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# Standing Committee on International Trade

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Chair: The Honourable Judy A. Sgro





## Standing Committee on International Trade

Wednesday, August 21, 2024

• (1410)

[English]

**The Chair (Hon. Judy A. Sgro (Humber River—Black Creek, Lib.)):** Welcome to meeting number 113 of the Standing Committee on International Trade.

There is a message, of course, on the audio feedback. Before we begin, I need to ask all members and other in-person participants to consult the cards on the table for guidelines to prevent audio feedback incidents. Please take note of the following preventive measures in place to protect the health and safety of all participants, including the interpreters. Only use the black approved earpiece. The former grey earpiece must no longer be used. Keep your earpiece away from all microphones at all times. When you're not using your earpiece, please place it face-down on the sticker placed on the table. Thank you all for your co-operation.

Today's meeting is taking place in a hybrid format. For members in the room, please raise your hand if you wish to speak. For members on Zoom, please use the "raise hand" function. The clerk and I will manage the speaking order as well as we can. All comments go through the chair. If any technical issues arise and, for the members who are on Zoom, if you have any issues about hearing clearly, please let us know.

I will now open the floor for discussion.

Mr. Williams, by the way, congratulations and welcome to our committee.

**Mr. Ryan Williams (Bay of Quinte, CPC):** Thank you very much, Madam Chair. I'm very happy to be here. I'm leaving the industry committee. I think we're on our 190th meeting on Bill C-27, so it's nice to be leaving that committee. I know it's good work, and we had a very collaborative and co-operative committee, and we're looking forward to that here in the international trade committee.

Madam Chair, thank you very much for convening this meeting. The members of the Conservative Party and the NDP, through Standing Order 106(4), sent a letter to the committee to have this meeting today.

What we feel right now is we're dealing with potentially the greatest trade crisis of our time. We have two fronts that are facing us right now.

On one hand, we have what seems to be a close relationship with the U.S. that is cooling. Everyone saw the announcement last week where the U.S. almost doubled the softwood lumber tariffs on Canada even though Canada really has had a great trading relation-

ship for a long time—a trillion dollars' worth of trade across the border and about the largest trading relationship in the world. Of course, we had a \$52-billion U.S. announcement for battery manufacturing and assembly in Canada, and those batteries are used in cars manufactured in the U.S.

When we talk about what's at stake here, it's jobs. Two million jobs are attributed to our trading relationship with the U.S., directly and indirectly. The auto industry is the specific one we're focused on that employs 500,000 people in Canada. It's an industry worth \$18 billion to this country, and this industry right now is under threat.

That is because, on the other hand, we face a contentious relationship with China. We've had allegations of foreign interference. We've had unfair trade practices, and when we talk about EVs, aluminum and steel—and I'm still the competition critic—I can tell you right now that the way China subsidizes these industries, especially their EVs, their steel and their aluminum.... It's not just the subsidization; it's the questionable trade practices and the questionable labour standards that they have. This is a really big threat to that trillion-dollar trade relationship we have with the U.S., but specifically to the auto manufacturing relationship we have. The stakes really could not be higher for Canada's economic future.

We talk about the money invested, but we also talk about jobs. The Americans didn't hesitate to protect jobs and industries. Canadians right now have been waiting three months to hear whether Canada is going to mirror the tariffs that have been put on those industries, which the Americans announced back in May. The Americans didn't hesitate. By not matching tariffs, we risk being seen as a weak link in the North American supply chain, and hesitation drives away investment. Retaliation, of course, is something we look at, but it's not something we can avoid by being passive. In fact, our inaction invites further aggression from countries like China, which will see our delay as weakness and capitalize on it.

We're not going to be able to stop the number of cars coming in. Tariffs don't stop EVs from coming into Canada. They will certainly slow them down, though. We risk certain effects if these vehicles enter Canada and they find their way through a back door to the U.S. market; we will further aggravate that Canada-U.S. relationship. Canadians deserve to know why it's taking so long to protect their jobs and industries. It has been three months since the U.S. implemented these tariffs. How much longer will Canadians have to wait?

The government must explain why it's dragging its feet when our economic future is at stake. Regarding the consultation the government conducted, we've talked to quite a few of the stakeholder groups involved in the consultation, and it has been thorough, but it clearly hasn't been comprehensive enough. Certain stakeholders have stated that we haven't covered data, for instance, and the fact that these are vehicles are coming into Canada. The U.S. is conducting a comprehensive study right now. We were studying part of that in the industry committee with Bill C-27, including, with these vehicles, the data that Canadians will give them, where it's stored and what it's used for by state-owned China.

The second thing would be the unfair labour practices, and the third would be the broader economic impact. Canadians deserve nothing less than to study this trade crisis, and therefore, Madam Chair, I will read the following motion to the committee:

That, given the risk heavily-subsidized Chinese-made electric vehicles pose to the over 600,000 Canadian workers in the steel, aluminum, mining, and auto-manufacturing industries, as well as risk to the \$52.4 billion of taxpayers' money the federal government has spent on corporate subsidies for the electric vehicle industry in Canada, the committee begin a study of at least 8 meetings into the impact of tariffs on local industry and use of trade remedies to protect against Chinese electric vehicles, with 4 meetings held before September 30, 2024, and that the meetings consist of:

• (1415)

One 2-hour meeting with the Honourable Mary Ng, Minister of Export Promotion, International Trade, and Economic Development, and officials from Global Affairs Canada on the issue of tariffs and impacts on local industry.

