

Canada - United States  
Inter-Parliamentary Group  
Canadian Section



Groupe interparlementaire  
Canada - États-Unis  
Section canadienne

**Report of the Canadian Parliamentary Delegation  
to the Pacific NorthWest Economic Region (PNWER)  
Economic Leadership Forum**

**Canada-United States Inter-Parliamentary Group**

**Whistler, British Columbia, Canada  
November 20-21, 2008**

# Report

From 20-21 November 2008, Senator William Moore and the Honourable Wayne Easter, P.C., M.P., Vice-Chairs of the Canadian Section of the Canada-United States Inter-Parliamentary Group (IPG), attended the Economic Leadership Forum of the Pacific NorthWest Economic Region (PNWER) in Whistler, British Columbia.

The IPG has a long association with PNWER, and typically attends PNWER's fall and summer meetings. PNWER is a statutory, bilateral, regional private-public sector group which includes Alaska, Idaho, Montana, Washington, Oregon, British Columbia, Alberta, Saskatchewan and the Yukon Territory. The aims of the organization are to: promote greater regional collaboration; enhance the competitiveness of the region in domestic and international markets; leverage regional influence in Ottawa, Ontario and Washington, D.C.; and achieve continued economic growth while maintaining the region's natural environment.

Canada and the five Pacific Northwest states included in the PNWER share a mutually beneficial relationship. According to recent figures, almost 319,000 jobs in those states rely on Canada-US trade. Bilateral trade between Canada and these Pacific Northwest states was recently valued at just under \$35 billion: nearly \$10.9 billion was exported from the 5 states to Canada, while they imported just over \$24 billion. Visits between us are also frequent. Recent data suggest that Canadians made nearly 3.3 million visits to these 5 states and spent about \$809 million, while residents of these states made more than 1.8 million visits to Canada and spent approximately \$664 million.

Given PNWER's focus, attendance at the meetings provides IPG members with an important opportunity to gain insight into problems being experienced by states/provinces and businesses, in respect of bilateral issues; as well as about efforts and actions by governments at all levels in both countries to address problems. Attendance at PNWER meetings also provides IPG members with an opportunity to inform others about the range of actions taken by the IPG in respect of shared bilateral goals as well as differences. Consequently, the IPG intends to continue its participation at the fall and summer meetings of PNWER.

At the meeting, the following presentations were made in plenary and concurrent sessions:

- Worldwide Public Safety and National Security
- Border Performance Metrics
- Risk-Based Strategies at the Canada-US Border
- Border Solution Strategies
- 2010 Olympics
- Workforce Mobility

- Environmental Issues in British Columbia
- Environment and Energy
- Ocean Energy
- Business Development
- Energy Horizon.

The comments made by presenters at the plenary and selected concurrent sessions are summarized below.

### **Worldwide Public Safety and National Security**

**Tim Bloechl**, Microsoft Corporation

- the world is a dangerous place
- economic challenges have an impact on the level of danger; when things go wrong, violence rises
- when you have "information," you apply information technology to give rise to "knowledge"
- it is important to ascertain the accuracy of information
- security must be built into systems and other networks
- Microsoft's Citizen Safety Architecture has a variety of elements, including:
  - child protection using a Child Exploitation Tracking System (CETS)
  - single-view platform, which will provide a view of border control points in order to ensure current situational awareness
- the number, and economic impact, of disasters are increasing and it is important to determine what lessons can be learned from addressing each subsequent disaster

### **Border Performance Metrics**

**Don Alper**, Western Washington University

- in considering the ways in which the border can be assessed, it is important to think about both hard metrics, such as processing and wait times, and soft metrics, such as cooperation
- in determining queue length, a three-legged stool is an appropriate perspective:
  - traffic load – not a great deal can be done about traffic load, although it can be altered to some extent in order to bring about a better match with infrastructure

