

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 Annual Legislative Summit  
of the National Conference of State Legislatures (NCSL)**

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

**Seattle, Washington, United States of America  
3–6 August 2015**

# Report

## DELEGATION MEMBERS AND STAFF

From 3–6 August 2015, Senator Michael L. MacDonald, Vice-Chair led a delegation from the Canadian Section of the Canada–United States Inter-Parliamentary Group (IPG) to the annual legislative summit of the National Conference of State Legislatures (NCSL), which was held in Seattle, Washington. The delegation also included Senators Céline Hervieux-Payette, P.C. and Victor Oh. The delegation was accompanied by Ms. June Dewetering, the Canadian Section’s Senior Advisor.

## THE EVENT

Founded in 1975, the NCSL is a bipartisan organization serving the legislators and legislative staff of the 50 U.S. states, as well as its commonwealths and territories. It provides research, technical assistance and a venue for the exchange of ideas on state issues. As well, it advocates state interests before the U.S. Congress and federal agencies.

The NCSL is governed by an executive committee, and has nine standing committees on which legislators participate. These committees are:

- Budgets and Revenue
- Communications, Financial Services and Interstate Commerce
- Education
- Health and Human Services
- Labor and Economic Development
- Law and Criminal Justice
- Legislative Effectiveness
- Natural Resources and Infrastructure
- Redistricting and Elections.

As well, legislators participate on seven NCSL task forces. These task forces are:

- Agriculture
- Energy Supply
- Immigration
- Innovations in State Health Systems
- International Relations
- Military and Veterans Affairs
- State and Local Taxation.

## **ACTIVITIES AND DELEGATION OBJECTIVES AT THE EVENT**

At the 2015 legislative summit, presentations were made on a variety of subjects, many of which have relevance for Canada; at these sessions, delegates from the IPG's Canadian Section benefitted from information that will inform their legislative work. Typically, the sessions at the NCSL's legislative summit address topics that include the following: agriculture; budgets; criminal justice; economic development; education; elections; employment; energy; the environment; financial services; health; human services; immigration; information technology; insurance; natural resources; pensions; rural development; taxation; trade; and transportation.

The interaction with state legislators on the full range of issues discussed at the NCSL's annual legislative summit enables members of the IPG's Canadian Section to achieve better the aim of finding points of convergence in respective policies, initiating dialogue on points of divergence, encouraging exchanges of information and promoting better understanding on shared issues of concern. Moreover, the meetings with state legislators provide members of the Canadian Section with an important means by which to give input to, and gather information about, state-level issues that affect Canada.

In addition to attending the sessions designed to inform state legislators, members of the Canadian Section participated in some of the International Program's activities. This year, representatives from about 25 countries/regions were involved in this program, and Senator MacDonald presented remarks to International Program participants on the topic of the "tools" that facilitate international trade.

This report summarizes the discussions that occurred at selected sessions.

## **MECHANICS OF TRADE: THE ROLE OF INFRASTRUCTURE IN SUPPORTING ECONOMIC GROWTH**

### **Speaker Michael Sutherland, *Parliament of Western Australia***

- The future is linked to foreign direct investment and trade.
- Countries are seeking diversification and growth, and foreign direct investment and trade are tools for achieving these goals.

### **Senator Michael L. MacDonald, *Senate of Canada***

- Canada is a trading nation, and trade makes a significant contribution to the country's prosperity.
- The value of Canada's trade is equivalent to more than 60% of the country's gross domestic product, and an estimated one in five Canadian jobs is linked to exports.
- At present, Canada has 11 free trade agreements in force, and they provide businesses with preferential market access in 15 countries; Canada is currently concluding a comprehensive economic and trade agreement with the European Union, and is negotiating improved market access with a number of countries

and regions, including the countries participating in the Trans-Pacific Partnership negotiations.

