

Canada - United States
Inter-Parliamentary Group
Canadian Section



Groupe interparlementaire
Canada - États-Unis
Section canadienne

**Report of the Canadian Parliamentary
Delegation
to the National Conference of State Legislatures - Strong
States, Strong Nation Legislative Summit:
2007 Annual Meeting**

**Canada-United States Inter-Parliamentary Group
Boston, Massachusetts, United States of America
August 5-9, 2007**

Report

From 5-9 August 2007, members of the Canada-United States Inter-Parliamentary Group attended the annual meeting of the National Conference of State Legislatures in Boston, Massachusetts. This report summarizes the main points made at the meeting's plenary and selected concurrent sessions.

WIRELESS BROADBAND: ANSWERING THE CALL

Steve Largent, CTIA – The Wireless Association

- the wireless industry, which is now 25 years old, is an American free market success story; wireless is revolutionizing how we live, work and play
- wireless is growing more quickly than cable and DSL (digital subscriber line) combined
- broadband connects people and provides economic opportunities
- consumers have a huge appetite for wireless and understand how it can improve their lives; they will increasingly turn to wireless for their broadband needs
- networks revolutionize commerce and facilitate global competitiveness
- the U.S. Congress has established a national, free-market, competitive framework for wireless
- wireless industry participants compete on the basis of price, network quality and reliability, products, etc.
- wireless industry prices have declined 85% since 1994
- competition and consumer choice are the best market regulators
- tax policy in respect of telecommunications needs to be modernized; in particular:
 - sales taxes should not be levied on investments
 - critical infrastructure investments that lead to growth should not be taxed
 - taxes that increase the price of services should be minimized, since consumers buy fewer services when prices are higher, which means that organizations have fewer revenues with which to make investments
- regulating the relationship between consumers and wireless providers can harm consumers, since the savings that would otherwise be passed along to them are eliminated

TELECOMMUNICATIONS IN THE 21ST CENTURY

Mike Hunsucker, Embarq

- rural areas need government financial participation for broadband deployment
- legislators should encourage and provide incentives for broadband deployment in rural areas, since the high cost and low density in these areas mean that deployment does not make economic sense
- some rural areas lack wireless and cable
- regarding universal access, current federal policy is not working and, in particular, rural areas are at risk
- the cost of providing service varies across communities

Dan Mullin, Verizon Wireless

- the wireless industry is dynamic and multi-faceted
- broadband and wireless are the future of the data services industry
- there are risks to delivering services to customers, including:
 - uncertainty associated with state-by-state regulation
 - taxes and fees
 - siting policies

Mike Bennett, AT&T

- there are many options available to consumers, and each has advantages and disadvantages
- options include:
 - pre-paid: no contract, no credit check, full price for the handset, high price per minute
 - no commitment: no contract, low rates, full price for the handset
 - contract: discount on the handset, lowest price per minute, early termination fee
- early termination fees provide an incentive not to terminate early; the fee is balanced by the low rate per minute and low handset price

Jamie Hastings, T-Mobile

- all service providers share the same goal of a satisfied wireless consumer, although they may differ in terms of how to achieve that common goal
- wireless has a 76% penetration rate nationally, which means that the pool of available new customers is dwindling and existing customers are more valuable
- dissatisfied customers vote with their feet
- with marketing and other costs, on average it costs \$340 to acquire a new customer
- number portability is important to customers
- since the industry is highly competitive and there are many incentives, customers benefit from the quality service resulting from a high level of competition

Scott Mackey, Kimbell, Sherman, Ellis

- customers are concerned about the number and level of taxes and fees on their wireless bill
- taxes and fees in the wireless industry should be set at the same level as other competitive businesses

Shane Muchmore, Sprint

- with “phenomenal” customer usage, there is a need to ensure that a matching level of infrastructure exists
- customers typically switch service providers because of dropped calls and poor call quality
- in some areas, service carriers are adopting a cooperative approach; for example, some are locating antennas on each other’s towers
- the industry needs certainty in permitting: time-certain and cost-certain

Rick Cimerman, National Cable & Telecommunications Association

- sustained and sustainable competition is beneficial
- the universal service fund system is broken

Coralette Hannon, AARP (formerly American Association of Retired Persons)

- competition can result in more consumer choice and well-being, but it is not the result in all cases
- according to the Better Business Bureau, the cell phone industry is the industry about which the third most complaints are received in the United States

- limited competition among cell phone service providers and the consolidation of carriers indicate a need for regulation

CHARTING NEW TRADE POLICY: THE “BIPARTISAN TRADE DEAL,” TPA AND THE STATES

John Magnus, Miller & Chevalier

- there is a big gap between the assumptions made by the U.S. Administration and the reality of the U.S. Congress
- trade issues of concern to states include:
 - government procurement – affected by bilateral and multi-lateral free trade agreements; there is a need for better analysis of state gains and losses via procurement commitments
 - investment – affected mainly by bilateral trade agreements; there are implications for state regulatory flexibility
 - regulation of the service sector – affected mainly by multi-lateral trade agreements; state sensitivities are better understood today
 - other state concerns – these include gambling, the environment and divestment

