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Implementing Principled Pragmatism

BALANCING CANADIAN VALUES AND
INTERESTS IN A SHIFTING WORLD

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Implementing Principled Pragmatism

EXECUTIVE SUMMARY

Pitman B. Potter CM, FRSC

Distinguished Fellow, Asia Pacific Foundation of Canada

This paper examines how integrating Canadian values and national interests can contribute to policy resilience — insulating policy initiatives in domains of economic prosperity, social cohesion, and political integrity from external pressures such as foreign intrusion, asymmetric and even predatory trade policies, and human rights abuses. Such integration will allow the Canadian government to engage with two

audiences in managing its foreign relations — the audience of political leaders and influencers in the countries with which we deal, and the audience of the Canadian public. Based on this conceptual framework, the paper then examines challenges from the U.S., China, and India in areas of foreign interference, trade, and human rights, and offers suggestions for Canada's response.

I. INTRODUCTION

Canadian Prime Minister Mark Carney's address to the 2026 Davos meetings called for Canada's foreign affairs to be "principled and pragmatic."¹ This builds on the theme of "pragmatic diplomacy" articulated by former foreign minister (now industry minister) Mélanie Joly.² Principled pragmatism is not itself a policy but rather a broad policy approach of "values-based realism" enabling Canada to free itself from over-dependence on an increasingly unreliable United States by strengthening relations with other states whose politics and policies may not be fully commensurate with Canada's.³ While policies of the current U.S. administration under President Donald Trump are particularly problematic, it seems rather unlikely that Canada's trade and security partnerships with the U.S. can be restored fully by future U.S. administrations. Hence, Canada faces critical challenges in strengthening relations with countries like China and India, with which Canada has had serious disagreements in recent years, as well as other countries that do not share Canada's commitments to democracy and the rule of law, market economies, and human rights. This will require a finely-tuned application of "principled pragmatism."

This paper examines how principled pragmatism can inform Canada's relations with the U.S., China, and India by integrating Canadian values with our national interests. This paper expands upon my previous work of integrating values and interests in the context of trade and human rights under the theme of "complementarity."⁴ I begin the discussion here with an overview of Canadian values and national interests, a discussion of the possibilities for integration, and suggestions on the implications for policy resilience, before turning to the specifics of Canada's relations with the U.S., China, and India.



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- 1 <https://www.weforum.org/stories/2026/01/davos-2026-special-address-by-mark-carney-prime-minister-of-canada/>
 - 2 <https://www.canada.ca/en/global-affairs/news/2023/11/address-by-minister-joly-on-canadian-diplomacy-amidst-geopolitical-uncertainty.html>
 - 3 <https://www.pm.gc.ca/en/news/speeches/2026/02/28/prime-minister-carney-delivers-remarks-business-leaders-mumbai>; <https://thewalrus.ca/the-carney-doctrine-wont-fix-the-world-canadians-actually-live-in/>
 - 4 <https://www.ubcpres.ca/assessing-treaty-performance-in-china>; <https://www.asiapacific.ca/publication/pitman-potter-integrating-values-and-interests-canada-china-relations>; <https://www.elgaronline.com/display/edcoll/9781786433671/9781786433671.00044.xml>; <https://www.e-elgar.com/shop/usd/local-engagement-with-international-economic-law-and-human-rights-9781785367182.html>; <https://www.asiapacific.ca/research-report/advancing-canadas-engagement-asia-human-rights>

II. INTEGRATION, COMPLEMENTARITY, AND RESILIENCE

Integrating Canadian values and national interests requires, first, an effort to identify their content and scope. “Values” are generally defined as ‘the beliefs people have, especially about what is right and wrong and what is most important in life, that control their behaviour.’⁵ Despite generational, ethnic, and geographic variation within Canada, values around fairness and inclusion, diversity, economic opportunity, and sustainability are widely held.⁶ Canadian values around rule of law, human rights, and democracy are also widely championed, particularly in relations with economies in the Indo-Pacific region.⁷ Canadian national interests are also diverse, but can usefully be summarized as defending Canadian sovereignty in foreign and domestic affairs; protecting security at home and abroad; and furthering Canada’s economic prosperity.⁸ National interests in economic prosperity, national autonomy and security are reiterated in the Building Canada Act (2025) as grounds for designing and implementing national interest projects such as ports, railways, energy corridors, critical mineral developments, and clean energy initiatives to better connect Canada’s economy, diversify Canadian industries, access new markets, and create high-paying careers.⁹ While Canadian policy priorities



often conjoin Canadian values and national interests on such issues as independence, international co-operation, promoting democracy and human rights, and advancing economic prosperity,¹⁰ values and interests are still often portrayed as separate and distinct ideals subject to prioritization and trade-offs against each other. Complementarity offers an alternative approach.

A complementarity approach supports integration of Canadian values with national interests, such that these supposed antipoles are viewed instead as interdependent and mutually reinforcing. Complementarity supports “principled pragmatism,” as Canadian values provide the principles that inform the pragmatic pursuit of national interests. Canadian values around the rule of law, for example, support national interests in upholding international law on a wide range of issues, including trade and investment relations, climate change, public health, migration, and human rights. Canada will continue to benefit from the basic structures and institutions of the rules-based international order, even in the wake of statements and actions by the Trump administration to diminish and even withdraw from international organizations and arrangements.¹¹

5 <https://dictionary.cambridge.org/dictionary/english/values>

6 <https://uwaterloo.ca/canadian-index-wellbeing/about-canadian-index-wellbeing/reflecting-canadian-values>; <https://www.penguinrandomhouse.ca/books/669023/values-by-mark-carney/9780771051555>

7 <https://www.asiapacific.ca/publication/2020-national-opinion-poll-canadian-views-asia>

8 <https://peacediplomacy.org/2022/07/18/debating-canadas-national-interests-a-historical-overview/>.

9 <https://laws-lois.justice.gc.ca/eng/acts/B-9.89/page-1.html>; <https://www.canada.ca/en/one-canadian-economy/services/building-canada-act-projects-national-interest.html>

10 <https://www.canada.ca/en/global-affairs/news/2017/06/address-by-ministerfreeland-oncanadasforeignpolicypriorities.html>

11 <https://www.whitehouse.gov/presidential-actions/2026/01/withdrawing-the-united-states-from-international-organizations-conventions-and-treaties-that-are-contrary-to-the-interests-of-the-united-states/>

Rule of law values also support Canadian interests in economic prosperity by lending greater certainty to contracts associated with trade and investment projects involving Canadian firms. Canadian national interests in sovereignty, security, and economic prosperity both draw upon and reinforce Canadian values around fairness, diversity, and opportunity. Fairness involves not only human relations in the Canadian and international political economies but extends to state-to-state relations grounded in equality of sovereignty. Security interests involve not only traditional hard security questions around military capacity but social relations involving security for Canadian people in all their diversity. Prosperity interests draw on and support values around equality of opportunity.

Integrating Canadian values and national interests can contribute to policy resilience in the face of disruptive pressures.¹² Resilience has become an increasingly com-

mon theme to depict responses to external challenges and shocks affecting socioeconomic and political life. Canadian discourses invoke concepts of resilience in response to challenges of climate change,¹³ trade relations,¹⁴ economic growth,¹⁵ and responses to violent extremism.¹⁶ Policy resilience in Canada aims to insulate policy initiatives in the domains of economic prosperity, social cohesion, and political integrity from external pressures such as foreign intrusion, asymmetric and even predatory trade policies, and human rights abus-

12 <https://www.chinausfocus.com/foreign-pol->

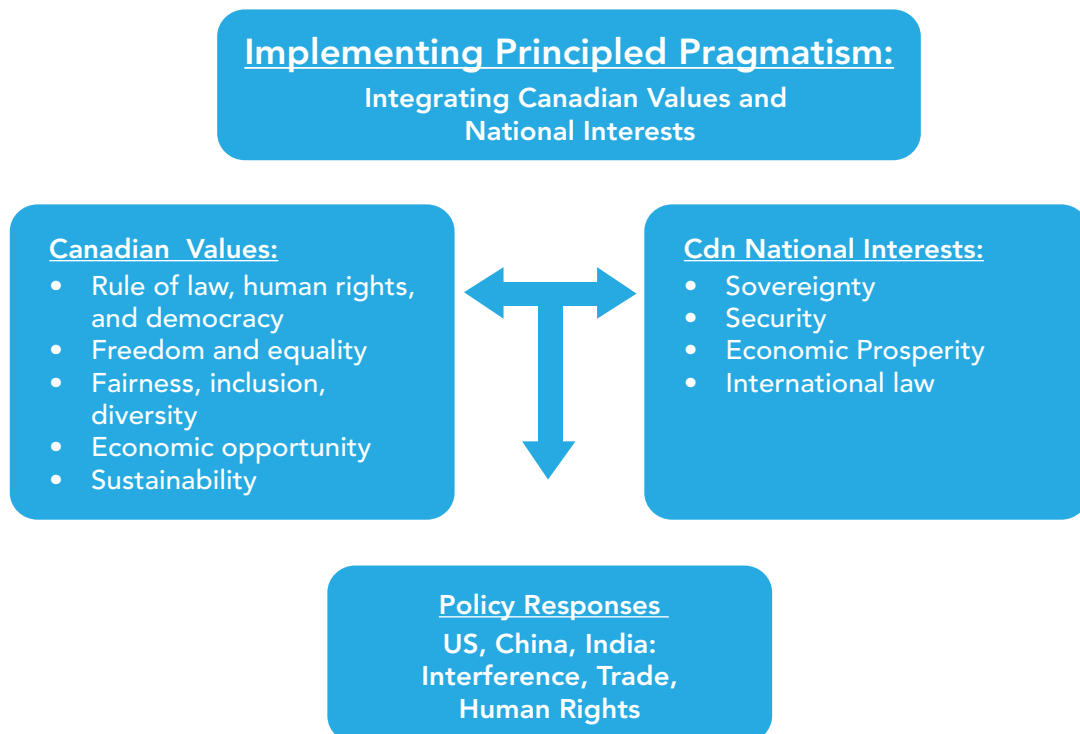
[icy/toward-a-resilient-china-us-relation-ship; https://ash.harvard.edu/wp-content/uploads/2024/02/resilience_and_robustness.pdf](https://ash.harvard.edu/wp-content/uploads/2024/02/resilience_and_robustness.pdf)

13 <https://climateinstitute.ca/wp-content/uploads/2022/12/Toward-a-safer-and-more-resilient-canada.pdf>

14 <https://www.pm.gc.ca/en/news/news-releases/2025/09/05/prime-minister-carney-launches-new-measures-protect-building>

15 <https://www.canada.ca/en/departement-finance/news/2022/04/a-strong-growing-and-resilient-economy.html>

16 <https://www.publicsafety.gc.ca/cnt/bt/cc/fnd-en.aspx>





es.¹⁷ Through integration of Canadian values and national interests, principled pragmatism allows the Canadian government to engage with two audiences in managing its foreign relations — the audience of political leaders and influencers in the countries with which we deal, and the audience of the Canadian public. As indicated in Global Affairs Canada’s departmental plan for 2025–26, “Canada’s foreign engagements and domestic priorities are inextricably linked.”¹⁸ While articulating national interests is important in conveying Canada’s policy expectations to international partners, emphasizing the importance of Canadian values can meet the expectations of Canadians at home and abroad. Integrating values and interests allows Canada to ensure full play for both in our foreign and domestic engagements. Treating values and interests as interdependent and mutually rein-

forcing can further policy resilience by providing a menu of integrated policy alternatives that speak to the expectations of foreign and domestic audiences, supporting selective reliance on values and/or interests in response to external shocks, and not least enabling Canada to challenge assertions from foreign (and domestic) critics that Canadian values should be set aside in deference to strategic interests, which more often than not are limited to economic relations.¹⁹ The Figure below illustrates the integration of Canadian values and national interests in relations with the U.S., China, and India:

III. RESPONDING TO CANADA’S FOREIGN POLICY CHALLENGES

Canada faces multiple challenges in its relations with the U.S., China, and India. These include foreign interference in Canadian domestic affairs, which mainly involves disinformation campaigns and political interference, but can also include threats of military or economic coercion aimed to influence public opinion and political decision-making.²⁰ Trade asymmetries involve disparities of comparative advantage and market access between trading partners that often result in trade disputes over conduct such as discrimination, subsidies, and dumping in violation of World Trade Organization (WTO) international trade rules, while trade abuse involves the use of tariffs for political purposes aimed at coercing trade partners to support particular policies on issues such as security, environment, and migration.²¹ Human rights issues arise, both in

17 https://www.asiapacific.ca/sites/default/files/publication-pdf/DF_Potter_Report_FINAL.pdf; https://ash.harvard.edu/wp-content/uploads/2024/02/resilience_and_robustness.pdf; <https://www.chinausfocus.com/foreign-policy/toward-a-resilient-china-us-relationship>

18 <https://international.canada.ca/en/global-affairs/corporate/reports/departmental-plan/global-affairs-2026-2027-departmental-plan>

19 <https://www.asiapacific.ca/publication/china-reset-or-new-way-forward-canada>

20 <https://www.canada.ca/en/public-safety-canada/news/2023/11/foreign-interference-and-canada.html>

21 <https://www.wti.org/research/publications/1488/sever>

terms of general disregard of human rights to political expression, gender equality and religious freedom that contradict Canadian values and interests, as well as enforcement of specific government policies on immigration, for example, that affect Canadians.²² As discussed below, the specifics of these challenges and the countries involved vary but they share many common features. Canada's responses, informed by "principled pragmatism," can usefully draw upon complementarity analysis in the integration of Canadian values and national interests to manage these challenges.

