



HOUSE OF COMMONS
CANADA

**BALANCE, TRANSPARENCY AND ENGAGEMENT
AFTER THE QUEBEC SUMMIT**

**Report of the Standing Committee on
Foreign Affairs and International Trade**

**Bill Graham, M.P.
Chair**

June 2001

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THE STANDING COMMITTEE ON FOREIGN AFFAIRS AND INTERNATIONAL TRADE

has the honour to present its

FOURTH REPORT

In accordance with its mandate under Standing Order 108(1)(a), your Committee has undertaken a study of the Balance, Transparency and Engagement after the Quebec Summit.

CHAIR'S FOREWORD

This report has as its genesis a decision by the Committee to conduct hearings into both the process around the Quebec Summit and the substantive issues that were considered by the leaders of the Americas assembled there. During the course of the hearings the Committee decided that it would be preferable to await the conclusion of the Summit before concluding this report so that we could address its outcomes as well as the concerns we heard from the many witnesses who appeared before us. We would like to thank all these witnesses for their constructive and useful observations before the committee. We believe that criticisms of the process will make a positive contribution to future summits.

The committee is already familiar with many of the issues that were discussed by the leaders of the hemisphere at the Summit through other studies we have done in the recent past.

These hearings did give us a valuable opportunity, however, to hear a wide range of opinions about both the process of the Summit, and the results which Canadians expected from it.

The report contains the Committee's conclusions, but as Chair, I would like to observe that, in my view, the process of the Quebec Summit and its conclusions were remarkable in several ways.

In terms of the process, these hearings were only a part of an extensive series of consultations undertaken by the Canadian government to make this Summit the most open and transparent in the history of these events. Prior to the Summit consultations were held with indigenous leaders, youth, and a wide variety of NGOs. At the Summit itself, the Parallel Summit and the NGO summit meetings with ministers and the heads of multilateral organizations provided significant opportunities for the exchange of a wide variety of opinions.

Concerns about the Summit were raised by many, including those in Quebec City to protest the holdings of the Summit itself. These voices clearly had an influence on the leaders as they adopted undertakings in the Declaration and Plan of Action on such important issues, among others, as democracy, good governance, labour and environmental standards, the protection and advancement of human rights, education, health and the preservation of cultural diversity.

Obviously both the process and the results can stand improvement. It is our hope that this report will make a contribution to that. It is also our hope that the next government responsible for the Summit, Argentina, will follow the lead established by the Canadian government and extend the consultative process so that the people of the

Americas will come to consider these Summits as theirs and not just the concern of the leaders who represent them there.

On behalf of all committee members, I wish to thank our research officers, James Lee, Peter Berg and John Wright for their assistance with this report. Our Committee clerk, Marie Danielle Vachon and Committee staff members, Adèle Levergneux and Diane Lefebvre, are to be thanked for their usual efficiency. Finally, I would like to thank the Members of the Committee who worked diligently on this report.

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BALANCE, TRANSPARENCY AND ENGAGEMENT AFTER THE QUEBEC SUMMIT

The Third Summit of the Americas, held in Quebec City in April 2001, resulted in a number of democratic, economic and societal achievements for citizens of the hemisphere. The strong political message sent by the inclusion of a Democracy Clause in the *Declaration of Quebec City* adopted by the Heads of State was perhaps the single most notable item, but the detailed *Plan of Action* also contains numerous specific initiatives designed over the coming years to “strengthen democracy, create prosperity and realize human potential.”

At the same time, the Summit also clearly highlighted a number of key issues, including the need to strike a balance between trade and other priorities and to increase transparency and the engagement of civil society which must be addressed by the Government of Canada, both in the ongoing process of integration in the Americas and in Canadian foreign policy more generally. It also underlined the need to balance legitimate security concerns with the right of peaceful protest.

Balancing Priorities

Everyone accepts the goal of increasing integration in the Americas as a means of strengthening democracy, creating prosperity and realizing human potential. In the months before the Summit, however, many opinion leaders had expressed concern that, in this and similar processes, the promotion of trade as a means to generate prosperity must be carefully balanced with priorities such as the protection of the environment, labour standards and human rights. Thousands of Canadians made clear in Quebec that they agree with these concerns. During public hearings before the Committee, both in 1999 during its study of the proposed Free Trade Area of the Americas (FTAA) and in the weeks before the Summit, a wide range of groups explained their perspectives on these issues and made recommendations for addressing them.

