

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 8th Annual Conference of the
Southeastern United States-Canadian Provinces
(SEUS-CP) Alliance**

Canada–United States Inter-Parliamentary Group

**Charlottetown, Prince Edward Island, Canada
28–30 June 2015**

Report

DELEGATION MEMBERS

From 28–30 June 2015, the Honourable Wayne Easter, P.C., M.P., Vice-Chair and Senator Paul Massicotte, Vice-Chair led a delegation from the Canada–United States Inter-Parliamentary Group (IPG) to the eighth annual meeting of the Southeastern United States-Canadian Provinces (SEUS-CP) Alliance in Charlottetown, Prince Edward Island. The other member of the delegation was Mr. Tarik Brahmi, M.P. The delegation was accompanied by Ms. June Dewetering, Senior Advisor to the IPG’s Canadian Section.

THE EVENT

The SEUS-CP Alliance is a trade- and investment-focused partnership among six southeastern U.S. states – Alabama, Georgia, Mississippi, North Carolina, South Carolina and Tennessee – and seven Canadian provinces – Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island and Quebec. The group was established in 2007 to serve as a forum through which common interests in enhancing economic ties between the two regions could be advanced.

The delegations, which are often led by state governors and provincial premiers, include business and industry leaders. At the eight annual meeting, the state and provincial delegations were led by the following individuals:

- Alabama: Ed Castile, Deputy Secretary of Commerce;
- Georgia: Casey Cagle, Lieutenant Governor;
- Manitoba: Rod Higgins, Manitoba Trade and Investment;
- Mississippi: Malcolm White, Visit Mississippi;
- New Brunswick: Brian Gallant, Premier;
- Newfoundland and Labrador: Steve Kent, Deputy Premier;
- North Carolina: John Loyack, Economic Development Partnership of North Carolina;
- Nova Scotia: Stephen McNeil, Premier;
- Ontario: Monte Kwinter, Parliamentary Assistant to the Minister of Citizenship, Immigration and International Trade;
- Prince Edward Island: Wade MacLauchlan, Premier;
- Quebec: Jacques Daoust, Minister of the Economy, Innovation and Exports;
- South Carolina: Henry McMaster, Lieutenant Governor; and
- Tennessee: Randy Boyd, Department of Economics and Community Development.

The ninth annual meeting of the SEUS-CP Alliance will be held in September 2016 in Nashville, Tennessee.

DELEGATION OBJECTIVES FOR THE EVENT

This conference was the sixth occasion on which members of the IPG's Canadian Section have attended an annual meeting of the SEUS-CP Alliance. In some sense, the SEUS-CP Alliance is the eastern counterpart to the Pacific NorthWest Economic Region and the Council of the Great Lakes Region, but with leadership and participation by U.S. governors and Canadian premiers, as well as significant private-sector involvement.

The IPG's Canadian Section continues to note the practical nature of the SEUS-CP Alliance's conference, and intends to attend future annual meetings in order to continue its work in advocating Canadian interests, particularly with U.S. governors and senior members of the executive branch.

ACTIVITIES DURING THE EVENT

At the eighth annual meeting of the SEUS-CP Alliance, more than 600 business-to-business "matchmaking" meetings were held, and the following keynote speech and roundtable/panel discussions occurred:

- Keynote: Robert K. Irving, J.D. Irving, Limited;
- Building the Economy of Tomorrow;
- The Relationship at Work;
- Cluster Workshop; and
- Private-Public Collaboration Models of Regional Economic Development.

This report summarizes the keynote speech, and presentations and discussions at the roundtable/panel discussions.

KEYNOTE

Robert K. Irving, *J.D. Irving, Limited*

- Commitment, perseverance and tenacity are important for business success.
- Businesses should capitalize on their strengths, compete "smartly" and "win" in today's volatile world.
- If a business is not growing, it is losing ground.
- Businesses should provide the desired products at the expected level of quality to meet ever-changing customer needs; everything starts with the customer.
- Businesses should differentiate themselves from their competitors; for example, entrepreneurs should determine how to become indispensable to customers, and identify ways in which they can uniquely meet customer needs.

