HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

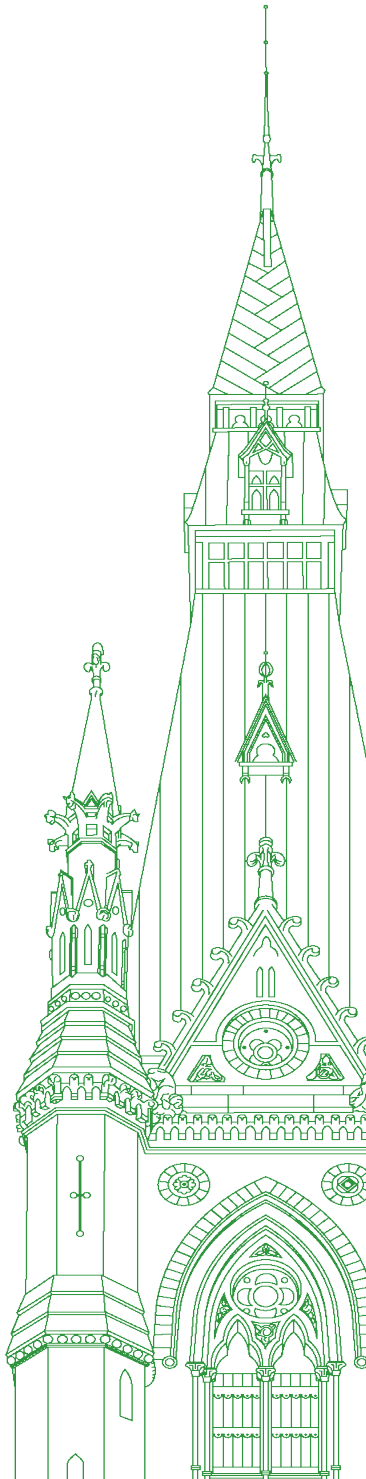
44th PARLIAMENT, 1st SESSION

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

EVIDENCE

NUMBER 043

Monday, June 3, 2024



Chair: Mr. Ken Hardie

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

Monday, June 3, 2024

● (1920)

[*English*]

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

Welcome to meeting number 43 of the House of Commons Special Committee on the Canada-People's Republic of China Relationship. Pursuant to the order of reference of May 16, 2022, the committee is meeting on its study of Canada-People's Republic of China relations.

This is for everybody in the room, but the MPs are now quite accustomed to making sure their earpieces are well away from the microphones. We don't want feedback hurting our interpreters, and that has happened. We have had some pretty serious incidents. Just be aware of that.

We are meeting, of course, in a hybrid format with members attending in person and remotely using the Zoom application. Wait until I recognize you by name before speaking. For those participating by video conference, click on the microphone icon to activate your mic. Please mute yourself when you're not speaking.

For interpretation, for those on Zoom, you have a choice at the bottom of the screen. Just look for that little planet and click on it. You can choose floor audio, English or French. For those in the room, of course, you have the earpiece and the channel available to you.

Just as a reminder, all comments should be addressed through the chair. They should be, but quite often they are not. That's okay. That's just the way things have progressed as we have gone along.

We're meeting today on the matter of Canada's Indo-Pacific strategy. I want to welcome our witnesses for our first panel today and thank them for their patience while we got a vote out of the way. It was national pharmacare tonight, third reading. It's on its way to the Senate, I would presume.

From the University of British Columbia, we have Kai Ostwald, associate professor, Institute of Asian Research.

From the University of Delaware, we have Alice Ba, professor, international relations and comparative politics, University of Delaware, by video conference.

From the Asia Pacific Foundation of Canada, we have Hugh Stephens, distinguished fellow—both generally and by title, I presume—again by video conference.

Each of you has up to five minutes, but make it shorter, if you can manage it, because we have lost a bit of time tonight.

We will begin with Mr. Ostwald.

Mr. Kai Ostwald (Associate Professor, Institute of Asian Research, University of British Columbia, As an Individual): Thank you very much for the introduction. It's a pleasure to be here. I appreciate the opportunity to speak to you.

I want to make four points in my opening remarks. First, Southeast Asia's economic and geopolitical importance is rapidly increasing. You know that. You wouldn't be here otherwise, but I will note a couple of points to substantiate that.

Southeast Asia has 11 countries and 675 million people. As a block, it's the world's fifth-largest economy and is rapidly growing, with an expanding middle class and favourable demographic structures on the whole that position it well to sustain high growth rates for the next two, three or four decades. All of that makes it one of the most sought-out regions of the world for economic partnership and trade diversification. Of course, its location at the heart of the Indo-Pacific region and inclination to multilateralism make it important for geopolitical reasons as well.

The second point is that the Association of Southeast Asian Nations, ASEAN, is the primary vehicle for coordinating regional activities and interests. It's an odd organization, though. A noted diplomat from Singapore, Bilahari Kausikan, has called it a cow, not a thoroughbred, and it's important to understand that, because, of course, if you approach a cow expecting it to run like a horse, you're going to be disappointed. The reasons for that are several.

I will begin by saying that ASEAN is an intergovernmental organization, not like the European Union, a supranational government. What that means is that it has no independent power. It doesn't have legal authority over its member states. It's not a military alliance. It is led by a small secretariat. To put into context how small, it has approximately 400 people, with a budget of around $20 million U.S. per year. By contrast, the European Union has somewhere between 30,000 and 40,000 staff and a budget of 170 billion euros—orders of magnitude greater.

ASEAN's main purpose is to facilitate dialogue and coordinate engagement, both within the region and beyond the region. It does this through regional forums. The ASEAN Summit is the most important, with heads of government. The East Asia Summit is another key one. Canada is not part of it but does participate in the ASEAN Regional Forum.

ASEAN operates on the basis of consensus and non-interference in members' domestic affairs, which essentially means it's a talking organization for facilitating talking. It has been criticized as ineffective for this. I imagine in the question period we'll come up with examples of why it's ineffective and where it's ineffective, but there are reasons for ASEAN being structured as it is. The success, I think, in some cases is also underappreciated.

The third big point is that Southeast Asia is highly diverse in almost every conceivable way, but a couple of key commonalities are relevant for this committee. The first is that across the 10 member states of ASEAN, there is almost a uniform prioritization of economic development as the key focus of governments. The preferred way to do that is through multilateral engagement. Foreign policy is typically driven by developmental objectives, not by other considerations.

Importantly, for us, China is, for better or worse, the most important economic partner to every state in Southeast Asia. It's seen as critical for continued growth, especially with concerns around the U.S.'s commitment to the region growing and signs of U.S. protectionism on the increase. There is, of course, a lot of concern about growing Chinese assertiveness across Southeast Asia, but the general view is that China has to be lived with. Of course, Southeast Asia is geographically in China's backyard.

Given that, there is mounting fear that great power competition between China and the United States will force Southeast Asian countries to pick sides. There is little interest in that. In fact, there's a lot of concern about that pressure.

The 2019 “ASEAN Outlook on the Indo-Pacific” articulates those positions clearly. It calls for an Indo-Pacific region that is inclusive—that includes China—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. What's meant by that is that ASEAN states preserve maximum autonomy for themselves and agency to determine their affairs without undue external pressures.

The fourth and final point is that ASEAN and Southeast Asia matter for Canada's Indo-Pacific ambitions, obviously, or else we wouldn't be here. I don't want to oversell Southeast Asia. The region is complicated. Engaging it has risks. However, there's also significant potential as an economic and strategic partner for Canada. That's especially as tensions with China and India remain high and there are concerns about protectionism in the U.S., the European Union posting slow growth rates, and so on and so forth.

There's a foundation for Canada's engagement with the region. Canada has been active in Southeast Asia since the 1950s. Brand Canada is generally well recognized and well received, but—I'm just reflecting views from the region here—Canada has also developed a reputation since the 1990s as being something of a fair-weather friend by being less present in the region than other middle powers that have a history of engaging the region.

The Chair: Professor Ostwald, we'll call it time for now, and maybe you can work in your final points in answers to some of the questions. If you could, please, that would be great.

We now go to Professor Alice Ba from the University of Delaware. Professor Ba, you have five minutes or less.

● (1930)

Professor Alice Ba (Professor, International Relations and Comparative Politics, University of Delaware, As an Individual): Thank you, Mr. Chair.

I echo some of the remarks that Professor Ostwald also made, and I will focus my five minutes on three sets of points.

First, why should Canada care about ASEAN and Southeast Asia? First and foremost, ASEAN serves regional stability. Within Southeast Asia, ASEAN helps to stabilize once-contentious bilateral relations and also, in the broader regions, ASEAN platforms, despite challenges, offer increasingly rare neutral arenas for informal and formal exchange among states, including those with challenged relations.

Further, given heightened U.S.-China competition, ASEAN continues to offer its member platforms for omni-engagement, which serves states' desires to not choose one power over another and to deny any one the ability to make Southeast Asia its exclusive sphere of influence. Engaging a range of major and middle powers also means diversified partners, which supports states' interests and strategic autonomy.

I think, for outside actors like Canada, ASEAN is additionally valuable because having ASEAN support lends legitimacy to one's initiative and regional order priorities.

Then, finally, Southeast Asian economies are part of larger regional economic networks, including, most notably, the Regional Comprehensive Economic Partnership, which is based on ASEAN's free trade agreements with dialogue partners.

Second, what are the challenges Canada should be cognizant of? I emphasize three. For one, ASEAN is an intergovernmental organization, as was noted, of 10 states of varied sizes, levels of development and global relations, that operate on consensus. These inter-ASEAN differences are not eased by current conflicts. Similarly, the omni-engagement that typifies ASEAN's larger frameworks means a diversity of partner interests as well. Certainly, ASEAN initiatives are often less decisive than some actors would like, so we also need to be realistic about ASEAN's limits.

Another consideration is specific to Canada. Canada's renewed attention to Southeast Asia in ASEAN takes place against the context of its relative absence. Despite its earlier remarkable engagement, regional states are aware of the fact that Canada is nearly the last of ASEAN's dialogue partners to seek a strategic partnership. The value of strategic partnership does offer an important signal, even if belated, of Canada's commitment. It also offers a forward-looking framework by which to regularize and expand relations. This said, what the partnership means in practice remains to be seen, and ASEAN and Canada will have a role to play in this, but in practice ASEAN's strategic partnerships offer ASEAN partners considerable room for initiatives, so there's definitely opportunity here for Canada if it wants to take it.

The timing of Canada's renewed interest, however, does raise the question of, “Why now?” This leads me to a third consideration and concern. I think it's important not to make Canada's engagement of ASEAN purely a function of its China or U.S. policy. To do so plays to Southeast Asian questions about the content and durability of Canada's commitment. More importantly, it misunderstands some of the predominant regional thinking among its member states. Despite their diversity, ASEAN states tend to share three points of agreement. One is that domestic economic security matters most. Two, China's a geographic and economic reality for those residing in Asia. For all Southeast Asian states, China is a critical economic partner, especially in trade but also in other areas, and geographically also China is a permanent resident power, and this means, strategically and economically, the priority is co-existence, even among those most concerned about China. Finally, there is a common concern for national and strategic autonomy. For Southeast Asian states this means it's best not to rely on any one country, whether it is China or the United States. If Canada or any partner is to be relevant in Southeast Asia, policy has to be cognizant of the three points I just mentioned.