A. RESPONDING TO CHALLENGES IN RELATIONS WITH THE U.S.

Canada's long-standing relationship with the U.S. has been upended by the policies and perspectives of the Trump administration.²³ This involves U.S. efforts to intrude on Canadian sovereignty, the pursuit of predatory trade relations, and a disregard for human rights in enforcing immigration and security policy. Multiple Canadian officials with extensive experience dealing with the U.S. have expressed concerns over the Trump administration's treatment of Canada.²⁴

[al-ways-of-imposing-asymmetric-trade-arrangements-methods-successes-and-limitations-of-us-tariff-policy/](#)

22 https://www.international.gc.ca/world-monde/issues_development-enjeux_developpement/human_rights-droits_homme/advancing_rights-promouvoir_droits.aspx?lang=eng;

23 <https://thewalrus.ca/canada-is-already-at-war-with-the-us-we-just-dont-know-it-yet/>

24 <https://nationalmagazine.ca/en-ca/articles/law/hot-topics-in-law/2025/former-canadian-spies-rattled-by-what-they-see-south-of-the-border>

1. FOREIGN INTERFERENCE

Potential U.S. interference in Canada is evident in the 2025 U.S. National Security Strategy ("NSS"),²⁵ which asserts an intent to ensure U.S. pre-eminence in the Western Hemisphere. The U.S.'s 2026 National Defense Strategy ("NDS")²⁶ purports to impose on Canada obligations to further U.S. interests on border protection, immigration, and military defence. Ominously, the NDS provides, "We will engage in good faith with our neighbors, from Canada to our partners in Central and South America, but we will ensure that they respect and do their part to defend our shared interests. And where they do not, we will stand ready to take focused, decisive action that concretely advances U.S. interests." Both the NSS and the NDS pose significant challenges of foreign interference for Canada, which can be addressed by reference to principled pragmatism implemented through integration of Canadian values and national interests.

a. U.S. Behaviour.

The U.S. NSS includes provisions on expanding the U.S. military presence across the Western Hemisphere, controlling sea lanes and "establishing or expanding access in strategically important locations." The NDS asserts Canada has a strong role "in hemispheric defense, including by working with DoW [sic] and other U.S. agencies to prevent illegal aliens and narco-terrorists from reaching America's borders. Canada also has a vital role to play in helping to defend North America against other threats, including by strengthening defenses-

25 <https://www.whitehouse.gov/wp-content/uploads/2025/12/2025-National-Security-Strategy.pdf>

26 <https://media.defense.gov/2026/Jan/23/2003864773/-1/-1/0/2026-NA-TIONAL-DEFENSE-STRATEGY.PD>

es against air, missile, and undersea threats.” This has important implications for Canada’s maritime borders and particularly Arctic sovereignty, in essence insisting that Canada subordinate its own policy priorities to suit U.S. purposes.

The NSS also expresses an intent to “reward and encourage the region’s governments, political parties, and movements broadly aligned with [U.S.] principles and strategy.” Such efforts may include encouraging political actors in Canada that support U.S. policies, such as the U.S.–Iran war, resisting People’s Republic of China (PRC) influence, expanded development of oil and gas resources, controlling migration — each of which involve conflicts with Canadian priorities on international peace and security, mutually beneficial relations with China, mitigating and adapting to climate change, and supporting migration of international students, professionals, and technologists to Canada. This also has the potential to encourage separatist activities in Alberta (and possibly Quebec) that seek to expand their influence through closer relations with the U.S.²⁷

The NSS includes assertions on the need to “partner with regional allies” to develop strategic resources. This entails potential intrusion into Canada’s strategic resources in rare earths and other critical minerals through “partnerships” that disregard Canada’s needs. U.S. investment in rare earth mining has already begun, and the NSS suggests the potential for a more aggressive insistence on U.S. control.²⁸

Trump’s rhetoric on making Canada the “51st state” further exemplifies an intent to challenge Canadian sovereignty. As with Trump’s assertions on U.S. control of Greenland, the “51st state” rhetoric should be taken seriously, as Trump has never backed away from this despite widespread criticism. As well, Trump, reportedly in response to views of a major donor invested in the potentially competing Ambassador Bridge, has threatened to block the opening of the new Gordie Howe Memorial Bridge between Ontario and Michigan unless Canada “treats the United States with the Fairness and Respect that we deserve.”²⁹ Trump closed a stretch of road between Alberta and Montana, claiming, with little if any evidence, that the “Border Road” enabled irregular migration and drug smuggling.³⁰

b. Canadian Responses

Canada should respond to U.S. political interference through principled pragmatism informed by integration of Canadian values and national interests. Some of this has already been done, while some remains to be pursued. In responding to US assertions around *hemispheric dominance*, while Canada cannot match the U.S. in terms of military power, we can still demur from U.S. claims by reference to Canadian values on the rule of law, human rights, and democracy and our national interests in state

27 <https://www.cbc.ca/player/play/video/9.7059156>; <https://www.nbcnews.com/politics/trump-administration/canadian-separatists-alberta-meetings-trump-officials-rcna258230>; <https://www.nbcnews.com/politics/trump-administration/canadian-separatists-alberta-meetings-trump-officials-rcna258230>

28 <https://www.canada.ca/en/natural-resources-canada/news/2024/05/government-of-canada-and-the-united-states-co-invest-to-strengthen-critical-mineral-value-chains.html>

<https://www.mining.com/us-bets-billions-on-unproven-rare-earth-players-report/>; <https://dbrs.morningstar.com/research/466604>

29 <https://www.bbc.com/news/articles/cpw052pkv-l0o>; <https://www.cbc.ca/news/canada/windsor/windsor-gordie-howe-bridge-ribbon-cutting-9.7278519>

30 <https://www.bbc.com/news/articles/cly7gl95n-npo>; <https://globalnews.ca/news/11751491/us-closing-border-road-alberta-montana/>

sovereignty (including sovereignty in the Arctic), essentially forcing the US to either accept our differences or forcibly compel our obedience — with all the political, economic, and reputational costs that would ensue. Canada can strengthen its resistance to U.S. hemispheric dominance by building independent political and socioeconomic relations with other hemispheric states and with potential supporters in the U.S. business community and affected U.S. states. Canada should also increase funding for local development in Canada's Arctic and expand our political and military presence there. These measures can usefully combine Canadian values around the rule of law, human rights, and democracy with national interests in sovereignty and security. Specific steps combining Canadian values and national interests should include:

- Increase aid and assistance to hemispheric states to serve as a counterweight to U.S. claims on hemispheric dominance. Canada can also strengthen ties with Latin American counterparts around co-operation assistance under the Anti-Crime Capacity Building Program (ACCBP) and the Counter-Terrorism Capacity Building Program (CTCBP).³¹
- Continue efforts to build support with the U.S. business community and affected locales (particularly border states and natural resource-dependent states) through mutual interest in setting aside political rhetoric in favour of mutually beneficial co-operative economic ties. Such efforts would include expanding Canadian financial support for cross-border businesses.

- Continue allocating major budget resources to support economic and social development in Canada's Arctic.

Principled pragmatism can also be pursued through the integration of Canadian values and national interests in response to U.S. encouragement of *provincial separatism* in Alberta and Quebec. Canada should refer to Canada's law and constitutional frameworks on relations between federal and provincial governments to resist provincial separatism while also consistently and visibly challenging U.S. support for separatist activities in Canada. As much of this involves public diplomacy, Canada should also encourage Canadian, American, and international media to continue their coverage of U.S. interference activities, not by dictating story lines, content or perspective but rather by encouraging media coverage that calls public attention to these issues. These efforts combine Canadian values in the rule of law, human rights, and democracy with national interests in sovereignty and security. Specific steps should include:

- Publicly challenge U.S. efforts to encourage provincial separatism.
- Encourage Canadian, American, and international media coverage of U.S. interference activities supporting provincial separatism.
- Support public academic and policy conferences explaining the damage separatism poses for Canada's national interests and values.
- Address the legitimate concerns of potential separatist provinces in areas of resource and energy development. Engage in confidential diplomacy with potential separatist provinces to determine their bottom-line concerns and ways to address them.

31 https://www.international.gc.ca/world-monde/issues_development-enjeux_developpement/peace_security-paix_securite/capacity_building-renforcement_capacites.aspx?lang=eng

Principled pragmatism can also integrate Canadian values and national interest in response to the NSS's assertions on the *development of strategic resources* in allied countries such as Canada. The NSS implies that such co-operation might not always be fully voluntary. Complementarity analysis supports the co-ordination of national interests in sovereignty (including permanent sovereignty over natural resources),³² security (including regulatory provisions that protect Canadians from the potentially harmful effects of rare-earth mining) and prosperity (including corporate governance and competition provisions supporting efficiency and productivity in business operations) with Canadian values around matters such as labour, environmental protection, and public health. Canada's regulatory processes for security review of foreign investments³³ allows for protecting national interests in sovereignty and economic prosperity. This also involves recognition of Canadian values around fairness (opposition to imposed foreign projects), inclusion (including the role of First Nations in resource development), and rule of law (Canadian law on foreign investment). By attending to both Canadian values and national interests, complementarity analysis supports policy responses to U.S. assertions about the development of Canada's strategic resources.

Canada's responses to Trump's *51st state rhetoric* should also combine interests and values in support of principled pragmatism. As a matter of political positioning, Canada should ensure consistent and visible rejection of "51st state" rhetoric by reference to our rights and interests in preserving state sovereignty under the UN

Charter (Article 2) and multiple other sources of international law.³⁴ Canada should note our values around freedom, equality, fairness, inclusion, and diversity as, more often than not, contrary to the public policies of the Trump administration. Canadian values underpinning our environmental and public health programs, and the specific differences between these and their U.S. counterparts, should also be cited in support of resistance to "51st state" rhetoric. All of these efforts should be matters of public statecraft, communicating to Canadians, Americans, and the world at large Canada's rejection of U.S. suggestions around annexing Canada. Rejection of "51st state" rhetoric can usefully be combined with public opposition to suggestions on the U.S. taking over Greenland. Specific steps combining Canadian values and national interests should include:

- Support public academic and policy conferences highlighting historical bases for Canada's independence from the U.S.
- Increase investment in Canadian public health programs to highlight their differences from counterpart systems in the U.S.
- Increase investment in Canadian environmental protection programs to highlight their differences from U.S. counterpart systems.
- Increase investment in Canadian Indigenous prosperity programs (including Truth and Reconciliation) to highlight their differences with U.S. counterpart systems.
- Support public discussion on the importance of Canadian programs on public health, environment, and Indigenous prosperity and their integral role in Canadian society and culture.

