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**Report of the Canadian Parliamentary Delegation to the
Canada-China Legislative Association regarding its
Parliamentary Mission to China**

Canada-China Legislative Association

Shanghai, Suzhou, Shenzhen and Hong Kong

People's Republic of China

7—11 January 2019

Report

At the invitation of the National People's Congress (NPC), a Canadian parliamentary delegation from the Canada-China Legislative Association (CACN) undertook a working visit to the People's Republic of China from 7 to 11 January 2019. The delegation was led by the CACN's Co-Chair, the Honourable Joseph A. Day, Senator, and comprised the following parliamentarians: Mr. Chandra Arya, M.P.; Mr. Michael Cooper, M.P.; Mr. Majid Jowhari, M.P.; and Mr. Geng Tan, M.P. The delegation was accompanied by Mr. David Chandonnet, Executive Secretary, and Ms. Natalie Mychajlyszyn, Advisor.

The primary purpose of the working visit was to follow up on the fall 2018 visit to Beijing of the CACN's Co-Chairs and on the 22nd CACN Bilateral Meeting that took place in Ottawa from 6 to 8 December 2018. Accordingly, the visit's objectives included the following:

- continuing the legislative dimension of bilateral ties by engaging with representatives of local People's Congresses;
- regularizing opportunities for dialogue with Chinese counterparts;
- apprising Chinese interlocutors of Canadian values and priorities;
- promoting mutual understanding and enhanced cooperation with Chinese officials;
- learning more about Chinese–Canadian business, cultural and political links, including people-to-people ties; and
- gaining a better understanding of China's history, as well as its current political, economic and social contexts and place within the Asia-Pacific region.

Notwithstanding those objectives, the delegation's approach to this visit evolved in response to contentious and high-profile events in the Canada–China relationship that developed immediately prior to the delegation's departure. During its working meetings with local officials, the delegation raised concerns about Michael Kovrig and Michael Spavor, two Canadians who have been arbitrarily detained by Chinese authorities. Delegates underlined Canadian expectations that the rights of those two individuals will be respected, as is guaranteed in the Canada–China bilateral consular agreement, and called for their immediate release. When the legal proceeding in respect of MENG Wanzhou, the Chief Financial Officer of Huawei Technologies Co., a Chinese telecommunications company, was raised by interlocutors, delegates emphasized that Canada is a country governed by the rule of law, and that Canadian legal proceedings are free from political interference. In light of the seriousness of this situation and the attention that the visit generated in both the Chinese and the Canadian media, the delegation issued a [press release](#) while in China to share the results of its discussions.

In Shanghai, Suzhou (Jiangsu province) and Shenzhen (Guangdong province), the delegation met with Chinese officials at the provincial and municipal levels, and representatives of business communities, research and educational institutions, and community groups, specifically:

- SHA Hailin, Deputy Director General, Standing Committee of the Shanghai People's Congress; GU Yue Hua, Vice Director of the Standing Committee of the Suzhou Municipal People's Congress; representatives of the Suzhou Foreign Affairs Office; LUO Li, Executive Vice Chairwoman of the Standing Committee of the Shenzhen Municipal People's Congress; and representatives of the Foreign Affairs Office and the Foreign and Overseas Chinese Affairs Committee of the Shenzhen Municipal People's Congress;
- representatives of the Shanghai Academy of Social Sciences (SASS), the China Development Institute (CDI) and ForNGO, a social community group;
- directors of Canadian and polar studies at various Shanghai-based institutes and universities;
- representatives of the Canadian Chamber of Commerce in Shanghai and Invest Shenzhen, as well as stakeholders from the clean energy and technology sectors, including such established enterprises as Celestica and start-up computer software and hardware companies; and
- administrators, faculty and students from Suzhou Centennial College, the Sino-Canada Program at Soochow University High School and Shenzhen (Nanshan) Concord College of Sino-Canada.

In Hong Kong, the delegation visited the Sai Wan War Cemetery, where more than 1,500 Commonwealth soldiers, including nearly 300 Canadians, are interred. They died during the defence of Hong Kong in 1941, in prisoner of war camps or in other battles in the Pacific Theatre of the Second World War. The visit to the cemetery was highlighted with a wreath-laying ceremony on behalf of the CACN.