This now leads me to my third point: Where are the opportunities? I emphasize two for Canada.

The first is that Canada is an actor that is not the United States and not China, and so that widens opportunities to carve out different kinds of options. Both United States and Chinese initiatives have become quite politicized in Southeast Asia. The engagement of other actors, like Canada, helps to generate other options and pathways that are seen as less divisive and destabilizing. This interest in alternative third ways is also evident in ASEAN's own regional initiatives. Professor Ostwald already mentioned the ASEAN outlook, but we can mention the Regional Comprehensive Economic Partnership as also an alternative third way in response to U.S. and Chinese initiatives.

The second opportunity for Canada is in trade leadership, and this is all the more important now, given uncertain U.S. trade commitments and policies as well as the priority that Southeast Asian states attach to trade as the basis for comprehensive security. Canada has opportunities to also play a leading role in trade.

The Chair: Thank you very much, Professor Ba.

We now go to Mr. Stephens for five minutes or less.

Mr. Hugh Stephens (Distinguished Fellow, Asia Pacific Foundation of Canada, As an Individual): Thank you, Chair, for the invitation to appear on this subject.

It's now approximately 18 months since the Indo-Pacific strategy was launched in November 2022, so it was conceived more than two years ago and a lot has happened since then, some of which will inevitably shape how it needs to be delivered. In my view, the strategy had and has two principal objectives, although thematically it's divided into five components for delivery.

The first objective is to position Canada to take advantage of and participate in the growth and strategic importance of the Indo-Pacific region, one of which, of course, is ASEAN—South Asia—which is essentially but not exclusively India and the North Pacific, Japan, Korea, Taiwan and, of course, China.

The second, albeit unstated, objective is to deal with Canada's so-called “China problem”, a problem that, if anything, grew because of the work of the foreign interference commission. Thus, in some ways, we have two strategies bolted together: One is essentially defensive and reactive in regard to China, and one is more forward-looking and positive in terms of developing closer relations with the rest of the region.

The IPS document states that our approach to China is “inseparable from our broader Indo-Pacific Strategy”. This suggests, then, that we are using the IPS and its focus on strengthening relations with the region as a key element in dealing with China.

The strategy also says, “Canada's approach is aligned with those of our partners in the region and around the world.” That statement, frankly, is a bit of a stretch, especially with regard to ASEAN, as was pointed out by the other speakers. The countries in the region—including, in particular, the ASEAN states—have their own complex interrelationships and dynamics in terms of relationships with China, and just as Canada has a different degree of co-operation and ties with individual states within the region, so too do they have their own web of interrelationships. China is a factor in all of these, especially for the individual ASEAN countries and for ASEAN as a whole. I think Canada needs to be clear that it values building relationships with regional partners as an end in itself, which could also include insurance against an increasingly unpredictable United States market, but not as a remedy to our “China problem”, and that's been one of the challenges in explaining the policy to partners in the region so far.

Now, the IPS got off to a slow start, but it had some successes, for sure, in its initial rollout. There's been a welcome increase in the presence of ministers in the region, the most recent being Minister Blair's taking part in the Shangri-La Dialogue in Singapore this past weekend. There have been announcements of senior appointments, the planned opening of new offices in various regional capitals and progress towards an Asia Pacific Foundation office in Singapore. The conclusion of a strategic partnership with ASEAN has been announced, and there has been an increase, of course, in our naval presence in the region.

Offsetting this has been a substantial delay in launching programs that involve non-governmental entities in Canada such as the regional engagement initiatives. Potential partners in Canada are impatiently waiting for details. I understand that RFPs for some of these programs will be released in September, which is almost two years after the announcement of the strategy.

Delay caused by the perhaps necessary bureaucratic approval process for funding and staffing is one issue. The other is the changing background since the IPS was announced. To cite a few examples, there is the crisis in our relations with India, so we have an Indo-Pacific strategy virtually without India; the evolution of AUKUS, of which Canada is not yet a member, but there is talk about some form of association; the U.S. launch of its own Indo-Pacific framework; of course, continued aggressive behaviour by China toward Taiwan and the Philippines; allegations of Chinese electoral interference in Canada; the U.S.-China tech war; China's economic slowdown; and even, indeed, our own defence challenges.

Nothing remains static. As a result, the IPS, which was conceived back in 2021-22, cannot be static either.

Let me just point out three or four areas where I think renewed effort would be helpful.

The first would be to speed up and clarify the process for access to funding for Canadian NGOs. This would go a long way toward building institutional and people-to-people ties, but the funds need to flow.

The second is with regard to trade and trade leadership. Canada is the chair of the CPTPP process this year. There are three ASEAN states that are members. Canada, I think, has an important opportunity and role to play in providing strong leadership for the agreement's updating and for opening up and dealing with the accession process.

We should continue to push negotiations for a Canada-ASEAN FTA, building on the partnership that's been announced.

As part of this—and I know it's not related directly to ASEAN—I believe it's important to strengthen non-diplomatic ties with Taiwan, which could include a high-profile trade mission and dealing with the issue of Taiwan's and China's CPTPP membership, where there is a logjam and it's up to Canada, I think, to help move things along.

Finally, and always important, is keeping open dialogue with China, as is now being done, because, whether we like it or not, China will always play an outsized role in the region.

Ultimately, we need to present the Canadian value proposition of why Canada is important to the region and why we matter.

I'd be happy to respond to questions on those points.

Thank you.

● (1940)

The Chair: Thank you, Mr. Stephens.

We'll get right to the questions now.

Mr. Kmiec, you have six minutes.

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

My first question will be for Mr. Stephens.

You mentioned the CPTPP, Canada's role as chair of the organization and that three of the 10 members of ASEAN are members of both entities.

What do you think Canada should do during this year that it chairs it? That's specifically on Taiwan and then, beyond Taiwan, what else it should do.

Mr. Hugh Stephens: I think it's important to remember that the CPTPP, like ASEAN, is a consensus-based organization, so, as chair, there is a limit to what we can do. Nonetheless, as chair I think there are some things that we can do in terms of providing leadership.

We're already almost halfway through our chairmanship.

There are two big issues for the agreement. One is to update it. It was signed back in 2018, and some of the terms and conditions could be looked at. We have a new member, the United Kingdom, that has almost been ratified.

The other really important issue is the accession question. It's a real asset that Canada is a member. It's the only regional trade organization of which we are a member, but if the new TPP is to really sing and live and move along, the membership question needs to be addressed.

There are six aspirant economies that have gone through the formal process of indicating that they would like to join. Some are more serious than others. The first two were China and Taiwan, within a week of each other. There are obvious questions around both. One is with regard to China, if China is really serious and why it has applied. Is it simply to act as a spoiler, or does it want to change the rules? There are all these sorts of questions. Nonetheless, China's application needs to be taken seriously, as does Taiwan's.

There is a lot of speculation that China would like to block Taiwan. China is not a member. A non-member cannot set forth conditions to other non-members. It really should be based on the ability to meet the terms of the agreement. Clearly, Taiwan and perhaps one or two others do.

Mr. Tom Kmiec: Mr. Stephens, I want to get in another question.

You mentioned the PRC, but I asked specifically what Canada should do. Should Canada, as chair for the next stint, perhaps kick off talks with Taiwan to at least include it—to have some of the provisions of the CPTPP extended to it in order for it to be able to start participating on an equal footing with other members of the group?

If you keep your answer short, I want to follow up on your idea of a Canada-ASEAN FTA.

Mr. Hugh Stephens: There are six applicants. I don't think Canada can single out one particular applicant, but it can help move the process along. There needs to be agreement on how all the applicants could be dealt with. Are they going to be dealt with as groups in terms of readiness? Doing that would deal with the Taiwan problem.

I hope that answers your question.

Mr. Tom Kmiec: Thank you.

Why can't Canada single out one particular state in order to participate? Is there anything in the rules that says we can't pick a state to prioritize over others?

Mr. Hugh Stephens: What Canada can do is engage in the preliminary discussions that are part of the accession process.

Right now my understanding is that applicants are encouraged, before the formal accession process begins, to have informal talks with all the current members. My understanding is that Taiwan has been unable to do that, because the response has always been, “Well, there is no consensus.”

In fact, there is no requirement for consensus for individual countries to begin these informal consultations. That is certainly one thing that Canada and other countries could do.

Mr. Tom Kmiec: Thank you, Mr. Stephens.

I'm going to ask Professor Ba the following question.

Professor, you mentioned that ASEAN builds regional stability. Can you comment, then, on the South China Sea conflict? Many of the members of ASEAN have territory that is being actively claimed by the PRC. It seems to me that what's been happening is that a slow-moving organization can't respond to this very aggressive step that the PRC has taken.

Can you comment on that? Is that an image of ASEAN's ability to build regional stability? It seems to me that it's doing nothing while allowing the PRC to continue expanding and building bases in territorial waters or economic zones that are claimed by other countries, some of which are ASEAN countries. I'd like to hear your commentary on that.

Prof. Alice Ba: Yes, I think that's a good question. I think it requires thinking about what ASEAN's limitations are and what it does.

I think what ASEAN does not do is resolve conflicts, so even within its own organization, it actually has challenges in resolving conflicts.

What it does do is keep dialogue open. The South China Sea has become a very complicated issue, partly because it also involves other major powers. The South China Sea 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. The South China Sea is an especially challenging dispute to handle, so ASEAN is very challenged in terms of handling that.

What ASEAN does do for Southeast Asian states is provide mechanisms that allow for states to continue a dialogue on issues, including maritime questions with China as well as with the United States. In that sense, it is helping to maintain relations, but your point about it not being solved is certainly a fair one.

● (1950)

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

We will go to Mr. Fragiskatos for six minutes.

Mr. Peter Fragiskatos (London North Centre, Lib.): Thank you very much to the witnesses tonight. It has been really interesting testimony.

I want to build upon this point on the South China Sea and maritime disputes. I look at it as a question that cuts straight to the issue of cohesiveness within ASEAN. No organization that includes a collection of states is going to have unanimity on issues. I'm not making that point at all, but I do note that there are differences in perspective on this issue, so I wonder if each of you could touch on this point. Canada is looking at this, understanding that we have to engage in an Indo-Pacific strategy with China that is very different now from what it was a few years ago. If we're going to be moving closer to ASEAN, how prominently does this divide within the organization figure, and what would you advise us as a committee because of that?

Perhaps we'll go with Mr. Ostwald first, and then we'll continue through.

Mr. Kai Ostwald: Thank you. That's an important question.

I think it's important to point out that there are differences in perspective across Southeast Asia on what to do about the South China Sea, but there are commonalities as well. I think the uniform position across all of Southeast Asia is that respect for territorial integrity is absolutely critical, so the question isn't so much whether China has a right to be more assertive in the South China Sea and make claims but what to do about it. I think that has to be understood in the context of Southeast Asian states not having the capacity militarily to form a real challenge against China.

