



HOUSE OF COMMONS  
CHAMBRE DES COMMUNES  
CANADA

# **CANADA'S INDO-PACIFIC STRATEGY: TWO YEARS LATER**

**Interim Report of the Special Committee on the Canada-  
People's Republic of China Relationship**

**Ken Hardie, Chair**

**DECEMBER 2024  
44th PARLIAMENT, 1st SESSION**

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Chair**

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### **Reports from committees presented to the House of Commons**

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

To assist the reader:

A glossary of terms used in this report is available on page xi

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**THE SPECIAL COMMITTEE ON  
THE CANADA–PEOPLE’S REPUBLIC OF CHINA  
RELATIONSHIP**

has the honour to present its

**NINTH INTERIM REPORT**

Pursuant to the Order of Reference of Monday, May 16, 2022, the committee has studied the Canada–People’s Republic of China Relations and has agreed to report the following:



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## GLOSSARY

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ASEAN	Association of Southeast Asian Nations
AUKUS	Trilateral security pact between Australia, the United Kingdom, and the United States of America
BSE	Bovine spongiform encephalopathy
CCP	Chinese Communist Party
COP-15	2022 United Nations Biodiversity Conference
CORE	Canadian Ombudsperson for Responsible Enterprise
CPTPP	<i>Comprehensive and Progressive Agreement for Trans-Pacific Partnership</i>
FOIP	Free and Open Indo-Pacific
G7	Group of Seven
G20	Group of 20
IPS	Indo-Pacific Strategy
IUU	Illegal, unregulated and unreported
LNG	Liquefied natural gas
NGOs	Non-governmental organizations
PRC	People's Republic of China
QUAD	Quadrilateral Security Dialogue
RCEP	Regional Comprehensive Economic Partnership
S&P 500	Standard and Poor's index of the top 500 United States' companies

Special Committee	House of Commons Special Committee on the Canada–People’s Republic of China Relationship
U.S.	United States
ZPMC	Shanghai Zhenhua Heavy Industries Company Limited
WTO	World Trade Organization

# LIST OF RECOMMENDATIONS

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

## **Recommendation 1**

**That the Government of Canada prepare, within its Indo-Pacific Strategy, mitigation measures for bilateral irritants should they arise in the Indo-Pacific region. .... 17**

## **Recommendation 2**

**That the Government of Canada, in addition to the annual review of the implementation of *Canada's Indo-Pacific Strategy* produced by Global Affairs Canada, publish an update of the Strategy every two years, taking into account potential developments to latent conflicts identified in the region. .... 41**

## **Recommendation 3**

**That the Government of Canada, in the next update of the Indo-Pacific Strategy, include a reference to the Russian Federation and its destabilizing actions in the Indo-Pacific region, and provide objectives to counter its influence. .... 41**

## **Recommendation 4**

**That the Government of Canada, in the next update of the Indo-Pacific Strategy, indicate that Taiwan's future must be determined peacefully and in accordance with the wishes of the Taiwanese people, and continue to join like-minded partners in voicing support for Taiwan's meaningful participation in international organizations..... 41**

## **Recommendation 5**

**That the Government of Canada follow through on its plan to invest more in its military spending, particularly in terms of recruiting and training Canadian Armed Forces personnel..... 44**

**Recommendation 6**

**That the Government of Canada examine ways in which it can focus its military capability on its strengths in the fields of cyber warfare and artificial intelligence. .... 44**

**Recommendation 7**

**That the Government of Canada examine how it can integrate, as part of the implementation of its Indo-Pacific Strategy, an Indo-Pacific-style approach to dispute resolution, one that is based on cooperation between equals and respect for the history and culture of the nations in the region. .... 46**

**Recommendation 8**

**That the Government of Canada examine ways to increase the engagement of Canadian specialists in the Indo-Pacific region in order to counter the influence of the People's Republic of China and benefit nations in that region. .... 47**

**Recommendation 9**

**That the Government of Canada examine the impact if Canada were to associate with existing Indo-Pacific minilateral agreements, such as the Quadrilateral Security Dialogue (QUAD) and the trilateral security partnership between Australia, the United Kingdom and the United States (AUKUS), and the impact of Canada's possible contribution to the creation of new minilateral partnerships in the region, particularly in terms of combatting disinformation and addressing environmental and Indigenous issues. .... 50**

**Recommendation 10**

**That the Government of Canada continue to promote an open, rules-based multilateral trading system in the Indo-Pacific region. .... 55**

**Recommendation 11**

**That the Government of Canada review the strategy for marketing Canadian agricultural, agri-food, fish and seafood exports to the People's Republic of China and explore alternative markets to reduce geopolitical risk. .... 55**



**Recommendation 12**

**That the Government of Canada adopt measures to improve efficiency at the Port of Vancouver, while ensuring the reliability and resilience of supply chains that depend on the port. .... 57**

**Recommendation 13**

**That the Government of Canada review the *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* to enhance trade opportunities for Canadian consumers and firms, while ensuring that the process for the potential accession of new members supports rules-based and open markets. .... 60**

**Recommendation 14**

**That the Government of Canada integrate human rights provisions in new free trade agreements with Indo-Pacific partners. .... 60**

**Recommendation 15**

**That the Government of Canada ensure that the Agriculture and Agri-Food Office in Manila works to prevent and resolve potential trade disputes in the Indo-Pacific region, and expands markets for Canadian agricultural products..... 61**

**Recommendation 16**

**That the Government of Canada examine ways to speed up and clarify the process for access to funding for Canadian non-governmental organizations in order to strengthen people-to-people and institutional ties with the Indo-Pacific region..... 65**

**Recommendation 17**

**That the Government of Canada, in collaboration with Indigenous peoples in Canada, establish a knowledge exchange program on Indigenous issues with the governments and Indigenous peoples in the Indo-Pacific region, particularly those in Oceania and the Pacific Islands..... 66**

**Recommendation 18**

**That the Government of Canada, in collaboration with the provinces and territories, examine ways to invest in higher education, particularly in a research chair program at Canadian university institutions to support Canadian capacity building with respect to the Indo-Pacific and thus foster the development of enduring societal ties between Canada and the region. .... 66**

**Recommendation 19**

**That the Government of Canada urge the Government of the People's Republic of China to end its policy of cultural assimilation of Tibetans, and respect Tibetans' right to self-determination. .... 69**

**Recommendation 20**

**That the Government of Canada ensure that issues related to the protection of human rights, including the eradication of forced labour, are discussed at the highest levels during meetings with nations that do not share our values on these issues, including with top officials from the People's Republic of China. .... 69**

**Recommendation 21**

**That the Government of Canada publicly urge the government of the People's Republic of China to end the state-organized mass imprisonment, torture and persecution of members of the Uyghur ethnic minority and other minorities—which, in the opinion of Canada's House of Commons, amount to a genocide—in the Xinjiang Uyghur Autonomous Region. .... 70**

**Recommendation 22**

**That the Government of Canada commit to introducing legislative measures or build upon existing legislation to establish a rebuttable presumption that goods originating in the Xinjiang region, and other determined regions, are mined, manufactured or produced wholly or in part by forced labour, and ensure appropriate resources for their enforcement. .... 72**

**Recommendation 23**

**That the Government of Canada introduce a bill on corporate due diligence with regard to human rights that would, among other things, require companies to address human rights violations in their supply chains in Xinjiang and elsewhere..... 72**

**Recommendation 24**

**That the Government of Canada examine how it could fund organizations and civil society groups, including media organizations, that promote democratic values and universal human rights in authoritarian states in the Indo-Pacific region, modelled on public-private partnerships..... 75**

**Recommendation 25**

**That the Government of Canada, in partnership with the provinces, the territories and Canadian university institutions, establish more programs that give academics from the Indo-Pacific region an opportunity to study for master’s and doctorate degrees at Canadian universities within the announced national cap on study permit applications for international students and ensuring appropriate security measures are always maintained. .... 75**

**Recommendation 26**

**That the Government of Canada explore how it could increase the value of the country’s energy exports to the Indo-Pacific region in an environmentally responsible manner..... 82**

**Recommendation 27**

**That the Government of Canada take steps to define “clean energy,” which appears four times in the Indo-Pacific Strategy. .... 82**

**Recommendation 28**

**That the Government of Canada continue to support efforts to address illegal, unregulated and unreported fishing in the Indo-Pacific region, including by supporting labour reforms in distant water fleets. .... 85**

**Recommendation 29**

**That the Government of Canada commit to increasing its promotion of Canadian parliamentary diplomacy with Indo-Pacific nations..... 87**

**Recommendation 30**

**That the Government of Canada examine the possibility of having longer diplomatic postings in the Indo-Pacific region. .... 87**

**Recommendation 31**

**That the Government of Canada focus its efforts to increase its relevance in the Indo-Pacific region on further establishing bilateral people-to-people ties and developing targeted expertise to benefit the region. .... 89**

**Recommendation 32**

**That the Government of Canada increase its communication to the Canadian public to promote its Indo-Pacific Strategy. .... 90**

**Recommendation 33**

**That the Government of Canada work with provinces and territories to better include them in its Indo-Pacific Strategy to encourage the full implementation of the Strategy's goals and opportunities..... 91**

**Recommendation 34**

**That the Government of Canada's Indo-Pacific Special Envoy brief Parliamentarians annually on the situation in the Indo-Pacific region. .... 91**



## **CANADA'S INDO-PACIFIC STRATEGY: TWO YEARS LATER**

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### **INTRODUCTION**

On 20 September 2022, the House of Commons Special Committee on the Canada–People’s Republic of China Relationship (the Special Committee) agreed to undertake a study of *Canada’s Indo-Pacific Strategy* once it was published by the Department of Foreign Affairs, Trade and Development.<sup>1</sup>

A month later, the Government of Canada published [\*Canada’s Indo-Pacific Strategy\*](#) (IPS or Strategy). The Government of Canada published the Strategy as a way to present “a comprehensive road map” to deepen Canada’s engagement in the Indo-Pacific region over the next 10 years, considering the “significant and profound” role the region will play in Canada’s future.<sup>2</sup>

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1 House of Commons, Special Committee on the Canada–People’s Republic of China Relationship (CACN), [\*Minutes of Proceedings\*](#), 20 September 2022.

2 Global Affairs Canada, [\*Canada launches Indo-Pacific Strategy to support long-term growth, prosperity, and security for Canadians\*](#), News release, 27 November 2022.



Figure 1—Map of the Indo-Pacific Region



Source: Map prepared by the Library of Parliament, 2023, using data from Natural Earth, [1.10m Cultural Vectors and 1.10m Physical Vectors](#), version 4.1.0. The following software was used: Esri, ArcGIS Pro, version 3.1.1.

The Government of Canada outlines its evolving approach to the People’s Republic of China (PRC) in the Canadian Strategy, referring to it for the first time as “an increasingly disruptive global power.”<sup>3</sup> At the same time, the Strategy outlines that the Government

3 Government of Canada, [Canada’s Indo-Pacific Strategy](#), 2022, p. 7.

of Canada wishes to maintain a dialogue and cooperate where necessary with the PRC, both bilaterally and multilaterally.

With a mandate to study all aspects of the Canada–PRC relationship,<sup>4</sup> the Special Committee began its study of *Canada's Indo-Pacific Strategy* on 27 November 2023, holding nine meetings to hear from approximately 50 witnesses, including ambassadors, Government of Canada officials, experts on the Indo-Pacific region, human rights advocates, academics and representatives from Canadian organizations doing business in the region.

In light of the evidence heard by the Special Committee, this report is divided into three chapters. The first chapter outlines the context in which *Canada's Indo-Pacific Strategy* was developed, specifically addressing the emergence of the PRC as a global economic and military power and what this means for Sino-Canadian relations. The second chapter looks at regional perspectives, meaning the vision certain governments in the region have for the Indo-Pacific, and Canada's involvement in the Indo-Pacific. Lastly, the third chapter looks at the five strategic objectives listed in the Canadian Strategy, the challenges and rewards of each, and their implementation.

## **CONTEXTUALIZING CANADA'S INDO-PACIFIC STRATEGY**

Several factors have influenced the development and continued implementation of Canada's IPS, with witnesses commenting on the rationale for its development, the PRC's current approach towards global governance, Canada's relationship with the PRC, and more recently, Canada's evolving relationship with India.

### **Canada's Rationale for Developing its Indo-Pacific Strategy**

Witnesses commented on the rationale for the Government of Canada's development of the Strategy. Published in November 2022, seven months following the release of the February 2022 *Indo-Pacific Strategy of the United States*, the IPS articulated Canada's approach to this region of growing global importance. Ian McKay, the Ambassador of Canada to Japan and the Special Envoy for the Indo-Pacific, outlined that the Indo-Pacific region is the fastest growing economic region in the world, accounting for two-thirds of

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4 House of Commons, *Journals*, 16 May 2022.



global growth. He said that by 2040, the region will account for more than half of the global economy.<sup>5</sup> He stated,

Canada’s Indo-Pacific strategy is a Canadian strategy. It was built with Canadian interests and geopolitical realities in mind, and with a focus on what Canada wants to do for our businesses, students and citizens with respect to the fastest-growing economy in the world.<sup>6</sup>

Commenting on Canada’s role in the region, Gordon Houlden, Professor and Director Emeritus of the China Institute at the University of Alberta, who appeared as an individual, remarked that “Canada will remain, on balance, a minor factor in the Indo-Pacific region, but major events in the region will profoundly affect Canada. That’s the harsh reality for us—modest influence but potentially great impact.”<sup>7</sup>

Paul Evans, Professor Emeritus, School of Public Policy and Global Affairs, University of British Columbia, who appeared as an individual, noted that the specific wording “Indo-Pacific,” when compared to the previously used terminology “Asia-Pacific,” represents a significant change that goes beyond an increased emphasis on India and South Asia because it reflects a change in “tone, direction and positioning.”<sup>8</sup> The framing as Indo-Pacific, he explained, “is born in a more pessimistic and zero-sum era. It is characterized by an escalating rivalry between two great powers, anxiety about a rising [PRC] and uncertainty about the United States.”<sup>9</sup> In pointing out that about 15 other countries and two international organizations have also developed Indo-Pacific strategies, he identified that Canada’s was most closely aligned with that of the United States.<sup>10</sup>

Similarly, Dominique Caouette, Professor and Chair, Asian and Indo-Pacific Studies, Université de Montréal, appearing as an individual, mentioned to the Special Committee that, as all these Indo-Pacific strategies were being adopted, Quebec was the first within Canada to launch an Indo-Pacific strategy, a year before the Canadian Indo-Pacific strategy

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5 CACN, [Evidence](#), 27 November 2023, 1615 (Ian McKay, Ambassador of Canada to Japan and Special Envoy for the Indo-Pacific, Global Affairs Canada).

6 Ibid.

7 CACN, [Evidence](#), 29 January 2024, 1845 (Gordon Houlden, Professor and Director Emeritus, University of Alberta – China Institute, As an individual).

8 CACN, [Evidence](#), 29 January 2024, 2015 (Paul Evans, Professor Emeritus, School of Public Policy and Global Affairs, University of British Columbia, As an individual).

9 Ibid.

10 Ibid.



was published.<sup>11</sup> Quebec had released its *Indo-Pacific Strategy* in 2021. According to Dr. Caouette, the Quebec strategy “has made it possible to take a step forward because it focuses on diversity in partners. This reduces dependence on [the PRC], which gives Quebec greater leverage in negotiations with [the PRC].”<sup>12</sup>

While *Canada’s Indo-Pacific Strategy* outlines Canada’s aims to position itself as ready to participate in the growth of the Indo-Pacific region, Hugh Stephens, Distinguished Fellow, Asia Pacific Foundation of Canada, who appeared as an individual, noted that another “unstated objective” of the strategy is to manage what he characterized as Canada’s “[PRC] problem.”<sup>13</sup> Likewise, Shihoko Goto, Director, Asia Program, Woodrow Wilson International Center for Scholars, who appeared as an individual, viewed “[a]n Indo-Pacific strategy ... as a shorthand for a [PRC] strategy,” and saw opportunities for the United States (U.S.) to seek greater alignment with its allies in its approach to the region through this Indo-Pacific framing.<sup>14</sup> Similarly, Deanna Horton, Distinguished Fellow, Munk School of Global Affairs and Public Policy, University of Toronto, who appeared as an individual, stated that Indo-Pacific strategies arguably emerged as a “means of countering [the PRC]’s growing influence in Asia.”<sup>15</sup>

## The People’s Republic of China’s Approach to Global Governance

Witnesses explored the PRC’s approach to global governance, with several stating that the top priority of the Chinese Communist Party (CCP) under Xi Jinping is to remain in power.<sup>16</sup> Cleo Paskal, Researcher at the Université de Montréal’s Centre for International Studies, who appeared as an individual, drew the Special Committee’s attention towards the concept of comprehensive national power, which is a score that is calculated by PRC researchers to measure a country’s economic, military, science, technology, education, resources and influence strength. Cleo Paskal noted that in addition to remaining in

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11 CACN, *Evidence*, 26 February 2024, 2025 (Dominique Caouette, Professor and Chair, Asian and Indo-Pacific Studies, Université de Montréal, As an Individual).

12 Ibid.

13 CACN, *Evidence*, 3 June 2024, 1930 (Hugh Stephens, Distinguished Fellow, Asia Pacific Foundation of Canada, As an individual).

14 CACN, *Evidence*, 12 February 2024, 2030 (Shihoko Goto, Director, Asia Program, Woodrow Wilson International Center for Scholars, As an individual).

15 CACN, *Evidence*, 5 February 2024, 1955 (Deanna Horton, Distinguished Fellow, Munk School of Global Affairs and Public Policy, University of Toronto, As an individual).

16 CACN, *Evidence*, 29 January 2024, 1935 (Gordon Houlden, Professor and Director Emeritus, University of Alberta – China Institute, As an individual); and CACN, *Evidence*, 5 February 2024, 1950 (Cleo Paskal, Researcher, Montreal Centre for International Studies, Université de Montréal, As an individual).



power, the CCP’s goal is to be number one in comprehensive national power, either by out-competing other countries, or reducing the score of other countries by diminishing them. To do so, the CCP is willing to engage in “unrestricted warfare,” a “no rules apply” approach to target its enemies. This approach explains the PRC’s wide range of activities, including distributing fentanyl in other countries, building artificial islands in the South China Sea, developing infrastructure under the Belt and Road Initiative, and promoting TikTok to teenagers around the globe.<sup>17</sup>

Consistent with this concept of comprehensive national power, Lhadon Tethong, Director of the Tibet Action Institute, stressed that “the PRC is an expansionist power,” noting that its invasion and occupation of Tibet in 1950 was the then newly formed CCP’s first act of aggression and annexation.<sup>18</sup> Referencing the situation today, Gordon Houlden drew attention to CCP’s stated desire of unification with Taiwan, while suggesting that it did not outweigh the CCP’s top objective of remaining in power.<sup>19</sup> He noted that in order to remain in power, the CCP relies on economic stability, and shared his belief that the PRC government is currently more interested in maintaining market access and a stable global economy than invading Taiwan.<sup>20</sup>

Providing insight as to how the PRC has taken steps to acquire military and economic dominance, Fen Osler Hampson, Chancellor’s Professor and Professor at Carleton University’s Norman Patterson School of International Affairs, who appeared as an individual, outlined the PRC’s global governance ambitions within existing international institutions such as the United Nations and through an ambitious aim to build a new economic order that centres on the BRICS countries.<sup>21</sup> The PRC’s involvement in these organizations provide it with a degree of influence, for example, by providing more peacekeepers than any other permanent member of the UN Security Council, the PRC is achieving influence as a great power.<sup>22</sup>

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17 CACN, [Evidence](#), 5 February 2024, 1950 (Cleo Paskal, Researcher, Montreal Centre for International Studies, Université de Montréal, As an individual).

18 CACN, [Evidence](#), 6 May 2024, 1840 (Lhadon Tethong, Director, Tibet Action Institute).

19 CACN, [Evidence](#), 29 January 2024, 1935 (Gordon Houlden, Professor and Director Emeritus, University of Alberta – China Institute, As an individual).

20 Ibid.

21 BRICS is an acronym for an informal grouping of states formed in 2001 comprising Brazil, Russia, India, the People’s Republic of China (the PRC) and South Africa. As Fen Hampson pointed out, the BRICS have recently added new members including Egypt, Ethiopia, Iran, and the United Arab Emirates. CACN, [Evidence](#), 29 January 2024, 1840 (Fen Hampson, Chancellor’s Professor and Professor, Norman Patterson School of International Affairs, Carleton University, As an individual).

22 Ibid., [1925](#).

As the CCP aims to expand its military and economic reach abroad, within the PRC, the government is expanding its control over society through legal means and its security forces. For example, as Maya Wang, Acting China Director at Human Rights Watch, mentioned “expressing pessimism about the state of the economy right now can be punishable as an act endangering state security.”<sup>23</sup> She also highlighted that

[i]n Hong Kong, the authorities have erased long-protected basic civil and political rights after Beijing imposed a draconian national security law on the city in 2020. The government has also taken rapid-fire steps since then to eliminate the pro-democracy movement and the free press, arresting over 10,000 people for their involvement in the 2019 protest,<sup>24</sup> and has just imposed a second security law on the city, known as “article 23,” in March this year.<sup>25</sup>

## Canada’s Relationship With the PRC

It is within this context that *Canada’s Indo-Pacific Strategy* characterizes the PRC as an “increasingly disruptive global power.” Commenting on this framing, Jia Wang, Deputy Director of the University of Alberta’s China Institute, pointed out that Canada selected a more negative connotation for the PRC than other countries, including our closest ally the United States, which describes its relationship with the PRC as one of “strategic competition” in its 2020 [\*United States Strategic Approach to the People’s Republic of China\*](#).<sup>26</sup>

Dominique Caouette, believed that Global Affairs Canada would have thought carefully about using the word “disruptive” to describe the PRC, noting that it is “a time of change and turbulence in terms of power dynamics.”<sup>27</sup> Hugh Stephens stated, “we are using the IPS and its focus on strengthening relations with the region as a key element in dealing with [the PRC].”<sup>28</sup> He pointed out that the Special Committee’s study occurred during the [\*Foreign Interference Commission\*](#) that looked at the possible impacts of alleged

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23 CACN, [\*Evidence\*](#), 6 May 2024, 1835 (Maya Wang, Acting China Director, Human Rights Watch).

24 In 2019, in response to a Government of Hong Kong bill that would allow extradition to mainland PRC, millions of people peacefully protested in Hong Kong. The Hong Kong police responded with violence. For more information, see Amnesty International, [\*Hong Kong’s protests explained\*](#), 24 September 2019.

25 CACN, [\*Evidence\*](#), 6 May 2024, 1835 (Maya Wang, Acting China Director, Human Rights Watch).

26 CACN, [\*Evidence\*](#), 29 January 2024, 2005 (Jia Wang, Deputy Director, University of Alberta – China Institute, As an individual).

27 CACN, [\*Evidence\*](#), 26 February 2024, 2005 (Dominique Caouette, Professor and Chair, Asian and Indo-Pacific Studies, Université de Montréal, As an individual).

28 CACN, [\*Evidence\*](#), 3 June 2024, 1930 (Hugh Stephens, Distinguished Fellow, Asia Pacific Foundation of Canada, As an individual).



foreign interference by the PRC and other countries on the 2019 and 2021 Canadian federal elections and worsened Canada’s “problem” with the PRC.<sup>29</sup>

Ambassador McKay said the following about Canada’s relationship with the PRC, “we will compete where we compete; we will collaborate where we collaborate; and we will challenge on issues of human rights and economic coercion where we think that the lines are being crossed.”<sup>30</sup> Referring to those three “C’s”—compete, collaborate and challenge—Paul Evans referred to a fourth term: coexistence.<sup>31</sup> Recognizing that efforts to coexist with the PRC reflect “the engagement ambitions of an earlier era,” he noted that efforts under this coexistence framework include “mutual respect and dialogue beyond transactional matters.”<sup>32</sup> He continued in saying, “Ironically now, in the Canadian case, those channels are mainly closed.”<sup>33</sup>

With reference to the PRC’s reaction to Canada’s IPS, Ambassador McKay stated his belief that it has not enhanced or hindered Canada’s dialogues with the PRC going forward.<sup>34</sup>

## Tense Relations With India

In recent years, Canada’s relations with India have been characterized by cooperation and rising tensions. At the time of writing this interim report, the situation concerning Canada’s relations with India remain fluid.

Before the publication of Canada’s IPS, the National Security and Intelligence Committee of Parliamentarians had raised the issue of India’s foreign interference in Canadian political affairs in its [\*Special report into the allegations associated with Prime Minister Trudeau’s official visit to India in February 2018\*](#), tabled in December 2018.

In November 2022, in the weeks prior to the release of Canada’s IPS, Canadian officials were in New Delhi for the second India-Canada Consular Dialogue and discussions

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29 Ibid.

30 CACN, [\*Evidence\*](#), 27 November 2023, 1620 (Ian McKay, Ambassador of Canada to Japan and Special Envoy for the Indo-Pacific, Global Affairs Canada).

31 CACN, [\*Evidence\*](#), 29 January 2024, 2015 (Paul Evans, Professor Emeritus, School of Public Policy and Global Affairs, University of British Columbia, As an individual).

32 Ibid.

33 Ibid.

34 CACN, [\*Evidence\*](#), 27 November 2023, 1550 (Ian McKay, Ambassador of Canada to Japan and Special Envoy for the Indo-Pacific, Global Affairs Canada).

regarding migration and mobility.<sup>35</sup> Canada's IPS emphasized India as a "critical partner in Canada's pursuit of its objectives under this strategy." It also highlighted a "shared tradition of democracy and pluralism" and a "common commitment to a rules-based international system and multilateralism" when outlining Canada's objectives for India. These objectives included growing economic ties, working towards a Comprehensive Economic Partnership Agreement and sending trade missions to India.

Approximately one year following the release of Canada's IPS, in September 2023, Prime Minister Justin Trudeau stated the following in the House of Commons,

[o]ver the past number of weeks, Canadian security agencies have been actively pursuing credible allegations of a potential link between agents of the Government of India and the killing of a Canadian citizen, Hardeep Singh Nijjar... Last week, at the G20, I brought them personally and directly to Prime Minister Modi in no uncertain terms. Any involvement of a foreign government in the killing of a Canadian citizen on Canadian soil is an unacceptable violation of our sovereignty. It is contrary to the fundamental roles by which free, open and democratic societies conduct themselves.<sup>36</sup>

In the aftermath of this situation, the Indian government requested the removal of some Canadian diplomats from its territory by 10 October 2023. With reference to Canada's removal of two-thirds of its diplomats in its missions across India in October 2023, Ambassador McKay noted that aspects of Canada's IPS that relate to India can no longer happen, such as bolstering additional visa processing in Chandigarh.<sup>37</sup> In the meantime, however, as [outlined](#) by the Government of Canada, consular assistance continues to be accessible at the High Commission of Canada in New Delhi. Additionally, the Government of Canada postponed its trade mission to India that was going to be led by Canada's Minister of International Trade in October 2023.

More recently, on 14 October 2024, the Royal Canadian Mounted Police held a press conference and issued a statement that highlighted a "significant threat to public safety in our country."<sup>38</sup> It stated that that a significant number of individuals have been charged for direct involvement in "homicides, extortions and other criminal acts of

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35 At that time, discussions were initiated about the draft of the Migration and Mobility Partnership Agreement between India and Canada. See High Commission of India, [Brief on India-Canada Bilateral Relations](#), January 2023.

36 House of Commons, [Debates](#), 18 September 2023, 1520 (Right Hon. Justin Trudeau).

37 CACN, [Evidence](#), 27 November 2023, 1545 (Ian McKay, Ambassador of Canada to Japan and Special Envoy for the Indo-Pacific, Global Affairs Canada).