Throughout its program, the delegation was accompanied by – and held briefing sessions with – Canadian diplomats and trade commissioners from Canada's consulates-general in Shanghai, Guangzhou (responsible for Shenzhen) and Hong Kong, as well as its trade office in Shenzhen. In lieu of a formal meeting with the delegation's host, the NPC, Senator Day spoke by phone several times with his Chinese counterpart in the NPC. Overall, the visit's program, and particularly the frank and open discussions about recent events, reflected the broad scope and depth of Canada–China relations, and the continuing value of parliamentary diplomacy in that long-standing relationship.

The CACN last held working meetings in Shanghai in 2014 and 2013, and in Shenzhen in 2009. This visit was the CACN's first to Suzhou.

A. China's Evolving Priorities and Opportunities for Canada-China Relations

a) China's Economic Shift

Throughout its program, the delegation gained insights from its Chinese and Canadian interlocutors about China's global and domestic priorities. In particular, there is a shift in emphasis regarding the country's economic development, commitment to continued openness more generally, and the roles that the Yangtze River Delta and the Pearl River Delta are playing in these regards. For instance, delegates were informed that China's

leadership is promoting greater economic and social development of the country in part through initiatives that are focusing on Shanghai and the surrounding region, as well as Guangdong province, where Shenzhen is situated. More specifically, the strategic plans for each of these two regions include deepening their integration with the surrounding urban centres through various large-scale infrastructure and connectivity projects. Furthermore, business improvement plans are intended to facilitate the mobility of passengers, labour and goods, while also increasing imports of products and services and, ultimately, expanding the role that these regions are playing in China's economic growth. The Greater Bay Area initiative in the Pearl River Delta, for example, is aimed at integrating the different systems, customs, laws, currencies and languages that span Guangdong province on China's mainland, and the Hong Kong and Macau Special Administrative Regions. In discussing this initiative with delegates, interlocutors focused on its importance to the Chinese leadership's plan of shifting Guangdong province's emphasis away from low-wage manufacturing activities toward a knowledge-based, value-added economy with a highly skilled labour force. As evidence of the shift that is already taking place, delegates were told that the number of companies specializing in augmented (i.e., the addition of digital elements to live experiences) and virtual reality systems has increased in Shenzhen in recent years. They also heard that the relatively young population in the urban area – the average age is 32 years old – and such promotional agencies as Invest Shenzhen are assets in the realization of this plan. For its part, Shanghai is being transformed into a hub for innovation, science and technology, including with respect to such digital and creative sectors as gaming, film and animation. In addition, the delegation was told that new financial and legislative structures are being established in order to continue improving the business environment and attract greater investment. Delegates were informed that Suzhou is expected to continue to make a significant contribution to the economic dynamism of the Yangtze River Delta because it is the location of numerous industrial parks specializing in a wide range of research and development activities, as well as of various aspects of technological and computer engineering.

i. Opportunities for Canada–China Relations

Building on the longstanding economic and people-to-people ties that already exist, the delegation was told that Canada has a potential role to play in China's plan for transforming its economy and striving for greater economic growth. For example, Canada was one of 12 countries of honour that were featured at the inaugural China International Import Expo that occurred in Shanghai in November 2018. Under the leadership of China's President Xi Jinping, the Expo was attended by several of Canada's federal ministers, including the Minister of Agriculture and Agri-Food, and resulted in 48 Canadian companies concluding commercial deals valued at \$1.67 billion.

To better understand the role of Canadian companies in the Chinese economy, the delegation visited the operations of Celestica – a high-technology company specializing in advanced design, manufacturing, hardware platform and supply chain solutions – in Suzhou Industrial Park. Celestica focuses on connectivity and cloud platforms with applications across a range of sectors, including clean energy, communications and health. Headquartered in Toronto, Canada, the company's North American and global operations are located in the United States, Mexico, Austria, Ireland, Romania, Spain,

Japan, South Korea, Laos, Malaysia, Singapore and Thailand, in addition to other locations in China. Delegates heard about the impact that recent global economic developments, as well as China's domestic economic priorities, are having on Celestica's operations.

