

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 Canadian/American Border
trade Alliance: Spring Meeting**

Canada-United States Inter-Parliamentary Group

**Ottawa, Ontario, Canada
May 3 - 5, 2009**

Report

From May 3-5, 2009, members of the Canadian Section of the Canada-United States Inter-Parliamentary Group (IPG) attended the spring meeting of the Canadian/American Border Trade Alliance (BTA) in Ottawa.

The IPG has a long association with the BTA, and typically attends both the BTA's fall meeting in Washington, D.C. and its spring meeting in Ottawa. The BTA is a coalition of businesses, public – sector organizations and individuals with an interest in bilateral trade and tourism. Its mission is to maximize commercial activity and ensure continued growth in cross-border trade as well as efficient and productive border crossing capabilities.

Given the focus of the BTA, attendance at the meetings provides IPG members with an important opportunity to gain insight into the problems experienced by businesses and individuals with respect to trade and tourism as well as about efforts by governments in both countries to address these problems.

The focus of the meeting was on the Canada-U.S. border and transportation connections between the world's two largest trading partners.

Canada/U.S. Cooperation on Smart Border and Security

Discussions on this subject stressed the fact that it is important that we get border management “right” because the border is vital to the prosperity and security of both of our countries. The two countries are working together to harmonize rules and procedures at the border and Canada's Minister of Public Safety and the U.S. Secretary of Homeland Security have agreed to meet at least twice a year to work on border issues exclusively.

It was pointed out that Canada has demonstrated real commitment to security through such initiatives as Integrated Border Enforcement Teams (IBETs), Western Hemisphere Travel Initiative (WHTI) preparation, and expanding trusted traveler and trade programs. It was pointed out in the discussions that the Secretary of Homeland Security has assured Canada that it remains a trusted security partner with the U.S. and that our common goal is to strengthen our joint security while ensuring that security measures do not impede critically important trade links between the two countries.

The Minister of Public Safety told the meeting that now is the time to establish a common vision for where we see our border in the future. A vision grounded on simultaneously advancing both security and facilitation through the right investments in infrastructure and technology. Delegates stated that a good first step in achieving this would be to hire more border personnel to facilitate the processing of automobiles and trucks crossing the border.

Transportation

Conference delegates were given an update on Transport Canada's focus on how to improve northern – trade and transportation links. The Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities stated that the Department is

focusing on gateway and corridor strategies to improve the flow of people and goods. He noted that Canada is using part of the \$33 billion Building Canada Fund for improving border infrastructure. Canada is also cutting the red tape around infrastructure project approval as well as condensing the federal and provincial environmental review processes that surround such projects. He also stated that the Detroit River international bridge crossing is a key element in improving trade flows between the two countries.

Canada/U.S. Inter-Parliamentary Group (IPG)

The Co-Chairs of the IPG, Senator Jerry Grafstein and Gord Brown, M.P. addressed the conference. They highlighted the IPG's extensive interaction with its U.S. counterparts and their efforts to find points of agreement on a number of topics critical to both countries including border issues, climate change and energy. They both stressed that the border seems to be "thickening" as a result of micro regulations, increased fees, and a general slowness in processing people and freight. More technology and innovation are required to address these issues. They went on to state that the IPG as well as working at the federal level, it is also focussing on the state and local levels of government to enhance our bilateral relationship.

The IPG recognizes that interaction with elected officials and the public and private sectors is essential to further the cooperation that exists between Canada and the United States. This dialogue could focus on a number of areas to the mutual benefit of both countries including ways to:

- Establish an agenda for which both countries have common interests (e.g., energy, climate change) that extend beyond the trade irritants;
- Re-think the border, which has become an instrument to address yesterday's problems rather than the problems of today;
- Move beyond the North American Free Trade Agreement (NAFTA) to the next "big step" we can take together, and focus on the future rather than on the historic steps we have already taken; and
- Redesign the way Canada and the United States work together.

They closed by saying that an effective and secure border creates jobs.