Doug Goudie, National Association of Manufacturers

- there are questions about right-to-work and right-to-strike laws
- debate on the issue of trade is changing in the United States
- regarding the Doha Round, the needs of developing countries must be addressed
- allegations regarding manufacturing job losses as a result of trade agreements are untrue; a manufacturing recession, rather than trade, led to job losses in the manufacturing sector
- with a recovery in the manufacturing sector, manufacturing job gains did not occur because of:
 - the influence of China
 - productivity enhancements
 - the lost of export markets
- since the North American Free Trade Agreement (NAFTA) was signed, all three partner countries have gained; trade agreements, like the NAFTA, lead to an increase in U.S. exports
- China is the primary source of “globalization anxiety”
- trade is not globalization, although globalization contains trade within it

Jeff Vogt, American Federation of Labor and Congress of Industrial Organizations (AFL-CIO)

- the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) supports consideration of labour standards in trade agreements
- the Organisation for Economic Co-operation and Development has concluded that greater productivity occurs when core labour standards are enforced
- it is important that trade agreements be enforced
- there are four free trade agreements “on the table”: Peru, Panama, Columbia and Korea

HIGHER EDUCATION’S NEW HOT DEGREE – PREPARING MATH AND SCIENCE PROFESSIONALS FOR HIGH-PAYING JOBS

Eleanor Babco, Council of Graduate Schools

- the Professional Science Master’s Degree (PSM) is a two-year, cross-disciplinary degree with skill-based courses that emphasize writing and communications skills and with an employer-based internship
- the PSM prepares graduates for work outside the academic environment and combines technical competence with workforce skills; the degree gives a broader range of employment options
- most new jobs being created in the science, technology, engineering and mathematics sector are non-academic

William Detrich, Northeastern University

- many students want training beyond a Bachelor of Arts or a Bachelor of Science, but do not want a doctorate; moreover, many do not want a Master of Science based on research
- many students and employers will pay for a Professional Science Master’s degree that adds value and practical experience, and that requires two years to complete

HEALTH DISPARITIES: WHY THEY MATTER AND WHAT STATES CAN DO

Linda Holmes, Office of Minority and Multicultural Health, New Jersey

- health disparities have existed for a very long time but, at present, there appears to be new momentum, energy and ideas
- a 2002 report indicated that racism is a contributor to health disparities in the United States
- good data are needed in order to measure progress
- there is a need to increase the prevalence of minorities in health professions; in this regard, a mentoring program might be useful

Michelle Proser, National Association of Community Health Centers

- although health insurance is an important facilitator, it is not the total answer
- culturally appropriate, regular care should be available
- the best way to minimize health disparities is to address social and economic problems in the community

Elena Rios, National Hispanic Medical Association

- there are at least three bills in the U.S. Congress that address the health of minorities
- Latino-Americans are the largest ethnic group in the United States and, by 2050, “people of colour” will comprise more than 50% of the American population
- Hispanics, those who are foreign-born and employees of small employers are often uninsured
- appropriate legislation is needed in states, since they are incubators
- there is a need to focus on “quality equality”
- there is a need to:
 - focus on prevention
 - use language and culturally appropriate communications
 - provide incentives for the adoption of a team approach and the use of health information technology

A.J. Jones, Office of U.S. Representative Clyburn, U.S. House of Representatives Majority Whip

- the federal conversation and state conversations must not “pass in the night”
- a distinction must be made between “problem people” and “people with a problem”
- a distinction must be made between “conscious stupidity” and “genuine ignorance”
- there is a need to make effective and efficient inroads into health disparities
- the issue of health disparity initiatives is no different than the issues of housing, education or tax cuts; federal moneys allocated to the elimination of health disparities or communities often occur through Congressional earmarks or other discretionary initiatives

- to date, there has been no meaningful discussion of the nature, scale or scope of the problem related to disparities
- if we talk about uniformity as we seek to end disparities, then we need to consider federalism
- health professionals should have disparity training

THE BIG SQUEEZE: THE CHALLENGES TO HIGHER EDUCATION

Governor Hunt, Former Governor of North Carolina

- although American higher education is still very good, it is no longer the best in the world
- in a survey, the United States was the last among 14 nations in raising the college-going rate, and there has been no increase since the early 1990s
- society should expect both high graduation rates and high-quality graduates
- in the last 25 years, no progress has been made in closing the college-going gap between low-income and average Americans
- 80% of new jobs in the United States will require a post-secondary education
- in the future, workers should be creative and innovative
- funding increases should be tied to demonstrable productivity and efficiency enhancements