- Certain mechanisms facilitate trade, or make trade “work”; these mechanisms include production- and trade-related infrastructure, trade promotion services and a skilled workforce.
- Having trade agreements, and ensuring the existence of fair trade rules, is meaningless if businesses are not able to get their goods to export position and on their way to foreign markets; in that context, it is important that the right quantity and types of infrastructure exist.
- Canada must have the road, air, water and other linkages that support the country’s exports.
- Infrastructure enables economic growth and is a requirement for a competitive economy; infrastructure must be adequate not only for today’s trade flows, but also for those of tomorrow.
- Canada expects trade to grow as additional trade agreements are signed and a number of countries experience a growing middle class; it is also expected that trade patterns will continue to shift, so ongoing review of the location of existing and needed infrastructure must occur to ensure that enough of the right infrastructure is in place to meet today’s and tomorrow’s requirements.
- Like a number of other countries worldwide, Canada has had some infrastructure challenges, and what is commonly referred to as an infrastructure deficit, or gap; realizing the importance of public infrastructure, Canada’s governments have made investments, including in the transportation infrastructure that supports the country’s export goals.
- Canada has gateway and corridor initiatives, including the Atlantic Gateway and Trade Corridor initiative, the Asia-Pacific Gateway and Corridor initiative, and the Ontario-Quebec Continental Gateway initiative; as well, the private sector-led Ports to Plains corridor from Canada through the United States to Mexico is also relevant when thinking about transportation and trade.
- The basic principle underlying Canada’s gateway and corridor initiatives, and transportation infrastructure more generally, is making connections among the various modes of transportation to ensure a seamless movement of goods from mode to mode and to export position; in some sense, the key focus is ensuring the existence of multimodal gateways in and out of Canada – and North America more generally – that are reliable, predictable and competitive.
- Transportation infrastructure is a key requirement to make trade “work,” but other supports are also needed.
- In addition to infrastructure that is designed to help move goods to export position, Canadian businesses are supported by a range of provincial and federal trade promotion services.

- In 2013, Canada's federal government released the Global Markets Action Plan, the most recent version of its international trade policy.
- While free trade agreements (FTAs) often focus on tariff barriers, businesses may face obstacles to trade that are unrelated to tariffs, such as a lack of information on specific opportunities in foreign markets that might be relevant to their business, laws and regulations that are specific to each market, customs tariffs and requirements, language barriers, cultural preferences, procedures for product certification, financial risks and potentially significant costs.
- Identifying international trade opportunities, entering foreign markets and having all of the information that is needed to succeed in a specific foreign market require time and resources; federal and provincial trade promotion services help Canadian businesses overcome difficulties associated with exploring foreign markets and maximizing potential trade opportunities.
- One federal resource that assists businesses is Canada's Trade Commissioner Service, a network of about 1,000 Department of Foreign Affairs, Trade and Development (DFATD) employees located in Ottawa and regional offices across Canada, as well as in more than 160 embassies, high commissions and consulates around the world.
- Canada's federal government also provides direct financial assistance for Canadian entrepreneurs seeking to develop new export opportunities, especially in high-growth emerging markets.
- Canada's Trade Commissioner Service provides businesses with market intelligence, supports trade missions and delegations, helps to resolve customs and shipping problems, and links Canadian businesses to foreign clients, suppliers, investors and partners.
- In addition to DFATD, other federal departments and agencies support the Trade Commissioner Service directly or indirectly by providing sectoral and technical expertise.
- Another federal resource that helps to ensure that trade "works" is Export Development Canada (EDC); as Canada's export credit agency, EDC provides financial and insurance services to support the international business activities of Canadian exporters and investors, and to finance foreign buyers of Canadian goods and services.
- EDC is a self-sustaining federal Crown corporation that funds its activities with the returns it generates from providing financial services; in 2014, EDC served more than 7,400 customers in 187 countries, and helped more than 6,000 small and medium-sized businesses generate \$13.6 billion in exports.
- While negotiating market access and fair trade rules – and providing supportive government services – are important, their benefits are undermined if export-focused businesses face labour shortages either in aggregate or in particular skill areas.