One 2-hour meeting with the Honourable Chrystia Freeland, Deputy Prime Minister and Minister of Finance, and officials from the Department of Finance.

One 2-hour meeting with the Honourable François-Philippe Champagne, Minister of Innovation, Science and Industry, and officials from the Department of Innovation, Science and Economic Development.

One 2-hour meeting with the Honourable Mélanie Joly, Minister of Foreign Affairs, and officials from the Department of Global Affairs.

At least four meetings with stakeholders deemed relevant to the subject.

that the committee request copies in both official languages, of all submissions made to the Federal Government's public consultation which ran from July 2nd to August 1st, 2024 on protecting Canadian workers and electric vehicle supply chains from unfair Chinese trade practices, that the copies be sent to the clerk for distribution to committee members prior to the commencing of the study, that the committee report its findings to the House, and that the committee immediately report to the House of Commons that the Government immediately match the United States' tariffs on Chinese electric vehicles, steel, aluminum, critical minerals, and EV batteries and battery parts, and remove Chinese-made electric vehicles from all Federal electric vehicle subsidy and rebate programs.

**The Chair:** Mr. Williams, do you have that available for the committee members in English and in French?

**Mr. Ryan Williams:** Yes, Madam Chair. As far as I'm aware, they've been submitted to the clerk electronically.

**The Chair:** Perhaps you could have that distributed so everyone would have it in front of them.

**Mr. Ryan Williams:** We will do that right away.

• (1420)

**The Chair:** Do you want to have it in front of you before you speak to it?

**Mr. Maninder Sidhu (Brampton East, Lib.):** Yes, Madam Chair. Can we take five minutes to review this?

**The Chair:** We're just going to hold off.

I have to do what the clerk tells me. We'll suspend for five minutes.

• (1420)

(Pause)

• (1440)

**The Chair:** I call the meeting back to order.

We have the motion moved by Mr. Williams, and I have a speaking list, which I'm going to read out quickly: Mr. Sidhu, Mr. Baldinelli, Mr. Arya, Mr. Genuis, Mr. Savard-Tremblay, Mr. Muys and Mr. Sheehan. That's currently the speaker's list.

I'm going to turn the floor over to Mr. Sidhu at this moment.

**Mr. Maninder Sidhu:** Thank you, Madam Chair.

It's good to be back here in the summer. I've never seen so many tourists around Parliament Hill.

It's no secret that the government has always been there to grow industry and protect workers. We were number three in the world after the U.S. and Brazil in receiving foreign direct investments. That means industry and companies from all around the world are coming to Canada to set up shop, creating thousands of jobs in the EV sector alone, as we heard earlier today. Over \$50 billion has been invested by companies, and that's attracting thousands of workers to set up shop. Last week alone, Goodyear announced roughly a half-billion-dollar investment to create hundreds more jobs for tires that will go on some of these EVs, so we're definitely there to make sure we're protecting workers.

There was a consultation period that just finished, as my colleague mentioned earlier. It was roughly a 30-day consultation period during which we wanted to make sure we heard from industries. As we know, previously there were retaliatory measures from China that impacted a variety of sectors, whether we're talking about agriculture or steel and aluminum, so we want to make sure that we do this right. This is the number-one priority for our government to make sure that we do get this right.

When we look at the EV sector in my riding of Brampton East alone, Stellantis is creating hundreds of jobs and will be soon making electric vehicles there.

We want to make sure we continue incentivizing the industry to set up shop here with tax incentives like those in budget 2024 to continue growing the industry. We're seeing that across the board. No doubt about it, workers are looking forward to seeing more of that, and we want to make sure we continue to protect the industry.

Coming back to what the Conservative Party is saying about jobs and workers, of course it's important to us. What we've seen in the past, when Pierre Poilievre was a cabinet minister, was that over 40,000 auto-sector jobs were lost during that period, and we want to do the exact opposite to protect those jobs and keep them in this country.

Coming back to this motion here, I agree it's an important study, and we should be doing it, but definitely there are some minor corrections that we need to think of, and I want to get those on the record for the members who are on video as well.

On the third line, you'll see "risk to the \$52.4 billion of taxpayers' money the federal government" has announced, but we have to remember this is not money that was spent. These are tax incentives that were given by various governments, and they will be accumulated when some of these companies start producing products. Therefore, I think the word "spent" has to be changed to "announced".

On the sixth line down, you're going to see—

• (1445)

**Mr. Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC):** I have a point of order, Madam Chair.

I do want to clarify something. Is an amendment being moved, or are we just hearing a discussion about prospective changes? I wonder if that amendment can be distributed while it's being moved.

**The Chair:** It's a friendly amendment that would change the word "spent" to "announced". I think it's a friendly amendment that...

**Mr. Maninder Sidhu:** It's a friendly amendment that is on the record that we can discuss.

**The Chair:** Yes. If somebody wants to discuss it afterwards, then you can discuss it afterwards.

**Mr. Maninder Sidhu:** The friendly amendment is changing the word on the third line from "spent" to "announced", because that's what it is.

On the sixth line down, it reads, "with 4 meetings held before September 30th". The House is going to resume. We have to be flexible on committee scheduling, so I would say, "with 8 meetings", starting on the first day back. I don't know when the House will resume, but I assume we'll be sitting the first Monday we come back, so we can say "with 8 meetings", starting on whatever that date is, "and that the meetings consist of...".