Mr. Peter Fragiskatos: Professor Stephens, we'll go to you.

Mr. Hugh Stephens: I think that Canada's position has always been one of respect for international law. I think maintaining adherence to those principles is extremely important.

As you have mentioned, different ASEAN countries have different stakes in this. They all have a relationship with China, but some have a greater stake in the South China Sea issue than others. I think the best thing Canada can do is continue to maintain respect for the international order, which, by the way, clearly supports the freedom of navigation through that area and has certainly not endorsed the Chinese position on their nine-dash line.

Mr. Peter Fragiskatos: Thank you very much.

Please, go ahead.

Prof. Alice Ba: I'm going to answer this question a little bit differently from others. Southeast Asia policy should not be the same as South China Sea policy. If we also look at what states are most concerned about—and you see this in various polling as well as surveys in the region—the South China Sea is not ranked high. It's not the top concern. The concern is economics and health, so it's about other kinds of questions. That would be my way to respond to that.

I'll leave it at that for now.

Mr. Peter Fragiskatos: Thank you very much.

Professor Stephens, if I could go back to you, during your testimony you wrapped up by providing the committee with a set of recommendations for Canada. One of those was to maintain an open dialogue with China—I think that's the exact phrase you used, in fact. Do you have any advice, not just for the committee but for the Government of Canada, on how best to do that, on which issues to continue to focus on with respect to keeping that dialogue open, as you said?

Mr. Hugh Stephens: Well, even the IPS identifies one or two areas that are likely to be areas of mutual concern. That includes climate change, for example, migration and those kinds of issues, but I think we need to move beyond that. There are clearly issues of technical development.

There are.... I know the government has made an attempt. It's extremely difficult to engage with China. There are a lot of challenges, and China has not been an open and willing partner in many areas, but I think any diplomacy starts with planning an area you can have dialogue on and agree on and moving outward from there. Probably the common areas of climate change and decarbonization would be a good area to start.

Mr. Peter Fragiskatos: Thank you very much.

I have one minute left, and I suppose I'm putting both of you in a difficult position, but would you agree with what you just heard, or would you add to it in any way? Maybe you disagree entirely.

Mr. Kai Ostwald: I think, certainly, the Southeast Asian position is that dialogue is critical, and I think, for the Canadian side, open channels of dialogue are valuable.

Prof. Alice Ba: I will simply echo the same.

Mr. Peter Fragiskatos: Thank you very much.

The Chair: Thank you, Mr. Fragiskatos.

We will go to Monsieur Bergeron.

For everybody online, make sure you have the French selected, unless you understand French well, because Mr. Bergeron speaks French very well, and he's about to ask you some questions for the next six minutes.

[*Translation*]

Mr. Stéphane Bergeron (Montarville, BQ): Thank you very much, Mr. Chair.

I'd like to thank the witnesses for being with us this evening and for enlightening us on this subject. I have a series of questions for Professor Ba.

In an article published in International Affairs in May 2023, you wrote that one of the most important issues for ASEAN could be the escalating conflict in Myanmar.

Specifically, you were saying that there are growing legitimacy issues within ASEAN as a result of developments in Myanmar. On May 24, a number of countries, including Canada, the United States, some European Union countries and the European Union itself, the United Kingdom and South Korea, issued a statement on the situation in Myanmar.

What legitimacy problems do you see with the escalation of the conflict in Myanmar within ASEAN? What impact might that have on the way forward?

[*English*]

Prof. Alice Ba: Myanmar is one of the most important current challenges facing ASEAN as an institution. There are two challenges, as I see it.

One is internal, in the sense that among member states there are differences in terms of how much to engage the regime, for example. There is some unhappiness about the Myanmar regime in terms of its responsiveness and its ability to uphold past commitments with ASEAN, for example. The first legitimation challenge is internal, in the sense that ASEAN unity is important.

Second, I think that the Myanmar challenge is an external legitimation problem, in the sense that, as I think the question itself suggests, others look at ASEAN and see an organization that hasn't been able to effectively contain the problem or solve the problem.

This said, I want to emphasize why, for example, ASEAN continues as an organization, despite its differences, to maintain channels of communication with Myanmar. It has not completely cut off Myanmar by any means, actually. That is because there's a strong belief that if you leave a Southeast Asian state by itself, it will be all the more vulnerable to being manipulated and dominated by other actors.

ASEAN remains an important organization that helps to carve out options and pathways forward for challenged states.

[*Translation*]

Mr. Stéphane Bergeron: The Indo-Pacific strategies of Canada and the United States emphasize the central role of ASEAN, the Association of Southeast Asian Nations. However, in November 2023, on the United States Institute of Peace website, you said that the United States perceived a lack of interest in Southeast Asian countries seeking to engage with them economically and diplomatically.

How can we reconcile this idea that, in the context of the American Indo-Pacific strategy, ASEAN would play a central role and the lack of interest you perceived on the part of the United States in ASEAN?

[*English*]

Prof. Alice Ba: I disagree with some U.S. policies. The Biden administration, in some ways, although not a complete continuation, certainly draws certain lessons and experiences from the Obama administration.

There has been some kind of downgrading, I would argue, in the United States engagement with ASEAN, despite its references to and support of ASEAN centrality. Its references to ASEAN centrality, again, get at one of the points I mentioned in my remarks, which is that most states, including the United States, are aware that ASEAN remains an important legitimating factor for other states. ASEAN may have its own legitimation problems, but so do its partners, so supporting ASEAN centrality is an important part of that.

Also, a point I wanted to make in my earlier remarks is that all states that have some interest in the region have a stake in ASEAN. The reason is that in the absence of ASEAN, you would have much more vulnerable individual states; you would have a more divided region, and you would have a much more unstable Southeast Asia.

● (1955)

[*Translation*]

Mr. Stéphane Bergeron: Thank you.

I'll come back to the American Indo-Pacific strategy, which wants to contribute to a unified ASEAN.

Professor Ba, you and the other witnesses have pointed out how ASEAN, despite its differences with China, for example, seeks to remain united despite the pressures in the South China Sea.

My question is very simple. Could ASEAN survive a power grab by China in the South China Sea?

My question is for Professor Ba first, and then perhaps Mr. Stephens.

[*English*]

Prof. Alice Ba: The issue of ASEAN's survival has plagued it since its founding. The main thing to understand about ASEAN is that its first and foremost priority is its intraregional relations. ASEAN will remain relevant for that reason in terms of providing mechanisms for members to work with one another, so that will be its first priority.

Its second priority is these other issues we've been highlighting.

The Chair: Mr. Stephens, we'll give you a brief moment to answer the question.

[*Translation*]

Mr. Hugh Stephens: I, too, am convinced that ASEAN can survive in spite of China. I think the Regional Comprehensive Economic Partnership, or RCEP, is a very good example. It's based on the central role of ASEAN, but it includes China, South Korea, Japan, and so on. It's a way of bringing ASEAN into a central role and building relationships with China.

[*English*]

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

Ms. McPherson, the next six minutes are yours.

Ms. Heather McPherson (Edmonton Strathcona, NDP): Thank you very much, Mr. Chair.

Thank you to all of the witnesses for being with us today and sharing this information.

One thing that stayed in my mind as I was listening to the testimony was in regard to the role China plays in the region. Obviously, the Indo-Pacific strategy was put in place to help Canada diversify its dependence on China. We are hearing about how, for example, with the CPTPP—Mr. Kmiec, I'm having the same problem as you—China would like to block Taiwan from joining. That said, obviously China is not a member, but members would be deeply influenced by China. We saw this at the United Nations Human Rights Council. The power China has is not necessarily overt, but rather subliminal.

Would this not be a real concern we might have within multiple frameworks? The CPTPP would be one, as is developing relationships with others, because of the pressure China puts on those countries. They depend on China more than they depend on us. I'm curious about that.

I'll go to all three of you.

I am also curious, as you're answering that, about one of the other comments I found interesting: that Canada has a strength because we are not the U.S. or China. However, are we not seen as a very close ally of the United States? Does that not impact some of the decisions being made within the region?

Maybe I'll start with you, Mr. Ostwald.

Mr. Kai Ostwald: Thank you.

I'll say, firstly, that China does have the capacity to influence countries in Southeast Asia. It does that on a regular basis. It's not the only country that tries to leverage others, but it does so very effectively. There's a particular example that's frequently raised: The 2012 ASEAN summit had discussions on the South China Sea. The assumption was that ASEAN failed to come up with a statement because of pressures from China. That is a concern.

Maybe I'll pass this to the others and come back.

Ms. Heather McPherson: We'll do a second round. Okay.

Ms. Ba.

Prof. Alice Ba: I'm going to make three points.

The first is this: I want to give a somewhat different characterization of China's interest in the CPTPP. In my view, China's interest in the CPTPP has more to do with its concern that, if the United States should come to a position where it joins again, China will be cut out. From China's standpoint, I think it's important that it join before this happens. If it were to join before Taiwan, I think Mr. Stephens' point is correct. It would have greater influence in a consensus organization. Establishing and clarifying what the rules of ascension are would be very important. In that sense, it is about making decisions in terms of the six states that have applied to join.

The second question is in terms of the other ASEAN states. As was noted, only three ASEAN states are part of the CPTPP. Not all states are equipped to join the CPTPP. One of the important reasons for the Regional Comprehensive Economic Partnership was that the original TPP—and now the CPTPP—made it very challenging for the least developed members of ASEAN to participate. Again, for Southeast Asian members of ASEAN, it is important not to leave a member behind.

The third question you asked is also a good one. Canada is a close partner and ally of the United States. Would that not taint Canada by association? I don't think it would, necessarily. It depends on how you do it. Japan is actually the model. It is extremely close to the United States. Those who have been studying Japanese foreign policy know, for example, that Japan has been extremely influential in terms of some of the specific content of the Indo-Pacific strategy. However, if you look at different assessments of Japan and Southeast Asia, Japan is among the most trusted external powers. That's partly because Japan listens to Southeast Asian states. Therefore, the content it's also conveying in terms of how it has influenced some of the direction in getting greater Southeast Asian buy-in is trying to inject some of those things it's hearing from the region. Canada could do that, too. I don't think it necessarily means you're tainted by association.

● (2000)

Ms. Heather McPherson: Mr. Stephens, go ahead.

Mr. Hugh Stephens: In terms of China's influence on the existing members of the new TPP, certainly it has a greater influence over some than others. I'm not talking exclusively about the ASEAN countries either. I'll single out one country: Chile. Chile has very close relations with China because of a bilateral trade agreement with China.

That is a problem. I think ultimately we don't know for sure what China's motivations are. They probably do not include reforming the state-owned enterprise. Perhaps they're trying to shift the CPTPP, or maybe they're trying to make life difficult for Taiwan, but I don't think we're going to know until we move ahead with the accession process. In a way, I think it's almost fair to say that China's bluff needs to be called. They need to be invited to take part in the accession process. As with Taiwan, let's deal with these on their own merits. It's not an insurmountable obstacle.