In general, these recommendations involved specific provisions they believed must eventually be included in any final FTAA text to ensure appropriate balance. On human rights, for example, the Honourable Warren Allmand of the organization Rights and Democracy argued that,

Rights and Democracy is not opposed to trade or free trade agreements, but we emphasize most emphatically that such trade agreements must recognize the primacy of human rights, and must be fully consistent with human rights treaties that

we have already ratified. Trade law should never trump human rights law. To the contrary, trade should serve the advancement of human rights.¹

Similarly, on the environment, the Committee was told by the Honourable Pierre Marc Johnson that,

In essence, the environmental issues associated with the FTAA can be put...in the following terms. What significance will environmental issues be given in negotiations, in texts, in cooperation systems, and in the forums and institutions available for civil society to have some input into the FTAA as it is implemented?²

On the other hand, certain groups such as Transparency International Canada, came with specific requests, in this instance that the Summit emphasise the importance of the issue of corruption, and the need to ratify, implement and enforce the Organization of American States (OAS) *Inter-American Convention Against Corruption*. As Mr. P.K. Pal of Transparency International Canada pointed out,

You can have the most wonderful environmental protection laws or labour protection laws and conventions, but if they're not enforced and if they're bypassed by bribe, by corruption, you have not achieved anything. In fact, you've probably done worse than before by giving the impression to people that you're doing something when actually you know full well that nothing will be done.³

In this case, the importance of the *OAS Convention* was noted in the Summit's *Plan of Action*.

Because the FTAA negotiations will not be completed for some four years, however, in the context of the Summit these groups who appeared before the Committee essentially asked for three things:

- public recognition by Heads of State at the Summit of the importance of these issues;
- provision of mechanisms to advance these concerns as a part of the hemispheric integration agenda; and
- sustained political and other attention to these issues over the next several years of negotiation to ensure that they are followed up.

¹ *Evidence*, 20 March 2001, p. 5.

² *Evidence*, 22 March 2001, p. 1-2.

³ *Evidence*, 22 March 2001, p. 12.

Two of these demands were answered in Quebec. Recognition of the importance of these and related issues came with the adoption of a political *Declaration of Quebec City* by leaders, and mechanisms to ensure they are addressed came in a detailed 44-page *Plan of Action*. The third demand remains addressed to governments and parliamentarians, and can only be answered through sustained attention over the coming years. Building on the Committee's 1999 report on the FTAA, this report represents an interim statement on these issues.

Linking Issues

The *Declaration of Quebec City* adopted by the leaders at the Summit satisfied the need to publicly recognize the importance of the many issues raised during the Committee's hearings. The Declaration placed particular emphasis on democracy as a *sine qua non* of hemispheric cooperation. As paragraph 5 stated:

We acknowledge that the values and practices of democracy are fundamental to the advancement of all our objectives. The maintenance and strengthening of the rule of law and strict respect for the democratic system are, at the same time, a goal and a shared commitment and are an essential condition of our presence at this and future Summits. Consequently, any unconstitutional alteration or interruption of the democratic order in a state of the Hemisphere constitutes an insurmountable obstacle to the participation of that state's government in the Summit of the Americas process. Having due regard for existing hemispheric, regional and sub-regional mechanisms, we agree to conduct consultations in the event of a disruption of the democratic system of a country that participates in the Summit process.⁴

At the same time, recognition was made in the Declaration of the need to protect the environment and pursue sustainable development, protect human rights and fundamental freedoms, promote core labour standards and ensure the pursuit of prosperity through trade and its equitable distribution.

Although the Declaration recognized the importance of these issues and the need to balance them with the pursuit of trade as a means to generate prosperity, an important question remains unanswered: how can we best move from political commitment to practical enforcement? In the case of the Democracy Clause, leaders have agreed that they will consult to find a suitable response in the case of a disruption of the democratic system in a nation of the hemisphere. On the broader question of how to balance commitments to items such as the environment and human rights with the pursuit of trade, it remains to be seen whether the states of the hemisphere will agree to include such commitments in the FTAA agreement itself. Even if they do so, it remains unclear how a violation of these commitments could best be answered in practice.