38 Royal Canadian Mounted Police, [RCMP statement on violent criminal activity occurring in Canada with connections to agents of the Government of India](#), Statement, 14 October 2024.



violence.”<sup>39</sup> That day, the Government of Canada announced that six Indian diplomats and consular officials received notices of expulsion from Canada “in relation to a targeted campaign against Canadian citizens by agents linked to the government of India.”<sup>40</sup> Likewise, India expelled six Canadian diplomats, including the acting high commissioner.<sup>41</sup>

Commenting on the repercussions of Canada’s strained relationship with India, Cleo Paskal described the situation as a “real setback” for Canada that seriously affects its security profile in the region. She pointed out that India hosted a successful Group of 20 (G20) presidency in 2023 and has significant influence in multinational fora.<sup>42</sup> She noted that most of the Indo-Pacific region is in India’s domain of influence, not that of Canada’s, stating “[i]f we have problems with India, then it becomes a problem for Canada.”<sup>43</sup> As Hugh Stephens put it, “there is the crisis in our relations with India, so we have an Indo-Pacific strategy virtually without India.”<sup>44</sup> Still, India has its own section under Canada’s IPS,<sup>45</sup> which highlights that Canada will grow economic ties and resilient supply chains with India.<sup>46</sup> In 2023, Canada’s bilateral merchandise trade with India was valued at \$12.7 billion, a 7.7% decrease from 2022.<sup>47</sup>

Drawing attention to the worsening human rights situation in India,<sup>48</sup> Feroz Mehdi, Program Officer at Alternatives, which is a relief organization and a network of partners committed to echoing the voices of social movements, and Maya Wang expressed concern that in Canada’s efforts to address its issues with the PRC, Canada might lose sight of the growing human rights abuses in India, including the erosion of its democracy and press

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39 Ibid.

40 Global Affairs Canada, [Minister Joly announces expulsion of Indian diplomats related to ongoing investigation on violent criminal activity linked to the Government of India](#), News release, 14 October 2024.

41 Ministry of External Affairs, Government of India, [India expels Canadian diplomats](#), 14 October 2024.

42 CACN, [Evidence](#), 5 February 2024, 2105 (Cleo Paskal, Researcher, Montreal Centre for International Studies, Université de Montréal, As an individual).

43 Ibid.

44 CACN, [Evidence](#), 3 June 2024, 1930 (Hugh Stephens, Distinguished Fellow, Asia Pacific Foundation of Canada, As an individual).

45 The other regions that have dedicated sections in *Canada’s Indo-Pacific Strategy* are the PRC, the North Pacific and the Association of Southeast Asian Nations.

46 Government of Canada, [Canada’s Indo-Pacific Strategy](#), 2022, p. 9.

47 Government of Canada, [Report - Trade Data Online](#).

48 Human Rights Watch, [World Report 2024: India](#).

freedoms.<sup>49</sup> Yuki Tatsumi, Co-Director of The Henry L. Stimson Center's East Asia Program, who appeared as an individual, noted that these concerns, including India's treatment of its minority populations, have led Japan to assess the reliability of India as a partner in the Quadrilateral Security Dialogue while recognizing its role as a strategic partner to counter challenges with the PRC.<sup>50</sup>

### Recommendation 1

**That the Government of Canada prepare, within its Indo-Pacific Strategy, mitigation measures for bilateral irritants should they arise in the Indo-Pacific region.**

## REGIONAL OUTLOOK

As outlined in its Indo-Pacific Strategy, the Government of Canada is committed to investing “in building capacity to engage with countries across the region, while paying particular attention to Australia, Association of Southeast Asian Nations (ASEAN) countries, [the PRC], India, Japan, Pacific Island Countries, the Republic of Korea and New Zealand.”<sup>51</sup> To this end, the Canadian Strategy highlights four Indo-Pacific states/regions—the PRC, India, the North Pacific and ASEAN—in which Canada intends to play an active role in line with its interests and values.<sup>52</sup>

During its study, the Special Committee heard from experts and government representatives in some of these regions in order to obtain information about their own vision and understanding of the Indo-Pacific region, their perspectives on *Canada's Indo-Pacific Strategy* and Canadian engagement in the region, as well as their perceptions of the future of relations between Canada and these various states and the opportunities for Canada in the region.

### The North Pacific

The Canadian Strategy refers to the North Pacific, namely Japan and the Republic of Korea.<sup>53</sup> During the Special Committee's study, and in order to gather perspectives from

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49 CACN, *Evidence*, 6 May 2024, 1830 (Feroz Mehdi, Program Officer, Alternatives); and CACN, *Evidence*, 6 May 2024, 1835 (Maya Wang, Acting China Director, Human Rights Watch).

50 CACN, *Evidence*, 12 February 2024, 2025 (Yuki Tatsumi, Co-Director, East Asia Program, The Henry L. Stimson Center, As an individual).

51 Government of Canada, *Canada's Indo-Pacific Strategy*, 2022, p. 5.

52 Ibid. pp. 7–13.

53 Ibid., pp. 10–12.



the region, His Excellency Kanji Yamanouchi, Japan’s Ambassador to Canada, as well as regional experts Yuki Tatsumi and Shihoko Goto, testified before the Special Committee.

## Japan and the Indo-Pacific

Japan launched its *Free and Open Indo-Pacific* (FOIP) plan in 2016 under the governance of the late Prime Minister Shinzo Abe. At the time, FOIP aimed to develop a free and open Indo-Pacific region using the following three pillars:

- promotion and establishment of fundamental principles, including the rule of law, freedom of navigation and free trade;
- pursuit of economic prosperity; and
- commitment to peace and stability.

This vision of the Indo-Pacific through the concept of a FOIP has continued to evolve throughout subsequent Japanese administrations.<sup>54</sup> According to Ms. Tatsumi, this evolution “has almost direct correlations to [the PRC]’s emergence as a challenger to the existing international rules-based liberal order.”<sup>55</sup> In her view, this evolution can be seen in the different versions of the national security strategies Japan has launched over the years. For instance, considering that in 2012, the Japanese government defined “[the PRC]’s ... behaviour as ‘a source of concern not only for Japan but also for international community writ large’ and as ‘something that needs to be monitored closely,’”<sup>56</sup> Japan’s 2022 updated national security strategy demonstrates a change in tone toward the PRC and thus a change in the FOIP concept. She explained to the Special Committee that the Japanese national security strategy published in December 2022 now defines the PRC as presenting the most important and unprecedented strategic challenge to the stability and security of Japan, the Indo-Pacific region and the entire international community.<sup>57</sup>

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54 See, in particular, Junya Nishino, “Japan’s New Plan for a ‘Free and Open Indo-Pacific’ and Its Challenge,” *Asia Policy*, Vol. 18, No. 3 July 2023, p. 18.

55 CACN, *Evidence*, 12 February 2024, 1955 (Yuki Tatsumi, Co-Director, East Asia Program, The Henry L. Stimson Center, As an individual).

56 Ibid.

57 Ibid.; and Government of Japan, *National Security Strategy of Japan*, December 2022.



Following this development, during a visit to India in March 2023,<sup>58</sup> Japanese Prime Minister at the time, Fumio Kishida, announced a [New Plan for a “Free and Open Indo-Pacific”](#) based on the following four pillars:

- principles for peace and rules for prosperity;
- addressing challenges in an Indo-Pacific way;
- multi-layered connectivity; and
- extending efforts for security and safe use of the “sea” to the “air.”

A key element of Japan’s new Indo-Pacific plan, as outlined by Ambassador Yamanouchi to the Special Committee, is its second pillar: a new direction for cooperation within the FOIP framework, which involves resolving conflicts in an Indo-Pacific way. Further to this point, the Japanese Ambassador explained to the Special Committee that, in the region, sovereignty is very important, as is working together as equals, in the sense that in the Indo-Pacific “[e]ach country has its own pride, history and culture, and we have to respect those.”<sup>59</sup> Therefore, according to Ambassador Yamanouchi, to reach consensus and common ground in the region, issues must be discussed on an equal footing, even though that may take time. He stressed that the countries in the region, especially the members of ASEAN, do not want to have any ideas imposed on them, especially Western ones. For example, Ambassador Yamanouchi explained that when the Japanese government says it is doing “something in the ASEAN way or the Indo-Pacific way,” it means it is respecting “each country’s voice” involved in the discussions.<sup>60</sup>

Speaking generally about Japan’s role in the Indo-Pacific, Ms. Goto said that Japan is “a very committed multilateral actor” that wants to “work multilaterally on the security front and on the economic front too, and it wants to position itself as the champion of the rule of law as well,” leading to its “free and open Indo-Pacific strategy”—in other words, the new FOIP—“being adopted by many countries.”<sup>61</sup>

Regarding Japan’s position on challenges in the region, Ambassador Yamanouchi commented on the situation involving the Taiwan Strait. He mentioned that the

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58 Government of Japan, [New Plan for a “Free and Open Indo-Pacific”](#): Policy Speech by PM Kishida, 19 May 2023.

59 CACN, [Evidence](#), 12 February 2024, 1855 (H.E. Mr. Kanji Yamanouchi, Ambassador of Japan to Canada).

60 Ibid.

61 CACN, [Evidence](#), 12 February 2024, 2030 (Shihoko Goto, Director, Asia Program, Woodrow Wilson International Center for Scholars, As an individual).



Japanese government was “watching [the situation] very carefully,” considering that “peace and stability in the Taiwan Strait are very important not only for the security of Japan but also for the stability of the international community as a whole.”<sup>62</sup>

In addition, he affirmed Japan’s support for Taiwan having a voice as an observer in various international fora, including the World Health Organization and the International Civil Aviation Organization,<sup>63</sup> mirroring the Government of Canada’s support for Taiwan’s technical participation in these organizations.<sup>64</sup>

With respect to the situation in the Taiwan Strait, Ms. Tatsumi added that, “[a]s Ambassador Yamanouchi spoke about at length..., peace and stability across the Taiwan Strait are extremely important for Japan’s own national security,” and “[i]t is in this context that Tokyo’s rapprochement with the Republic of Korea, symbolized by the [August 2023] Camp David summit [a tripartite meeting between the United States, Japan and the Republic of Korea], carries such an importance.”<sup>65</sup> She asserted that “Japan is now squarely together on the same page with Washington and Seoul in terms of countering any attempt that may be leveraged by Beijing to change the status quo by force, which speaks volumes about Japan’s effort to make sure that deterrence is in place.”<sup>66</sup>

### Japan and Canada’s Indo-Pacific Strategy

The Japanese Ambassador began by describing *Canada’s Indo-Pacific Strategy* as “excellent news for Japan.”<sup>67</sup> He informed the Special Committee that “[t]he Japanese

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62 CACN, [Evidence](#), 12 February 2024, 1850 and [1915](#) (H.E. Mr. Kanji Yamanouchi, Ambassador of Japan to Canada).

63 Ibid., [1925](#).

64 Government of Canada, [Government Response to the Second Report of the Special Committee on the Canada–People’s Republic of China Relationship – Canada and Taiwan: A Strong Relationship in Turbulent Times](#), 15 September 2023. Note also that two Canadian bills currently under consideration – [Bill C-343](#), a Private Member’s Bill sponsored by Michael Cooper of the Conservative Party of Canada, and [Bill S-277](#), a Senate Public Bill sponsored by Senator Michael L. McDonald, affiliated with the Conservative Party of Canada – each provide in clause 3(2)(a) that it is the policy of the Government of Canada to support the participation of Taiwan in multilateral international organizations, including the World Health Organization, the International Civil Aviation Organization and Interpol, and encourage other states and non-governmental organizations to support this goal so that Taiwan may play a role that is commensurate with its position in the Indo-Pacific region.

65 CACN, [Evidence](#), 12 February 2024, 1955 (Yuki Tatsumi, Co-Director, East Asia Program, The Henry L. Stimson Center, As an individual).

66 Ibid.

67 CACN, [Evidence](#), 12 February 2024, 1835 (H.E. Mr. Kanji Yamanouchi, Ambassador of Japan to Canada).

government welcomed and appreciated the Indo-Pacific strategy by Canada” and that it applauds “the steady progress that Canada has made in implementing its Indo-Pacific strategy.”<sup>68</sup> He is also pleased that Japan’s and Canada’s Indo-Pacific priorities are aligned in terms of their respective strategies and plans.

He highlighted the joint action plan for the implementation of Canada’s and Japan’s shared priorities to contribute to a free and open Indo-Pacific region, which was agreed upon by Canada’s Minister of Foreign Affairs, Mélanie Joly, and Japan’s Minister of Foreign Affairs at the time, Hayashi Yoshimasa, in October 2022. This joint action plan, based on the Canadian Strategy, aims to “complement efforts made by like-minded partners, including Japan’s ‘Free and Open Indo-Pacific (FOIP)’ vision.”<sup>69</sup>

Ambassador Yamanouchi told the Special Committee that, following this action plan, there is “a great development in Canada-Japan defence co-operation.”<sup>70</sup> For example, he noted the joint military exercise KAEDEX, which “focuses on strengthening interoperability between the Royal Canadian Navy and the Japanese Maritime Self-Defense Force,”<sup>71</sup> the deployment of three Canadian frigates to the region, and the joint efforts of Canada and Japan in UN activities “to monitor North Korean ship-to-ship transfers.”<sup>72</sup>

Moreover, according to Ms. Tatsumi, the joint action plan is fully in line with the Canadian Strategy. She added that, “even if it’s symbolic, the demonstration of a bilateral, joint gesture to elevate the security side of the relationship—for example, ‘two-plus-two’, which is currently at the vice-ministerial level but which could be elevated to the ministerial level and be made a full-fledged ‘two-plus-two’—would speak volumes to both countries’ collective will to elevate that relationship.”<sup>73</sup>

According to Ambassador Yamanouchi, one of the achievements of *Canada’s Indo-Pacific Strategy* is that many Japanese companies are now showing an interest in Canada, considering the “high quality of the Canadian labour force and the high standard.”<sup>74</sup>

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68 Ibid.

69 Global Affairs Canada, [Canada-Japan Action Plan for contributing to a free and open Indo-Pacific Region](#), Backgrounder, 2022.

70 CACN, [Evidence](#), 12 February 2024, 1900 (H.E. Mr. Kanji Yamanouchi, Ambassador of Japan to Canada).

71 Captain Jenn Jackson, [Japan and Canada improve interoperability at KAEDEX](#), Department of National Defence, 25 November 2019.

72 CACN, [Evidence](#), 12 February 2024, 1900 (H.E. Mr. Kanji Yamanouchi, Ambassador of Japan to Canada).

73 CACN, [Evidence](#), 12 February 2024, 2045 (Yuki Tatsumi, Co-Director, East Asia Program, The Henry L. Stimson Center, As an individual).

74 CACN, [Evidence](#), 12 February 2024, 1850 (H.E. Mr. Kanji Yamanouchi, Ambassador of Japan to Canada).



In the same vein, he said that he was “very proud that the Canadian Ambassador to Japan, Mr. McKay, is making big differences.”<sup>75</sup>

Another key element of the Canadian Strategy raised by the Japanese Ambassador is the importance of people-to-people exchanges, which he described as “a very important pillar of the Indo-Pacific strategy.”<sup>76</sup> In his view, “enhanced relations—friendship and trust—between Canada and Japan’s top leaders are inevitable and very important,” but it is equally, if not more important, that “grassroots and people-to-people exchanges also cement friendship and trust among the people.”<sup>77</sup> As an example, he highlighted the interest Japanese students have in academic exchanges in Canada, and the interest Japanese institutions have in further promoting such exchanges, considering that “in Canada, the higher education institutions are very much respected when it comes to high tech, like artificial intelligence and quantum.”<sup>78</sup>

Overall, according to the Japanese Ambassador, “Canada’s Indo-Pacific strategy is now making a difference in a very positive way.”<sup>79</sup> Ms. Goto and Ms. Tatsumi concurred, both stressing that it is a “great plan,” but that they would still like to see it more widely implemented.<sup>80</sup>

## The Future of Canada–Japan Relations

Senior officials from Canadian government departments and experts testifying before the Special Committee identified Japan and the Republic of Korea as key priority partners for Canada in the region.<sup>81</sup> Several of them also told the Special Committee about areas of potential collaboration.

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75 Ibid.

76 Ibid., [1925](#).

77 Ibid., [1915](#).

78 Ibid., [1925](#).

79 Ibid., [1835](#).

80 CACN, [Evidence](#), 12 February 2024, 2040 (Shihoko Goto, Director, Asia Program, Woodrow Wilson International Center for Scholars, As an Individual); and CACN, [Evidence](#), 12 February 2024, 2045 (Yuki Tatsumi, Co-Director, East Asia Program, The Henry L. Stimson Center, As an individual).

81 CACN, [Evidence](#), 27 November 2023, 1730 (Frank Des Rosiers, Assistant Deputy Minister, Strategic Policy and Innovation, Ministry of Natural Resources); CACN, [Evidence](#), 5 February 2024, 1845 (Stephen R. Nagy, Professor, International Christian University, Macdonald-Laurier Institute, As an individual); and CACN, [Evidence](#), 27 May 2024, 1850 (Jeff Kucharski, Senior Researcher, Macdonald-Laurier Institute).

On the security front, Ms. Tatsumi emphasized the growing importance of relations between Tokyo and Ottawa. Further to this point, she mentioned that, in her opinion, “the Japanese would love to see more Canadians showing up as observers or active participants in the bilateral, trilateral or multilateral military joint exercises that Japan conducts with the United States and other countries.”<sup>82</sup>

As an example, she explained to the Special Committee that the “Camp David summit is a tremendous opportunity for Canada”<sup>83</sup> to strengthen relations, confirming what Ms. Goto had said prior, namely that “Canada has a tremendous role to play in vocalizing and supporting the trilateral relationship [among Japan, the Republic of Korea and the United States],” as well as a “tremendous role to play as a bridge builder between Japan and [the Republic of Korea]” since it has “good relations with both, but also there could be enhancement of those bilateral relations even further and articulation of the need for continued solid relations between Tokyo and Seoul.”<sup>84</sup> Moreover, according to Deanna Horton, “[a]gainst the backdrop of potential changes in America’s leadership in Asia, Canada would be wise to strengthen these north Pacific relationships.”<sup>85</sup>

On the energy front, Ambassador and Special Envoy McKay stated that the Japanese people are waiting for the LNG Canada project with enormous anticipation, considering Japan’s energy security vulnerability. In his words, the country depends on imported energy “to an unhealthy degree,” at 87% according to Ambassador Yamanouchi.<sup>86</sup> Thus, according to Ambassador McKay, LNG Canada “gives [Japan] much comfort that it’s coming from a reliable and friendly partner who will be delivering to Japan, Malaysia and [the Republic of Korea] the cleanest, lowest-emission LNG on the planet.”<sup>87</sup> The Japanese Ambassador confirmed as much to the Special Committee as he clearly expressed his interest in LNG Canada, stating that it is “one of the examples of how

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82 CACN, *Evidence*, 12 February 2024, 2045 (Yuki Tatsumi, Co-Director, East Asia Program, The Henry L. Stimson Center, As an individual).

83 *Ibid.*, 2010.

84 CACN, *Evidence*, 12 February 2024, 2010 (Shihoko Goto, Director, Asia Program, Woodrow Wilson International Center for Scholars, As an individual).

85 CACN, *Evidence*, 5 February 2024, 1955 (Deanna Horton, Emeritus Fellow, Munk School of Global Affairs and Public Policy, University of Toronto, As an individual).

86 CACN, *Evidence*, 27 November 2023, 1610 (Ian G. McKay, Canadian Ambassador to Japan and Canada’s Special Envoy for the Indo-Pacific, Department of Foreign Affairs, Trade and Development); and CACN, *Evidence*, 12 February 2024, 1845 (H.E. Mr. Kanji Yamanouchi, Ambassador of Japan to Canada).

87 CACN, *Evidence*, 27 November 2023, 1610 (Ian G. McKay, Canadian Ambassador to Japan and Canada’s Special Envoy for the Indo-Pacific, Department of Foreign Affairs, Trade and Development).



[Canada] can make a big difference in [the] energy transition” toward net-zero emissions by 2050.<sup>88</sup>

Lastly, when discussing Japanese–Canadian relations in the Indo-Pacific era, Ambassador Yamanouchi expressed the view that “Canada-Japan relations are now entering a new chapter based on [a] joint vision of a free and open Indo-Pacific.”<sup>89</sup>

## Association of Southeast Asian Nations (ASEAN)

Within its Indo-Pacific Strategy, Canada wishes to deepen its engagement not only with ASEAN, but also with the wider Southeast Asia region.<sup>90</sup> As an example of this deeper engagement, since September 2023, Canada has elevated its relationship with ASEAN to the level of strategic partner. As such, the Special Committee heard from a number of experts about Canada’s relationship with ASEAN as an organization, as well as about the role Canada has played and could play in the region. In addition, Her Excellency Maria Andrelita Sacramento Austria, Ambassador of the Republic of the Philippines to Canada—the Philippines being a founding member of ASEAN—testified before the Special Committee to share the Government of the Philippines’ perspective on the Indo-Pacific and impressions of Canada’s IPS.

## ASEAN and the Indo-Pacific

ASEAN is a regional intergovernmental organization comprising 10 member states, all located in Southeast Asia in the Indo-Pacific region.<sup>91</sup> Kai Ostwald, Associate Professor at the Asian Research Institute of the University of British Columbia, who appeared as an individual, told the Special Committee about the particularities of this organization, which functions differently than other intergovernmental organizations. He said that it acts as “the primary vehicle for coordinating regional activities and interests,” and its

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88 CACN, *Evidence*, 12 February 2024, 1845 (H.E. Mr. Kanji Yamanouchi, Japanese Ambassador to Canada).

89 Ibid., 1840.

90 In general, when Southeast Asia or the Southeast Asian nations are mentioned, it refers broadly to the area from eastern India to the PRC, with 11 countries divided into two zones: the mainland zone, which is an extension of the Asian continent, and the island or maritime, zone. The mainland zone consists of Myanmar, Thailand, Laos, Cambodia and Vietnam, while the island zone includes Malaysia, Singapore, Indonesia, the Philippines, Brunei and East Timor. See Barbara Watson Andaya, “*Introduction to Southeast Asia*,” Asia Society; and Dominique Caouette and Serge Granger, “Introduction,” *L’Asie du Sud-Est : À la croisée des puissances*, 2019, p. 9 [AVAILABLE IN FRENCH].

91 The 10 member states are Indonesia, Malaysia, the Philippines, Singapore, Thailand, Brunei, Cambodia, Myanmar, the Lao People’s Democratic Republic and Vietnam. See Association of Southeast Asian Nations (ASEAN), *Member States*.

main purpose is to “facilitate dialogue and coordinate engagement, both within the region and beyond the region.”<sup>92</sup> Furthermore, according to Dr. Ostwald and Erik Kuhonta, Associate Professor in the Department of Political Science at McGill University, who appeared as an individual, ASEAN does not use coercion; it is a very pragmatic organization, whose *raison d’être* is to facilitate discussion and regional stability. It operates on the basis of two main principles, namely consensus as a decision-making process and non-interference in members’ domestic affairs.<sup>93</sup> According to Ann Fitz-Gerald, Director of the Balsillie School of International Affairs, “what ASEAN brings that’s dissimilar to most regional and multilateral organizations is a very heavy weight placed on science, innovation and higher education.”<sup>94</sup>

Several witnesses before the Special Committee began by pointing out the diversity of ASEAN member states.<sup>95</sup> Alice Ba, Professor of International Relations and Comparative Politics at the University of Delaware, who appeared as an individual, noted that since it is “an intergovernmental organization, as was noted, of 10 states of varied sizes, levels of development and global relations, that operate on consensus,” “[t]hese inter-ASEAN differences are not eased by current [Indo-Pacific] conflicts.”<sup>96</sup>

Indeed, current conflicts in the Indo-Pacific region involving some ASEAN members were the focus of discussions at the Special Committee, including disputes in the South China Sea, an area described in *Canada’s Indo-Pacific Strategy* as “one of the region’s key security hot spots.”<sup>97</sup> According to Dr. Ba, it is “one of the most complicated disputes in the world, given the number of actors and the variations in terms of the types of claims that are made.”<sup>98</sup> It is therefore an especially challenging dispute to handle and, in her opinion, ASEAN is having great difficulty in doing so. She is of the belief that this

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92 CACN, *Evidence*, 3 June 2024, 1920 (Kai Ostwald, Associate Professor, Institute of Asian Research, University of British Columbia, As an individual).

93 Ibid.; and CACN, *Evidence*, 3 June 2024, 2030 (Erik Kuhonta, Associate Professor, Department of Political Science, McGill University, As an individual).

94 CACN, *Evidence*, 5 February 2024, 2040 (Ann Fitz-Gerald, Director, Balsillie School of International Affairs).

95 CACN, *Evidence*, 3 June 2024, 1920 (Kai Ostwald, Associate Professor, Institute for Asian Research, University of British Columbia, As an Individual); and CACN, *Evidence*, 3 June 2024, 2030 (Erik Kuhonta, Associate Professor, Department of Political Science, McGill University, As an individual).

96 CACN, *Evidence*, 3 June 2024, 1930 (Alice Ba, Professor, International Relations and Comparative Politics, University of Delaware, As an individual).

97 Government of Canada, *Canada’s Indo-Pacific Strategy*, 2022, p. 3.

98 CACN, *Evidence*, 3 June 2024, 1945 (Alice Ba, Professor, International Relations and Comparative Politics, University of Delaware, As an individual).



situation illustrates one of ASEAN’s limitations, namely that it does not resolve conflicts within its own ranks.

The Ambassador of the Republic of the Philippines to Canada nevertheless shared with the Special Committee that, in the Philippines’ view, ASEAN remains an exceedingly important and relevant platform for member states to achieve a peaceful settlement of disputes in the South China Sea, and particularly in the West Philippine Sea. In her view, for the Philippines, “ASEAN continues to provide a very good venue for us to continue discussions with other parties on even the most contentious issues.”<sup>99</sup>

Moreover, despite a range of interests within ASEAN, notably in the South China Sea conflict, the Philippine Ambassador told the Special Committee that, in the view of the Government of the Philippines, ASEAN “must hold its centre as the lead actor in the regional security architecture no matter how many minilaterals emerge. ASEAN has been—and, in the foreseeable future, will remain—the neutral ground where all the other powers of the world interact and engage regularly.”<sup>100</sup> Figure 2, below, provides a map of the South China Sea, including the West Philippine Sea.