Hank Brown, University of Colorado

- the barriers to higher education must be lowered/eliminated
- rewards should be related to outputs – learning – rather than to inputs – hours in class
- there are a number of reasons why educational outcomes are not better, including:
 - inadequate funding
 - an inefficient use of resources
 - a lack of measurement of outcomes
 - a focus on looking good rather than on real outcomes, so that the focus is on graduation rates rather than what students learn
- some post-secondary institutions have lowered their standards in order to have a higher graduation rate; these institutions mistakenly measure the number of graduates as an indicator of success
- there is a need to recognize and reward productivity and efficiency enhancements

Phyllis Eisen, National Association of Manufacturers

- manufacturers and the business community are concerned about the broad, deep and persistent skills gap, which is affecting competitiveness
- although the business community is “generally” “fairly” satisfied with post-secondary school graduates, “generally” and “fairly” are not good enough
- the business community is not seeing – but needs – workers who are flexible, agile and able to learn
- the business community should be involved in curricula development and certification requirements
- the quality of learning can be assessed by asking the business community how well or how poorly post-secondary graduates are doing in the workplace and whether employers are able to hire the skilled workers they need
- there is a global race for “talent” and the workforce can provide a competitive edge
- there is a deep tension in higher education in respect of its purpose: better citizens versus the future labour force
- too much funding is allocated to “traditional” students; there is a need to support distance and continuing education
- the business community lives and dies by productivity, but this mindset does not exist with post-secondary education

Patrick Callan, National Center for Public Policy and Higher Education

- both qualitative and quantitative issues must be addressed
- post-secondary affordability, access and completion rates are important issues
- problems cannot be solved one post-secondary institution at a time
- the type and quantity of graduates that will be needed for the future should be identified, and then decisions should be made about how this outcome should be financed
- policy makers should develop incentives for the behaviours they want and they should not provide funding if desired outcomes are not realized
- access to post-secondary education is a three-legged stool, and all three legs must be assured:
 - preparation for college
 - affordability
 - capacity

- learning, rather than time, should determine the speed with which students move through the post-secondary education system
- remediation should be given when it is needed
- within universities, “mission creep” – from teaching to teaching plus research to teaching plus research plus other things – should end

THE CREATIVE ECONOMY ADVANTAGE: CASHING IN ON CULTURE

Jay Dick, Americans for the Arts

- the arts help to promote economic development
- not-for-profit arts and culture is a growth industry
- the arts and culture industry provides at 7:1 return on government investments
- arts education should be viewed as a core competency

Jane Preston, New England Foundation for the Arts

- a relatively higher concentration of creative enterprises and creative workers in a geographic area yields a competitive economic advantage
- there are three key inter-related components to a creative economy:
 - a creative workforce
 - a creative community
 - a creature culture

FOOD VERSUS FUEL: MEETING THE GROWING DEMANDS ON AGRICULTURAL PRODUCTION

Richard Hemmingsen, University of Minnesota Initiative for Renewable Energy and the Environment

- there are “vexing” food and fuel challenges, and bioproduction and land use issues
- given concerns about energy security, climate change and gasoline prices, there is a growing sense of urgency regarding renewable fuels
- global food production has doubled in the last 35 years and it is expected to double again in the next 50 years
- water quality and quantity issues exist
- there is a need to develop a renewable energy system with economic, environmental and energy security benefits

Scott Riehl, Grocery Manufacturers Association/Food Products Association

- non-food-crop materials should be used in the production of renewable fuels in order to limit the negative impact on food prices
- declining corn exports have an impact on the developing world
- as corn rather than guave is planted in Mexico, there is an impact on tequila prices
- while ethanol may have a neutral impact in terms of greenhouse gas emissions, ethanol production has an impact on water; it takes 3-5 gallons of water to produce 1 gallon of ethanol, which is a particular problem for the West
- the fact that the supply of “healthy oils” is finite should be considered in the context of the debate over reducing trans fats
- research on cellulosic ethanol is unlikely to occur when there are ethanol subsidies and tariffs on foreign exported ethanol

Elizabeth Brown, National Renewable Energy Laboratory

- there are many different energy challenges ahead
- biomass production has a number of advantages:
 - it is carbon-neutral
 - it is hugely abundant
 - it has benefits for rural economies
- the distribution system for biofuels should be expanded

- cellulosic ethanol is unlikely to replace grain ethanol completely

Wallace Tyner, Purdue University

- a key question is whether federal policy can evolve beyond corn-based ethanol production
- important energy-related considerations are energy security and climate change; these two issues can be considered to be market failures
- a variable subsidy option for ethanol has been proposed whereby the value of the subsidy is linked to the price of crude oil; the subsidy is not paid when ethanol is otherwise profitable to produce
- credits could be given based on the energy content of a particular fuel and on the extent to which a particular fuel reduces greenhouse gas emissions
- there should be incentives in respect of cellulosic ethanol
- Europe is switching from subsidies, which are paid by governments, to alternative fuel standards, which are "paid" by consumers at the pump
- many options are available, and there will not be an automatic evolution toward cellulosic ethanol; movement toward cellulosic ethanol must be driven by policy changes