There is a supposedly insurmountable obstacle, which is the USMCA, which has this poison pill that makes it very difficult for Canada to sign a free trade agreement with China. We can talk about that another time.

That also brings us to the question you asked about the U.S. I agree with Ms. Ba that Japan has been able to play this game well. However, Japan, of course, is not Canada. Canada has a different dynamic with the United States, similar in some ways to Japan's, but also different in other ways, such as in terms of economic dependency. Yes, it is an issue. I think we have to be extremely careful not to be seen as what at one time was called the deputy sheriff of the U.S., a label that was put on Australia. We need to play in our own interests, but we have to be realistic.

Canada's room for manoeuvring is relatively limited. We need to find that area in which we can make a positive contribution and develop our own relations with ASEAN based on the values that we have. I made the point about why it is Canada. It has to do with our values. It has to do with our opportunities for clean energy exchanges and so forth. We need to make the case that we're not just a little brother to the United States. We happen to be in North America, but we also have something unique to offer.

The Chair: Thank you, Mr. Stephens.

For our next round, we'll go to Mr. Chong for five minutes.

Hon. Michael Chong (Wellington—Halton Hills, CPC): Thank you

I've been listening to the testimony here. Japan was mentioned just a few moments ago as being an effective partner in ASEAN and as being respected amongst ASEAN nations.

I'd be interested in hearing your perspective on how Australia's role in the region has been perceived. What in Australia's approach has been effective, and what has been less effective?

Perhaps all three of you could comment on that. I ask that in the context of Canada's being a member of the Commonwealth, a parliamentary democracy similar in size to Australia economically and in terms of population. That's the context in which I ask this question.

● (2005)

Mr. Kai Ostwald: I can start with the positive. I think Australia is seen as a highly engaged partner to Southeast Asia. There are a lot of people-to-people ties, as well as economic ones. In that sense, Australia punches above its weight, given its population size, in terms of being influential in the region.

It also has long-standing ties. Much as is the case with Japan, there is a sense that its diplomatic corps understands Southeast Asia and Southeast Asia's interests.

I'll add that Southeast Asia has been somewhat controversial in the last several years. Australia is part of AUKUS, of course. AUKUS was met with some hesitation in Southeast Asia. I'll say more broadly that there is wide interest in balancing China in Southeast Asia, but there is concern when that begins to look like militarizing the region as a venue for playing out great power competition. I think some nations saw AUKUS as being too close to militarizing the region. Australia got some push-back for that.

Mr. Hugh Stephens: Australia and Canada clearly have a lot of historical commonalities. With respect to Southeast Asia, the obvious difference comes from the geographical proximity of Australia, which I think has led to a much more consistent engagement by Australia. After all, Indonesia is Australia's neighbour. As you know, it's right on its doorstep.

The relationship has not always been that smooth. Relations between some of the ASEAN countries and Australia have been fraught. I think they're considerably better now. Australia has a huge investment because of its geographical proximity.

The other factor is the security issue. Australia's defence relationship with the U.S. is different from Canada's. It has led to this AUKUS arrangement with the U.S. and the U.K. That has not been particularly well received by ASEAN. On the other hand, one could perhaps see from an Australian strategic perspective that they feel kind of isolated and alone, and maybe this kind of an arrangement is necessary for them. It may not be as necessary in the same way for Canada.

Prof. Alice Ba: I'll just say some of the same things that my colleagues have already said.

I do think that the AUKUS question has been an important one in terms of the concerns about militarization and also what that means in terms of Australia's proximity to the United States.

This said, the critical difference between Australia and Canada is geographical proximity, as Mr. Stephens just said. I think that economics is also quite important for Australia. You can see Australia also trying to figure that balance out, I think. This doesn't quite answer your question, but I do think you can see this negotiation within Australia itself, and you can see that in some of its recent remarks as well.

Hon. Michael Chong: Perhaps you could elaborate a bit on what you mentioned earlier with respect to Japan and how they are a very trusted partner in the region. Maybe you could elaborate a bit on what they have done in order to become that very trusted partner in the region, while at the same time hosting U.S. military bases, being a very close ally to the United States. Maybe you could talk to us a bit about how they have accomplished that.

Prof. Alice Ba: That's a great question.

Japan is a very interesting partner for the United States as well as for the ASEAN states. Part of Japan's advantage, so to speak, and this is where it has a different advantage compared to other states, is the economics. Think about Japan's presence in Southeast Asia. Early on it was very prominent, beginning in the late 1970s, 1980s. That's a long history as well. Japan, of course, being constitutionally constrained historically since the end of World War II, has also emphasized other tools of engagement. It's diplomatic, and it's also economic.

In terms of how it's influenced, if you think about it, whether it is governmental or non-governmental linkages and feedback, Japan has used its close relationship with the United States to channel some of those ideas back. One good example is the Quad. The Quad has gone through several iterations. The latest iteration has a lot of content that ASEAN can get on board with. ASEAN was extremely concerned when the Quad was first rejuvenated, but under the current iteration, which emphasizes non-traditional security and economics and has become less militarized, the Quad has become much more acceptable. That's different from AUKUS, and that, again, I would argue was something that Japan had no small part in doing.

● (2010)

The Chair: I'm sorry, Mr. Chong, but your time is up.

We'll go to Ms. Yip now for five minutes, please.

Ms. Jean Yip (Scarborough—Agincourt, Lib.): Thank you.

Thank you to the witnesses for staying so late. I'd like to hear from each of the witnesses on this question.

With China seemingly being the predominant influence in Southeast Asia, is there room for other countries? How do the countries in Southeast Asia navigate between China and the U.S.?

Professor Ostwald, would you like to start?

Mr. Kai Ostwald: Thanks.

I'll start with that and give a very brief response.

I think it's precisely because China is such a large force in Southeast Asia that there is room for other countries. China is viewed uniformly as the engine of economic growth for the region, or at least as one of the key engines, but there is also deep concern about overreliance on China and the vulnerability that brings. As China has become more assertive and as China has played a larger role, there's been more and more appetite for engaging beyond China.

Ms. Jean Yip: Professor Ba, how do these countries navigate between China and the U.S.?

Prof. Alice Ba: How they navigate is there's a careful choreography, and some have noted that, on the parts of individual states as well as ASEAN itself.

China is a fact of life. I would argue that most states, despite all sorts of questions about China, both strategically and economically, actually expect China to remain a very important partner to them. How they navigate that is by balancing that out with other partners. One good example is the strategic partnership. We've been talking about this with respect to Canada, but we can talk about it with respect to the upgrading of a China-ASEAN comprehensive strategic partnership. China wanted to do it earlier. ASEAN states held back until Australia was ready to get on board, so that China wasn't special.

You see this in some other areas as well, in economics as well as a kind of strategic confidence building. You see this kind of choreography to make sure that China understands it is not the only one.

Ms. Jean Yip: Thank you.

Mr. Stephens, do you have any comments?

Mr. Hugh Stephens: Yes. I agree with all of the above. I would also note that ASEAN has been very careful to ensure that there are various players. If you look at investment, Japanese investment has been extremely important in countries like Vietnam, Thailand and, of course, Singapore. Korean investment has been very important in Vietnam. While the two polarities are China and the U.S., and they try to keep on good terms with both—the U.S. is a very important economic partner, but of course it also plays a strategic role, as does China—ASEAN has tried to keep its options open.

I would add in one more player, and that's relations with the EU. They're open towards relations and building relations with the EU. Then, if you want to bring in, perhaps, some of the more—maybe minor is not the word—smaller countries like Canada and Australia, they develop their own relations as well. They've been very effective in building these dialogues, the annual meetings and so on, as a way of making sure that, in a sense, they're diluting that rivalry by adding more countries to it and making sure they are the convenor.

Ms. Jean Yip: Thank you.

Mr. Stephens, you mentioned in your opening statements a tech war between China and the U.S. Where does Canada stand? Can we capitalize on any opportunities?

Mr. Hugh Stephens: As I mentioned, our room for manoeuvre is relatively limited, certainly in terms of the fact that we're part of an integrated North American market, so the U.S. is going to be looking very carefully to make sure we're not a conduit or a back door that would undermine their situation. On the other hand, Canada does have specific assets in the area of AI, digital technology and so on. I'm not steering it away from China. I think there are opportunities in Southeast Asia for Canada to develop that, even, indeed, with regard to Taiwan and its supply chains, but we have to be realistic. There's not going to be a big gap or much of a gap between Canada and the U.S. when it comes to this. That said, I don't see that Canada needs to be in the forefront of these blockages or regulations that have been put in place to divert or, in fact, even to cut off Chinese access to certain technologies, but I do think we have to recognize our role as part of a North American supply chain.

● (2015)

The Chair: Thank you, Ms. Yip.

We'll now go to Mr. Bergeron for two and a half minutes.

[*Translation*]

Mr. Stéphane Bergeron: Thank you, Mr. Chair.

We had an absolutely fascinating discussion a few moments ago on AUKUS, the security partnership between Australia, the United Kingdom and the United States. I'd like all three of you to comment on this.

If Canada were to join AUKUS, would it hurt its relations with a number of Southeast Asian countries, while at the same time promoting even closer relations with the countries that are part of AUKUS?

What would most favour Canada in terms of strategic advantages, joining AUKUS or maintaining the status quo?

[*English*]

The Chair: To which witness are you directing your question, Mr. Bergeron?

[*Translation*]

Mr. Stéphane Bergeron: I'd like Mr. Stephens to start.

[*English*]

Mr. Hugh Stephens: AUKUS is evolving, so the original conception of AUKUS as focused largely on nuclear submarine technology is changing as we speak. There's now general talk about, perhaps, an associate membership in AUKUS—Japan has been mooted as a member; Canada is a possible member—and looking at other areas of sharing of technology.

I think Canada needs to keep an open mind and find where it could find a role. The role it would play, I think, would be a very different role from those of Australia and the United States. I think there's a potential for us to be associated with AUKUS and to derive some benefits from it and not have it threaten or undermine our relationships in the region.

[*Translation*]

Mr. Stéphane Bergeron: Professor Ba, what do you think?

[*English*]

Prof. Alice Ba: Personally, I don't think that policy should be led with AUKUS. Again, if we look at the other partners that we've just mentioned, they have established themselves as much more durable presences economically, diplomatically and strategically in the region. AUKUS, as Mr. Stephens said, is evolving, although I would argue that it is still considered, in Southeast Asia, as quite a militarized entity. There are challenges there. I believe that Canada is not served by allowing AUKUS policy to lead Southeast Asia policy.

The Chair: We'll go to Professor Ostwald for a short comment, please.

Mr. Kai Ostwald: Very briefly, I'll add that if the original conception were to be the model, it makes little sense. It's extraordinarily expensive. I think Australia itself is coming to terms with how viable it is.

If it evolves into something else and we're talking about new channels for shared technology, for intelligence, then possibly, but the question is what that is.

[*Translation*]

Mr. Stéphane Bergeron: Thank you.

[*English*]

The Chair: Thank you, Mr. Bergeron.

Ms. McPherson, you have two and a half minutes, please.

Ms. Heather McPherson: Thank you very much, Mr. Chair.