I know we have listed four different hours with four different ministers. It might be easier to just say with meetings that consist of Minister Ng and officials, Minister Francois-Philippe Champagne.... I'm not sure if we need Minister Freeland here. As we know, Minister Ng is on the trade file, along with Minister Francois-Philippe Champagne, on the team Canada-U.S. engagement

strategy. It might be beneficial for our members to hear that, so we might want to just readjust and add two ministers there.

We could have Minister Ng for two hours with officials and Minister Francois-Philippe Champagne for two hours. I don't think we need to specify two hours if we just mention the minister's names alongside "officials".

That's one, two and three. My fourth friendly amendment is about how we have to respect commercial confidentiality when industry gives us submissions on feedback during the consultation process. I think we need to add the words "subject to commercial confidentiality and national security considerations" because we are talking about ensuring that Canadian interests are protected. I think those words should be included.

The words again, for the clerk, are "subject to commercial confidentiality and national security considerations" after "practices" on the fourth line down.

I have a final friendly amendment. If you notice at the bottom, where we are saying "that the government immediately match the United States' tariffs on Chinese electric vehicles" and so on, we're presupposing the study that we're going to do. I think the recommendations will tell us what we need to do after we hear from industry and the ministers. Therefore, I think that bottom section needs to be gone. It should read, on the seventh line down, "immediately report to the House of Commons" with a period, and nothing else after that.

That's what I have.

**Mr. Garnett Genuis:** I'm sorry, Chair. I have another point of order.

I'm not trying to be persnickety here, but there are a bunch of different amendments being proposed. The term "friendly amendment" was used. That doesn't exist in the Standing Orders. A member can propose an amendment, or they can propose a series of amendments, and things can be adopted by unanimous consent if it exists. If not, things have to be debated.

It's all one amendment. If so, it's now subject to debate.

**The Chair:** Yes. I appreciate your comments.

There have been several amendments suggested. I'm not sure how to do this.

To the members online, do we have to send you these amendments, or did you all hear them and we'll just discuss them? That's probably the best way to do it.

**A voice:** I think Mr. Tremblay's hand is up on that one.

**The Chair:** Okay. Hold on.

Monsieur Savard-Tremblay, do you want to speak to the amendments that have been proposed by Mr. Sidhu?

• (1450)

[*Translation*]

**Mr. Simon-Pierre Savard-Tremblay (Saint-Hyacinthe—Bagot, BQ):** I'd like you to send them to me.

If we have amendments to propose that conflict with other proposed amendments, this would be a good time to discuss them.

[*English*]

**The Chair:** It would be helpful if we had these in writing to get to you, but we don't have them, so I think we have to deal with them one at a time.

They're not huge amendments, but if they're amendments that the mover of the motion is okay with, I imagine the others in the committee will probably be all right with them as well.

I have my speaking list here, but can Mr. Williams speak to these amendments? That might be the easiest way to do this.

**Mr. Ryan Williams:** Thank you, Madam Chair.

I certainly want to hear from the rest of the committee on these. I support you if you want to do one amendment at a time, have the speaking and then vote on them. I think we can agree to look at these amendments separately.

Specifically, if I'm talking about the first amendment—and you can get your speaking order—certainly, changing the word “spent” to “announced” is something our side would be okay with. I know we don't have friendly amendments.

Of the four that were announced, the main one we have contention with is removing some ministers. Each one of these ministers has a part to play in this trade agreement or the relationships we've mentioned. Each one of those ministers is responsible for these trade agreements and the seriousness that comes with them. Therefore, that's one we would not be prepared to vote for.

If you want to start, Madam Chair, with the first amendment, I'd be happy to hear from the rest of the committee.

**The Chair:** Mr. Williams has said he has no objection to changing the word “spent” on the third line to “announced”.

I don't think anybody has any objection to that.

Mr. Savard-Tremblay, do you follow it? Yes. Okay.

[*Translation*]

**Mr. Simon-Pierre Savard-Tremblay:** On that point, everything is fine. I want to comment on the other matter, concerning ministers.

[*English*]

**The Chair:** That amendment will just be done as a friendly amendment, okay?

Mr. Sidhu mentioned the issue of the four meetings. Maybe the best way to have that laid out is that it be commenced immediately upon resumption of the committee in September and that this be the first order of business.

**Mr. Ryan Williams:** We would agree with that.

**The Chair:** That's okay? It will be the first order of business when we come back in September.

[*Translation*]

**Mr. Simon-Pierre Savard-Tremblay:** If I may, I'm going to ask for your formal and regulatory opinion. If we agree to hold these four meetings by September 30, will we lose all our flexibility and end up in a situation where we can't evaluate any emergency that might arise between now and then?

[*English*]

**The Chair:** Go ahead, Mr. Baldinelli?

**Mr. Tony Baldinelli (Niagara Falls, CPC):** To my colleague's question, I thought it was read into the record that we'd be changing “with 4 meetings held before September 30th” to wording that would consist of “with eight meetings starting on September 16th, and that the meetings consist of,” and then we would have a list. So we would start immediately on September 16 and have eight meetings. That wouldn't preclude having a minister appear perhaps not on the 16th but on the next day, and maybe on that first day we could begin with stakeholders. But it would be eight meetings at the beginning.

**The Chair:** That is basically what I have suggested.

The very first order of business would be the eight meetings that we are committing to with this study, and if there were an emergency, Mr. Savard-Tremblay, you would bring it to the committee and ask the committee for a change. Is that right?