⁴ *Declaration of Quebec City*, paragraph 5.

Recommendation 1:

Given the importance of the question of the enforceability of obligations in the fields of human rights, labour standards, the environment and the protection of cultural diversity, and the lack of agreement as to whether they may best be enforced through inclusion in trade agreements or by other means, the Committee recommends that the Government of Canada study the question of how these obligations may best be enforced, and table its findings with the Committee by April 2002.

Taking Action

The recognition in the Declaration of the importance of addressing these issues was an important development, yet insufficient in itself. Particular attention was also paid to strengthening mechanisms to ensure these initiatives are carried out, because, as Prime Minister Chretien's Personal Representative for the Summit of the Americas, Mr. Marc Lortie, told the Committee following the Summit, the test of its success will be in the extent to which the *Plan of Action* is implemented.⁵ Although governments will have the primary responsibility for following up the *Plan of Action*, the Organization of American States and other multilateral institutions will play a role as well.

In terms of human rights, the *Plan of Action* contains specific initiatives designed to strengthen the inter-American human rights system. Although Canada can play an important role in this process, it must also ensure that its actions match its ideals. As the honourable Warren Allmand noted before the Committee, the Government of Canada has long argued that seven objections prevented it from ratifying the American Convention on Human Rights. According to the honourable Warren Allmand, recent developments have now reduced the number of serious objections to two, and it seems likely that Canada could address even these through the mechanisms of a Memorandum of Understanding and one reservation. He added, "...by the way, those are not to undermine the treaty. Most human rights groups oppose reservations. But in this case we support them, because they go in the direction of favouring the general human rights set out in the treaty."⁶

Recommendation 2:

Given the importance to the Inter-American human rights system of the *American Convention on Human Rights*, the Committee recommends that the Government of Canada investigate mechanisms, such as a Memorandum of Understanding or a reservation, to allow it to ratify the *Convention* in the near future.

⁵ *Evidence*, 1 May 2001.

⁶ *Evidence*, 20 March 2001, p. 10.

Increasing Transparency and Engagement

Beyond substantive questions related to the links between trade and other areas in the hemispheric cooperation agenda, the Summit process raised key questions concerning communication, transparency and the engagement of civil society. In terms of communication, the media's almost total focus on the FTAA, the unavailability of the draft text and possible protests in the weeks leading up to Quebec indicate that, despite its efforts, the Government of Canada was unable to place in the public's mind the role of the Summit within the broader context of hemispheric integration. Many may have felt that the FTAA was genuinely the most important element of the Summit, but many too were clearly unaware of the broader context. Canada's relatively recent engagement in the hemisphere may partly explain this, but, in any event, the government and the Department of Foreign Affairs must increase its emphasis on providing, and, more importantly, promoting, Web-based and other communication.

Many of the groups that came before the Committee demanded the release of the draft FTAA text. The decision of the other participants in the Summit to finally accept Canada's recommendation and release the text was a welcome one, and the Committee believes that this precedent must be followed whenever possible. The unavailability of the text before the Summit, the requirement for agreement among the 34 states to release it and, indeed, the length of time needed by the Secretariat to translate into all necessary languages before it could be released, became a symbol for many of a lack of transparency in the process.

This was unfortunate in that it diverted attention and energy from debate over substantive issues on the Summit agenda. It also overshadowed real Canadian-led progress in increasing transparency and engagement surrounding the Summit. Examples included the Government of Canada's decision for the first time to publish the written submissions it submitted to the FTAA negotiating groups. (While many called for the release of positions the Government had not yet submitted, this is the beginning of a long FTAA negotiating process, and there will be opportunity for debate on these and all other positions in the future). Other examples of increased transparency and engagement include meeting with civil society representatives on many occasions and institutionalizing civil society input into the Summit process through the OAS; contributing to the funding of the alternative Peoples Summit; and, organizing a unique and highly successful exchange between government representatives and civil society at the Summit itself.

