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Chair: The Honourable Judy A. Sgro



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• (1300)

[English]

The Chair (Hon. Judy A. Sgro (Humber River—Black Creek, Lib.)): I'm calling meeting number 33 of the Standing Committee on International Trade to order.

Today's meeting is taking place in a hybrid format, pursuant to the House order of June 23, 2022. Therefore, members are attending in person in the room and remotely using the Zoom application.

I'd like to make a few comments for the benefit of witnesses and members.

Please wait until I recognize you by name before speaking. When speaking, please speak slowly and clearly. For those participating by video conference, click on the microphone icon to activate your mike, and please mute yourself when you are not speaking. With regard to interpretation, those on Zoom have the choice at the bottom of their screens of "Floor", "English" or "French". Those in the room can use the earpiece and select the desired channel.

I will remind you that all comments should be addressed through the chair. To members in the room, if you wish to speak, please raise your hand. Members on Zoom, please use the "raise hand" function. The clerk and I will manage the speaking order as best we can, and we appreciate your patience and understanding in this regard.

Please also note that during the meeting it is not permitted to take pictures in the room or screenshots on Zoom.

Should any technical challenges arise, please advise me. Please note that we may need to suspend for a few minutes as we need to ensure that all members are able to participate fully.

Welcome to those who are online and attending virtually.

Ms. Collins and Mr. Sarai, I'm glad to see you. Thank you for joining our committee today.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on Tuesday, September 20, 2022, the committee is receiving a briefing on ministerial work completed in a very busy summer of 2022.

With us today, we have the Minister of International Trade, Export Promotion, Small Business and Economic Development, Minister Ng.

Welcome, Minister. We're very happy to have you.

From the Department of Foreign Affairs, Trade and Development, we have Rob Stewart, deputy minister of international trade; Sara Wilshaw, chief trade commissioner and assistant deputy minister, international business development, investment and innovation; Bruce Christie, assistant deputy minister and chief trade negotiator; and Aaron Fowler, associate assistant deputy minister.

From the Department of Industry, we have Charles Vincent, assistant deputy minister, small business and marketplace services.

I want to welcome back to our committee many of you who have been here before. We welcome you and we're happy to hear from you again today.

Minister Ng, we normally allot five minutes for whoever's presenting. I'm going to ask if it's okay with the committee members for the minister to have a few extra minutes, because she has a lot to tell us and we'd like to get that done. If that's okay with everyone, I'll turn the floor over to Minister Ng.

You have the floor.

[Translation]

Hon. Mary Ng (Minister of International Trade, Export Promotion, Small Business and Economic Development): Thank you, Madam Chair.

[English]

Good afternoon to you, to the vice-chairs and to all of the committee members, both those returning and new members, both here in person.... It's wonderful to be here in person and to see everyone on the screen. It's terrific to get a chance to speak to the committee members directly. I always look forward to updating the committee on the work that I've been doing on trade.

This is a pivotal time for our economy and for Canada's approach to trade: how we trade, whom we trade with and who trades. Both the pandemic and Russia's illegal invasion of Ukraine have demonstrated the need to strengthen and diversify our supply chain so that Canadians can access the goods they rely on and so that Canadian businesses can continue to expand, contributing to our economic growth and creating good-paying jobs across the country.

• (1305)

[Translation]

My goal has always been, and continues to be, to deepen Canada's trade relationships all over the world by opening up new markets to business.

[English]

The United States remains Canada's largest trading partner, making up two-thirds of our international trade. Since our government negotiated CUSMA, we are seeing record levels of trade with the U.S., reaching over a trillion dollars in the last year. In May, I hosted my counterpart, the United States trade representative, Ambassador Katherine Tai, the first Biden cabinet official to visit Canada, a signal of the importance of the trade relationship.

[Translation]

In a relationship as broad and as diverse as our relationship is, we of course face challenges.

[English]

This past year, the Prime Minister and I led a team Canada effort to include Canadian vehicles in the United States' EV tax credits. The inclusion of Canadian auto in the Inflation Reduction Act will protect our auto industry and secure thousands of good-paying jobs. It is already attracting billions of dollars of investments into our EV supply chain.

In July I hosted the CUSMA free trade commission, meeting with the United States and Mexico in Vancouver and marking the success of CUSMA, a trade agreement our government signed that supports around two million Canadian jobs. A month later, Minister Champagne and I strengthened Canada's ties with Mexico through the inaugural Canada-Mexico high-level economic dialogue.

We're also growing ties with our European allies on the other side of the Atlantic. In March I launched negotiations towards a free trade agreement with the United Kingdom, our fourth-largest trading partner. In August I joined the Prime Minister to host German Chancellor Olaf Scholz. Our two countries signed a hydrogen agreement that will grow our economy and fight climate change. Just last month, I joined my EU counterpart to celebrate the fifth anniversary of CETA, which has boosted our trade with the EU by 30% since coming into force.

[Translation]

That said, Canada needs to expand its commercial ties beyond its historic partners, including in the Indo-Pacific region.

[English]

This year alone, I've been to the region to strengthen our relationships, and I'm heading back in two weeks. During my first trip to the Indo-Pacific this year, I launched negotiations towards an early progress trade agreement with India, a pragmatic and commercially relevant agreement that will give Canadian businesses preferential access to over a billion customers. On my second trip, I attended the APEC trade ministers meeting in Thailand, where I launched negotiations to accede to the digital economy partnership agreement, which would position Canadian businesses and workers at the forefront of the rapidly growing digital economy.

I also visited Singapore to establish an innovative Canadian trade gateway in Southeast Asia, a front door that will both support Canadian businesses and entrepreneurs to expand across the Indo-Pacific and bring investments and talent from Southeast Asia into Canada. That was followed by two trips to the ASEAN meetings in Cambodia, where I pushed for our FTA negotiation with the ASEAN and announced the creation of a new Canada-ASEAN trust fund to promote further collaboration and Canada's strategic objectives in the region.

I also made a stop in the Philippines, where I met with some of the most incredible entrepreneurs, specifically women entrepreneurs, many of whom were looking to Canada as their next export market. Earlier this year, we launched the Canada-Philippines joint partnership to create even more opportunities for these entrepreneurs. This summer I welcomed Vietnam to Vancouver to strengthen the economic partnership through the joint economic commission.

My latest trip to Asia was back to Singapore to enhance our ties with the comprehensive and progressive trans-Pacific partnership partners, with whom we have seen an over 8% increase in exports since the agreement came into force.

Before returning to Canada, I stopped by in Jakarta, where I met with a number of key government officials in Indonesia to advance the progress on the Canada-Indonesia comprehensive economic partnership agreement and the Canada-ASEAN collaboration.

[Translation]

Beyond the Indo-Pacific region, I have been promoting Canadian businesses, innovations and investments all over the world.

• (1310)

[English]

This included leading a trade mission to the Caribbean; expanding opportunities in Guyana, Jamaica, Barbados, Trinidad and Tobago and the wider CARICOM; and launching a virtual trade mission to Africa, with a focus on Botswana, Senegal, South Africa and Côte d'Ivoire. Over this week, I have been meeting with the African Union and chairperson Moussa Faki Mahamat in Ottawa to participate in the first-ever Canada-Africa high-level dialogue.

What do all of these countries I've just listed in the last few minutes have in common? They're all places where Canadians come from. I like to say that Canada is best positioned to trade in the world because we all come from around the world. Our government is ensuring that all Canadians, no matter their origin, no matter their agenda, and no matter the size of their business, can benefit from trade.

[Translation]

As the Minister of Small Business, I have a duty to ensure that our small business owners and entrepreneurs get the support they need to grow their businesses internationally.

[English]

Through resources like the trade commissioner service, our CanExport program and our trade accelerator program at Export Development Canada, our government is helping thousands of small businesses expand their global footprint. With our government's women entrepreneurship strategy, we're investing \$6 billion into supporting women entrepreneurs, such as through the Asia Pacific Foundation of Canada's series of women-only trade missions to the Indo-Pacific.