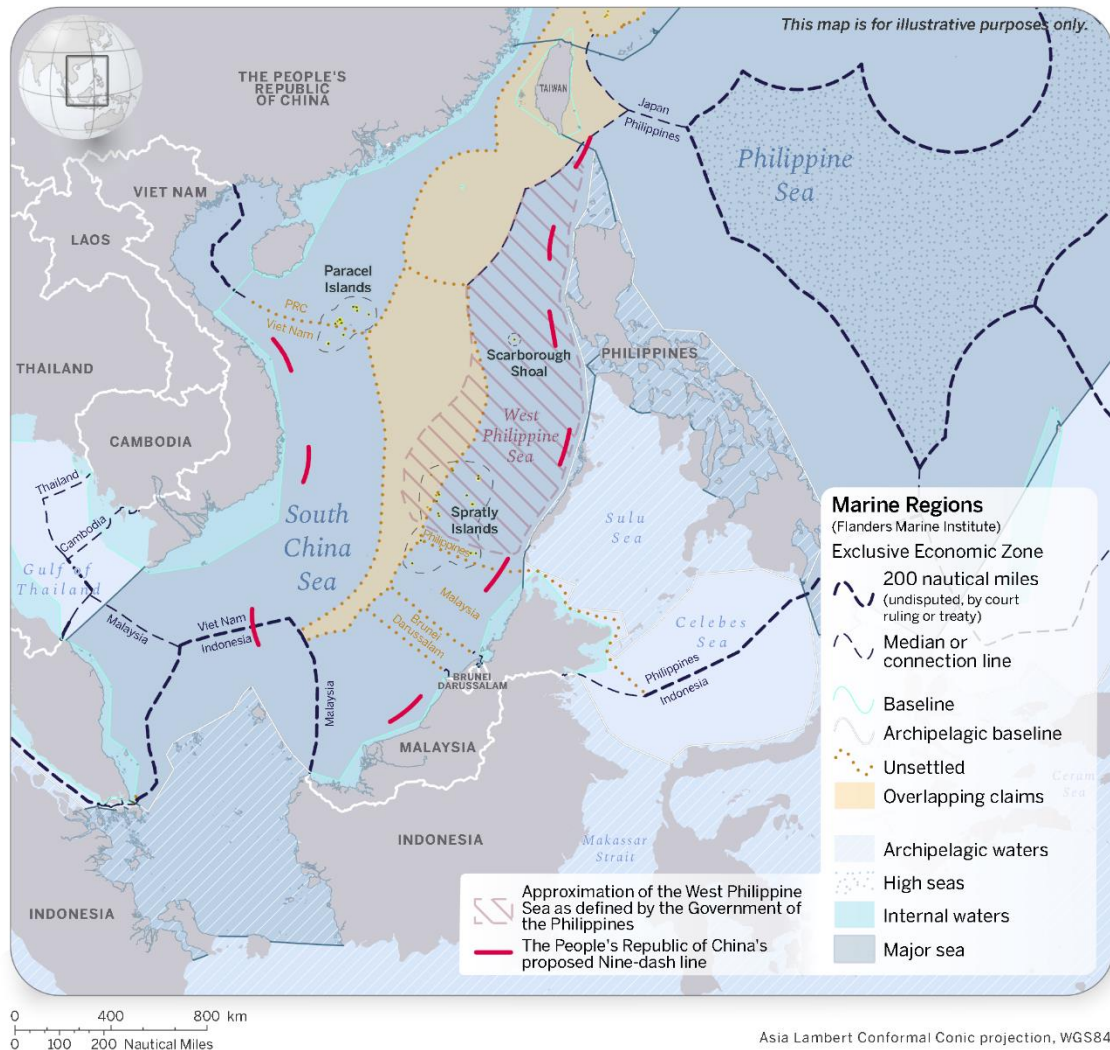
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99 CACN, [Evidence](#), 10 June 2024, 1850 (H. E. Ms. Maria Andrelita Sacramento Austria, Ambassador of the Republic of the Philippines).

100 Ibid., [1835](#).



Figure 2—Map of the South China Sea



Notes: This map has been prepared for illustrative purposes only. It is based on data published by third parties. The marine region boundaries shown in the map should not be regarded as an opinion of the Special Committee.

With regard to the dispute between the Philippines and the People’s Republic of China in the South China Sea, Canada supports the full respect for international law in the region, including the Permanent Court of Arbitration’s unanimous and legally binding 12 July 2016 award. Canada’s Indo-Pacific Strategy also reflects this support.

An Exclusive Economic Zone (EEZ), as outlined in the United Nations Convention on the Law of the Sea, is a defined area of water beyond and adjacent to a coastal State’s territorial sea, and within which the State has jurisdiction over resources.



For definitions of certain terms that appear in the map legend, see Flanders Marine Institute, [Marine Regions](#).

Sources: Map prepared in 2024, using data obtained from Flanders Marine Institute (VLIZ), “Exclusive Economic Zones (200NM), version 12”, “Internal Waters, version 4”, and “Archipelagic Waters, version 4” in [Maritime Boundaries Geodatabase, version 12](#), 2023; Flanders Marine Institute (VLIZ), [IHO Sea Areas](#), version 3, 2018; Natural Earth, [1:10m Cultural Vectors](#) and [1:10m Physical Vectors](#), version 5.1.1; Republic of the Philippines, [Administrative order no. 29](#), 5 September 2012; Republic of the Philippines, Department of Foreign Affairs, [Frequently Asked Questions: West Philippine Sea or South China Sea?](#); and Permanent Mission of the People’s Republic of China to the United Nations, [Note Verbale No. CML/17/2009](#), 7 May 2009. The following software was used: ArcGIS Pro, version 3.4.0.

More broadly, with regard to the ASEAN member countries’ strategic vision for the Indo-Pacific, at its 34th Summit in 2019, ASEAN published its own [Indo-Pacific outlook](#), based on the following key elements:

- A perspective of viewing the Asia-Pacific and Indian Ocean regions, not as contiguous territorial spaces but as a closely integrated and interconnected region, with ASEAN playing a central and strategic role;
- An Indo-Pacific region of dialogue and cooperation instead of rivalry;
- An Indo-Pacific region of development and prosperity for all; and
- The importance of the maritime domain and perspective in the evolving regional architecture.

According to Dr. Ostwald, in adopting ASEAN’s Indo-Pacific outlook, ASEAN members have chosen to advocate “for an Indo-Pacific region that is inclusive—that includes [the PRC]—that resolves disputes through dialogue rather than through coercion and that recognizes ASEAN’s centrality, which is a key point that ASEAN member states frequently emphasize.”<sup>101</sup>

### ***ASEAN and Canada’s Indo-Pacific Strategy***

When discussing the similarities and differences between the Canadian Strategy and the ASEAN outlook on the Indo-Pacific, the Philippine Ambassador stated that, in her opinion:

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101 CACN, [Evidence](#), 3 June 2024, 1920 (Kai Ostwald, Associate Professor, Institute of Asian Research, University of British Columbia, As an individual).

The two documents are actually very similar in the sense that they aspire to a multilateral arrangement where all countries bordering the Pacific, and in the region, are engaged constructively toward ensuring a rules-based order, because it is the same rules-based order that has underpinned the security, the stability and the growth. These two documents are both making very concrete investments toward this goal.<sup>102</sup>

More generally, she noted that, since nations such as Japan and the Republic of Korea also have strategies similar to Canada's, the member states of ASEAN and the Indo-Pacific region have taken a very positive view of the fact that Canada has developed its own strategy.<sup>103</sup> Similarly, the Japanese Ambassador told the Special Committee that ASEAN countries "welcome" the Canadian strategy.<sup>104</sup>

### The Philippines and Canada's Indo-Pacific Strategy

The Philippine Ambassador explained to the Special Committee that the Philippines, as a state in the Indo-Pacific, shares the vision of the Indo-Pacific championed more broadly by ASEAN and Canada in their respective policies, because, just as Canada's Strategy mentions deep respect for the central role ASEAN plays in the region,<sup>105</sup> the Philippines also acknowledges "the centrality of ASEAN in shaping the landscape of the Indo-Pacific region."<sup>106</sup>

With regard to the Canadian Strategy itself, the Philippine Ambassador told the Special Committee that, although there is no special section for the Philippines in the Canadian Strategy, given that Canada chose the Philippines as the site of the regional Indo-Pacific agriculture and agri-food hub, she believes that "Canada recognizes the importance the Philippines plays in the regional architecture."<sup>107</sup> Moreover, she added that she believes that Canada–Philippine relations in the context of *Canada's Indo-Pacific Strategy* more broadly bolster both countries' positions in dealing with other powers in the region.<sup>108</sup>

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102 CACN, *Evidence*, 10 June 2024, 1900 (H. E. Ms. Maria Andrelita Sacramento Austria, Ambassador of the Republic of the Philippines).

103 Ibid.

104 CACN, *Evidence*, 12 February 2024, 1900 (H.E. Mr. Kanji Yamanouchi, Japanese Ambassador to Canada).

105 Government of Canada, *Canada's Indo-Pacific Strategy*, 2022, p. 13.

106 CACN, *Evidence*, 10 June 2024, 1835 (H. E. Ms. Maria Andrelita Sacramento Austria, Ambassador of the Republic of the Philippines).

107 Ibid., [1845](#).

108 Ibid., [1925](#).



Ambassador Austria stated that the Philippines warmly welcomes the Canadian Strategy, which she believes strongly demonstrates that Canada has decided to be an active, engaged and reliable partner.<sup>109</sup>

With respect to the implementation of the Canadian Strategy over the years, the Philippine ambassador shared her opinion that the “Indo-Pacific strategy is a very good first step”; however, “[w]hat people are watching in the region is how this strategy will be operationalized.”<sup>110</sup> In other words, the Philippines is more specifically interested in how *Canada’s Indo-Pacific Strategy* “will translate into concrete projects and initiatives that will make Canada’s presence in the region felt and better appreciated.”<sup>111</sup>

### The Future of Canada–ASEAN Relations

As for the future of relations between Canada and ASEAN, several witnesses commented on whether they thought it was necessary to work to improve this relationship, as called for in *Canada’s Indo-Pacific Strategy*.

According to the vast majority of witnesses heard by the Special Committee, ASEAN is an essential partner for Canada, particularly with regard to Canada’s strategic and economic aspirations in the region.<sup>112</sup> This was the point made by Dr. Ba since, in her view, “all states that have some interest in the region have a stake in ASEAN.”<sup>113</sup>

The witnesses who are in favour of closer relations between Canada and ASEAN recognized that not all ASEAN member countries necessarily share the same political system as Canada, as some are democracies while others are hybrid or semi-authoritarian regimes, or even hard authoritarian regimes. Nevertheless, they agreed that it is still

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109 Ibid., [1835](#) and [1850](#).

110 CACN, [Evidence](#), 10 June 2024, 1915 (H. E. Ms. Maria Andrelita Sacramento Austria, Ambassador of the Republic of the Philippines).

111 Ibid.

112 See, for example, CACN, [Evidence](#), 5 February 2024, 2035 (Deanna Horton, Distinguished Fellow, Munk School of Global Affairs and Public Policy, University of Toronto, As an individual); CACN, [Evidence](#), 26 February 2024, 2005 (Dominique Caouette, Professor and Chair of Asian and Indo-Pacific Studies, Université de Montréal, As an individual); CACN, [Evidence](#), 3 June 2024, 1920 (Kai Ostwald, Associate Professor, Asian Research Institute, University of British Columbia, As an individual); CACN, [Evidence](#), 3 June 2024, 1930 (Alice Ba, Professor, International Relations and Comparative Politics, University of Delaware, As an individual); and CACN, [Evidence](#), 3 June 2024, 2120 (Wayne Christopher Farmer, President, Canada-ASEAN Business Council).

113 CACN, [Evidence](#), 3 June 2024, 1950 (Alice Ba, Professor, International Relations and Comparative Politics, University of Delaware, As an individual).

necessary, or at least in Canada's interest, to strengthen relations with ASEAN.<sup>114</sup> Fen Osler Hampson, for example, noted that ASEAN represents considerable opportunities for Canada, and that, as such, in his opinion, "[t]hey're democracies [Canada] can work with, imperfect democracies but democracies nonetheless."<sup>115</sup>

Cleo Paskal, on the other hand, was somewhat cautious about improving Canada's relationship with ASEAN member countries. More specifically, she shared with the Special Committee her view that, while we should not give up on working with ASEAN, Canada should proceed with caution, since ASEAN's security situation is fragile, to say the least. Indeed, she told the Special Committee that French diplomats have described the situation on the ground as "ASEAN fog" in the sense that "[y]ou go there, you don't quite know what's going on and you can't really see a future or a path forward."<sup>116</sup> She believes this is the result of the PRC's penetration, infiltration and influence operations that are already well advanced in the region.

Similarly, Dr. Fitz-Gerald took a more nuanced view of improving relations between Canada and ASEAN. While she spoke about the "the impotent nature of the rules-based multilateralism model," she said that given ASEAN's uniqueness as a regional organization, she still believes it is vital to have access to this forum and, more broadly, to the conversations that emerge from it.<sup>117</sup>

In addition to improving relations, some witnesses who spoke to the future of Canada-ASEAN relations presented their perspectives on the influence and role Canada could have with ASEAN in the region.

According to Dominique Caouette, Canada could have a role to play in facilitating dialogue with Southeast Asian countries. The challenge, in his view, is for Canada to maintain a constant presence in this capacity.<sup>118</sup> For example, as part of this ongoing dialogue, according to Dr. Kuhonta, Canada could act as a promoter of human rights and liberal values, since there is a strong demand for that in Southeast Asia. However, he

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114 CACN, *Evidence*, 3 June 2024, 2030 and [2105](#) (Erik Kuhonta, Associate Professor, Department of Political Science, McGill University, As an Individual); and CACN, *Evidence*, 5 February 2024, 1900 (Stephen R. Nagy, Professor, International Christian University, MacDonald-Laurier Institute, As an individual).

115 CACN, *Evidence*, 29 January 2024, 1915 (Fen Osler Hampson, Chancellor Professor and Professor, Norman Paterson School of International Affairs, Carleton University, As an individual).

116 CACN, *Evidence*, 5 February 2024, 2040 (Cleo Paskal, Researcher, Montreal Centre for International Studies, Université de Montréal, As an individual).

117 CACN, *Evidence*, 5 February 2024, 2040 (Ann Fitz-Gerald, Director, Balsillie School of International Affairs).

118 CACN, *Evidence*, 26 February 2024, 2005 (Dominique Caouette, Professor and Chair of Asian and Indo-Pacific Studies, Université de Montréal, As an individual).



explained to the Special Committee that Canada needs to be conscious of the tone it uses when advocating, since an overly forceful American-style approach could, in his view, “turn off Southeast Asians.”<sup>119</sup> In other words, according to Dr. Kuhonta, it is absolutely necessary for Canada to ensure that it establishes the right institutions and, above all, the right kind of trust with ASEAN, in order to avoid this overly forceful and robust approach.<sup>120</sup>

As for the influence Canada could exert in its relations with ASEAN member states, Dr. Ba suggested that there are indeed opportunities for Canada. She presented two specific opportunities the Special Committee. First, Canada has the opportunity, in her view, to play a leading role in the region at the trade level, especially given the overriding importance that ASEAN member states place on trade and economic development. Second, the fact that Canada is not a super power—unlike the United States or [the PRC]—gives our country more opportunities to develop new ideas and options for the region. In other words, in her opinion, “[t]he engagement of other actors, like Canada, helps to generate other options and pathways that are seen as less divisive and destabilizing.”<sup>121</sup> In her view, the fact that Canada is a close partner and ally of the United States will not taint Canada’s reputation with ASEAN. As an example, she told the Special Committee that Japan is very close to the United States, yet it remains “among the most trusted external powers” of Southeast Asian states.<sup>122</sup>

Hugh Stephens, however, was more cautious. While he agrees that Japan has been able to play the game well, in his view, the fact remains that Canada–U.S. relations differ from Japan–U.S. relations, particularly in terms of Canada’s economic dependence on the United States. He believes that Canada’s room for manoeuvring with ASEAN remains very limited. In his view, this is a real problem, and Canada must be extremely careful not to be perceived as “a little brother to the United States” in the eyes of ASEAN member states. To do this, he believes, Canada should “find that area in which [it] can make a positive contribution and develop [its] own relations with ASEAN based on the

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119 CACN, [Evidence](#), 3 June 2024, 2110 (Erik Kuhonta, Associate Professor, Department of Political Science, McGill University, As an individual).

120 *Ibid.*, [2055](#).

121 CACN, [Evidence](#), 3 June 2024, 1930 (Alice Ba, Professor, International Relations and Comparative Politics, University of Delaware, As an individual).

122 *Ibid.*, [1955](#).

values that [it has].” In other words, Canada must prove that it has something unique to offer ASEAN.<sup>123</sup>

The point remains, however, that to be able to bring something unique to the table—to have an influence or a role and a strong, ongoing relationship with ASEAN more generally—Canada needs to have a greater presence in the region, as the majority of witnesses explained to the Special Committee. The challenge, according to the President of the Canada-ASEAN Business Council, is to ensure that this presence endures. Indeed, he said that continuity is the key to making a long-term commitment to ASEAN work, and to truly strengthening the relationship between Canada and ASEAN.<sup>124</sup>

## Australia

*Canada's Indo-Pacific Strategy* mentions Australia as being a key Canadian ally and one of the region's five largest economies.<sup>125</sup> Some witnesses mentioned Australia's role in the Indo-Pacific and similarities between Canada and Australia in the region, particularly as middle powers in the Indo-Pacific.

## Australia and the Indo-Pacific

Some Australian academics report that Australia was one of the first states to adopt or at least formalize the Indo-Pacific concept, in 2012.<sup>126</sup> However, it was in 2017 that the Australian government first published a strategic policy on the Indo-Pacific concept as part of its *2017 Foreign Policy White Paper*.<sup>127</sup> In fact, the third chapter of this document establishing the foundations of Australian foreign policy, entitled “A stable and prosperous Indo-Pacific,” defines the Australian government's vision and objectives for the Indo-

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123 CACN, *Evidence*, 3 June 2024, 2000 (Hugh Stephens, Emeritus Fellow, Asia Pacific Foundation of Canada, As an individual).

124 CACN, *Evidence*, 3 June 2024, 2120 (Wayne Christopher Farmer, President, Canada-ASEAN Business Council).

125 Government of Canada, *Canada's Indo-Pacific Strategy*, 2022, pp. 1 and 6.

126 Nick Bisley, “Australia's Indo-Pacific Strategy: From Optimism to Hard Balancing,” *Asia Policy*, Vol. 18, No. 3, July 2023, p. 35; Rory Medcalf, “An Australian Vision of the Indo-Pacific and What it Means for Southeast Asia,” *Southeast Asian Affairs*, 2019, p. 53; and Rory Medcalf, “The Indo-Pacific: What's in a Name?” *American Interest*, Vol. 9, November/December 2013, p. 58.

127 The *Defence White Paper 2016*, with an update as part of the *2020 Defence Strategic Update*, also refers to this concept, though without defining the Australian government's vision as precisely as the *2017 Foreign Policy White Paper* does.



Pacific region. Australian policy states that the government will act to support an Indo-Pacific region in which:

- countries foster habits of dialogue and cooperation, and resolve disputes peacefully in accordance with international law and without the threat or use of force or coercion;
- open markets facilitate flows of goods, services, capital and ideas;
- economic integration is inclusive of and open to all the region's economies;
- rights of freedom of navigation and overflight are upheld and the rights of small states are protected;
- the United States remains strongly engaged in the economic and security affairs of the region and continues to help shape its institutions and norms; and
- China plays a leading role in a way that strengthens a regional order based on these principles.<sup>128</sup>

Rory Medcalf, Professor at the Australian National University, appearing before the Special Committee as an individual, was very supportive of the fact that various Indo-Pacific strategies are being adopted across the globe, and he told the Special Committee he is a strong advocate of the Indo-Pacific concept in the Australian context, which he defined as “building solidarity across a two-ocean region where we can develop a broader range of partnerships to manage [the PRC’s] power, deterring and engaging in equal measure.”<sup>129</sup> In his view, “[i]t’s heartening to see the number and range of countries and institutions, such as the [European Union] and ASEAN, that have developed some kind of Indo-Pacific outlook, strategy or policy framework.”<sup>130</sup> However, according to Dr. Medcalf, it remains very important that these strategies are not just words on paper, but that they are put into action, and this is as true for Australia as it is for Canada.

As for Australia’s place in the Indo-Pacific region, Dr. Ostwald mentioned that Australia is seen as a very committed player in the region and particularly in Southeast Asia,

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128 Australian Government Department of Foreign Affairs and Trade, [2017 Foreign Policy White Paper](#), 2017, p. 38.

129 CACN, [Evidence](#), 12 February 2024, 2105 (Rory Medcalf, Professor, Responsible Head, National Security College, Crawford School of Public Policy, Australian National University, As an individual).

130 Ibid.



considering the long-standing economic and people-to-people ties between Australia and the Southeast Asian states.<sup>131</sup> However, some witnesses explained to the Special Committee that the trilateral security partnership between Australia, the United Kingdom and the United States (AUKUS) may have created some hesitation for Southeast Asian States toward Australia, considering that this trilateral partnership may be seen by some Southeast Asian states as “too close to militarizing the region.”<sup>132</sup>

In addition, although most of the witnesses before the Special Committee pointed out the similarities between Australia and Canada, particularly in terms of history and the “multicultural nature of their national identities,”<sup>133</sup> the fact remains that, according to many, Australia has an advantage over Canada in the region, particularly among ASEAN member states, due to its geographical proximity.<sup>134</sup>

During the Special Committee’s study, several witnesses referred to the similarities between Australia and Canada as like-minded middle powers, although separated geographically, and the roles they could play as such in the region. In this respect, Dr. Medcalf noted that, despite the trend toward stabilizing bilateral relations, relations between Australia and the PRC have been strained in recent years. In his view, it is “a mistake for a middle power like Australia or Canada to effectively be blaming itself every time it has a problem with its relations with [the PRC].”<sup>135</sup> In his view, “the core strategic challenge in the Indo-Pacific is how to manage the power and assertiveness of the [PRC] in ways that do not lead to major conflict or escalate to major war,” hence the need to

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131 CACN, *Evidence*, 3 June 2024, 2005 (Kai Ostwald, Associate Professor, Institute for Asian Research, University of British Columbia, As an individual). The Government of Australia identifies the following nations as being part of Southeast Asia: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, East Timor and Vietnam. See Government of Australia, Department of Foreign Affairs and Trade, *Southeast Asia*.

132 CACN, *Evidence*, 3 June 2024, 2005 (Kai Ostwald, Associate Professor, Institute for Asian Research, University of British Columbia, As an individual); see also CACN, *Evidence*, 3 June 2024, 2005 (Hugh Stephens, Emeritus Fellow, Asia Pacific Foundation of Canada, As an individual); and CACN, *Evidence*, 3 June 2024, 2005 (Alice Ba, Professor, International Relations and Comparative Politics, University of Delaware, As an individual).

133 CACN, *Evidence*, 12 February 2024, 2100 (Rory Medcalf, Professor, Head of National Security College, Crawford School of Public Policy, Australian National University, As an individual); and CACN, *Evidence*, 3 June 2024, 2005 (Hugh Stephens, Emeritus Fellow, Asia Pacific Foundation of Canada, As an individual).

134 CACN, *Evidence*, 3 June 2024, 2005 (Hugh Stephens, Emeritus Fellow, Asia Pacific Foundation of Canada, As an individual); and CACN, *Evidence*, 3 June 2024, 2005 (Alice Ba, Professor, International Relations and Comparative Politics, University of Delaware, As an individual).

135 CACN, *Evidence*, 12 February 2024, 2045 (Rory Medcalf, Professor, Responsible Head, National Security College, Crawford School of Public Policy, Australian National University, As an individual).



diversify our partnerships in the region and use diplomatic dialogue, which is what Indo-Pacific strategies such as Canada’s and Australia’s are designed to do.<sup>136</sup>

## STRATEGIC OBJECTIVES

*Canada’s Indo-Pacific Strategy* has five interrelated strategic objectives: (i) promoting peace, resilience and security; (ii) expanding trade, investment and supply chain resilience; (iii) investing in and connecting people; (iv) building a sustainable and green future; and (v) Canada as an active and engaged partner to the Indo-Pacific.<sup>137</sup> During its study, the Special Committee gathered the perspectives of various witnesses: Canadian and foreign government representatives, experts, academics, etc., on these five objectives. This section aims to summarize the main points gathered from the testimonies the Special Committee heard regarding the perception, reception and implementation of the five pillars of the Canadian Strategy.

### Promoting Peace, Resilience and Security

Under its Indo-Pacific Strategy, Canada is first and foremost committed to promoting peace, resilience and security in the region. According to the Canadian Strategy, this includes defending Canada’s national interests by ensuring stability in the region, which “directly impacts the safety, prosperity and security” of Canadians.<sup>138</sup> The Special Committee heard a number of testimonies on the existing issues and strategic challenges in the region, particularly the precarious regional security context associated with the various latent conflicts in the Indo-Pacific, as well as the initiatives taken or that Canada should take in line with this pillar of the Strategy, including investments in its hard power, meaning its power to impose its will through military or economic force on the ground, and in its soft power, meaning its power to influence or persuade partners in the region,<sup>139</sup> and the emergence of minilateral partnerships in the Indo-Pacific.

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136 Ibid., [2105](#).

137 Government of Canada, [Canada’s Indo-Pacific Strategy](#), 2022, p. 5.

138 Ibid., pp. 5 and 14–16.

139 Joseph Nye defines soft power as an “indirect way to exercise power” in which “[a] country may obtain the outcomes it wants in world politics because other countries want to follow it, admiring its values, emulating its example, aspiring to its level of prosperity and openness.” It is a form of power that “rests on the ability to set the political agenda in a way that shapes the preferences of others” and that “co-opts people rather than coerces them.” See Joseph Nye, *The Paradox of American Power: Why the World’s Only Superpower Can’t Go it Alone*, 2002, pp. 8–9; and Alex Macleod, “Émergence d’un paradigme hégémonique,” in Alex Macleod and Dan O’Meara, eds., *Théories des relations internationales: Contestations et résistances*, 2010, p. 23 [AVAILABLE IN FRENCH].

## The Precarious Security Context in the Indo-Pacific

Jeff Kucharski, Senior Researcher at the Macdonald-Laurier Institute, informed the Special Committee that there is no longer any doubt that “the rules-based international order is being increasingly challenged by [the PRC], Russia and other authoritarian regimes.”<sup>140</sup> Today, the Indo-Pacific region is the scene of many of these challenges.

For example, according to Dr. Kucharski, “while [Canada’s Indo-Pacific] Strategy acknowledges that the north Pacific faces growing security challenges, there’s no reference at all to Russia in the strategy. Russia is also an Indo-Pacific nation and a regional security concern, and poses threats to Canada in the longer term, especially in the Arctic.”<sup>141</sup> Several other witnesses also raised concerns about Arctic security. According to Ms. Horton, in addition to Russia’s clear interest in the Arctic, “the increasing activity of Asian states, including [the PRC], in the Arctic means that, de facto, the Arctic is part of the Indo-Pacific” and as such is vulnerable to the PRC’s claims, since the PRC has “declared itself to be a near-Arctic state with the development of the so-called polar silk road.”<sup>142</sup>

This argument about the precarious security environment in the Arctic, raised by Ms. Horton and Dr. Kucharski in particular, also echoes the more general remarks made by Gordon Houlden to the Special Committee about the regional context, namely his view that the security environment in the Indo-Pacific is characterized by the absence of armed conflict, as surprising as that may be.<sup>143</sup> In other words, regional security in the Indo-Pacific faces an insidious phenomenon: the presence of numerous latent conflicts. In this respect, according to Professor Houlden, “while the conflicts in the region are latent as opposed to actual, they’re deep and pressure is building particularly in regard to Taiwan, the Korean peninsula and the South China Sea.”<sup>144</sup> Indeed, as noted in the Canadian Strategy, escalating tensions in the South China Sea, East China Sea and Taiwan Strait, as well as instability on the Korean Peninsula as a result of North Korean

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140 CACN, [Evidence](#), 27 May 2024, 1850 (Jeff Kucharski, Senior Researcher, Macdonald-Laurier Institute).

141 Ibid.

142 CACN, [Evidence](#), 5 February 2024, 1955 and [2045](#) (Deanna Horton, Emeritus Fellow, Munk School of Global Affairs and Public Policy, University of Toronto, As an individual).

143 CACN, [Evidence](#), 29 January 2024, 1845 (Gordon Houlden, Professor and Director Emeritus, University of Alberta - China Institute, As an individual).