- Like other countries, Canada is experiencing retirements, labour shortages in some regions and an oversupply of workers in other regions, an inadequate number of workers with particular skills, and other workforce-related challenges; there is a need to ensure that Canada's employers can access the workers that they need to compete in the global marketplace, and to meet their – and the country's – trade goals.
- In 2012, the Canadian Chamber of Commerce (CCC) held cross-country consultations on Canada's skill needs; those consultations revealed that, in relation to skills, there are both common threads and regional differences.
- In developing solutions to Canada's skills challenges, "one size" does not fit all and there are no easy solutions; Canada's regions are diverse, and solutions developed for today may not meet the needs of tomorrow.
- Through collaborations among Canadian educational institutions, employers, groups representing organized labour, governmental representatives and others, there are ongoing efforts to identify the actions needed to ensure that businesses have what they need: the right number of workers, workers with the right skills, and measures that support ongoing training to meet evolving employer needs.
- There are particular areas where attention needs to be focused in order for Canada to maximize trade opportunities; according to the CCC's consultations, in 2012, there were 27,000 job vacancies in the supply chain sector, with an additional need for 60,000 employees annually, and a significant and ongoing demand for the truck drivers who are an important part of multimodal transportation networks.
- To some extent, efforts to enhance labour mobility across Canada would help to meet particular labour needs; to that end, Canada's governments are working on recognition of accreditation across the provinces and territories.

### **Sam Kaplan, *Seattle Trade Development Alliance***

- States support trade, and the United States' federal government provides less trade-related support than do the federal governments in some other countries.
- Infrastructure is an important support for trade, including ports, roads, rail, etc.
- The United States' infrastructure deficit needs to be funded.

## **INTERNATIONAL TRADE AND EXPORT PROMOTION**

Kentucky Representative Brent Yonts posed questions to, and moderated a discussion among, Robert Hamilton, Eric Schinfeld, Luis Jimenez, Celeste Drake and Robin Tywman.

**Question:** As the U.S. Congress has approved trade promotion authority, should states be concerned about a potential Trans-Pacific Partnership (TPP) agreement and/or a transatlantic trade and investment partnership (TTIP) agreement?

**Robert Hamilton, *Office of the Governor of Washington State***

- Investor-state dispute settlement (ISDS) mechanisms are a notable area in which state laws are susceptible to challenge.
- The TPP negotiations are closer to completion than are those in relation to the TTIP.

**Eric Schinfeld, *Washington Council on International Trade***

- Any TPP agreement will not inhibit policies that allow states to regulate in their self-interest.
- The United States is already a party to 50 agreements that contain ISDS mechanisms; the U.S. government must defend ISDS challenges, in respect of which – to date – it has won all 17 cases.

**Luis Jimenez, *Office of the U.S. Trade Representative***

- There is a clear distinction between agreements containing ISDS mechanisms that the United States signs and agreements containing such mechanisms that are signed by other countries.
- U.S. rules are based on U.S. law, and the United States' legislative system protects investors with a sound rule of law.

**Celeste Drake, *AFL-CIO***

- On 17 occasions, foreign investors have opted to pursue resolution through ISDS mechanisms rather than through U.S. courts; clearly, they feel that these mechanisms are beneficial.
- The United States is the 11<sup>th</sup> most challenged country in the world in relation to investor-state issues.

**Robin Twyman, *Government of the United Kingdom***

- In the context of the TTIP negotiations, “civil society” in Europe is paying attention to ISDS mechanisms.
- The United Kingdom is a party to 94 agreements that have ISDS chapters.
- Governments are “in the business” of protecting their companies that are operating overseas and of attracting foreign investment.
- ISDS mechanisms provide assurance against the expropriation of assets and non-discrimination against foreign interests.
- It would be very odd if a TTIP agreement did not contain an ISDS chapter.

**Question:** What hurdles are preventing a conclusion to the TPP negotiations?

**Robert Hamilton, Office of the Governor of Washington State**

- It is important to enforce the provisions that are included in trade agreements.

**Eric Schinfeld, Washington Council on International Trade**

- President Obama wants a TPP agreement to be a “21<sup>st</sup> century” trade agreement; he wants it to set the standard for all future trade agreements to which the United States is a party.

**Luis Jimenez, Office of the U.S. Trade Representative**

- The United States will not sign a TPP agreement until it “gets the agreement that it wants”; it will not sign an agreement for the sake of signing an agreement.
- The countries involved in the TPP negotiations differ in their level of development.
- Challenges arise when there are attempts to sign an agreement that involves 12 countries.