We're also ensuring that indigenous peoples benefit from trade, for they are the first traders, entrepreneurs and innovators in the land we now call Canada. That is why Canada joined the indigenous peoples economic and trade co-operation arrangement, or IPECTA, which will establish a framework for co-operation among participating economies in order to remove barriers to indigenous peoples' economic empowerment and participation in trade.

[Translation]

We are doing all this work, not just because it's the right thing to do, but also because it's the smart thing to do.

[English]

Canadians can participate in and benefit from trade. They're growing our economy and creating good jobs, and this is why we negotiate strong and progressive gender, labour and SME provisions in our free trade agreements. It's also why in April I launched a new and expanded responsible business conduct strategy to ensure that Canadian companies abroad are contributing to local communities and upholding high environmental and ethical standards.

Rules are important, and Canada will continue to champion the rules-based international trading system, including through our work with the Ottawa Group at the WTO. At the WTO 12th ministerial conference in June, Canada played a role in reaching a historic multilateral agreement to advance vaccine equity around the

world and renewed the moratorium on e-commerce, and we are working to restore the WTO's dispute settlement mechanism and to protect our oceans and fish stocks.

We all know the pandemic and Russia's invasion in Ukraine has taught us all an important lesson: We can no longer take our rules-based trading system for granted. That is why Canada will continue to be a world leader in championing progressive, sustainable and inclusive trade.

I can't do this work alone.

[Translation]

I want to thank all of you for your hard work and contributions.

[English]

You're all a core component of team Canada, and I look forward to continuing this work with all of you and to deliver for Canadians.

Thank you. I look forward to taking your questions.

The Chair: Thank you very much, Minister Ng.

It certainly sounded like you never completely stopped for those several months in touching base with all of those countries. Thank you for that work.

We go now to Mr. Seeback for six minutes, please.

Mr. Kyle Seeback (Dufferin—Caledon, CPC): Thank you, Madam Chair.

Thank you, Minister, for coming to the committee.

In your comments you talked about it being a pivotal time and the need to strengthen and expand supply chains, etc. When we look around the world at what's happening, we see that whether it's the quadrilateral security dialogue or the IPEF, Canada's being left behind. I certainly don't fault you for the trips you're taking, but it seems to be delivering very limited progress. Being excluded from the IPEF is a significant setback for Canada and Canada's trade.

Can you explain why it's been such a failure?

Hon. Mary Ng: I thank the honourable member for that wonderful question.

I would say to the contrary that there are the markets we are opening around the world, the work that we are doing in the Indo-Pacific, the high-standard and high-quality agreement that is the CPTPP, which includes a number of Pacific nations. Canada is a Pacific nation country and we are in the CPTPP. We've seen an 8% growth in exports since it has come into force, and it's a progressive and comprehensive agreement. We work with the United States as our largest trading partner and we do this work together.

Yesterday was really terrific, because Secretary Blinken was here in Canada...actually, he's still in Canada. He's just in Montreal today but was in Ottawa yesterday. Minister Joly did announce that we are going to join the Indo-Pacific Economic Partnership and Secretary Blinken, of course, in the United States has supported this.

This is work that we continue to do. Of course, there is always more work to do to deepen the partnerships in the region, but also with the United States we're very committed to making sure that we have good, resilient supply chains. We're negotiating good, strong frameworks for Canada to be a part in the Indo-Pacific, but we're also negotiating in other parts of the world where there are customers. We get to tout that we're the only G7 country with a free trade agreement with every other G7 country. That's customers. Supporting our Canadian businesses to enter into those markets, particularly small and medium-sized businesses, is what I love doing every single day, and I love doing it with all of you.

• (1315)

Mr. Kyle Seeback: Minister, there are seven members of the CPTPP that are already members of the IPEF. Canada was clearly left out. To say we're now trying to join is exactly what the problem is. We weren't included when it was first going on, and that's a significant problem.

You also said that you want our trade to have high environmental and ethical standards. In April of 2021, you didn't answer questions with respect to whether imports from China's Xinjiang region are being intercepted at the border as a result of allegations of forced labour.

Can you update us on what progress Canada has made with respect to that, especially in light of your comments that we want to have high ethical standards when it comes to trade?

Hon. Mary Ng: Let me begin by saying that in our trade, we lead with Canadian values. The CPTPP is a terrific example of that. The C and the P components were Canadian additions for high standards on labour and on the environment. We have updated and strengthened our responsible business conduct strategy, and I expect all Canadian companies operating anywhere in the world, including in China, to uphold those high standards.

We have supported Bill S-211. This is the Fighting Against Forced Labour and Child Labour in Supply Chains Act. Yes, we are taking action to make sure that when we have forced labour concerns, there will be contract suspensions and shipment interceptions, and we will withdraw the Canadian trade commissioner service.

Mr. Kyle Seeback: Do we have any numbers on that? Are you tracking any of this so that we can talk about these results for Canadians, or is it just sort of general statements?

Hon. Mary Ng: They are not general statements.

Mr. Kyle Seeback: Does the department have any numbers on that?

Hon. Mary Ng: They are not general statements at all. It is an absolute commitment through the new, updated RBC, the responsible business conduct. It is work we are doing with my partners, whether it is at labour or through the CBSA.

Absolutely, this is an issue we take seriously. Human rights are an issue that Canada resoundingly stands up for. It's an area that we're going to always keep working on.

Mr. Kyle Seeback: Have any shipments been seized as a result of this at the Canadian border? Do you track that?

Hon. Mary Ng: I believe that there have been.

Mr. Kyle Seeback: Can the department give us those numbers? Can you report back to the committee back on that, please, with whatever data you have?

Hon. Mary Ng: As I said, the support of Bill S-211 is going to be really important. It is about getting rid of forced labour and child labour in supply chains.

We, of course, are concerned about the region. We are going to keep working with Canadian companies on the one hand, so that they understand their expectations abroad, and at the same time have the mechanisms necessary to live up to what Canadians expect of us in international trade.

Mr. Kyle Seeback: I understand that, Minister, but is the department keeping track of any of this? Are there any numbers that the department can release to this committee?

As I only have a little time left, I would prefer yes or no, and if they have it, whether they can send it.

Hon. Mary Ng: I can tell you that this is an area that we are absolutely committed to. In CUSMA, for example, it is actually built into our trade agreement that there will be no forced labour in our supply chain.

Absolutely, I am working very hard with the Minister of Labour and with my colleagues to ensure that we do have the mechanisms in place to live up to this important—

Mr. Kyle Seeback: I'm going to guess that no data has been tracked. I've asked three times for the data and you're talking in generalities.

I will say that the department is not tracking any seizures with respect to goods alleged to have been made with forced labour from the Xinjiang region.

Hon. Mary Ng: What I am saying is that the commitment by the Canadian government to ensure that there is no forced labour in our supply chain is real and that we are working on it.

• (1320)

Mr. Kyle Seeback: Commitment is one thing; results are another.

The Chair: Thank you very much.

Mr. Virani, you have six minutes, please.

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

Minister, welcome to the committee. Thank you for being here with so many officials to answer our important questions.

I want to build on something that you mentioned at the tail end of your opening statement, which dovetails with the WTO and the importance of the rules-based multilateral trading system.

We know that there is an Ottawa Group and that you are the chair of that Ottawa Group. You hosted a virtual meeting recently with the WTO director-general. You were talking about continuing momentum toward achieving strong outcomes on trade and health. WTO reform was dealing with things such as negotiations on fisheries, subsidies and agriculture.

There was a WTO 12th ministerial conference, which I appreciate was delayed slightly but eventually took place in June. I was wondering if you could start by giving some information to the committee about what was accomplished at that WTO ministerial conference.

Hon. Mary Ng: Thank you very much for that question.

Let me start with the Ottawa Group. It is an incredibly effective group of countries working together to advance the international rules-based order and the multilateral trading system.