32 <https://www.ohchr.org/sites/default/files/Documents/ProfessionalInterest/resources.pdf>

33 <https://www.canada.ca/en/innovation-science-economic-development/news/2024/03/the-national-security-review-of-investments-modernization-act-receives-royal-assent.html>

34 <https://www.un.org/en/about-us/un-charter/chapter-1;>
<https://www.treaty-accord.gc.ca/text-texte.aspx?id=104068>

2. PREDATORY TRADE POLICIES

Aside from supporting U.S. interference in Canada, the NSS supports aggressive trade relations, “using tariffs and reciprocal trade agreements as powerful tools” for commercial diplomacy. During his second term in office, Trump has pursued aggressive tariff policies against Canada that seem unsupported by legal or factual evidence. Arguments over fentanyl imports from Canada have been widely rebuked,³⁵ while trade balance arguments seem to run counter to well established market principles in international trade.³⁶ U.S. trade policies under the Trump administration challenge Canadian interests in sovereignty, security, and prosperity, as well as values around fairness, equality, and the rule of law.

a. U.S. Behaviour.

The Trump administration has levied multiple tariffs on Canada. In February 2025, the U.S. imposed tariffs on a wide range of goods from Canada under the *International Emergency Economic Powers Act* (IEEPA). Goods and a range of other products that comply with the Canada–U.S.–Mexico Trade Agreement (CUSMA) were exempted. After the U.S. Supreme Court ruled the IEEPA tariffs invalid, a parallel set of tariffs was imposed in February 2026 under the balance-of-payments provisions of Section 122 of the U.S. Trade Act. The U.S. Court of International Trade ruled in May 2026 that these tariffs were also unlawful.³⁷ “Partially in response to Canada’s counter-tariffs (some of which were cancelled), the Trump administration imposed in

July 2026 new 50% tariffs on a wide range of Canadian goods for alleged ‘discrimination against and unreasonable and unequal treatment of U.S. commerce’.”³⁸ Sectoral tariffs have also been imposed under the national security provisions of Section 232 of the U.S. Trade Act on imports of such Canadian goods as steel and aluminum, copper, softwood, autos and parts, and furniture. While the reasoning for these tariffs has been inconsistent and not always relevant to the cited sections, they continue to impose limits on Canadian exports in part as leverage for forthcoming negotiations on the renewal of CUSMA, as well as to impose political pressure on Canada on issues such as military spending levels, drug policies, and general obedience to U.S. policy.³⁹ The suspension of negotiations between Canadian and US trade representatives in August 2026 led to further US measures in the form of additional tariffs and proposed import bans on Canadian products.⁴⁰ US trade behaviour challenges Canadian values around fairness and opportunity, while also challenging Canadian interests around prosperity.

35 <https://www.npr.org/2025/03/04/nx-s1-5317494/tariffs-fentanyl-canada-mexico-trump>

36 <https://economics.td.com/ca-canada-us-trade-balance>

37 <https://www.afslaw.com/perspectives/customs-import-compliance-blog/deja-vu-the-cit-court-strikes-down-another-round-trump>

38 <https://www.whitehouse.gov/fact-sheets/2026/07/fact-sheet-president-donald-j-trump-imposes-additional-tariffs-on-canada/>; <https://www.bbc.com/news/articles/cg4dzq3x3e1o>; <https://www.canada.ca/en/departement-finance/programmes/international-trade-finance-policy/canadas-response-us-tariffs/complete-list-us-products-subject-to-counter-tariffs.html>

39 <https://www.tradecommissioner.gc.ca/en/market-industry-info/search-country-region/country/canada-united-states-export/us-tariffs/answers-common-questions-tariffs.html>

40 <https://www.whitehouse.gov/fact-sheets/2026/07/fact-sheet-president-donald-j-trump-imposes-additional-tariffs-on-canada/>; <https://globalriskinstitute.org/publication/new-u-s-tariffs-on-canada/>. Canada has responded in part through counter-tariffs. <https://www.canada.ca/en/departement-finance/programmes/international-trade-finance-policy/canadas-response-us-tariffs/complete-list-us-products-subject-to-counter-tariffs.html>.

b. Canadian Responses

Canadian responses to U.S. tariff aggression should combine attention to Canadian values in economic opportunity with national interests in protecting economic prosperity. Canada should prioritize building trade and investment relations with economies in Europe, Latin America, Asia, and Africa. In Europe, Canada should intensify trade and investment relations with Europe under the Canada–European Union Comprehensive Economic and Trade Agreement (CETA) and the Canada–United Kingdom Trade Continuity Agreement (Canada–UK TCA). In Latin America, Canada should expand trade and investment ties under existing free trade agreements with Chile, Colombia, Costa Rica, Honduras, Panama, Peru, and Mexico.⁴¹ Canada should expand trade and investment ties with Mexico, Peru, and Chile under the Comprehensive and Progressive Agreement for TransPacific Partnership (CPTPP).⁴² In Asia, Canada should expand trade and investment ties through efforts to conclude a free trade agreement with ASEAN.⁴³ Canada can also work to expand trade with Asia through free trade agreements with India and China and also through the existing CPTPP.⁴⁴ Human rights concerns can usefully be included in these discussions (particularly those affecting trade, such as

forced labour)⁴⁵ as well as the protection of health and environmental rights.⁴⁶ Canada should also expand trade and investment relations with Africa through Canada’s Africa Strategy.⁴⁷

As U.S. tariff aggression is likely designed to support its negotiating position on the renewal of CUSMA, U.S. tariff behaviour should be used as evidence supporting the strengthening of CUSMA’s enforcement and dispute resolution provisions. In pursuing CUSMA renewal, Canada should urge that tariff levels for non-CUSMA goods be limited to the “bound rate” limits under the WTO.⁴⁸ In light of the overarching role of the WTO in setting the rules for international trade, Canada should urge that the imposition of tariffs be limited to responses to dumping and subsidies and as an emergency measure protecting against unforeseen surges in import levels, as provided in WTO agreements. Canada should also work with the U.S. and international policy communities to urge the removal of the U.S. block on appointments to the WTO Appellate Body that has effectively neutered the WTO dispute settlement process.⁴⁹

3. DISREGARD OF HUMAN RIGHTS

Disruptions of the traditionally close, co-operative relationship between the U.S. and Canada have also been evident in the U.S.’s disregard for human rights in im-

41 <https://www.international.gc.ca/world-monde/international-relations-relations-internationales/lat-in-america-amerique-latine/index.aspx?lang=eng>

42 <https://www.international.gc.ca/world-monde/international-relations-relations-internationales/lat-in-america-amerique-latine/index.aspx?lang=eng>

43 <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/ase-an-ase/fta-ale/negotiations-negociations.aspx?lang=eng>
<https://www.asiapacific.ca/publication/summary-report-canada-asean-co-operation-turning-point-event-2025>

44 <https://apfcccptppportal.ca/publication/international-trade-investment-report-im-pact-cptpp-trade-between-canada-and-asia>

45 <https://www.asiapacific.ca/publication/pitman-potter-integrating-values-and-interests-canada-china-relations>

46 <https://press.uchicago.edu/ucp/books/book/distributed/E/bo86431098.html>

47 <https://international.canada.ca/en/global-affairs/corporate/reports/africa-strategy-2025>

48 https://www.wto.org/english/trade/tariffs_e/tariffs_e.htm

49 <https://www.csis.org/programs/economics-program-and-scholl-chair-international-business/world-trade-organization>

migration enforcement policies and practices. Under the Global Compact for Safe, Orderly and Regular Migration, (2018)⁵⁰ “Refugees and migrants are entitled to the same universal human rights and fundamental freedoms, which must be respected, protected and fulfilled at all times.” (Preamble Para 4). The Global Compact “recognizes that respect for the rule of law, due process and access to justice are fundamental to all aspects of migration governance. (Section 15d). After initially supporting the Global Compact, the U.S. withdrew during Trump’s first term in office.⁵¹ Nonetheless, the U.S. has committed to honouring its standards through support for the Los Angeles Declaration on Migration and Protection, which confirms the parties’ (including the U.S. and Canada) commitment “to protecting the safety, dignity, human rights, and fundamental freedoms of all migrants, refugees, asylum seekers, and displaced and stateless persons regardless of their migratory status.”⁵² Yet U.S. policies and practices on immigration often fall short of these requirements, with important implications for Canadians travelling to or already present in the U.S. Canada’s responses should support Canadian values around the rule of law, fairness, inclusion, and diversity and national interests around sovereignty and protecting the security of Canadians at home and abroad.

a. U.S. Behaviour.

Unlike China and India, human rights standards in

the U.S. align generally with Canadian standards. The problem has been the U.S.’s disregard of these standards in pursuit of border security measures enforced by the U.S. agencies for Customs and Border Protection (CBP) and Immigration and Customs Enforcement (ICE). Numerous Canadians have been detained at the U.S.–Canada border and kept in detention for significant lengths of time with little, if any, legal recourse.⁵³ Canadian opposition and criticism of U.S. human rights violations over extra-judicial killings in Minneapolis, Minnesota, have been muted by threats of American political and trade retaliation.⁵⁴ Together with U.S. practices of political intrusion and trade aggression, human rights issues remain a feature of tensions U.S.–Canada relations.

b. Canadian Responses

Canada should consistently and visibly condemn detention and harassment of Canadians living or working in the U.S. by agencies such as ICE and CBP. Canada should express the importance of the lawful treatment of migrants, regardless of their nationality and the legality of their status, as a matter of commitment to international migration standards and human rights principles whose enforcement supports Canadian values around fairness and national interests around the rule of law. As both the U.S. and Canada are

50 <https://www.ohchr.org/en/migration/global-compact-safe-orderly-and-regular-migration-gcm>

51 <https://2021-2025.state.gov/global-compact-for-safe-orderly-and-regular-migration-gcm/>; <https://www.congress.gov/crs-product/IF11003>; <https://2021-2025.state.gov/other-policy-issues/international-migration/#:~:text=No%20single%20country%20can%20address,challenges%20in%20the%20Western%20Hemisphere>;

52 <https://www.pm.gc.ca/en/news/statements/2022/06/10/los-angeles-declaration-migration-and-protection>

53 <https://www.theguardian.com/us-news/2026/apr/10/ice-canadian-mother-daughter-texas>; <https://www.cbc.ca/news/canada/british-columbia/b-c-woman-detained-in-texas-detention-centre-for-2-weeks-9.7146589>; <https://edmontonjournal.com/news/canadians-united-states-ice-ex-pats-immigration>

54 <https://www.ctvnews.ca/politics/article/experts-say-canada-cant-avoid-engaging-with-us-as-trump-rattles-nato-with-insults/>; <https://www.hilltimes.com/2025/09/29/trumps-silencing-of-critics-a-warning-for-canada-say-prominent-canadians/474890/>

parties or express support for numerous international conventions on human rights and immigration, treaty-based enforcement processes should be invoked.

Challenges of foreign interference, abusive trade practices, and human rights abuses present significant challenges for Canada's relations with the U.S. Canada's responses should include public resistance, pursuing strength and autonomy through diversification, pursuing stronger relations with other countries such as China and India that can benefit Canada economically and in terms of global influence on matters of mutual concern such as climate change, public health, and global security. Canada should also preserve its values and national interests in dealing with the U.S. Perspectives on principled pragmatism informed by integration of national interests and Canadian values are useful in pursuing these aims. Table 1 below illustrates specific features of integrating Canadian values and national interests in response to U.S. action on interference, trade, and human rights.