**Celeste Drake, AFL-CIO**

- In the context of the TPP negotiations, the U.S. Congress has been clear about its concerns, and negotiations on the issues of concern appear to have been concluded.

**Question:** Who would benefit, and who would be harmed, by a TPP agreement?

**Eric Schinfeld, Washington Council on International Trade**

- The United States should only sign a TPP agreement that has high standards in the areas about which the United States cares.
- The United States has FTAs with about 20 countries, and most of the nation’s trade deficits are with countries with which the United States does not have an FTA.

**Luis Jimenez, Office of the U.S. Trade Representative**

- A TPP agreement is expected to include a chapter on small businesses, which are the entities that are the “job creators” in the United States.
- China saw the TPP negotiations as a threat to its influence in the region; if the 12 TPP countries align their supply chains, China will have to determine how to “get in.”



**Celeste Drake, *AFL-CIO***

- Global corporations are likely to benefit from a TPP agreement.
- Among the countries involved in the TPP negotiations, the United States is the only major “consumer economy.”
- FTAs have resulted in downward pressure on wages for about 70% of Americans.

**Robin Twyman, *Government of the United Kingdom***

- A TTIP agreement would create the largest free trade and investment area in the world, and each of the United States’ 50 states would benefit from an agreement.

**Question:** What is the probability that China will be forced to adopt better human rights standards?

**Robert Hamilton, *Office of the Governor of Washington State***

- If China signs a regional trade agreement and the United States does not, then China gains.
- Labour and environmental chapters in FTAs are not a panacea; things do not change overnight, and governments need to be willing to enforce relevant provisions.

**Luis Jimenez, *Office of the U.S. Trade Representative***

- China has a large population and a middle class that is growing quickly.
- In order to compete, China will be required to have standards that are aligned with those in the countries with which it wishes to trade.

**Question:** How would the *North American Free Trade Agreement* (NAFTA) conflict with a TPP agreement and/or a TTIP agreement?

**Robert Hamilton, *Office of the Governor of Washington State***

- As ISDS issues have changed since NAFTA was concluded, additional provisions are needed to protect against challenges.

**Luis Jimenez, *Office of the U.S. Trade Representative***

- In the context of the TPP negotiations, Canada and Mexico have been made to understand that the negotiations were the United States’ opportunity to enforce labour and environmental standards.
- Countries involved in trade negotiations are now addressing issues that did not exist 20 years ago.
- It is hoped that a TPP agreement would “fix” NAFTA’s “shortcomings.”

**Celeste Drake, *AFL-CIO***

- The United States' existing FTAs would continue to exist alongside a TPP agreement.
- NAFTA and other trade agreements to which the United States is a party contain a lot of "problems" that would be worsened with a TPP agreement.
- In the context of e-commerce, U.S. consumers should have recourse when their information crosses borders.
- Adequate funds and levels of staffing should exist to ensure enforcement of the United States' FTAs.

**Question:** What comments are relevant in relation to trade promotion authority?

**Eric Schinfeld, *Washington Council on International Trade***

- Drafts of FTAs cannot be made public, as doing so would jeopardize the ability to reach an agreement.
- The TPP negotiations have been the most transparent negotiations in which the United States has participated; members of the U.S. Congress have been briefed, as have civil society and other stakeholders.

**Celeste Drake, *AFL-CIO***

- An "up or down" vote on an FTA is problematic, as "the devil is in the details."

**Question:** What comments are relevant in relation to trade adjustment assistance?

**Eric Schinfeld, *Washington Council on International Trade***

- When the United States has trade rules that protect U.S. exporters, the country "does better"; these exporters need to be protected as they seek access to the 95% of the world's consumers who live outside the United States.

**Luis Jimenez, *Office of the U.S. Trade Representative***

- Rules are needed to ensure that U.S. businesses are competing on a "level playing field."

**Celeste Drake, *AFL-CIO***

- Workers should be very concerned about the TPP negotiations, as some of the countries involved in the negotiations have very low wages and no collective bargaining rights.
- Some of the countries that are a party to a TPP agreement would violate the agreement on the day that it comes into force.
- Rules that promote "Made in the United States of America" are needed.
- About 700,000 U.S. jobs were lost as a result of NAFTA.