The American Perspective

U.S. participants cited the fact that the U.S. and Canada are a family with deep connections and that the shared border is a key issue that our lives and economies. They also stressed that we have a long-standing trade relationship, a 52 year commitment in North American Aerospace Defense Command (NORAD) and that a threat to one country is a threat to the other. They believe that the border will start to improve and that we will eventually get the identity card issue "right".

Business Travel

A representative from the National Business Travel Association (NBTA) told the conference that one out of every 7 jobs in the U.S. is in the travel and hospitality industry. U.S. business travel has a positive GDP impact of \$208 billion, creates 3.3

million jobs in the U.S., generates \$82 billion in tax revenue for state, federal and local governments and comprises 2.4% of the U.S. GDP.

The industry believes that it has not been “on the radar” when it comes to border issues. They want to see better movement of people across the border, the WHTI/Visa issue solved and taxes and fees on airline tickets reduced.

Canada Border Services Agency (CBSA)

The representative from CBSA stated that it must demonstrate efficiency and innovation at the border as traffic volumes grow. Cooperation and interoperability with the U.S. at our shared border on common challenges is essential. CBSA highlighted four areas that need improvement. These are:

- How to use information – we need better intelligence, more shared intelligence between the two countries, and more people and technology to accomplish this goal;
- Where we interdict the risks – push the borders outward so we are able stop the risks offshore before they reach our borders;
- Blending enforcement and facilitation – more efficient processing of people and goods through the elimination of paper documentation and streamlining of CBSA procedures; and
- CBSA reorganization – in order to be more “nimble” CBSA is reorganizing with an integrated business model that communicates, explains, is consistent across the country and has national functionality.

CBSA will require more people and more money in order to realize this plan and move people and goods more efficiently across the border.

U.S./Canadian Border Documentation

Representatives from U.S. Customs and Border Protection and CBSA briefed the conference on border documentation requirements. WHTI is designed to address the vulnerabilities of multiple documentation by replacing them with secure, standardized documentation that provides proof of citizenship and identity thereby facilitating more efficient processing at the border. In this regard, Canada has initiated a simplified process for passport renewal. Both countries are working on alternative documents to the passport such as enhanced driver’s licences. As well, alternative documents such as the FAST card and NEXUS are being accepted. After the June 1, 2009 deadline whereby WHTI compliant documents must be used to cross the border, there will be a period (no time limit has been placed on this period) of “informed compliance” where travellers who do not have proper documents will be told what they must do to obtain them. As of March 2009, approximately 85% of Canadian travellers crossing the border are showing WHTI compliant documents.

Summary

Managing trade, enhancing security and facilitating the movement of people and goods across our shared border were the focus of the conference. Speakers stressed that effective common sense management of the border through both the public and private sectors working together was essential if border issues were to be resolved. While

progress has been made on a number of border issues a number have yet to be resolved. Participants felt that the Can/Am BTA could be a strong partner with government in addressing these issues in the future.

Respectfully submitted,

Hon. Jerahmiel Grafstein, Q.C. Senator
Co-Chair
Canada-United States
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Gord Brown, M.P.
Co-Chair
Canada-United States
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Travel Costs

ASSOCIATION	Canada-United States Inter-Parliamentary Group
ACTIVITY	Canadian/American Border trade Alliance: Spring Meeting
DESTINATION	Ottawa, Ontario, Canada
DATES	May 3 - 5, 2009
DELEGATION	
SENATE	Hon. Jerry Grafstein, Q.C., Senator, Co- Chair Hon. Janis G. Johnson, Senator, Vice- Chair
HOUSE OF COMMONS	Mr. Gord Brown, M.P., Co-Chair Hon. Scott Brison, P.C., M.P. Mr. Ed Holder, M.P. Mr. Claude Bachand, M.P. Mr. Jim Maloway, M.P.
STAFF	Mr. John Christopher, Analyst
TRANSPORTATION	\$Ø
ACCOMMODATION	\$Ø
HOSPITALITY	\$Ø
PER DIEMS	\$Ø
OFFICIAL GIFTS	\$Ø
MISCELLANEOUS/REGISTRATION FEES	\$ 4,718.66
TOTAL	\$ 4,718.66