I want to start, Mr. Ostwald, by allowing you to.... We didn't get back to you on that last question.

Mr. Kai Ostwald: Thanks.

I'll be very brief and say that I think Japan is a very good example. I'll also add that there is a lot of memory of Canada in Southeast Asia as playing the role of a middle power. Canada was an active mediator in the South China Sea in the 1990s. Of course, during the Indochina wars, Canada was active in a mediator role. That legacy is there, and I think it's something that Canada can try to reclaim.

As was noted, it's not an either-or: an aide-de-camp to the United States or a middle power independent of the United States. Balancing between those two positions is difficult. There is a lot of attention being paid in Southeast Asia to what Canada is doing and which direction it's tending towards.

● (2020)

Ms. Heather McPherson: I will follow up with Mr. Stephens.

You spoke about how there is the impression that Canada sometimes is seen as the “deputy sheriff”. I think that was the way you phrased it. How would we best change that? What would be the best route for us to differentiate ourselves?

Frankly, our foreign policies have.... Historically, Canada has had some bravery in having foreign policy that is not aligned with that of the U.S. It doesn't seem to be the case anymore, but I'm wondering what you would recommend in that circumstance.

Mr. Hugh Stephens: I think the IPS is a good example of what we can do. I think we need to work on areas where Canada can make a positive development, can make a positive contribution, and build our own bilateral linkages, whether they're these people-to-people linkages or institutional linkages. The IPS identifies a number of areas where we can make a contribution, whether it's in disaster mitigation—

The Chair: Pardon me. I'm sorry, Mr. Stephens.

We've lost translation, have we?

All right. I'll speak in English for a second and see if it starts to come through for you.

Is there a problem with Mr. Stephens' sound?

[*Translation*]

Mr. Stéphane Bergeron: Apparently, there's a sound issue with the witness.

[*English*]

The Chair: I don't know. I think....

[*Translation*]

Mr. Stéphane Bergeron: The interpreters are saying that the witness's sound is not good enough.

[*English*]

The Chair: Mr. Ostwald, can you just speak for a moment and see if Mr. Bergeron is picking up the French?

Mr. Kai Ostwald: Yes. Testing.... Do you hear this?

The Chair: Give us about 30 seconds' worth.

Mr. Kai Ostwald: Sure.

Ms. Heather McPherson: Do you want us to ask you a question? Why don't you tell me more about AUKUS?

Is that what you're...?

The Chair: Mr. Stephens, move your microphone up so that, again, the boom is right between your nose and your lip, right in there. That sounds about right.

Mr. Hugh Stephens: How's that?

The Chair: Speak a little and we'll find out.

Mr. Hugh Stephens: All right.

What I was trying to convey was that I think the IPS identifies a number of areas where Canada can make a positive contribution by focusing on areas where we have strengths. By doing that, that will help us, by definition, differentiate ourselves from a superpower like the United States.

The Chair: We'll give you another question, Ms. McPherson.

Ms. Heather McPherson: That's fine, Mr. Chair. Thank you so much.

The Chair: All right. Thank you.

That brings our first panel to a close.

I wish to thank very much Professor Ba, Professor Ostwald and Mr. Stephens.

Thank you for your very insightful comments in response our questions today.

We will now suspend for a few minutes while we flip over to....

Yes, Mr. Kmiec.

Mr. Tom Kmiec: Before this part ends—and I know you have to suspend to get the others—could I move a motion now?

The Chair: Yes, you can.

We'll just release our witnesses now.

You're free for the rest of the evening, I hope. Thank you, again, very much.

Mr. Kmiec.

Mr. Tom Kmiec: I gave notice of a motion. I know there have been discussions with the parties, so I'll read it into the record, and I'll do it slowly, so that the interpreters can interpret alongside me.

I move:

> That the committee report the following to the House:
>
> (a) That the Special Committee on the Canada-People's Republic of China Relationship condemns the verdict of Hong Kong's High Court on May 30, 2024, which found 14 pro-democracy activists guilty for "conspiracy to subvert state power" simply for exercising their democratic and free speech rights;
>
> (b) that the committee expresses its view that the trial was politically motivated and a violation of the Sino-British Joint Declaration, an international treaty, which states: "a prosecuting authority of the Hong Kong Special Administrative Region shall control criminal prosecutions free from any interference" and "the courts shall exercise judicial power independently and free from any interference";
>
> (c) that the committee expresses its view that the national security law imposed by Beijing, under which the 14 activists were found guilty, is a violation of the Joint Declaration, which states: "The Hong Kong Special Administrative Region Government shall maintain the rights and freedoms as provided for by the laws previously in force in Hong Kong, including freedom of the person, of speech, of the press, of assembly, of association, to form and join trade unions, of correspondence, of travel, of movement, of strike, of demonstration, of choice of occupation, of academic research, of belief, inviolability of the home, the freedom to marry and the right to raise a family freely";
>
> (d) that the committee objects to the ongoing violations by the authorities of the People's Republic of China and the Hong Kong Special Administrative Region of the rights and freedoms guaranteed to the people of Hong Kong in the Joint Declaration; and
>
> (e) that the committee calls upon the authorities of the Hong Kong Special Administrative Region to immediately release the 14 pro-democracy activists.

It's self-explanatory. I won't engage in debate.

● (2025)

The Chair: Mr. Oliphant.

Hon. Robert Oliphant (Don Valley West, Lib.): We are supportive of the motion but would like to add an (f) to it. I move to add:

> (f) that while noting the government issued a statement on May 30, 2024, expressing its concerns regarding the verdict on the "Hong Kong 47" trial, the committee requests that the government table a comprehensive response to this report pursuant to Standing Order 109.

The Chair: Mr. Kmiec, are you good with that?

Mr. Tom Kmiec: Yes.

The Chair: Are there any other comments?

(Amendment agreed to)

(Motion as amended agreed to)

The Chair: I think we're good.

Thank you very much, Mr. Kmiec.

We'll now suspend while we set up for our next panel. Thank you.

● (2025)

_____(Pause)_____

● (2030)

The Chair: I call the meeting back to order.

We're back in session. I wish to say hello to our second panel.

From McGill University, we have Erik Kuhonta, associate professor in the department of political science, by video conference. From the University of Ottawa, we have Melissa Marschke. From the Canada-ASEAN Business Council, we have Wayne Christopher Farmer, president.

We'll begin with opening statements of five minutes or less from each of you, and we will begin with Mr. Kuhonta from McGill University.

Mr. Kuhonta, you have five minutes or less.

Mr. Erik Kuhonta (Associate Professor, Department of Political Science, McGill University, As an Individual): Thank you for having me and for inviting me to discuss ASEAN in the context of Canada's Indo-Pacific strategy.

In my five-minute opening remarks, I'll address three key points. The first is the origins of ASEAN. The second is the principal characteristics that have defined ASEAN. The third is the current internal dynamics of the association.

I apologize beforehand if some of this overlaps with the earlier panel I was watching. Some of these points will overlap, but they will build on the earlier comments.

The main point I intend to make is that ASEAN is a very pragmatic organization that reflects a wide range of interests, but whose raison d'être has always been regional stability. That emphasis on pragmatism and regional stability will shape its relations with countries from outside the region.

ASEAN was established in 1967 to address social, cultural, economic and political issues in the region. The real concern that led to ASEAN's founding was that of security. In the 1960s, Southeast Asia was rife with conflict, problems of external great power interference, and ethnic and communist insurgencies within numerous countries. These risked overwhelming the region.

ASEAN was therefore established—

The Chair: Excuse me, Professor Kuhonta. Can you move your microphone up just a little, so it's between your nose and your upper lip? I think that would be good.

There's also some interference there that I hope works itself out, because our interpreters will have a difficult time following you. Hopefully things will settle down.

Please continue. Go ahead.

Mr. Erik Kuhonta: I'll try to speak a bit more loudly into the microphone here.

ASEAN was therefore established in order to mitigate regional crises and to create a framework for stability and intraregional cooperation.

Due to this dominant concern over security, ASEAN developed two key principles that have defined its behaviour and actions until this day. These are the norm of non-interference and a specific type of decision-making, known as the ASEAN way.

This norm of non-interference is the central norm that holds ASEAN together today. Its basic tenet is that states should respect the sovereignty of independent nations. This norm has been crucial in maintaining peace in the region. Since 1967, no states within ASEAN have fought a war among themselves. This norm of non-interference ensures that neighbouring states, therefore, do not interfere in others' affairs.

The ASEAN way, the second principle, is a specific type of decision-making that shapes how ASEAN addresses problems and crises. It is based on informality, consensus, accommodation and compromise. Crucially, the ASEAN way shuns binding legal resolutions, majoritarian votes and formal pronouncements. Notably, this principle sets the association apart from the practices and processes of western organizations.

While these two principles of non-interference and the ASEAN way unite the association, in other aspects the association is extremely diverse and reflects very wide-ranging views.

In terms of regime type—the type of government—ASEAN includes democracies, hybrid or semi-authoritarian regimes, and hard authoritarian regimes. The commitment toward liberal values, including human rights, is consequently very mixed within the association.

In terms of economic development, the association also ranges very widely, from very poor countries to middle-income and rich countries.

Finally, in terms of foreign policies and relations to great powers, such as the United States and China, ASEAN states have very different positions and very different interests.

The consequence of this wide internal variation within ASEAN affects the way the association addresses problems and crises in two specific ways. First, the association usually looks for consensus when dealing with a pressing problem, precisely because it encompasses such a mix of nation-states. Second, ASEAN responds to crises in a relatively slow manner, because it tries to satisfy the range of states within the association.

My final point is that ASEAN has also been changing in recent years, particularly in terms of the question of legitimacy and how it is perceived in the international community. That concern is especially relevant for some of the more economically developed countries within the association, such as Singapore, Malaysia and Indonesia. In that regard, ASEAN has recently sought to address problems of human rights and democracy more directly, especially on the question of the 2021 Myanmar coup. However, overall, ASEAN finds it very challenging to address illiberalism in the region, precisely because the association has long championed pragmatism, ambiguity and non-interference.

Thank you.

● (2035)

The Chair: Thank you, Professor Kuhonta.

Again, there's something a bit strange going on with your microphone and your audio quality. We hope it settles down as we get into our questioning round in a little bit here.

We'll now go to Professor Marschke from the University of Ottawa, for five minutes or less.

Ms. Melissa Marschke (Professor, Department of International Development and Global Studies, University of Ottawa, As an Individual): Thank you, Mr. Chair, for the opportunity to present.

My remarks are going to be about seafood supply chains, distant-water fishing boats, forced labour—or what one might call modern slavery—and migrant workers coming from Southeast Asia.

Much of the seafood eaten in Canada is either caught on those boats—the main distant-water fleets are Chinese, Taiwanese, Japanese or Korean—think tuna, think squid—or processed in Asian seafood processing hubs, with migrant workers coming from the Philippines and Indonesia to work in these hubs in China, but also in Thailand and Vietnam.