[*Translation*]

**Mr. Simon-Pierre Savard-Tremblay:** In fact, I would like to make another proposal about our meetings, and the aim is not to invite fewer ministers.

Instead of inviting fewer ministers, I propose that we hear from each minister for one hour. That way, we could hear from all of them over the course of two meetings instead of four. I also propose that we hold three, not four, additional meetings.

• (1455)

[*English*]

**The Chair:** Mr. Savard-Tremblay has suggested that the ministers appear for one hour rather than two hours. Is there any discussion on that?

Mr. Williams, go ahead.

[*Translation*]

**Mr. Simon-Pierre Savard-Tremblay:** Last of all, our study would take a total of five meetings.

[*English*]

**The Chair:** It would be a total of five meetings rather than eight?

[Translation]

**Mr. Simon-Pierre Savard-Tremblay:** Yes, since two, not four, meetings could be used for ministers, and the three others would be used to hear from witnesses.

[English]

**The Chair:** Mr. Genuis, your hand is up. Do you want to speak to what Mr. Savard-Tremblay has suggested?

**Mr. Garnett Genuis:** Sure. Thank you, Madam Chair.

Again, it seems like we're being a bit more informal, which is fine. I'm a sub here, so it's as you wish in terms of proceeding.

In terms of the proposal by Mr. Savard-Tremblay, I do think having the two hours available for ministers would make a lot of sense. There are a couple of caveats that obviously exist with that. Number one is that the committees don't have the power to compel ministers to appear, so if we ask a certain number of ministers to appear for two hours, there's the possibility that we won't get them for that time. There's also the possibility that we won't get them at all, and it is what it is.

I do find that in a one-hour period, in any committee I've been on, you have the process of getting organized. The minister provides their testimony, and then that leaves fairly limited time to actually get through the remaining parties. It means that not every person who's a member of the committee even gets to ask a question, typically, unless they're splitting rounds, so I do think that the two hours is important for providing for a substantial exchange.

I think all four of these ministers are important. Whether all of these ministers will show up for the time allotted seems fairly unlikely, and I can speak to why each is important. I think I'll have a chance to speak more to this later on, maybe, but there are many different issues that are engaged. There are economic issues and the impact on Canadian workers. There are also strategic and human rights issues. I do think having the Deputy Prime Minister and the Minister of Foreign Affairs for a sufficient amount of time to ask questions that cover some of those distinct themes.... What's the impact on Canadian workers? We're also talking about various different industries, right? There are likely specific issues with specific sectors, so to be able to drill down into all of the different sectoral impacts, as well as the strategic and human rights issues, in one hour does not seem to me to be sufficient.

I do want us to be able to cover the different themes in different kinds of meetings, which is why I think the length of the study is appropriate. That would be my take. Thank you.

**The Chair:** Thank you.

The reality is you cannot compel the minister to be here for two hours. The request can go out that, if possible, the committee would like the minister to be here for a two-hour meeting, and the minister's office will respond with the amount of time prior to their scheduling. By having it in there, we can ask all we want. It is an important study, and there is a lot of information that the committee would like to have back on it.

On that issue, do we want to take a vote on the suggested amendments from Mr. Savard-Tremblay?

**Mr. Ryan Williams:** Can I speak to that quickly?

**The Chair:** Mr. Williams, please go ahead.

**Mr. Ryan Williams:** Thank you, Madam Chair.

I understand where Mr. Savard-Tremblay is coming from on this. In past committees, we've had the minister multiple times at the industry committee. We've had the finance minister at the finance committee. What normally happens when you ask for a two-hour meeting is you get one hour with the minister and one hour with officials. Mr. Champagne has been most gracious. In a lot of meetings, he'll give us another ten minutes, depending on how important the topic is.

What I would respectfully ask is we try to get the four meetings. It doesn't mean we'll get the minister, and as Mr. Genuis noted, we may not, but I think this is such an important topic for allowing these four ministers to be available. What they do is they bring officials, including their deputies, who normally are more knowledgeable on some of the bigger issues. I think the government's going to be interested in trying to explain a lot of what's happening. I think we four opposition members are going to try to get a lot more answers about what is happening. For the democratic process, this allows the most amount of time to be available, not just for the ministers, but for the departments to be able to come and answer to the public about what is happening. As we've stated, this is not a little issue. This is the major issue right now in Canada.

I think the second one is that Mr. Savard-Tremblay has mentioned three meetings, which would be seven. I would respectfully ask if perhaps he'd be open to setting a meeting, but being open to more meetings, if that became a priority for this committee. That means that with the subcommittee—and I know we've stated that we have Standing Order 106(4) meetings if there are major emergencies, and we know other things are happening—if he could respond, the request I'd ask for is whether, if we found we needed some more witnesses on a certain subject or we found that the situation had evolved, because we don't know now what we're going to know probably in a week or three weeks, he'd be open to making that open-ended. I'd maybe ask him, Madam Chair, if he's on the speaking list, to speak to that.

• (1500)

**The Chair:** We are speaking to the amendments suggested by Mr. Savard-Tremblay. All right? We need to close that loop of whether or not we're going to support that.

Mr. Sidhu, go ahead.

**Mr. Maninder Sidhu:** Mr. Savard-Tremblay, I get where you're coming from on making sure we are using our time effectively. Going back to what my colleague Mr. Garnett Genuis said, he mentioned that, of course, the committee can't compel ministers, and we need to be flexible, so maybe we need to add the words, "invite ministers and/or officials" for that four-hour period. You want to cut it down from, I see, four meetings to two meetings, and Mr. Savard-Tremblay, it might be an idea to consider adding the words "ministers and/or officials".

