

Canada – United States
Inter-Parliamentary Group
Canadian Section



Groupe interparlementaire
Canada – États-Unis
Section canadienne

Report of the Canada–United States Inter-Parliamentary Group

National Conference of State Legislatures

Indianapolis, Indiana, United States of America

From August 13 to 16, 2023

Report

MEMBERS OF THE DELEGATION AND STAFF

From 13–16 August 2023, the Honourable Senator Michael L. MacDonald, Co-Chair of the Canadian Section of the Canada–United States Inter-Parliamentary Group (Canadian Section), led a delegation at the [Annual Legislative Summit of the National Conference of State Legislatures \(NCSL\)](#), which was held in Indianapolis, Indiana. The delegation included Members of Parliament Larry Brock, Brian Masse, David McGuinty, P.C., and Simon-Pierre Savard-Tremblay. The delegation was accompanied by Lyla Malow, the Association Secretary, and Sarah Lemelin-Bellerose, the advisor for the Canadian Section.

OVERVIEW OF THE NATIONAL CONFERENCE OF STATE LEGISLATURES

The NCSL, which was founded in 1975, is a bipartisan organization that serves legislators and legislative staff in the 50 U.S. states and U.S. territories and freely associated states. It provides research and technical assistance, in addition to serving as a venue for the exchange of ideas on state issues. It also advocates for state interests before the U.S. Congress and federal agencies. The NCSL is governed by a 63-member Executive Committee and has eight standing committees in which legislators participate: Budgets and Revenue; Communications, Financial Services and Interstate Commerce; Education; Health and Human Services; Labour and Economic Development; Law, Criminal Justice and Public Safety; Natural Resources and Infrastructure; and Redistricting and Elections.

The NCSL's Annual Legislative Summit is the most important of the various events the conference organizes every year. Typically, the Summit draws 5,000 participants, including state legislators, legislative staff, government officials, business representatives, educators, and other persons with an interest in public policy. In addition to delegations representing Canada and several Canadian provinces, representatives of multiple foreign governments participate in the Annual Legislative Summit, including legislators from Ireland and a number of African and European Union countries.

SUMMIT ACTIVITIES AND OBJECTIVES OF THE DELEGATION

At the 2023 Legislative Summit, the Canadian delegates heard presentations on a variety of topics of interest, including economic development, employment, energy, infrastructure, information technology and transportation. More specifically, delegates participated in discussions on managing an evolving workforce, rural connectivity, foreign takeover of farmland in the U.S., the creation of policies to prevent tax evasion and protect groups of at-risk individuals, such as seniors, and the implementation of policies to address the current housing crisis.

Discussions with various state legislators on a wide range of topics at the Annual Legislative Summit enable the members of the Canadian Section to find points of convergence in Canadian and U.S. policies, engage in dialogue on points of divergence, encourage exchanges of information and promote better understanding on shared issues

of concern. Meetings with these legislators are also an excellent opportunity for the members of the Canadian Section to share their thoughts on state-level issues that have an impact on Canada.

The Canadian Section not only participated in information sessions for U.S. legislators, but it also met with Colin Bird, the Consul General of Canada to the United States, in Detroit. The Consulate General of Canada to the United States, in Detroit, provides services to Canadians in four U.S. states: Indiana (except Jasper, Lake, LaPorte, Newton and Porter counties), Kentucky, Michigan and Ohio. The Canadian Section and Mr. Bird spoke about the important role that Canadian consulates play across the United States. The Consul said that, in addition to assisting Canadians living in and travelling to the United States, consulates also work to strengthen trade and economic ties, foster collaboration between both countries and showcase all that Canada has to offer. They also spoke about various opportunities for collaboration between the Canadian Section and Canadian consulates in the United States to support the development of strong ties between Canadian and American legislators on a variety of issues. The Canadian Section also had the opportunity to visit the Indiana State Capitol to learn about how political institutions in this state operate.

The following section summarizes the discussions that took place during certain sessions.

SESSION ON IMPLEMENTING NEW STRATEGIES FOR AN EVOLVING WORKFORCE

Doug Howard, Vice President, Maximus

- The U.S. has more job vacancies than job seekers, and this presents significant challenges for employers. The U.S. Chamber of Commerce reports that in 2023, there were 9.8 million unfilled jobs in the U.S., and 5.9 million unemployed workers.
- The lack of skilled workers is a challenge for employers. Pre-pandemic, upskilling was very important in workforce training, but reskilling is now just as important. It might be worthwhile for governments to adjust employment insurance systems in order to support job seekers as they upgrade their skills and reskill when necessary.
- Rapid technological change has intensified the need to constantly upskill employees. For example, governments are facing challenges because some software is familiar only to older generations of workers about to exit the job market, while modern tools are familiar only to younger generations. This highlights the critical importance of continuous learning throughout a career span.
- Increasing labour costs make medium- and long-term planning for business operations challenging. Costs have gone up for workforce planning and staffing, compensation and benefits, training costs associated with turnover and technological requirements.
- Employers are also facing challenges with changing workforce demographics. The demographics have changed in various ways, with an aging population and delayed retirement, globalization and international

talent mobility, and efforts to support gender equality and the place of women in leadership.