Finally, although the Committee supports the release of such texts in future, it remains to be seen to what extent draft texts will enhance substantive debate. As former senior Canadian trade negotiator Professor Michael Hart argued before the Committee,

There's a more fundamental point about the unhelpfulness of this kind of text; that is, that they have not yet reached the stage of negotiations. So what you're seeing here is not a negotiating text that's being talked about, but a text that is helping some officials begin to organize their thoughts. That kind of text I think would be a

very unhelpful text if it were put out for public viewing because it would create all kinds of confusion.⁷

In any event, increased transparency is an important goal in its own right, and any resulting confusion simply demands a higher standard of communication and debate between governments and civil society.

Recommendation 3:

The Committee recommends that the Government of Canada continue to increase transparency and cooperation with civil society, by:

- **releasing its written submissions to trade negotiations whenever possible and arguing for its partners to do likewise;**
- **arguing for the release whenever possible of draft negotiating texts;**
- **continuing to support such expressions of civil society action as the Peoples Summit; and**
- **encouraging future hosts of the Summits of the Americas to follow the practices of transparency and engagement pioneered by Canada in Quebec, including the Non-Governmental Organization (NGO) Summit consultation.**

A Parliamentary Role

The Committee's October 1999 report *The Free Trade Area of the Americas: Towards a Hemispheric Agreement in the Canadian Interest* had already provided parliamentary input to the development of the Canadian government's position on the FTAA. In the weeks preceding the Summit, further Committee hearings played a role in: increasing the information from various perspectives available to Canadians regarding the Summit; placing the Summit within the broader context of hemispheric cooperation; and highlighting areas of concern that the Government of Canada and its partners must address as they continue this process. The Standing Committee on Foreign Affairs and International Trade facilitated transparency and clarification by providing a forum where government ministers and officials, Parliamentarians from all parties and civil society engaged in substantive debate in public and on the record.

In addition, a key element in the success of the roundtable between civil society and governments at the Summit was that in many respects it paralleled both the substance and the process followed by the Committee's meetings on these issues. The debate over the best way to increase the input of citizens into this and similar processes will continue. Given that they are elected by and accountable to society, members of the

⁷ *Evidence*, 27 March 2001, p. 9.

Committee strongly believe that Parliamentarians can play a key role in bridging the gap between citizens and governments, both through the vehicle of Standing Committees such as this one and, increasingly, through inter-parliamentary vehicles such as the new Inter-Parliamentary Forum of the Americas (FIPA), founded in Ottawa in March 2001 as a result of a Resolution of the Organization of American States.

Overall, the Quebec Summit has resulted in specific achievements in the process of hemispheric integration, although many important issues remain to be pursued and debated in future. To this end, the Committee will hold regular meetings with government ministers and a range of other individuals and groups on the progress of FTAA negotiations and related issues over the years leading up to the fourth Summit of the Americas and the target date for the completion of a Free Trade Area of the Americas. This approach will serve to make information available to Canadians on this and similar issues and encourage increased dialogue and engagement between the government, Parliamentarians and civil society.

Recommendation 4:

The Committee recommends that, in order to ensure that Canadians are able to follow the continuing debate over the integration of the Americas, the Minister of Foreign Affairs and the Minister of International Trade appear before the Committee on at least an annual basis to discuss issues related to progress on the hemispheric cooperation agenda, including the FTAA.

Recommendation 5:

The Committee recommends that the Government of Canada actively support the role of the Inter-Parliamentary Forum of the Americas (FIPA), as referred to in the *Plan of Action*, and take all necessary steps to ensure that parliamentary consultation and engagement on these issues is deepened.