B. RESPONDING TO CHALLENGES IN RELATIONS WITH THE PEOPLE'S REPUBLIC OF CHINA

In the wake of tariff aggression by the Trump administration, Canada has begun looking to alternative partners for expanding markets and strengthening supply chains. A major element of this initiative concerns China.⁵⁵ China is the second-largest economy in the world and wields considerable political influence globally. Rekindling Canada's relationship with China

can potentially further co-operation on global issues of mutual concern such as international governance, climate change, and trade reform.⁵⁶ China presents an opportunity to implement "principled pragmatism" in practice through the integration of Canadian values and national interests.

Carney's visit to China in early 2026 was an important step toward renewing collaborative ties after the disruption of the Meng Wanzhou/"Two Michaels" imbroglio.⁵⁷ The visit saw the creation of a "strategic partnership framework" (updating prior "strategic partnership" agreements⁵⁸), as well as completed Memoranda of Understanding reinforcing co-operation on energy, combating crime, cultural exchanges, wood products, and food safety and animal and plant health.⁵⁹ A follow-up visit by Canada's Minister of Finance, François-Philippe Champagne, extended the progress made during the Carney visit to discussions around financial and other services and will likely be followed by exchanges involving other affected ministries.⁶⁰

55 <https://www.asiapacific.ca/publication/pitman-potter-integrating-values-and-interests-canada-china-relations>

56 <https://peacediplomacy.org/2022/11/23/canada-china-in-an-age-of-great-power-rivalry-addressing-challenges-resetting-the-relationship/>

57 <https://www.asiapacific.ca/publication/canada-china-relations-principled-pragmatism-or-quiet>; <https://peacediplomacy.org/2026/01/12/carney-heads-to-china-changing-course-in-a-changing-world/>

58 https://ca.china-embassy.gov.cn/eng/zjwl/200509/t20050909_4664297.htm ; <https://www.cbc.ca/news/politics/harper-s-strategic-partner-china-yields-investment-deal-1.1137462>; <https://www.canada.ca/en/news/archive/2012/02/canada-china-strengthen-strategic-partnership.html>

59 <https://www.asiapacific.ca/publication/what-carneys-china-trip-really-signalled>; <https://www.pm.gc.ca/en/news/news-releases/2026/01/16/prime-minister-carney-forges-new-strategic-partnership-peoples>; <https://www.pm.gc.ca/en/news/statements/2026/01/16/canada-china-economic-and-trade-cooperation-roadmap>

60 <https://www.cbc.ca/news/world/canada-finance-minister-champagne-china-visit-trump-tariffs-trade-9.7149228>

Table 1: Integrating Values and Interests in Canada-U.S. Relations

U.S. Policies	Canadian National Interests	Canadian Values	Canadian Response to US Policies
U.S. NSS on hemispheric dominance	National sovereignty, including Arctic sovereignty	Rule of law, human rights, and democracy	•Assert Canadian sovereignty to depart from U.S. policy preferences in Western hemisphere on rule of law, human rights, and democracy. •Pursue independent political and socioeconomic relations with other hemispheric actors. •Increase funding and political/military presence in Canada's arctic.
U.S. NSS on encouraging supportive political actors, with implications for provincial separatism (Alberta, Quebec)	Protecting domestic security	Rule of law, human rights, and democracy	•Ensure consistent and visible reliance on Canadian law and constitution in managing relations between federal and provincial governments. •Express consistent and visible rejection of U.S. encouragement of separatist activities in Canada. •Encourage media coverage of U.S. interference activities.
U.S. NSS on partnering with regional allies to develop strategic resources	Sovereignty (including permanent sovereignty over natural resources); prosperity	Fairness, inclusion, rule of law	•Rely on National Security Review of Foreign Investments. •Publicize assertions of Canadian sovereignty (including sovereignty over natural resources). •Ensure consistent and visible recitation of Canadian environmental, public health, and Indigenous rights policies and standards.
51st state rhetoric	National sovereignty	Freedom and equality Fairness, inclusion, and diversity. Environmental and health protection	•Pursue consistent and visible rejection of 51st state rhetoric. •Publicize assertions of Canadian sovereignty (including in the Arctic). •Ensure consistent and visible recitation of Canadian environmental, public health, and Indigenous rights policies and standards.
Predatory trade practices	Protecting economic prosperity	Economic opportunity	•Build trade relations (supply chains and markets) with economies in Asia, Europe, S. America, Africa. •Preserve renewal of CUSMA benefits. •Work to strengthen WTO's role in managing international trade
Human rights in immigration enforcement	Protecting security of Canadians at home and abroad	Fairness, inclusion, and diversity	•Ensure consistent and visible rejection of U.S. ICE and CBP detention and harassment of Canadians living or working in the U.S.

Despite the justifications for building closer relations with China, Canada still faces challenges from the PRC regime in the areas of political interference, asymmetric trade relations, and human rights. Practices informed by principled pragmatism and the integration of Canadian values and national interests can support Canadian responses to these issues.

1. POLITICAL INTERFERENCE

The Canadian Security Intelligence Service (CSIS) has termed foreign interference one of the “greatest strategic national security threats facing Canada.”⁶¹ CSIS assessed China as “the foremost perpetrator of foreign influence activity targeting Canada.”⁶²

a. PRC Behaviour

Chinese political interference in Canada has involved efforts to influence elections and other democratic processes and institutions.⁶³ PRC political interference extended to harassment of federal MPs critical of China and disinformation efforts targeted at MPs and Canadian party leaders.⁶⁴ China’s interference in Canada includes efforts to

restrict unfavourable views among Chinese diaspora communities about political issues involving China.⁶⁵ Reliable reports have documented threats against the families of Chinese students and scholars expressing views at odds with official PRC discourse.⁶⁶ Groups such as the Chinese Students and Scholars Association (CSSA) associated with the PRC’s United Front Work Department (UFDW) reportedly intimidate students and faculty against taking positions contrary to PRC policy.⁶⁷

China’s interference in Canadian society is bolstered by the establishment of alleged PRC “police stations” reportedly engaged in surveillance and intimidation of members of the China diaspora living in Canada.⁶⁸ Despite PRC claims that these facilities are merely providing administrative and consular services,⁶⁹ they appear contrary to the terms of the China–Canada consular affairs treaty; the Vienna Convention on Consular Relations, and Canada’s Foreign Missions and International Organization Act.⁷⁰

Chinese officials have repeatedly intervened to

61 https://foreigninterferencecommission.ca/file-admin/foreign_interference_commission/Documents/Exhibits_and_Presentations/Overview_Institutional_Reports/CAN.DOC.000017.pdf

62 https://foreigninterferencecommission.ca/fileadmin/foreign_interference_commission/Documents/Exhibits_and_Presentations/Exhibits/CAN005811.pdf; <https://globalnews.ca/news/10266226/foreign-interference-networks-deeply-embedded-in-canadian-politics-csis-report-says/>

63 <https://www.asiapacific.ca/publication/summary-report-foreign-interference-open-societies-risks-limits-guardrails>; <https://www.cbc.ca/news/world/foreign-interference-china-elections-1.6773020>

64 <https://www.cbc.ca/news/politics/china-spamouflage-mps-1.7005066>; <https://www.cbc.ca/news/politics/wechat-disinformation-operation-chong-1.6931377>

65 <https://securingdemocracy.gmfus.org/incident/investigation-sheds-light-on-prc-targeting-of-dissidents-in-canada/>; <https://www.cbc.ca/news/canada/british-columbia/chinese-communities-intimidation-meeting-marco-mendicino-1.6809090>; <https://www.cbc.ca/news/politics/chinese-canadian-community-interference-committee-1.6774618>

66 <https://www.hrw.org/news/2019/03/04/why-some-chinese-immigrants-living-canada-live-silent-fear>

67 <https://s3.amazonaws.com/media.hudson.org/files/publications/JonasFINAL.pdf>

68 <https://www.cbc.ca/news/canada/british-columbia/chinese-police-station-folo-1.6691240>

69 <https://www.ourcommons.ca/Content/Committee/441/CACN/Reports/RP12720365/cacnrp04/cacnrp04-e.pdf>

70 <https://travel.gc.ca/assistance/emergency-info/consular/framework/china>; https://legal.un.org/ilc/texts/instruments/english/conventions/9_2_1963.pdf; <https://laws-lois.justice.gc.ca/eng/acts/f-29.4/page-1.html>

block invitations from Canadian institutions to critics of the PRC regime.⁷¹ Increasingly dependent on the financial benefits of links with China, Canadian post-secondary institutions struggle to maintain their reputations for integrity in the face of recurring demands to censor political expression critical of the PRC regime.⁷² Canadian charitable foundations face similar dilemmas in accepting donations from China.⁷³ PRC interference in Canada also includes China's long-standing cyber warfare against Canada.⁷⁴

b. Canadian Responses

Responses to PRC interference in Canada should attend to institutional responses to matters such as electoral interference, transnational repression of dissident voices in Chinese communities, PRC “police stations” in Canada, retaliation against institutions inviting speakers and programs opposed by the PRC regime, and cyber warfare. All of these involve integration of Canadian values around fairness, inclusion, democracy, and the rule of law with national interests on Canadian sovereignty and the security of Canadians. A key

element in this involves enforcement of the Countering Foreign Interference Act 2024, along with issue-specific measures depicted below.

Canada has already responded to PRC efforts to influence Canadian elections by beginning the implementation of recommendations from Special Rapporteur David Johnston's initial review of foreign interference and from Justice Marie-Josée Hogue's final report for the Foreign Interference Commission.⁷⁵ Canada should continue to do so. Other measures should include:

- Support and strengthen the capacity of the Security and Intelligence Threats to Elections Task Force (SITE TF) to curb election interference.⁷⁶
- Strengthening the capacity of government agencies, including CSIS, to detect, deter, and counter foreign interference in Canadian elections; strengthen how intelligence of PRC interference in Canada is communicated and processed from security agencies to government through, in part a protocol supported by the Privy Council Office;⁷⁷
- Implement Canada's Foreign Interference Strategy⁷⁸ along with public processes for reporting on PRC interference and developing

71 <https://www.cbc.ca/news/canada/calgary/u-of-c-of-fends-chinese-government-1.898139>

72 <https://www.cbc.ca/news/canada/ottawa/justin-trudeau-other-leaders-denounce-university-of-ottawa-chinese-ambassador-freedom-of-press-1.6668742>

73 <https://www.cbc.ca/news/politics/trudeau-foundation-resign-1.6806482>

74 <https://www.cyber.gc.ca/en/guidance/national-cyber-threat-assessment-2025-2026>; <https://www.cyber.gc.ca/en/guidance/cyber-threat-bulletin-peoples-republic-china-sponsored-cyber-activity-against-canadian-provincial-territorial-indigenous-and-municipal-governments>; https://foreigninterferencecommission.ca/fileadmin/foreign_interference_commission/Documents/Exhibits_and_Presentations/Overview_Institutional_Reports/CAN.DOC.000017.001.pdf

75 <https://www.canada.ca/en/democratic-institutions/services/reports/first-report-david-johnston-independent-special-rapporteur-foreign-interference.html#1>; https://foreigninterferencecommission.ca/fileadmin/report_volume_1.pdf

76 <https://www.canada.ca/en/democratic-institutions/services/protecting-democracy/security-task-force.html>

77 <https://www.canada.ca/en/democratic-institutions/services/reports/report-assessment-critical-election-incident-public-protocol.html>

78 https://foreigninterferencecommission.ca/fileadmin/foreign_interference_commission/Documents/Exhibits_and_Presentations/Exhibits/CAN026476.pdf

responses; strengthen the role of the Panel of Five (comprised of the Clerk of the Privy Council, the National Security and Intelligence Advisor to the Prime Minister, and the Deputy Ministers of Justice, Public Safety, and Foreign Affairs);⁷⁹

- Enforce foreign agent registration rules.
- Implement recommendations from the Canadian Centre for Cyber Security to insulate Canadian public institutions from PRC cyber threats.⁸⁰

Much of this work has already begun but needs to continue as PRC challenges to Canadian values and interests intensify.