THE CHANGING FACE OF RURAL AMERICA

Anita Brown-Graham, Institute for Emerging Issues

- migration patterns should be leveraged in order to alleviate poverty
- "what is" must be understood in order to understand "what could be"
- the news is both good and bad for rural America; there have been both winners and losers
- the human capital deficit in rural America has implications for participation in the knowledge economy; rural residents must be prepared for jobs that require a K-14 or K-16 education
- in rural America, there is limited financial capital; community financing may be required in addition to financing from private financial institutions
- there is a need to connect people within communities, as well as between and among communities

Kenneth Johnson, Loyola University-Chicago

- definitional issues exist regarding the term “rural”
- natural increase – the difference between births and deaths – was the traditional method of growth in rural America in the last century; now, natural increase is declining in importance and domestic migration from urban to rural areas is increasingly important
- rural counties are relatively more likely to have natural decline, and some have had natural decline in each of the last 35 years; when a county loses a young adult, it also loses the child(ren) of that young adult
- while rural America is becoming more diverse, it remains less diverse than urban America
- the Hispanic population, which is relatively younger and has relatively more children, is growing relatively rapidly in both urban and rural America
- a comprehensive policy for rural America is needed; the policy should recognize the diversity and complexity of rural America, and should consider that:
 - there is more to rural America than farming
 - a larger proportion of the rural than the urban labour force is employed in manufacturing
 - economic development spending in rural communities is a fraction of what it is in urban communities
 - rural America has more limited access to health care and physicians
- the future of rural America and the future of urban America are deeply intertwined

PERSPECTIVE ON CRITICAL TIMES

Secretary Michael Chertoff, U.S. Department of Homeland Security

- federal, state and local levels of government share responsibility for protecting the homeland
- tough choices must be made and the selection must be made from among a number of imperfect options
- security, prosperity and freedom/liberty must be reconciled
- for terrorists, travel documents are like weapons
- secure identification is important for security purposes, but also in respect of the fight against identity theft and illegal immigration
- the requirements of the Western Hemisphere Travel Initiative are likely to be implemented some time in 2008; it is unreasonable to expect border

officials to detect forgeries in a myriad of documents and, consequently, there is a need to rationalize the system

- while convenient, low-cost documents are wanted by many, security must not be compromised
- with the REAL ID Act, the federal government is not mandating that drivers licences become a federal document or a federal responsibility
- people rely on drivers licences for a myriad of purposes beyond the right to drive; there is a need to ensure that the licence reflects the identification of the holder
- states are not required to implement the federal REAL ID Act; however, if a state does not meet federal requirements, then it should not expect drivers licences to be acceptable for federal purposes

Speaker Nancy Pelosi, U.S. House of Representatives

- much of the work that must be done requires cooperation between the U.S. Congress and state legislatures
- current Congressional priorities include:
 - protecting the American people – this priority requires a focus on fighting terrorism, the screening of all cargo, etc.
 - strengthening families – this priority require a focus on health, education, etc.
 - ensuring a strong economy – this priority requires a focus on global competitiveness, the quest for innovation, a focus on education in the areas of science, technology, engineering and mathematics, etc.
 - ensuring the reliability of infrastructure – this priority requires a focus on addressing infrastructure shortcomings, and in a fiscally sound manner
 - ensuring energy independence – this priority requires a focus on the role of farmers in fuelling America’s energy independence, the consequences of global warming, and resolution of the national security, environmental, health, economic and moral issues in respect of energy and its production
- the current generation has a responsibility to give more options to the next generation, thereby making their future brighter
- we should build a future that is worthy of the sacrifices of those in uniform and that is worth of the vision of the founding fathers

PATCHWORK POLICY: NEED FOR FEDERAL ACTION ON ENERGY

Jennifer DeCesaro, Clean Energy Group

- 23 states and the District of Columbia have passed renewable portfolio standards (RPS)
- the government principles that should be adopted if federal RPS were to exist include:
 - federal legislation should not pre-empt state legislation
 - renewable energy credits (RECs) should be issued on a one credit per one megawatt hour basis
 - federal RPS should build on existing state/regional REC tracking systems
 - implementation complexity should be minimized
 - voluntary green power purchases should occur in addition to federal RPS requirements

Lou Hayden, American Petroleum Institute

- the priorities of the oil and gas industry include:
 - efficiency
 - technology
 - diversity
- the oil and gas market is global
- there is a limit on the amount of corn that is available for ethanol; in the absence of a technological breakthrough, there will be an impact on corn prices