- Product quality can be improved through innovation.
- Lower costs and improved efficiency will lead to enhanced business prosperity.
- Barriers to trade should be lowered.
- As the world is always changing, it is important to look toward the future with a view to managing economic and other risks, being open to change and exploring new opportunities as they arise.
- Strong economies contribute to both strong businesses and strong communities.
- Efforts should be directed to transforming challenges into opportunities, and disadvantages – such as small size – into advantages – such as the ability to make decisions quickly.
- Innovation and continuous improvement contribute to future success.
- Canada and the United States should never take their relationship for granted; opportunities between the two countries – including between the provinces and states in the SEUS-CP Alliance – are endless, and \$1.4 million in trade crosses the shared border every minute.
- Governments should focus on ways to facilitate business development and growth.

BUILDING THE ECONOMY OF TOMORROW

Louise Blais, *Foreign Affairs, Trade and Development Canada*

- Unlike Canadian and U.S. legislators, businesses and people often do not understand the nature and extent of the bilateral relationship and the two countries' integrated economies.
- Canada and the United States should not take each other for granted, and there is a need to guard against complacency.
- A mechanism to connect Canadian businesses to U.S. businesses and to Canadian business operating in the United States is needed.
- After a decade of pursuing opportunities in other countries and regions, Canada should refocus on its relationship with the United States.
- Canadian businesses are often “shy,” and should be more aggressive in pursuing opportunities in the United States.
- North America needs strong and fully-developed supply chains.
- Canadians are concerned about U.S.-initiated barriers to trade, which prevent that country's “number one customer” from entering the U.S. marketplace; these barriers include Buy American provisions in U.S. legislation and mandatory country-of-origin labelling requirements, which affect businesses in both countries.
- There will always be “winners” and “losers” with trade agreements; on balance, such agreements have a net benefit.

- For the most part, members of the U.S. Congress understand the benefits of free trade, but recognize the need to assist businesses and people as trade agreements are being implemented.

Steven Zate, U.S. Department of State

- The Canadian and U.S. economies are integrated to a significant degree, and this reality needs to become better known.
- The Canada–U.S. relationship is large and growing, and further expansion is possible.
- In public statements, the U.S. Ambassador to Canada has said that his job is not only to expand the United States’ trade with Canada, but also to expand Canada’s trade with the United States; with this approach, both countries experience gains.
- The Beyond the Border and Regulatory Cooperation Council initiatives between Canada and the United States are designed to enhance the bilateral relationship; the border is one area in which the countries could improve, and “thinning the border” is a “process” that will take time.
- As the nature of the economy is changing rapidly, it is important that people with expertise are able to move easily across the shared border so that both countries can benefit from that expertise.
- The United States is looking to the future, and trilateral cooperation among the *North American Free Trade Agreement* countries will be important.
- The Trans-Pacific Partnership negotiations are a high priority for the U.S. Administration, and an agreement is expected relatively soon; the parties to the negotiations comprise 800 million consumers and 40% of global gross domestic product.
- The U.S. Administration is concerned about the environment, and clean energy technologies present significant business opportunities.
- Innovation is critically important to future success.
- The world in which we live requires a security consciousness.
- Immigration is an important issue, and must be addressed with sensitivity.

THE RELATIONSHIP AT WORK

Marlene Moore, *Green Power Labs Inc.*

- There are many opportunities for Canadian and U.S. companies to “partner for growth,” and mechanisms that would allow Canadian companies to identify partners – whether a U.S. business or a Canadian business operating in the United States – should be increased.
- There is a need to enhance awareness of how Canadian and U.S. companies can work together.

John Rowe, *Island Abbey Foods*

- Collaboration is the key to building businesses.
- Collaboration works best when all partners have “skin in the game.”
- For businesses, it is important to find the right partners with which to collaborate.