Canada can resist PRC interference in Canadian society in a number of ways. Efforts by the PRC regime to restrict unfavourable views among the Chinese diaspora should be opposed through enforcement of legal measures to protect freedom of expression along with CSIS-led efforts to restrict activities in Canada by China's UFWD.⁸¹ Canada can act to restrict and, where possible, eliminate PRC "police stations" through enforcement of legal and treaty limits on consular behaviour.⁸² Efforts to block invitations to critics of the PRC regime

should be countered by public governmental support for invitations to distinguished speakers as important contributors to Canada's public discourse on China. Canada should put in place mechanisms to provide financial support for public institutions attempting to wean themselves from dependence on PRC financial contributions and build autonomy from PRC pressure. Canada's National Counter Foreign Interference Coordinator should be tasked with investigating and challenging PRC efforts to intimidate Canadian public institutions that build relationships with institutional and individual critics of the PRC.⁸³

2. ASYMMETRIC TRADE PRACTICES

China is an important trade partner for Canada.⁸⁴ Canada's bilateral merchandise trade with China in 2024 amounted to C\$118.7 billion. Merchandise exports of C\$29.9 billion to China accounted for 3.8 per cent of Canada's total merchandise exports in 2024. Canada's services trade with China is also growing, with our bilateral services trade reaching C\$12.0 billion in 2024 (an 11.2% increase over 2023). Yet China presents a range of challenges in trade relations with Canada, which can be addressed through principled pragmatism informed by integration of Canadian values with national interests.

79 https://foreigninterferencecommission.ca/fileadmin/foreign_interference_commission/Documents/Exhibits_and_Presentations/Exhibits/WIT0000058.pdf

80 <https://www.cyber.gc.ca/en/guidance/cyber-threat-bulletin-cyber-centre-urges-canadians-be-aware-and-protect-against-prc-cyber-threat-activity>

81 <https://www.canada.ca/en/security-intelligence-service/corporate/publications/hybrid-methods-in-the-grey-zone/beijings-political-warfare-canada-tracking-foot-prints-united-front-work-department.html>; <https://www.canada.ca/en/privy-council/news/2025/04/transnational-repression-operation0.html>

82 <https://www.publicsafety.gc.ca/cnt/trnsprnc/brfng-mtrls/prlmntry-bndrs/20240719/43-en.aspx>

83 <https://www.publicsafety.gc.ca/cnt/trnsprnc/brfng-mtrls/prlmntry-bndrs/20230929/09-en.aspx#>; https://foreigninterferencecommission.ca/fileadmin/foreign_interference_commission/Documents/Policy_Consultation_Documents/Summaries/3_KOLGA-Summary_Report.pdf; https://foreigninterferencecommission.ca/fileadmin/foreign_interference_commission/Documents/Exhibits_and_Presentations/Exhibits/CCC0000034.pdf

84 <https://www.international.gc.ca/country-pays/china-chine/relations.aspx?lang=eng>

a. PRC Behaviour

Perhaps the most salient element of China's trade practices regarding Canada involves tariffs which, much like the U.S., China wields for the purposes of political persuasion. China imposed tariffs on canola, pork, and other Canadian products over the course of the "Two Michaels" affair. In the context of Carney's visit to China in January 2026, PRC tariffs on canola seed were reduced from a combined level of approximately 85 per cent to a new reduced tariff of 15 per cent.⁸⁵ Other PRC anti-discrimination tariffs on Canadian canola meal, peas, lobster, and crab were suspended until the end of 2026. Pork tariffs of 25 per cent remained in place. Canada agreed to accept imports from China of 49,000 electric vehicles (EVs) at a most-favoured-nation tariff rate of 6.1 per cent (down from the 100% tariff rate imposed in 2024). Canada also extended the remission of surtaxes for certain Chinese steel and aluminum products that are in short supply and expanded the remission to include additional steel, aluminum, and steel derivative products. Despite these achievements, the vulnerability of Canada to the politicization of PRC tariff practice remains.

China has gradually removed barriers to foreign investment, although significant limits remain. China still resists foreign investment in sectors such as natural resource development (including rare earths), telecommunications, financial and

legal services, and health care.⁸⁶ These involve challenges to Canadian values around fairness (i.e. reciprocity), opportunity, and the rule of law, as well as national interest around economic prosperity, while also posing significant challenges for Canadian firms in these sectors. China's regulatory framework for export controls allows the PRC government to restrict exports for political reasons unrelated to national security, safety, environmental protection, temporary shortages or market conditions and constraints, as required by the WTO's international trade rules.⁸⁷

Protection of intellectual property rights (IPR) in China continues to be problematic.⁸⁸ While China has modernized many of its laws and regulations on the protection of IPR, many issues of concern remain, including counterfeiting and piracy (including online piracy); theft and abuse of trade secrets, inconsistent IPR enforcement, and requirements around compulsory transfer of technology.⁸⁹ IPR abuses include efforts to obtain

85 <https://www.pm.gc.ca/en/news/news-releases/2026/01/16/prime-minister-carney-forges-new-strategic-partnership-peoples>; <https://www.canada.ca/en/global-affairs/news/2026/03/canada-secures-renewed-market-access-with-china-to-boost-exports-and-strengthen-economic-collaboration.html>; <https://www.cbc.ca/news/politics/what-is-in-canada-s-trade-agreement-with-china-9.7049082>

86 <https://www.nortonrosefulbright.com/en/knowledge/publications/933e78b6/global-rules-on-foreign-direct-investment---prc>; <https://www.tradecommissioner.gc.ca/en/market-industry-info/search-country-region/country/canada-china-export/chinas-foreign-investment-law-what-canadian-companies-need-to-know.html>

87 https://www.wti.org/media/filer_public/df/b0/dfb060b0-d907-4577-a208-ed0babad67fe/chinas-use-of-export-restrictions-and-wto-law.pdf; <https://www.intereconomics.eu/contents/year/2013/number/4/article/chinas-growing-conflict-with-the-wto-the-case-of-export-restrictions-on-rare-earth-resources.html>; https://www.wto.org/english/press/publications_e/international_exp_regs_e.htm

88 https://www.asiapacific.ca/sites/default/files/file-field/ip_china_report_-_apr_30_final.pdf; <https://www.tradecommissioner.gc.ca/en/market-industry-info/search-country-region/country/canada-china-export/ip-protection-overview.html#>

89 <https://www.tradecommissioner.gc.ca/en/market-industry-info/search-country-region/country/canada-china-export/ip-protection-overview.html#>; <https://>

sensitive and proprietary information from Canada.⁹⁰ At a 2023 “Five Eyes” meeting of intelligence chiefs from Canada, the U.S., the U.K., Australia, and New Zealand, Britain’s MI5 reported on the “epic” scale of PRC espionage activities aimed at obtaining sensitive and proprietary information.⁹¹

b. Canadian Responses

Canada’s responses to PRC trade behaviour can integrate Canadian values on economic opportunity and the rule of law with national interests around economic prosperity and international law. An important dimension of Canada’s response should be to encourage media coverage of PRC trade behaviour. This will be important to build public and business community support for Canada’s responses to asymmetric PRC trade policies and practice. On tariff practice, Canada has already taken tariff-based action on many occasions against PRC dumping and subsidy activities.⁹² In response to PRC tariff pressure, Canada should also (much like its response to the U.S.) pursue alternative markets and supply chains. Such measures include strengthening free trade ties with the European Union, the U.K., and ASEAN. Canada should also intensify its role in the CPTPP.⁹³ Canada can also leverage its

political influence with the CPTPP to support China’s membership⁹⁴ in exchange for PRC commitments to confine tariff conduct to the processes of anti-dumping, anti-subsidies, and emergency measures permitted under the WTO. This would underscore the CPTPP admission requirement that applicants for accession demonstrate the means for compliance with existing CPTPP rules.⁹⁵ Continued reliance on WTO processes has been compromised, however, by the functional absence of the WTO dispute resolution appellate process, underscoring the opportunity for Canada to build co-operation with China on resolving this issue.

Canada should also require reciprocity in free trade and investment agreements as grounds for seeking expanded access to PRC markets by Canadian investors. While this will be challenging in light of long-standing PRC resistance to foreign investment in its natural resources and other sectors,⁹⁶ PRC interests in resource development investments in Canada can be leveraged to obtain reciprocal access for Canadian investors in resources in China.

On intellectual property protection, Canada should encourage PRC compliance with the WTO TRIPS agreement on IPR protection. The Canadian government should also work with trade groups like the Canada China Business Council to develop models for IP protection in trade and investment relations.

www.theglobeandmail.com/business/commentary/article-csis-intellectual-property-ip-security/

90 <https://www.canada.ca/en/security-intelligence-service/corporate/publications/csis-public-report-2022/mission-focussed.html#1.1.1>

91 <https://www.bbc.com/news/uk-67142161>

92 <https://www.cbsa-asfc.gc.ca/sima-lmsi/i-e/menu-eng.html>; <https://nationalpost.com/opinion/john-ivison-chinese-imports-are-already-causing-problems-for-canada-we-shouldnt-allow>

93 <https://apfccptppportal.ca/publication/international-trade-investment-report-im-pact-cptpp-trade-between-canada-and-asia>

94 <https://www.theglobeandmail.com/politics/article-canada-china-indo-pacific-trade-pact/>

95 https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/cptpp-ptpgp/accession_process-processus_adhesion.aspx?lang=eng. CPTPP’s market access requirements for members would also help Canada’s efforts to build closer trade and investment ties with China. Id.

96 <https://www.nortonrosefulbright.com/en/knowledge/publications/933e78b6/global-rules-on-foreign-direct-investment---prc>

These should include model terms for technology ownership and development that provide protection against forced technology transfers and requirements to permit local “improvements” on imported technology that in effect compel the transfer of Canadian technology to PRC entities. Canada should also support the use of offshore damage deposits as insurance against IP theft in China. PRC efforts to obtain sensitive and proprietary information should be checked through Canadian government support for stricter legal enforcement of intellectual property standards under Canadian law and international trade treaties such as the WTO TRIPS agreement.

3. HUMAN RIGHTS

China’s human rights behaviour has long been a source of tension with Canada.⁹⁷ Issues include PRC repression of gender rights, freedom of expression (including imprisonment of dissidents and regime critics, along with their legal defenders), freedom of religion, labour rights (including forced labour), and political repression in Hong Kong. These affect Canadians in their direct interaction with China, as well as their family members living in China and Hong Kong. China’s political interference in Canada affects the human rights of Canadians, particularly in freedom of expression and assembly. Canada’s interests on international law are challenged by China’s disregard of international treaty requirements. China is bound by treaties it has ratified, such as the International Covenant on Economic, Social and Cultural Rights (ICESCR) and must also refrain from conduct undermining the purposes of agreements such as the International Covenant on Civil and Political Rights (IC-

CPR) that the PRC has signed but not yet ratified.⁹⁸

Of particular note is the matter discussed below of China’s use of forced labour in Xinjiang and Tibet, which challenges Canadian values around human rights and the rule of law, and, when applied to effectively subsidize exports, challenges Canadian interests in prosperity.

a. PRC Behaviour

The PRC has been widely criticized for its denial of human rights in areas such as freedom of expression, freedom of religion, and freedom from ethnic discrimination and arbitrary detention, to mention but a few.⁹⁹ These issues come into sharp relief on the issue of forced labour associated with detention camps in Xinjiang and Tibet, which is of particular interest to Canada.¹⁰⁰

Forced labour in China is grounded in a long tradition of PRC policy and practice. The “education through labour” system was formally brought to a close in 2013 when the pertinent regulations were annulled.¹⁰¹ Yet forced labour continues to be used at detention camps in Xinjiang, imprisoning Uyghur people perceived by the PRC to be insufficiently loyal to the regime.¹⁰² Uyghurs are also reported as being transferred from Xinjiang

97 <https://www.hrw.org/news/2026/01/09/canada-confront-chinas-heightened-repression>; <https://www.international.gc.ca/world-monde/international-relations-relations-internationales/sanctions/china-chine.aspx?lang=eng>

98 https://legal.un.org/ilc/texts/instruments/english/conventions/1_1_1969.pdf, Article 18; Potter, *Exporting Virtue* (2021), <https://www.ubcpres.ca/exporting-virtue>, p. 38.