Rob Merrifield, M.P., Canadian House of Commons

- Canada is the largest, and the most secure, supplier of natural gas, electricity, uranium and oil to the United States:
 - 17% of its crude and refined oil imports (11% of U.S. consumption)
 - 85% of its natural gas imports (16% of U.S. consumption)
 - 96% of its electricity imports (about 1% of U.S. consumption)
 - 35% of its uranium imports for nuclear power (powering 7% of U.S. electricity supply)
- Canada has abundant conventional energy resources and is at the forefront of new energy technologies development, including fuel cells, bioenergy, pipelines and high-voltage transmission technologies

- through a joint commitment to open markets, Canada and the United States encourage investments in energy supplies, infrastructure and technologies, thereby strengthening energy security
- bilateral efforts exist to conduct vulnerability assessments of selected shared energy infrastructure, including pipelines, electricity transmission systems and dams
- Canada and the United States face similar energy challenges, and have common interests in working together in order to:
 - enhance the openness and efficiency of our integrated energy market
 - strengthen energy security
 - increase the competitiveness of North America in the global economy
 - address the environmental impacts of energy production and use, particularly air pollution and greenhouse gas emissions
- the North American Free Trade Agreement (NAFTA) sets out clear, transparent and predictable rules for energy trade, to the benefit of both Canada and the U.S.
- under the Security and Prosperity Partnership, signed by the NAFTA partners, actions are being taken to create a policy environment that will promote sustainable supply and use
- the bilateral energy trade relationship is a success story
- Canada is second to Saudi Arabia in proven oil reserves; Canada has 179 billion barrels of proven resources, 4.3 billion barrels of conventional oil and 174.5 billion barrels from the oil sands
- in 2006, Canada supplied the U.S. with 17% of U.S. oil imports, representing 11% of U.S. consumption; this amount is expected to grow at an annual rate of 19%
- Canada and the U.S. supply each other with nearly all of our electricity imports; Canada supplied the U.S. with about 96% of its electricity imports
- Canada is a major supplier of electricity to New England, New York, the Upper Midwest, the Pacific Northwest and California
- the interconnected Canada-U.S. power grids help to ensure an efficient, shared electricity system, resulting in load sharing and integration
- bilateral trade in electricity helps to ensure lower costs and a stable supply
- the Bilateral Energy Reliability Oversight Group has the task of establishing mandatory electricity reliability standards for North America

- Canada and the United States work together on such common electricity interests as improved reliability of the transmission system
- the 2003 East Coast blackout demonstrated the high degree of electricity interdependence of the grid
- Canada supplies the U.S. with about 85% of its natural gas imports, transported by the shared pipeline network
- Canada is the world's third largest natural gas producer after Russia and the U.S., and is the second largest natural gas exporter after Russia
- over the 1994-2004 period, Canadian natural gas exports to the U.S. increased by about 25%
- only 27% of Canada's potential for conventional natural gas, estimated to be more than 500 trillion cubic feet, has already been produced
- much of Canada's natural gas resource is located in the North and offshore
- Canada supplies the U.S. with about 27% of its uranium used in producing nuclear power, powering the equivalent of more than 5% of the total U.S. supply of electricity
- Canada is the world's leading producer of energy-grade uranium, representing about one-third of total global mine production
- without nuclear power, greenhouse gas emissions in our countries would be about 10% higher each year, and emissions of other air pollutants would also be higher
- Canada is investing in next-generation technology to ensure that nuclear energy remains a part of the future energy mix
- Canada and the U.S. participate in the multilateral Gen IV Nuclear Forum to develop the fourth generation of commercial nuclear technology
- both Canada and the U.S. participate in the G-8's Global Partnership Against the Spread of Weapons and Materials of Mass Destruction
- Canada produces medical isotopes for such purposes as diagnosing the severity of heart disease and assessing the spread of cancer, and Canadian-produced medical isotopes supply 65% of U.S. demand
- energy policy developments are actively under way at both the federal and state/provincial levels in the U.S. and Canada in a number of areas; currently, a few key areas of common interest are:
 - energy efficiency and vehicle fuel efficiency
 - alternative transportation fuels, especially biofuels

- carbon capture and storage (sequestration)
- the federal government in Canada currently has a voluntary motor vehicle fuel consumption program and a Memorandum of Understanding with vehicle manufacturers to reduce greenhouse gas emissions
- the federal government in Canada has committed to regulate the average fuel consumption of new motor vehicles sold in Canada beginning in 2011, and actions in the U.S. on fuel economy will be taken into account during the development of fuel consumption standards for Canada
- the federal government in Canada has recently announced new regulations and funding to achieve, at a minimum, 5% renewable content in gasoline sold in Canada by 2010 and 2% renewable content in diesel fuel and heating oil sold in Canada by 2012
- Canada would like to continue to collaborate with the U.S. in order to ensure that the benefits of our respective policies are realized and that the integrated North American fuel markets continue to work efficiently
- Canada has identified carbon capture and storage (CCS) as an important opportunity for advancing the deployment and large-scale demonstration of clean energy technology; Canada wants to collaborate further in respect of CCS
- in the future, Canada would like to meet common energy challenges together with the United States, and believes in the value of national and regional collaboration in order to strengthen North American energy security, economic competitiveness and environmental stewardship

Bill Brier, Edison Electric Institute

- an important question is: is “energy independence” a realistic goal?
- forceful action is needed in respect of both energy supply and energy demand
- Democrats tend to focus on energy demand while Republicans tend to focus on energy supply

HOW SECURE ARE WE?