During its meetings with various stakeholders, the delegation discussed supply chain-related opportunities, including the potential for Canadian businesses to capitalize on their reputation for high-quality, reliable, and safe products and services. Sectors that were discussed include: agriculture and agri-food, notably such high-end food products as seafood; tourism; health and life sciences; and financial services, including banking, insurance and e-commerce applications, particularly in terms of streamlining import procedures. With respect to commercial activities in knowledge-based, value-added sectors, the discussions emphasized: high-technology, connectivity and engineering, notably bio technology; aerospace and automotive engineering, including the development of autonomous cars and related auto-parts; clean technology and renewable energy, including environmental protection and oceans technology; and computer software and digital applications, including the gaming, film and creative sectors.

From various Canadian start-up businesses based in Shenzhen, the delegation heard that the Government of Canada could more effectively support the development of Canadian start-up activities in their early stages. For example, it could offer incentives to larger Canadian companies doing business with start-up ventures. Delegates were also told that the Government should take commercialization into greater account when considering domestic support for Canadian innovation. The discussions also focused on Canadian businesses' level of awareness about various domestic export support programs, the role that the country's commercial officers can play in promoting those programs, and the need to make information more user-friendly and accessible.

In addition, the delegation was informed that an area of potential for further Canada-China partnerships was in supporting community groups that deliver various social services relating to China's economic evolution. Delegates met with one such group, ForNGO, during its visit to an non-governmental organization incubator park administered by the Pudong Civil Affairs Bureau in Shanghai. ForNGO is dedicated to creating space and promoting synergies among social organizations representing a range of specializations, philanthropic activities and professional services. ForNGO functions as the park's legal centre, and provides services to other residents in order to enhance their expertise and capacity relating to China's evolving legal and regulatory structures. It has received support for its training materials from the Canada Fund for Local Initiatives, which is managed by Canada's Consulate-General in Shanghai. Within that context, the potential learning benefits that could result from opportunities to engage with groups doing similar work that are based in Canada was noted.

B. Arctic region

The delegation also gained insights into China's interest in the Arctic region as well as the various avenues of academic partnerships that have been established between Chinese and Canadian scholars on the topic. In this regard, delegates had a discussion about polar issues with: QIAN Hao, Director of the Centre for Canadian Studies at

Shanghai International Studies University; PAN Min, Deputy Director of the Center for Polar and Oceanic Studies at Tong Ji University in Shanghai; and ZHANG Yao, Director of the Center for Marine and Polar Studies at the Shanghai Institutes for International Studies. In particular, delegates were told about China's interest in the Arctic region as a non-Arctic stakeholder and its priorities as an observer of the Arctic Council as China looks to diversify its economic partners. The discussions focused on China's efforts in collaborating with Arctic and non-Arctic states with respect to scientific research, environmental protection, climate change management, economic and resource development opportunities, and conservation issues, notably fisheries.

i. Opportunities for Canada–China Relations

The delegation was told that China is pursuing opportunities to become better informed about the governance and regulatory structures relating to the Arctic. The potential benefit for China of exchanges with relevant Canadian authorities at the federal, territorial and municipal levels in respect of Arctic issues was also mentioned.

C. Academic Partnerships and Educational Cooperation

The delegation heard about China's continued commitment to, and interest in, strengthening academic exchanges and research and development partnerships with Canada. Interlocutors noted the collaboration that has taken place involving the Shanghai Academy of Social Sciences (SASS), the China Development Institute (CDI) and various Canadian research institutions and universities, such as the Asia Pacific Foundation, the University of British Columbia, the University of Western Ontario, the University of Toronto, the University of Waterloo and the University of Ottawa. This collaboration reflects the broad scope of Canada–China engagement.

The delegation's program included visits to, and discussions with, institutions that illustrate the long-standing and growing educational partnership between Canada and China. In many respects, the Canadian-based curricula of these institutions, and their connection with Chinese and Canadian industries, are among their core advantages in combining learning, training and employability in the 21st century, as well as international experiences.

