REPORT OF THE CANADIAN PARLIAMENTARY DELEGATION OF THE CANADA-UNITED STATES INTER-PARLIAMENTARY GROUP

TO THE

PACIFIC NORTHWEST ECONOMIC REGION: 2006 ANNUAL SUMMIT

Edmonton, Alberta

July 16-20, 2006

From 16-20 July 2006, members of the Canadian Section of the Canada-United States Inter-Parliamentary Group attended the 2006 annual summit of the Pacific NorthWest Economic Region in Edmonton, Alberta. This report summarizes the presentations that were made in some of the summit's plenary and concurrent sessions.

PACIFIC NORTHWEST ECONOMIC REGION:

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KEYNOTE ADDRESS

Hon. Stockwell Day, P.C., M.P., Minister of Public Safety and Security

- the Pacific NorthWest Economic Region, and Cascadia, have had an important impact on policy making
- Canada and the United States have a bilateral relationship characterized by common hopes and dreams, important economic linkages and significant crossborder travel
- more than 50% of the oil and gas produced in Alberta is exported to the United States
- Canada recognizes the importance of security, and is arming border agents, increasing Royal Canadian Mounted Police personnel, and amending the legislation that addresses money laundering and the proceeds of crime; Canada understands the security concerns of the United States, in part because Canadians were also killed during the terrorist attacks of 11 September 2001
- Canada and the United States are working together on the Security and Prosperity Partnership and Integrated Border Enforcement Teams; cooperation and coordination, including the sharing of intelligence and resources, between our countries "gets the job done"
- the concept of emergency preparedness includes pandemic preparedness, and Canada and the United States have undertaken integrated planning and response systems
- regarding the Western Hemisphere Travel Initiative, some flexibility is possible
 with respect to the alternative documents required for cross-border land travel;
 documents that "work" for both countries are required; legitimate trade and
 travellers must be facilitated without compromising security

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

 Canada and the United States are as tightly bound as two countries can be, with many economic and other linkages; as well, our countries share a depth of feeling, goals and values, and we see ourselves as joint stewards of the North American continent

- the private sector is an important partner in ensuring homeland security
- as we manage security risks, it is important to have a mature approach regarding
 what is viewed as a threat; real risks must be balanced against the cost that we
 are prepared to pay since we cannot protect every person in every location
 against every risk at every time
- regarding the Western Hemisphere Travel Initiative, it is important to be flexible and simple in how we go about fulfilling the U.S. Congress' mandate; the focus should be the seamless and efficient movement of goods and people at a cost that does not compromise prosperity
- we have raised the baseline of security in both countries, including with respect to the kinds of infrastructure that Canada and the United States share
- risk management must be the guiding principle; for example, we would have to close our ports if we want 100% inspections, so the focus should be increased inspection of cargo that is perceived to be higher risk
- regarding emergency preparedness, we must hope for the best and prepare for the worst
- emergency preparedness must begin at the ground level, with individuals, families and businesses

BLUETONGUE AND ANAPLASMOSIS

Gary Kruger, Canadian Food Inspection Agency

- at present, Canada is free of bluetongue, and the last case occurred in 1999;
 Hawaii and Alaska are also free of bluetongue
- infected cattle generally show no clinical signs of bluetongue
- the Canadian Food Inspection Agency recently revised its policy on bluetongue, and will be increasing its surveillance
- Canada is currently free of anaplasmosis
- once infected, the animal remains a carrier of anaplasmosis for life

BIOFUELS

Ralph Groschen, Department of Agriculture, Minnesota

• the state of Minnesota has a program that includes a 10% ethanol requirement and a 2% biodiesel requirement

- the program goals of the Minnesota biofuels initiative include:
 - boosting the rural economy
 - o reducing U.S. reliance on foreign energy
 - o improving air quality through cleaner automobile emissions
- the program has contained a variety of incentives
- the farm crisis in the 1980s gave new life to ethanol, and the Minnesota
 Department of Agriculture set goals for a revitalized program that included: an
 increased market share for ethanol blends; measures to educate consumers; and
 incentives to build farmer-owned production capacity and other infrastructure

AVIAN INFLUENZA

George Luterbach, Canadian Food Inspection Agency

- avian influenza does not imply "pandemic flu"
- an avian influenza strategy includes the following components:
 - o preparation and early warning
 - o emergency preparedness
 - o response
 - o recovery
 - communications
 - business continuity
- it is important to have a good surveillance program for prevention and early warning, and to gather intelligence on the broadest scope
- the real threat is migratory waterfowl, although import controls are an aspect of prevention and early warning
- a national approach is needed, and cooperation with local and provincial resources and expertise are required
- an integrated emergency response plan across departments and levels of government is needed
- emergency preparedness drills and exercises should be undertaken

- poultry-swine-human transmission is more likely than is poultry-human transmission; the abattoir is the cross-over point, with the potential for crosscontamination; consequently, cleaning and disinfection are important
- producers should receive compensation when infected animals are destroyed; disposal costs are also a consideration