**The Chair:** I think every time a minister comes, they also come with officials, but it would give us another hour. If the minister was here for an hour, then you'd have officials for an hour to get additional information.

**Mr. Maninder Sidhu:** If the minister can't come [*Inaudible—Editor*].

**The Chair:** The minister would send the officials or have the officials there. The question here now is where we are with all of this, so we have....

**The Clerk of the Committee (Mr. Jean-François Lafleur):** That's a good question. Maybe for the sake of clarity for the clerk, it might be advisable to have Mr. Savard-Tremblay state what he is in agreement with and what he is proposing based on—

**The Chair:** Okay, so on this issue, Mr. Savard-Tremblay, you've heard from the mover of the motion and you've heard from others. What do you want to do here?

[*Translation*]

**Mr. Simon-Pierre Savard-Tremblay:** I still stand by my proposal to reduce the time allotted to ministers, but I'm okay if it doesn't pass.

I agree with the request by my colleague, Mr. Williams, that we allow the possibility of holding more than three additional meetings. We could do so by including the words "a minimum of" to set the minimum number of meetings, the way we often do.

Obviously, the committee is free to decide for itself. If the vagaries of current events require us to study the matter further, I wouldn't object to adding more meetings.

[*English*]

**The Chair:** Mr. Savard-Tremblay, the interpreter was not able to get your last couple of sentences to translate them. Could you repeat, towards the end, what you were saying?

[*Translation*]

**Mr. Simon-Pierre Savard-Tremblay:** My colleague, Mr. Williams, asked me if I would be open to the idea of holding more than three additional meetings on top of our meetings with the ministers, depending on the vagaries of current events. My answer is yes. So, we could use the words "a minimum of three meetings", as we often do.

[*English*]

**The Chair:** That's a minimum of three, so rather than eight meetings, we're talking about having seven meetings. Is that right? Your proposal is to have seven meetings, and those would include the minister and the minister's officials.

Is everybody okay with having the seven meetings and having the officials here with the ministers for their meetings? If nobody's objecting, I'm assuming everybody's okay with that. It would be the ministers coming for an hour and then the officials for the other hour, and they are the four officials who are listed.

• (1505)

**Mr. Maninder Sidhu:** Then we're cutting down industry stakeholders, because it was to be four and four before.

**The Chair:** We've got Ministers Joly, Champagne, Freeland and Ng.

**Mr. Maninder Sidhu:** I think it's important to hear from industry.

Anyway, Terry has his hand up.

**The Chair:** Okay, do you know what? I'm going to suspend the meeting for a few minutes while we try and sort out a few of these things, because it's going to take too long and we're not going to get anything accomplished today. I'm just going to suspend the meeting for a few minutes while we try to get clarity on how we're moving forward so we all understand it.

Hold on. I'm suspending for a few minutes.

• (1505)

(Pause)

• (1525)

**The Chair:** I call the meeting back to order.

My apologies to everybody online. It's frustrating here, and I'm sure it's more frustrating over there.

Mr. Savard-Tremblay, you had made some suggestions. I'm going to ask Mr. Williams, who has had discussions with you as well, if he would like to clarify what has been agreed upon.

**Mr. Ryan Williams:** Thank you, Madam Chair, and thank you to everyone who's online, including committee members and the public.

Certainly you want to have all these discussions in public. Obviously, there's a lot of nuance to this, so in the spirit of good faith and talking about this publicly, this is what we feel is the best amendment to this.

We've agreed that we would have one hour for each minister who has been listed to attend the committee.

There would be five meetings held in total, and the rest of the time would be filled by stakeholders pertinent to this study.

If there were further meetings required based on new evidence or based on a priority that this committee deemed acceptable, those would be added.

However, for this committee, it would be five meetings with one hour per each minister and officials, and stakeholders would fill the rest of the slots.

Thank you, Madam Chair.

**The Chair:** Is everyone clear on that motion? Is there any further discussion?



Terry, you flashed off the screen.

**Mr. Terry Sheehan (Sault Ste. Marie, Lib.):** Thank you.

I'm trying to get some clarification here. I have an intervention later on, but on this particular point, is the mover of the motion stating that they're not asking that, whatever they submitted to the consultations, which ended three weeks ago...the call was on June 24, it started on July 2, it wrapped after the 30 days were done and it's all part of a process. Obviously, our government is fully supportive of the auto industry, EVs and the up-and-down supply chains.

The reason I bring that up is I'm in a steel town. They've made the move to green steel with a major federal investment, but some of these folks have said to me, "Well, Terry, we'd like to share with you what we have submitted, but do not give it to anyone," because, quite frankly, the unintended consequence of the original Conservative motion would be that very confidential information would be floating out there. You can understand why businesses would be very concerned about their competition getting a hold of it.

• (1530)

**The Chair:** Mr. Sheehan, I appreciate that, but could you just help us for one minute to see if everybody's okay with the proposal that has been put on the table by Mr. Williams and Mr. Savard-Tremblay as regards the one hour?

**Mr. Terry Sheehan:** That's the clarification I'm asking for, Chair. I'm just asking if they're demanding these private submissions be circulated across this committee to everybody.

**The Chair:** This is referred to farther down in the motion.

Can you just hold your thought? I'll come back to you when we get to that part of the motion.