During its visit to Suzhou Centennial College, the first and only Canadian college in China, the delegation gained awareness about the extent of Canada's educational partnerships with China. It was created in 1996 through an association of the Suzhou University of Science and Technology and Centennial College in Toronto. Programs are offered in international business, financial services, hospitality and hotel operations management, and software engineering and architectural applications. Because of conformity with the standards and guidelines set out by the Government of Ontario, graduates earn diplomas that are recognized both in Ontario as well as China. Located in Suzhou Industrial Park, the College's student body comprises more than 1,500 Chinese students, as well as approximately 100 foreign students from Panama, India, Indonesia and South Korea. Delegates also learned about the College's plans to expand its program offerings and partnerships to include the ability to earn degrees offered by Canadian universities.

Similar positive experiences were highlighted during the delegation's visit to Soochow University High School, which is located in Suzhou, and in meetings with administrators,

faculty and students of the Sino-Canada International High School Program, which was established in 2008. Delegates heard about the advantages to Chinese students of the school's use of the Province of Nova Scotia's curriculum. Students can earn high school credentials that are recognized in universities in Canada and abroad. The international experience at the school is enhanced by the opportunity to study in Nova Scotia or New Brunswick for a semester abroad. The program's student body has grown to approximately 250 students; its faculty comprises several instructors from Atlantic Canada. School administrators noted that the students would benefit from being considered for various Canadian scholastic awards, such as the Governor-General's Academic Medal.

Likewise, Shenzhen (Nashan) Concord College of Sino-Canada has been operating since 2001. It has more than 800 high school students and offers a dual diplomacy program based on Chinese and New Brunswick curricula. Certificates and credentials are recognized in both China and Canada, which is beneficial for students who are applying to study in post-secondary institutions in Canada and abroad. The College's faculty includes several instructors from Canada, including New Brunswick. Some of the students had an opportunity to ask members of the delegation about their views on leadership and career paths. As well, delegates were shown some of the students' achievements, notably in art and electrical software engineering. As part of the Concord College of Sino-Canada network, its Chairman is Dr. Francis Pang, a Chinese-Canadian who has established – and has, since 1997, managed – several Canadian-curriculum schools across China that are highly regarded for their role in opening China up to the world. During their visit to the College, delegates were informed that – in December 2018 – Dr. Pang was appointed as a member of the Order of Canada “for his commitment to the development of a co-operative education framework between Canadian and Chinese post-secondary institutions.”

Conclusions

Throughout its program, the individuals, organizations and government officials with whom the delegation met emphasized their commitment to strengthening Canada–China relations. Delegates were also informed about many interlocutors' concerns about the direction of Canada–China relations in light of the high-profile consular cases mentioned at the beginning of this report, namely the arbitrary detention of two Canadians. While the contentious climate within which the working visit was taking place was raised during the meetings, the delegation was positively received and the interest on the part of the Chinese people in maintaining friendly relations with Canada, the country of birth of Dr. Norman Bethune – a highly regarded figure in Chinese history – was repeatedly discussed. In general, the program of meetings in Shanghai, Suzhou, Shenzhen and Hong Kong provided delegates with invaluable insights into China's approach to economic innovation, while also revealing the depth and multifaceted nature of the Canada–China relationship. Furthermore, the visit provided delegates with the opportunity to engage with local Chinese officials with the view to enhancing mutual understanding of priorities and challenges in the bilateral relationship.

Respectfully submitted,

The Honourable Joseph A. Day, Senator
Co-Chair
Canada-China Legislative Association

Mr. Joe Peschisolido, MP
Co-Chair
Canada-China Legislative Association

Travel Costs

ASSOCIATION	Canada-China Legislative Association
ACTIVITY	Parliamentary Mission to China
DESTINATION	Shanghai, Suzhou, Shenzhen and Hong Kong
DATES	January 7-11, 2019
DELEGATION	
SENATE	Hon. Joseph A. Day, Senator
HOUSE OF COMMONS	Mr. Chandra Arya, M.P. Mr. Michael Cooper, M.P. Mr. Majid Jowhari, M.P. Mr. Geng Tan, M.P.
STAFF	Mr. David Chandonnet, Executive Secretary Ms. Natalie Mychajlyszyn, Association Advisor
TRANSPORTATION	\$ 4,502.98
ACCOMMODATION	\$ 15,055.14
HOSPITALITY	\$ 2,098.17
PER DIEMS	\$ 4,909.44
OFFICIAL GIFTS	-
MISCELLANEOUS	\$ 8,442.94
TOTAL	\$ 35,008.67