**Question:** In comparing the TPP negotiations to the TTIP negotiations, what are the similarities and differences?

**Luis Jimenez, Office of the U.S. Trade Representative**

- The countries that are involved in the TPP negotiations have economies that are very different from those in the countries involved in the TTIP negotiations.
- The TPP negotiations involve 12 countries, while negotiations with the European Union are similar to bilateral negotiations.

## **BETTER APPROACHES TO ADDRESSING MENTAL ILLNESS IN CRIMINAL JUSTICE SYSTEMS**

**Justin Volpe, 11<sup>th</sup> Judicial District of Florida**

- Mental illness is a medical issue, not a criminal justice issue.
- It is relatively costly to keep individuals who are mentally ill in jails, and jails should not be psychiatric facilities.
- People who are mentally ill need supports in their community.

**KiDeuk Kim, Urban Institute**

- There is increased awareness of mental health issues, and – in the context of criminal justice reforms – growing attention is being paid to addressing mental illness.
- Millions of Americans who are under criminal justice supervision have cognitive impairment and did not intend to do harm.
- In the United States, the proportion of the prison population with a mental illness exceeds that in the general population.
- U.S. states vary greatly in the manner in which mentally ill people are treated in the criminal justice system.
- Re-entry into society is a process, rather than a discrete event.

**Senator Michael Crider, Indiana General Assembly**

- Medical facilities are often designed to treat trauma, and not mental illness.
- Mental illness is the social problem “of the day,” and services should be provided locally.

**Representative Jim Dunnigan, Utah State Legislature**

- Too often, those with a mental illness end up in the criminal justice system; these individuals should be diverted from that system.
- Some U.S. states have specialty courts to deal with those who are mentally ill and are in the criminal justice system.

- A vicious cycle can exist, with jail, re-entry into society, jail, etc.; individuals who leave the criminal justice system should be supported in order to break this cycle.
- More holistic treatment that integrates mental health and physical health should be provided.

**Senator Delores Kelley, *Maryland State Senate***

- Law enforcement officers need more and better training to improve the manner in which they deal with individuals who are mentally ill.
- Solitary confinement, as well as indiscriminate strip searches and shackling, can cause additional trauma to those who are mentally ill.
- For some juvenile offenders, mental illness exists alongside situations of neglect and abuse.
- Many juvenile offenders commit offences that would not be crimes were they older; examples include alcohol consumption and truancy.
- Mentally ill and abused juvenile offenders often lack due process and need better legal advice, as well as access to due process; they may not understand the employment, educational and other effects of accepting a plea bargain.
- Integrated health services should be provided.

**Representative Walt Leger, *Louisiana House of Representatives***

- There is a need to stop incarcerating people who have mental health issues.
- Solitary confinement is not a civilized practice, and is particularly damaging for those with a mental illness.

**HOW ARE KIDS DOING IN YOUR STATE?**

**Lisa Hamilton, *Annie E. Casey Foundation***

- In comparing 2013 to 2008 on four indicators of children's economic well-being, "teens not in school and not working" was unchanged, while "children in poverty" and "children whose parents lack secure employment" had worsened, and "children living in households with a high housing cost burden" had improved.
- In comparing years between 2011 and 2013 to years between 2007 and 2009 on four indicators of children's education, "fourth-grade students not proficient in reading," "eighth-grade students not proficient in math" and "high-school students not graduating on time" had improved, while "children not attending preschool" had worsened.
- In comparing 2012 or 2013 to 2007 or 2008 on four indicators of children's health, "low-birthweight babies," "children without health insurance," "child and teen deaths per 100,000," and "teens who abuse alcohol or drugs" had improved.