KEYNOTE ADDRESS

Ambassador David Wilkins, U.S. Ambassador to Canada

- there is no more important relationship in the world to both the United States and Canada than the relationship we have with each other
- the bilateral relationship is enjoying new effort and a renewed commitment and cooperation; the signs of positive momentum and of willingness to make the effort to work together in order to fix problems are everywhere
- it is important that we continue to understand and appreciate our differences while finding common ground
- only the U.S. Congress can change the implementation dates for the Western Hemisphere Travel Initiative (WHTI)
- Secretary Chertoff understands Canadian concerns about the need for flexibility and simplicity regarding the WHTI
- we are living in a post-11 September 2001 world, and we cannot turn back time; security is of paramount importance as is our economic relationship and the prosperity it implies; security and economic prosperity are not mutually exclusive
- our countries are in touch with each other on a daily basis, with many personal relationships and bilateral visits
- 39 U.S. states have Canada as their primary trading partner, and 15 U.S. states are contiguous to Canada
- Canada is both the primary supplier of energy to the United States and a safe, secure supplier

Hon. Gary Lunn, P.C., M.P., Minister of Natural Resources

- the importance of strong relations between and among the states and provinces along the shared Canada-U.S. border must be recognized; we share values and an economic relationship
- Canada is emerging as an energy superpower, and natural resources are a strong contributor to Canada's economy

- Canada is the primary supplier of crude oil, natural gas, uranium and electricity to the United States
- the Alberta oil sands are an important element in North American energy supply and security
- the largest untapped source of energy in both countries is the energy that is wasted every day
- all energy options must be explored, including wind, solar and biomass, as well as non-renewable sources
- Canada and the United States are working together on border security issues and concerns
- straight talk trumps empty rhetoric

REGIONAL PANDEMIC REPORT CARD

Dave Redman, Former Director of Alberta Emergency Management

- regarding pandemic flu, there are a number of important questions that must be considered:
 - o how prepared are individual organizations for an outbreak?
 - are preparedness plans linked horizontally and vertically?
 - o how are infrastructures planning to ensure service deliverability?
 - what exercises and discussions must take place in order to prepare for an outbreak?
 - o what infrastructure interdependences will be affected by an outbreak?
- emergency management has five dimensions:
 - o hazards, both natural and human-induced
 - groupings/organizations, including international, national, state/provincial, local and citizens
 - o functions, including mitigation, preparedness, response and recovery
 - coordinating activities, including governance, operational capability, intelligence capability, communications, financial management, planning capability, logistical capability, private-public coordination, administration and training

- resources, including personnel, equipment, supplies, infrastructure, finances, publications and information/communications technology
- plans should not be developed in isolation; integrated solutions across communities are needed, since a community could have the perfect solution, but that solution would be useless if the next community does not have the perfect solution as well
- resiliency and redundancy must be built into preparedness plans
- decisions are made not in order to save lives, but rather to cause the least number of people to die

KEYNOTE ADDRESS

Reg Milley, Edmonton Airports

- air transportation plays a role in enhancing bilateral trade and trade within the Pacific NorthWest region
- Canada and the United States recently concluded a new bilateral air agreement
- a strong, efficient transportation network is needed in order to maximize opportunities
- the economies in Canada and the United States are linked by investment and cross-border operations
- Canada is a major supplier of energy to the United States
- the 49th parallel is a meeting place, not a frontier
- an open border requires trust and the assurance that people and goods crossing the border are not threats
- Canada and the United States need a common perimeter security framework, similar to the United States
- there should be a single trusted traveller program for North American Free Trade Agreement countries and citizens

HIGH TECHNOLOGY COMMUNICATIONS

Lee Cheatham, Washington Technology Center

- regional innovation infrastructure requires consideration of the following elements:
 - capital access
 - networking

- business services
- technological services
- demonstration projects
- research and development projects

Erik Stenehjem, Office of the Governor of Oregon

- the discussion about innovation can be elevated by sitting together with relevant stakeholders to discuss the subject
- innovation leads to higher wages, the creation of knowledge-based jobs and enhanced prosperity
- the mandate of the Oregon Innovation Council is to develop a state-wide plan and a set of recommendations about investments in the area of innovation
- a framework for a sustainable innovation-based economy should be developed
- government-private sector-academia partnerships should be leveraged

Peter Hackett, Alberta Ingenuity

- if Canada is to meet its innovation, research and development goals, a significant societal change must occur; since timing is everything, Canada must be first with new innovations and leading-edge research and development
- commercialization is important
- we must empower creative people to do revolutionary things, and we need a societal capacity to accept and support innovation and creativity
- the "big things" drive economic activity

Joy Howland, Pacific NorthWest Economic Region

- in February 2006, the Pacific NorthWest Economic Region (PNWER), Seattle University, the Washington Technology Center (WTC) and the Prosperity Partnership submitted a proposal to the U.S. Economic Development Administration (EDA)
- the proposal was focused on filling gaps in technical services for entrepreneurs as well as increasing high-technology research and development collaboration in the region
- the anticipated start date for the EDA grant is 1 October 2006, with a focus on Washington State and, particularly, distressed communities and populations

 with the assistance of the WTC, the PNWER will create a Research and Development Exchange Network – comprised of a task force and a database – to increase research and development collaboration among public, private and notfor-profit organizations in Washington State