99 <https://www.hrw.org/world-report/2026/country-chapters/china>

100 <https://michaelkovrig.substack.com/p/canada-china-relations-principled>

101 <https://www.amnesty.org/en/latest/news/2013/12/china-s-re-education-through-labour-camps-replacing-one-system-repression-another/>

102 <https://www.journals.uchicago.edu/doi/10.1086/725494>; <https://www.cfr.org/articles/chinas-use-forced-labor-xinjiang-wake-call-heard-round-world>

to other regions of China.¹⁰³ These incidents have been reported in Tibet as well.¹⁰⁴ China claims that detainees are enrolled in training and education centres and are not subjected to “forced labour.”

Paradoxically, PRC ratification of the International Labour Organization’s (ILO) key treaties against forced labour in 2022 underscores its violations of international forced labour standards.¹⁰⁵ Article 2 of the Forced Labour Convention defines forced labour as including “... all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily” (Article 2.1).¹⁰⁶ Reliable reporting indicates that the people detained in Xinjiang and Tibet are forced to work under threat of beatings and other personal abuse, as well as threats of intimidation and detention of family members.¹⁰⁷ Detainees are clearly working under the menace of penalty and can hardly be considered as offering themselves voluntarily. The ILO’s indicators of forced labour include (a) restriction of movement, (b) physical and sexual violence, (c) intimidation and threats, (d) retention of identity documents, and (e) abusive working and living conditions,¹⁰⁸ all of which are evident to one degree or another in China’s detention

practices in Xinjiang and Tibet.

Parties to the ILO’s forced labour conventions are obliged to suppress and not make use of forced or compulsory labour:

- Forced Labour Convention, Article 1.1: “Each Member of the International Labour Organisation which ratifies this Convention undertakes to suppress the use of forced or compulsory labour in all its forms within the shortest possible period.”¹⁰⁹
- Convention on Abolition of Forced Labour, Article 1: “Each Member of the International Labour Organisation which ratifies this Convention undertakes to suppress and not to make use of any form of forced or compulsory labour--(a) as a means of political coercion or education or as a punishment for holding or expressing political views or views ideologically opposed to the established political, social or economic system; (b) as a method of mobilising and using labour for purposes of economic development; ... [and/or] (e) as a means of racial, social, national or religious discrimination.”¹¹⁰

Contrary to these provisions, the PRC government has used forced detention and labour in Xinjiang and Tibet as instruments of political coercion and (by its own admission) education, and as punishment for individuals holding political views resisting China’s policies.¹¹¹ In contravention of its treaty obligations, China has used these measures to further its own economic develop-

103 <https://jamestown.org/wp-content/uploads/2021/03/Coercive-Labor-and-Forced-Displacement-in-Xinjiangs-Cross-Regional-Labor-Transfers-A-Process-Oriented-Evaluation.pdf?x68095>

104 <https://jamestown.org/jamestown-early-warning-brief-xinjiangs-system-of-militarized-educational-training-comes-to-tibet/>

105 <https://www.ilo.org/resource/news/china-ratifies-two-ilo-fundamental-conventions-forced-labour>

106 https://normlex.ilo.org/dyn/nrmlx_en/f?p=NORMLEX-PUB:12100::NO:12100:P12100_ILO_CODE:C029:NO

107 <https://www.ohchr.org/sites/default/files/documents/countries/2022-08-31/22-08-31-final-assesment.pdf>

108 https://www.ilo.org/sites/default/files/wcms-sp5/groups/public/@ed_norm/@declaration/documents/publication/wcms_203832.pdf

109 https://normlex.ilo.org/dyn/nrmlx_en/f?p=NORMLEX-PUB:12100::NO:12100:P12100_ILO_CODE:C029:NO

110 https://normlex.ilo.org/dyn/nrmlx_en/f?p=NORMLEX-PUB:12100::NO:12100:P12100_ILO_CODE:C105:NO

111 <https://www.hrw.org/news/2017/09/10/china-free-xinjiang-political-education-detainees>

ment¹¹² and as a means of suppressing Uyghur and Tibetan identity and religious freedoms.¹¹³

b. Canadian Responses

Canada has a number of opportunities to respond to PRC human rights abuses around forced labour in Xinjiang and Tibet. Canada should continue to participate in the UN Human Rights Council's Universal Periodic Review (UPR) process. The UPR is possibly the most widely visible and accepted process for reviewing the human rights policies and practices of UN member states, including China.¹¹⁴ The UPR process affords Canada an invaluable opportunity to comment and make suggestions on China's human rights conduct — particularly with regard to human rights abuses in Xinjiang and Tibet.¹¹⁵

Through its own legislative processes, Canada has enacted prohibitions on the import of goods produced with forced labour.¹¹⁶ Canada amended its Customs Tariff Act in 2020 to include an "Integrity Declaration on Doing Business with Xinjiang Entities," by which companies doing business with Xinjiang entities would commit that they "have not knowingly sourced, directly or indirectly, products

or services from a supplier implicated in forced labour or other human rights violations connected to the repression of Uyghurs and other ethnic minorities in the XUAR."¹¹⁷ Canada's "Fighting Against Forced Labour and Child Labour in Supply Chains Act" (Bill S-211, 2023) requires entities engaged in production, sales, distribution, or import of goods to provide annual reports on the "steps taken to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity" (Art. 11.1).¹¹⁸ Bill S-211 applies to goods produced in the Xinjiang labour camps, some of which have already appeared in Canadian supply chains.¹¹⁹ These efforts should be extended to include forced labour by Tibetans and other minority nationalities in China. In June 2026, Canada enacted further provisions restricting forced labour imports following, perhaps not entirely coincidentally, announcement of U.S. tariffs against countries, including Canada, that Washington believes are not enforcing restrictions against forced labour imports.¹²⁰

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- 112 <https://bitterwinter.org/coronavirus-uyghurs-deported-as-slave-laborers-to-restart-economy/>
- 113 <https://www.cfr.org/backgrounders/china-xinjiang-uyghurs-muslims-repression-genocide-human-rights>
- 114 <https://www.ohchr.org/en/hr-bodies/upr/upr-home>
- 115 <https://international.canada.ca/en/global-affairs/corporate/transparency/briefing-documents/parliamentary-committee/2024-06-17-cacn>; https://www.international.gc.ca/world-monde/issues_developpement-enjeux_developpement/human_rights-droits_homme/upr-epu/china-chine.aspx?lang=eng
- 116 <https://www.international.gc.ca/global-affairs-affaires-mondiales/news-nouvelles/2021/2021-01-12-xinjiang-advisory-avis.aspx?lang=eng>

- 117 <https://www.international.gc.ca/global-affairs-affaires-mondiales/news-nouvelles/2021/2021-01-12-xinjiang-declaration.aspx?lang=eng&ga=2.124110794.1988354408.1689098258-1979834820.1683910775>
- 118 <https://www.parl.ca/documentviewer/en/44-1/bill/S-211/royal-assent> ; <https://www.canadaregulatoryreview.com/canadas-prohibitions-on-forced-and-child-labour-a-customs-perspective/#:~:text=The%20USMCA%20treaty%20obligation%20was,in%20part%20by%20forced%20labour>
- 119 https://core-ombuds.canada.ca/core_ombuds-ocre_ombuds/press-release_walmart-hugo-boss_diesel_communique.aspx?lang=eng
- 120 <https://www.canada.ca/en/global-affairs/news/2026/06/canada-introduces-legislation-to-strengthen-the-ban-on-importing-goods-produced-with-forced-labour0.html>; <https://www.bbc.com/news/articles/cq6pe7nvldmo>; <https://www.cbc.ca/news/world/trump-tariffs-forced-labour-9.7281548>

Canada's responses to forced labour imports from China exemplify the complementarity between Canadian values and national interests. Resisting China's disregard of its treaty obligations on forced labour supports Canadian values on the rule of law and our national interest in upholding international law. Prohibiting imports of goods produced with forced labour also supports Canada's national interests in free trade. Forced labour enforced by the mechanisms of state power allows the export of low-priced goods that compete unfairly in international markets. While the WTO's anti-subsidies code excludes the indirect effect of government-funded forced labour on export prices, the unfair competition that results contradicts the free trade principles of the WTO.¹²¹ This affects the competitiveness of Canadian products and producers. Among the many goods identified as being produced with forced labour in Xinjiang are goods that compete with Canadian products or Canadian imports from other economies, including agricultural products (e.g. tomato products and garlic), construction products, electronics assembly, extractives (e.g. coals, copper, hydrocarbons, oil, uranium, and zinc), food processing, footwear, gloves, printing products, renewable energy, sugar, textiles, and toys. Hence, in addition to expressing Canadian values around fairness, inclusion, and the rule of law, Canada's restrictions on forced labour exports from China express national interests in supporting international law and economic prosperity.



Challenges of foreign interference, asymmetric trade policies, and human rights should not deter Canada from pursuing closer ties with China. Not simply in re-

sponse to challenges from the U.S., but as a matter of pursuing strength and autonomy through diversification, stronger relations with China can benefit Canada economically and in terms of global influence on matters of mutual concern such as climate change, public health, and global security. Perspectives on principled pragmatism informed by integration of national interests and Canadian values are useful in pursuing these aims. Table 2 below illustrates specific features of integrating Canadian values and national interests in response to PRC actions on interference, trade, and human rights.

C. RESPONDING TO CHALLENGES IN RELATIONS WITH INDIA

While Canada has enjoyed reasonably stable relations with India, relations have been challenged in recent years over charges of complicity, even alleged direct involvement, by the government of India in the assassination on Canadian soil of Sikh activist Hardeep Singh Nijjar in June 2023.¹²² Canada has also shown concerns over the activities of the Bishnoi Gang in intimidating members of South Asian communities in Canada, which bear hallmarks of transnational repression.¹²³ Economic and trade issues are also of concern, particularly in barriers to trade and foreign investment.¹²⁴ Human rights issues in areas of minority rights and gender equality continue to cloud Canada–India relations.¹²⁵

¹²¹ https://www.wto.org/english/docs_e/legal_e/24-scm.pdf

¹²² <https://globalnews.ca/news/11514695/intercepted-communications-india-temple-assassination-canada/>.

¹²³ <https://www.canada.ca/en/public-safety-canada/news/2025/09/government-of-canada-lists-the-bishnoi-gang-as-a-terrorist-entity.html>

¹²⁴ <https://www.asiapacific.ca/publication/advancing-canada-india-trade-why-cepa-matters>

¹²⁵ https://www.international.gc.ca/world-monde/issues-development-enjeux_developpement/human_rights-droits_homme/upr-epu/india-inde.aspx?lang=eng

Table 2: Integrating Values and Interests in Canada-China Relations.

PRC Policies	Cdn National Interests	Cdn Values	Cdn Response to PRC Policies
Political interference in Cdn elections and decision making	Sovereignty	Rule of Law Democracy	• Implement recommendations of Foreign Interference Commission. • Enact foreign agent registry under Canada's FITAA. • Pursue full implementation of Foreign Influence Transparency and Accountability Regulations.<?> • Encourage media coverage of PRC interference activities.
Interference in society and civil institutions (incl. transnational repression)	Sovereignty Security	Rule of Law Fairness, inclusion diversity	• Encourage institutional co-operation agreements to include enforceable provisions on independence. • Provide credit support for institutions to pursue de-coupling from PRC funding arrangements. • Support individuals suffering from PRC transnational repression. • Encourage media coverage of PRC interference activities.
Trade asymmetry	Economic prosperity, international law	Economic opportunity, rule of law	• Promote reciprocity in free trade /investment agreement(s). • Strengthen anti-dumping and anti-subsidy measures. • Encourage media coverage of PRC trade behaviour.
Human rights (esp. forced labour)	Security, economic prosperity through treaty performance	Human rights. Economic opportunity	• Support UPR process on PRC human rights conditions. • Strengthen monitoring and enforcement under Cdn anti-forced labour imports regime. • Encourage media coverage of PRC human rights abuses on forced labour.