- number of open booths – the number can be affected, for example, through increasing the number of personnel
- number of seconds per car – this factor is perhaps the one that, of the three, is the most easily controlled
- vehicle flows are affected by a number of factors, including economic conditions and currency exchange rates
- the ratio of booths to traffic flow varies across border crossings
- ensuring the existence of a greater number of NEXUS lanes would result in faster processing times
- the rate at which radio-frequency-enabled documents are used is important and should be increased
- the proportion of vehicles waiting a specified number of minutes during peak times is a more meaningful piece of information than is the average wait time, which would include off-peak periods

**Dave Davidson**, Western Washington University

- there are a variety of solutions that could be considered in respect of the three legs of the "queue-length" stool:
  - traffic load – a "stay off the road" campaign could affect traffic flows
  - number of open booths – establishing sequential booths that verify documents at one and conduct the interview at another, ensuring that all booths are open and adequately staffed at peak times, and changing the status of lanes to either NEXUS or regular (as required) would help to facilitate border operations
  - number of seconds per car – advance passenger manifests for buses as well as well as the use of radiation portal monitor (RPM) and licence plate reader (LPR) technology could be useful in reducing processing times

**Matt Morrison**, Pacific NorthWest Economic Region

- the Border Charter developed by the Pacific NorthWest Economic Region in summer 2008 has several objectives:
  - ensure a secure, convenient and welcoming border-crossing experience
  - reduce congestion and streamline the flow of legitimate trade and travel at border crossings

- increase outreach and expand frequent-border-crossing programs in order to improve security by focusing on relatively higher-risk traffic
- the value of Canada-US trade has increased 93% since 1995
- over time, there has been a decoupling of the historical link between travel and the exchange rate
- at present, readily available data regarding service capacity and processing times at border-crossing points are lacking
- radio-frequency-enabled documents significantly expedite crossing at the border while adding a measure of security
- there is a history of bilateral cooperation (between Canada and the US) at the shared border
- the objectives of the Border Solutions Coordination Council include:
  - providing consistent input
  - helping to share border security policy and implementation
  - linking federal governments in the United States and Canada
- in respect of PNWER's Call to Action in respect of the border, an important consideration includes reduced wait times at the border at peak periods through an increase in service capacity

**Steve Regan**, Council of Tourism Associations – BC

- when thinking about the border, the importance of flexibility must be remembered; the system is complex, with cars, booths, human interaction between travellers and border agents, etc.
- time is money, and data are needed in order to make decisions

**Ken Oplinger**, Bellingham/Whatcom Chamber of Commerce and Industry

- incentives should exist in order to increase enrolment in NEXUS
- the private sector should be involved in addressing border security issues
- security cannot be allowed to "trump" trade
- enhanced drivers licences are a useful means by which movement at the border can be facilitated

**Margaret Fearon**, US Department of Homeland Security

- the mandate of the US Department of Homeland Security's Customs and Border Protection service recognizes both a secure border and the facilitation of movements of goods and people
- in respect of the 2010 Winter Olympic Games in Vancouver, British Columbia, ticket-purchase information can be used to help predict expected traffic volume on any given day

**Kim Scoville**, Canada Border Services Agency

- the Canada Border Services Agency provides integrated border services that support national security and public safety priorities while facilitating the free flow of legitimate persons and goods
- there are three fundamental strategies:
  - pre-approval programs
  - advance information and targeting
  - turning information into intelligence
- regarding the 2010 Winter Olympic Games in Vancouver, British Columbia, it is hoped that travel will be facilitated through the maximum possible use of technology and effective partnerships
- the goal regarding the shared border is secure, seamless and successful integrated border management
- arrivals in Vancouver related to the 2010 Winter Olympic Games are expected to occur without undue wait times as a consequence of the operation of border crossings at full capacity, with additional resources; dedicated primary lanes; enhanced infrastructure; additional signage; promotion of trusted traveller programs; pre-screening through accreditation; etc.