RECOMMENDATIONS

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APPENDIX A LIST OF WITNESSES

Associations and Individuals	Date	Meeting
<p>Canadian Alliance of Manufacturers and Exporters</p> <p>Jason Myers, Chief Economist</p> <p>Council of Canadians</p> <p>Peter Julian, Executive Director</p> <p>“Symposium hémisphérique sur le commerce et l'environnement”</p> <p>Pierre Marc Johnson, Director</p> <p>Transparency International Canada</p> <p>P.K. Pal, Director</p>	2001/03/22	5
<p>Canadian Association of Petroleum Producers</p> <p>David MacInnis, Vice-President</p> <p>Carleton University</p> <p>Michael Hart, Norman Paterson School of International Affairs</p> <p>FOCAL</p> <p>Donald MacKay, Special Advisor</p> <p>Nobina Robinson, Executive Director</p> <p>“Réseau québécois sur l'intégration continentale (RQIC)”</p> <p>Dorval Brunelle, Professor, Sociology, “Université du Québec à Montréal” and Member of the “Groupe de recherche sur l'intégration continentale de l'UQAM”</p>	2001/03/27	6
<p>Canadian Agri-Food Trade Alliance</p> <p>Liam McCreery, President</p>	2001/03/27	7

Associations and Individuals	Date	Meeting
<p>Canadian Chamber of Commerce (The)</p> <p>Robert Keyes, Senior Vice-President, International</p>	2001/03/27	7
<p>Canadian Federation of Students</p> <p>Jen Anthony, National Deputy Chairperson</p>		
<p>Common Frontiers</p> <p>John Dillon, Research Coordinator, Ecumenical Coalition for Economic Justice</p> <p>John Foster, Principal Researcher, Civil Society at the North-South Institute</p>		
<p>Malting Industry Association of Canada</p> <p>Phil de Kemp, President</p>		
<p>Sierra Club of Canada</p> <p>Elizabeth May, Executive Director</p>		
<p>Canadian Labour Congress</p> <p>Pierre Laliberté, Senior Economist</p> <p>Hassan Yussuff, Executive Vice-President</p>	2001/03/29	8
<p>C.D. Howe Institute</p> <p>Alan Alexandroff, Fellow in Residence</p>		
<p>COPA</p> <p>Oswaldo Molestina Zavala, Vice-President of COPA and Member of the Parliament from Ecuador</p>		
<p>Department at the Latin American Faculty of Social Sciences (FLACSO) Argentina</p> <p>Diana Tussie, Director Research Program on International Economic Institutions and the Latin American Trade Network in Buenos Aires and Senior Research Fellow in the International Relations Department</p>		

Associations and Individuals	Date	Meeting
North-South Institute Ann Weston, Vice-President	2001/03/29	8
University of Toronto John Kirton		8
Canadian Centre for Policy Alternatives Bruce Campbell, Executive Director	2001/04/03	9
Canadian Council for International Cooperation Gerry Barr, President and CEO		
“Coalition pour la diversité culturelle” Robert Pilon, Executive Vice-President		
Department of Foreign Affairs and International Trade Sylvie Bédard, Summit: Liaison Civil Society, Parliament, Parallel Events, Inter-American Division Michael Brock, Director, Interamerican Affairs Marc Lortie, Senior Coordinator, Federal Provincial Relations, Personal Representative of the Prime Minister for the Summit of the Americas	2001/04/03	10
Canada's Research-Based Pharmaceutical Companies Murray Elston, President	2001/04/05	11
Canadian Environmental Law Association Ken Traynor, Director		
Eli Lilly Pharmaceutical Company Terry McCool, Vice-president		
International Institute for Sustainable Development Aaron Cosby, Associate & Senior Advisor		

Associations and Individuals	Date	Meeting
Quebec National Assembly	2001/04/05	11
Roger Bertrand, Member for Portneuf and President "Commission des institutions"		
Department of Foreign Affairs and International Trade	2001/05/01	14
Claude Carrière, Director General, Trade Policy Bureau I, Chief Negotiator, Free Trade Area of the Americas (FTAA)		
Marc Lortie, Senior Coordinator, Federal Provincial Relations, Personal Representative of the Prime Minister for the Summit of the Americas		

REQUEST FOR GOVERNMENT RESPONSE

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

A copy of the relevant Minutes of Proceedings (*Meeting Nos. 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 14, 26*) is tabled.

Respectfully submitted,

Bill Graham, M.P.
Chair

DISSENTING OPINION OF THE OFFICIAL OPPOSITION ON THE QUEBEC SUMMIT AND FTAA

The Canadian Alliance and its predecessor the Reform Party, has for a number of years supported the idea of bringing major treaties and major free trade agreements such as the FTAA to the House of Commons for ratification.