State Senator Marc Pacheco, State of Massachusetts Senate

- many states feel that they are “on their own” with respect to security planning
- core homeland security capabilities include:
 - intelligence and information sharing
 - interoperable communications
 - hazardous materials response teams
 - personal protective equipment for first responders

- bio-surveillance
- vulnerability assessments
- training and exercises
- hospital surge planning
- back-up power and communications
- transportation security

Honourable Wayne Easter, P.C., M.P., Canadian House of Commons

- world events are constantly changing
- like the U.S., Canada has enhanced its security since the terrorist attacks of 11 September 2001, and actions continue – both domestically and with international partners and allies – in an effort to ensure that Canadians and Canadian institutions are safe and secure, both in Canada and abroad
- in Canada, there are a variety of federal departments and agencies that play a role in safeguarding the safety and security of Canadians and Canadian institutions:
 - the Canadian Security Intelligence Service, which is Canada’s national security establishment and implements a number of proactive and pre-emptive programs, with countering terrorist violence as a top priority
 - the Royal Canadian Mounted Police, with about 80% of its federal investigations having a connection that extends beyond Canada’s borders
 - Public Safety Canada, which provides national leadership in ensuring the viability and resilience of Canada’s critical infrastructure as well as national civil emergency preparedness
 - the Department of National Defence, which – among other activities – maintains a counter-terrorism unit
 - the Communications and Security Establishment, which deals with foreign intelligence and helps to ensure that federal government telecommunications are secure from interception, disruption, manipulation and sabotage
 - the Canada Border Services Agency, which administers and enforces regulations governing cross-border trade and travel, among other things
 - the National Security Advisor, which advises the Prime Minister on security matters and supports the Security, Public Health and Emergency Committee of the federal Cabinet
 - the Privy Council Office, which coordinates federal policies in respect of security and intelligence activities and promotes international intelligence relationships
 - the Department of Foreign Affairs and International Trade, which leads federal efforts in developing effective international responses to security issues
 - Citizenship and Immigration Canada, which helps to ensure that immigrants, refugees and visitors to Canada do not pose a risk

- Justice Canada, which serves on committees that guide and coordinate the activities of the security and intelligence community
 - Transport Canada, which sets and enforces security standards for air, land and water transportation systems
 - Infrastructure Canada, which – through the Border Infrastructure Fund – provides financing targeted to some of the busiest border crossing points on the Canada-U.S. border
 - the Financial Transactions and Reports Analysis Centre of Canada, which receives, analyzes, assesses and discloses financial intelligence on suspected money laundering, terrorist financing and threats to national security
 - the Canadian Air Transport Security Authority, which plays a role in securing Canada's air transportation system
- Canada works with the United States on Integrated Border Enforcement Teams (IBETs), which exist to enhance security at the Canada-U.S. border; there are 15 geographical IBET regions:
- Pacific
 - Okanagan
 - Rocky Mountain
 - Prairie
 - Red River
 - Superior
 - Sault Ste Marie
 - Detroit-Windsor
 - Niagara Frontier
 - Thousand Islands
 - St-Lawrence Valley
 - Valleyfield
 - Champlain
 - Eastern
 - Atlantic
- in essence, each IBET is a multi-agency, bilateral law enforcement team that emphasizes a cooperative, integrated Canada-U.S. approach; although other federal, state/provincial and local partners are also involved, the five core federal agencies are:
- the Royal Canadian Mounted Police (Canada)
 - the Canada Border Services Agency (Canada)
 - the Customs and Border Protection/Office of the Border Patrol (U.S.)
 - the U.S. Coast Guard (U.S.)
 - Immigration and Customs Enforcement (U.S.)

- the IBETs:
 - enable timely and accurate sharing of intelligence among Canadian and U.S. police and law enforcement agencies;
 - protect Canada and the United States from potential threats of terrorism;
 - impede the smuggling of drugs, humans, contraband cigarettes or other illegal substances

- as well, Standing Committees in both the Canadian Senate and the House of Commons periodically study topics related to safety and security

- there are also a variety of programs and initiatives designed to expedite the movement of legitimate trade and legitimate travellers across Canada's shared border with the United States, provided that the goal of security remains a priority; these programs and initiatives include:
 - Free and Secure Trade (FAST), which is designed to move pre-approved eligible goods across the border quickly and to verify trade compliance away from the border
 - NEXUS, which is designed to expedite the border clearance process for low-risk, pre-approved travellers into Canada and the United States
 - Partners in Protection, which is a Canadian program that involves private industry in efforts to enhance border security, combat organized crime and terrorism, increase awareness of customs compliance issues, and help detect and prevent contraband smuggling
 - Customs Self Assessment (CSA), which is a Canadian initiative based on the principles of risk management and partnership
 - Container Security Initiative, which is a cargo supply chain security system that is an extension of the Advance Commercial Information initiative
 - Advance Commercial Information, which is in place for marine and air, and will be implemented for highway and rail