Recent progress in repairing Canada–India relations was achieved in part through Carney’s invitation to India Prime Minister Narendra Modi to attend the 2025 G7 meetings held in Kananaskis, Alberta.¹²⁶ Carney’s visit to India in 2026 saw a number of achievements, including progress toward a Comprehensive Economic Partnership Agreement (CEPA), a Strategic Energy Partnership, and a Canada–India Talent and Innovation Strategy.¹²⁷ Achievements of the Carney visit were fol-

lowed up by meetings between International Trade Minister Maninder Sidhu and India’s Minister of Commerce and Industry, Piyush Goyal. Nonetheless, Canada’s newly repaired relationship with India faces challenges in the areas of foreign interference, trade policy, and human rights. Practices informed by principled pragmatism and the integration of Canadian values and national interests can support Canadian responses to these efforts.

1. INTERFERENCE IN CANADA

India was identified by the Foreign Interference Commission as a major actor carrying out election and political interference activities in Canada.¹²⁸ These in-

126 <https://www.pm.gc.ca/en/news/readouts/2025/06/17/prime-minister-carney-meets-prime-minister-india-narendra-modi>; <https://www.asiapacific.ca/publication/modis-g7-invitation-marks-diplomatic-breakthrough-hurdles>; <https://www.theguardian.com/world/2025/jun/18/india-canada-ambassadors-mark-carney-narendra-modi>

127 <https://www.pm.gc.ca/en/news/news-releases/2026/03/02/prime-minister-carney-secures-am->

<bitious-new-partnership-india-focused>

128 <https://foreigninterferencecommission.ca/fileadmin/>

clude efforts to influence Canadian communities and politicians to align Canada's positions with the interests of India, particularly on questions surrounding Khalistan-related activism, extremism, and the broader policy debate it generates in Canada.

a. *India Behaviour*

The RCMP has asserted evidence that diplomats and consular officials of India have engaged in clandestine information collection activities targeted against the Khalistan movement.¹²⁹ RCMP concerns include:

1. Violent extremism impacting both Canada and India;
2. Linkages tying agents of the Government of India to homicides and violent acts;
3. The use of organized crime to create a perception of an unsafe environment targeting the South Asian community in Canada, and;
4. Interference into democratic processes.

Canada–India relations were brought to a near standstill due to Canada's concerns over the Indian government's possible role in the Nijjar assassination.¹³⁰ Four Indian nationals face charges in connection with the killing; ev-

idence has slowly emerged pointing to possible involvement by the Indian government.¹³¹ While the focus of both governments has leaned toward treating the matter as an issue of law enforcement co-operation,¹³² the political implications continue to resonate. Among the issues in contention is the distinction between India's application of anti-terrorism laws against Nijjar's alleged involvement with the Sikh nationalist movement, Khalistan Tiger Force (KTF), and Canada's legal and constitutional protections on freedom of expression and religion.¹³³ This issue complicates Canada–India relations because Ottawa and New Delhi tend to see it through different security and legal frameworks, and those differences are harder to manage in a transnational diaspora space where activism, extremism, and interference concerns often interact. The Bishnoi Gang presents a similar challenge. The gang is generally portrayed as a criminal organization generating revenue through extortion, drug trafficking, money laundering, and contract killing.¹³⁴ According to India's

foreign_interference_commission/Documents/Exhibits_and_Presentations/Exhibits/CAN.SUM.000007.pdf

129 <https://www.publicsafety.gc.ca/cnt/trnsprnc/brf-ng-mtrls/prlmntry-bndrs/20250226/08-en.aspx>

130 <https://www.cbc.ca/news/politics/hardeep-singh-nijjar-killing-arrests-made-faq-1.7193911>; <https://www.pbs.org/newshour/world/how-a-killing-at-a-sikh-temple-led-to-canada-and-india-expelling-each-others-diplomats>; <https://www.theglobeandmail.com/canada/article-hardeep-singh-nijjar-evidence-india-vancouver-consulate-killing-sikh/>; <https://www.pm.gc.ca/en/news/statements/2024/10/14/statement-prime-minister-ongoing-investigation-violent-criminal-activity-linked>; <https://www.theglobeandmail.com/politics/article-canada-modi-hardeep-singh-nijjar-killing/>

131 <https://www.cbc.ca/news/politics/hardeep-singh-nijjar-killing-arrests-made-faq-1.7193911>; <https://www.cbc.ca/news/politics/pannun-nijjar-murder-plot-9.6932049>; <https://www.ctvnews.ca/politics/article/rcmp-commissioner-calls-cooperation-with-india-over-nijjar-killing-good-focused-on-rebuilding-relationship/>; <https://www.theguardian.com/world/2023/sep/22/canada-evidence-indian-diplomats-sikh-activist-murder-hardeep-singh-najjar>; <https://www.justice.gov/usao-cdca/pr/international-crackdown-india-based-organized-crime-gangs-results-24-arrests-us-canada>; <https://www.cbc.ca/news/canada/british-columbia/bishnoi-hardball-gang-extortion-accused-9.7263381>

132 <https://www.ctvnews.ca/politics/article/rcmp-commissioner-calls-cooperation-with-india-over-nijjar-killing-good-focused-on-rebuilding-relationship/>

133 <https://icct.nl/publication/india-canada-rift-sikh-extremism-and-rise-transnational-repression#>; <https://spcommreports.ohchr.org/TMResultsBase/DownloadPublicCommunicationFile?gId=29509>; <https://www.iai.it/en/publications/c05/nijjar-case-litmus-test-future-india-west-relations>

134 <https://gazette.gc.ca/rp-pr/p2/2025/2025-10-08/html/sor-dors201-eng.html>; <https://www.bbc.com/news/articles/cj07vzm9n11o>

National Investigation Agency, incarcerated gang leader Lawrence Bishnoi continues to operate his “terror-syndicate from jails in different states” of India.¹³⁵ The Bishnoi Gang has also been accused of engaging in transnational repression against Sikh activists, possibly including the murder of Hardeep Singh Nijjar.¹³⁶ Canada has designated the Bishnoi Gang as a terrorist organization.¹³⁷

As with the Nijjar assassination, Canada and India seem to trying to defuse the situation with the Bishnoi Gang by treating it as a matter of law enforcement co-operation.¹³⁸

b. Canadian Responses

Canadian responses to foreign interference from India should follow generally the same pattern as with China, namely by attending to institutional responses. Canada’s **National Counter Foreign Interference Coordinator (NCFIC)** should be tasked with investigating and challenging Indian efforts to interfere in Canadian public institutions and processes.¹³⁹ Other measures include:

- Implementing recommendations from both Special Rapporteur David Johnston’s inquiry report and Justice Hogue’s report for the Foreign Interference Commission;¹⁴⁰
- Supporting and strengthening the capacity of the Security and Intelligence Threats to Elections Task Force (SITE TF) to curb election interference from India;¹⁴¹
- Strengthening the capacity of government agencies, including the Canadian Security Intelligence Service (CSIS), to detect, deter, and counter Indian interference in Canadian elections;
- Strengthening how intelligence of Indian interference in Canada is communicated and processed from security agencies to government, in part through a protocol supported by the Privy Council Office;¹⁴²
- Implementing Canada’s Foreign Interference Strategy¹⁴³ along with public processes for reporting on Indian interference and developing responses;
- Strengthen the role of the Panel of Five;¹⁴⁴ and

135 <https://www.ctvnews.ca/canada/article/what-is-the-bishnoi-gang-and-why-do-some-want-it-labelled-a-terrorist-group/>

136 <https://globalnews.ca/news/11609940/rcmp-report-bishnoi-gang-acting-on-behalf-of-indian-government/>.

137 <https://www.canada.ca/en/public-safety-canada/news/2025/09/government-of-canada-lists-the-bishnoi-gang-as-a-terrorist-entity.html>

138 <https://www.theglobeandmail.com/canada/article-hardeep-singh-nijjar-evidence-in-dia-vancouver-consulate-killing-sikh/>

139 <https://www.publicsafety.gc.ca/cnt/trnsprnc/brfng-mtrls/prlmntry-bndrs/20230929/09-en.aspx#>; https://foreigninterferencecommission.ca/fileadmin/foreign_interference_commission/Documents/Policy_Consultation_Documents/Summaries/3_KOLGA-Summary_Report.pdf; https://foreigninterferencecommission.ca/fileadmin/foreign_interference_commission/Documents/Exhibits_and_Presentations/Exhibits/CCC0000034.pdf

140 <https://www.canada.ca/en/democratic-institutions/services/reports/first-report-david-johnston-independent-special-rapporteur-foreign-interference.html#1>; https://foreigninterferencecommission.ca/fileadmin/report_volume_1.pdf

141 <https://www.canada.ca/en/democratic-institutions/services/protecting-democracy/security-task-force.html>

142 <https://www.canada.ca/en/democratic-institutions/services/reports/report-assessment-critical-election-incident-public-protocol.html>

143 https://foreigninterferencecommission.ca/fileadmin/foreign_interference_commission/Documents/Exhibits_and_Presentations/Exhibits/CAN026476.pdf

144 https://foreigninterferencecommission.ca/fileadmin/foreign_interference_commission/Documents/Exhibits_and_Presentations/Exhibits/WIT0000058.pdf

- Enforcing foreign agent registration rules.

Each of these efforts entails integration of Canadian values around democracy and the rule of law with Canadian interests in sovereignty and security. This supports goals of principled pragmatism, while also supporting resiliency in Canada's policies on foreign interference.

2. TRADE ASYMMETRY

India's protectionist trade policies have long presented challenges for Canadian businesses. While Canada-India trade in 2024 reached C\$30.9 billion, with top exports to India including vegetables, fuels, wood pulp, fertilizers, and paper,¹⁴⁵ tariff imbalances continue to impede Canadian business access to the India market. Despite Canadian tariff rates at or near zero per cent on imports from India, India imposes a range of tariffs on Canadian goods, including 125 per cent on automobiles: 31.9 per cent on edible vegetables, roots, and tubers; 15.2 per cent on iron and steel; nearly 10 per cent on mineral fuels, oils, and distillate derivatives; 8.38 per cent on aircraft and spacecraft, 8.05 per cent on machinery and mechanical appliances and parts; and 7.5 per cent on fertilizers.¹⁴⁶ Although falling somewhat short of a free trade agreement, recent progress toward the CEPA will help to resolve many of these issues.

a. India Behaviour

India also presents challenges for Canadian investors. India has liberalized its rules around foreign investment, focusing restrictions on investments from countries sharing land borders with India.¹⁴⁷ Nonetheless, regulatory approval processes, sector limits (such as retail), limits on mergers and acquisitions under India's Competition Act, and dispute resolution provisions not wholly consistent with international arbitration standards continue to present obstacles. Prohibited sectors include lottery and gambling businesses (including foreign technology collaboration), tobacco manufacturing, real estate, atomic energy, and railway operations.¹⁴⁸ As with trade, the CEPA agreement may potentially ease obstacles to Canadian investments in India.

b. Canadian Responses

Canadian responses to trade and investment challenges in India largely centre on the implementation of the proposed CEPA. Of particular importance will be eliminating (or at least lowering) tariffs on Canadian exports of agricultural products, forestry products such as wood pulp, machinery (including autos), and iron and steel. Such actions would express Canadian values around fairness and economic opportunity, while supporting Canadian interests in economic prosperity. Implementation of the Strategic Energy Partnership agreed to during the Carney

145 <https://www.facebook.com/CanadaTrade/posts/in-2-024-canada-india-trade-reached-309-billion-top-exports-to-india-included-veg/1134766202162736/>

146 https://oec.world/en/profile/bilateral-country/ind/partner/can?selector1969id=HS2&selector2825id=trade_i_baci_a_17; <https://www.asiapacific.ca/sites/default/files/publication-pdf/Canada-India-04.pdf>

147 <https://chambers.com/articles/investing-in-india-an-overview-of-legal-considerations-2025-checklist>; <https://www.whitecase.com/insight-our-thinking/foreign-direct-investment-reviews-2025-india>

148 <https://www.makeinindia.com/policy/foreign-direct-investment>

visit in 2026 will be important for Canadian energy exports, including LNG, LPG, uranium, solar, and hydrogen.¹⁴⁹ Promising first steps include uranium sales to India, co-operation on critical minerals, collaboration on clean energy, and engagement in LPG. On investment, Canada should continue to press for the conclusion of a Foreign Investment Promotion and Protection Agreement (FIPA),¹⁵⁰ particularly around issues of protecting foreign investments from expropriation and strengthening investor-state dispute settlement (ISDS) provisions limiting the capacity of local courts to intervene or delay dispute resolution involving Canadian investors (disagreement over which stalled earlier Canada–India FIPA negotiations).¹⁵¹

As with responses to foreign interference, integration of Canadian values and national interests can strengthen the application of principled pragmatism to trade relations with India. National interests around economic prosperity provide a foundation for trade negotiations with India over tariffs and market access while complementing Canadian values around economic opportunity and fairness that speak to the needs and expectations of Canadians.

