

Canada – United States
Inter-Parliamentary Group
Canadian Section



Groupe interparlementaire
Canada – États-Unis
Section canadienne

Report of the Canadian Parliamentary Delegation respecting its participation at the U.S. Congressional Meetings

Canada–United States Inter-Parliamentary Group

**Washington, D.C., United States of America
26-28 November 2018**

Report

DELEGATION MEMBERS AND STAFF

From 26–28 November 2018, the Honourable John McKay, P.C., M.P. and Mr. Brian Masse, M.P., Vice-Chairs of the Canadian Section of the Canada–United States Inter-Parliamentary Group (IPG), led a delegation to Washington, D.C. for meetings on Capitol Hill (see Appendix). The other members of the delegation were the Honourable Senators Jane Cordy, Jim Munson and Victor Oh, as well as Ms. Tracy Ramsey, M.P., and Mr. Anthony Rota, M.P. The delegation was accompanied by Ms. Miriam Burke, the Canadian Section’s Executive Secretary, and Ms. Tanya Dupuis, Advisor to the Canadian Section.

Prior to their meetings with U.S. Senators and members of the U.S. House of Representatives, the delegation met with officials from the Embassy of Canada to the United States. During their stay in Washington, members of the Canadian Section also had the opportunity to attend an event sponsored by the Canadian American Business Council as well as a panel discussion about the U.S. tariffs on aluminum imposed pursuant to section 232 of the Trade Expansion Act of 1962, and their implications for aluminum production and related jobs in the United States.

THE EVENT AND DELEGATION OBJECTIVES

Meetings on Capitol Hill enable members of the IPG’s Canadian Section to speak with U.S. federal legislators – particularly those who do not attend the IPG’s annual meeting or those who have recently been elected to Congress – and inform them about, and gain their support on, critical issues affecting Canada and the United States.

During their November 2018 meetings on Capitol Hill, Canadian parliamentarians focused primarily on trade, particularly the United States–Mexico–Canada Agreement (USMCA) as well as the tariffs that the United States are currently imposing on certain Canadian steel and aluminum products. As identified in the summary below, other topics were also discussed.

Since the Canadian Section’s meetings with U.S. federal legislators are designed to be private and not for attribution, the report below summarizes the general nature of the issues that were raised by Canadian and American legislators.

THE OBJECTIVES OF THE CANADA–UNITED STATES INTER-PARLIAMENTARY GROUP

Established almost six decades ago, the Canada–U.S. IPG has four key objectives: find points of convergence in respective national policies; initiate dialogue on points of divergence; encourage the exchange of information; and promote better understanding among Canadian and American legislators on shared issues of concern.

Members of the IPG’s Canadian Section pursue their goals primarily through meeting with their Congressional counterparts in Washington, D.C., or Ottawa, ON, and occasionally in other locations in Canada or the United States; as well, they liaise with U.S. governors and state legislators at national and regional conferences throughout the United States and, sometimes, in Canada.

ISSUES RAISED BY U.S. SENATORS AND MEMBERS OF THE U.S. HOUSE OF REPRESENTATIVES

General Comments About the United States–Mexico–Canada Agreement

- The Democratic Party has regained control of the House of Representatives as a result of the recent midterm elections, while the Republican Party has kept control of the Senate. The new breakdown of the U.S. Congress could play a role in the final approval of the USMCA.
- It is uncertain when the USMCA will be brought before the U.S. Congress for approval.
- The congressional timeline concerning the Trade Promotion Authority (TPA) will likely influence the approval of the USMCA.
- Some Democrats and Republicans have voiced concerns with respect to the USMCA.
- It is unclear what will ensue if the USMCA is not approved by the U.S. Congress.