- Employers must now adapt to a variety of dynamics and cultures across different groups of workers. For example, Gen Y and Z no longer identify with the traditional workforce and are less attached to a specific job, and while these generations believe that pay is important, quality of life is increasingly important as well. The pandemic also accelerated the trend toward virtual work, which is in high demand among younger workers.
- The use of artificial intelligence (AI) will also increasingly impact the labour market. There are concerns that AI could result in job losses. While many jobs have been lost with advances in technology, other types of jobs have also been created, and this has not necessarily resulted in net job losses.
- It is important for legislators to engage with diverse industries in order to understand labour market trends and identify short- and long-term solutions to respond to them.

Jennifer Sherer, Director, State Worker Power Initiative, Economic Policy Institute

- The U.S. labour market is going through a positive period, with improvements in the quantity and quality of jobs. For example, over the last two years, the U.S. saw the largest number of jobs created since 1979. There are now 40 million more jobs in the U.S. labour market than there were pre-pandemic, the largest percentage increase since the Second World War. Twenty-four U.S. states have record-low unemployment rates. Low-wage workers experienced the strongest post-pandemic wage growth.
- Employment growth in the public sector has fallen behind the private sector. Virtually the entire private sector has experienced strong economic recovery. While the hospitality and food services industry saw the greatest job losses during the COVID-19 pandemic, the sector continues to create new jobs. In the public sector, the education sector is falling particularly behind, as the pandemic exacerbated existing challenges, including the shortage of workers.
- Teacher salaries make recruitment more difficult. Depending on the state, teachers make between 3.4% and 35.9% less than other comparable college-educated workers. States can bring in policies to address public sector recruitment challenges. For example, states have a lot of discretion in setting worker salaries. Thirty states have set minimum wage higher than the federal level in recent years.

DISCUSSIONS ON STATE SOLUTIONS TO THE BROADBAND INTERNET CONNECTIVITY CHALLENGE

Tamarah Holmes, Director, Office of Broadband, Virginia Department of Housing and Community Development

- In July 2023, the U.S. federal government announced funding to all states for broadband Internet deployment under the Bipartisan Infrastructure Law. Virginia received \$2.4 billion. The Virginia Office of Broadband believes that

the funding will be enough to close the digital divide in the state and deliver programs to improve broadband Internet affordability and accessibility. To achieve this, the State may be better served by channelling its allocation to community organizations, rather than directly to the private sector. Virginia is probably one of the few states that will have enough federal government funding under the Bipartisan Infrastructure Law to close the digital divide statewide.

- Virginia grants funding to infrastructure-focused projects to ensure that the entire state has access to broadband Internet. Projects that will receive funding are selected through a “technology agnostic” process. While fibre is the most scalable technology for rolling out broadband Internet, other technologies, such as fixed wireless access, are better suited to rural and remote areas. Once the digital divide has been closed, funding will be allocated to projects aimed at improving affordability and access to broadband Internet.
- Although states have embraced the broadband Internet deployment project under the Bipartisan Infrastructure Law, challenges persist. For example, red tape is hampering access to funding allocated to states. In addition, the time frame for the federal government to provide the funding to the states does not appear to have been determined.

Sally Doty, Director, Office of Broadband Expansion and Accessibility of Mississippi

- Mississippi will receive \$1.2 billion for broadband Internet deployment under the Bipartisan Infrastructure Law. An additional \$100 million may be needed to narrow the digital divide within the state.
- There are many government programs providing funding to close the digital divide; however, it is important for states to have accurate data on broadband Internet access, which includes pinpointing the actual level of service in various areas; identifying areas that have already received federal funding to deploy broadband Internet; and understanding the technologies available across the state. Data provided by Internet service providers to the Federal Communications Commission are not always accurate, and this has resulted in mistakes in allocating funding to certain areas. Mississippi is currently developing a map and compiling data to identify service levels across the state to help inform its decisions.
- It is important for the federal government to provide ongoing funding to enable states to maintain the infrastructure required for the long-term deployment of broadband Internet.

Joseph Le, Deputy Director of Broadband Development, Kansas Office of Broadband Development

- The U.S. government has allocated \$1 billion to Kansas under the Bipartisan Infrastructure Law. Kansas will require around \$300 million in additional funding to close the digital divide in the state.
- The Kansas Office of Broadband Development is working to identify connectivity needs in the state and close the digital divide. As part of this effort, it has conducted speed tests to understand the status of service.

