

Canadian NATO  
Parliamentary Association



Association parlementaire  
canadienne de l'OTAN

**Report of the Canadian Parliamentary Delegation  
to the Visit of the Economics and Security Committee Sub-  
Committee on Transatlantic Economic Relations**

**Canadian NATO Parliamentary Association (NATO PA)**

**Ottawa, Canada**

**May 6-8, 2009**

# Report

The Canadian NATO Parliamentary Association has the honour to present its report on the Visit to Ottawa, Canada by the Sub-committee on Transatlantic Economic Relations, May 6-8, 2009.

## OVERVIEW

The meetings were opened by Mr. Leon Benoit, M.P., head of the Canadian NATO Parliamentary Association. Mr. Benoit welcomed delegates and proceeded to introduce the first presenter, Mr. Paul Rochon, Assistant Deputy Minister, Economic and Fiscal Policy Branch, Finance Canada. Mr. Rochon provided participants with a general overview of the international and Canadian financial situation. Mr. Rochon noted that the international situation was extremely fluid and that it was still in a serious state.

He argued that the U.S. housing market was at the center of the problem but that it seemed to be heading to better stability and that improvements should be seen by 2010. It would take some time to rebuild the market fully, especially in light of tightening credit restrictions. The U.S, he continued, was in the largest recession since the post World War II period and the recovery would take longer than that of previous recessions during the period.

Canada was significantly affected because of our close economic ties with the United States. However, Canada's financial system is in better shape, especially the banking sector. The problem for Canada is the drop in commodity prices which has led to a drop in investments and will also affect incomes. Mr. Rochon was generally positive about the action plan for dealing with the crisis. He noted that it was timely, targeted and had an effective accountability framework. Following Mr. Rochon's presentation there was an extended question and answer period.

Next delegates heard from Mr. Michael Martin, Chief Negotiator (Climate Change) Environment Canada. Mr. Martin updated delegates on the Copenhagen Climate Change Summit. At the core of the negotiations is the reduction of green house gases. The hope is to have a global agreement that works and that reductions of approximately 50% can be achieved by 2050. This, Mr. Martin noted is a significant challenge, especially in light of the fact that populations are increasing and that nations want to ensure good living standards. For developed countries, he noted, this means deep and industry wide reductions. According to Martin, Canada wants to be at least comparable to other industrialized countries, but there is a need to negotiate exactly what comparability means.

The other problem is that increasing emissions are coming from developing countries; it is a problem they too need to seriously address. This, it was suggested, is one area where international cooperation is particularly important. Mr. Martin also went on to discuss the advantages and disadvantages of carbon capture. He also noted that while China was genuinely worried about climate change recent economic growth meant increased demand for energy. The question of China, he felt, posed a real challenge for the international community. As well, Canada has had the largest growth in emissions

in transportation, especially trucking. Thus, what is needed is an integrated North American approach for dealing with this aspect of pollution.

Following Mr. Martin's presentation, delegates were briefed by members of the Canadian Polar Commission. Commission members told delegates that the major change in the north was with respect to summer ice, winter ice is still constant. However, there have also been increases in storm conditions in the western Arctic and a decrease of these conditions in the eastern Arctic. In the eastern Arctic it is, in fact, fog that is becoming an increasing problem. As well, it was pointed out that in the tundra region there is increasing evidence of species change and melting permafrost.

Members of the Commission told delegates that the pace of change in the Canadian Arctic is changing, making planning for economic development, sovereignty and security infrastructure, and community development more difficult. Ecological zone migrations are bringing exotic species to most regions of the low Arctic and are beginning to put pressure on some critical species – a fact that will ultimately affect the viability of communities. It was also pointed out that the perceptions of communities and elders are often different from those of scientists and environmentalists; the debate over the population of the polar bears being an example. Finally, it was noted that there are increasing pressures to consider nuclear power options for northern communities and facilities to reduce pollution and transport problems of conventional fuels.

Following the presentation there was a lengthy and wide ranging discussion.

Delegates were also briefed by representatives of the Canadian Bankers Association on the matter of Financial Institutions, and by representatives of the Canadian Association of Petroleum Producers.

Respectfully submitted,

Mr. Leon Benoit, M.P.  
Chair  
Canadian NATO Parliamentary Association (NATO PA)

## Travel Costs

<b>ASSOCIATION</b>	Canadian NATO Parliamentary Association (NATO PA)
<b>ACTIVITY</b>	Visit of the Economics and Security Committee Sub-Committee on Transatlantic Economic Relations
<b>DESTINATION</b>	Ottawa, Canada
<b>DATES</b>	May 6-8, 2009
<b>DELEGATION</b>	
SENATE	Senator Pierre Claude Nolin, Senator Jane Cordy and Senator Joseph Day
HOUSE OF COMMONS	Mr. Leon Benoit, M.P., Mrs. Cheryl Gallant, M.P., Mrs. Lois Brown, M.P. and Mr. Claude Bachand, M.P.
STAFF	Ms. Jodi Turner, Mr. Wolfgang Koerner, Mrs. Micheline Georges, Mrs. Danielle Gougeon and Ms. Catherine Mathieu
<b>TRANSPORTATION</b>	<b>\$1,175.00</b>
<b>ACCOMMODATION</b>	<b>\$0.00</b>
<b>HOSPITALITY</b>	<b>\$3,735.07</b>
<b>PER DIEMS</b>	<b>\$0.00</b>
<b>OFFICIAL GIFTS</b>	<b>\$688.00</b>
<b>MISCELLANEOUS / REGISTRATION FEES</b>	<b>\$179.42</b>
<b>TOTAL</b>	<b>\$5,777.49</b>