Parliamentarians are elected by the people to be their watchdogs on major policy decisions. Failing to debate and examine the serious issues and their repercussions in parliament undermines the role of the M.P. as the public's watchdog. Elected officials cannot properly represent their constituents if the big issues that profoundly affect their lives, such as free trade agreements and other international treaties like the international criminal court and others, are not discussed in the House of Commons

It is essential that all the relevant information be exposed and discussed in the open forum of Parliament. The public would be short-changed if they are denied the benefit of hearing the full debate. The House of Commons is supposed to be the home of democracy in Canada and the home of free speech, but so far there has been a reluctance to bring the big issues such as treaties before it. This is unfortunate. In fact it is an affront to free speech and democracy. It betrays an attitude that the government knows best and there is no role or input for parliamentarians. It also suggests that too many times that the government goes out of its way to purposely ignore the public.

Contrary to the benefit of Canadians, the government has ignored Parliament when it comes to discussing treaties and international agreements. The result is that people do not get the information they need, members of parliament are not allowed to do their jobs and, ultimately, the government enters into agreements that very often do not reflect the values and wishes of Canadians.

Having a few people in the priorities and planning committee of cabinet on the government side decide huge issues such as trade agreements does not contribute to democracy. In fact it runs counter to democracy if issues that profoundly affect people's lives are not discussed in the forum where their elected representatives are supposed to discuss these things

It is impossible to argue that the House of Commons should not be engaged in these kinds of serious debates. The House needs to be the place where treaties are discussed first and foremost. It would probably to some degree end the practice of circumventing democracy that we see today, where unelected, unaccountable NGOs run to the government to have their voices heard. The lack of genuine debate also likely contributes to the level of frustration regularly manifested by protestors every time a major summit meeting is held.

DISSENTING OPINION OF THE BLOC QUÉBÉCOIS

MUCH REMAINS TO BE DONE, FROM THE POINT OF VIEW OF TRANSPARENCY AS WELL AS OF BALANCE AND COMMITMENT

The Bloc Québécois members on the Standing Committee are pleased that it took action on our request to hold public hearings before the Quebec City Summit. This exercise made it possible to better identify the hopes and concerns of the public at large, business people and the civil society.

The integration of the Americas is turning out to be much more than a purely commercial endeavour and is a challenge to us as citizens of the Americas. We have appreciated the opportunity to listen to witnesses from the Southern hemisphere, who were able to express their worries and expectations facing the integration of the Americas.

Public consultations must guide the political actors, not serve as a screen to cover up the absence of real, constructive dialogue. Consultations that fall on deaf ears serve only to increase the cynicism and mistrust. To this end, the Committee must take note of what the evidence put before it and faithfully reflect this in its report. Unfortunately, it is our opinion that the report fails to do this; hence our dissenting opinion.

Transparency and public participation are utterly indispensable to the democratic process

Apart from two expert witnesses, everyone who appeared before the Committee deplored the fact that they did not have access to the texts that served as the basis for negotiation among the heads of state meeting in Quebec City. Contrary to what is said in the report, those who insist on them are not obscuring the fundamental issues; they are the essence of the debate integration of the Americas. Six weeks after the beginning of the Summit, the texts are still not available and we strongly deplore it.

Let us not forget that two summits were taking place simultaneously in Quebec City: the Summit of heads of state and government and the People's Summit, which brought together thousands of representatives of the civil society in the three Americas, Aboriginal peoples and parliamentarians. These spokespeople brought with them varied points of view and a wealth of expertise that the heads of state would have done well to listen to.

Those who participated in the People's Summit could have made a more significant contribution to the process of the Summit of the Americas if they had known exactly what was being negotiated at the other Summit behind the closed doors of the Congress Centre.

The disproportion between the access afforded to the representatives of the American Business Forum and that given to the representatives of the People's Summit, along with the sponsorship system established by the federal government at the Quebec City Summit, only served to fuel the negative perceptions.