3. HUMAN RIGHTS

Despite being the world’s largest democracy, under regressive populist Prime Minister Narendra Modi, India has presented a number of significant human rights chal-

lenges. Modi became prime minister in 2014 following the parliamentary election victory of his Hindu nationalist Bharatiya Janata Party (“BJP”) and was re-elected to a second term in 2019.¹⁵² Modi won re-election in the hotly contested 2024 parliamentary elections but failed to gain a majority, an indication of growing impatience over India’s economic difficulties and Modi’s Hindu nationalist policies.¹⁵³

a. India Behaviour

India under Modi has been portrayed as slipping toward Hindu nationalist autocracy.¹⁵⁴ India’s rule of law status for 2025 ranked 86th out of 143 countries and jurisdictions, lower than Vietnam and Indonesia and just ahead of Albania and Algeria.¹⁵⁵ Modi has been charged with using the COVID-19 crisis to push through legislation suppressing press freedoms and imposing unpopular farming and labour policies.¹⁵⁶ Human rights questions in India include a multitude of issues, including freedom of expression, press freedoms, and autonomy for civil society organizations; of particular importance to Canada are violations of women’s rights and violations of rights to religious freedom.

149 <https://www.pm.gc.ca/en/news/news-releases/2026/03/02/prime-minister-carney-secures-ambitious-new-partnership-india-focused>

150 <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/india-inde/fipa-apie/background-contexte.aspx?lang=eng>

151 <https://canadians.org/analysis/trudeau-wants-controversial-investor-state-provision-free-trade-agreements-india/>

152 <https://www.theguardian.com/world/2014/may/16/india-election-2014-results-live>; <https://www.cbc.ca/news/world/india-modi-election-bjp-1.5142961>

153 Simon Fraser and Robert Greenall, “India’s Modi Claims Victory as He Heads for Reduced Majority,” BBC News, June 4, 2024, <https://www.bbc.com/news/articles/c0v-v93pz14zo>; Soutik Biswas, “Why India’s Modi Failed to Win Outright Majority,” BBC News, June 4, 2024, <https://www.bbc.com/news/articles/c977g8gl5q2o>.

154 <https://foreignpolicy.com/2020/07/13/modi-india-hindutva-hindu-nationalism-autocracy/>.

155 <https://worldjusticeproject.org/rule-of-law-index/>

156 <https://thewire.in/government/farm-bills-labour-law-covid19-economy-narendra-mo-di>; <https://foreignpolicy.com/2020/07/06/coronavirus-pandemic-narendra-modi-india/>

Despite wide public acceptance of principles of gender equality for women, inequality remains.¹⁵⁷ Instances of rape, sexual assault and beatings have been attributed to ultranationalist ideologies. The BJP-led Indian government has been accused of complacency in the face of such abuses.¹⁵⁸ In response to the UN Human Rights Commission's 2022 Universal Periodic Review (UPR) report on human rights in India, Canada recommended further efforts to "Advance the rights of women and girls by improving the enforcement of laws regarding all forms of sexual violence, investigating all acts of sexual violence, providing training to law enforcement officials on effective interventions and expanding the definition of rape and sexual assault to include marital rape," suggesting inadequacy of the India government's efforts so far.¹⁵⁹

In addition to problems with gender equality, Modi's government's discrimination against Muslims suggests a violation of the right to religious freedom.¹⁶⁰ Unlike China, where repression of religious rights is aimed at all religious organizations and activities not approved by the PRC government, India under Modi has engaged in discrimination specifically against Muslims. This has been displayed most prominently in the Citizenship Amendment Act (CAA 2019) and the planned National Population Register (NPR).¹⁶¹ The Modi-led Indian govern-

ment justified the CAA's immigration provisions favouring non-Muslims as lawful efforts to protect the rights of non-Muslim minorities in neighbouring countries, while eliding their discriminatory impact in practice.¹⁶² Hindu nationalism and the exclusion of non-Hindus from India's political processes have led some scholars to suggest the emergence of "ethnic democracy."¹⁶³ The CAA modified the Indian Citizenship Law, which had barred illegal migrants from Indian citizenship, allowing exceptions for non-Muslims such as Hindus, Sikhs, Buddhists, Jains, Parsis, and Christians from Pakistan, Afghanistan, or Bangladesh.¹⁶⁴ India has intensified restrictions on migrants, deporting predominantly Muslim Rohingya refugees fleeing ethnic cleansing in neighbouring Myanmar.¹⁶⁵ Modi's government has overseen restrictions in some Indian states against interfaith marriages between Hindus and Muslims that go beyond those in India's 1954 Special Marriage Act.¹⁶⁶ Despite his protestations to the contrary,¹⁶⁷ Modi's opposition to integration of Muslims in Indian society speaks to resistance to diversity and inclusion.

157 <https://www.pewresearch.org/religion/2022/03/02/views-on-womens-place-in-society/>
 158 <https://www.bbc.com/news/world-asia-india-62830634>
 159 https://www.international.gc.ca/world-monde/issues-development-enjeux_developpement/human_rights-droits_homme/upr-epu/india-inde.aspx?lang=eng
 160 <https://www.hrw.org/news/2026/02/04/india-religious-minorities-critics-unlawfully-targeted>;
 161 <https://thedi diplomat.com/2020/02/indian-refugee-policy-from-strategic-ambiguity-to-exclusion/>; [https://www.hrw.org/report/2020/04/09/shoot-traitors/discrimination-against-muslims-under-indias-new-citizen-](https://www.hrw.org/report/2020/04/09/shoot-traitors/discrimination-against-muslims-under-indias-new-citizen-ship-policy)

[ship-policy. https://www.asiapacific.ca/asia-watch/indian-govt-scrumbles-contain-backlash-anti-islam-comments](https://www.asiapacific.ca/asia-watch/indian-govt-scrumbles-contain-backlash-anti-islam-comments)
 162 <https://www.nbcnews.com/think/opinion/india-s-new-anti-muslim-law-shows-broad-allure-right-ncna1112446>
 163 <https://press.princeton.edu/books/hard-cover/9780691206806/modis-india>
 164 <https://www.bbc.com/news/world-asia-india-50670393>
 165 <https://www.themantle.com/international-affairs/rohingya-find-no-refuge-prime-minister-modis-india? ga=2.47824999.1101505026.1623094104-2075761097.1623094104>
 166 <https://www.bbc.com/news/world-asia-india-57647931>;
<https://www.bbc.com/news/world-asia-india-56330206>
 167 <https://www.straitstimes.com/asia/south-asia/modi-reaches-out-to-muslims-speaking-of-unity-in-diversity>; <https://www.scmp.com/comment/insight-opinion/article/3012126/modis-re-election-shows-india-has-abandoned-diversity-and>



b. Canadian Responses

Despite the oft-repeated claim to the contrary, human rights have an important place in managing Canada's relations with India.¹⁶⁸ Canada's response to the UN Human Rights Commission's 2022 Universal Periodic Review (UPR) report on human rights in India included recommendations that India do more to "Protect freedom of religion by investigating all cases of religious violence and discrimination on religious grounds, including against Muslims, systematically and publicly condemning these cases and sensitizing the public re-

garding religious tolerance."¹⁶⁹

Canada should also articulate its national interest in the safety and security of its citizens, not only residents in Canada but those living in India as well. Canada should call out abuses of equality rights for women and religious freedoms for Muslims and other minorities that offend Canadian values around the rule of law, fairness and inclusion. Integrating such elements of national interests and Canadian values can insulate Canadian human rights positions on India from challenges as being either too pragmatic or too principled, lending resilience to Canadian policies.



Challenges of foreign interference, asymmetric trade policies, and human rights should not deter Canada from pursuing closer ties with India. Not simply in response to challenges from the U.S., but as a matter of pursuing strength and autonomy through diversification, stronger relations with India can benefit Canada economically and in terms of global influence on matters of mutual concern such as climate change, public health, and global security. Perspectives on principled pragmatism offer an important vehicle for pursuing these aims, while integration of national interests and Canadian values can lend operational clarity as Canada faces audiences in India and Canada over how to strengthen relations. Table 3 below illustrates specific features of integrating Canadian values and national interests in response to actions by India on interference, trade, and human rights.

168 [https://www.hrw.org/news/2024/10/28/canada-india-tensions-underscore-growing-threat#:~:text=These%20cases%20implicate%20authoritarian%20governments,communities%20they%20seek%20to%20protect.](https://www.hrw.org/news/2024/10/28/canada-india-tensions-underscore-growing-threat#:~:text=These%20cases%20implicate%20authoritarian%20governments,communities%20they%20seek%20to%20protect.;); <https://angusreid.org/india-canada-relations-ties-trade-carney-modi-anand/#:~:text=The%20state%20of%20the%20international,Survey%20Methodology>

169 https://www.international.gc.ca/world-monde/issues_developpement-enjeux_developpement/human_rights-droits_homme/upr-epu/india-inde.aspx?lang=eng

Table 3: Integrating Values and Interests in Canada-India Relations

India Policies	Cdn National Interests	Cdn Values	Cdn Response to India Policies
Political interference	Sovereignty	Rule of Law Democracy	• Implement recommendations of Foreign Interference Commission. • Enact foreign agent registry under Canada's FITAA. • Pursue full implementation of Foreign Influence Transparency and Accountability Regulations. • Encourage media coverage of India interference activities.
Interference in society and civil institutions (incl. transnational repression)	Sovereignty Security	Rule of Law Fairness, inclusion diversity	• Encourage institutional co-operation agreements to include enforceable provisions on independence. • Support individuals suffering from transnational repression. • Encourage media coverage of India interference/repression activities.
Trade asymmetry	Economic prosperity	Economic opportunity	• Promote reciprocity in free trade /investment relations. • Strengthen anti-dumping and anti-subsidy measures. • Encourage media coverage of India trade behaviour.
Human rights	Security of Canadians at home and abroad through treaty performance	Rule of law, democracy, Human rights	• Strengthen monitoring and enforcement of international treaty provisions on gender equality and religious freedoms. • Support UPR process on India human rights conditions. • Encourage media coverage of India human rights conditions.

IV. CONCLUSION

This paper offers an approach to operationalizing Carney's concept of principled pragmatism through the integration of Canadian values with national interests. Drawing from perspectives on complementarity, this paper suggests that Canadian values and national interests should be treated as interdependent and mutually reinforcing. Such an approach furthers Canadian objectives in diversifying its global economic and political relationships while providing policy resilience against challenges and critique. This can enable Canada to pursue trade and co-operation relationships with countries with which we often disagree, but with which we also might build common cause.

By way of example, the paper depicts behaviour by the U.S., China, and India in areas of foreign interference, trade, and human rights, and suggests ways for Canada to respond. While economic and political disagreements may well continue in these relationships, reliance on a complementarity approach integrating Canadian values and national interests can help us to respond effectively to such challenges while speaking to the expectations of Canadians at home. This framework approach can be extended beyond Canada's relations with the U.S., China and India and potentially serve as a template for a broader array of bilateral and multilateral international relationships.



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