Who is part of the Ottawa Group? Well, it's countries like Japan, Korea, Australia, Singapore, New Zealand, Mexico, Kenya, Norway, Brazil, Chile, Switzerland, the European Union, and most recently, the United Kingdom. This is a formidable group of countries that work together to ensure that the work we are doing together will reinforce the work on the international trading order.

I would say that for almost every meeting that we hosted with the Ottawa Group, the director-general has been there. Of late, it has been Dr. Ngozi Okonjo-Iweala, who is a formidable leader as the director-general of the WTO.

The reason this group was formed was to strengthen and build upon those rules that we all depend on. It is called the Ottawa Group for WTO reform.

During the pandemic I was very proud of some of the work that ultimately made its way to the ministerial response to the pandemic. We saw, in the early part, that some 90 countries issued over 200 export restrictions during the pandemic. You can imagine what that would cause to the goods, the inputs that are needed to make very important things like PPE, protective gear, or critical food and medicines that needed to move around the world.

Making sure that there were some rules to deal with a response to the pandemic, this initiative, the response to the pandemic, started at the WTO through the Ottawa Group. It was the Ottawa Group that developed what ultimately ended up being adopted multilaterally by the over 100 members of the WTO to get the multilateral agreement.

We also committed at the ministerial conference to work on the dispute settlement system so that we have a functioning dispute settlement system for the WTO, for the international rules-based order. I'm very pleased. I know you've heard from our ambassador, who is in Geneva working with her colleagues at the WTO, including the United States and many others. This is about working multilaterally to ensure that we have solutions to fortify and strengthen the rules-based system.

I think about e-commerce and the negotiations that are taking place so that we have the kinds of rules that are going to help the digital economy. That is certainly the present and the future. Trade and the environment and the kinds of rules that are going to be necessary to ensure that both the economy and the environment go hand in hand globally is what we are working on there with our multilateral partners.

We're also looking at the negotiating function. Some of the innovations that we have been able to pursue are called joint statement initiatives, or JSIs. We passed one, which is a plurilateral initiative on domestic services regulation, which is making it easier in each of our economies. Those rules that facilitate trade with ease were started as a plurilateral, a JSI, that then went forward to the broader membership and were adopted.

Here's the thing that really was extraordinary: The multilateral rules-based trading system is something that we are committed to working on, and we achieved a ministerial outcome from the WTO membership. Remember it requires every single member to achieve a multilateral agreement, and we did that.

A negotiation in fisheries has been in negotiation for over 20 years. Finally, at this multilateral meeting we came to an agreement to protect our fish stock in the world. That work continues.

• (1325)

Mr. Arif Virani: Thank you, Minister.

I think I have one minute left, so perhaps briefly you could just tell us about our important trading relationship with the United States, but also the important position that we took as a government vis-à-vis the EV tax credits and how that was resolved due to the advocacy of the Canadian government.

What is your perspective on the U.S. Inflation Reduction Act and the committee's study that's going to be forthcoming?

Hon. Mary Ng: How do I do that in a minute? Let me give it a try.

Let me begin by saying thank you to everyone here. You all played an instrumental role in achieving what I believe is an absolute win for the Canadian economy and the Canadian auto sector. We don't do this alone on just the government side; it took everyone. It took all orders of government. It took our colleagues on all sides of the aisle. It took our businesses and our labour leaders coming together and doing that team Canada advocacy to make sure that those automobiles and those critical minerals that are going to be produced in Canada are going to be a part of that very important Canada-U.S. supply chain. It is exceedingly important, and I see it as a win for Canada to be included. I see it as Canada's win and therefore a win for all of us.

North American competitiveness is ultimately what CUSMA is about. We have a trading relationship among Canada, the U.S. and Mexico that represents \$1.9 trillion. That is not insignificant. It is very important, and making sure we are competitive as a North American region is what CUSMA is all about. It is what the CUSMA Free Trade Commission was all about in terms of taking stock and looking at how we continue to build on the competitiveness of our three countries.

I will highlight two things that I think are important. One is making sure that small and medium-sized businesses in all our economies get the benefit of trade. That was negotiated as an SME chapter in CUSMA. There is a committee that does that. There is deliberate work to make it easier for our businesses of all sizes. Every single one of our economies has micro, small and medium-sized businesses that need to grow. When they grow, it is good for our economy and good for our communities.

The second thing I will say is that this is the first time we've had a women's trade summit, a North American women's trade summit between Canada, Mexico and the United States. They came to Vancouver. If this first one is any indication, we are going to get growth, and we are going to get growth through those extraordinary women leaders of businesses of all sizes in all three of our countries.

The Chair: Thank you very much, Minister.

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

[*Translation*]

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

Good afternoon, Minister.

Good afternoon to everyone joining the minister today and to my fellow members.

Minister, the motion the committee adopted to invite you to appear today covered a number of topics. You discussed some of them, but I'm surprised you made no mention of the softwood lumber duties.

In August, you announced that you intended to challenge the results of the U.S.'s administrative reviews of its anti-dumping duty orders in relation to Canadian softwood lumber products. Can you give us an update on the challenge?

Are you able to tell the committee today where things stand?

Hon. Mary Ng: Thank you for your question.

[*English*]

It's a really important file. I also want to thank the committee for the very important work and the study the committee did on this issue. That is how important it is.

Yes, we have requested a dispute settlement panel under chapter 10, and I'm looking forward to that work being done. Canada has consistently, even through chapter 19 earlier at the WTO, seen those decisions on Canadian softwood lumber rendered in favour of Canada.

I was able to see some really good recommendations from some of the witnesses who came forward in your study, and also in your report, and I appreciate that.

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay: I see.

What markers of success have you identified in relation to the process or challenge under way?

Do you have a plan B in case it doesn't work?

Can you tell the committee what other avenues are available if we strike out with the challenge?

• (1330)

[*English*]

Hon. Mary Ng: Let me say a couple of things.

With regard to the dispute settlement panels, we're actively working with the Americans to put those dispute settlement panels together, and I think we are making some progress there. There is a panel to hear the legal challenge on the U.S. anti-dumping duty order that was composed just in the last few days. I understand another panel will be composed in another few days.

I would also say that I, as the Canadian minister, am ready to negotiate at any time, but I would also point you to what witnesses have said and what the Canadian industry has said consistently to the Canadian government. They want an agreement, but they don't want any agreement. They want an agreement that is in their best interests, "and it should not come at any cost." That is a quote from Resolute Forest Products.

I've been very clear. I'm ready to negotiate, and I will, but I will always do it in the conditions that must be in the best interests of Canadians. I am in close contact, as my officials are, so we are going to pursue the channels that are available to us—the mechanisms through trade, like the dispute settlement panel—while at the same time making sure we are always working to take advantage of the right conditions when those right conditions are present.

[*Translation*]

Mr. Simon-Pierre Savard-Tremblay: You said there would be another panel soon. What's the timetable for that?

When can we expect a progress update?

[English]

Hon. Mary Ng: In terms of timelines, maybe I can get the officials to provide a quick answer.

Mr. Aaron Fowler (Associate Assistant Deputy Minister, Department of Foreign Affairs, Trade and Development): Thank you, Madam Chair.

As the minister indicated, the anti-dumping panel under the NAFTA has been composed in the last week. We would expect developments with respect to the establishment of the remaining NAFTA panel in the coming days. We're working with the United States on panel composition with respect to the subsequent challenges that relate to the administrative reviews that have followed.

[Translation]

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

Do you have a plan for lobbying American elected officials or the U.S. administration?

I realize you'll have to wait until after the mid-term elections, once Americans have voted on every seat in the House of Representatives and some seats in the Senate.

[English]

Hon. Mary Ng: Whether it is on this issue of softwood lumber or on all of our bilateral issues with the United States, we are always on top of it because of how important it is to our exporters and to our communities, and to the communities in Quebec in particular, where the forestry sector has such strength.

I would also like to thank the committee for the recommendations that you provided to me in your recent study, the work to diversify our products so that they find markets to be exported to and to ensure that there is investment in and commitment to the trade infrastructure in Canada so that we can move these products into those diversified markets.