Last April, the House of commons unanimously adopted a motion aiming at promoting the transparency of the negotiating process by integrating Parliament's participation and civil society. The motion reads as follows:

“That the government put in place an open and ongoing process to keep Parliament informed of negotiations to establish a Free Trade Area of the Americas so as to allow parliamentarians to debate it and civil society to be consulted before Parliament approves it.”

We must move from corporate America to an America of the people

The Bloc Québécois believes in free trade. Quebec and even Canada are relatively small markets, and our businesses need access to the rest of world. This is especially true of leading-edge fields in which businesses could never write down high research costs based solely on the domestic market.

Nonetheless, free trade is not the answer to every problem; quite the contrary. Inequalities among countries have increased in recent years, and relative inequalities between the rich and the poor within countries have increased. The absence of legislation protecting the environment, and citizens and workers' rights, could lead to the corporations' relocating there to save money.

If everyone is to benefit from free trade, progress must be assured — and equal importance given — to the business, environmental, human, democratic and development aspects simultaneously. These aspects are not meant to be played off against each other. They are the five pillars on which the integration and development of the Americas should rest. If one is favoured over the others, the structure will be undermined. The Bloc Québécois, which strongly supports the idea of creating a support fund for the structural development of the Southern hemisphere, regrets that the government has not adopted this project and that the Committee has not even addressed it. This balance, of which the Committee report speaks, is impossible to reach without support for development.

The Bloc Québécois is of the opinion that any free trade agreement for the Americas must include respect for fundamental human and labour rights and protection of the environment, if all countries are to be able to take advantage of the economic benefits of the FTAA.

When investors' rights are exercised to the detriment of citizens' rights

We have seven years of experience with the implementation of NAFTA, experience that we must learn from in order to avoid spreading its weaknesses to the rest of the Americas. Although the agreement has, on the whole, been beneficial, it does have shortcomings.

Chapter 11 of the agreement — which entitles businesses to take direct action against foreign governments if they believe that a legislative provision prevents them from doing business, and thus corresponds to expropriation — is problematic. The only witness before the Committee who claimed that NAFTA's Chapter 11 did not pose a problem was a lawyer representing a company taking action against the federal government under this chapter.

We must bear in mind that NAFTA was presented, during its adoption process, as the “greenest” free trade agreement ever to have been negotiated, particularly with respect to its environmental reserves and its parallel agreement on environmental co-operation. But witnesses, including a former Premier of Quebec, demonstrated to the Committee that the inclusion of Chapter 11, all by itself, has succeeded in obliterating these advances. Almost everyone agreed on that. However, the government did not take note and the report is silent on this point.

What will the real impact be of the “democracy clause” adopted in Quebec City, if the integration of the Americas is not itself democratic? If foreign businesses are able to overturn legislation, if the mechanism for resolving disputes remains secret, if not all interested parties are allowed to argue their case, we risk finding ourselves with democratic governments that have lost their ability to defend their people.

The Bloc Québécois therefore urges the government to take the same stand on investments.

Parliamentarians should not be mere observers

Currently Canadian parliamentarians are, in fact, passive observers of the FTAA negotiation process — when they are not, which is worse, expected to act as approving straight men.

The integration of the Americas will have a direct impact on the people we represent. It is vital for us to be players in this project if we are to defend their interests. Parliament's only decision-making authority will consist in adopting the FTAA implementation act, which involves amending Canadian legislation to bring it into line with an agreement that will have been signed and ratified by the government without citizen involvement.

MNA Roger Bertrand, who appeared before the Committee on behalf of the Quebec National Assembly, stated the findings of the report of Quebec's Committee on Institutions, which made the same point. Oswaldo Molestina, an Ecuadorian parliamentarian and Vice-Chair of the Parliamentary Conference of the Americas (COPA), expressed a similar view in the name of the parliamentarians of the Americas.

Unfortunately, the Committee report makes no mention of this. The Bloc Québécois believes that the federal government should rethink its practices and follow the example of the Quebec National Assembly, which will give its opinion on the draft FTAA before the Quebec government commits itself to the agreement. Twice, the Bloc Québécois has moved that the House of Commons debate and vote on any final agreement regarding the FTAA before Parliament approves it. Each time, the government majority rejected the motion, even though it had the support of all the opposition parties.

