTA has it baked inside, as opposed to outside the agreement, and that's a big advantage to them.

I'll go to you first, please, and then I'll go to the others.

**Mr. Taha Ghayyur:** Thank you.

Actually, what you just mentioned, the example of the new NAFTA, is exactly what we have been proposing and talking about. We would like to see us and our government take this seriously and more proactively.

We don't want to be in a situation like the one in Myanmar with the Rohingya people. For five years, our group, the Burma task force and Justice for All, was talking about an impending genocide, until it was too late, in 2017, and then our government took action. We want to make sure we are proactive about it, and hence it needs to be embedded, as you said, in those agreements. That's really what we're looking for at this point.

It needs to be proactive and dealt with ahead of time, rather than dealing with it and talking about sanctions when it is already too late.

**Mr. Brian Masse:** Excellent.

The situation in India is particularly interesting for me, because my leader was denied access to India back in 2013, so I don't know what the... I got on the early list of those banned in Russia. I think you did, too, Madam Chair, and everybody else is on it now, so we're not going there.

To Mr. Davison, we're moving in this direction. I think a lot of parties in Parliament are moving towards having that as a component. How do we structurally change that, in terms of our offices or outreach and building that a little bit more into the process, having that as part of the culture of our outreach and extensions? Is there a resistance to that in business? Is there resistance to changing that model a bit? I see it like this: If we want to do stuff like this, then we have to have it as part of the front service and delivery when we're looking at those advantages to increase trade.

**Mr. Chris Davison:** I'm happy to kick this off, but I welcome comments from my colleagues. I want to be careful, because I'm not an expert in human rights.

I think we can take a little bit of a lead from what the focus of our report was, even though it was in a different area. I would mention three things. First, we've already talked about the opportunity to support capacity building. Second, we're very much about promotion and encouragement of adherence to international standards. Third, our report, while it did look at Canada versus our competitors, uncovered the role that development work does play in this space as well. The report goes into quite a bit of detail on that. There are different approaches by different countries around the world, but basically it highlighted that we need a multi-faceted approach and that there is no silver bullet in our case. I don't think there is in what you're speaking to either. I think there are some parallels, but I want to be careful.

**Mr. Brian Masse:** That's fair. Is there anybody else?

**Mr. Daniel Ramage:** I think Chris summed it up well, but it's that there really is an opportunity. We're exporting food. We want to enter these markets to support food security, so there is a development component just in the very nature of doing that. The opportunity is in linking the work we're doing, when it comes to capacity building in some of these key markets, with the priorities that align with Canada's ability to supply some of these key commodities so that we can help deliver on food security needs. It's about recognizing that the work we do in engagement on development, trade facilitation and capacity building can have those outcomes.

• (1800)

**Mr. Brian Masse:** You don't have any objections, though—in terms of our outreach teams, if we're actually going to create offices

and so forth—to including human rights in those issues as part of the structure. I think that would be a bit of a departure from our current trade missions, but we would be entering into that at the front end of it versus having NGOs and others discovering that later and having to investigate. That's what I want to get out of—investigating afterwards, as opposed to having our frontline service being engaged in this to begin with.

I know Mr. Ghayyur wants to chime in. Go ahead.

**Mr. Taha Ghayyur:** As part of the trade missions we're talking about, one of the recommendations we had made to the Canadian government and also to the ministry of international trade was to include independent human rights experts and legal experts who actually focus on global human rights. I think that would be a very welcome addition.

**Mr. Brian Masse:** Thank you, Madam Chair.

**The Chair:** Thank you to all of our witnesses for the information today. It was extremely valuable and well worth the wait, from our end anyway. Thank you very much.

Thank you, committee members, for your co-operation.

This meeting is adjourned.

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