I highlight those two because I really want to thank the committee for doing that work, because we actually are already doing that work. We are doing a lot of work to diversify. We are negotiating market access for growth into other parts of the world, and we absolutely are making investments in our trade corridor to make sure that Canadian goods and exports can move easily out of this country to the benefit of our exporters.

The Chair: Thank you very much.

We'll go on to Ms. Collins, please, for six minutes.

Ms. Laurel Collins (Victoria, NDP): Thank you, Madam Chair.

Minister, you mentioned EDC in your opening statement. The government has promised to end fossil fuel financing for Crown corporations like EDC and BDC. Canada gives out the most public financing to fossil fuels in the G20, and EDC is the worst offender.

The promise was made last year to develop a plan, but so far we haven't seen any evidence that this plan is progressing. Meanwhile, EDC has already been the vehicle for \$15 billion in fossil fuel financing just this year.

I appreciate that you may not be the one driving the overall policy on fossil fuel financing, but as the minister responsible for EDC

and BDC, can you give an update on what work has been done specifically to advance that plan and what communication you've had with your cabinet colleagues on this issue?

Hon. Mary Ng: The commitment to making sure that we are building out green enterprises in Canada with the support of EDC is an absolute commitment. Also, the commitment to phasing out support from EDC is very much a commitment we intend to keep.

The direction I gave to EDC as their minister last year was to make sure they are supporting more growth of those solutions and those companies and those entrepreneurs to build out clean technology. What is really heartening to me is that today they are Canada's largest investor for clean-tech growth in Canada.

That is a direct result—

• (1335)

Ms. Laurel Collins: Because I have such limited time, I do want to focus on the phasing out of public financing of fossil fuels. I'm really curious about what progress has been made on that plan specifically.

Hon. Mary Ng: What I would say there is that our commitment is real and that we intend to deliver on it.

Ms. Laurel Collins: I really want to see an update on that plan and how it's progressing. I understand that you've made the commitment, but is there any way that you could get back to the committee with an update on how that plan is going and what progress has been made?

It has been a year since Canada signed on at COP26 in Glasgow to stop public financing for fossil fuels by the end of this year—that's international public financing—and this deadline is coming up pretty quickly. COP27 is just a couple of weeks away. Can we expect to see that plan before then?

Hon. Mary Ng: Well, I'm certainly happy to follow up and provide you with an update on this very important item, and what I would—

Ms. Laurel Collins: That sounds great. Thank you.

On the same topic, as trade minister you're supposed to send EDC a yearly letter on priorities, which is then supposed to be made public. Last year you sent that letter in February. It's now November of this year. We still haven't seen a statement of priorities and accountabilities for 2022. This speaks to me of an issue of transparency. I'm curious about when we can expect to see that letter.

Hon. Mary Ng: I would say it would be very soon. I am very committed to making clear and transparent the direction of priorities to EDC, to you and also to members of the public.

EDC is such an important tool and vehicle for Canadian exporters. I think about the pandemic and the extraordinary work they did in supporting hundreds of thousands of small businesses who got the small business loan. Most people may not—

Ms. Laurel Collins: Minister, because I only have two minutes left, can you speak to any of those priorities for EDC? Especially, do they include ending public financing of fossil fuels, both internationally and domestically here in Canada? Will that be part of the letter you'll be sending to them this year?

Hon. Mary Ng: I'm looking forward to making that letter public, and I think what you will absolutely expect to see in there is what our government has committed to, which is ending that support for fossil fuels.

Ms. Laurel Collins: Thank you so much.

As minister, you have the power to issue binding directives to EDC and BDC as Crown corporations. Would you be willing to use your power as minister to issue a binding directive that would require EDC and BDC to end their financing of fossil fuel projects?

Hon. Mary Ng: I talked just a second ago about the direction through strategic priorities to support the growth of solutions that will contribute to reducing our emissions and creating solutions to help fight climate change in clean growth. I think that tool has been effective and is a perfect example. They are today the largest financiers in the country for those clean-tech projects—

Ms. Laurel Collins: Since I only have 45 seconds left, it sounds like it's not necessarily a firm “yes” that you'd be willing to do that.

Your mandate letter includes instructions to work with the Minister of Environment and Climate Change to ban thermal coal exports from and through Canada as swiftly as possible. Can you give us a quick update on how that work is progressing?

Hon. Mary Ng: It is progressing. We pride ourselves in how we work on a whole-of-government approach so that we really are delivering for Canadians in a way that has us coordinating and working together—

Ms. Laurel Collins: Is there a date that Canada can expect the ban on thermal coal exports to be in place?

Hon. Mary Ng: I can't give you a date, but I can tell you that we are working very diligently at this.

• (1340)

The Chair: Thank you very much.

Mr. Martel, you have five minutes, please.

[*Translation*]

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

I want to thank you and your officials for being here today, Minister.

I'd like to talk liquefied natural gas, or LNG. Germany asked Canada to supply the European country with LNG, but Canada said that it was focusing instead on becoming a supplier of hydrogen energy. The hydrogen sector is still in the early stages of development, whereas Canada could be exporting the world's cleanest LNG.

Why isn't Canada seizing that opportunity?

[*English*]

Hon. Mary Ng: It was really terrific to welcome Chancellor Scholz to Canada and to work with him and my colleague Minister Habeck from Germany on solutions that will see Canada collaborate with Germany to supply green energy solutions.

We have signed some really important agreements with Germany, in particular with industries in Volkswagen and Mercedes-Benz. They are looking to Canada as the place for the future development of those particular companies and that particular sector, precisely because of the green renewable energy that we have here in Canada.

Our commitment to work with Germany and with our partners in Europe is a very real one. We are very pleased with the agreement that we have signed on hydrogen.

[*Translation*]

Mr. Richard Martel: I'm not satisfied with that response, Minister, since you didn't really answer my question.

We heard the Prime Minister say that there had to be a business case for exporting LNG. With Germany, Great Britain, France and other countries in Europe facing an energy crisis and an LNG shortage for a number of years to come, they are turning to Canada.

Isn't that business case enough?

[*English*]

Hon. Mary Ng: I am sure that my colleague, the minister responsible for natural resources, could give you a much deeper answer.

I would say that there is no question that Russia's unjustified invasion of Ukraine has demonstrated the importance of co-operating with partners like Canada and Germany together to build resilient supply chains and also to provide the energy that is needed. It is also an opportunity for us to really fight climate change together and to accelerate that.

I think that the agreement we have reached together on the acceleration of hydrogen is really historic. This is the kind of work that Canada is working on and will continue to work on with Germany. It is so important that we do this work.

[*Translation*]

Mr. Richard Martel: You mentioned climate change. Using LNG will prevent the operation of coal-fired plants, so, as I see it, LNG is very good for the environment.

On another topic, the softwood lumber dispute is taking on a new form. The U.S. industry has begun attacking Canada for its program to protect forests and fight climate change, saying the program amounts to subsidies.

How does Canada intend to defend itself, since it hasn't managed to make its case after all these years?

[English]

Hon. Mary Ng: I would say that our points are known. We have done well in decisions that have been returned in Canada's favour at the WTO.

We have a chapter 10 in this CUSMA precisely because our government negotiated that very important chapter when we were renegotiating CUSMA. You might recall that at that time, you and your colleagues said we should just take any deal that was present at the time. For us, it was absolutely critical to get chapter 10 and to get that dispute settlement chapter into the renegotiation. We were successful there.

We are taking this matter there and we are going to continue to fight this on all fronts, including through the dispute settlement panel bilaterally as well as internationally. At the same time, we'll work with the industry very closely so that we can create the right conditions or work through those right conditions to get a good deal for Canada, and not just any deal.

• (1345)

The Chair: Thank you very much.

We'll go on to Mr. Miao for five minutes, please.

Mr. Wilson Miao (Richmond Centre, Lib.): Thank you, Madam Chair.

Welcome, Minister and officials from the department. Thank you for all the hard work you have been doing in meeting with many around the world to promote Canada's trade.

