

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 Pacific NorthWest Economic Region
(PNWER) at the Economic Leadership Forum and Legislative
Academy**

Canada-United States Inter-Parliamentary Group

**Regina, Saskatchewan, Canada
November 4-7, 2009**

Report

Introduction

A delegation from the Canadian section of the Canada-United States Inter-Parliamentary Group (IPG) attended the PNWER - Economic Leadership Forum and Legislative Academy in Regina from November 4-7, 2009. The focus of the meetings was on economic challenges facing Canada and the United States, governance differences between the two countries and energy issues.

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. 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 and Washington, D.C.; and achieve continued economic growth while maintaining the region's natural environment.

Economic Challenges

The discussions on economic challenges centered on:

- the major challenges to economic recovery;
- the best practices for achieving recovery;
- assessing risks; and
- finding opportunities for economic development.

On the question of major challenges to economic recovery, participants cited six points that needed to be addressed. These include: better access to capital; improving workers' skills and productivity; encouraging more investment from venture capitalists; increasing spending on research and development; having stable government economic policy; and reducing government regulations. Delegates stressed that without the resolution of these issues, economic recovery would be slow and difficult.

With regard to best practices, the participants outlined a number of areas that businesses could improve to better position themselves for economic recovery. These were: improving efficiency; being more innovative and resilient; and collaborating more with governments at all levels.

Risk assessment was also seen as a key element in successfully coming out of the economic downturn. Speakers noted that, companies and businesses, especially small businesses, will have to take into account a number of risk areas if they are to "climb out of the recession". These included: realizing that there may be another downturn in the economy and planning for it; recognizing that inflation will be higher; knowing that underfunded pension plans could prove harmful to a business's bottom line; and being able to cope successfully with unpredictable government policies.

Finally, this session set forth a number of opportunities that might be realized if companies could adapt to the changing economy. These opportunities are: the ability to become more efficient; the ability to take advantage of “smart” regulation by governments; the opportunity to develop sounder governance regimes; and taking a regional approach to resolving economic issues.

Energy and the Environment

Discussions on this subject focused on carbon capture and storage (CCS) as well as briefly looking at what the United States might be doing on the climate change file in the future.

Participants in these discussions were told that CCS is a process that captures carbon dioxide (CO₂) emissions and stores them in geological formations deep inside the earth. Representatives from the government of Alberta outlined their efforts in developing this technology. In 2008, the government of Alberta created the *Alberta Carbon Capture and Storage Development Council* and contributed \$2 billion to reduce GHG emissions through new CCS projects.

In Alberta, porous sedimentary rock formations beneath non-porous formations are ideally suited for the injection and long-term, safe storage of CO₂. The CO₂ will be separated from other emissions, then dehydrated, compressed and injected one to two kilometres into the porous rock formation. Alberta is hoping to take the lead in advancing this technology and market it to other jurisdictions.

Panellists told the delegates that there are still a number of challenges facing the development of CCS. These include: the need for a regulatory framework; the need to make the technology more cost-effective; the need to ensure better site selection for projects; and the need for better stakeholder relations in order to ensure “buy in” for the projects.

Under questioning from participants, panellists acknowledged that this was a very expensive technology, and that a large project would have to be developed to show that “it can work” and build public confidence in the technology. It was also noted that technologies to deal with CO₂ are critical because, as one panellist said, there are three shared truths:

- there will be increasing energy demand;
- cheap energy is long gone; and
- more energy means more CO₂.

On the climate change front, there was much discussion regarding what might be occurring in the United States over the next 12-18 months. Some participants believed that because economic and health care issues are at the forefront of the Obama administration agenda, climate change legislation would be slow in coming forward. Others thought that some small steps might be taken to address climate change issues but that 2011 seemed a more likely date for this to occur. Finally, it was noted that even without legislation, the Environmental Protection Agency (EPA) could still take action on climate change through its regulatory powers. This option however, was seen as a last resort because the EPA is a regulatory agency rather than a policy body.

Governance

The sessions in Regina that delegates found particularly interesting were ones dealing with the different governance regimes in Canada and the United States. These sessions involved a free-flowing discussion among elected representatives on both sides of the border and dealt with the following items:

- the structural differences between the Canadian and US government systems;
- how bills originate at the provincial, state and federal levels;
- the role of committees at each level of government;
- the role of public consultation, interest groups and the media in each country;
- how the states and the provinces interface with their respective federal government; and
- what motivates people to seek public office.

One overarching theme that arose from these sessions was that while the political systems in Canada and the United States differ, elected representatives had much the same goals when it comes to serving their constituents and furthering good governance.

Conclusions

Canadian delegates to these meetings found them particularly informative and had an opportunity to express their views on a number of interesting topics. The sessions on governance provided them with an excellent opportunity to enhance their knowledge of the US political structure as well as informing their American counterparts on how Canada's political system functions. The delegates believe this will enhance Canada-US relations and provide a sound basis for working on issues common to both countries.

Respectfully submitted,

Hon. Janis G. Johnson, Senator
Co-Chair
Canada-United States
Inter-Parliamentary Group

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Co-Chair
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Travel Costs

ASSOCIATION	Canada-United States Inter-Parliamentary Group
ACTIVITY	Pacific NorthWest Economic Region (PNWER) at the Economic Leadership Forum and Legislative Academy
DESTINATION	Regina, Saskatchewan, Canada
DATES	November 4-7, 2009
DELEGATION	
SENATE	Hon. Wilfred P. Moore, Q.C., Senator, Vice-Chair Hon. Raynell Andreychuk, Senator
HOUSE OF COMMONS	Mr. Brian Masse, M.P., Vice-Chair
STAFF	Chad Mariage, Executive Secretary John Christopher, Analyst
TRANSPORTATION	\$Ø
ACCOMMODATION	\$Ø
HOSPITALITY	\$Ø
PER DIEMS	\$2,727.73
OFFICIAL GIFTS	\$Ø
MISCELLANEOUS / REGISTRATION FEES	\$4,502.60
TOTAL	\$7,230.33