In Canada, we're really implicated by this. The working conditions are generally really problematic. Work in fishing is problematic, and we know that's true even here in Canada. However, it's particularly problematic for migrant workers, who face many serious labour violations on these distant-water boats: violence on the boats, both verbal and physical; unpaid wages; long hours while fishing. For example, on the longliners that catch raw tuna for sushi or poke bowls, it's not uncommon to work 18 to 20 hours a day, for days on end, when the fish are running.

Contracts are one to two years. Some of these boats do not come back to port. It's because of transshipment at sea. This means that migrant workers are on boats for a year or two at a time, without any Wi-Fi. Isolation is a real issue for these workers. They're very isolated, and they're at the mercy of their captains. We've seen this all around the globe. There are very few high-seas inspections that actually take place.

At the same time, migrant workers, again from the Philippines or Indonesia, want these jobs, because it's better than what's going on in sending countries. They're making little, given the value of seafood—$500 a month, if they're paid. There are cases where workers get far less. I've heard about cases of $200 a month, and I've heard of a few cases where people have been managing this job for a long time and are making more money.

Shutting down the industry is not the answer, but changing working conditions is critical. Migrant workers on fishing vessels get the most attention, but seafood processing hubs are also an issue. Recent work by Ian Urbina, a U.S. journalist, was able to show how thousands of Uyghur workers and North Korean women were found in Chinese seafood processing hubs, basically imprisoned, with North Korean women being subjected to sexual abuse.

Some of the worst abuses on a larger scale are in China, 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.

The industry is based on cheap labour. It's a problem. I think Canadian policy-makers do have a role to play in this, and there is a link with ASEAN and with the Indo-Pacific strategy. I think there are options that are worth pursuing and promising avenues, in fact, supporting labour reforms in distant-water fishing fleets. Taiwan is a great example of a fleet that has really improved in the last few years, with better pay and more inspections, and by taking allegations of labour abuse on fleets very seriously.

We know far less about the Chinese fleet. It would also be really important to think about actually following labour brokers in sending countries like Indonesia or the Philippines.

Another area is due-diligence policy. Due diligence requires companies to be accountable, ensure quality in supply chains and have a system of fines and remedies. Right now, Canada's forced labour policy serves as a checkbox exercise, without companies actually having serious accountability. It would be a game-changer for the seafood industry if we actually had such accountability. The EU is a good model of that.

With regard to import restrictions, we can do more with allegations of forced labour. The U.S. Customs and Border Protection has good policy on that and provides an interesting example. For example, customs officials can issue an order to not allow imports of products and publish the names of companies on a public website—again, something we could be doing.

● (2040)

Something we are doing that I think is really positive is high-seas patrolling. I understand, in talking with the folks at the DFO, that the DFO's Operation North Pacific Guard did patrolling last summer in the north Pacific, and the Canadian crew interacted with over 400 migrant workers. It's an example of fishing policy for illegal fishing really intersecting nicely with labour policy. I think more could be done here as part of the Indo-Pacific strategy.

The Chair: Professor Marschke, I'm wondering if you could wrap up, because—

Ms. Melissa Marschke: I could. Do you know what? I can stop right there.

The Chair: Okay, that's good. Thank you very much.

Mr. Farmer, we'll go to you for five minutes or less.

Mr. Wayne Christopher Farmer (President, Canada-ASEAN Business Council): Thank you.

I'll try to keep my comments brief and non-repetitive, because some of what I was going to say has been echoed by previous folks on the earlier panel.

However, just for a quick background.... The Canada-ASEAN Business Council was established in 2012 to be the leading voice for the Canadian private sector in ASEAN. We now represent over 80 members across quite a wide variety of sectors, predominantly Canadian medium to large corporations. Our contact base—and the people who receive our media, our updates and our knowledge papers and who attend our events—has increased to about 10,000 on our social media. It's quite a big difference from when we first started.

The mission for the CABC is obviously to increase trade and investment between Canada and ASEAN for mutual prosperity and growth. The CABC is also Canada's first and only ASEAN-accredited entity, which happened this past January. There are only three private sector bodies similarly accredited by ASEAN. One is the EU-ASEAN Business Council and another is the US-ASEAN Business Council. That did require unanimity amongst the 10 ASEAN member states and the secretariat—to agree on accrediting us. Sometimes ASEAN can agree on things, as it were.

Obviously, ASEAN is made up of 10 members states that are home to about 660 million people, making it the world's third-largest population. I might add that about 50% of that 660 million is under the age of 30, which is astounding if we think about it.

Economically, ASEAN is the fifth-largest economic partner of Canada globally. Canada is the fourth-largest trading partner to ASEAN. Bilateral trade increased about 20% last year, and even in the proceeding years, during COVID, we had tremendous growth, which is impressive given the supply chain disruptions and challenges that were occurring globally. I think that reflects a shift of labour and manufacturing from China towards Southeast Asia, which started before COVID and has been accelerated by COVID, particularly to countries like Vietnam. You're also seeing some of this return to Indonesia, the Philippines and elsewhere. Certainly, the nexus for international business in the region has shifted to Singapore as the international trade hub for the region.

Recognizing these substantial economic prospects that ASEAN has, we've been long advocating for a Canada-ASEAN FTA, which was launched in 2021 and hopefully will be concluded around 2025-26, and for a bilateral discussion with Indonesia, which is expected to conclude in 2025.

I would just like to comment that Canada's being engaged in this ASEAN FTA discussion is a remarkable achievement. ASEAN has everyone at the door asking for a trade agreement, and we were selected over the likes of the EU and the U.K. Even the United States does not have an agreement with ASEAN. I think that's a very positive sign with regard to their interest in Canada and growing our relationship.

Canada was upgraded to the ASEAN-Canada Strategic Partnership in 2023, the last of the dialogue partners of ASEAN to be thus accredited, which was noted earlier. Obviously, CABC was provided ASEAN accreditation as a private sector entity in January, as I mentioned.

During our official accreditation, the ASEAN secretary-general mentioned that that's a result of a high level of trust built over many years—over a decade, in fact, for the CABC—and this thrust into ASEAN, which, again, has similarly been accelerated by the Indo-Pacific strategy. While the ASEAN-Canada Strategic Partnership—and perhaps our accreditation as an organization, the CABC—is symbolic, it is certainly a testament to the foundation for the Canada-ASEAN relationship and provides an opportunity for us, at both the government level and the private sector level, to engage much more deeply and across a wider range of subjects with ASEAN and its member states.

There are a few key areas on policy and in business where interests align: food security; energy transition and sustainability; overall investment, particularly into infrastructure; and the digital economy, where interests, I believe, overlap and where business thrusts, resources and things to offer overlap as well.

The CABC fully supports Canada's Indo-Pacific strategy, which places ASEAN right in the heart of that. It's not only an economic necessity but also, I think, a strategic imperative for regional geopolitical stability and long-term peace and prosperity that Canada partner with like-minded small powers that believe in rules-based trade and keeping access open to the globe and to all our trading partners from around the world.

● (2045)

Obviously, ASEAN centrality has come up, and that unanimity required on decision-making doesn't make it the fastest body to move, but a dialogue is a fundamental part of the ASEAN engagement with its neighbours and the world. I think that's something that Canada should wholeheartedly support.

Economically, ASEAN is driving other dialogues, including RCEP, which is the world's largest free trade agreement. Access to that does require having an agreement with ASEAN preceding that. That's another incentive for why we should be pursuing and concluding our agreement with ASEAN—

The Chair: Mr. Farmer, I'm going to have to interrupt you, because you've gone a wee bit over time.

We need to take some of our remaining time for questions, which we'll get to right now.

Mr. Kmiec, you have six minutes, sir.

Mr. Tom Kmiec: Thank you, Mr. Chair.

My questions will be for Mr. Farmer first.

You mentioned that Canada is the fourth-largest trading partner of ASEAN. Are there any specific countries that are more represented in goods and services?

Can you give us an overview of which countries we have the most trade with, separating goods and services?

Mr. Wayne Christopher Farmer: Sure. I would say that within ASEAN, Thailand, Indonesia, Vietnam and the Philippines are the predominant countries that we trade with.

There are different things in different areas. For example, Thailand is the auto hub for the region, so we do have a lot of parts and goods trading there. Singapore is a big service hub. A lot of investment in Singapore is flow-through into the other ASEAN areas. Obviously, that would be banking, finance, insurance and whatnot.

Our insurance companies are particularly active in the region. In fact, in the Philippines, Indonesia and other places, they're almost considered domestic companies, since they have such a long history out here.

Those would be the primary countries that we're trading with in terms of volume of goods and services, to answer your question.

● (2050)

Mr. Tom Kmiec: Mr. Chair, I'll move on to my next question.

Canada has had seven rounds of negotiations with Indonesia. The next round is the eighth round, in June of this month. There's been talk about an FTA with ASEAN, and negotiations are still ongoing.

If you had to prioritize for me, what are the priorities? There's Canada chairing the CPTPP, there's ASEAN and there are these bilats.

Can you prioritize for me what you think are the most important for Canada to accomplish?

Mr. Wayne Christopher Farmer: Sure. I think they're very different. The CPTPP is an existing body that binds us to four of the ASEAN countries but obviously not to all of them. That's an ongoing mechanism and an ongoing body. The bar to enter that is extremely high, and many of the other ASEAN countries are not able to meet the conditions to join the CPTPP, so we need to start from somewhere.

Obviously, it would be desirable to get an agreement with ASEAN in place that covers all 10 of the ASEAN nations, particularly those such as the Philippines, Thailand and Indonesia and some of the smaller countries like Cambodia, where we do not have an agreement.

There's a bit of a strategy and a bit of a timing issue on both the bilateral with Indonesia and the agreement with ASEAN. I think we are headed to probably concluding the agreement with Indonesia first. It's easier, as you're dealing with one party rather than 10. The benefit to that is that the challenging chapters in the agreement will largely be the same as the ones that need to be negotiated at the ASEAN level, so they feed off one another quite well.

I do think we're headed for the Indonesian agreement to be done probably early next year. The initial target was the end of this year, but I think it'll be early next year, and hopefully ASEAN will follow—

Mr. Tom Kmiec: Mr. Farmer, I'm sorry to interrupt you. It reminds me of a question I wanted to ask you.

Do most of these goods flow through the Port of Vancouver, then?

Mr. Wayne Christopher Farmer: That's a good question, and I don't know the full answer to that.

Obviously, Vancouver and increasingly Prince Rupert are both big trade hubs with Asia. I would say east coast hubs do ship out to Asia as well.

You'd have to look at particular companies and particular trade flows. The global shipping logistics chains are quite complex.

There is also air cargo. You have Vancouver airport, Edmonton airport and others that ship air cargo to Asia as well.

Mr. Tom Kmiec: With all these agreements coming through and the potential for more goods being shipped out and goods being shipped in, do you have any concerns about the quality of the trade infrastructure that Canada has?

Mr. Wayne Christopher Farmer: Infrastructure is almost always a limiting factor. I understand there is some room to continue to grow, but we will reach a point where we have limited capacity. I think Prince Rupert is cited as one of our newer, more active ports that has quite an ability to expand. Vancouver may need to look at its long-term future in terms of being able to increase its infrastructure capabilities. I believe there are different dialogues ongoing in Canada around that.