Over the past year, our committee has discussed at length the importance of a potential Canada-ASEAN free trade agreement and the benefit it would have for Canadian companies and exporters. I know you have been in discussions with ASEAN and you have visited the region on more than one occasion. Most recently, you travelled to Indonesia, where you met with a number of Indonesian government officials to strengthen bilateral trade as Canada and Indonesia celebrate 70 years of diplomatic relationship this year.

You were extremely busy on this trip, meeting with many colleagues in the Indo-Pacific. Can you share some of the highlights and major takeaways from these meetings? How did they work to benefit Canadian businesses back home?

Hon. Mary Ng: As the committee will know, Canada is presently at the negotiating table with the ASEAN bloc of 10 countries. Some of those countries are already a part of the CPTPP. We are also at the negotiating table with Indonesia on a bilateral agreement.

To give people the sense of scale of the opportunity, Indonesia is a country of 280 million people. Next to the United States, they are number two. The only two other countries larger than that are India and China, so it will be and is an important trading relationship. As you pointed out, we already have 70 years of diplomatic relations with Indonesia, and with the countries of the ASEAN, they are projected to be the third-largest bloc in the world. It is fast-growing, and we already have tremendous Canadian presence there.

In each of these trips that I do, I have an opportunity to meet with women-owned businesses and the Canadian companies that are operating on the ground so that they can talk to me about the

kind of growth they are seeing in what they say to me are frontier markets. That's real market access for both services and goods, and that is really very important. We are going to be celebrating an anniversary of 45 years in the ASEAN-Canada relationship, so both of these trading agreements on both tracks are extremely important.

What are trade agreements important for? They are important so that we are able to create the right conditions through those agreements for businesses to do business and for investors to have confidence because there is a set of predictable rules that they can look to in order to make Canadian investments grow into the region or make those very investments grow into Canada.

I was very pleased, while I was in the region, to launch a Canada trade gateway to the Indo-Pacific, to the Asia-Pacific. We have a tremendous group of trade commissioners and human capital in the region, but this really will help us coordinate in a way that allows Canadian companies one window or one door.

I've been telling people in the region that the door swings both ways. It's a way for Canadian companies to understand the opportunities in the region and to create those supports, whether they are from the Canadian trade accelerators, tech accelerators, the Canadian trade commissioner service or the range of Canadian chambers that are now all over the region to support and to work together with Canadian businesses and exporters who are looking to grow in that region. It is very dynamic. I know that as part of its work, the committee has some plans to take a look at it on the ground, and I think you will see what I see, which is this dynamic growth.

I'm someone who is very committed to inclusive trade that works for everyone and to making sure that every business, no matter what size, gets a foothold in those economies and gets into those countries. Growth means jobs for Canadians, and good jobs for Canadians are good for our communities.

• (1350)

The Chair: Thank you very much, Minister.

We have Monsieur Savard-Tremblay for two and a half minutes, please.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: Minister, please keep your answer brief because I have only two and a half minutes. A yes or no answer would be great.

We read your news release on your meeting with the German vice-chancellor, and you confirmed it today. We know that Canada's focus will be hydrogen energy. That's where things are headed.

We also know that Germany is building methane terminals at sea ports to import LNG and that it is turning to its allies.

Did Canada commit to increasing its LNG exports to Germany, yes or no?

[English]

Hon. Mary Ng: This is an important relationship, and I think the best answer is that I'm working closely with the Minister of Natural Resources, who is taking quite a lead on this, and that this work continues.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: In other words, at this stage, you have made no such commitment to the German vice-chancellor. That's what I take from your answer, but correct me if I'm wrong.

On October 14, your colleague, the Deputy Prime Minister was in Washington, and she said that Canada should support LNG because it was an important transition fuel for countries in Europe. Is that the government's official position?

[English]

Hon. Mary Ng: What I would say is that this work with Germany—indeed, with all of our friends and allies—is exceedingly important. Energy and energy security and clean energy are absolutely a commitment. I think you'll see that of our government. This work is a priority, and it continues.

The Chair: You have 40 seconds.

[Translation]

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

I'll repeat my question.

While in Washington, the Deputy Prime Minister said that she considered LNG to be an important transition fuel. Is that Canada's official position?

[English]

Hon. Mary Ng: I would say that energy security and providing good, clean energy to our colleagues and allies are top priorities of our government.

The Chair: Thank you, Minister.

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

Ms. Laurel Collins: Thank you, Madam Chair.

Minister, I've spoken to many of my constituents who are concerned about the need for a comprehensive mandatory human rights due diligence law to compel businesses to respect human rights standards in their global operations and supply chains. There are documented examples that link Canadian mining, energy and garment industries, and other industries and their suppliers, to human rights abuses and environmental damage around the world.

The Canadian Ombudsperson for Responsible Enterprise, the CORE, currently lacks the power to compel testimony or the submission of documents, so they can't effectively investigate allegations of human rights abuses linked to Canadian companies. Voluntary measures have really proven ineffective in preventing these

kinds of human rights abuses and environmental destruction. I'm curious where you stand, as minister, on empowering the Office of the Canadian Ombudsperson for Responsible Enterprise with the independence and the power to investigate human rights abuses and allegations and on enacting the kind of comprehensive human rights due diligence law that would compel businesses to respect international human rights standards.

Hon. Mary Ng: Let me start by saying that standing up for human rights and advocating for that around the world is absolutely a core tenet of how Canada trades around the world. The CORE is one part of this, but so is the national contact point, and so is the strengthened responsible business conduct strategy. They all need to work hand in hand. That's precisely why we strengthened this strategy.

I've had conversations with many of the companies across Canada as well. The expectation is really clear: You will operate internationally with those standards for human rights and for responsible business conduct around the world in the same way that you operate here. We have tools at our disposal to ensure that companies are doing that.

I'm pleased at what the CORE is doing. She is fully funded and her office is set up. She has a team that is looking at complaints. They've started—

• (1355)

Ms. Laurel Collins: Is there any openness to changing the structure, just to allow for that power to investigate and for independence?

Hon. Mary Ng: We've been working with the CORE very diligently to be sure that she's able to do both things—that she's supported in delivering her mandate and that she's also doing the other piece, which is to make sure that these violations don't happen in the first place. That work is ongoing. So far, she and I are working together, and we're working in the context of the broader RBC strategy. I would say that it's good, based on the complaints that she's been able to look at and the work that she's able to do to ensure that there is prevention.

The Chair: Thank you very much, Minister.

Mr. Carrie, you have five minutes.

Mr. Colin Carrie (Oshawa, CPC): Thank you, Madam Chair, and thank you, Madam Minister.

Minister, you said something that concerned me in a response to Mr. Seeback. When we were talking about the Indo-Pacific economic framework for prosperity, you said that we would be ready when the “right conditions are present”.

Minister, President Biden launched this in May of this year. He invited Australia, Brunei, Dar es Salaam, Fiji, India, Indonesia, Japan, Korea, Malaysia, New Zealand, Philippines, Singapore—

[Translation]

Mr. Simon-Pierre Savard-Tremblay: I have a point of order, Madam Chair. The interpreter can't interpret the member's remarks.

[English]

The Chair: Excuse me. Can you hold it for a second, please? We have translation problems.

We have to suspend for a few minutes to make sure that translation is functioning properly.

Sorry, Mr. Carrie, we'll put your time back at the beginning again.

• (1355) _____ (Pause) _____

• (1400)

The Chair: I call the meeting back to order.

Mr. Carrie, can you keep your camera off and continue with your questioning, please?

Mr. Colin Carrie: My question was for the minister. In terms of her comment that she's waiting for the right conditions to be present, this initiative was launched just in May, and the president invited a number of different countries. In response, Minister Joly has asked to join, and there is support for that from the Americans, but Secretary Blinken was very clear and said he has to consult with the other members who were in from day one.

Minister, in trade you don't wait for the proper conditions to be present; you have to go and make those conditions. I'm asking what you and your department are doing now. When is the next meeting for us to be inside the room, not outside the room?