**Risk-Based Strategies at the Canada-US Border**

**Ben Muller**, Simon Fraser University

- economic imperatives drive the need for an open Canada-US border, although cultural reasons are also important
- a wide variety of security-related measures and initiatives existed before the terrorist attacks of 11 September 2001
- since the 2001 terrorist attacks, there has been a shift from an examination regime to a surveillance regime

- the impact and frequency of risks should be assessed and they should be avoided if at all possible; if avoidance is not possible, then there are other options for addressing risks:
  - transfer the risks
  - mitigate the risks
  - accept the risks and implement actions to manage them
- (in)security is being sold as a commodity, and some are benefiting from the increased focus on security

### **Border Solution Strategies**

**Eric Benjaminson**, US Embassy in Ottawa

- the global economic crisis that is currently occurring provides opportunities that are too good to miss
- while Canada is strong in many ways – the energy industry, financial institutions, etc. – what happens in the US has an inordinate impact on Canada
- the nature of the shared border, and the nature of bilateral cooperation, varies along the 49<sup>th</sup> parallel, as do infrastructure needs
- it is very difficult to "ratchet back" security; in any event, security issues are not going to go away and many of the security concerns are legitimate
- a point is reached where risk cannot be reduced any further
- in some sense, Canada and the US are members of the same "condominium association"
- Canada should ensure that its copyright legislation meets international standards
- the North American Free Trade Agreement has worked well for both Canada and the United States

### **Workforce Mobility**

**Neil Windsor**, Association of Professional Engineers, Geologists and Geophysicists of Alberta

- there are labour shortages in some key areas and bilateral cooperation is possible in order to address some of them

**Joy Howland**, Pacific NorthWest Economic Region

- significant employment demand, created by the need to replace workers that exit the labour market because of retirement, is expected; this reality creates a demand for improved use of human resources in the Pacific Northwest
- the aging population in the Pacific Northwest is creating an increased demand for services, including healthcare, and some of these service sectors are currently facing labour shortages
- licensure requirements and processes can create challenges in respect of labour mobility, especially across the shared border
- the Pacific Northwest is facing problems in staffing large-scale infrastructure projects that are needed to support the region's growth and prosperity; in particular, highly skilled workers are needed
- some large infrastructure projects create temporary increases in employment demand that may not be capable of being met or sustained by a local labour market; consequently, labour mobility is important in order that employees can practise their occupation or profession in many jurisdictions, which has implications for occupational licensing requirements

**Environmental Issues in British Columbia**

**Honourable Barry Penner**, Government of British Columbia

- economic "storms" and environmental challenges do not respect the 49<sup>th</sup> parallel
- Canada is a major supplier of oil to the United States, but Canada does not set the price of oil; instead, the price of oil is set in parts of the world that are relatively less friendly
- the increase in the price of oil that occurred in a three-month period in 2008 surpassed the increase that occurred in the 1970s
- everyone is blaming the mortgage crisis, rather than the increase in the price of oil, for the global economic turmoil
- while oil and other fossil fuels are important, energy sources must be diversified
- climate change has a range of effects; for example, while the pine beetle was historically constrained by cold winters, warmer winters have led to pine beetle infestations
- when forests are lost, jobs are lost, hydrology is changed, there is faster snowmelt, and a reduced snowpack leads to droughts
- there is an urgent need to change the contribution that humans make to climate change; while the cost of action is high, the cost of inaction is even higher



- countries that develop environmental solutions will have the opportunity to become suppliers of solutions to the rest of the world
- as the price of oil fell after the 1970s, we "took our eye off of the ball"; incentives to conserve are reduced when the price of oil is low
- assistance is needed in order to commercialize technology
- regional collaboration is important; more can be done together than can be done individually