Is everybody okay with the minister coming for one hour and there being a total of five meetings? Is everybody good with that?

**Some hon. members:** Agreed.

**The Chair:** Okay, I'm moving on.

The next part of this motion that we need to speak to.... I've got a speaker's list, so I don't know whether I'll.... I guess I had better go into the rest of the motion.

Tony, you're next on the speaker's list.

**Mr. Tony Baldinelli:** Do we want to discuss changes to the motion?

**The Chair:** We heard what Mr. Williams moved, which everybody has agreed to for the five meetings. Each minister will come for one hour with their officials. Is everybody okay with that? I'm not seeing anybody jumping up, so everybody's good with that part.

Now we'll go back to my proper speaker's list. Tony, I have you down as the next speaker, and then Mr. Arya, and you're speaking to the motion that's in front of you as agreed upon and that has been amended.

Tony, do you have anything to add to this?

**Mr. Garnett Genuis:** Madam Chair, I'm sorry to jump in here with a point of order, but if it has been agreed upon, then aren't we done discussing it?

**The Chair:** I wish we were. No, I don't believe we can say that. We've agreed to a couple of changes and amendments in that part of it, but we still have members who want to speak to the motion as a whole that has been amended.

**Mr. Garnett Genuis:** Okay. It seemed as if maybe they were approved.

**The Chair:** I wish you were right, but we're not there yet.

Tony, go ahead.

**Mr. Tony Baldinelli:** I have a point of clarification as well, Madam Chair. Should we not discuss those proposed changes on the other aspects of this motion before we go to the general comments of the full motion for approval or adoption?

**The Chair:** I think you can speak to the whole thing as amended.

**The Clerk:** What I think he's suggesting is that Mr. Sidhu had [*Inaudible—Editor*].

**Mr. Tony Baldinelli:** Yes, there are further recommendations to amend.

**The Chair:** Yes.

**Mr. Ryan Williams:** Yes, Madam Chair, there are two more recommendations, as I understand it. One is going to be about—and I think Mr. Sheehan was trying to interject on this—the copies for the clerk of the public study. Perhaps we can look at that. The last part of that was our ask for this report to the House of Commons. If we can deal with those two, I think we'll be done the meeting today, unless anyone else wants to talk after that.

If we want to talk about the first part, you have Mr. Sheehan on the call, and he can speak to that.

I know Mr. Sidhu had spoken, and I know Mr. Sheehan is going to speak about the commercial interests of that. We're prepared to have an amendment showing, as Mr. Sheehan, perhaps, will speak to, that committee members only have access to that public consultation that was finished on, I think, August 2, and that they have access to it in accordance with other best practices of other committees, where we, through the clerk, put our phones to the side and view those documents as parliamentarians. We'd be okay with that part of the motion being amended.

Mr. Sidhu, you had that amendment originally, though.

**The Chair:** Before I open it up for a full discussion, we're going to see what other amendments we agree on in this last part of the motion, so I'm going back to you.

**Mr. Maninder Sidhu:** That's what I had originally proposed when I first spoke. I wanted to add the words "subject to necessary redactions due to commercial confidentiality and national security considerations", as we heard from Mr. Sheehan. That's important to protect Canadian interests. If someone is giving us feedback about our consultations, we shouldn't be just putting it on the Internet. I think that's probably the best way to do it.

In the second line after the date, "July 2nd to August 1st, 2024", I would add those words.

I'm happy to go to a vote so we can—

**The Chair:** Does everybody understand what has been suggested here? It's subject to the rules and best practices of dealing with confidential information.

Mr. Sheehan, you were trying to make a comment on that. We're dealing specifically with that. I need to go back to you to finish the point you were trying to make on that confidentiality issue.

• (1535)

**Mr. Terry Sheehan:** Sure. We've seen this movie before. When Trump put the section 232 tariffs on aluminum and steel, obviously a lot of committees jumped in. We had a Team Canada effort and we definitely processed stuff, but at that time—I'm just going to share a little history—there were people who could make those written submissions, as Mr. Sidhu said, and as the original mover, Mr. Williams, mentioned, there could be stuff in writing, but I also support those people having the ability to come here. It's and/or, because an individual in whatever business could come forward and still provide this committee with some great insight about the consultation process.

This isn't the first time we've done this. It's not the first time we've put tariffs on various things, including steel and aluminum. We put anti-tariffs, dollar for dollar, on the section 232 tariffs that were placed on us. They were very successful. This committee did a lot of work on this. We were down in Washington in the faces of people at that particular time, so we had a combination of sending it in writing, redacted and unredacted... Also, whatever the industry is, whether they're from out west or in the east, north or south, it doesn't matter; there are Canadian businesses that could still share with this committee to help us understand.

A lot of what we're talking about is like the proverbial barn doors that have already been opened and all the Canadian industry and politicians have already been out on the horses with this. This consultation has been done, but it's important that we still be informed and stay in step with this through the process, because I think this is going to lead to other roads. This is something that we work on every single day. In budget 2024, we had the market watch group set up. I would like to hear about what's going to happen with those folks—budget 2024 just happened—but also some of the other levers that we have as well.

That will be covered by the officials, as has already been pointed out by many people. We have a very strong trade regime, but we always have to look at ways to strengthen it, because it's a bit of a race. We put things in anti-circumvention and market distortion, and the bad actors then try and move around them, so it's this holistic approach.