Hon. Mary Ng: I want to clarify that I didn't say we were going to wait for conditions. That is what I did say with respect to softwood, because it was in response to what the industry had told me that they wanted, which is a good deal, not any deal. Just for clarification, that's what I said.

With respect to IPEF, we are absolutely inside the tent with the Asia-Pacific. We're also inside the tent with the United States of America. You've seen us successfully negotiate a good deal for Canada in CUSMA. You have seen us include the Canadian auto industry in the EV credits. You are seeing Canada with a strong progressive agreement with the CPTPP countries and looking to increase market access with others. That is what we are doing. We are working with the United States robustly. We are working with them on supply chain resiliency and we're working with them on clean energy decarbonization, on infrastructure. We're working with them on taxation and anti-corruption. We're working on a whole host of work that was laid out between the President and the Prime Minister on the road map for Canada and the U.S. That work continues.

So does the work in Canada in creating opportunities in the Indo-Pacific, and of course we're going to work with the United States. I've been talking to the United States trade representative on this front and so has Minister Joly, and she made that public yesterday with Secretary Blinken.

Mr. Colin Carrie: Yes, and Secretary Blinken—

The Chair: You have one minute remaining, Mr. Carrie.

Mr. Colin Carrie: Secretary Blinken was clear that he couldn't allow us in until he talked to the other members, who were invited by day one.

My point, Minister, was that being on the outside looking in on this important agreement is not the way we want to go, and I asked you when the next meetings are for us to be at the table to get into this important agreement that would really affect our future supply chains.

Hon. Mary Ng: The commitment I can make to you, sir, is that working with the United States to grow our trade in a way that will also deal with climate change is what we're going to be doing. We're also going to be doing that with our colleagues in the Indo-Pacific. We do that through the Ottawa Group with some of those members who are also a part of this arrangement. The point is that Canada is at the table everywhere.

Mr. Colin Carrie: But there is no meeting. You can confirm that there are no meetings with the group to get us in.

Hon. Mary Ng: What I'm saying is that Canada continues to work to expand our growth.

Mr. Colin Carrie: Thank you, Minister.

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

We go now to Mr. Sarai for five minutes please.

Mr. Randeep Sarai (Surrey Centre, Lib.): Thank you, Madam Chair.

• (1405)

[Translation]

Mr. Simon-Pierre Savard-Tremblay: I have a point of order, Madam Chair. There is no interpretation. The member's remarks aren't audible.

[English]

The Chair: Can you try that again, Mr. Sarai?

Mr. Randeep Sarai: I'm sorry; my boom was up. I apologize. I was caught off guard there.

Minister, my question is this. Canada, the United States and Mexico created the largest free trade region in the world, generating economic growth and helping raise the standard of living for people of all three countries. The Canada-United States-Mexico Agreement, CUSMA, serves to reinforce our strong economic ties in the United States and Mexico. It preserves key elements of the long-lasting trading relationship and incorporates new and updated provisions for the 21st century.

Can you tell us what makes CUSMA a unique trading agreement compared to others and how Canadian businesses leverage CUSMA? I know you mentioned earlier about how trade has gone up even more. How can CUSMA help access more customers across North America?

Hon. Mary Ng: North American competitiveness is incredibly important. This relationship is a really strong one. I think CUSMA has strengthened the way in which the three countries are working together. We have an incredible network of trade commissioners and mission teams across the United States that help our Canadian businesses go abroad. I can't overemphasize how important that is, because we have seen a trillion dollars of trade go into the United States—\$1.9 trillion if you include Mexico.

What we need to see more of is growth through small and medium-sized enterprises, which find navigating into the United States or into international markets quite challenging. I am really thrilled that there is an SME chapter negotiated into CUSMA. There is a committee dedicated to that. They hosted a conference in the U.S. last year that brought together all three countries so that they can put tools together that will ultimately better help those businesses grow into each other's markets. This work is infinitely important, because I think the numbers for the U.S. and Mexico are not different from what they are in Canada.

As 98% of all our businesses are small and medium-sized businesses, helping them to get the advantage of exporting into those markets is really important. This trade agreement provides the mechanisms for doing so.

Mr. Randeep Sarai: Thank you, Minister.

Minister, I'm a big fan of EV and solar. Canada seems to have won on that issue with the U.S. We saw all-time highs in trade volumes between the two nations.

The committee, I think, is set to undertake a study on the impacts of the Inflation Reduction Act passed in the U.S. House of Representatives. Can you detail to the committee some of the policy advocacy that you undertook to reverse the original U.S. position, and what it means to our auto sector and labour sectors?

I particularly am concerned to have an EV motorcycle plant that is being built right here in Surrey, British Columbia. This is very important news for them in terms of getting access to the U.S. market.

Hon. Mary Ng: I said earlier to everyone here on the committee how appreciative we are, because this is one file where we really worked as team Canada. We were completely focused on making sure that Canada was included in these important credits that will ultimately incentivize American consumers to buy electric vehicles, and electric vehicles that are made in Canada are such an important part of the Canadian economy and the auto sector.

What this has enabled us to do, of course, is attract the kinds of investments for the battery ecosystem that is now in Canada. Week after week, month after month, you're seeing our government make announcements of the investments—whether it's through BASF or others—that are coming into Canada to develop the battery ecosystem. It's really good to see, then, in the Inflation Reduction Act that

the critical minerals that will come out of Canada will also be part of that supply chain in the creation of EVs.

A lot of work went into ensuring that Canada was carved into this and into maintaining a very important supply chain. I often reminded the Americans that a car probably crosses seven or eight times over our Canadian and United States border before it comes off the production line as final. That means workers on this side of the border and on that side of the border are working on it. It means that in the future, the critical minerals that will go into making the batteries are going to come into Canada and be processed and make their way into those vehicles. It means that for your motorcycles, that battery ecosystem is going to be key. So will the critical minerals. They will be key in this lucrative market of which we continue to be a part through this integrated supply chain of what is all of us, I would say, as Team Canada.

Again, it was members of this committee. It was all of us on all sides of the House. It was different levels of government. It was industry itself, the auto sector itself, the parts folks, the labour representatives, the labour unions and the workers themselves, so it really was team Canada.

● (1410)

The Chair: Thank you, Minister.

Mr. Baldinelli, you have five minutes, please.

Mr. Tony Baldinelli (Niagara Falls, CPC): Thank you, Madam Chair.

Minister, thank you for being here.

If I go back, the first question I ever had a chance to ask in Parliament when I was elected in 2019 had to do with the Australian WTO challenge to the 2006 excise exemption on 100% Canadian-made wine.

Flowing from that decision was the need to create a replacement program, and \$101 million was first committed by the government in budget 2021. That was then raised in 2022 when the formal trade-compliant replacement program was created.

The problem, Minister, is that it's only a two-year program, and the sector is looking for certainty. Budget 2022 showed that the government, because of the elimination of the excise exemption, would be generating \$390 million over a five-year period.

My question for you right now is from my stakeholders, the grape and wine growers and the industry producers. They are looking for certainty to see whether our trade-compliant program will be extended past those two years and whether the government will commit to extending that \$390 million to the producers and growers.

Hon. Mary Ng: I remember the question, and I love your part of the country.

The grape and wine growers are incredibly important, and I too, and my team, have met with them.

The issue of being compliant is a real one, but what I want to do is assure those very important stakeholders that we will continue to work with them. We've always been working with them, right from the get-go, including getting to the solution that ultimately ended up with the WTO decision sort of going away as it did.

We're just going to have to keep working with the industry, and I think our track record is really good on that front. My office, my team and I have consistently been working and providing solutions.

Mr. Tony Baldinelli: Minister, does the government favour extending the current trade-compliant program that currently exists? Again, it ends shortly. It's only for two years. The government committed \$166 million to that two years, but again, it showed \$390 million in revenue over five years. I would think that the revenue that the government is now taking from this tax should be returned to both the industry and our grape growers.

I mean, the program exists. They're just looking for the certainty to see whether or not that program will be extended.