- the expedited movement of "trusted" goods and individuals enables resources to be focussed on those goods and individuals of high or unknown risk

- following the terrorist attacks in September 2001, Canada and the United States concluded the 32-point Smart Border Declaration and Action Plan, which enhanced the historic cooperation between the countries in four areas:
 - the secure flow of people
 - the secure flow of goods
 - secure infrastructure
 - coordination and information sharing

- the elements contained in the Smart Border Action Plan have, in some sense, been subsumed into the trilateral Security and Prosperity Partnership (SPP) concluded among the North American Free Trade Agreement (NAFTA) partners
- the SPP represents an agreement among the NAFTA partners to work cooperatively in building a safer and more economically dynamic North America while respecting the sovereignty and unique heritage, culture and laws of each country; it also recognizes that security and prosperity go hand in hand
- the Security Agenda of the SPP has ten goals and, consequently, ten working groups:
 - traveller security
 - cargo security
 - border facilitation
 - aviation security
 - maritime security
 - law enforcement cooperation
 - intelligence cooperation
 - bio-protection
 - protection, preparedness and response
 - science and technology
- Canada has a long and distinguished history of assisting war-torn nations as they:
 - achieve stability and security;
 - rebuild their lives, communities and countries;
 - work for a better future for themselves and their families
- at present, Canada is working individually and together with United Nations and NATO allies in Bosnia, Rwanda, the Congo, Haiti and Afghanistan, among other countries
- under Canadian leadership, the G-8 countries built on the U.S. Cooperative Threat Reduction Initiative and launched the Global Partnership Against the Spread of Weapons and Materials of Mass Destruction; Canada's contribution to the partnership is roughly equal to the U.S. contribution on a Gross Domestic Product per capita basis
- Canada's April 2004 national security policy provided a strategic framework and action plan designed to ensure that Canada is prepared for, and can respond to, current and future threats; the three core national security interests are:
 - protect Canada and Canadians at home and abroad
 - ensure that Canada is not a base for threats to our allies
 - contribute to international security

- it must be recognized that security threats are changing and are becoming more sophisticated as the world evolves, presenting challenges for governments, law enforcement and security agencies, and all citizens
- everyone plays a role in security, and all must take responsibility in helping to realize a secure future
- there is a difference between feeling secure and being secure; many efforts increase the perception of security without really increasing security
- it is critically important that intelligence be shared; to be truly useful, intelligence must be timely, relevant and widely shared among domestic and international partners, while respecting the privacy rights of citizens
- security must be balanced with civil liberties
- Canadians reside in an interconnected global society; terrorism is a global threat that requires a united, consistent and comprehensive approach by nations that respect the rule of law, good governance and international law
- while we are probably more secure today than we were six years ago, and while there are a number of federal departments and agencies with some responsibility for safety and security, there is still much that can be done
- we need to focus on measures that will provide real – rather than simply perceived – enhancements to our security

Gerry Sklavounos, MNA, National Assembly of Quebec

- Quebec must ensure the collective security of its society; consequently, there is a focus on drug and human trafficking, pandemics, money laundering, etc.
- Quebec believes that it must contribute to economic security through its exports to the United States; 80% of Quebec's exports are destined for the United States and many states supply raw material inputs to Quebec
- Quebec believes in the need to safeguard the living environment of its citizens
- in May 2006, Quebec released its International Policy, which has five objectives and priorities:
 - strengthening Quebec's capacity for action and influence
 - fostering Quebec's growth and prosperity
 - contributing to the security of Quebec and the North American continent
 - promoting the identity and culture of Quebec
 - contributing to the cause of international solidarity
- Quebec has bilateral cooperation agreements with some New England states

- Quebec believes that it is possible to have security and prosperity simultaneously
- threats know no borders

Honorable Gisela Piltz, German Bundestag

- the terrorist attacks of 11 September 2001 dramatically changed the landscape for the United States and Europe, and threats continue to exist in both locations
- the civil liberties discussion in Germany is similar to the discussion that is occurring in the United States
- in Germany, it is not necessarily the case that new laws are needed; rather, in some cases there is a need for greater enforcement of existing laws
- there should be improved communication, cooperation and information-sharing among stakeholders

Honorable Volker Hoff, State of Hesse, Germany

- in Germany, policing is the responsibility of each state; the federal responsibility is external security as well as selected other obligations
- Germany has an effective security architecture
- threats continue to exist, and they are often directed against soft targets, such as trains, schools, airports, shopping centres, etc.