144 Ibid.



provocations, are significant strategic challenges in the Indo-Pacific, threatening regional peace and prosperity.<sup>145</sup>

With regard to the latent conflict in the Taiwan Strait, Canada states in its Strategy that it will “push back against any unilateral actions that threaten the status quo in the Taiwan Strait.”<sup>146</sup> Testifying before the Special Committee, Weldon Epp, Assistant Deputy Minister for the Indo-Pacific at the Department of Foreign Affairs, stated that “[i]t’s a position of the Government of Canada that we urge all sides not to bring unilateral change to the status quo across the Taiwan Strait, given not only the interests of the people on both sides of the strait but the interests of Canada.”<sup>147</sup>

Rory Medcalf, for his part, described the Taiwan Strait as a critical flashpoint.<sup>148</sup> Furthermore, regarding Taiwan’s security vulnerability to a potential attack by the PRC, Fen Hampson explained in his testimony before the Special Committee on 29 January 2024 that, although some strategy experts had asserted that state actors should prepare for a PRC military offensive on Taiwan in March or April 2024, he was skeptical.<sup>149</sup> For his part, Gordon Houlden mentioned that Beijing’s reaction following the Taiwanese elections in January 2024 was much milder than he and many others had expected, which led him to believe that the PRC’s military forces would be willing to go on the offensive in the near future.<sup>150</sup> In this vein, Cleo Paskal argued that Canada should have a plan in case of an attack on Taiwan. She explained to the Special Committee that, in her opinion, “[t]here’s a definite lack of urgency on the part of Canada. It could be because Ottawa is nowhere near the Pacific. However, when you’re out in the Pacific...you can feel something’s coming.”<sup>151</sup>

In any case, Gordon Houlden contended that the only way to prevent Taiwan being overwhelmed following an attack orchestrated by the PRC is through direct intervention

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145 Government of Canada, [Canada’s Indo-Pacific Strategy](#), 2022, p. 3.

146 *Ibid.*, p. 8.

147 CACN, [Evidence](#), 27 November 2023, 1555 (Weldon Epp, Assistant Deputy Minister, Indo-Pacific, Department of Foreign Affairs, Trade and Development).

148 CACN, [Evidence](#), 12 February 2024, 2105 (Rory Medcalf, Professor, Responsible Head, National Security College, Crawford School of Public Policy, Australian National University, As an individual).

149 CACN, [Evidence](#), 29 January 2024, 1930 (Fen Osler Hampson, Chancellor Professor and Professor, Norman Paterson School of International Affairs, Carleton University, As an individual).

150 CACN, [Evidence](#), 29 January 2024, 1935 (Gordon Houlden, Professor and Director Emeritus, University of Alberta - China Institute, As an individual).

151 CACN, [Evidence](#), 5 February 2024, 2105 (Cleo Paskal, Researcher, Montreal Centre for International Studies, Université de Montréal, As an individual).

by the United States, but that some doubts persist among the Taiwanese population as to the American willingness to actually intervene in the event of an attack.<sup>152</sup>

In addition, according to the Canadian Strategy, the frozen conflict on the Korean peninsula also represents a strategic challenge for Canada, since it is a contentious region where North Korea—one of the other authoritarian regimes referred to by Dr. Kucharski—maintains a hostile attitude. In this respect, Canada's Strategy refers, for example, to North Korea's "increasingly frequent and reckless testing of missiles."<sup>153</sup> According to Professor Houlden, "[t]he 80-year division [of the two Koreas] remains a latent but increasingly dangerous threat. Pyongyang's nuclear weapons capacity is growing in both quality and quantity including in terms of a range of delivery options."<sup>154</sup> Furthermore, Paul Evans argued that the problem remains "that no one has influence over North Korea,"<sup>155</sup> so it marches to the beat of its own drum in the region.

Thus, according to Stephen Nagy, professor at International Christian University in Tokyo, who appeared as an individual, Canada should work in collaboration with other nations to respond to the challenges posed by North Korea, since, in his view, "[t]he reality of North Korea's weapons of mass destruction and proliferation is a challenge to the region."<sup>156</sup>

As mentioned previously, disputes in the South China Sea remain problematic, particularly for the many Southeast Asian states involved. In this regard, the Canadian Strategy states from the outset that "Canada will work hand-in-hand with ASEAN and its member states to ensure full respect for international law, including the United Nations Convention on the Law of the Sea, in the South China Sea."<sup>157</sup>

According to Dr. Nagy, Canada should consider limiting or pulling back its engagement from the Western Indian Ocean, in favour of focusing on the South China Sea, the East China Sea and the Pacific. In his view, these areas are critical for Canada, since "[t]hey have sea lines of communication that ferry about \$4.5 trillion U.S. in trade through the

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152 CACN, *Evidence*, 29 January 2024, 1845 (Gordon Houlden, Professor and Director Emeritus, University of Alberta - China Institute, As an individual).

153 Government of Canada, *Canada's Indo-Pacific Strategy*, 2022, p. 10.

154 CACN, *Evidence*, 29 January 2024, 1845 (Gordon Houlden, Professor and Director Emeritus, University of Alberta - China Institute, As an individual).

155 CACN, *Evidence*, 29 January 2024, 2035 (Paul Evans, Professor Emeritus, School of Public Policy and Global Affairs, University of British Columbia, As an individual).

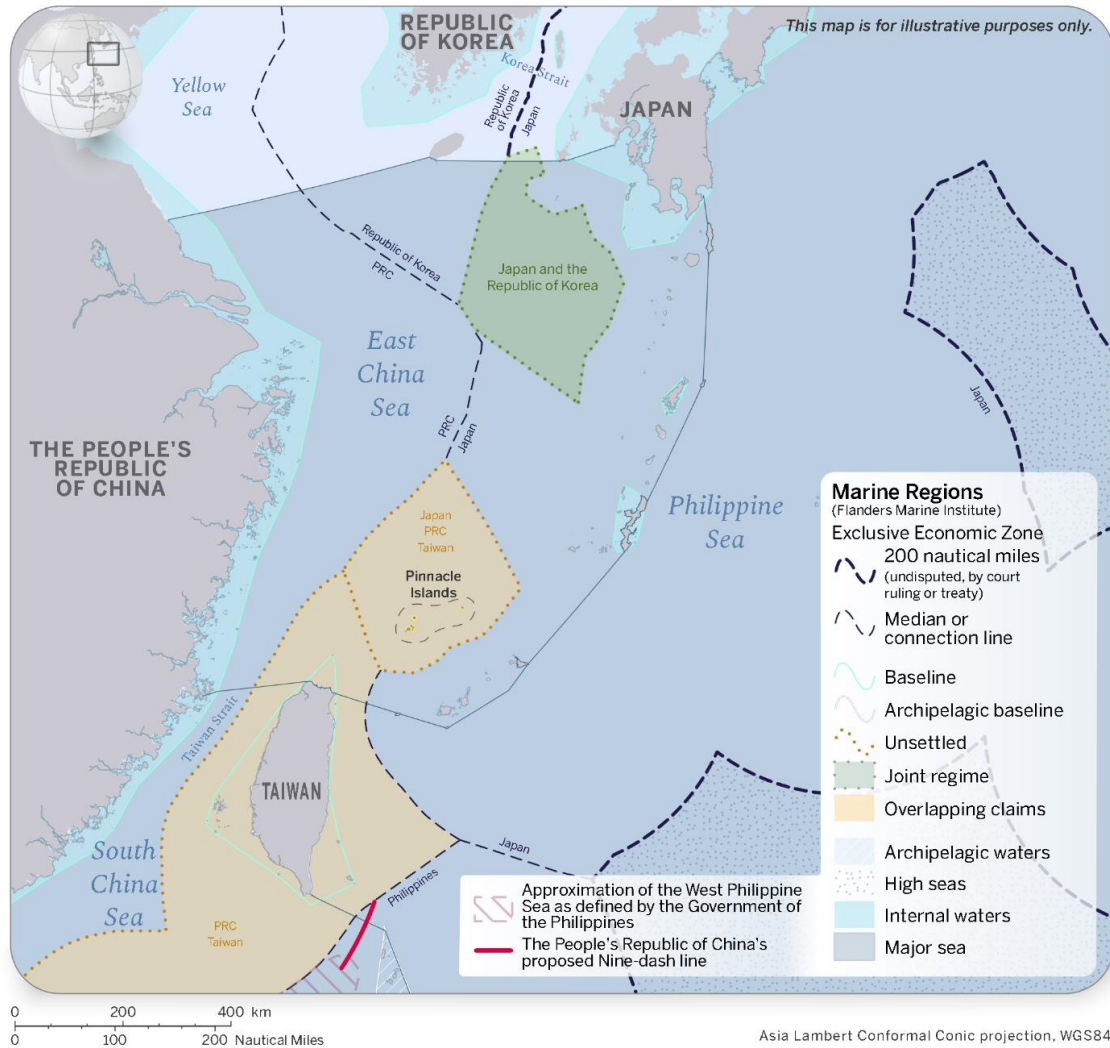
156 CACN, *Evidence*, 5 February 2024, 1900 (Stephen R. Nagy, Professor, International Christian University, MacDonald-Laurier Institute, As an individual).

157 Government of Canada, *Canada's Indo-Pacific Strategy*, 2022, p. 14.



South China Sea, in and around Taiwan and through the East China Sea.”<sup>158</sup> Figure 3, below, provides a map of the East China Sea.

Figure 3—Map of the East China Sea



Notes: This map has been prepared for illustrative purposes only. It is based on data published by third parties. The marine region boundaries shown in the map should not be regarded as an opinion of the Special Committee.

158 CACN, *Evidence*, 5 February 2024, 1845 (Stephen R. Nagy, professor, International Christian University, MacDonald-Laurier Institute, As an individual).

An Exclusive Economic Zone (EEZ), as outlined in the [United Nations Convention on the Law of the Sea](#), is a defined area of water beyond and adjacent to a coastal State's territorial sea, and within which the State has jurisdiction over resources.

For definitions of certain terms that appear in the map legend, see Flanders Marine Institute, [Marine Regions](#).

Sources: Map prepared in 2024, using data obtained from Flanders Marine Institute (VLIZ), "Exclusive Economic Zones (200NM), version 12", "Internal Waters, version 4", and "Archipelagic Waters, version 4" in [Maritime Boundaries Geodatabase, version 12](#), 2023; Flanders Marine Institute (VLIZ), [IHO Sea Areas, version 3](#), 2018; Natural Earth, [1:10m Cultural Vectors](#) and [1:10m Physical Vectors](#), version 5.1.1; Republic of the Philippines, [Administrative order no. 29](#), 5 September 2012; Republic of the Philippines, Department of Foreign Affairs, [Frequently Asked Questions: West Philippine Sea or South China Sea?](#); and Permanent Mission of the People's Republic of China to the United Nations, [Note Verbale No. CML/17/2009](#), 7 May 2009. The following software was used: ArcGIS Pro, version 3.4.0.

Finally, Professor Houlden explained to the Special Committee that, given these numerous strategic challenges and especially the existence of latent conflicts in the Indo-Pacific region, the Canadian government should carry out "a public update of the IPS" and do so "on an annual or at least a biennial basis."<sup>159</sup>

## Recommendation 2

**That the Government of Canada, in addition to the annual review of the implementation of *Canada's Indo-Pacific Strategy* produced by Global Affairs Canada, publish an update of the Strategy every two years, taking into account potential developments to latent conflicts identified in the region.**

## Recommendation 3

**That the Government of Canada, in the next update of the Indo-Pacific Strategy, include a reference to the Russian Federation and its destabilizing actions in the Indo-Pacific region, and provide objectives to counter its influence.**

## Recommendation 4

**That the Government of Canada, in the next update of the Indo-Pacific Strategy, indicate that Taiwan's future must be determined peacefully and in accordance with the wishes of the Taiwanese people, and continue to join like-minded partners in voicing support for Taiwan's meaningful participation in international organizations.**

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159 CACN, [Evidence](#), 29 January 2024, 1845 (Gordon Houlden, Professor and Director Emeritus, University of Alberta - China Institute, As an individual).



## Investing in Canada's Hard and Soft Power

During the Special Committee's study, several witnesses spoke of the need for Canada to invest as much in its hard power as in its soft power.

### Canada's Hard Power in the Indo-Pacific

Ambassador McKay explained to the Special Committee that “Canada is making significant contributions through the Canadian Armed Forces toward regional security.”<sup>160</sup> With regard to Canada's military presence in the Indo-Pacific, Ambassador McKay and representatives of the Department of National Defence—Major-General Gregory Smith, Director General, International Security Policy; and Brigadier-General Cayle Oberwarth, Deputy Commanding General, Operations, Strategic Joint Staff—reported to the Special Committee on the progress made by the Department and the Canadian Armed Forces under the first pillar of the Strategy. Major-General Smith presented five lines of effort undertaken by the Department of National Defence to help implement the Canadian Strategy:

- 1) Increased naval presence. Major-General Smith reported on the augmented naval presence, as the number of warships in the region has increased from two to three.<sup>161</sup> According to Ambassador McKay, Canada is now doing more in terms of regional security: these three frigates have been sent to the Taiwan Strait, the South China Sea and the East China Sea.<sup>162</sup> In addition, Brigadier-General Oberwarth added that the ship *Asterix* has been deployed in the Indo-Pacific region and had done quite well as of the end of 2023.<sup>163</sup>
- 2) Strengthening and diversifying Canada's regional commitments. Major-General Smith reported on Canada's participation in new multilateral

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160 CACN, *Evidence*, 27 November 2023, 1535 (Ian G. McKay, Canadian Ambassador to Japan and Canada's Special Envoy for the Indo-Pacific, Global Affairs Canada).

161 CACN, *Evidence*, 27 November 2023, 1635 (Major-General Gregory Smith, Director General, International Security Policy, Department of National Defence).

162 CACN, *Evidence*, 27 November 2023, 1615 (Ian G. McKay, Canadian Ambassador to Japan and Canada's Special Envoy for the Indo-Pacific, Global Affairs Canada).

163 CACN, *Evidence*, 27 November 2023, 1645 (Brigadier-General Cayle Oberwarth, Deputy Commanding General, Operations, Strategic Joint Staff, Department of National Defence).



exercises in the region, including the Royal Canadian Air Force's participation in the [Mobility Guardian](#) exercise in the summer of 2023.<sup>164</sup>

- 3) The introduction of new programs with regional partners to strengthen Canada's ties in the region. Major-General Smith mentioned the conference on women, peace and security co-hosted by the Canadian and Malaysian armed forces.<sup>165</sup>
- 4) The creation of four new defence policy advisor positions in the region, located in Tokyo, Singapore, Canberra and Washington, D.C.<sup>166</sup>
- 5) The implementation of a cybersecurity initiative, the cyber-defence cooperation workshop with the Japanese Self-Defence Forces, co-hosted by Canada and the United States.<sup>167</sup>

According to Ambassador McKay, these lines of effort and initiatives undertaken as part of the Canadian Strategy have been very well received by Canada's partners in the region.<sup>168</sup> Furthermore, testifying before the Special Committee on 27 November 2023, Major-General Smith mentioned that, one year after the publication of the Canadian Strategy, these five lines of effort are progressing well.<sup>169</sup>

Despite this, several witnesses spoke of the need to bolster Canada's hard power in the region. Many of them felt that the Canadian government should invest more in the region, beyond these five lines of effort.

According to Dr. Kucharski, there is a real need to strengthen the Canadian government's commitments to military security under its Indo-Pacific Strategy.<sup>170</sup> In particular, he told the Special Committee that there are "real concerns about Canada's capacity to deliver over the longer term" considering, among other things, the problems of personnel

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164 CACN, [Evidence](#), 27 November 2023, 1635 (Major-General Gregory Smith, Director General, International Security Policy, Department of National Defence).

165 Ibid.

166 Ibid.

167 Ibid.

168 CACN, [Evidence](#), 27 November 2023, 1535 (Ian G. McKay, Canadian Ambassador to Japan and Canada's Special Envoy for the Indo-Pacific, Global Affairs Canada).

169 CACN, [Evidence](#), 27 November 2023, 1655 (Major-General Gregory Smith, Director General, International Security Policy, Department of National Defence).

170 CACN, [Evidence](#), 27 May 2024, 1920 (Jeff Kucharski, Senior Researcher, Macdonald-Laurier Institute).



readiness and funding within the Canadian Armed Forces.<sup>171</sup> In this respect, Canada should invest more money in the armed forces.<sup>172</sup> In the same vein, Dr. Hampson shared with the Special Committee his concern that, in his view, Canada is lagging behind its allies in the region in terms of military spending.<sup>173</sup>

In addition, Dr. Fitz-Gerald suggested that, in focusing on Canadian military capability—which she sees as one of Canada’s existing strengths—the Canadian government should now focus on niche areas in which Canada excels. She explained to the Special Committee that, if Canada builds “a military capability based on our great cyber and AI strengths and our ability to perform in a data- and digital-driven world, then we would be bringing something to the table, because that remains a foreign and security priority of all our like-minded allies.”<sup>174</sup>

#### **Recommendation 5**

**That the Government of Canada follow through on its plan to invest more in its military spending, particularly in terms of recruiting and training Canadian Armed Forces personnel.**

#### **Recommendation 6**

**That the Government of Canada examine ways in which it can focus its military capability on its strengths in the fields of cyber warfare and artificial intelligence.**

### **Canada’s Soft Power in the Indo-Pacific**

According to Dr. Hampson, while it is clear that Canada must invest in its hard power, it is imperative that it also invest in its soft power. In his words: “It’s not one or the other. It’s both.”<sup>175</sup>

According to Ambassador McKay, who has heard from political leaders in the region, Canada’s soft power—Canada’s diplomatic approach as a “rational partner, as a partner who understands the position and the context of so many of our partners in the region”—

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171 Ibid., [1850](#).

172 Ibid., [2010](#).

173 CACN, [Evidence](#), 29 January 2024, 1855 (Fen Osler Hampson, Chancellor Professor and Professor, Norman Paterson School of International Affairs, Carleton University, As an individual).

174 CACN, [Evidence](#), 5 February 2024, 2015 (Ann Fitz-Gerald, Director, Balsillie School of International Affairs).

175 CACN, [Evidence](#), 29 January 2024, 1915 (Fen Osler Hampson, Chancellor Professor and Professor, Norman Paterson School of International Affairs, Carleton University, As an individual).

is very well received by Canada's partners in the Indo-Pacific, and is a "terrific strength that Canada brings to the table."<sup>176</sup> However, some witnesses were more modest about Canada's capacity in this regard, at least at present.

Discussing this indispensable soft power, Dr. Caouette told the Special Committee that it is important for Canada "to be a sought-after nation, one respected for its positions and capable of bringing people together around the same table, as [it has] done in the past," such as with regard to peacekeepers' military interventions.<sup>177</sup> He explained to the Special Committee that "soft power is the power of persuasion, the power of attraction and the power of reputation," and that it has been and should still be a key asset for Canada.<sup>178</sup> Dr. Hampson concurred that, although Canada is a middle-sized power, many countries still expect Canada to show leadership in the region, because there is a legacy there.<sup>179</sup> Similarly, Jia Wang shared with the Special Committee that, in her view, "[p]erhaps capitalizing on our past success as a visionary and a thoughtful middle power and bringing back a nuanced approach and pragmatism in our foreign policy thinking might help us go further in the Indo-Pacific."<sup>180</sup>

The problem, according to Dr. Caouette, is that Canada's power of attraction or influence has weakened over the years. In his view, this is due in part to the lack of continuity in the policies put forward by the various Canadian governments:

I think it was much easier a while ago for Canada to engage on difficult issues, for example. Whether they were environmental issues or forced labour, there was receptivity. I think the idea now is that Canada's posture towards Southeast Asia, Asia and the Asia-Pacific is, if not confused, at least not specifically directed.<sup>181</sup>

Today, according to Dr. Caouette, this soft power must be exercised in accordance with the values of the Indo-Pacific states.

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176 CACN, *Evidence*, 27 November 2023, 1625 (Ian G. McKay, Canadian Ambassador to Japan and Canada's Special Envoy for the Indo-Pacific, Global Affairs Canada).

177 CACN, *Evidence*, 26 February 2024, 2005 (Dominique Caouette, Professor and Chair of Asian and Indo-Pacific Studies, Université de Montréal, As an individual).

178 Ibid., [2020](#).

179 CACN, *Evidence*, 29 January 2024, 1915 (Fen Osler Hampson, Chancellor Professor and Professor, Norman Paterson School of International Affairs, Carleton University, As an individual).

180 CACN, *Evidence*, 29 January 2024, 2005 (Jia Wang, Associate Director of the China Institute, University of Alberta, As an individual).

181 CACN, *Evidence*, 26 February 2024, 2020 (Dominique Caouette, Professor and Chair of Asian and Indo-Pacific Studies, Université de Montréal, As an individual).



[W]e have more chances to enter environmental or labour conditions issues if we are at the table as equal partners in the region.

...

If we work as partners or counterparts in these processes, I think that Canada's soft power influence will be much greater and not based on high-powered political influence. I don't think it's high power, which is military, that will be our trademark, at least for the next coming years or the next decade.<sup>182</sup>

In addition, as part of strengthening Canada's soft power, Dr. Fitz-Gerald introduced the concept of "science diplomacy" to the Special Committee, which includes the opportunity for Canada to "help influence standards to operate in this data- and digital-driven world."<sup>183</sup> In her view, Canada's higher education system has tremendous potential in the area of science diplomacy and is a solution in many ways to increase Canada's persuasive power in the region. She suggested to the Special Committee that, instead of pinpointing institutions, as is the case in the current Strategy, the Government of Canada could instead implement a strategic framework that relies on good relationships between academic and civil society organizations, which would increase its soft power.<sup>184</sup>

Finally, Ms. Paskal told the Special Committee that, given the current problems of political warfare and corruption, orchestrated largely by the PRC, "[m]any [Indo-Pacific] countries need lawyers more than they need warships. They need people to go after [the PRC's] organized crime, to go through financial records and help figure out who's getting paid off."<sup>185</sup> In her view, this is the kind of thing Canada could do quite easily, notably by using its soft power and sending experts from various Canadian government departments and agencies to help countries in the region clean up their systems.

## Recommendation 7

**That the Government of Canada examine how it can integrate, as part of the implementation of its Indo-Pacific Strategy, an Indo-Pacific-style approach to dispute resolution, one that is based on cooperation between equals and respect for the history and culture of the nations in the region.**

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182 Ibid.

183 CACN, *Evidence*, 5 February 2024, 2015 (Ann Fitz-Gerald, Director, Balsillie School of International Affairs).

184 Ibid., 2100.

185 CACN, *Evidence*, 5 February 2024, 2035 (Cleo Paskal, Researcher, Montreal Centre for International Studies, Université de Montréal, As an individual).

## Recommendation 8

**That the Government of Canada examine ways to increase the engagement of Canadian specialists in the Indo-Pacific region in order to counter the influence of the People's Republic of China and benefit nations in that region.**

### Minilateral Partnerships

In the Indo-Pacific, a number of minilateral partnerships—small-scale alliances involving four or five other countries—have been launched, particularly in the area of security. According to Dr. Evans, these new minilaterals are composed of “like-minded countries focused on resisting elements of [the PRC’s] rise.”<sup>186</sup> They include the Quad (the Quadrilateral Security Dialogue between India, the U.S., Australia and Japan)—which, although established in 2007, has found renewed momentum with the launch of the [U.S. Indo-Pacific Strategy](#) in February 2022—and AUKUS—the trilateral security partnership between Australia, the UK and the U.S. The first pillar of AUKUS focuses primarily on the acquisition of nuclear submarines, while the second focuses on “expediting cooperation in critical technologies, including cyber capabilities, artificial intelligence, quantum technologies, additional undersea capabilities, hypersonic and counter-hypersonic, and a range of other initiatives.”<sup>187</sup>

According to Dr. Nagy, minilateral partnerships would be much more focused and functional than multilateral partnerships for Canada in the region, since they aim “to deal with specific issues that will enable Canada to add meaningful value within the region.”<sup>188</sup> In this respect, according to Dr. Kucharski, a shortcoming of *Canada’s Indo-Pacific Strategy* is the lack of any reference to these minilateral partnerships, since there is no mention of how Canada could participate in existing minilateral agreements or contribute to the creation of new ones.<sup>189</sup>

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186 CACN, [Evidence](#), 29 January 2024, 1815 (Paul Evans, Professor Emeritus, School of Public Policy and Global Affairs, University of British Columbia, As an individual).

187 Charles Edel, “[The United States, Britain, and Australia Announce the Path Forward for AUKUS](#),” Center for Strategic and International Studies (CSIS), 16 March 2023; and Christopher Hernandez-Roy, Vincent Rigby and Henry Ziemer, “[Canadian Membership in AUKUS: A Time for Action](#),” CSIS, 9 May 2023.

188 CACN, [Evidence](#), 5 February 2024, 1845 (Stephen R. Nagy, Professor, International Christian University, MacDonald-Laurier Institute, As an individual).

189 CACN, [Evidence](#), 27 May 2024, 1850 (Jeff Kucharski, Senior Researcher, Macdonald-Laurier Institute).



Some witnesses were very supportive of the possibility of Canada joining the ranks and participating in one of the two fora for minilateral collaboration on security issues mentioned above—either the Quad or AUKUS.

For example, both Ms. Paskal and Dr. Nagy were in favour of Canadian participation in the Quad.<sup>190</sup> According to Dr. Nagy, Canada’s participation in the quadrilateral security discussions “means that [Canada], on an ad hoc basis, [could plug] into the quadrilateral security dialogue’s maritime exercises, perhaps search and rescue exercises and humanitarian, disaster and assistance relief exercises to add value, considering [its] limited resources.”<sup>191</sup>

In the context of AUKUS, some witnesses before the Special Committee mentioned that the second pillar could be of great interest to Canada.<sup>192</sup> For example, Dr. Fitz-Gerald told the Special Committee that, in her opinion, by further developing its capacity for defence diplomacy, Canada would stand a good chance of joining the trilateral partnership. She explained that, if Canada’s defence diplomacy “were geared towards AI and cyber, it would be snapped up by our AUKUS allies.”<sup>193</sup>

According to Hugh Stephens, there is a way for Canada to benefit from an alliance like AUKUS by exploring technology-sharing opportunities, without undermining its relationships in the region. In his view, “Canada needs to keep an open mind and find where it could find a role. The role it would play...would be a very different role from those of Australia and the United States.”<sup>194</sup>

Dr. Ostwald shared with the Special Committee that, in his opinion, if Canada’s association with AUKUS were based on the original conception, the first pillar based on the acquisition of nuclear submarines, “it makes little sense.”<sup>195</sup> However, he added

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190 CACN, [Evidence](#), 5 February 2024, 1845 (Stephen R. Nagy, Professor, International Christian University, MacDonald-Laurier Institute, As an individual); and CACN, [Evidence](#), 5 February 2024, 2035 (Cleo Paskal, Researcher, Montreal Centre for International Studies, Université de Montréal, As an individual).

191 Ibid.

192 CACN, [Evidence](#), 5 February 2024, 2035 (Deanna Horton, Distinguished Fellow, Munk School of Global Affairs and Public Policy, University of Toronto, As an individual); and CACN, [Evidence](#), 5 February 2024, 2035 (Cleo Paskal, Researcher, Montreal Centre for International Studies, Université de Montréal, As an individual).

193 CACN, [Evidence](#), 5 February 2024, 2030 (Ann Fitz-Gerald, Director, Balsillie School of International Affairs).

194 CACN, [Evidence](#), 3 June 2024, 2015 (Hugh Stephens, Emeritus Fellow, Asia Pacific Foundation of Canada, As an individual).

195 CACN, [Evidence](#), 3 June 2024, 2015 (Kai Ostwald, Associate Professor, Institute for Asian Research, University of British Columbia, As an individual).

that “[i]f [AUKUS] evolves into something else and [opens] new channels for shared technology, for intelligence,” as envisaged by a second pillar, then it may be of some interest to Canada. However, the whole matter remains hypothetical, in his view, at this stage.<sup>196</sup> Dr. Nagy concurred that the first pillar of AUKUS is distant from Canada’s interests; however, “the [second pillar] AI and quantum computing components of the AUKUS agreement are clear areas where Canada can contribute, considering we’ve already secured a budget for co-operation in these areas.”<sup>197</sup>

For her part, Dr. Ba told the Special Committee that she does not believe that Canada’s Indo-Pacific policy, particularly with regard to Southeast Asian nations, should be based on an association with AUKUS. In her view, Canada’s interests would not be served by doing so, since the trilateral partnership, regardless of the pillar, is still considered by Southeast Asian nations to be quite a militarized entity, and joining AUKUS would therefore do more harm than good for Canada’s relations in the region.<sup>198</sup>

With regard to the possibility of Canada contributing to the emergence of new minilateral partnerships in the region, Ms. Paskal explained to the Special Committee that Canada should join a new minilateral partnership in the Indo-Pacific region as soon as it is formed, in order to be in a position to shape its development. She added that this is what would have happened if Canada had joined the Quad or AUKUS.<sup>199</sup>

In addition, when discussing the emergence of other possible minilateral partnerships that do not focus on defence or security, but rather “on core areas...of interest to Canada,”<sup>200</sup> Dr. Nagy gave the Special Committee two examples of areas in which Canada could make a significant contribution. First, the possibility of establishing a minilateral partnership between Canada, Taiwan, Australia, Japan, the Republic of Korea and the United States on identifying and combatting misinformation in the region where they would collectively work “to share the patterns of disinformation they’ve identified, the processes with which they push back and, importantly, how they educate citizens to be more critical of the kind of information they read online so they can pre-empt the

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196 Ibid.