Hon. Mary Ng: Yes, for sure trade compliance is one part of the equation. The other part of the equation is that I work on this file with my agriculture colleague. I also work with my finance colleague. I tout the importance of working across government in a whole-of-government way, and this file is a perfect example.

I think we've been able to do that quite well in listening to the stakeholders and working with you. Your voice in this issue has been really important, along with those of others who represent the stakeholders as well as the region and other wine growers across the country.

I want to assure you that the industry is an important one and that we'll keep working with you and with them, but I also have to work—and I will—with my colleagues in agriculture and in finance.

• (1415)

Mr. Tony Baldinelli: Minister, earlier you indicated the beginning of negotiations on a Canada-U.K. trade agreement. We see some of the challenges with the dispute resolution function. Ambassador Theodore mentioned the other day the multi-party interim appeal arbitration arrangement that exists, and Canada is one of those 19 countries. It indicates that the EU was part of that, but is the U.K. seeking to be part of that program? When we do a negotiation with the U.K., our fourth-largest trading partner, will we be building a dispute settlement process into that agreement?

Hon. Mary Ng: I think having a dispute settlement process in any trade agreement is an important and necessary thing. I mean, you negotiate these agreements. By and large, they all work pretty well most of the time, but sometimes they need some interpretation, so they need a dispute settlement process to make sure the trade agreement is working well.

The MPIA was very much an innovation of the Ottawa Group. It was born out of the Ottawa Group. When the appellate body ceased to work at the WTO, it was born out of that. We're very proud that we were able to bring along a number of countries to the MPIA.

I can't remember specifically if I talked to the United Kingdom about it, but likely I probably did, because I often talk to every-

body. In the meantime, until such time that we as a WTO body are working on a permanent reform to the dispute settlement system, let's use this MPIA, because it's a temporary solution that is mirrored after the present system. More of us using it gives predictability in the trading system while the more permanent solution is being worked out at the WTO.

Mr. Tony Baldinelli: The Americans aren't part of that system. It would be advantageous to us to have the U.K. as part of it, although they're leaving the European Union program, are they not?

The Chair: Thank you, Mr. Baldinelli. You squeezed in an extra minute. Thank you very much.

We have Ms. Dhillon, please, for five minutes.

Ms. Anju Dhillon (Dorval—Lachine—LaSalle, Lib.): Thank you, Madam Chair.

Thank you, Minister, for being here today. I'm very happy to have you here.

Something you've been talking about recently and today in your remarks is the growing of an inclusive economy. Recently you made an announcement in Winnipeg about the women entrepreneurship loan fund, which is providing much-needed capital to women business owners in Quebec and across Canada. Could you please tell us how what you are doing domestically connects with trade?

Hon. Mary Ng: How did you know that would be my favourite question to answer?

Women in trade—women entrepreneurs, period—are the smartest thing that we could be doing. We are 50% of the population. I've used this sports analogy before: If you are going to train up a wonderful team to win at your sport, you sure the heck don't want 50% of that team sitting on the bench. Why would we want 50% of the women sitting on the bench?

Our first-ever women's entrepreneurship strategy is a \$6-billion investment to help women entrepreneurs start their businesses and scale and grow their businesses to access the international market.

I often tell people not to worry about the title on my business card; I'm the minister for start-up, scale-up and access to new markets. For women entrepreneurs, I am there with them every step of the way to help them start and to help them grow.

What is the return on investment for the women's entrepreneurship strategy? It's \$150 billion in Canada. We have invested \$6 billion and we can return \$150 billion to the Canadian economy simply by adding women to the economy. I tell my international colleagues that it's \$12 trillion to the global economy by adding women to the economy.

The women's entrepreneurship strategy has three parts. One is getting access to capital. We hear a lot about that from all small businesses, but women-owned businesses in particular face those difficulties. Mentorship and having an ecosystem of support is what they're looking for, and then we need to be able to track this stuff and make sure there is good data.

I'm really pleased to say that although we've only had the women's entrepreneurship ecosystem in place since 2019, it has already helped 5,000 new women-owned businesses start and helped 7,000 existing women-owned businesses grow their existing business.

I'll highlight one of the ecosystem partners in particular, the Asia Pacific Foundation. They've been doing these really terrific women-led trade missions. They've done one to Japan in person. They've done them to Taiwan, India, Australia and New Zealand, and South Korea, and they're heading back to Japan in December. They're women-led trade missions to look for opportunities in those particular markets so that these businesses can grow. We're seeing some terrific collaborations in those markets.

We're also seeing really excellent opportunities for collaborations because there isn't a single place that I have been to where I don't convene a round table of women-led businesses. This includes France, Sweden, Africa, Thailand, the Philippines, Cambodia, Indonesia, Singapore, the CARICOMs and so forth.

It is dynamic. You are seeing these incredible female businesses of all sizes, and they're growing their businesses. What we're trying to do here is create those connections between Canadian businesses that want to grow into those markets and collaborate and co-invest for growth. I think it is the smartest thing that we could be doing.

The business women in international trade program is growing. The support that EDC is providing to women entrepreneurs is growing and the support that BDC is providing is growing, but I would say that economic policies alone are not going to do it. You need to have affordable child care, because women need to work, and when they work, they need support for child care.

Parental leave is a game-changer. When I was in Israel, I remember the women entrepreneurs asking me, "Are you kidding? Are you telling me that if I were in Canada, I can keep working and my partner or spouse can take the 18 months?" I said, "You've got it." That is a game-changer.

I think smart, whole-of-government policies to support the growth of businesses are exactly what we have been doing since 2015. You sit around the table at the women's caucus and you talk to me about this all the time, but I want to thank everyone because this work is all of our work.

● (1420)

The Chair: Thank you very much.

We'll go on to Mr. Savard-Tremblay for two and a half minutes.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: Minister, we know that discussions took place with the ASEAN countries, including Indonesia, and India. They are major palm oil producers, while India has committed to palm oil production.

Do you have a strategy to make sure the negative impacts of palm oil production aren't exacerbated? As we all know, palm oil production is a sector that is controlled by warlords, that contributes heavily to deforestation, that results in people being kicked off their land, and that relies on forced labour.

How do you plan to make sure the problem doesn't get worse or, at the very least, isn't reinforced under a potential trade agreement?

[English]

Hon. Mary Ng: I want to thank you for that question, because it is really important.

Human rights are values that lead the way when we negotiate trade. They have to. We firmly believe that trade and environmental protection have to be mutually supportive. We know that there are high rates of forests lost, driven in part by the monocrop of oil palm plantations, and this, of course, is a concern. In all of the negotiations, we are looking at and working with solutions that have to address the wide range of global environmental issues, so we are looking for sustainable forest management and sustainable agriculture. I want to assure you that we approach these negotiations from that perspective of leading with Canadian values.

[Translation]

Mr. Simon-Pierre Savard-Tremblay: You are confirming, then, that during the third round of negotiations with Indonesia, taking place next week, Canada will be calling for stringent ethical standards when it comes to palm oil. That will be on the table next week.

[English]

Hon. Mary Ng: In our conversations and negotiations, whether it is with Indonesia or any of our trading partners, I think our record is pretty clear. The "C" and the "P" in CPTPP had a lot to do with Canada, and you will remember that at the time it wasn't exactly popular. However, I met with them a couple of weeks ago in Singapore, and everyone now touts this as a high-standard agreement. It's high because of those standards for labour and those standards for the environment. Everyone understands that how we are going to trade and do business in the world has to be complementary to what we need to be doing to fight climate change. They have to go hand in hand, and that is the conversation that we bring. That is the type of discussion that is happening around those tables.

● (1425)

The Chair: Thank you very much, Minister.

We go now to Ms. Collins for two and a half minutes please.

Ms. Laurel Collins: Thank you, Madam Chair.