David Cox, TEC Edmonton

- more than 80 spinoff companies have been created from the work undertaken at the University of Alberta
- the Research Transition Facility is an incubator-like facility

Karl Tueller, Idaho Office of Science and Technology

- technology has become a key economic driver in Idaho
- Idaho has an entrepreneurial base, and leads the United States in terms of patents per capita
- two state initiatives are the Idaho Rural Initiative and the Science and Technology Initiative

Robert Lai, ICT Institute

- the ICT Institute is responsible for providing advice as well as monitoring performance and outcomes
- we should focus on the high-quality people for whom everyone is competing
- as we create an awareness of information and communications technology, it is important to invest in education, develop and deploy information and communications infrastructure, and grow investment in research and development
- commercialization is important in ensuring a return on investments that are made
- sectors that use a great deal of information and communications technology include energy, agriculture, health and the environment

WORKFORCE DEVELOPMENT

Neal Fried, Alaska Department of Labor

- Alaska faces challenges because it is geographically detached and isolated from the continental labour market
- about two-thirds of Alaskan communities are not on a main road system, which creates challenges for labour mobility
- while Alaska has had 19 years of uninterrupted employment growth, wage rates are not growing in a manner that sustains Alaska's historic wage premium

the costs of training certain types of employees are daunting

Margaret Overland, Alberta Human Resources and Employment

- Alberta is a leader in economic growth, both in Canada and worldwide; the unemployment rate is at an all-time low and the labour force participation rate is at an all-time high
- Alberta faces a number of challenges, including:
 - a changing and increasingly competitive global setting
 - demographic changes
 - o strong economic growth coincident with a tight labour market
 - o impacts on the rural labour force resulting from increased urbanization
 - o rising educational requirements
- the Building and Educating Tomorrow's Workforce (BETW) Alberta's ten-year strategy – strategic framework includes a number of elements:
 - inform provide quality information on prominent labour force issues and human resources best practices; provide enhanced information regarding career, education and training opportunities; provide enhanced information, tools and supports to assist employers better
 - attract work to recognize the credentials and competencies of immigrants and inter-provincial migrants; work with the federal government to simplify and accelerate the immigration and temporary foreign worker processes; develop a marketing strategy to position Alberta as a "destination of choice"; improve the labour mobility of Canadians
 - o develop increase graduation and post-secondary participation in learning opportunities and reduce barriers; implement the Affordability Framework identified through A Learning Alberta and expand access to advanced education learning opportunities; increase training and learning opportunities that allow Albertans to upgrade their skills while working; increase on-time high school completion rates; improve participation and achievement in apprenticeship and industry training; continue to promote a streamlined regulatory regime; increase technology adoption and innovation
 - o retain increase workforce retention of mature workers, including through enhanced flexibility in work arrangements and pension programs; increase the retention of knowledge workers; provide improved support programs and networks for integrating immigrants and under-represented groups into workplaces and communities

- BETW outcomes include:
 - more employment growth
 - o more net migrants to Alberta
 - more adult learning system capacity
 - o better educational attainment among Albertans
 - o better employer satisfaction with advanced education system graduates
 - o better participation in learning opportunities
 - innovative labour productivity

Heather Kennedy, Alberta Chamber of Resources

- there are about 170 resource-based companies in Alberta
- the Aboriginal Programs Project is focused on employment for Aboriginal Albertans, and has four key elements:
 - workforce development
 - community relations
 - resource stewardship
 - business development
- the resource industries are concentrated in Northern Alberta, which is where many of the province's Aboriginal peoples reside
- the fastest-growing population base in Canada is our Aboriginal peoples, and their labour force is very young
- employing Aboriginal Canadians contributes to a more diverse workforce
- challenges include: remoteness; education and qualifications; and lifestyle
- industry has a role to play in building vibrant communities

Respectfully submitted,

Hon. Jerahmiel Grafstein, Senator Co-Chair, Canadian Section Canada-United States Inter-Parliamentary Group Rob Merrifield, M.P. Co-Chair, Canadian Section Canada-United States Inter-Parliamentary Group

Travel Costs

ASSOCIATION Canada United-States Inter-

Parliamentary Group

ACTIVITY Pacific NorthWest Economic Region:

2006 Annual Summit

DESTINATION Edmonton, AB

DATES July 16-20, 2006

SENATORS

MEMBERS Mr. Rob Merrifield, M.P.

Mr. James Rajotte, M.P. Mr. Jean-Yves Laforest, M.P. Mr. Dennis Bevington, M.P.

STAFF Ms. June Dewetering, Advisor

Mr. Serge Pelletier, Executive Secretary

TRANSPORTATION \$813.22

ACCOMMODATION \$4,335.62

HOSPITALITY \$0

PER DIEMS \$ 707.74

OFFICIAL GIFTS \$ 0

MISCELLANEOUS/REGISTRATION

FEES

\$ 3,018.61

TOTAL \$8,875.19