Trade and Investment

- The section 232 tariffs imposed by the United States on certain Canadian steel and aluminum products for reasons of national security continue to be a matter of debate.
- Americans are unsure how the section 232 tariffs debate should be settled, but it is very unlikely that the Republican Party will vote against President Trump on this issue.
- Section 232 tariffs imposed on certain Canadian steel and aluminum products are increasing costs and are detrimental to the construction of new pipelines.
- Some are hopeful that the tariffs debate will be resolved without having to modify the text of the agreement.
- It is believed that side letters would be useful in settling the tariffs dispute.
- Some anticipate that the section 232 tariffs will be removed while others believe that there are indeed national security concerns and that the tariffs have been rightfully imposed by President Trump.
- Some Americans believe that the loss of protection for domestic steel and aluminum is a threat to national security; it is therefore in their national security interests to produce more of it domestically.
- Trade between the two countries must be fair and equitable.

- Some Americans have voiced their concerns that the trade war needs to stop.
- For some, cooperation between Canada and the United States in respect of trade security is too fragmentary.

Energy and the Environment

- Climate change is a global issue and it should be taken very seriously and studied.
- Carbon pricing needs careful consideration.

Defence and Security

- Canada and the United States are important allies.
- Canada and the United States have united for the greater good and done excellent work together on the war against terrorism.
- The Canada-U.S. relationship is very important to the United States and more work needs to be done to convey that message.

ISSUES RAISED BY THE CANADIAN SECTION OF THE CANADA–UNITED STATES INTER-PARLIAMENTARY GROUP

Trade and Investment

- Some members of the Canadian delegation indicated that it may be difficult to find support for the ratification of the USMCA until the section 232 tariffs are lifted.
- The section 232 tariffs are forcing more and more car manufacturers to turn to China for auto parts despite serious concerns with quality.
- Companies are trying to get around the rules of origin requirements.
- Canada has brought forward regulatory changes to hinder countries like China from diverting their steel and aluminum into foreign markets at unfair prices.
- The effect of the imposed section 232 tariffs is being felt by many Canadians.
- Given the recent announcement by General Motors in the United States to cut back employees and shut down certain auto plants, it is evident that the auto industry is feeling the effects of the section 232 tariffs.
- Canada and the United States must work together to ensure that both countries are successful in their efforts to be globally competitive and prosperous. This will benefit residents and businesses both in Canada and in the United States.

Energy and the Environment

- Canadians feel that more can be done between Canada and the United States in respect of climate change.
- The collaboration between Canada and Alaska to protect transboundary waters is very important and the dialogue between both jurisdictions needs to be maintained.

Defence and Security

- Canadians and Americans along the border are working together to protect the national security of both countries.
- There are many successful examples of Canada-U.S. joint border law enforcement initiatives.
- Canada hopes to engage the United States in discussions about security and defence cooperation including NORAD in the coming months.

Respectfully submitted,

Hon. Michael L. MacDonald,
Senator, Co-Chair
Canada–United States
Inter-Parliamentary Group

Hon. Wayne Easter, P.C., M.P.
Co-Chair
Canada–United States
Inter-Parliamentary Group

Travel Costs

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| ASSOCIATION | Canada-United States Inter-Parliamentary Group |
| ACTIVITY | U.S. Congressional Meetings |
| DESTINATION | Washington, D.C., United States |
| DATES | 26-28 November 2018 |
| DELEGATION | |
| SENATE | Hon. Jane Cordy, Senator Hon. Jim Munson, Senator |
| HOUSE OF COMMONS | Hon. John McKay, P.C., M.P. Mr. Brian Masse, M.P. Ms. Tracey Ramsey, M.P. Mr. Anthony Rota, M.P. |
| STAFF | Ms. Miriam Burke, Executive Secretary Ms. Tanya Dupuis, Advisor |
| TRANSPORTATION | \$ 11,729.26 |
| ACCOMMODATION | \$ 6,911.66 |
| HOSPITALITY | \$ 355.55 |
| PER DIEMS | \$ 3,586.50 |
| TOTAL | \$ 22,582.97 |