## **Ocean Energy**

### ***Craig Collar***, Snohomish Public Utility District

- Washington State has a renewable portfolio standard
- there is a need to bring new renewable resources online
- wind power is intermittent and may be incorrectly located, with associated transmission challenges
- tidal power is clean, renewable and emission-free
- tidal power is predictable since it is determined by the motion of the moon and the sun; is located close to population centres which reduces the need for additional transmission infrastructure; and contributes to energy security and reliability through a more diversified regional energy portfolio
- considerations in respect of tidal power include:
  - the impact on fish and marine mammals – rotors may injure or harass fish and marine mammals
  - the impact on the local environment – turbine operation may cause acoustic concerns, and turbine operation and installation may affect fish recovery
  - the fluidic impact of energy extraction – turbine operation may alter sedimentation patterns, flow rates in estuaries may be affected and the tidal range may be altered
  - the ecological implications of fluidic impacts – mudflat ecosystems may be affected and there may be general effects on water quality
- data are needed in order to evaluate the costs and benefits of various energy options
- one important purpose of pilot projects is the collection of data, including in respect of technical, economic and environmental performance

- when considering energy options, considerations include social, environmental and ecological considerations
- the scalability of projects is an important consideration

**Chris Campbell**, Ocean Renewable Energy Group

- there are significant water flows in the Bay of Fundy each and every day
- wave energy resources are spatially and temporally variable
- there are both offshore and nearshore wave energy resources
- in Canada, tidal resources exist in a number of regions:
  - Vancouver Island Mainland
  - Pacific Mainland North
  - Queen Charlotte Islands
  - Arctic
  - Hudson Strait
  - Ungava
  - St. Lawrence River
  - Gulf of St. Lawrence
  - Atlantic North
  - Atlantic South
  - Bay of Fundy
- tidal resources are highly predictable and reliable
- research is needed in a variety of areas, including in respect of wave and tide modelling
- in terms of tidal technology, the United Kingdom, the United States, Norway, Denmark, Australia and Canada are important developers of technology
- with wave and tidal energy,
  - mammals may experience a loss of habitat related to noise emissions, accidents and electromagnetic fields and vibrations

- fish and fish larvae may experience the effects of sedimentation as well as underwater noise, vibrations and electromagnetic fields
- fauna and the seabed may experience changes in sediment structure
- the coastline may be altered as a result of current and sediment changes

## **Business Development**

**Rohan Soulsby**, British Columbia Transmission Corporation

- there is growing interest in ensuring that renewable energy resources are developed to the greatest extent possible
- energy needs to be available as and when it is demanded by consumers
- the cost of renewable energy can be relatively high, although affordability is improving as technology continues to develop
- greater coordination is needed among permitting and siting authorities

Respectfully submitted,

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

Gord Brown, M.P.  
Co-Chair  
Canada-United States  
Inter-Parliamentary Group

## Travel Costs

|  |  |
|--|--|
| <b>ASSOCIATION</b>                         | Canada-United States<br>Inter-Parliamentary Group                      |
| <b>ACTIVITY</b>                            | Pacific NorthWest Economic Region<br>(PNWER) Economic Leadership Forum |
| <b>DESTINATION</b>                         | Whistler, British Columbia, Canada                                     |
| <b>DATES</b>                               | November 20-21, 2008   |
| <b>DELEGATION</b>                          |  |
| SENATE                                     | Hon. Wilfred Moore, Senator  |
| HOUSE OF COMMONS                           | Hon. Wayne Easter, P.C., M.P.  |
| STAFF                                      | Émilie Thivierge, Executive Secretary<br>June Dewetering, Advisor      |
| <b>TRANSPORTATION</b>                      | <b>\$2,137.23</b>  |
| <b>ACCOMMODATION</b>                       | <b>\$2,286.33</b>  |
| <b>HOSPITALITY</b>                         | <b>\$Ø</b>   |
| <b>PER DIEMS</b>                           | <b>\$712.70</b>  |
| <b>OFFICIAL GIFTS</b>                      | <b>\$Ø</b>   |
| <b>MISCELLANEOUS/REGISTRATION<br/>FEES</b> | <b>\$1,675.10</b>  |
| <b>TOTAL</b>                               | <b>\$6,811.36</b>  |