John Scannapieco, *Baker, Donelson, Bearman, Caldwell & Berkowitz, PC*

- The Beyond the Border initiative is important, as is businesses’ ability to engage with universities, including in relation to workforce development issues and research that can be commercialized.
- Governments need to establish a regulatory environment that supports businesses; regional differences across provinces can create barriers.
- While governments often provide export and trade assistance, businesses are often unaware of the range of assistance that is available to them.
- A regional focus is important; when one state or province in a region prospers, there are positive impacts on other states and provinces in the region.
- There is a need to focus on “what is next.”
- With government support, innovation will lead to success.

CLUSTER WORKSHOP

Ifor Ffowcs-Williams, *Cluster Navigators Ltd.*

- Clusters – or sectors of regional specialization that are based on existing strengths – are a natural occurrence, and are the building blocks of a modern economy.
- To develop a long-term competitive advantage, public support should be focused on higher value-added and/or more innovative businesses within existing clusters and at the interface of related clusters.
- International evidence clearly demonstrates that businesses located in clusters are more competitive than similar businesses located outside of clusters.
- A successful “clusters culture” embraces simultaneous collaboration and competition, or “co-opetition.”
- This era is one of specialized companies and specialized communities.
- Clusters should be cultivated as a tool for an effective foreign direct investment strategy.
- In today’s global economy, businesses cannot “go it alone”; they need to partner with other businesses and capitalize on regional strengths.
- From a clusters perspective, academic-to-academic linkages are important.

- When businesses co-locate, it is easier for them to exchange information and to “cross-pollinate.”
- The strength of the clusters in a given community is a key “driver” of wealth; governments should support and reinforce clusters, which can increase regional competitiveness.
- Cluster-based public policy is characterized by a focus on the following:
 - a perspective that is broader than a single sector;
 - a specific geographic area;
 - capitalizing on strengths;
 - support for public-private collaborations; and
 - competitiveness.
- In developing clusters, the key “ingredients for success” include the following:
 - letting businesses lead;
 - ensuring public support;
 - establishing a culture of “co-opetition”; and
 - ensuring a “knowledge underpinning.”

PRIVATE-PUBLIC COLLABORATION MODELS OF REGIONAL ECONOMIC DEVELOPMENT

Rory Francis, *Prince Edward Island BioAlliance*

- Trust is key to successful public-private collaborations.
- The “principles” of successful clusters include the following:
 - a shared economic vision and commitment that goes beyond self-interest, and that sets goals and develops strategies at the level of the cluster;
 - shared active leadership, accountability, collaboration and engagement;
 - a shared understanding that a cluster’s success creates opportunities for all partners in the cluster;
 - trust among cluster partners;
 - extensive and ongoing collaboration among cluster partners;
 - a sharing of cluster-related wealth and credit for success; and
 - the existence of an over-arching organizational structure.
- The business environment affects the success of clusters.

Randall Johnson, *North Carolina Biotechnology Center*

- Clusters require partnerships among legislators, businesses and academia.
- Global connections contribute to the success of clusters.

Jennifer Yun, *Metro Atlanta Chamber of Commerce*

- States/provinces and cities can differentiate themselves by focusing on their clusters.
- Branding and establishing a reputation are important.

Guy Viel, *Marine Biotechnology Research Centre*

- Clusters enable beneficial partnerships.
- Clusters enable access to information and expertise, and perhaps access to financing.

Respectfully submitted,

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

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

Travel Costs

ASSOCIATION	Canada-United States Inter-Parliamentary Group
ACTIVITY	8th Annual Conference of the Southeastern United States-Canadian Provinces (SEUS-CP) Alliance
DESTINATION	Charlottetown, Prince Edward Island, Canada
DATES	28–30 June 2015
DELEGATION	
SENATE	Hon. Paul Massicotte, Senator
HOUSE OF COMMONS	Hon. Wayne Easter, P.C., M.P. Mr. Tarik Brahmi, M.P.
STAFF	Ms. June Dewetering, Senior Advisor
TRANSPORTATION	\$1,506.37
ACCOMMODATION	\$2,018.80
HOSPITALITY	\$ 0.00
PER DIEMS	\$ 618.78
OFFICIAL GIFTS	\$ 0.00
MISCELLANEOUS / REGISTRATION FEES	\$1,600.00
TOTAL	\$5,743.95