- In comparing years between 2009 and 2013 to years between 2006 and 2010 on four indicators of family and community, “children in families where the household head lacks a high school diploma” and “teen births per 1,000” had improved, while “children in single-parent families” and “children living in high-poverty areas” had worsened.
- According to recent child well-being rankings, the top five states are the following:
  - overall, Minnesota, New Hampshire, Massachusetts, Iowa and Vermont;
  - from an economic well-being perspective, North Dakota, Wyoming, Nebraska, Iowa and Minnesota;
  - from an education perspective, Massachusetts, New Jersey, New Hampshire, Vermont and Connecticut;
  - from a health perspective, Iowa, Minnesota, Massachusetts, Connecticut and Illinois; and
  - from a family and community perspective, New Hampshire, Utah, Vermont, Minnesota and Maine.
- According to recent child well-being rankings, the lowest five states are the following:
  - overall, Arizona, Nevada, Louisiana, New Mexico and Mississippi;
  - from an economic well-being perspective, Nevada, Louisiana, New Mexico, California and Mississippi;
  - from an education perspective, West Virginia, Louisiana, Mississippi, New Mexico and Nevada;
  - from a health perspective, Nevada, Montana, New Mexico, Louisiana and Mississippi; and
  - from a family and community perspective, Arizona, Texas, Louisiana, New Mexico and Mississippi.

## **REDEFINING CORPORATE SOCIAL RESPONSIBILITY: A PERSPECTIVE FROM STARBUCKS**

### **John Kelly, *Starbucks***

- Corporations have a responsibility to the communities in which they operate.
- Corporations are able to do more, and they must do more; governments should not be relied upon for everything.

## **CROWDFUNDING 101 UPDATE**

### **Anya Coverman, *North American Securities Administrators Association***

- With crowdfunding, small amounts are collected from a large number of people, typically through the Internet; they may receive a token gift in exchange for their contribution.
- The U.S. *Jumpstart Our Business Startups Act*, or the Jobs Act, created a federal mechanism for equity-based crowdfunding; in particular, an exemption from federal broker-deal registration was implemented.
- With crowdfunding, everyone can invest; there is no need to be a sophisticated investor.
- With equity-based crowdfunding, securities laws apply.
- The United States' states are passing laws to facilitate inter-state crowdfunding efforts.
- There are some investor protection concerns in relation to crowdfunding.

### **Representative Cindy Ryu, *Washington State House of Representatives***

- “Truth in lending” and “truth in investing” disclosures are important.
- As repayment is not guaranteed, “buyers need to beware.”

### **Bill Beatty, *Washington State Securities Administrator***

- Regulators can assist with crowdfunding initiatives by being open to new ideas, sharing expertise and engaging in outreach in communities.

## **EVIDENCE BASED POLICYMAKING: ACHIEVING EFFICIENT AND EFFECTIVE PROGRAMS**

### **Gary VanLandingham, *Pew Charitable Trusts***

- Policymakers want to make the best possible choices, but they must often rely on inertia and anecdotes when making their choices.
- Data are limited in relation to the programs that are funded, the accomplishments of each program and the programs that provide the highest return on investment.
- Bringing systematic evidence into the policymaking process should be a goal.
- With a view to improving outcomes without undertaking increased spending, one approach might be to create an inventory of current programs, conduct a cost-benefit analysis to determine the return on investment in these programs, and target funds to programs that have the highest return on investment.

- Legislative levers that could prompt or increase the use of evidence-based decision making include the following:
  - Create a statutory definition of evidence levels.
  - Require entities to create an inventory of current programs.
  - Direct entities to assess evidence and the return on investments in current programs.
  - Mandate a funding preference for evidence-based programs.
- In the United States, an evidence-based approach to decision making is being used in a number of social policy areas, including adult criminal justice, juvenile justice, substance abuse, mental health, child welfare, early childhood education, primary education, the prevention of teen pregnancy and the prevention of diabetes.

### **Representative Herb Frierson, *Mississippi House of Representatives***

- Making policies based on evidence requires a “culture change” in relation to the budgeting process and “buy in” from everyone involved in the process.
- When focusing on evidence-based policymaking, certain actions contribute to efficient and effective programs, including the following:
  - Identify the program premise: What is the proposed program supposed to accomplish? What do the designers want the program to do? What problem is the proposed program supposed to address?
  - Undertake a needs assessment: Is the problem that the proposed program seeks to resolve quantified? What is driving the premise of the need for a new program?
  - Develop a program description: What specific activities would achieve the proposed program’s desired outcomes? How many people or businesses would be served by the program? What would be the per-person or per-business cost of the proposed program? How would return on investment in the proposed program be measured and what return would be expected?
  - Look for a research and evidence “filter”: Is there a research or evidentiary basis for the proposed program?
  - Develop an implementation plan: Would the proposed program have training and/or startup requirements? Would the proposed program have ongoing operational requirements? Could the proposed program be achieved with current resources or would additional resources be required?
  - Develop a “fidelity plan”: What mechanisms would be put in place to ensure that the proposed program would continue to meet the outcomes desired for it?