Nearly half of the 7,099 tests carried out pinpointed underserved areas. These data may change as more tests are carried out. The Office has also contracted a firm to develop a network map and more accurately determine the status of service. It has also hosted a broadband Internet summit.

- Kansas will focus on grants to fund projects using fibre to deploy broadband Internet, as this is the most scalable technology. It may also grant funding to projects that support fixed wireless access technology in geographically distressed areas and terrains that constrain the deployment of fibre; however, there is still a preference for fibre.
- Outreach work will be required to bridge the digital divide in Kansas because many rural residents use their phones to access the Internet and therefore do not see the need to have Internet access at home. However, broadband Internet provides access to important applications for rural residents, such as precision agriculture.

DISCUSSION ON REGULATING ARTIFICIAL INTELLIGENCE

James Maroney, Senate Deputy Majority Leader, Connecticut General Assembly

- AI was first discussed at Dartmouth College in 1955.
- To alleviate the risk of bias in developing AI applications, it is important to include and consider all voices. The risks associated with training AI models on biased data can have knock-on effects and amplify existing biases.
- Even when technologies using AI become highly advanced, humans will still be needed to assist with their development. For example, although AI can be used to solve problems, human input is required to understand the problem an AI application is trying to solve.

Chloe Autio, Director, Technology Public Policy and Applied AI Governance, Cantellus Group

- The term AI conceals more than it reveals because it encompasses several sub-technologies. It is therefore critical to define exactly what we mean by “AI” when we use the term. AI should be seen as a complex system that integrates technology, data, processes and humans. Their interaction is what makes the system work.
- Companies, including those not involved in technology, need to think about AI governance. This means cataloguing uses, understanding the risks and identifying the technologies being used. For example, to assess the risks of using AI, consideration needs to be given to the context in which the technologies are used. For instance, using chatbots to answer client inquiries may be seen as low risk to businesses, but the risk is amplified if chatbots are used in applications to prevent and target crime.
- There need to be internal structures, such as AI ethics review boards, to support discussions on AI governance. These review boards should be made up of individuals with diverse backgrounds in order to develop new technology products that are more inclusive and accessible to more people. In addition, in order to identify bias in AI applications, we first need to identify

the decision makers, app vendors and app users, and determine what developers are bringing to the table.

- There is a need to improve digital literacy for AI apps. For instance, although some schools would like to ban ChatGPT, students will find ways of cheating, whether with ChatGPT or another application. Instead, parents, students, teachers and school staff should be educated on how to manage and use these types of applications.

Nicole Foster, Director of Global Artificial Intelligence and Machine Learning, Canada Public Policy, Amazon

- There is growing global consensus on the definition of AI. The Organisation for Economic Co-operation and Development (OECD) spent five years working on a definition. The definition used by the European Union is very similar.
- AI is already used in society in basic applications in our daily lives as well as in more advanced applications. For example, AI is used to cut out background noise or to change background settings during videoconferences. The World Wildlife Fund uses AI in its conservation work to track endangered species.
- Legislators of all backgrounds are currently focused on establishing regulations to govern the development and use of AI. Regulations already exist on the design of AI. Legislators must therefore start by identifying gaps in existing legislation. There is interest in the international community to develop global standards, and it is important to seize this opportunity.
- Legislators developing regulations to govern the development of AI must translate policy and ethical concepts into technical terms for engineers to ensure they understand what it is that people want to achieve with AI. For example, it is crucial to define the meaning of equity in AI systems and to identify the appropriate way to deploy AI applications.
- Diverse teams are needed to develop different AI applications in order to mitigate the inherent risk of bias. However, it is very difficult to guarantee that AI applications are equitable and bias-free, especially given the complexity of the underlying technology.
- To earn public trust, companies must be transparent with their clients. For example, they could inform clients which services or applications use AI or explain how they developed and trained their different systems that use AI.

Respectfully submitted,

Hon. Michael L. MacDonald,
Senator
Co-Chair

Hon. John McKay, P.C., M.P.,
Co-Chair

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Travel Costs

ASSOCIATION	Canada-United States Inter-Parliamentary Group
ACTIVITY	National Conference of State Legislature Annual Meeting (NCSL)
DESTINATION	Indianapolis, Indiana, United States of America
DATES	From August 14 to 16, 2023
DELEGATION	
SENATE	Hon. Michael L. MacDonald
HOUSE OF COMMONS	Hon. David McGuinty Mr. Larry Brock Mr. Brian Masse Mr. Simon-Pierre Savard-Tremblay
STAFF	Ms. Lyla Malow Ms. Sarah Lemelin-Bellerose
TRANSPORTATION	\$9,591.29
ACCOMMODATION	\$10,130.68
HOSPITALITY	\$0.00
PER DIEMS	\$4,218.24
OFFICIAL GIFTS	\$0.00
MISCELLANEOUS	\$12,245.45
TOTAL	\$36,186.66