Yes, matching infrastructure to the ability to trade is an important issue, obviously.

Mr. Tom Kmiec: You mentioned the Port of Vancouver needing to perhaps do upgrades. It ranks quite low in terms of its efficiency and performance, and I didn't hear much concern about it.

Is that because you expect most of our shipping to be done through the port of Prince Rupert, through air cargo or through American ports?

Mr. Wayne Christopher Farmer: I think it's probably a combination of all of the above. I'm not an expert on the Vancouver port or any port, but clearly the higher performing our infrastructure, the better our trade will be. The more resources we have dedicated to trade, the better we can grow our export from the region, and the import as well.

The Chair: Thank you, Mr. Kmiec.

We'll now go to Mr. Erskine-Smith for six minutes or less.

Mr. Nathaniel Erskine-Smith (Beaches—East York, Lib.): Thanks very much.

I'll stay with you, Mr. Farmer, to start.

We are studying the Indo-Pacific strategy in the context of the Canada-China committee. I wonder, with that view or lens to it, what recommendations would you have? If you're holding the pen for amending the Indo-Pacific strategy, what recommendations would you have for us? What amendments and changes would you want to see?

● (2055)

Mr. Wayne Christopher Farmer: I think that, as a whole, the Indo-Pacific strategy is quite comprehensive and sweeping. I would say its statements and desires are quite well laid out.

What we have to make sure is that we follow through. Without follow-through, the policy won't mean very much in the end. It's about pushing the Indonesia trade deal to a close, pushing the ASEAN trade deal to a close, using those as building blocks for growing our broader trade relationship in the region, and using the RCEP to diversify our trade in the region so we're not completely dependent on China. At one point, if you talked about trade in Asia, China was the only thing top of mind.

Similarly, although it's out of my remit, we've re-engaged with Japan and Korea on our trading relationships there, which I think is also very important. Korea and Canada have a very robust trade agreement that hasn't been taken advantage of, from my observation, as much as it should be. Japan and Korea are both very major players within the ASEAN region, with their investment in the region, their ownership of some of the factories and the trade infrastructure that goes on there, and their diplomacy, which was noted in the previous panel—particularly Japan, a very trusted partner in the region.

I think all of these are important steps for us to take: getting our agreements in place to build on our trade relationships, and consistently engaging with ASEAN. As I mentioned, it's taken us 10 years at the CABC to get to the point where we've been given such an accreditation as an organization. There have been a tremendous number of ministerial visits on the trade side—and by others—in the last couple of years. All of those touchpoints are very important in this part of the world.

When we launch policy, we need to follow through with the commitments we make.

Mr. Nathaniel Erskine-Smith: I take the point that it's less about a change to the policy itself. It's more about implementing and seeing it through.

Mr. Wayne Christopher Farmer: That's correct.

Mr. Nathaniel Erskine-Smith: Professor Kuhonta, do you have any recommendations for us on how we can strengthen the Indo-Pacific strategy?

Mr. Erik Kuhonta: Yes. I think the Indo-Pacific strategy is in the right direction in the sense of both the breadth and the depth at which it is articulated. What I would say to deepen some of the points of the strategy that can be useful, is that beyond the substantive elements of the strategy, the way in which it is actually implemented and executed, I think, really matters.

For example, the people-to-people investment part of the strategy is a very significant element. How deep that goes in terms of establishing the right institutions, the right kind of trust and the right kind of frameworks for building Canada's relations with Southeast Asia and ASEAN is extremely crucial.

For example, building on civil society partnerships, building on universities to build intellectual partnership engagements, building on think tanks and research institutes in the region.... These kinds of dynamics are very useful in creating the right infrastructure that in the long run can help to build the right kinds of networks. They can also indirectly build liberal values and liberal institutions without doing this in a top-down way. That would contrast, as discussed in the earlier panel, with, for example, the more forceful and robust way of the United States in terms of advancing liberal values.

Mr. Nathaniel Erskine-Smith: I appreciate that. It sounds like much of the answer, in a different way, though, is still focused on implementation.

Are there specific changes that you want to see in the Indo-Pacific strategy, maybe in relation to our relationship with respect to China? The floor is yours.

Ms. Melissa Marschke: I'm going to bring it back to fish, because all our fish comes from Asia. That's the bottom line. The top producers of farmed fish are Vietnam, Thailand, Indonesia, the Philippines, China—it's all coming from Asia. Our wild fish are nearly gone. They're all being caught on these distant-water fleets. Fish really matters if we want a sustainable seafood supply, but more than that, if we want just seafood. I think we have an opportunity to do something interesting here.

As I mentioned, when I heard about this Operation North Pacific Guard, it was the first monitoring operation I'd heard of where it was around illegal fishing, but then the Coast Guard and navy were running up to these Indonesian and Filipino migrant workers in really challenging conditions and wanting to really do something. There's a really innovative moment on this, I would argue.

● (2100)

Mr. Nathaniel Erskine-Smith: Thanks very much.

The Chair: Thank you, Mr. Erskine-Smith.

Monsieur Bergeron, you have six minutes.

[*Translation*]

Mr. Stéphane Bergeron: Thank you, Mr. Chair.

Thank you again to the witnesses for being with us at a late hour. I thank them for their insights.

Mr. Kuhonta, my question is about democracy in the countries of the Association of Southeast Asian Nations, or ASEAN. In your chapter co-written in 2020, “The Institutional Roots of Defective Democracy in the Philippines”, in *Stateness and Democracy in East Asia*, you explore the issue of democratization in the Philippines, the Southeast Asian country with the longest tradition of democratic elections. You say that these elections alone have not led to substantial improvements in the Philippines, which has a dismal economic record, both in terms of growth and fairness.

In a 2006 article in The Pacific Review, you noted that ASEAN is far from turning its back on illiberal policies in the name of democratic values. A recent publication by the Council on Foreign Relations describes the state of democracy in Southeast Asia as going from bad to worse.

In light of this, would you say that ASEAN is fertile ground for Chinese disinformation, which wants democracy to be a system that doesn't live up to its promises?

[*English*]

The Chair: Would you like to direct the question, Mr. Bergeron?

[*Translation*]

Mr. Stéphane Bergeron: My question is for Mr. Kuhonta.

Mr. Erik Kuhonta: Thank you very much for your question, Mr. Bergeron.

[*English*]

In the big picture, democracy in Southeast Asia, as well as in the organization of ASEAN, is not in a particularly robust position. That means that out of 11 countries in southeast Asia, only perhaps three to four can be considered as electoral democracies. A good three to four are very hard authoritarian regimes. Compared to, say, Latin America, which is another developing region, Southeast Asia, in terms of the state of democracy, is in a very mixed to weak or mediocre position.

Now, to your specific question of the strategy of Chinese disinformation and how it might land in the landscape of Southeast Asia given the problems of democracy in the region, it is true that democracy in Southeast Asia is relatively fragile, whether in terms of rule of law, electoral institutions or constitutional courts. In terms of the institutional structures, in many countries in Southeast Asia—even those like Indonesia, which is considered to be one of the more robust electoral democracies—across the board institutions are quite weak. That could mean that potential strategies of disinformation from outside the region or other possibilities to further undermine democracies or institutions, whether from China or any global actor, could find fertile ground. That is true.

The larger problem for Southeast Asia and ASEAN is democracy, in terms of ensuring the franchise is respected, in terms of ensuring that democracies actually maintain freedom of assembly, freedom of speech, etc.—those liberal rights. Even more deeply than that for these democracies, it's to strengthen institutions and to strengthen institutional structures of law and bureaucracy. That institutional infrastructure is central, in the long run, to establishing more robust and more long-term democracies, for both internal reasons and external reasons.

Thank you.

● (2105)

[*Translation*]

Mr. Stéphane Bergeron: One of the observations made about Canada's Indo-Pacific strategy is that Canada seems to be turning its back on a long tradition of promoting democracy and protecting human rights. In fact, there's a passage in the strategy that even goes so far as to say that we must engage in dialogue with countries with which we may have disagreements in terms of political systems.

Do you think this was part of the strategy designed in response to the observation made by people at Global Affairs Canada that Southeast Asia, and the Asia-Pacific in general, is not, throughout, fertile ground for democracy and ideas of protecting and respecting human rights?

[*English*]

Mr. Erik Kuhonta: I don't know the motivations of specific passages in the Indo-Pacific strategy.

What I can say in terms of dealing with ASEAN states that are across a broad spectrum of regime types—that is democracy, hybrid regime and authoritarian regime—is that one strategy for dealing with this kind of landscape that is so diverse is to be relatively open and pragmatic when dealing with different types of government. It may be in the interest of actors outside of ASEAN and Southeast Asia, such as Canada or others, to keep an open mind about other governments that are not full democracies. Singapore, for example, is not by any means a liberal democracy, but it is a country where the institutions work very well, development has really performed, and the government, for the most part, has significant legitimacy.

Simply defining in or out countries that are or are not democracies may not serve Canada's interests in the best way. At the same time, I think it is important to be aware that liberal democratic rights are still extremely important in many countries in Southeast Asia deep down at the local level for civil society groups, villagers or urban citizens. It is important to be aware of those movements for greater political rights in countries where there is significant repression.

The Chair: We'll now go to Ms. McPherson for six minutes.

Ms. Heather McPherson: Thank you very much. Thank you for this interesting discussion.

Mr. Kuhonta, I would like to follow up where Mr. Bergeron just left off.

It is a balance, isn't it, to support the building of democracy in countries that are perhaps not democracies, and how we do that with, as you said, a pragmatic approach?

You also spoke about people-to-people investment. You spoke about the importance of engaging CSOs and investing with universities. I know that we have a real fantastic ambassador with ASEAN, Ambassador Singmin, whom I've heard really wonderful things about.

What other pieces do you see? How does Canada do that? What recommendations do you have for us on how we can make sure that we are building those relationships and balancing the need to support and encourage democratic reform or democracy within the region with our trade relationships? I've often thought that Canada has a bit of a challenge and that we've gone too far towards prioritizing trade relationships at the expense of human rights and at the expense of democratic principles.

I'd love your continued thoughts on that, please.

● (2110)

Mr. Erik Kuhonta: Thank you very much.

It's a complex issue. Also, putting Canada in contrast to the United States is very useful in the way that the United States tends to promote liberal democratic rights in a very excessively muscular way that tends to turn off Southeast Asians—people outside the North American hemisphere. I think it's important to be aware of that as a contrast and where Canada can differentiate itself in tone—and tone really matters—and in approach and process. These things really matter if one knows the way that Southeast Asia works and the way that these bureaucrats, diplomats and normal citizens think. That's one thing I want to say at the outset.

More specifically, I think the promotion of liberal values, broadly speaking, liberal institutions, liberal norms and, in the deepest sense, human rights, is extremely important, and I think there's a strong demand within Southeast Asia for that. It can come in direct ways, as in the funding of civil society organizations that are at the forefront of liberal rights, but it can come also in very indirect ways.