In Quebec's absence, who will defend the "Quebec model"?

The government did not clearly specify the position it will defend with regard to services. As far as it would go was indicating that it intended public services controlled by the government to be excluded from free trade. In Quebec, however, some public services are not delivered directly by the government; they are delivered through not-for-profit organizations subsidized by the government. This socio-economic sector is expanding steadily and is part of what is called the "Quebec model."

Because the provinces have been excluded from the negotiations, they are unable to defend the interests of the people. The Bloc Québécois maintains that the elected officials of the government of Quebec must have access to the international forums discussing areas of jurisdiction exclusive to Quebec.

The need for sovereignty

At a time when sovereign states are taking their place around the world table to negotiate new rules, Quebec must start now to assert itself. It must assert the values that shape its uniqueness, assert its identity as the only francophone state in the Americas.

By becoming a sovereign state, Quebec will be in a position, as the sixth strongest economic power in the Americas, to stand up for itself at the international negotiating table, argue its case in alliance with other countries without going through the filter of the federal government, and make decisions that reflect its own interests. In the context of globalization, sovereignty is the only solution that will allow Quebec to develop to its fullest potential.

MINUTES OF PROCEEDINGS

Thursday, May 31, 2001
(Meeting No. 26)

The Standing Committee on Foreign Affairs and International Trade met *in camera* at 9:12 a.m. this day, in Room 307, West Block, the Chair, Bill Graham, presiding.

Members of the Committee present: Jean Augustine, Bill Casey, Rick Casson, Bill Graham, John Harvard, Stan Keyes, Francine Lalonde, Diane Marleau, Pat O'Brien, Pierre Paquette, Bernard Patry.

Acting Members present: Mac Harb for Denis Paradis; John Finlay for Colleen Beaumier; Yves Rocheleau for Pierre Paquette; Gurmant Grewal for Monte Solberg; Judy Sgro for Jean Augustine; Raymond Bonin for John Harvard; Walt Lastewka for Bernard Patry.

In attendance: From the Library of Parliament: James Lee; John M. Wright; Peter Berg, Blayne Haggart.

Consideration of Committee reports.

The Committee began consideration of a draft report on the issue of the Quebec Summit and the Free Trade Agreement of the Americas.

It was agreed — That the draft report be adopted on division as the Committee's Fourth Report to the House and that the Chair be instructed to present it to the House.

It was agreed — That the Chair be authorized to make such typographical and editorial changes as may be necessary without changing the substance of the report.

It was agreed — That, pursuant to Standing Order 109, the Committee requests that the Government table a comprehensive response within 150 days to this report.

The Committee began consideration of a draft report on the issue of Canada's economic relations with Europe.

It was agreed — That the draft report, as amended, be adopted as the Committee's Fifth Report to the House and that the Chair be instructed to present it to the House.

It was agreed — That the Chair be authorized to make such typographical and editorial changes as may be necessary without changing the substance of the report.

It was agreed — That, pursuant to Standing Order 109, the Committee requests that the Government table a comprehensive response within 150 days to this report.

The Committee began consideration of a draft report on Canada's foreign policy interests in the South Caucasus and Central Asia.

At 11:40 a.m., the sitting was suspended.

At 12:05 p.m., the sitting resumed.

The Committee resumed consideration of a draft report on Canada's foreign policy interests in the South Caucasus and Central Asia.

It was agreed — That pursuant to Standing Order 108(1)(a), the evidence taken by the Committee on Canada's foreign policy interest in the South Caucasus and Central Asia during the last Session of the previous Parliament, be deemed adduced by the Committee in the current session.

It was agreed — That the draft report, as amended, be adopted as the Committee's Sixth Report to the House and that the Chair be instructed to present it to the House.

It was agreed — That the Chair be authorized to make such typographical and editorial changes as may be necessary without changing the substance of the report.

It was agreed — That, pursuant to Standing Order 109, the Committee requests that the Government table a comprehensive response within 150 days to this report.

At 12:10 p.m., the Committee adjourned to the call of the Chair.

Marie Danielle Vachon
Clerk of the Committee