197 CACN, *Evidence*, 5 February 2024, 1845 (Stephen R. Nagy, Professor, International Christian University, MacDonald-Laurier Institute, As an individual).

198 CACN, *Evidence*, 3 June 2024, 2015 (Alice Ba, Professor, International Relations and Comparative Politics, University of Delaware, As an individual).

199 CACN, *Evidence*, 5 February 2024, 1950 (Cleo Paskal, Researcher, Montreal Centre for International Studies, Université de Montréal, As an individual).

200 CACN, *Evidence*, 5 February 2024, 1850 (Stephen R. Nagy, professor, International Christian University, MacDonald-Laurier Institute, As an individual).



challenges associated with disinformation.”<sup>201</sup> Second, the possibility of working in “minilateral co-operation with the Pacific Islands on environmental issues and perhaps [I]ndigenous issues.”<sup>202</sup>

### Recommendation 9

**That the Government of Canada examine the impact if Canada were to associate with existing Indo-Pacific minilateral agreements, such as the Quadrilateral Security Dialogue (QUAD) and the trilateral security partnership between Australia, the United Kingdom and the United States (AUKUS), and the impact of Canada’s possible contribution to the creation of new minilateral partnerships in the region, particularly in terms of combatting disinformation and addressing environmental and Indigenous issues.**

## Supply Chains, Trade and Investment, and Agriculture

Peace and security in the Indo-Pacific region is closely linked with Canada’s economic security given Canada’s significant economic interests in the region. As Jeff Kucharski pointed out, in 2022, Canada’s trade with the Indo-Pacific represented 18% of its global trade, valued at \$270 billion.<sup>203</sup> Witnesses commented on Canada’s efforts under the IPS to expand trade, investment and supply chain resilience in the region, including the September 2023 appointment of Paul Thoppil as the first Canadian Indo-Pacific Trade Representative, expanding the regional mandate of FinDev Canada, the role of the *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* (CPTPP), and the opening of the Agriculture and Agri-Food Office in the Philippines. In discussing Canada’s trade relationship with the region, topics raised by witnesses included economic security, supply chain infrastructure, free trade agreements and Canada’s agricultural contributions to the region.

### Economic Security

Several witnesses drew attention to elements of *Canada’s Indo-Pacific Strategy* that intersect with economic security. As Meredith Lilly—Associate Professor and Simon Reisman Chair in International Economic Policy at Carleton University, who appeared as an individual—stated, Canada needs to be “much more realistic going forward about supply chain resilience and the increasing marriage of national security with economic

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201 Ibid., [1925](#).

202 Ibid., [1850](#).

203 CACN, [Evidence](#), 27 May 2024, 1840 (Jeff Kucharski, Senior Fellow, Macdonald-Laurier Institute).



security.”<sup>204</sup> Noting that much of Canada’s trade reaches the Indo-Pacific by maritime vessels through contentious waters in the South and East China seas, Jeff Kucharski identified that “any disruptions in that area could have devastating consequences for Canada, and indeed the global economy.”<sup>205</sup> In discussing Canada’s economic interest in the region, Stephen Nagy stated that Canada’s efforts towards peace and security across the Taiwan Strait will “ensure that semiconductors can continue to be exported to Canada to employ Canadians.”<sup>206</sup> Ambassador McKay stated, “It’s important for global trade in the region that the Taiwan Strait is maintained as international waters,” and highlighted the Canadian Armed Forces’ multilateral operations within the region.<sup>207</sup>

Gordon Houlden shared his belief that, while the Indo-Pacific region is currently characterized by a general absence of interstate conflict,<sup>208</sup> the region purchases 26% of global arms, making the region vulnerable to violence and destruction should a conflict arise.<sup>209</sup> In this relative absence of armed conflict, there is nevertheless, as Shihoko Goto pointed out, a “systematic weaponization of global economic interdependence” initiated by the PRC. In response to pressure from the PRC, companies and states self-censor to pre-empt its retaliation.<sup>210</sup>

## Economic Coercion

Canada is a country that is heavily dependent on global trade even more so than its leading trade partners, the U.S. and the PRC.<sup>211</sup> In underscoring this context, Jia Wang

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204 CACN, *Evidence*, 5 February 2024, 1940 (Meredith Lilly, Associate Professor, Simon Reisman Chair in International Economic Policy, Carleton University, As an individual).

205 CACN, *Evidence*, 27 May 2024, 1840 (Jeff Kucharski, Senior Fellow, Macdonald-Laurier Institute).

206 CACN, *Evidence*, 5 February 2024, 1845 (Stephen Nagy, Professor, International Christian University, Macdonald-Laurier Institute, As an individual).

207 CACN, *Evidence*, 27 November 2023, 1615 (Ian McKay, Ambassador of Canada to Japan and Special Envoy for the Indo-Pacific, Global Affairs Canada).

208 Gordon Houlden also noted that there is an ongoing civil war in Myanmar. However, in addition, ongoing interstate conflicts in the Indo-Pacific region include territorial disputes in the South China Sea, border disputes between India and the PRC, tension between the Democratic People’s Republic of Korea and the Republic of Korea, clashes between India and Pakistan in Kashmir, and ballistic missile strikes between Iran and Pakistan.

209 CACN, *Evidence*, 29 January 2024, 1845 (Gordon Houlden, Professor and Director Emeritus, University of Alberta – China Institute, As an individual).

210 CACN, *Evidence*, 12 February 2024, 1950 (Shihoko Goto, Director, Asia Program, Woodrow Wilson International Center for Scholars, As an individual).

211 CACN, *Evidence*, 29 January 2024, 1910 (Gordon Houlden, Professor and Director Emeritus, University of Alberta – China Institute, As an individual).



noted that Canada’s efforts to diversify its markets and supply chains towards the broader Indo-Pacific region is “very timely.”<sup>212</sup> Still, she stressed the reality that the PRC’s economy is approximately equal to the rest of the Indo-Pacific region combined, and the PRC remains the top trade partner for most of the region. Accordingly, she said,

[d]iversifying from [the PRC] in the region won't be easy or even possible. By boosting our presence in this region and engaging with nations other than [the PRC], Canada and Canadian entities will inadvertently increase their exposure to [the PRC] directly or indirectly.<sup>213</sup>

Recognizing the role of the PRC in global trade, Ms. Goto identified that while the PRC is “beginning to champion free trade rules” and “play by the order that already exists,” it has also grossly violated free trade rules and is “playing up its authoritarian rule, especially when it comes in the form of economic coercion.”<sup>214</sup>

Witnesses raised two poignant examples of the PRC’s use of economic coercion towards Canada. In March 2019, the PRC placed non-tariff barriers on certain Canadian canola exports. While all canola exports to the PRC have since resumed, Jeff Kucharski noted that there are likely to be continued future tensions between Canada and the PRC, and he predicted that “canola exports will be used as a coercive mechanism by [the PRC] again. It's a vulnerability that we do have.”<sup>215</sup> As well, in December 2021, the PRC suspended all Canadian beef imports following the discovery of an atypical case of Bovine spongiform encephalopathy (BSE) in one Canadian cow.<sup>216</sup> This suspension continues to date, preventing all Canadian beef from accessing the PRC market. According to Tyler Fulton, Vice President of the Canadian Cattle Association, the PRC refuses to engage with Canadian officials to discuss the issue, and even if Canadian beef exports are again allowed in the PRC, “we will not be able to rely on the access being secure for the long term.”<sup>217</sup>

In response to such weaponization of trade against Canada by the PRC, Meredith Lilly recommended that Canada “shouldn’t be afraid to stand up to [the PRC], particularly in

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212 CACN, [Evidence](#), 29 January 2024, 2005 (Jia Wang, Deputy Director, University of Alberta – China Institute, As an individual).

213 Ibid.

214 CACN, [Evidence](#), 12 February 2024, 2025 (Shihoko Goto, Director, Asia Program, Woodrow Wilson International Center for Scholars, As an individual).

215 CACN, [Evidence](#), 27 May 2024, 1935 (Jeff Kucharski, Senior Fellow, Macdonald-Laurier Institute).

216 CACN, [Evidence](#), 27 May 2024, 1935 (Jeff Kucharski, Senior Fellow, Macdonald-Laurier Institute); and CACN, [Evidence](#), 27 May 2024, 2015 (Tyler Fulton, Vice President, Canadian Cattle Association).

217 CACN, [Evidence](#), 27 May 2024, 2015 (Tyler Fulton, Vice President, Canadian Cattle Association).

instances where Canada's national interest is at play." She pointed out that while the PRC's ban on certain Canadian canola was in the context of Canada's dispute with the PRC concerning Meng Wangzhou and the two Michaels, it was also during a period of time when there was a record canola crop in the PRC, making it strategic to reduce Canadian imports of canola to that country. She contended that in responding to the PRC, Canada "must not at any time, sacrifice its goals as a country out of fear that [the PRC] might turn around and reduce market access."<sup>218</sup> At the same time, Jeff Kucharski pointed out that Canada has a significant trade deficit with the PRC, which exports nearly three times more merchandise to Canada than they import.<sup>219</sup> Given that Canada's trade with the PRC represented only about 8.5% of Canada's total trade in 2022, he said that "the Indo-Pacific strategy will not live or die based solely on Canada's relations with [the PRC]."<sup>220</sup>

Concerning a collective response to PRC's use of economic coercion, Ms. Goto identified a consensus within the G7 to boost economic security and "push back against [the PRC's] leveraging of global interdependence for its political gain."<sup>221</sup> However, referring to the nations in the Indo-Pacific region, she pointed out,

there is no shared vision of an economic victory against [the PRC]. There is little appetite to decouple from [the PRC], but at the same time there is no clarity about how to reduce vulnerability by being exposed so much to [the PRC]. Curbing Beijing's technology ambitions may be a top U.S. priority, but that's not a concern for the global south. Meanwhile, as tensions between Washington and Beijing show no signs of easing, the goal of Indo-Pacific nations is to ensure continued stability and growth, which must include managing economic relations with [the PRC] as well as the United States.<sup>222</sup>

Paul Evans raised the issue that "[i]t is not only [the PRC] that uses economic coercion against other countries. The United States, through sanctions, is a principal player."<sup>223</sup> Kai Ostwald stated that, with "signs of U.S. protectionism on the increase," Southeast

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218 CACN, *Evidence*, 5 February 2024, 1855 (Meredith Lilly, Associate Professor, Simon Reisman Chair in International Economic Policy, Carleton University, As an individual).

219 In 2023, Canada's imports from the PRC were valued at \$89.3 billion. For comparison, that year, Canada's exports to the PRC were valued at \$30.5 billion. See Government of Canada, *Report - Trade Data Online*.

220 CACN, *Evidence*, 27 May 2024, 1840 (Jeff Kucharski, Senior Fellow, Macdonald-Laurier Institute).

221 CACN, *Evidence*, 12 February 2024, 1950 (Shihoko Goto, Director, Asia Program, Woodrow Wilson International Center for Scholars, As an individual).

222 Ibid.

223 CACN, *Evidence*, 29 January 2024, 2040 (Paul Evans, Professor Emeritus, School of Public Policy and Global Affairs, University of British Columbia, As an individual).



Asian nations will continue to rely on the PRC as the most important economic partner, despite the PRC’s growing assertiveness in the region.<sup>224</sup>

Within this context, to respond to economic coercion, Paul Evans noted that Canada has a strong interest in promoting an “open, rules-based multilateral trading system.”<sup>225</sup> Ms. Goto outlined a belief that, in a future context of more trade disputes, Canada could take on a greater commitment to restoring the World Trade Organization (WTO) from its current politically weakened position.<sup>226</sup> She said,

countries such as Canada, which enjoy high trust not only with the United States but also with the international community at large, can play a significant role in protecting and promoting the international rule of law and healthy economic competition moving forward.<sup>227</sup>

Similarly, Tyler Fulton noted that he would like to see Canada begin a formal process to exercise its WTO rights to regain access for Canadian beef to the PRC market.<sup>228</sup>

As Canada derisks its economy to respond to the PRC’s economic coercion, Ann Fitz-Gerald stressed that Canada should focus on its national capacity building efforts to thrive in a market where intangibles—examples of which include patents, data, software and brand value—have become approximately 92% of the total value of assets on the Standard and Poor’s index of the top 500 U.S. companies (S&P 500).<sup>229</sup> Likewise, Deanna Horton presented Canada’s value and expertise as a services economy, highlighting financial services firms that are active in Asia and should be supported to give Canada “additional balance, power and leverage in Asia.” In urging Canada to work with North Pacific states, she said, “We can’t do it alone.”<sup>230</sup>

Furthermore, in protecting Canada’s economy from economic coercion by diversifying our trade partners, Meredith Lilly stressed that Canada’s “trade diversification goes

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224 CACN, [Evidence](#), 3 June 2024, 1920 (Kai Ostwald, Associate Professor, Institute of Asian Research, University of British Columbia, As an individual).

225 CACN, [Evidence](#), 29 January 2024, 2020 (Paul Evans, Professor Emeritus, School of Public Policy and Global Affairs, University of British Columbia, As an individual).

226 CACN, [Evidence](#), 12 February 2024, 2035 (Shihoko Goto, Director, Asia Program, Woodrow Wilson International Center for Scholars, As an individual).

227 *Ibid.*, [1950](#).

228 CACN, [Evidence](#), 27 May 2024, 2015 (Tyler Fulton, Vice President, Canadian Cattle Association).

229 CACN, [Evidence](#), 5 February 2024, 2105 (Ann Fitz-Gerald, Director, Balsillie School of International Affairs).

230 CACN, [Evidence](#), 5 February 2024, 2105 (Deanna Horton, Distinguished Fellow, Munk School of Global Affairs and Public Policy, University of Toronto, As an individual).

through the United States,” which remains Canada’s primordial trading relationship.<sup>231</sup> At present, she outlined that Canadian firms are usually only likely to consider exporting to the Indo-Pacific or Europe after first exporting to the United States. As a result, in diversifying with Indo-Pacific countries, Canada will also trade more with the United States.<sup>232</sup>

### **Recommendation 10**

**That the Government of Canada continue to promote an open, rules-based multilateral trading system in the Indo-Pacific region.**

### **Recommendation 11**

**That the Government of Canada review the strategy for marketing Canadian agricultural, agri-food, fish and seafood exports to the People's Republic of China and explore alternative markets to reduce geopolitical risk.**

## **Supply Chain Infrastructure**

While Canada aims to build diversified trade connections with the Indo-Pacific region, several witnesses raised issues within Canada’s supply chain infrastructure. As Carlo Dade—Director of the Canada West Foundation’s Centre for Trade and Trade Infrastructure—put it, Canada “struggle[s] to build trade infrastructure.”<sup>233</sup> *The Container Port Performance Index 2023*, compiled by the World Bank and S&P 500, gave Canada’s Port of Vancouver an overall ranking of 356<sup>th</sup> among 405 ports in terms of efficiency. This port is the primary port that Canada uses for trade with the Indo-Pacific region, and as Dave Carey—Vice-President of Government and Industry Relations at the Canadian Canola Growers Association—described it, it is Canada’s “gateway to economic prosperity in Asia.”<sup>234</sup> He noted some challenges for the agricultural industry with its use of that port. For example, while 70% of Canadian grain exports from the prairies go through the Port of Vancouver there is but one tunnel and one bridge to access that

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231 CACN, *Evidence*, 5 February 2024, 1940 (Meredith Lilly, Associate Professor, Simon Reisman Chair in International Economic Policy, Carleton University, As an individual).

232 Ibid., 1905.

233 CACN, *Evidence*, 26 February 2024, 1945 (Carlo Dade, Centre for Trade and Trade Infrastructure, Canada West Foundation).

234 CACN, *Evidence*, 27 May 2024, 1900 (Dave Carey, Vice-President, Government and Industry Relations, Canadian Canola Growers Association).



port.<sup>235</sup> Referring to this port’s inefficiencies, Brian Innes—Soy Canada’s Executive Director—stated that Canadian soybean producers’ competitiveness depends on “predictability, reliability and cost competitiveness” for Canadian shippers. He informed the members of the Special Committee that Canadian soybean producers compete directly with U.S. producers who outcompete their Canadian counterparts when they are able to offer better rates and efficiency due to better infrastructure.<sup>236</sup>

Witnesses also highlighted the PRC’s trade advantages in Indo-Pacific trade given its control of ports and shipping. Cleo Paskal drew attention to the PRC company, Shanghai Zhenhua Heavy Industries Company Limited (ZPMC), which controls approximately 80% of the global ship-to-shore crane market in ports around the world.<sup>237</sup> She noted that according to now-declassified information, the U.S. has become aware that through sensors, these cranes can spy on military cargo and can potentially be remotely controlled. She contended that the PRC’s approach to infrastructure development aligns with its desire to increase its comprehensive national power.<sup>238</sup> Gordon Houlden pointed out that much of the infrastructure in ASEAN or other Asian countries has been built by the PRC.<sup>239</sup> Ann Fitz-Gerald cautioned that when the PRC begins building infrastructure in the Arctic, Canada should be prepared with a “solid ocean governance framework.”<sup>240</sup>

Ambassador McKay asserted that Canada can do more to support trade in the region by being a “leading partner in the CPTPP, which is strengthening supply chain resilience throughout the Indo-Pacific region.”<sup>241</sup> Concerning supply chain resilience, Ms. Goto noted that Canada has an opportunity to be an innovative nation, providing its expertise in science and technology.<sup>242</sup>

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235 Ibid.

236 CACN, [Evidence](#), 27 May 2024, 1900 (Brian Innes, Executive Director, Soy Canada).

237 CACN, [Evidence](#), 5 February 2024, 2010 (Cleo Paskal, Researcher, Montreal Centre for International Studies, Université de Montréal, As an individual).

238 Ibid.

239 CACN, [Evidence](#), 29 January 2024, 1910 (Gordon Houlden, Professor and Director Emeritus, University of Alberta – China Institute, As an individual).

240 CACN, [Evidence](#), 5 February 2024, 2000 (Ann Fitz-Gerald, Director, Balsillie School of International Affairs).

241 CACN, [Evidence](#), 27 November 2023, 1615 (Ian McKay, Ambassador of Canada to Japan and Special Envoy for the Indo-Pacific, Global Affairs Canada).

242 CACN, [Evidence](#), 12 February 2024, 2035 (Shihoko Goto, Director, Asia Program, Woodrow Wilson International Center for Scholars, As an individual).

## Recommendation 12

**That the Government of Canada adopt measures to improve efficiency at the Port of Vancouver, while ensuring the reliability and resilience of supply chains that depend on the port.**

### Free Trade Agreements

Paul Evans noted that, within the context of the Indo-Pacific era, “there is a new skepticism about open markets and free trade, and a belief that regional economic integration is as much a source of vulnerability and risk as it is opportunity.”<sup>243</sup> As a country reliant on international trade, *Canada’s Indo-Pacific Strategy* seeks to “strengthen and expand the CPTPP and ensure that any form of expansion will be based on high standards and track records.” In addition, the IPS highlights the current negotiations of new free trade agreements, including with ASEAN and Indonesia, while noting existing and new foreign investment promotion and protection agreements.

As the IPS states, Canada and Japan are the two largest economies within the CPTPP, an 11-member agreement whose economies comprise more than 15 percent of global gross domestic product. The United Kingdom has signed a protocol for acceding to the agreement, and several economies, including the PRC and Taiwan have made accession bids.<sup>244</sup> As Meredith Lilly and Hugh Stephens suggested, as Chair of the CPTPP in 2024, Canada is in a position to steer a conversation about the accession of new members to the group while recognizing that accession bids are based on the consensus of the members.<sup>245</sup> Meredith Lilly stressed that in assessing the PRC’s bid, it is important to understand that while some members have serious concerns about it joining, other members would like it to join. She recommended to not politicize the process and to ensure that the accession criteria are based on records of success and not promises of future behaviour change.<sup>246</sup>

Observing Canada’s role in the CPTPP from a different angle, Carlo Dade urged “a degree of modesty” and suggested that the “region does not need Canada’s leadership” and

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243 CACN, *Evidence*, 29 January 2024, 1915 (Paul Evans, Professor Emeritus, School of Public Policy and Global Affairs, University of British Columbia, As an individual).

244 The other applicants to the CPTPP are Costa Rica, Ecuador, Ukraine and Uruguay.

245 CACN, *Evidence*, 5 February 2024, 1900 (Meredith Lilly, Associate Professor, Simon Reisman Chair in International Economic Policy, Carleton University, As an individual); and CACN, *Evidence*, 3 June 2024, 1930 (Hugh Stephens, Distinguished Fellow, Asia Pacific Foundation of Canada, As an individual).

246 CACN, *Evidence*, 5 February 2024, 1900 (Meredith Lilly, Associate Professor, Simon Reisman Chair in International Economic Policy, Carleton University, As an individual).



recommended that Canada focus on “the hard work of improving the agreement,” through review, changes, and looking at the details.<sup>247</sup> To date, the status of the accession bids of the PRC and Taiwan have not been publicly shared.

In approaching trade in the region, Meredith Lilly advocated for Canada to work on expanding and improving the CPTPP, which she described as a “top agreement with high standards.”<sup>248</sup> Michael Harvey—Executive Director, Canadian Agri-Food Trade Alliance—pointed out that because the United States is not a member of the CPTPP, Canada benefits from a competitive advantage.<sup>249</sup> Tyler Fulton noted that Canadian cattle producers have benefitted from the advantages of the CPTPP, which is providing access to markets with high growth potential, including Japan and Vietnam. He stressed that all trade agreements should meet the high bar set by the CPTPP and should be rules and science based,<sup>250</sup> while Meredith Lilly noted that Canada should want to trade with economies that can meet those standards.

Furthermore, she shared her opinion that “one-off trade deals are a bad idea.”<sup>251</sup> She drew attention to Global Affairs Canada’s assessment that if Canada would sign a free trade agreement with ASEAN, the increase Canada’s “trade exports” would amount to \$2.7 billion, “not a huge amount of trade.”<sup>252</sup> Nevertheless, she acknowledged that the agreement would be a “good” way for Canada and ASEAN to co-operate without involving the United States and the PRC.<sup>253</sup>

Providing a different perspective, Wayne Christopher Farmer has long been advocating for Canada to reach a free-trade agreement with ASEAN and Indonesia, hopefully concluding in 2025–26 and 2025 respectively.<sup>254</sup> Brian Innes and Dave Carey also expressed support for those agreements, with Michael Harvey noting that Australia has

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247 CACN, [Evidence](#), 26 February 2024, 1950 (Carlo Dade, Centre for Trade and Trade Infrastructure, Canada West Foundation).

248 CACN, [Evidence](#), 5 February 2024, 1935 (Meredith Lilly, Associate Professor, Simon Reisman Chair in International Economic Policy, Carleton University, As an individual).

249 CACN, [Evidence](#), 27 May 2024, 2000 (Michael Harvey, Executive Director, Canadian Agri-Food Trade Alliance).

250 CACN, [Evidence](#), 27 May 2024, 2040 (Tyler Fulton, Vice President, Canadian Cattle Association).

251 CACN, [Evidence](#), 5 February 2024, 1935 (Meredith Lilly, Associate Professor, Simon Reisman Chair in International Economic Policy, Carleton University, As an individual).

252 *Ibid.*, [1910](#).

253 *Ibid.*

254 CACN, [Evidence](#), 3 June 2024, 2040 (Wayne Christopher Farmer, President, Canada-ASEAN Business Council).



free trade agreements with those countries.<sup>255</sup> He outlined that the Canadian Agri-Food Trade Alliance's number one priority is to open up new markets, including by prioritizing these agreements. With reference to an existing bilateral free trade agreement, Mr. Innes highlighted the benefits for Canadian soybean producers of the *Canada–Korea Free Trade Agreement*, which became effective in 2015.<sup>256</sup> Jeff Kucharski applauded efforts to diversify markets in ASEAN, and noted that presently, Canada has a significant reliance on the PRC for its exports, pointing out “that it's a huge vulnerability in a world where tensions with [the PRC] are likely to continue.”<sup>257</sup>

Absent from *Canada's Indo-Pacific Strategy* is mention of the Regional Comprehensive Economic Partnership (RCEP), which Deanna Horton described as the largest trading system in the world and includes several CPTPP members as well as the PRC.<sup>258</sup> Canada is not a member of the RCEP. Wayne Farmer noted that ASEAN members have a central role within RCEP, and that access to the RCEP requires a preceding agreement with ASEAN, and therefore provides another incentive for Canada to pursue its free trade agreement with ASEAN.<sup>259</sup>

Claude Vaillancourt—Author, Association pour la Taxation des Transactions financières et pour l'Action Citoyenne—cautioned that Canada has entered into agreements despite concerns raised by human rights advocates, for example, in 2014, Canada ratified its foreign investment promotion and protection agreement with the PRC despite those concerns.<sup>260</sup> He noted that Canada has an opportunity with future agreements to integrate progressive elements such as binding environmental and human rights clauses. He drew particular attention to investor-state dispute settlement mechanisms, which enable companies to take legal action against governments “with no reciprocity.” In pointing out that the *Canada–United States–Mexico Agreement* does not include this

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255 CACN, [Evidence](#), 27 May 2024, 1930 (Brian Innes, Executive Director, Soy Canada); CACN, [Evidence](#), 27 May 2024, 1930 (Dave Carey, Vice-President, Government and Industry Relations, Canadian Canola Growers Association); and CACN, [Evidence](#), 27 May 2024, 1935 (Michael Harvey, Executive Director, Canadian Agri-Food Alliance).

256 CACN, [Evidence](#), 27 May 2024, 1945 (Brian Innes, Executive Director, Soy Canada).

257 CACN, [Evidence](#), 27 May 2024, 1935 (Jeff Kucharski, Senior Fellow, Macdonald-Laurier Institute).

258 Members of the Regional Comprehensive Economic Partnership (RCEP) are Australia, Brunei, Cambodia, the PRC, Indonesia, Japan, Laos, Malaysia, Myanmar, New Zealand, the Philippines, Singapore and Vietnam. CACN, [Evidence](#), 5 February 2024, 2040 (Deanna Horton, Distinguished Fellow, Munk School of Global Affairs and Public Policy, University of Toronto, As an individual).

259 CACN, [Evidence](#), 3 June 2024, 2045 (Wayne Christopher Farmer, President, Canada-ASEAN Business Council).

260 CACN, [Evidence](#), 26 February 2024, 1935 (Claude Vaillancourt, Author, Association pour la Taxation des Transactions financières et pour l'Action Citoyenne).



mechanism for new investments, he advocated that new free trade agreements also should not contain such mechanisms.<sup>261</sup>

### **Recommendation 13**

**That the Government of Canada review the *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* to enhance trade opportunities for Canadian consumers and firms, while ensuring that the process for the potential accession of new members supports rules-based and open markets.**

### **Recommendation 14**

**That the Government of Canada integrate human rights provisions in new free trade agreements with Indo-Pacific partners.**

## **Agriculture and Food Security**

The Special Committee heard from several witness who represent Canada's agricultural sector and discussed the importance of trade with the Indo-Pacific region for their sector and Canada's role in global food security. With a focus on trade, Michael Harvey reported that Canada is the world's fifth largest agricultural product exporter, and in 2023, Canada's agriculture and agri-food exports to the Indo-Pacific region were valued at \$22.8 billion.<sup>262</sup> He and Mr. Innes noted that Canada is among the few countries that produces food for itself in addition to other countries.<sup>263</sup>

In recognizing the value of the Indo-Pacific region more broadly as a market for Canadian agricultural products, witnesses stressed the size and importance of the PRC. Carlo Dade pointed out that Canada's agriculture trade with the PRC represents an outsized proportion of Canada's overall trade with the country.<sup>264</sup> Yet, as discussed in the section on economic coercion, Canada's agricultural exports to the PRC have been affected by the country's economic coercion. Reflecting on this uncertainty surrounding the PRC

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261 CACN, *Evidence*, 26 February 2024, 2030 (Claude Vaillancourt, Author, Association pour la Taxation des Transactions financières et pour l'Action Citoyenne).