What I'm trying to share is a little bit of the history of this committee and what we have done before.

Tariffs work. They're not dumb. The last time we put tariffs on even our closest ally, the United States. It was an anti-tariff. We didn't want to do it but we had to and we won. It was very targeted.

I would be really interested in allowing this, and I don't know why we have a September 30 deadline. The consultations were announced in June. They were undertaken and they've closed. They've been closed for three weeks now. As we take a look at this study, why are we limiting it to such a short time frame when the process is already under way? Part of it is finished, and that's what this resolution is talking about—the closed part—but there's still much work to be done over time on this, and I think we have to roll up our sleeves and continue to work on it. I don't know why we have these deadlines.

Those are my thoughts. I really appreciate your time.

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

The concern was pushing September 30th with four meetings beforehand. It should just get started and be left open-ended.

**Mr. Ryan Williams:** Madam Chair, I think we're at the point right now where we're saying that we're okay as a committee. Mr. Sidhu mentioned following best practices as committee members in going to see the public consultation, but obviously, based on the commercial sensitivity, we don't want to make that public, and we're okay with that. If that part's okay with everyone, we're good to move on.

**Mr. Maninder Sidhu:** We need to add the wording that I mentioned.

**The Chair:** Does the clerk have the wording that Mr. Sidhu mentioned about it being subject to best practices to deal with confidentiality?

Okay.

• (1540)

**Mr. Ryan Williams:** Agreed.

Madam Chair, the last part is whether Mr. Sidhu, when he brought his amendments, were to eliminate the line that states "That the committee immediately report to the House of Commons that the government immediately match the United States' tariffs on Chinese electric vehicles". Understanding that, based on the clerk's findings, sometimes that's not there, I'd recommend we just have a quick vote on this one.

The reason we feel it's important on the Conservative side is, when we look at our trading partners and at the spirit of the committee and the spirit of thought about what we want to send as a message to the Americans, Conservatives have stated that we do...and obviously we're doing a study on this, and a recommendation will come back to the House.... However, in the spirit of that, before the study starts, we should make that statement to show that we believe in that. We believe that tariffs should be there and that we match the Americans.

We're prepared to state that we'd like a vote on this last amendment that Mr. Sidhu made. We believe it should stay in, but Mr. Sidhu believes it should be eliminated. Respectfully, that's okay. We would just like a vote on that right now.

**The Clerk:** My advice would be that it's perhaps asking you to do two things in one. I don't know that I'd go as far as saying that it's procedurally out of order, but I would suggest that you [*Inaudible—Editor*].

**The Chair:** Do you want to just have a vote on it?

**Mr. Maninder Sidhu:** Yes, just strike it out. Leave “report the findings to the House”, then strike the rest of it out.

**The Chair:** Manny, you've got the floor. What are you suggesting?

**Mr. Maninder Sidhu:** As I originally mentioned in my first intervention, I suggest that we remove all the wording after “report its findings to the House,” period. That's the end of this, and then we would remove the next three and a half lines after that.

**The Chair:** Okay.

Did everyone hear that clearly?

All right. I'm going to call for a vote on that, as requested by Mr. Williams.

Mr. Clerk, would you please take the vote?

**An hon. member:** Are we voting to strike it out?

**The Chair:** Yes.

**The Clerk:** The question is on Mr. Sidhu's amendment to remove all the language after “and report to the House” in the final statement in the motion there. The question is whether to remove it, so a “yes” vote would remove that language from the original motion. That is Mr. Sidhu's amendment. I'll proceed to the vote.

(Amendment agreed to: yeas 7; nays 4)

**The Clerk:** The text is removed.

**The Chair:** Mr. Sidhu's amendment carries, so this part has been deleted from the motion.

We have a motion amended a few ways here, there and the rest of it. I do have a speakers list. Does anybody want to speak to this, or have we spoken to it enough that we can...?

Mr. Arya, are you okay? We'll be ready. Do you want to speak or not?

**Mr. Chandra Arya (Nepean, Lib.):** Yes.

**The Chair:** Please speak. You've got the floor. You're next on my list.

**Mr. Chandra Arya:** Thank you, Madam Chair.

With respect to imposing import duties, my life has come full circle. I was born in a country which traditionally had very high import duties to the tune of 200% to 300%. It was a poor country. It remained underdeveloped. I did not know it then, but by not being part of free trade and in trying to protect the domestic industries through artificial barriers of import duties, like the domestic car and domestic two-wheeler industries, it remained underdeveloped for decades until it started economic reforms.

It is quite interesting to see developed countries like the United States and Canada and those in the European Union now moving away from free trade and imposing duties on various imported products to protect the domestic sectors. We don't know what the impact of this will be. Better experts and much wiser people than me can predict the future under this new regime of moving away from free trade and of using import duties to protect domestic sectors.

To my colleagues who have been asking that we follow the United States immediately in imposing import duties on Chinese electric vehicles, Canada is not the United States. The United States is a superpower, a major economic power and a major military power, and every single country thinks twice before it retaliates against any move that the United States makes, including imposing import duties, but we are not the United States.

The United States looks at international relations. Even though they have major political differences with China, they have good ongoing business-to-business relations with China. Major top officials of the United States regularly visit China. While emphasizing their political differences, they also focus on enhancing the business and economic relations.