I'll give a very clear example from McGill University's history, which is that CIDA, when CIDA was in existence, funded for decades the Indonesia project, which funded lecturers from Islamic Indonesian institutes in Indonesia to come to McGill and earn M.A.s and Ph.D.s—graduate degrees. The point of that 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.

These lecturers returned to Indonesia. In fact, they dominate the Indonesian Islamic institutes across Indonesia. I've travelled, through the Canadian embassy, and have given lectures in Java and in Banda Aceh to their deans and faculty members there. They have advanced in indirect ways, curricular ways, things that they learned at McGill.

That approach, which can be subsumed under people-to-people investment as one example, is a very concrete way in which Canada historically has invested effectively in Indonesian institutes linked to a university in Canada. The dividends, in terms of promoting certain values of liberalism, etc., broadly construed, have actually been significant.

Ms. Heather McPherson: Thank you. I'm going to come back to you, if I could.

You spoke about the forced labour. I really appreciated as well that you noted that as much as this is a problem, it is also a problem that we have in Canada. We know that the recent report from United Nations experts has said that our foreign workers program is at a very high risk of modern slavery within the foreign workers program. I appreciated that.

I'd like to know about some of the concrete steps that we need to take to deal with this. We did have a bill come forward, Bill S-211. I think it was wholly insufficient to meet the need that we have. We don't have the ability within our ports to check whether products are being imported. We have not been able to seize any imported goods. We haven't done a good job of managing that.

How do we start? Whom do we emulate? Who's doing a better job on this that we can learn from?

Ms. Melissa Marschke: Thanks.

Our forced labour policy doesn't have any accountability. We could reform it to have some accountability. I think there have been good organizations in Canada looking at how we could do due diligence. We could look to the EU, Germany and Norway. They're doing great jobs, as is France with its vigilance law. There's some very good modelling we can learn from about what's working—and mistakes as well. That's due diligence. Without due diligence, we won't monitor any of our supply chains. That's very problematic right now. Canada is behind the eight ball on that.

You also asked about border patrol. I don't understand why we haven't been able to seize anything. I know we have a policy, but it hasn't worked. However, I do know that, in the U.S., something like 7,000 products have been seized in the last couple of years. There's a real stark difference. I think we could learn why there are teeth in that policy and why we don't have any.

You asked about a third point.

● (2115)

Ms. Heather McPherson: I rifled off questions at you, but now I don't even remember them. There you have it.

I think it's just an indication that there are things we can learn about forced labour from other countries, like the United States.

Ms. Melissa Marschke: Yes, the United States and Europe....

I keep thinking about the Indo-Pacific strategy and its labour recruitment. What could we do to support countries like Indonesia or the Philippines in ensuring people aren't paying to get a job, whether it's on a fishing boat or in Canada? A lot of that labour is coming in as live-in caregiver or seafood.... I think we've been tying folks to employers. That's a big problem in our own system.

Ms. Heather McPherson: Yes. It's in construction as well. There are multiple different areas where that's happened, absolutely.

Thank you, Mr. Chair.

The Chair: Thank you, Ms. McPherson.

I've had some notice that people have some scheduling conflicts. This is about the time I had planned to wrap things up. However, if anybody has a burning question they honestly want to ask....

I see you, Mr. Kurek. We'll have a question from you, and perhaps a question from Mr. Oliphant, if he's inclined. Then Mr. Bergeron and Ms. McPherson. That will wrap things up.

Mr. Kurek.

Mr. Damien Kurek (Battle River—Crowfoot, CPC): Thanks very much.

I'll ask Mr. Farmer, Mr. Kuhonta and Dr. Marschke very generally about agriculture and energy. I'll keep it really short.

Could you comment on Canada's role? Are there significant strengths in ag, agribusiness and agri-manufacturing, as well as energy, rare earth minerals and the whole spectrum of what is possible there? I'll keep the politics out of it at this juncture.

I'm wondering if all of you could briefly answer on some of the opportunities that exist in the larger conversation related to the Indo-Pacific strategy. I'll try to keep it down, Mr. Chair, to 30 seconds per panellist. That would be great.

The Chair: As always, if the panellists are very compelled to give us a more fulsome answer, they can always submit something in writing, which is very useful.

We'll start with Dr. Marschke.

Ms. Melissa Marschke: Farmed fish is obviously a huge part of ag. I think we can do a lot more on linking, whether it be with Vietnam, Indonesia or the Philippines. There are also opportunities in places like Cambodia, which is trying to develop its aquaculture sector. I think that's an area.

On critical minerals, I don't know if the committee has considered sand. Canada imports the second-largest amount of sand globally, and southeast Asia is where there is a lot of sand. That's another area.

The Chair: All right.

Perhaps we'll go to Professor Kuhonta for his comment.

Mr. Erik Kuhonta: I'll just say very briefly—I'm not an expert on agriculture or energy—that I follow the political economy in Thailand quite closely. The question of agricultural development is extremely important on the electoral scene. I can see how they would be particularly receptive to investments there, especially given how the current government is planning to invest heavily in agriculture.

The Chair: Mr. Farmer, I know you probably have lots to say on this one, but a brief comment would be great.

Mr. Wayne Christopher Farmer: Food security and energy security are two of the most common threads that come out with our discussions with ASEAN governments, and commerce, particularly since COVID-19 and some of the events in Ukraine and the Middle East. In terms of energy, Canadian LNG would be in huge demand in this part of the world when we finally are able to export it as a transition fuel to decrease the dependence on coal for baseload, which is still the main primary fuel instrument in Southeast Asia.

Looking forward, Canadian nuclear technology can play a really strong role, and tremendous interest has sprung up in that recently. We're having a dialogue on that with a lot of the ASEAN states.

On the ag front, certainly there are opportunities all over the shop in terms of Canadian agriculture technologies in areas from aquaculture to dairy to other types of primary and processed foods in the region.

On investment, obviously our Canadian institutional investment into energy infrastructure and agriculture infrastructure is in high demand. As you know, many of the Canadian pensions and other investors have offices in Southeast Asia now, primarily in Singapore but covering the region, so that's been very well received.

● (2120)

The Chair: Thank you for that.

Mr. Oliphant, did you have a question?

Hon. Robert Oliphant: I'm okay.

The Chair: All right.

Mr. Bergeron.

[*Translation*]

Mr. Stéphane Bergeron: Thank you, Mr. Chair.

My question is for Mr. Farmer.

Mr. Farmer, a few weeks ago, the Asia Pacific Foundation of Canada shared some thoughts with us from Mr. Ostwald. He was actually part of the first group of witnesses we heard from today.

He gave us some interesting thoughts on implementing Canada's Indo-Pacific strategy as it relates to ASEAN, the Association of Southeast Asian Nations. One of the very interesting questions he asked was why would the Indo-Pacific countries choose Canada when there is a lot of competition among those who want to build relationships and achieve economic engagement?

In your opinion, what would Canada's strengths and weaknesses be in dealing with competition in that region?

[*English*]

Mr. Wayne Christopher Farmer: That's a great question.

Without trying to be too verbose here, I think Canada is seen as modern, as part of North America, but we don't come with the baggage that America has. We're perceived to have some influence over our neighbours in North America in terms of their behaviour. I believe we're looked at as a trading nation, but a smaller trading nation, and when we're working together we have an impact against some of the geopolitics between our larger trading partners and geopolitical players such as China and the U.S.

You have a dynamic in ASEAN with respect to the U.S. defence arrangement. The U.S. Navy has largely kept the peace in the region and kept shipping channels free for trade, while at the same time China has become a growing and very large trading partner in the region. It's debatable which is the largest between China and the U.S. Canada, much like ASEAN, is also walking that line of being, maybe culturally and from a security and economic point of view, tied to the U.S.

The growing future of trade is with China and with the region, and we need to navigate that. Singapore is a great example. Singapore hosts a U.S. naval base, yet it is one of the largest foreign investors in China. It has a lot of cultural ties, obviously being majority ethnic Chinese, and then works through multilateral institutions like ASEAN and elsewhere in order to walk a line of—I'll borrow a word—very pragmatically serving their interests.

I think we can learn a lot from that as a nation. I think our participating in that serves our interests in diversification and security, growing trade and promoting our values in—I'll repeat it—a pragmatic way in this part of the world.

The Chair: Thank you.

Ms. McPherson, do you have one last question?

Ms. Heather McPherson: I'll be very quick. I didn't get a chance to ask Mr. Farmer a question, so I thought I would ask him something.

In terms of what we heard from you earlier today, the strategy, really, is when the rubber hits the road, how it's implemented, how it's followed through on. First of all, I would like to know how it's doing so far. It's been in place for a year. How is it doing so far? We've heard from other witnesses that there needs to be more of a long-term forecasting for it.

What does success look like going forward? How are we doing now, and what are the next things that you need to see from the government to know the implementation is effective?

Mr. Wayne Christopher Farmer: Bear in mind that I think this Indo-Pacific strategy is a culmination of a number of years of work. I was asked to get involved from a private sector point of view. We set up the CABC about 11 years ago now. Leading up to the Indo-Pacific strategy there were a number of years of more regular engagement to address the issue that we have been in and out of the market historically, but there's been a big push in consistency over the last decade.

I think the trade negotiations, from what I understand from the trade negotiating team, are going pretty well. These things don't happen overnight. Sometimes, it's one step forward, two steps back, or two steps forward, one step back, but they are progressing.

I think the strategy of trying to knock some of the challenging issues on the head with Indonesia—which will certainly have an effect on the overall ASEAN discussion, because they are the same matters that I mentioned, and most of them are commercial, by the way—will help to accelerate that. Once that's in place, the consistency of engagement, whether it's through academic exchanges, diplomacy or defence, where we're able to support that people-to-people engagement, needs to be maintained.

If we have concerns in Southeast Asia about the state of democracy, I would say a lot of people in Southeast Asia have concerns about the state of democracy in North America these days, so that works both ways. No one's perfect.

We need to have that continuity. We've taken some good steps with the establishment of an agricultural office in Manila under Diedrah Kelly, who was an ambassador to ASEAN. She's a really incredible talent. There's also Paul Thoppil, who's now our trade liaison in Jakarta. We took a step a few years ago when we started to have an ambassador to ASEAN, which we were lacking. As you noted, Vicky Singmin is our ambassador there now and has also been a big supporter. It's really positive working with her.

We just need to keep this momentum going forward. I think the more deeply we are engaged in ASEAN with trade and on multiple levels, the more influence we will have on those things that might concern us in the region. Preaching from afar in this part of the world, with the cultures that are here, is not very effective. When you're fully engaged and a true partner, you tend to get listened to more.

I know I'm harping on about the same thing, but I think it's following through on the execution and maintaining that engagement, and it has to be a long-term strategy, as you mentioned. I think we've seen that over the last decade, and, hopefully, it will continue.

● (2125)

Ms. Heather McPherson: Wonderful. Thank you very much.

The Chair: Thank you, Mr. Farmer, Prof. Kuhonta and Dr. Marschke, for your time this evening.

I want to thank our clerk, analysts, interpreters and support staff, and everybody who's pitched in with some very excellent questions.

The meeting is adjourned.