262 CACN, *Evidence*, 27 May 2024, 1840 (Michael Harvey, Executive Director, Canadian Agri-Food Alliance).

263 CACN, *Evidence*, 27 May 2024, 1845 (Brian Innes, Executive Director, Soy Canada).

264 CACN, *Evidence*, 26 February 2024, 2025 (Carlo Dade, Centre for Trade and Trade Infrastructure, Canada West Foundation).

market, Meredith Lilly stated, “I truly think that [the PRC] will continue to import from Canada when it serves [the PRC’s] interest.”<sup>265</sup>

As a key initiative under Canada’s IPS, in February 2024, Canada’s Minister of Agriculture and Agri-Food opened the Indo-Pacific Agriculture and Agri-Food Office in Manila, Philippines.<sup>266</sup> Witnesses supported the office, with Mr. Innes stressing that Canada needs to use it to proactively prevent trade issues and quickly resolve them if they arise.<sup>267</sup>

Michael Harvey drew attention to Canada as a reliable supplier for countries seeking greater food security, noting that Canada “has a strong track record of not using food as a political weapon or banning agricultural exports.”<sup>268</sup> Ambassador Austria shared a touching story that reflects Canada’s role as a contributor to food security in region.<sup>269</sup> She noted that a non-government organization (NGO) in the Philippines purchases potato seeds from Prince Edward Island to distribute to Indigenous communities, resulting in increased yields. At the opening of Canada’s Agriculture and Agri-Food Office in Manila, farmers from those communities brought their harvest to present to the Canadian Minister.<sup>270</sup> She noted that by leveraging bilateral relations and working together, both countries can improve the lives of people on the ground.<sup>271</sup>

## Recommendation 15

**That the Government of Canada ensure that the Agriculture and Agri-Food Office in Manila works to prevent and resolve potential trade disputes in the Indo-Pacific region, and expands markets for Canadian agricultural products.**

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265 CACN, *Evidence*, 5 February 2024, 1935 (Meredith Lilly, Associate Professor, Simon Reisman Chair in International Economic Policy, Carleton University, As an individual).

266 Government of Canada, *Minister MacAulay opens Canada’s first-ever Indo-Pacific Agriculture and Agri-Food Office*, News release, 21 February 2024.

267 CACN, *Evidence*, 27 May 2024, 1845 (Brian Innes, Executive Director, Soy Canada).

268 CACN, *Evidence*, 27 May 2024, 1840 (Michael Harvey, Executive Director, Canadian Agri-Food Alliance).

269 CACN, *Evidence*, 10 June 2024, 1915 (H. E. Ms. Maria Andrelita Sacramento Austria, Ambassador of the Republic of the Philippines).

270 Ibid.

271 Ibid.



## Promoting the Strengthening of People-to-People Ties and the Protection of Human Rights

*Canada's Indo-Pacific Strategy* states that “[i]nvesting in ties between Canadians and people from the region lies at the heart of [the Strategy].”<sup>272</sup> To that end, Canada committed to strengthening people-to-people ties with the region, increasing its feminist international assistance programming and continuing to defend human rights. Several witnesses commented on this third pillar of the Strategy, particularly with regard to strengthening people-to-people ties between Canadian society and Indo-Pacific society, protecting human rights, including addressing forced labour, and promoting democracy in the region.

### Investing in People-to-People Ties

According to Victor V. Ramraj, Professor of Law and Chair of the University of Victoria’s Centre for Asia-Pacific Initiatives, who appeared as an individual, “[t]he Indo-Pacific strategy might be read by some as a document about geopolitics and national security. A more nuanced reading, however, recommends a more holistic approach that focuses as much, if not more, on fostering dense, multi-layered and enduring connections between Canada and Asia.”<sup>273</sup> He told the Special Committee that he sees the third pillar of Canada’s Strategy, which relates to strengthening people-to-people ties, whether official or non-official, between Canada and the region as one of the Strategy’s strengths. Dr. Kuhonta and Ambassador Yamanouchi agreed that investing in people-to-people ties between Canada and the region is a very significant element of Canada’s Strategy.<sup>274</sup> Nevertheless, several witnesses highlighted the need to establish stronger societal ties between Canada and the Indo-Pacific.<sup>275</sup>

Dr. Ramraj stated that “[t]he greater the density of ties between two societies, the greater the ability to survive during difficult times,” because “[d]ense societal ties ensure resilience when official ties are strained.”<sup>276</sup> More broadly, in terms of investing in people-

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272 Government of Canada, *Canada's Indo-Pacific Strategy*, 2022, p. 19.

273 CACN, *Evidence*, 29 January 2024, 2010 (Victor V. Ramraj, Professor of Law and Chair, Asia-Pacific Legal Relations, University of Victoria and Centre for Asia-Pacific Initiatives, As an individual).

274 CACN, *Evidence*, 3 June 2024, 2055 (Erik Kuhonta, Associate Professor, Department of Political Science, McGill University, As an individual); and CACN, *Evidence*, 12 February 2024, 1925 (His Excellency Kanji Yamanouchi, Ambassador of Japan to Canada).

275 CACN, *Evidence*, 29 January 2024, 2050 (Victor V. Ramraj, Professor of Law and Chair, Asia-Pacific Legal Relations, University of Victoria and Centre for Asia-Pacific Initiatives, As an individual).

276 *Ibid.*, [2010](#).

to-people ties between Canada and the Indo-Pacific region, a number of witnesses talked about areas where the Government of Canada could take action to foster strong, enduring societal ties.

First, some witnesses told the Special Committee that the Government of Canada should focus more on civil society, including non-governmental organizations, to strengthen people-to-people ties with the Indo-Pacific region. Dr. Caouette stated that it is “important to connect diasporas with non-governmental and civil society organizations.”<sup>277</sup> According to Hugh Stephens, one shortcoming of *Canada’s Indo-Pacific Strategy* that needs to be addressed is the process for access to funding for Canadian NGOs. He stated that speeding up and clarifying the process “would go a long way toward building institutional and people-to-people ties” between Canadian society and Indo-Pacific society.<sup>278</sup>

Second, Dr. Ramraj noted that initiatives fostering collaboration on Indigenous issues could be a good way to strengthen people-to-people ties between Canada and the Indo-Pacific, considering that “two-thirds of the world’s [I]ndigenous peoples live in Asia.”<sup>279</sup> He cited the initiative that the Special Committee heard about from Frank Des Rosiers, Assistant Deputy Minister of Strategic Policy and Innovation at the Department of Natural Resources, in which the Honourable Jonathan Wilkinson, Minister of Energy and Natural Resources, led a trade mission to Japan in January 2023 accompanied by Indigenous business leaders, and the *Indigenous Peoples Economic and Trade Cooperation Arrangement* between Canada, Australia, New Zealand and Taiwan as good examples.

Dr. Ramraj told the Special Committee that facilitating such initiatives “could play a critical [I]ndigenous-led role in building ties across the Pacific,” in that it “would strengthen Canada’s ties at a different level from the official level.”<sup>280</sup> In that vein, Mr. Des Rosiers noted that “[h]aving an early engagement from [I]ndigenous leaders there was certainly something that was noted very positively by our colleagues in Japan.”<sup>281</sup>

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277 CACN, *Evidence*, 26 February 2024, 2025 (Dominique Caouette, Professor and Chair, Asian and Indo-Pacific Studies, Université de Montréal, As an individual).

278 CACN, *Evidence*, 3 June 2024, 1930 (Hugh Stephens, Distinguished Fellow, Asia Pacific Foundation of Canada, As an individual).

279 CACN, *Evidence*, 29 January 2024, 2010 (Victor V. Ramraj, Professor of Law and Chair, Asia-Pacific Legal Relations, University of Victoria and Centre for Asia-Pacific Initiatives, As an individual).

280 *Ibid.*, 2035.

281 CACN, *Evidence*, 27 November 2023, 1730 (Frank Des Rosiers, Assistant Deputy Minister, Strategic Policy and Innovation, Department of Natural Resources).



Ms. Paskal made a suggestion similar to Dr. Ramraj's. She stated that a knowledge exchange program between Polynesians and some First Nations in Canada, specifically the Haida, would build trust, resilience and people-to-people ties between Canada and the Indo-Pacific.<sup>282</sup> She told the Special Committee that such an initiative would be groundbreaking and something unique that Canada could offer the people of Oceania, because there are cultural linkages between these nations and also because "First [N]ation and Inuit leaders [in Canada] know and understand the challenges of tight-knit communities living in relatively isolated locations, in many cases with complex communal land laws."<sup>283</sup>

In addition, as an example of what this collaboration on Indigenous issues could look like, Dr. Nagy suggested working in minilateral co-operation with the Pacific Islands.<sup>284</sup>

Lastly, according to Dr. Ramraj, universities would be another possible area where the Government of Canada could take action to foster enduring societal ties. He stated that "Canada's universities serve a critical long-term role in supporting the Indo-Pacific strategy" because they are more than just teaching institutions; they can also foster and promote a real network of exchanges between Canada and the region.<sup>285</sup> He added that, "[w]ith more than 1.4 million students in Canadian university classrooms each year, universities are an obvious and untapped focal point for strengthening Canada's ties to Asia."<sup>286</sup> He stated that these students could serve as ambassadors for Canada and could do a lot over time to help Canada develop deep bonds with the region.<sup>287</sup> In other words, Dr. Ramraj stated, taking the Asia issue very seriously and genuinely fostering enduring societal ties between Canada and the Indo-Pacific region "will require a generational investment in universities by all levels of government, including a dedicated Canada research chair type of scheme to foster capacity building on Asia."<sup>288</sup>

Dr. Ramraj's view was reiterated by several other witnesses, who testified that universities are a resource that should be leveraged further in order to strengthen

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282 CACN, [Evidence](#), 5 February 2024, 1950 (Cleo Paskal, Researcher, Montreal Centre for International Studies, Université de Montréal, As an individual).

283 Ibid.

284 CACN, [Evidence](#), 5 February 2024, 1850 (Stephen R. Nagy, Professor, International Christian University, MacDonald-Laurier Institute, As an individual).

285 CACN, [Evidence](#), 29 January 2024, 2010 (Victor V. Ramraj, Professor of Law and Chair, Asia-Pacific Legal Relations, University of Victoria and Centre for Asia-Pacific Initiatives, As an individual).

286 Ibid.

287 Ibid., [2025](#).

288 Ibid., [2010](#).

people-to-people ties between Canada and the region. Regarding student exchanges, Ms. Horton pointed out the imbalance between the number of Asian students coming to study in Canada and the number of Canadian students going to the Indo-Pacific region.<sup>289</sup> In her opinion, “what should happen is that [Canadian] students, rather than going to Europe for their junior year abroad, should be going somewhere in Asia. That’s where the future is.”<sup>290</sup> Ms. Horton also noted that, at present,

Canada does very little to leverage one of its most important assets in Asia, namely our large Asian diaspora and alumni from Canadian universities. These pools of human capital would no doubt prove invaluable if we were to call upon them to get involved and to share their knowledge of Indo-Pacific markets, business norms, culture and local politics. Our representatives abroad are likely already in contact with some of these talented people, but this should be actively encouraged and supported by the Government of Canada.<sup>291</sup>

Similarly, Dr. Kuhonta told the Special Committee that looking to universities to build intellectual partnership engagements between Canada and the region would make it possible to create informal networks and infrastructure in the long run in the Indo-Pacific region through ties between researchers, among others.<sup>292</sup>

### Recommendation 16

**That the Government of Canada examine ways to speed up and clarify the process for access to funding for Canadian non-governmental organizations in order to strengthen people-to-people and institutional ties with the Indo-Pacific region.**

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289 According to the [Canadian Bureau for International Education](#), based on [data](#) from Immigration, Refugees and Citizenship Canada, there were 1,040,985 international students in Canada at all levels of study at the end of 2023. Of that number, 65% were from Indo-Pacific nations (India 41%, PRC 10%, Philippines 5%, Vietnam 2%, Republic of Korea 2%, Bangladesh 2%, Nepal 2% and Hong Kong 1%). Similarly, the [UNESCO Institute for Statistics](#) (UIS) reported that, in Canada in 2022, 241,497 international students were from the Asian continent, of which 103,737 were from East Asia and the Pacific region, which roughly aligns with what Canada describes as being the Indo-Pacific region. Conversely, the number of Canadian students outbound to the Asian continent in 2022, according to the UIS, was 45 students to Central Asia and 339 to South and West Asia. For the more targeted region of East Asia and the Pacific, the latest UIS data are for 2018. At that time, the UIS reported that 4,366 Canadian students were studying internationally in that region.

290 CACN, [Evidence](#), 5 February 2024, 2030 (Deanna Horton, Distinguished Fellow, Munk School of Global Affairs and Public Policy, University of Toronto, As an individual).

291 *Ibid.*, [1955](#).

292 CACN, [Evidence](#), 3 June 2024, 2055 (Erik Kuhonta, Associate Professor, Department of Political Science, McGill University, As an individual).



### Recommendation 17

**That the Government of Canada, in collaboration with Indigenous peoples in Canada, establish a knowledge exchange program on Indigenous issues with the governments and Indigenous peoples in the Indo-Pacific region, particularly those in Oceania and the Pacific Islands.**

### Recommendation 18

**That the Government of Canada, in collaboration with the provinces and territories, examine ways to invest in higher education, particularly in a research chair program at Canadian university institutions to support Canadian capacity building with respect to the Indo-Pacific and thus foster the development of enduring societal ties between Canada and the region.**

## Protecting Human Rights

During the Special Committee’s study, witnesses mentioned several aspects related to the protection of human rights: first, the idea of pursuing dialogue with the PRC despite the CCP’s repeated violations of its human rights obligations; second, how to ban goods made with forced labour from reaching Canadian soil, particularly considering the situation of the Uyghur people and other ethnic minorities in the PRC’s Xinjiang province; and third, how the Government of Canada should shape its strategic approach when it comes to protecting and promoting human rights both in Canada and abroad.

## Pursuing Dialogue With the People’s Republic of China

*Canada’s Indo-Pacific Strategy* recognizes the PRC’s reluctance to comply with the warnings and mandates of the United Nations, particularly considering the PRC’s efforts “to block the UN High Commissioner for Human Rights’ report on the situation of Uyghurs in Xinjiang ... from consideration by the UN Human Rights Council.”<sup>293</sup> Canada states that it will challenge the PRC, especially “when it ... ignores human rights obligations.”<sup>294</sup> Lhadon Tethong said that she welcomed Canada’s Strategy because it “brings into the light some critical truths about the [PRC].”<sup>295</sup>

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293 Government of Canada, *Canada’s Indo-Pacific Strategy*, 2022, p. 7.

294 *Ibid.*, p. 7.

295 CACN, *Evidence*, 6 May 2024, 1840 (Lhadon Tethong, Director, Tibet Action Institute).



More generally, during the discussions surrounding the PRC's behaviour with regard to human rights violations on its territory and abroad, a number of witnesses talked about the importance of pursuing dialogue with the PRC.

Professor Houlden told the Special Committee that, in his opinion, "it's more important to have a dialogue with countries with shortcomings or difficulties, even if, at the end of the day, [Canada is] not on the same wavelength. Simply engaging in a conversation with these countries at least provides an opportunity to advance the dialogue."<sup>296</sup> He expressed optimism about keeping the dialogue open with PRC authorities, particularly on difficult subjects such as human rights, including forced labour. He added that, in his view, even if the situation for Uyghurs, Tibetans and other religious minorities in the PRC does not change overnight, "we can at least maintain contact and keep the dialogue open, in the hope of seeing changes," because "[i]f we don't communicate, if we don't engage, we surely won't see improvements."<sup>297</sup> The Japanese ambassador was of the same opinion, stating that "[t]he important thing is the communication."<sup>298</sup> He added, however, that "Japan will firmly maintain and assert its position, and it will strongly urge—request—[the PRC] to act responsibly."<sup>299</sup>

Dr. Hampson pointed out that communication is sometimes confused with capitulation in public discourse, but they are not the same. He stated that he agreed with Professor Houlden on the need to keep dialogue open, but added two caveats: that Canada should employ very adroit diplomacy with regard to the PRC, particularly by first talking to countries that are aligned with Canadian values and interests, and that Canada should ensure that its discourse remains consistent.<sup>300</sup> Dr. Medcalf made a similar point, telling the Special Committee that, on the issue of forced labour, he believes that "building and maintaining more prominent cross-parliamentary collaboration and dialogue publicly would be one of the best contributions that all our countries could make to keeping [the issue of forced labour in the PRC] alive."<sup>301</sup>

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296 CACN, *Evidence*, 29 January 2024, 1905 (Gordon Houlden, Professor and Director Emeritus, University of Alberta - China Institute, As an individual).

297 Ibid.

298 CACN, *Evidence*, 12 February 2024, 1920 (H.E. Mr. Kanji Yamanouchi, Ambassador of Japan to Canada).

299 Ibid.

300 CACN, *Evidence*, 29 January 2024, 1910 (Fen Osler Hampson, Chancellor's Professor and Professor, Norman Paterson School of International Affairs, Carleton University, As an individual).

301 CACN, *Evidence*, 12 February 2024, 2120 (Rory Medcalf, Professor, Head, National Security College, Crawford School of Public Policy, Australian National University, As an individual).



Maya Wang and Lhadon Tethong also had some reservations about pursuing dialogue with the PRC. In Maya Wang’s view, the problem is the content of this dialogue and the audience that is present for it. She pointed out that, at present, the topic of human rights is raised in a separate dialogue or forum on that issue, rather than in front of the people who deal with issues such as national security. Maya Wang argued that human rights should be brought to the fore in discussions with other nations on issues such as national security to “[make] sure human rights are raised at the highest level.”<sup>302</sup> She added that, “often ... when governments go to talk with the [PRC] government ... human rights are mentioned in some kind of separate human rights dialogue rather than when the top leaders are going to talk with Xi Jinping and mentioning that front and centre.”<sup>303</sup> She stated that mainstreaming human rights would have a real impact.

Ms. Tethong believes that the problem lies more in the fact that this dialogue increasingly takes place in private. She told the Special Committee that “the bilateral human rights dialogues have now shown themselves to be mostly powerless and ineffective.”<sup>304</sup> She thinks that what is needed is an approach of “speaking to these issues of human rights abuses, speaking to all of this more clearly, more publicly, and not being afraid to address these directly because it might upset Xi Jinping or offend the Chinese Communist Party leaders or whoever it is we’re dealing with.”<sup>305</sup> She stated that there should be “no more private backroom bilateral dialogues but public pressure, public discussion.”<sup>306</sup> She added that she believes the key to protecting human rights is to set up terms of engagement on the question of human rights, namely by requiring human rights discussions to be more robust and involve other governments. In other words, she explained, “governments and nations [must] tell the [PRC authorities] that they’re not going to engage in a private backroom discussion on human rights.”<sup>307</sup>

In addition to this direct dialogue with the PRC, Maya Wang stated that the Government of Canada should publicly and unilaterally express its concerns about the PRC’s human rights violations and “urge the [PRC] government to end crimes against humanity in Xinjiang.”<sup>308</sup> Feroz Mehdi stated that this approach would be equally valid and applicable for India, which he said is grappling with a deeply distressing human rights situation, given

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302 CACN, [Evidence](#), 6 May 2024, 1915 (Maya Wang, Acting China Director, Human Rights Watch).

303 Ibid.

304 CACN, [Evidence](#), 6 May 2024, 1925 (Lhadon Tethong, Director, Tibet Action Institute).

305 Ibid., [1910](#).

306 Ibid.

307 Ibid., [1925](#).

308 CACN, [Evidence](#), 6 May 2024, 1835 (Maya Wang, Acting China Director, Human Rights Watch).

that “[c]ontinued escalation of hate speech and home demolitions as well as calls for ethnic cleansing and genocide raise the spectre of horrific mass violence in the subcontinent.”<sup>309</sup>

The Canadian House of Commons recognized, in February 2021, that a genocide was being carried out against the Uyghur people in the province of Xinjiang and the United Nations Office of the High Commissioner for Human Rights concluded in 2022 that “serious human rights violations” had been committed against the Uyghur and other predominantly Muslim communities.<sup>310</sup> Maya Wang noted that, while expressing disagreement is important, words alone are not enough: they should be backed by concrete actions, particularly with regard to the severity of the situation in Xinjiang.<sup>311</sup>

Similarly, Claude Vaillancourt stated that the human rights situation in Xinjiang is forcing Canada to rethink some aspects of its trade relationship with the PRC and to “implement truly effective measures to prevent goods produced by forced labour from ending up on ... store shelves” in Canada.<sup>312</sup>

### **Recommendation 19**

**That the Government of Canada urge the Government of the People's Republic of China to end its policy of cultural assimilation of Tibetans, and respect Tibetans' right to self-determination.**

### **Recommendation 20**

**That the Government of Canada ensure that issues related to the protection of human rights, including the eradication of forced labour, are discussed at the highest levels during meetings with nations that do not share our values on these issues, including with top officials from the People's Republic of China.**

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309 CACN, *Evidence*, 6 May 2024, 1830 (Feroz Mehdi, Program Officer, Alternatives).

310 House of Commons, *Journals*, 22 February 2021; and Office of the United Nations High Commissioner for Human Rights, *OHCHR Assessment of human rights concerns in the Xinjiang Uyghur Autonomous Region, People's Republic of China*, 31 August 2022.

311 CACN, *Evidence*, 6 May 2024, 1835 (Maya Wang, Acting China Director, Human Rights Watch).

312 CACN, *Evidence*, 26 February 2024, 1940 (Claude Vaillancourt, Author, Association pour la Taxation des Transactions financières et pour l'Action Citoyenne).



## Recommendation 21

**That the Government of Canada publicly urge the government of the People’s Republic of China to end the state-organized mass imprisonment, torture and persecution of members of the Uyghur ethnic minority and other minorities—which, in the opinion of Canada’s House of Commons, amount to a genocide—in the Xinjiang Uyghur Autonomous Region.**

### **Banning Goods Made With Forced Labour from Entering Canada**

While several of the witnesses who appeared before the Special Committee welcomed the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, which came into force in January 2024, some believe that it does not go far enough, because it merely imposes reporting obligations and does not address the problem of how to actually ban goods made with forced labour from entering Canada. To rectify the situation, some witnesses suggested legislative improvements to tighten up regulations surrounding the entry into Canada of goods that may have been mined, manufactured or produced wholly or in part by forced labour.

First, a number of witnesses mentioned that the Parliament of Canada should pass a law similar to the U.S. *Uyghur Forced Labour Prevention Act*, which establishes a rebuttable presumption that goods originating in the Xinjiang region were made with forced labour and are ineligible for entry into the United States unless proven otherwise.<sup>313</sup> Unlike the Canadian legislative framework currently in place, the U.S. law places the burden on the importer to prove that the goods are not the product of forced labour. As an example, U.S. Customs and Border Protection reports that, since the *Uyghur Forced Labor Prevention Act* was implemented, of the 10,160 total shipments between June 2022 and September 2024 subject to review from Vietnam, Malaysia, the PRC, Thailand, Mexico and other countries that imported production inputs from the Xinjiang region, 4,288 were denied entry to the United States.<sup>314</sup> Meanwhile, to date, the Canada Border Services Agency blocked only one shipment from the Xinjiang region—in Quebec in 2021—pursuant to amendments made in 2020 to the *Customs Tariff* prohibiting the import of goods produced by forced

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313 Ibid., [2010](#); and CACN, *Evidence*, 6 May 2024, 1835 and [1905](#) (Maya Wang, Acting China Director, Human Rights Watch).

314 U.S. Customs and Border Protection, *Uyghur Forced Labor Prevention Act Statistics*, 22 October 2024.

labour. However, in the end that single blocked shipment was allowed in after the importer challenged the detention.<sup>315</sup>

Second, several witnesses told the Special Committee that Canada needs to pass legislation on corporate due diligence.<sup>316</sup> As Maya Wang explained, this means a law that would require companies to “address human rights abuses in their supply chains in Xinjiang and elsewhere.”<sup>317</sup> Melissa Marschke, Professor, Department of International Development and Global Studies, University of Ottawa, who appeared as an individual, told the Special Committee, “Right now, Canada’s forced labour policy serves as a checkbox exercise, without companies actually having serious accountability,” so companies should have due diligence requirements.<sup>318</sup> In her view, “Canada is behind the eight ball on that.”<sup>319</sup>

Third, Mr. Vaillancourt argued that the Office of the Canadian Ombudsperson for Responsible Enterprise (CORE) should be transformed into an independent office with robust investigative powers, particularly so that it could “require businesses to provide much more meaningful and important data.”<sup>320</sup> He added that this “would then make it possible to conduct real investigations and to have a better assessment of the stock that comes to us from [the PRC], the stock that is produced by work done under really trying conditions.”<sup>321</sup> Although Maya Wang noted that she was not familiar with the way the Office of the CORE works, she agreed that an institution would need “enforcement power for legislation to act against forced labour.”<sup>322</sup>

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315 See for example Alexander Panetta, “[Canada’s failure to block forced-labour imports draws U.S. scrutiny](#),” *CBC News*, 5 June 2024.

316 CACN, *Evidence*, 26 February 2024, 2010 (Claude Vaillancourt, Author, Association pour la Taxation des Transactions financières et pour l’Action Citoyenne); CACN, *Evidence*, 6 May 2024, 1835 and [1910](#) (Maya Wang, Acting China Director, Human Rights Watch); and CACN, *Evidence*, 3 June 2024, 2035 (Melissa Marschke, Professor, Department of International Development and Global Studies, University of Ottawa, As an individual).

317 CACN, *Evidence*, 6 May 2024, 1835 and [1910](#) (Maya Wang, Acting China Director, Human Rights Watch).

318 CACN, *Evidence*, 3 June 2024, 2035 (Melissa Marschke, Professor, Department of International Development and Global Studies, University of Ottawa, As an individual).

319 *Ibid.*, [2110](#).

320 CACN, *Evidence*, 26 February 2024, 2010 (Claude Vaillancourt, Author, Association pour la Taxation des Transactions financières et pour l’Action Citoyenne).

321 *Ibid.*

322 CACN, *Evidence*, 6 May 2024, 1950 (Maya Wang, Acting China Director, Human Rights Watch).



## Recommendation 22

**That the Government of Canada commit to introducing legislative measures or build upon existing legislation to establish a rebuttable presumption that goods originating in the Xinjiang region, and other determined regions, are mined, manufactured or produced wholly or in part by forced labour, and ensure appropriate resources for their enforcement.**

## Recommendation 23

**That the Government of Canada introduce a bill on corporate due diligence with regard to human rights that would, among other things, require companies to address human rights violations in their supply chains in Xinjiang and elsewhere.**

## Shaping Canada's Human Rights Approach

In addition, Maya Wang told the Special Committee that, to truly address the PRC's human rights abuses, she believes that "Canada could take the lead at the [United Nations] Human Rights Council to press the high commissioner, to say that we need to talk about this and we need to have a joint statement" on the PRC's crimes against humanity.<sup>323</sup> She also added that Human Rights Watch believes that "the Canadian government should encourage the preparation of criminal investigations into [the PRC] officials responsible for crimes against humanity" and that it "encourage[s] government to document the individuals who are still missing in the region, who are detained and imprisoned, and to press for their release, obviously."<sup>324</sup>

Finally, on the broader issue of human rights protections and Canada's approach beyond the situation in the PRC, Maya Wang pointed out that one problem remains, which is that human rights are always treated as a side issue in broader policy documents. That is why she believes that Canada should have a strategy specifically for promoting human rights.<sup>325</sup> This strategy should be both independent and exhaustive, with staff and funding, yet interconnected with the Government of Canada's actions arising from other policy guidance documents, including its Indo-Pacific Strategy. Ms. Tethong agreed that Canada should adopt a strategy on the protection and promotion of human rights. She

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323 Ibid., [1915](#).