However, we are not the U.S. We have to think that any move to impose duties on Chinese electric vehicles will certainly result in retaliation by China, so we have to be clear about which domestic sector we are willing to throw under the bus to impose this. Is it the canola growers who export to China, or the beef exporters, the pork exporters, the palm oil exporters or the soybean exporters? In the agriculture and agri-food sector, I think we are exporting more than \$7 billion or \$8 billion to China. We have a surplus of over \$4 billion in our trade with China, but we have to be ready to see the retaliation and be willing to confront, in advance, which of these Canadian exports to China we are willing to sacrifice to impose these duties on electric vehicles.

It's good that we're doing a study. We should call all experts. We should call the Canola Growers Association. We should call the Canadian Agri-Food Trade Alliance. We should call the experts who can guide us on how the imposition of import duties will affect our competitiveness in the medium to longer term.

I know you guys want to call the steel and aluminum sector people, who are the biggest voices in this demand, but you have to remember that in the steel and aluminum sectors, all companies in Canada are owned by foreign companies. These two sectors don't export to anywhere else in the world from Canada except for the United States and Mexico, so they don't care if China or any other country imposes duties on Canadian exports to those countries. Here we are trying to protect the most protected steel and aluminum industries, and they have the biggest voice in these discussions.

Anyway, I'm glad that we are conducting a study. I know my views will be in the minority, but we need to, and I'm glad we are going to, invite the experts from the various exporting bodies and the sectors representing the Canadian exports to different parts of the world, including China.

• (1545)

Hopefully they'll be brought in. We could listen to their concerns, their views and their thoughts, and we could also listen to the experts who could say how moving away from free trade and how imposing tariffs to protect the domestic sector will play out in the long-term health of the Canadian economy, of Canadian sectors and of our competitiveness.

Thank you, Madam Chair.

**The Chair:** Before we go any further, we need to move a motion to adopt the motion as amended that Mr. Williams placed on the table. We need to take that vote.

• (1550)

**Mr. Ryan Williams:** Do you need a motion, or is it a motion as amended?

**The Chair:** It will, I believe, be the motion as amended. Is that correct?

**The Clerk:** The question is whether we need a recorded vote. Is there is an agreement?

**The Chair:** Do we need a recorded vote? We don't need a recorded vote. Is everybody good with that?

(Motion as amended agreed to [*See Minutes of Proceedings*])

**Mr. Ryan Williams:** So the motion is adopted?

**The Chair:** The motion is adopted. We know where we're going with this. I'm sorry it took so long for us to get there.

By the way, congratulations to Mr. Genuis. I was worried one time about multiplying the world, and now I know we have you here.

**Mr. Garnett Genuis:** Thank you, Madam Chair. I appreciate that.

The motion is passed, as I understand. I did want to make a few comments about the study, but I didn't want to do that before the motion had passed, because I wanted to make sure we got that done. Given that it has passed, I did want to add one comment about the importance of the work that we are doing here.

I appreciate Mr. Williams putting forward this motion. I agree with everything he said about the importance of protecting our

economy and protecting Canadian workers. There is an additional piece of context, and that is the nature of some of these supply chains as they are coming to be dominated by the PRC.

Three and a half years ago, Parliament voted to recognize that Uyghurs and other Turkic peoples in the PRC are facing an ongoing genocide. The Government of Canada has yet to join Parliament in recognizing that genocide, and we would certainly hope to see that recognition soon. One component of this genocide is horrific forced labour and the ongoing targeting of Uyghurs—

**The Chair:** Mr. Genuis, hold on.

**Mr. Maninder Sidhu:** I have a point of order. This does not relate to Standing Order 106(4). Let's stay on topic.

**Mr. Garnett Genuis:** Just give me a moment here.

**The Chair:** Okay, I'll give you a moment, but it isn't related to 106(4), and it has been a strenuous afternoon here. I'll give you back the floor for a bit to finish your comment.

**Mr. Garnett Genuis:** Thank you, Madam Chair.

I'm just saying that when we talk about the fact that the PRC is coming to dominate the supply of electric vehicles, the risks associated with that are risks to our domestic sectors, but they're also risks in terms of human rights in that so many of the critical minerals coming into the new battery economy are sourced in ways that are absolutely deplorable.

**The Chair:** Absolutely.

**Mr. Garnett Genuis:** I think this is an important part of the context of how we understand the importance of these tariffs, and I think it's important to....

I'm sorry, I'm getting some feedback from the floor; I thought I had the floor.

This is just to say that the human rights dimensions of the EV supply chain are critical. The conditions in sourcing in the PRC, as well as issues of forced labour in the PRC, are things I think we should be seized with as well. I'm very supportive of this tariff policy and the hearings that we're going to have. I think they're important for Canadian workers who, in the present climate and without effective measures to combat forced labour in our supply chains, are effectively being forced to compete against goods that are produced through slave labour. That's not fair to the victims of that slave labour, and it's not fair to Canadian workers. I'm looking forward to this study.

I have one other comment, which is that maybe we should set a witness list.

**The Chair:** I agree with everything you've said so far. I don't want to have to cut you off, but I have some committee business that I still have to give direction on. You and I can have that discussion anyway, because we both think similarly on that point.

To the committee members, you have two weeks to get your witness lists in so that the clerk has sufficient time to get our witnesses lined up. Two weeks should be sufficient time for everybody to do that. Are we all in agreement?

**Some hon. members:** Agreed.

The meeting is adjourned.

**The Chair:** I thank everybody, especially those online, for their patience on their end. I would rather have been on your line than on this line, but at least we got the job done. Thank you all very much.

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