THE AMERICAN PRESIDENTS

Andrew Card, Former White House Chief of Staff

- in terms of the leadership characteristics that voters would like to see in their President, consider:
 - being tested by the people that he/she will serve
 - the courage to be lonely
 - the courage to make the tough decisions and to make them in the best interests of the country rather than for political reasons
 - the “job description” for the President comes from Article 2 of the Constitution
- in terms of the notion of seasoned judgment/experience, consider:
 - Reagan did not have the breadth of experience that people thought he should have had

- the President should be able to make the tough decisions at the right time without being rushed into them
 - a positive vision and leadership are important
- in terms of the focus on the debate about the upcoming election, consider:
- a key question is about who can define a vision for America
 - the Republicans are talking with a vision about America
 - people will become frustrated by “faux” Presidents while waiting for the convention
- in terms of the issues that the United States is facing, consider:
- securing America, which is the #1 issue
 - keeping the economy strong in a competitive world
 - addressing issues associated with such “embedded” costs as social security reform, medicare and medicaid, health care and pensions
- in terms of politics in America, consider:
- the United States will continue to be a red state/blue state country, but individual states may change colour
 - polarization and polarizing influences, such as talk radio

David Gergen, Harvard University

- in terms of the leadership characteristics that voters would like to see in their President, consider:
- an inner flame and a vision of what society should be like
 - a person of character, with courage and integrity
 - seasoned judgment
 - the capacity to build a consensus
- in terms of the notion of seasoned judgment/experience, consider that:
- experience, especially executive experience, matters
 - it is important to know what having/commanding an organization requires
 - Senators Clinton, Obama and Edwards lack executive experience
- in terms of the focus on the debate about the upcoming election, consider:
- at this point, the Republicans are firmer in their sense of the future than are the Democrats

- in terms of the issues that the United States is facing, consider:
 - security and stability in the Middle East
 - climate change
 - renewing the social contract in America in respect of health care, social security, medicare and education

- in terms of politics in America, consider:
 - the quality of leadership depends on the quality of followership
 - Democratic Presidential candidates are almost forbidden from talking about the tough choices that lie ahead and about the tough decisions that must be made
 - the states are laboratories of change
 - ideas matter, and Republicans have an advantage in terms of ideas; the Democrats need to work on their relative lack of ideas, and must be a party with ideas, that stands for something positive rather than a party that is anti-President Bush

WATER GAP: CONFLICT OR COLLABORATION?

State Senator Ann Rest, State of Minnesota Senate

- over the last two decades, there have been a number of requests to divert water from the Great Lakes watershed
- Minnesota has 7% of its land area within the Great Lakes Basin; 30% of the Canadian population is within the Great Lakes Basin
- the Great Lakes Charter is a non-binding agreement regarding water use and supply
- permits are required for withdrawals of water from the Great Lakes that exceed certain daily or yearly amounts
- there are annual water-use reporting requirements

George William Sherk, Colorado School of Mines

- there are intrastate and interstate conflicts over water
- the states that are east of the Mississippi River have moved away from the riparian doctrine
- in the Western states, in order to initiate water rights or to change existing rights, it must be shown that the action is in the “public interest,” however that term might be defined and by whom it might be interpreted

- texts no longer distinguish between riparian right states and prior appropriation states
- the Supreme Court has said that states have a duty to conserve and augment shared water
- if inadequate water supply exists, a mechanism is needed to determine which use gets priority
- what is currently interpreted as “drought” may, in fact, be the end of a wet period

Peter Sly, Colby College

- it is important to think about who your neighbours are and to recognize that they may be your worst enemies
- given the temporary nature of water agreements, it is important to mend fences
- it is important to respect tribal sovereignty

Respectfully submitted,

Hon. Jerahmiel Grafstein, Senator
Co-Chair, Canada-United States
Inter-Parliamentary Group

Rob Merrifield, M.P.,
Co-Chair, Canada-United States
Inter-Parliamentary Group

Travel Costs

ASSOCIATION	Canada-United States Inter-Parliamentary Group
ACTIVITY	National Conference of State Legislatures - Strong States Strong Nation Legislative Summit: 2007 Annual Meeting
DESTINATION	Boston, Massachusetts, United States of America
DATES	August 5-9, 2007
DELEGATION	
SENATE	Hon. Jim Munson, Senator
HOUSE OF COMMONS	Rob Merrifield, M.P., Co-Chair Hon. Wayne Easter, P.C., M.P. Pierre Paquette, M.P.
STAFF	Daniel Charbonneau Executive Secretary June Dewetering Analyst
TRANSPORTATION	\$5,676.02
ACCOMMODATION	\$7,953.82
HOSPITALITY	\$Ø
PER DIEMS	\$2,369.08
OFFICIAL GIFTS	\$Ø
MISCELLANEOUS/REGISTRATION FEES	\$2,837.10
TOTAL	\$18,836.02