324 Ibid., [1950](#).

325 Ibid., [1935](#).

believes that “it’s key for continuity from government to government but also just in terms of infusing every discussion.”<sup>326</sup>

## Promoting Democracy

*Canada’s Indo-Pacific Strategy* states that every issue that matters to Canadians, including democratic values, “will be shaped by the relationships Canada and its allies and partners have with Indo-Pacific countries.”<sup>327</sup> During the Special Committee’s study of *Canada’s Indo-Pacific Strategy*, the issue of promoting democratic values in the Indo-Pacific—specifically, how to do so—was a topic of discussion.

As mentioned above, according to Dr. Kuhonta, “the United States tends to promote liberal democratic rights in a very excessively muscular way” that may turn off countries in the Indo-Pacific region, especially Southeast Asia.<sup>328</sup> Similarly, Jia Wang told the Special Committee that Canada should try to avoid “a binary, value-based approach, where we only see things through the lens of good versus evil, democracy versus autocracy, which implies that confrontation is inevitable. It is not a shared perspective by the majority of the world’s population, especially not by countries in the Indo-Pacific.”<sup>329</sup>

To promote democracy in the region while refraining from taking a forceful, good-versus-evil approach, Dr. Kuhonta suggested that Canada could, for instance, build on university fora and intellectual partnerships in the region with Canada. He believes that this could provide a unique entry point for Canada to advance liberal values in the Indo-Pacific while differentiating itself from the top-down or more forceful approach of the United States.<sup>330</sup> He stated that building these “intellectual partnership engagements” to promote democratic values using a more moderate approach could be done in direct ways, such as the “funding of civil society organizations that are at the forefront of liberal rights,”<sup>331</sup> but also in more indirect ways. One example Dr. Kuhonta gave of an indirect way is training lecturers from the region in Canada, as McGill University did with its Indonesia project, “which funded lecturers from Islamic Indonesian institutes in

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326 CACN, *Evidence*, 6 May 2024, 1935 (Lhadon Tethong, Director, Tibet Action Institute).

327 Government of Canada, *Canada’s Indo-Pacific Strategy*, 2022, p. 1.

328 CACN, *Evidence*, 3 June 2024, 2110 (Erik Kuhonta, Associate Professor, Department of Political Science, McGill University, As an individual).

329 CACN, *Evidence*, 29 January 2024, 2005 (Jia Wang, Deputy Director, University of Alberta - China Institute, As an individual).

330 CACN, *Evidence*, 3 June 2024, 2055 (Erik Kuhonta, Associate Professor, Department of Political Science, McGill University, As an individual).

331 Ibid.



Indonesia to come to McGill and earn M.A.s and Ph.D.s—graduate degrees.”<sup>332</sup> He explained to the Special Committee that the point of the project was “to train the lecturers from top departments at McGill, but in the process to indirectly also suffuse these lecturers with liberal education and liberal values,” so that they would then promote these values while teaching at Islamic Indonesian institutes.<sup>333</sup>

When asked how Canada, as a middle power, can better promote democracy in a way that does not impose, Lhadon Tethong said that this approach is obviously not as easy as taking a more forceful approach, but that she believes the answer lies with the people.<sup>334</sup> In other words, she told the Special Committee, “the key, especially if you don’t want it to be top-down or one side lecturing to the other, is looking for natural allies in those places.”<sup>335</sup> She stated that this could mean people, movements, organizations and civil society groups on the ground that are already fighting for rights and freedoms and democratic values in countries governed by authoritarian regimes. In some ways, this resembles the direct approach mentioned by Dr. Kuhonta.

Jia Wang also told the Special Committee that, by taking a purely values-based approach, she wonders if Canada “may not be able to get things done.”<sup>336</sup> In her view, “[r]ather than having megaphone diplomacy, we sometimes need that quiet diplomacy, behind closed doors, to talk about issues and focus on specific issues,” such as the promotion of democratic values, “rather than having a broad stroke and making a value statement.”<sup>337</sup>

Cleo Paskal suggested another way to promote democracy in the region during her appearance before the Special Committee. She believes that parliamentary visits to countries in the region would be incredibly helpful for achieving this goal, particularly in countries where democracy is under attack. She told the Special Committee that in “a place like the Solomon Islands, where they’ve already delayed elections, having parliamentarians come to let the proto-authoritarians know that we’re keeping an eye on them and reassuring those who are fighting for democracy in their own country that they have allies beyond their shores would be incredibly helpful.”<sup>338</sup> Ms. Paskal stated

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332 Ibid., [2110](#).

333 Ibid.

334 CACN, [Evidence](#), 6 May 2024, 1945 (Lhadon Tethong, Director, Tibet Action Institute).

335 Ibid.

336 CACN, [Evidence](#), 29 January 2024, 2030 (Jia Wang, Deputy Director, University of Alberta - China Institute, As an individual).

337 Ibid.

338 CACN, [Evidence](#), 5 February 2024, 2030 (Cleo Paskal, Researcher, Montreal Centre for International Studies, Université de Montréal, As an individual).



that parliamentary diplomacy could help Canada better understand local realities and communicate with local people, particularly when it comes to promoting democratic values with a more moderate approach.

Maya Wang talked about another idea. She stated that one way to promote democratic values would be to hold governments accountable when they commit human rights abuses. She told the Special Committee that when a “government ... is forced to be held accountable for something like crimes against humanity,” it can open the door to promoting democratic values, because it “emboldens the people on the ground to think, ‘Wait, this isn’t the way a government should behave.’”<sup>339</sup> Regarding the specific situation of the PRC, she noted that she was seeing an emergence of consciousness of feminism in China. In her view, “[t]he [PRC’s] government cannot put this kind of consciousness down forever.”<sup>340</sup> She believes it is extremely important for nations like Canada to continue to put pressure on the PRC by taking “a strong, principled stance on human rights”<sup>341</sup> in order to keep raising the Chinese people’s consciousness of these violations and of the failure to respect democratic values and principles.

#### **Recommendation 24**

**That the Government of Canada examine how it could fund organizations and civil society groups, including media organizations, that promote democratic values and universal human rights in authoritarian states in the Indo-Pacific region, modelled on public-private partnerships.**

#### **Recommendation 25**

**That the Government of Canada, in partnership with the provinces, the territories and Canadian university institutions, establish more programs that give academics from the Indo-Pacific region an opportunity to study for master’s and doctorate degrees at Canadian universities within the announced national cap on study permit applications for international students and ensuring appropriate security measures are always maintained.**

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339 CACN, *Evidence*, 6 May 2024, 1900 (Maya Wang, Acting China Director, Human Rights Watch).

340 Ibid.

341 Ibid.



## The Environment, Energy and Fisheries

*Canada's Indo-Pacific Strategy* outlines that in taking initiatives to address climate change in Canada, there is also an opportunity to engage with the Indo-Pacific region to address this issue through climate and biodiversity initiatives, food security and with fisheries. Describing the importance of this pillar of the strategy, Sandra McCardell, Assistant Deputy Minister, International Affairs Branch at Environment Canada, stated, “clearly our ability to engage substantively with the Indo-Pacific is critical to how the globe is going to address climate change.”<sup>342</sup>

## Climate, Biodiversity and Preventing Plastic Pollution

Ambassador Maria Andrelita Sacramento Austria stated that “climate change remains a deadly challenge for the region and the world. It is the first truly global threat.”<sup>343</sup> Sandra McCardell noted several ways that Canada is working on addressing climate change, including “climate finance, support for energy transition, co-operation on biodiversity and prevention of plastic pollution with the countries of this region.”<sup>344</sup> She noted that Canada has committed \$5.3 billion to international climate finance.<sup>345</sup> Ambassador McKay highlighted that the IPS “will support the scale-up of Canada’s remarkable clean-tech sector companies by supporting first commercial demonstrations in key Indo-Pacific markets.” Furthermore, he drew attention to the federal government’s recapitalization of \$750 million towards FinDev Canada, which is the country’s development finance institution, which will help to support initiatives in the Indo-Pacific region such as addressing coastal degradation and improving climate infrastructure.<sup>346</sup> Stressing the importance of these issues, he noted that “[t]here are countries that are literally at risk of not existing anymore if something isn't done to shore up their shorelines through coastal degradation mitigation.”<sup>347</sup>

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342 CACN, [Evidence](#), 27 November 2023, 1805 (Sandra McCardell, Assistant Deputy Minister, International Affairs Branch, Department of the Environment).

343 CACN, [Evidence](#), 10 June 2024, 1835 (H. E. Ms. Maria Andrelita Sacramento Austria, Ambassador of the Republic of the Philippines).

344 CACN, [Evidence](#), 27 November 2023, 1740 (Sandra McCardell, Assistant Deputy Minister, International Affairs Branch, Department of the Environment).

345 Ibid.

346 CACN, [Evidence](#), 27 November 2023, 1535 (Ian McKay, Ambassador of Canada to Japan and Special Envoy for the Indo-Pacific, Global Affairs Canada).

347 Ibid., [1615](#).

Several witnesses stressed the importance of topics such as climate change, biodiversity and sustainable development, and dialogue and collaboration with other states to seek common ground. In other words, “even with countries that we may not agree with a great deal, it's important that we engage on questions that affect the globe. Environment is one of those questions.”<sup>348</sup> For example, government representatives and Gordon Houlden drew attention to an example of collaboration between the PRC and Canada during a period of otherwise fraught bilateral relations.<sup>349</sup> In December 2022, Canada co-hosted the 2022 United Nations Biodiversity Conference (COP-15) in Montreal at the request of the PRC, which was supposed to host this conference. The conference resulted in the adoption of the [Kunming-Montreal Global Biodiversity Framework](#). In August 2023, Canada became the first donor to the global biodiversity framework fund in pledging \$200 million.<sup>350</sup> In addition, Canada launched a Nature Champions Network that invites countries in the Indo-Pacific region to promote the objectives of the biodiversity framework.<sup>351</sup> Ambassador McKay stressed that this collaboration with the PRC was an example of the quiet diplomacy that Canada has undertaken to work effectively with that country on certain issues. He noted that this collaboration occurred after Canada had launched its IPS.<sup>352</sup> In recognizing this engagement with the PRC, including with the visit of Canada’s Minister of Environment and Climate Change to the PRC in August 2023, Sandra McCardell noted that at this time, Canada has “no projects with Taiwan.”<sup>353</sup>

Canada has taken several steps to address plastic pollution, and Sandra McCardell pointed out several of Canada’s continuing efforts on this issue. In April 2024, Canada hosted the fourth session of the United Nations’ Intergovernmental Negotiating Committee on Plastic Pollution and is working with Indo-Pacific countries including Australia, the Cook Islands, Japan, Micronesia and the Maldives to develop a legally binding instrument to end plastic pollution. The fifth and final negotiation session for will occur in Busan, Republic of Korea,

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348 CACN, [Evidence](#), 27 November 2023, 1805 (Sandra McCardell, Assistant Deputy Minister, International Affairs Branch, Department of the Environment).

349 CACN, [Evidence](#), 27 November 2023, 1550 (Ian McKay, Ambassador of Canada to Japan and Special Envoy for the Indo-Pacific, Global Affairs Canada); CACN, [Evidence](#), 27 November 2023, 1745 (Sandra McCardell, Assistant Deputy Minister, International Affairs Branch, Department of the Environment); and CACN, [Evidence](#), 29 January 2024, 1900 (Gordon Houlden, Professor and Director Emeritus, University of Alberta – China Institute, As an individual).

350 Government of Canada, [Canada's international biodiversity financing](#).

351 CACN, [Evidence](#), 27 November 2023, 1745 (Sandra McCardell, Assistant Deputy Minister, International Affairs Branch, Department of the Environment).

352 CACN, [Evidence](#), 27 November 2023, 1550 (Ian McKay, Ambassador of Canada to Japan and Special Envoy for the Indo-Pacific, Global Affairs Canada).

353 CACN, [Evidence](#), 27 November 2023, 1805 (Sandra McCardell, Assistant Deputy Minister, International Affairs Branch, Department of the Environment).



from 25 November to 1 December 2024.<sup>354</sup> In addition, through the [Global Plastic Action Partnership](#), Canada is working with Indonesia, Vietnam, Pakistan and Cambodia to support these countries in meeting their goals to end plastic pollution. Finally, as part of Canada's G7 presidency in 2018, Canada launched the [Ocean Plastics Charter](#), and works with several Indo-Pacific small island states, including Palau, Nauru and Fiji, as well as international and regional companies, to implement the charter and to prevent plastic waste from being released into the environment.<sup>355</sup>

## Energy

*Canada's Indo-Pacific Strategy* highlights Canada's potential as a contributor to the transition towards clean energy—a term that appears four times in Canada's IPS and is not defined—in the Indo-Pacific region. In stating that “[e]nergy security is a very important element for national security,”<sup>356</sup> Ambassador Yamanouchi also drew attention to the magnitude of the global energy transition, noting that “more than 140 countries have committed to becoming carbon-neutral by 2050.”<sup>357</sup> With Canada's energy and natural resources exports to the Indo-Pacific region totalling \$44 billion in 2022, and accounting for 55% of its total imports to the region, energy supply is a significant component of Canada's trade with the Indo-Pacific. Witnesses discussed Canada's role with different types of energy, including efforts to reduce coal, while expanding Canada's liquified natural gas (LNG), hydrogen, critical minerals and renewables exports.

At present, globally and in the Indo-Pacific region, non-renewables account for most energy usage. By 2030, according to an Asian Development Bank figure cited by Frank Des Rosiers, the Indo-Pacific region is expected to consume 40% of global energy.<sup>358</sup> As Ms. McCardell acknowledged, the PRC is currently the world's largest emitter, accounting for 27% of global greenhouse gasses and half of the global use of coal.<sup>359</sup> Canada remains a supplier of bituminous coal, which includes metallurgical coal used

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354 See Government of Canada, [Fourth Intergovernmental Negotiating Committee \(INC-4\)](#).

355 CACN, [Evidence](#), 27 November 2023, 1745 (Sandra McCardell, Assistant Deputy Minister, International Affairs Branch, Department of the Environment).

356 CACN, [Evidence](#), 12 February 2024, 1910 (H. E. Mr. Kanji Yamanouchi, Ambassador of Japan to Canada).

357 Ibid., [1855](#).

358 CACN, [Evidence](#), 27 November 2023, 1730 (Frank Des Rosiers, Assistant Deputy Minister, Strategic and Policy Innovation, Department of Natural Resources).

359 CACN, [Evidence](#), 27 November 2023, 1815 (Sandra McCardell, Assistant Deputy Minister, International Affairs Branch, Department of the Environment).

to produce steel and thermal coal used to generate electricity,<sup>360</sup> to certain markets in the Indo-Pacific region. In 2023, bituminous coal was Canada's top merchandise export by value to several Indo-Pacific trading partners, including Japan,<sup>361</sup> India,<sup>362</sup> the Republic of Korea<sup>363</sup> and Taiwan,<sup>364</sup> and the second highest valued merchandise export to the PRC.<sup>365</sup>

That said, Sandra McCardell highlighted that Canada is a founding member of the Powering Past Coal Alliance, which encourages states to phase-out unabated coal<sup>366</sup> as a means of power generation.<sup>367</sup> Members at the national level are Fiji, the Marshall Islands, Niue, New Zealand, Singapore, Tuvalu and Vanuatu, as well as subnational governments from Australia, the Republic of Korea, Japan, the Philippines and Taiwan.<sup>368</sup> Furthermore, Canada participates with Indonesia and Vietnam<sup>369</sup> in the Just Energy Transition Partnerships, a funding model to support the transition away from coal.<sup>370</sup> Observing that *Canada's Indo-Pacific Strategy* does not mention Canadian hydrocarbon, or fossil fuel, resources such as LNG and crude oil, Jeff Kucharski stated that their omission from the strategy is a "significant oversight" given that the Indo-Pacific region still has a high demand for those products. He noted that Canadian LNG

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360 In 2023, Canada exported 7.8 million metric tonnes of thermal coal, valued at \$1.4 billion, to markets in the Indo-Pacific region. This volume of thermal coal represented 26.9% of the total amount of bituminous coal exported to these markets. See Statistics Canada, [Canadian International Merchandise Trade Web Application - Exports](#), accessed 1 November 2024.

361 In 2023, thermal coal represented 34.8% of the volume of Canada's bituminous coal exports to Japan, with those thermal coal exports valued at \$927.1 million.

362 In 2023, all of Canada's bituminous coal exports to India were metallurgical coal.

363 In 2023, thermal coal represented 16.3% of the volume of Canada's bituminous coal exports to the Republic of Korea, with those thermal coal exports valued at \$98.2 million.

364 In 2023, thermal coal represented 5.9% of the volume of Canada's bituminous coal exports to Taiwan, with those thermal coal exports valued at \$19.2 million.

365 Government of Canada, [Report - Trade Data Online](#). In 2023, thermal coal represented 14.2% of the volume of Canada's bituminous coal exports to the PRC, with those thermal coal exports valued at \$278.4 million.

366 Unabated coal refers to the burning of coal for energy without capturing the carbon that is emitted.

367 CACN, [Evidence](#), 27 November 2023, 1740 (Sandra McCardell, Assistant Deputy Minister, International Affairs Branch, Department of the Environment).

368 Powering Past Coal Alliance, [Our Members](#).

369 In 2023, Canada exported \$25.7 million in bituminous coal to Vietnam. By volume, 63.8% of the quantity of those bituminous coal exports were thermal coal, valued at \$14.6 million. See Government of Canada, [Report - Trade Data Online](#).

370 CACN, [Evidence](#), 27 November 2023, 1740 (Sandra McCardell, Assistant Deputy Minister, International Affairs Branch, Department of the Environment).



exports would help the region lower its coal emissions, a view that was echoed by Shannon Joseph, Chair of Energy for a Secure Future.<sup>371</sup>

As a means of transitioning away from coal energy, witnesses discussed the Canadian supply of the LNG as part of Canada’s energy trade with Indo-Pacific countries. Frank Des Rosiers noted that the “intention is to position Canada to be a leader in terms of low-carbon energy supplies, and the market response, whether it's on hydrogen, LNG or other products, has been remarkably strong.”<sup>372</sup> He noted that in addition to Asian countries moving away from coal, Russia’s invasion of Ukraine has significantly increased the demand for Canadian LNG.<sup>373</sup>

The Canada LNG terminal at Kitimat, British Columbia will be the country’s first LNG project to export to the Indo-Pacific region. According to Government of Canada witnesses, this terminal is more than 90% complete, will be fully operational by 2025 and its first phase will have a capacity of 14 million tonnes.<sup>374</sup> As Mr. Des Rosiers stated, this project, in addition to other projects under development such as Woodfibre and Cedar LNG, will make Canada a “meaningful contributor” of LNG to the Indo-Pacific region.<sup>375</sup> Ambassador Yamanouchi agreed. In explaining that Japan’s energy self-sufficiency rate is 13%, he noted that Japan currently imports its natural gas from countries including Russia, Indonesia, Malaysia and Australia. He stated that LNG Canada—of which Mitsubishi, a Japanese company, has a 15% ownership stake—is one example of how Canada “can make a big difference in this energy transition.”<sup>376</sup> He expects that LNG Canada will export 2.1 million tonnes to Japan, an amount he described as “a serious number.”<sup>377</sup> Referring to these exports, Ambassador McKay contended that “Canada will essentially replace all of the supply that Japan was getting

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371 CACN, [Evidence](#), 27 May 2024, 1850 (Jeff Kucharski, Senior Fellow, Macdonald-Laurier Institute); and CACN, [Evidence](#), 27 May 2024, 2025 (Shannon Joseph, Chair, Energy For A Secure Future).

372 CACN, [Evidence](#), 27 November 2023, 1750 (Frank Des Rosiers, Assistant Deputy Minister, Strategic and Policy Innovation, Department of Natural Resources).

373 Ibid.

374 CACN, [Evidence](#), 27 November 2023, 1610 (Ian McKay, Ambassador of Canada to Japan and Special Envoy for the Indo-Pacific, Global Affairs Canada); and CACN, [Evidence](#), 27 November 2023, 1750 (Frank Des Rosiers, Assistant Deputy Minister, Strategic and Policy Innovation, Department of Natural Resources).

375 CACN, [Evidence](#), 27 November 2023, 1750 (Frank Des Rosiers, Assistant Deputy Minister, Strategic and Policy Innovation, Department of Natural Resources).

376 CACN, [Evidence](#), 12 February 2024, 1845 (H. E. Mr. Kanji Yamanouchi, Ambassador of Japan to Canada).

377 Ibid.

from Russia.”<sup>378</sup> Ambassador Austria noted that the Philippines would be closely observing the outcomes of Canada’s LNG exports to Japan, because the Philippines is seeking to diversify its energy mix.<sup>379</sup>

Providing a different point of view, Carlo Dade and Meredith Lilly stated that other countries, particularly the United States, are eating Canada’s “lunch” when it comes to supplying energy to the Indo-Pacific region.<sup>380</sup> Referring to Canada’s energy exports, in particular LNG, Meredith Lilly shared her observation that when she speaks with foreign diplomats in Ottawa, they explain to her that the message they receive from Canada is that it is not willing to further explore LNG.<sup>381</sup> Likewise, Shannon Joseph noted that

many of our Indo-Pacific allies continue to rely on energy from Russia, despite their desire for alternatives, and all see the potential reliable supply of Canadian liquefied natural gas as beneficial to their long-term objectives around energy security and democratic co-operation.<sup>382</sup>

Similarly, Stephen Nagy contended that Canada has lost an opportunity with some of its environmental policies, and said that Canada has “not been able to export to the countries that rely on safe, transparent and stable energy sources,” which Canada can be.<sup>383</sup> He suggested that Canada could be an “energy superpower” and could work with Indo-Pacific countries to build energy and critical minerals supply chains.<sup>384</sup> In referencing what she described as the Canadian government’s “mismanagement” on oil and gas, Meredith Lilly stated,

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378 CACN, [Evidence](#), 27 November 2023, 1610 (Ian McKay, Ambassador of Canada to Japan and Special Envoy for the Indo-Pacific, Global Affairs Canada).

379 CACN, [Evidence](#), 10 June 2024, 1915 (H. E. Ms. Maria Andrelita Sacramento Austria, Ambassador of the Republic of the Philippines).

380 CACN, [Evidence](#), 26 February 2024, 1950 (Carlo Dade, Centre for Trade and Trade Infrastructure, Canada West Foundation); and CACN, [Evidence](#), 5 February 2024, 1835 (Meredith Lilly, Associate Professor, Simon Reisman Chair in International Economic Policy, Carleton University, As an individual).

381 CACN, [Evidence](#), 5 February 2024, 1850 (Meredith Lilly, Associate Professor, Simon Reisman Chair in International Economic Policy, Carleton University, As an individual).

382 CACN, [Evidence](#), 27 May 2024, 2025 (Shannon Joseph, Chair, Energy for a Secure Future).

383 CACN, [Evidence](#), 5 February 2024, 1855 (Stephen Nagy, Professor, International Christian University, Macdonald-Laurier Institute, As an individual).

384 CACN, [Evidence](#), 5 February 2024, 1855 (Stephen Nagy, Professor, International Christian University, Macdonald-Laurier Institute, As an individual).



[t]he federal government must work to restore foreign investor confidence in Canadian energy products and use its full legislative powers to work with provinces to prioritize and accelerate the regulatory permitting processes needed for success.<sup>385</sup>

In referring to the opportunity for Canada within the context of the global energy transition, Ambassador Yamanouchi noted that Canada has technologies, natural resources, high standards and a high-quality Canadian labour force, which makes many Japanese companies show interest in Canada.<sup>386</sup> Frank Des Rosiers identified that Canada has a lot to offer the Indo-Pacific region, including critical minerals and batteries, hydrogen and ammonia, nuclear, forestry, oil and gas, and clean tech.<sup>387</sup>

### Recommendation 26

**That the Government of Canada explore how it could increase the value of the country's energy exports to the Indo-Pacific region in an environmentally responsible manner.**

### Recommendation 27

**That the Government of Canada take steps to define “clean energy,” which appears four times in the Indo-Pacific Strategy.**

## Fisheries

The Indo-Pacific region is both a consumer of Canadian seafood and a supplier of most seafood eaten in Canada. Describing the importance of this market, Darcy DeMarsico, Director General, Blue Economy Policy, Department of Fisheries and Oceans, explained that in Canada's 2022 fish and seafood exports to the Indo-Pacific region were valued at nearly \$2 billion, with \$1.29 billion of those exports going to the PRC.<sup>388</sup> Paul Lansbergen—President of the Fisheries Council of Canada—highlighted that over the past 10 years, Canadian fish and seafood exports to the Indo-Pacific region had increased by 78% in value.<sup>389</sup> He noted Canada's “robust regulatory regime” for sustainable fisheries management, and reported that the Department of Fisheries and Oceans found that 95%

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385 CACN, *Evidence*, 5 February 2024, 1835 (Meredith Lilly, Associate Professor, Simon Reisman Chair in International Economic Policy, Carleton University, As an individual).

386 CACN, *Evidence*, 12 February 2024, 1850 (H. E. Mr. Kanji Yamanouchi, Ambassador of Japan to Canada).

387 CACN, *Evidence*, 27 November 2023, 1730 (Frank Des Rosiers, Assistant Deputy Minister, Strategic and Policy Innovation, Department of Natural Resources).

388 CACN, *Evidence*, 27 November 2023, 1735 (Darcy DeMarsico, Director General, Blue Economy Policy, Department of Fisheries and Oceans).

389 CACN, *Evidence*, 27 May 2024, 2020 (Paul Lansbergen, President, Fisheries Council of Canada).



of Canada's fish stocks are harvested at sustainable levels.<sup>390</sup> Darcy DeMarsico highlighted that "there are a lot of efficiencies and gains that can be done by having a very strong Canadian brand for sustainability, and I hope that our fish and seafood sector is an important part of that Canadian brand."<sup>391</sup>

At the same time, much of the seafood consumed in Canada is from the Indo-Pacific region; in 2022, imports of fish and seafood from that region were valued at \$2.47 billion.<sup>392</sup> Referring to those imports, Melissa Marschke stated that much of the seafood that is eaten in Canada is caught in distant-water fishing boats that are using forced labour, with migrant workers from Southeast Asia.<sup>393</sup> She stated,

[s]ome of the worst abuses on a larger scale are in [the PRC], but it's important to emphasize that unacceptable working conditions are a problem within most seafood supply chains. It's not an Asian problem. Investigative reporting has documented the abuse of migrant workers from Southeast Asia in U.K. or Irish fishing, and research here in Canada has focused on our own temporary foreign worker program and problems in Atlantic Canada and seafood processing.<sup>394</sup>

*Canada's Indo-Pacific Strategy* outlines Canada's efforts to address illegal, unregulated and unreported (IUU) fishing, which is a major contributor to marine habitat destruction and declining fish stocks and is linked to organized crime. Furthermore, as Paul Lansbergen raised, it is a multi-faceted issue, that would require "every country and certainly every major seafood-consuming jurisdiction to use multiple tools to address."<sup>395</sup> Darcy DeMarsico drew attention to Canada's recent efforts, including the following:

- In November 2022, Canada announced its investment of \$84.3 million over five years to combat the issue under an initiative called the Shared Ocean Fund,<sup>396</sup>

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390 Ibid.