Minister, you have spoken a bit already about the U.S. Inflation Reduction Act, the IRA. I sit on the environment committee, where we just finished hearing from witnesses for our study on clean technology. The Inflation Reduction Act kept coming up again and again, in particular on the opportunities that it presents for Canada to benefit as the world shifts towards a clean economy, but also the challenges we will face if we don't seize the opportunity and the serious impact on businesses and workers that will happen if this government lets Canada fall behind.

The IRA really reinforces that climate ambition is the best path forward for sustained job growth. Labour organizations, industry and environmental groups are all saying that Canada doesn't currently have a comprehensive industrial strategy that will ensure competitiveness and long-term clean jobs for workers in the transition. It's rare to have these diverse voices speaking as one.

What are you doing to respond to this call for a comprehensive industrial strategy for clean jobs?

Hon. Mary Ng: Thank you for that.

I think that question is so important, because I don't think about my job without thinking about how we grow the green economy.

Domestically here in Canada, a tremendous array of businesses, technologies and entrepreneurs are providing solutions to the green economy. Whether it is a circular process to take plastics out of our communities and the oceans, whether it is those very innovative clean water solutions, whether it's companies like CarbonCure creating green cement, green steel and green aluminum, there isn't anything we think about today that isn't about creating a green economy that fights climate change and at the same time grows jobs.

I would say that we very much have a green industrial strategy. We've had one since 2015. We put a price on pollution. The companies that I meet around the world are looking through their value chains and saying that they have to meet net zero, and they're looking at Canadian solutions for that—

Ms. Laurel Collins: But Minister—

The Chair: I'm sorry; you have 10 seconds left.

Ms. Laurel Collins: I think the concern is around the IRA and the need for greater ambition at this point in response.

The Chair: Thank you very much.

We will go to Mr. Carrie for five minutes please.

Mr. Colin Carrie: Thank you, Madam Chair, and thank you, Minister.

I did want to investigate a little more about your proactive approach.

I'm from Oshawa, and in Ontario the auto industry is extremely important. I remember being in Washington with premiers when the CUSMA was being negotiated. There was a concern that the United States and Mexico were getting close to a deal and we were going to be stuck with what was left over. We did come out with a deal, but the first review is going to be in 2026. I was wondering what your government is doing proactively to prepare for this. Also, what are the efforts you are making to ensure support for the agree-

ment and to make sure the support remains high in the U.S. and Mexico?

Hon. Mary Ng: That is such a good question. It's precisely Oshawa and the carmakers, the parts makers and the workers who were top of mind in the latest round of defending the auto sector against the EV credits. All of us on the government side and, I would say, all of us working with the provinces and municipalities, particularly those around border states, have to continue doing the work we have been doing from that time you just mentioned in a team Canada advocacy so that we are always top of mind with the Americans.

My interactions are regular with the USTR, as are those of my colleagues from defence, commerce, foreign affairs, environment and natural resources. I think Minister Wilkinson was in Washington just a couple of days ago.

I think this is one area where we continue to need that team Canada approach with our industry and with our workers. I think it's a part of our DNA in terms of how we work today. It has to be.

● (1430)

Mr. Colin Carrie: Thank you, Minister. You do have my support. If you have any specifics that you're doing to support the agreement, such as meetings with the U.S. and Mexico, please keep us in mind.

As of September, I think there was about a 10,000-plus FAST application backlog. It's extremely important to our truckers. There's a requirement for an in-person interview, and it must be conducted in the U.S.-based enrolment centres. There was a shortage of FAST drivers prepandemic, and it has been exacerbated by the backlog.

I was wondering if you have any update for us. Is anything being done to eliminate the backlog and ensure that more truckers can receive FAST cards? Are you working with your colleagues? Could you give us an update on that? I'm hearing a lot about it.

Hon. Mary Ng: The answer is yes, we are working with the Americans. My colleagues are on this, not me directly. As these things go, all of my colleagues know that if it's going to have an impact on businesses of any size in this country, then they usually hear from me.

Mr. Colin Carrie: If you're able to get an update for us from your colleagues.... I know it's not directly you, but it affects the Canada-U.S.-Mexico trade agreement very significantly. Any information would be welcome, especially for those who are waiting in the backlog.

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

We'll go now to Mr. Virani, please.

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

I'm going to return to a concept you've touched upon and branch it out a little bit further.

You've talked about your commitment towards inclusive trade and inclusive business development. Ms. Dhillon asked you some questions about female entrepreneurs. I'm going to ask you about Black entrepreneurs and indigenous entrepreneurs.

We know about the Black entrepreneurship strategy, a flagship program that addresses systemic racism in the economy, but we also know from your opening comments that you mentioned participation in the indigenous peoples economic and trade co-operation arrangement.

Can you tell us about your prioritization of this kind of inclusive growth and what it means for indigenous and Black entrepreneurs in Canada?

Hon. Mary Ng: Yes. Thank you so much for that. It is an absolute priority.

Helping Canadian businesses of all sizes and those that have been under-represented in our economy is the hallmark of the work that we've been able to do together.

A couple of evenings ago the chairperson of the African Union Commission was here in Canada with a wonderful room of those Black entrepreneurs and investors from those very countries where they are looking for export opportunities. Building existing commercial relationships and new commercial relationships is essential, but it can only happen if they can access capital and navigate through the range of business networks that are here to help them know the kinds of supports that we offer in the federal government as well as in other areas. The Black entrepreneurship program has a very robust access-to-capital component, because that is a real barrier. I'm very pleased to work with Canada's financial institutions in unlocking that wonderful potential. The Government of Canada of course has made an investment there, so we are very much a partner at the table. Today and in the future, I am certain that this will unlock that economic capability in our country.

On indigenous peoples, it's terrific to work with other countries like New Zealand, Chile or Australia, which are equally committed to the work we wish to do to ensure that indigenous entrepreneurs and businesses are also getting the benefits of trade. When I have bilateral meetings with others, I'm constantly working those phones and those meetings to encourage others to join with us on those arrangements.

• (1435)

Mr. Arif Virani: Thank you very much, Minister. and thanks for that commitment to economic reconciliation, which I think is really vital.

I want to pivot to something you also mentioned at the outset when you talked about the people-to-people ties and harnessing

Canadian diversity, and connect that to your recent trip to the Philippines, where you were meeting with, I believe, Secretary Lopez.

We know that there are about a million Filipino Canadians in the diaspora just in this country alone. When you're broaching ties, better relations and economic ties with the Philippines itself, what does that mean for the Filipino entrepreneurs here and what does that mean for our trade connections with that country in terms of the international [*Technical difficulty—Editor*]

Hon. Mary Ng: I say this all the time, and I would encourage other people to repeat it: Canadians are best to trade around the world because we come from around the world. Those relationships and those people-to-people ties are extremely important.

In the Philippines, I saw Canadian commercial excellence at work. I saw Canadian engineering and construction giant WSP. I saw the Skyway they built in Manila that carries half a million commuters a day. Think about that: half a million a day.

On the people-to-people ties, I met incredible Filipino entrepreneurs in Winnipeg, for example, who have deep ties and roots to the Philippines, and they act as such an incredible bridge. These business organizations.... I met the Canadian Philippine chamber of commerce while I was in the Philippines, which again is working to attract investment into a number of sectors.

Here's the other highlight about being in the Philippines: I got to meet with Jollibee. People across the country here, and certainly in the Philippines, know Jollibee. They have 24 locations in Canada. Their CEO tells me that they are expanding to more.

The opportunity is immense. I think the opportunity is immense when I look at where we are pursuing market access and growth, and we should utilize those wonderful Canadians across the country who come from other parts of the world to help us with those people-to-people connections so that we can grow our commerce and our businesses into those parts of the world.

The Chair: Thank you very much, Minister.

Minister, you've been with us answering questions for an hour and 45 minutes. I think you've established a real record for others to have to reach as well.

Thank you to you and your officials so very much for all that valuable information. We appreciate it very much.

To the members of the committee, I did talk to you about a budget for our Inflation Reduction Act study. It was distributed to everybody. Is everybody in support of that? Yes, I see we are.

Thank you very much.

The meeting is adjourned.

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