391 CACN, *Evidence*, 27 November 2023, 1755 (Darcy DeMarsico, Director General, Blue Economy Policy, Department of Fisheries and Oceans).

392 Ibid.

393 CACN, *Evidence*, 3 June 2024, 2035 (Melissa Marschke, Professor, Department of International Development and Global Studies, University of Ottawa, As an individual).

394 Ibid.

395 CACN, *Evidence*, 27 May 2024, 2105 (Paul Lansbergen, President, Fisheries Council of Canada).

396 CACN, *Evidence*, 27 November 2023, 1735 (Darcy DeMarsico, Director General, Blue Economy Policy, Department of Fisheries and Oceans).



- In July 2023, Canada led its first dedicated high-seas vessel patrol and fisheries enforcement mission with Japan and the U.S. During this mission and with aerial surveillance patrol missions, the Department of Fisheries and Oceans documented 58 fisheries violations, including 3,000 illegally harvested shark fins;
- In October 2023, Canada signed a memorandum of understanding with the Philippines, to provide their “maritime authorities with access to our dark vessel detection space-based surveillance platform,” which uses “satellites to track illegal fishing vessels and support maritime security efforts within their sovereign waters;” and
- In September 2023, Canada announced \$6.5 million in funding for the [Joint Analytical Cell](#), “an organization designed to harness complementary information-gathering and analytical capabilities, fisheries intelligence tools and databases, and international partnerships to fight against IUU fishing and associated crimes.”<sup>397</sup>

In noting Canada’s contributions, Brent Napier—Director of Enforcement Policies and Programs at the Department of Fisheries and Oceans—noted that Canada is “learning valuable lessons as we support our partners, using new technology and innovation both abroad and also domestically.”<sup>398</sup> Melissa Marschke applauded some of Canada’s efforts, noting that Canada’s high-seas patrolling led Canadian officials to interact with more than 400 migrant workers.<sup>399</sup> She noted that “with regard to import restrictions, [Canada] can do more with allegations of forced labour.”<sup>400</sup> She advocated for supporting labour reforms in distant-water fishing fleets, and highlighted Taiwan as a jurisdiction that had improved its fleet through better pay, regular inspections and taking allegations of labour abuse seriously.<sup>401</sup>

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397 Ibid.

398 CACN, [Evidence](#), 27 November 2023, 1800 (Brent Napier, Director, Enforcement Policy and Programs, Department of Fisheries and Oceans).

399 CACN, [Evidence](#), 3 June 2024, 2035 (Melissa Marschke, Professor, Department of International Development and Global Studies, University of Ottawa, As an individual).

400 Ibid.

401 Ibid.

## Recommendation 28

**That the Government of Canada continue to support efforts to address illegal, unregulated and unreported fishing in the Indo-Pacific region, including by supporting labour reforms in distant water fleets.**

## Canada's Engagement in the Indo-Pacific

The fifth and final pillar of *Canada's Indo-Pacific Strategy* states that Canada's "overarching priority" in the Indo-Pacific region is to be an active, engaged and reliable partner. To that end, the Government of Canada states in its Strategy that it plans to expand and deepen its regional partnerships, particularly by "offering more diplomatic, economic, military and technical support and cooperation."<sup>402</sup> Several witnesses highlighted three things that the Government of Canada should do to achieve this goal: increase Canada's presence, especially its diplomatic presence, in the Indo-Pacific; determine what makes Canada relevant for the region, meaning what Canada has to offer that is unique and indispensable; and ensure that Canada's Strategy is rigorously implemented.

## Canada's Presence in the Region

Canada's presence in the Indo-Pacific was the topic of much discussion at the Special Committee. Most witnesses stated that this presence is indispensable. In particular, Dr. Caouette stated that "[a]bove all, [Canada] must be present" by maintaining a consistent, increased presence in the region, and Dr. Hampson noted that countries in the region "expect [Canada] to be an active partner."<sup>403</sup> In addition, the Ambassador for the Philippines told the Special Committee from the outset that the region welcomes Canada's efforts to become a more consistent, engaged and reliable partner.<sup>404</sup>

In terms of more specific initiatives set out in *Canada's Indo-Pacific Strategy*, some witnesses told the Special Committee that these either would strengthen Canada's presence in the Indo-Pacific region or were already doing so. For example, on the subject of trade, Mr. Innes, discussing the opening of the first Indo-Pacific Agriculture and Agri-

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402 Government of Canada, *Canada's Indo-Pacific Strategy*, 2022, pp. 6 and 22.

403 CACN, *Evidence*, 29 January 2024, 1915 (Fen Osler Hampson, Chancellor's Professor and Professor, Norman Paterson School of International Affairs, Carleton University, As an individual); and CACN, *Evidence*, 26 February 2024, 2000 (Dominique Caouette, Professor and Chair, Asian and Indo-Pacific Studies, Université de Montréal, As an individual).

404 CACN, *Evidence*, 10 June 2024, 1925 (H. E. Ms. Maria Andrelita Sacramento Austria, Ambassador of the Republic of the Philippines).



Food Office in Manila, Philippines, stated that “[w]hat [they]’ve seen through [their] seminar this spring is that having someone on the ground to speak to people, to make networks and to expand networks, and having the Government of Canada present beyond what it has done in the past, is really helpful.”<sup>405</sup> Meanwhile, on the subject of diplomacy, Ambassador McKay talked about what will be done under Canada’s Strategy to achieve the priority of making Canada a more active, engaged and reliable partner in the region. He told the Special Committee that “Canada will be staffing up a number of its missions in the region” and will increase and deepen its political, economic and security partnerships with an expanded diplomatic presence in key posts, including its first diplomatic mission in Fiji.<sup>406</sup> According to Global Affairs Canada, the opening of that mission, Canada’s first in the Pacific Islands, is planned for 2025.<sup>407</sup>

However, despite these successful initiatives, which were well received in the region, some witnesses argued that Canada still needs to be even more present so that it can listen to the people on the ground and truly understand Indo-Pacific realities if it wants to create strong, reliable and above all sustained partnerships.

Ms. Paskal stated that, in order to be more present in the region, Canada simply needs to travel to the region more, particularly through parliamentary visits, to “better understand local realities.”<sup>408</sup> She told the Special Committee that, in her view, “[t]here’s no reason to cut corners: [Canada] need[s] ... feet on the ground in these countries so [it] can talk to the people who live there and listen to them.”<sup>409</sup>

With regard to increasing Canada’s presence in the Indo-Pacific, Jia Wang cautioned the Special Committee that, “[w]hen there are other competing priorities, countries in the region would ask and wonder if Canada is here to stay and if Canada is really committed to advancing common goals long term in the Indo-Pacific.”<sup>410</sup> Some witnesses stated that Canada’s presence needs to be consistent and above all sustained, meaning it needs a

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405 CACN, *Evidence*, 27 May 2024, 1940 (Brian Innes, Executive Director, Soy Canada).

406 CACN, *Evidence*, 27 November 2023, 1615 and [1535](#) (Ian G. McKay, Ambassador of Canada to Japan and Special Envoy for the Indo-Pacific, Global Affairs Canada).

407 Global Affairs Canada, *Canada’s Indo-Pacific Strategy—2022 to 2023 Implementation Update*, 2024, p. 14.

408 CACN, *Evidence*, 5 February 2024, 2020 (Cleo Paskal, Researcher, Montreal Centre for International Studies, Université de Montréal, As an individual).

409 Ibid.

410 CACN, *Evidence*, 29 January 2024, 2005 (Jia Wang, Deputy Director, University of Alberta - China Institute, As an individual).

long-term presence in the region for genuine relationship building, particularly since, as Dr. Kucharski noted, the Indo-Pacific is “a relationship-driven region.”<sup>411</sup>

For example, Dave Carey explained to the Special Committee that, “even in that part of the world, diplomatic postings are typically three years,” but to ensure an increased, sustained presence and establish deep ties, particularly for doing business, Canada should consider “having longer diplomatic postings.”<sup>412</sup> He added that “[t]here’s no silver bullet, but it’s sustained, long-term, genuine relationship building in that part of the world.”<sup>413</sup>

### **Recommendation 29**

**That the Government of Canada commit to increasing its promotion of Canadian parliamentary diplomacy with Indo-Pacific nations.**

### **Recommendation 30**

**That the Government of Canada examine the possibility of having longer diplomatic postings in the Indo-Pacific region.**

## **Canada’s Relevance in the Indo-Pacific**

Dr. Lilly told the Special Committee that, in order to be an engaged, active and reliable partner, Canada must above all be relevant to the Indo-Pacific, but she thinks it is failing on that front.<sup>414</sup> This concern was shared by some witnesses, who highlighted the need for Canada, as part of its engagement in the Indo-Pacific, to demonstrate its relevance and the strengths it can contribute to the region, or in other words, what sets it apart from other countries. They had a number of ideas about how this could be achieved.

Hugh Stephens stated that Canada needs to “present the Canadian value proposition of why Canada is important to the region and why [Canada] matter[s].”<sup>415</sup> He told the Special Committee that, generally speaking, *Canada’s Indo-Pacific Strategy* lists various areas in

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411 CACN, *Evidence*, 27 May 2024, 1940 (Jeff Kucharski, Senior Fellow, Macdonald-Laurier Institute).

412 CACN, *Evidence*, 27 May 2024, 1940 (Dave Carey, Vice-President, Government and Industry Relations, Canadian Canola Growers Association).

413 Ibid., 1950.

414 CACN, *Evidence*, 5 February 2024, 1835 (Meredith Lilly, Associate Professor, Simon Reisman Chair in International Economic Policy, Carleton University, As an individual).

415 CACN, *Evidence*, 3 June 2024, 1930 (Hugh Stephens, Distinguished Fellow, Asia Pacific Foundation of Canada, As an individual).



which Canada can make a difference and contribute to the region. He stated that, in order to be relevant to the region, Canada needs to focus on areas where it has strengths and where it can “make a positive contribution.”<sup>416</sup>

Dr. Lilly told the Special Committee that Canada should focus more on its strength in terms of energy resources to demonstrate its relevance to the region. In other words, she believes that Canada should concentrate on energy exports to the Indo-Pacific and especially on LNG exports, given the region’s growing interest in Canadian LNG.<sup>417</sup>

Dr. Nagy told the Special Committee that “a Canadian brand” that “include[s] focusing on comparative advantages” in the region is very important, adding that Canada should “develop a distinct brand: a good and stable supplier of services within the region.”<sup>418</sup> He told the Special Committee that there are certain key areas where Canada can “build a brand to engage with in the region,” including “education, critical minerals, agriculture-related technology and climate-related technology.”<sup>419</sup>

Ms. Paskal told the Special Committee that Canada should focus more on engaging bilaterally in order to form more people-to-people ties, since she believes that is a specific Canadian strength.<sup>420</sup>

Lastly, Dr. Caouette told the Special Committee that the fundamental problem with *Canada’s Indo-Pacific Strategy* is that Canada “tr[ies] to do everything, but by attempting to cover a number of fields, [it] forgets what sets [it] apart from other countries and what Canada’s added value is.”<sup>421</sup> In other words, he thinks that Canada “need[s] to focus on [its] strengths, not try to do it all, which sometimes seems to be the case with Canada’s Indo-Pacific strategy.”<sup>422</sup> He stated that Canada should stay modest and rely on developing expertise that it can offer to the region, rather than focusing on the military dimension of the Strategy, which he believes is not Canada’s specialty or trademark.

Dr. Caouette stated that the expertise that Canada can offer to the region lies more in its

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416 Ibid., [2020](#).

417 Ibid.

418 CACN, [Evidence](#), 5 February 2024, 1925 (Stephen R. Nagy, Professor, International Christian University, MacDonald-Laurier Institute, As an individual).

419 Ibid.

420 CACN, [Evidence](#), 5 February 2024, 1950 (Cleo Paskal, Researcher, Montreal Centre for International Studies, Université de Montréal, As an individual).

421 CACN, [Evidence](#), 26 February 2024, 2005 (Dominique Caouette, Professor and Chair, Asian and Indo-Pacific Studies, Université de Montréal, As an individual).

422 Ibid.

ability to “support civil society organizations, consumer movements seeking safer products and economic movements, by negotiating fairer free trade agreements” or “on issues such as [Uyghurs] and the exploitation of trafficked workers.”<sup>423</sup>

### Recommendation 31

**That the Government of Canada focus its efforts to increase its relevance in the Indo-Pacific region on further establishing bilateral people-to-people ties and developing targeted expertise to benefit the region.**

### Implementation of *Canada’s Indo-Pacific Strategy*

One final aspect of Canada’s engagement in the Indo-Pacific that was also a topic of much discussion and skepticism at the Special Committee’s meetings, is the implementation of Canada’s Strategy, meaning how the Government of Canada will actually apply and follow through on the initiatives described in the Strategy.

Several witnesses expressed concern about the possibility of a lack of follow through and advocated for the implementation of the initiatives in *Canada’s Indo-Pacific Strategy* with a view to the long-term.<sup>424</sup> For example, Dr. Kucharski told the Special Committee that although he feels optimistic about the Strategy, the Government of Canada needs to make sure that it follows through and that “the strategy is properly resourced and effectively implemented.”<sup>425</sup>

According to Dr. Caouette, while Canada’s Strategy is a step forward for the region, the big challenge for Canada is implementing it.<sup>426</sup> He told the Special Committee that *Canada’s Indo-Pacific Strategy* must remain constant over time to demonstrate Canada’s reliability, explaining that “[t]hese strategies can’t just be launched and then forgotten. A

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423 Ibid.

424 CACN, *Evidence*, 12 February 2024, 2040 (Shihoko Goto, Shihoko Goto, Director, Asia Program, Woodrow Wilson International Center for Scholars, As an individual); CACN, *Evidence*, 27 May 2024, 2125 (Paul Lansbergen, President, Fisheries Council of Canada); CACN, *Evidence*, 3 June 2024, 2055 (Wayne Christopher Farmer, President, Canada-ASEAN Business Council); CACN, *Evidence*, 3 June 2024, 2055 (Erik Kuhonta, Associate Professor, Department of Political Science, McGill University, As an individual); and CACN, *Evidence*, 10 June 2024, 1915 (H. E. Ms. Maria Andrelita Sacramento Austria, Ambassador of the Republic of the Philippines).

425 CACN, *Evidence*, 27 May 2024, 1850 (Jeff Kucharski, Senior Fellow, Macdonald-Laurier Institute).

426 CACN, *Evidence*, 26 February 2024, 2005 (Dominique Caouette, Professor and Chair, Asian and Indo-Pacific Studies, Université de Montréal, As an individual).



follow-up is crucial.”<sup>427</sup> Ms. Horton said much the same thing, noting that “while the announcement of Canada’s Indo-Pacific strategy was welcomed by many stakeholders, Canada should make every effort to ensure its implementation and even go further in order to reverse its flagging reputation as a reliable partner.”<sup>428</sup>

Dr. Fitz-Gerald told the Special Committee that she thinks “good strategies have clear strategic objectives that are achievable, as opposed to a laundry list of aspirational things.”<sup>429</sup> On Canada’s IPS, she added that she thinks that there is still “a lot of uncertainty about the instruments that become enablers for the execution of the strategy” or at least that some of the Strategy’s tools of execution need to be fine-tuned a bit more.<sup>430</sup> She suggested that the Government of Canada prepare “a secondary document that focuses on execution and prioritizes, perhaps with a temporal element included, what’s going to happen in the short to medium term and what’s going to then set things up for the medium- to longer-term aspirations.”<sup>431</sup>

Lastly, Carlo Dade, who appeared before the Special Committee on 26 February 2024, stated that he would expect the Government of Canada to “release an update on the strategy and implementation steps,” because he thinks “[i]t’s time for the government to be able to show what it’s done and to put out a report card, in essence.”<sup>432</sup> A few days later, in late February 2024, the Government of Canada, through Global Affairs Canada, released [Canada’s Indo-Pacific Strategy—2022 to 2023 Implementation Update](#). This update reports on Canada’s progress in implementing key initiatives under the Strategy since it was launched in November 2022.

### **Recommendation 32**

**That the Government of Canada increase its communication to the Canadian public to promote its Indo-Pacific Strategy.**

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427 Ibid., [2025](#).

428 CACN, [Evidence](#), 5 February 2024, 1955 (Deanna Horton, Distinguished Fellow, Munk School of Global Affairs and Public Policy, University of Toronto, As an individual).

429 CACN, [Evidence](#), 5 February 2024, 2045 (Ann Fitz-Gerald, Director, Balsillie School of International Affairs).

430 Ibid.

431 Ibid., [2100](#).

432 CACN, [Evidence](#), 26 February 2024, 1955 (Carlo Dade, Director, Centre for Trade and Trade Infrastructure, Canada West Foundation).



**Recommendation 33**

**That the Government of Canada work with provinces and territories to better include them in its Indo-Pacific Strategy to encourage the full implementation of the Strategy's goals and opportunities.**

**Recommendation 34**

**That the Government of Canada's Indo-Pacific Special Envoy brief Parliamentarians annually on the situation in the Indo-Pacific region.**

**CONCLUSION**

As Dr. Medcalf told the Special Committee, “the core strategic challenge in the Indo-Pacific is how to manage the power and assertiveness of the [PRC] in ways that do not lead to major conflict or escalate to major war.”<sup>433</sup> This was the geopolitical context in which the various Indo-Pacific strategies were created and in which the Special Committee undertook the study of *Canada's Indo-Pacific Strategy*.

As this report shows and as Ambassador McKay explained, one of the factors behind the creation of *Canada's Indo-Pacific Strategy* was “the emergence of [the PRC] as a major global economic and military power,” along with Canada’s desire to deepen and broaden its engagements with partners in the region.<sup>434</sup> This is why it was necessary and relevant for the Special Committee to study Canada’s Strategy in greater depth.

Regarding the rise of the PRC and the implications for the future of PRC–Canadian relations, the Government of Canada’s general approach, in accordance with its Indo-Pacific Strategy, is to use “pragmatic diplomacy,” which means challenging the PRC when necessary and otherwise co-operating with it.<sup>435</sup> Since November 2022 when Canada’s Strategy was published, high-level visits have resumed, including the April 2024 visit of David Morrison, Deputy Minister of Global Affairs, to Beijing and the July 2024 visit of Mélanie Joly, Minister of Foreign Affairs, to meet her Chinese counterpart, Wang Yi. Canada’s Strategy framed the discussions that took place at these meetings. On 17 June 2024, Mr. Morrison told the Special Committee that “Canada’s Indo-Pacific

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433 CACN, *Evidence*, 12 February 2024, 2105 (Rory Medcalf, Professor, Head, National Security College, Crawford School of Public Policy, Australian National University, As an individual).

434 CACN, *Evidence*, 27 November 2023, 1535 (Ian G. McKay, Ambassador of Canada to Japan and Special Envoy for the Indo-Pacific, Global Affairs Canada).

435 Global Affairs Canada, *Address by Minister Joly on Canadian Diplomacy Amidst Geopolitical Uncertainty*, Address, 1 November 2023.



strategy is clear that advancing Canada’s interests requires meaningful engagement, and active and frank diplomacy with [the PRC]” and that his “visit to [the PRC] in April was a cautious step forward in this process.”<sup>436</sup>

However, although the witnesses were largely in favour of resuming diplomatic activity between Canada and the PRC using a so-called pragmatic approach, as some witnesses noted and as this report shows, the fact remains that serious high-level discussions are needed regarding the human rights abuses committed by the PRC.

In addition, in his testimony, Dr. Caouette stated that “[m]any researchers see [the PRC] as the catalyst against which foreign policy choices made by countries in the [Indo-Pacific] region must be evaluated.”<sup>437</sup> This evaluation is having—and will certainly continue to have—an impact on Canada’s desire to diversify its partnerships in the region, as mentioned throughout this report.

In their testimony before the Special Committee, witnesses highlighted the need to gather more regional perspectives and forge equal partnerships with more Indo-Pacific nations in order to limit the risks associated with PRC’s growing power. The witnesses noted and this report shows that doing so will require Canada to identify its role and relevance in the region more precisely, to increase its presence in order to genuinely diversify its partnerships and, above all, to establish strong, sustained relations with the various Indo-Pacific nations.

As this report reveals, based on witness testimony, two years after the publication of *Canada’s Indo-Pacific Strategy*, more rigorous long-term implementation of the Strategy is needed to properly assess its repercussions on the region, particularly with regard to the future of PRC–Canadian relations. This interim report’s recommendations outline areas in which the Special Committee believes that the Government of Canada should focus on as it continues to implement *Canada’s Indo-Pacific Strategy*. These areas include fostering relations with Indo-Pacific nations, enhancing opportunities for Canada’s trade and promoting a rules-based international order.

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436 CACN, *Evidence*, 17 June 2024, 2000 (David Morrison, Deputy Minister of Foreign Affairs, Global Affairs Canada).

437 CACN, *Evidence*, 26 February 2024, 1930 (Dominique Caouette, Professor and Chair, Asian and Indo-Pacific Studies, Université de Montréal, As an individual).

## APPENDIX A: LIST OF WITNESSES

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

Organizations and Individuals	Date	Meeting
<p><b>Canadian Security Intelligence Service</b></p> <p>Sarah Estabrooks, Director General, Policy and Foreign Relations</p> <p>Newton Shortliffe, Assistant Director, Collection</p>	2023/11/27	28
<p><b>Department of Fisheries and Oceans</b></p> <p>Jennifer Buie, Director General, Fisheries Resource Management</p> <p>Darcy DeMarsico, Director General, Blue Economy Policy</p> <p>Brent Napier, Director, Enforcement Policy and Programs</p>	2023/11/27	28
<p><b>Department of Foreign Affairs, Trade and Development</b></p> <p>Weldon Epp, Assistant Deputy Minister, Indo-Pacific</p> <p>Ian G. McKay, Ambassador of Canada to Japan and Special Envoy for the Indo-Pacific</p> <p>Amanda Strohan, Director General, Indo-Pacific Strategic Planning, Policy and Operations</p>	2023/11/27	28
<p><b>Department of National Defence</b></p> <p>Cayle Oberwarth, Director General Operations, Strategic Joint Staff</p> <p>Gregory Smith, Director General, International Security Policy</p>	2023/11/27	28

<b>Organizations and Individuals</b>	<b>Date</b>	<b>Meeting</b>
<p><b>Department of Natural Resources</b></p> <p>Frank Des Rosiers, Assistant Deputy Minister, Strategic Policy and Innovation</p> <p>Andrew Ghattas, Senior Director, Critical Minerals Centre of Excellence</p>	2023/11/27	28
<p><b>Department of the Environment</b></p> <p>Lana Edwards, Acting Director General, Bilateral Affairs and Trade Directorate</p> <p>Sandra McCardell, Assistant Deputy Minister, International Affairs Branch</p> <p>Kelly Torck, Director General, Biodiversity Policy and Partnerships</p>	2023/11/27	28
<p><b>As an individual</b></p> <p>Paul Evans, Professor, School of Public Policy and Global Affairs, University of British Columbia</p> <p>Fen Osler Hampson, Chancellor's Professor and Professor, Norman Paterson School of International Affairs, Carleton University</p> <p>Gordon Houlden, Professor and Director Emeritus, University of Alberta - China Institute</p> <p>Victor V. Ramraj, Professor of Law and Chair, Asia-Pacific Legal Relations, University of Victoria and Centre for Asia-Pacific Initiatives</p> <p>Jia Wang, Deputy Director, University of Alberta - China Institute</p>	2024/01/29	31

<b>Organizations and Individuals</b>	<b>Date</b>	<b>Meeting</b>
<p><b>As an individual</b></p> <p>Deanna Horton, Distinguished Fellow, Munk School of Global Affairs and Public Policy, University of Toronto</p> <p>Meredith B. Lilly, Associate Professor, Simon Reisman Chair in International Economic Policy, Carleton University</p> <p>Stephen R. Nagy, Professor, International Christian University, Macdonald-Laurier Institute</p> <p>Cleo Paskal, Researcher, Montreal Centre for International Studies, Université de Montréal</p>	2024/02/05	32
<p><b>Balsillie School of International Affairs</b></p> <p>Ann Fitz-Gerald, Director</p>	2024/02/05	32
<p><b>As an individual</b></p> <p>Shihoko Goto, Director, Asia Program, Woodrow Wilson International Center for Scholars</p> <p>Rory Medcalf, Professor, Head, National Security College, Crawford School of Public Policy, Australian National University</p> <p>Yuki Tatsumi, Co-Director, East Asia Program, The Henry L. Stimson Center</p>	2024/02/12	33
<p><b>Embassy of Japan</b></p> <p>H.E. Kanji Yamanouchi, Ambassador of Japan to Canada</p>	2024/02/12	33
<p><b>As an individual</b></p> <p>Dominique Caouette, Professor and Chair, Asian and Indo-Pacific Studies, Université de Montréal</p>	2024/02/26	34
<p><b>Association pour la Taxation des Transactions financières et pour l'Action Citoyenne</b></p> <p>Claude Vaillancourt, Author</p>	2024/02/26	34
<p><b>Canada West Foundation</b></p> <p>Carlo Dade, Director, Centre for Trade and Trade Infrastructure</p>	2024/02/26	34

<b>Organizations and Individuals</b>	<b>Date</b>	<b>Meeting</b>
<b>Alternatives</b> Feroz Mehdi, Program Officer	2024/05/06	41
<b>Human Rights Watch</b> Maya Wang, Acting China Director	2024/05/06	41
<b>Tibet Action Institute</b> Lhadon Tethong, Director	2024/05/06	41
<b>Canadian Agri-Food Trade Alliance</b> Michael Harvey, Executive Director	2024/05/27	42
<b>Canadian Canola Growers Association</b> Dave Carey, Vice-President, Government and Industry Relations	2024/05/27	42
<b>Canadian Cattle Association</b> Jennifer Babcock, Senior Director, Government Relations and Public Affairs Tyler Fulton, Vice President	2024/05/27	42
<b>Energy For A Secure Future</b> Shannon Joseph, Chair	2024/05/27	42
<b>Fisheries Council of Canada</b> Paul Lansbergen, President	2024/05/27	42
<b>Macdonald-Laurier Institute</b> Jeff Kucharski, Senior Fellow	2024/05/27	42
<b>Soy Canada</b> Brian Innes, Executive Director	2024/05/27	42

<b>Organizations and Individuals</b>	<b>Date</b>	<b>Meeting</b>
<p><b>As an individual</b></p> <p>Alice Ba, Professor, International Relations and Comparative Politics, University of Delaware</p> <p>Erik Kuhonta, Associate Professor, Department of Political Science, McGill University</p> <p>Melissa Marschke, Professor, Department of International Development and Global Studies, University of Ottawa</p> <p>Kai Ostwald, Associate Professor, Institute of Asian Research, University of British Columbia</p> <p>Hugh Stephens, Distinguished Fellow, Asia Pacific Foundation of Canada</p>	2024/06/03	43
<p><b>Canada-ASEAN Business Council</b></p> <p>Wayne Christopher Farmer, President</p>	2024/06/03	43
<p><b>Embassy of the Republic of the Philippines</b></p> <p>H.E. Maria Andrelita Sacramento Austria, Ambassador of the Republic of the Philippines to Canada</p> <p>Myca Magnolia Fischer, Deputy Head of Mission</p> <p>Leo Marco Vidal, Third Secretary</p>	2024/06/10	44
<p><b>Department of Foreign Affairs, Trade and Development</b></p> <p>Jennifer May, Ambassador of Canada to the People's Republic of China</p> <p>David Morrison, Deputy Minister of Foreign Affairs</p>	2024/06/17	45





## REQUEST FOR GOVERNMENT RESPONSE

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

A copy of the relevant *Minutes of Proceedings* ([Meetings Nos. 28, 31 to 34, 41 to 45, and 48 to 51](#)) is tabled.

Respectfully submitted,

Ken Hardie  
Chair