- Put in place mechanisms for measurement and evaluation: How could the success of the proposed program be quantified? What metrics would be used to track the results of the proposed program? How frequently, and how, would the proposed program be measured and evaluated? How would the results of an evaluation be communicated to legislators and taxpayers?

**Charles Sallee, *New Mexico Legislative Finance Committee***

- With a focus on “legislating for results,” policymakers may want to identify priority areas, review existing programs and any information on their effectiveness, and monitor outcomes, among other actions.
- With data-driven policymaking, it is easier to identify – and to target resources to – programs and other initiatives that are effective.
- When programs and other initiatives are monitored and evaluated, there is a greater chance that investments in them are “protected” in terms of ensuring effectiveness.

**EYES ON CRIME: POLICE BODY WORN CAMERAS**

**Rich Williams, *National Conference of State Legislatures***

- According to a July 2015 report, in 2013, 32% of U.S. state and local police departments deployed body-worn cameras for at least some officers; since then, increased attention has been paid to expanding the use of such cameras.
- Some U.S. states are enacting laws or adopting resolutions regarding body-worn cameras for police; legislation addresses issues that include the following:
  - setting standards for police use;
  - protecting privacy;
  - creating funding opportunities for law enforcement agencies; and
  - applying body camera recordings to eavesdropping and open records laws.
- Proponents of body-worn cameras assert the following:
  - Video and audio recordings of interactions between law enforcement personnel and the public will provide the best evidence for, and defence of, accusations of police misconduct.
  - The prospect of being on camera reduces the probability of misbehaviour by law enforcement personnel and the public.
  - The use of body-worn cameras by law enforcement personnel reduces “use of force” incidents and citizen complaints against these personnel.



- In relation to body-worn cameras, concerns include the following:
  - cost;
  - privacy impacts; and
  - the appropriate storage and retention of the video evidence produced by body-worn cameras.

## **THE AGRICULTURAL AGE CONUNDRUM**

**Lilia McFarland, *United States Department of Agriculture***

- Agricultural production is changing; for example, there are new production methods and farming is occurring in new regions.
- An increasing number of people who reside in urban areas care about the soil, and some of them want to farm.
- Farming is now “high tech.”
- If you “know your farmer,” you “know your food.”
- In some cases, there is a need for children to learn about the source of the food that they eat.

## **BIG TRENDS, BIG OPPORTUNITIES**

**Andy Jassy, *Amazon***

- With cloud computing, it is possible to pay for only the amount of storage space that is needed.
- Organizations are using cloud computing for reasons that include the following:
  - A capital expense can become a variable expense when cloud computing replaces onsite storage.
  - The cost of cloud computing is generally lower than the cost of onsite storage.
  - With cloud computing, an expenditure for storage occurs only as the need for storage arises and only to the extent of that storage.
  - Security in relation to cloud computing is often stronger than in relation to onsite storage.

**Christopher Thornberg, *Beacon Economics, LLC***

- Global trends of note include the following:
  - The world’s population is growing, growth is particularly high in India and Africa, there is a growing middle class in some countries, and the population will become older, “brownier” and more urban.

- Big cities are getting bigger and bigger.
- The economic “centre of gravity” is shifting, and China is the world’s largest economy in terms of purchasing power parity.
- Equality across countries is growing, while inequality within some countries is worsening.
- Since the returns to savings are becoming less and less, there is a greater need to save.
- Global linkages are rising, with increased flows of goods and services across countries’ borders.
- The nature of global conflicts is changing; for example, conflicts often exist within a nation rather than between nations and, at times, within-nation conflicts exist because of inequality.

**Sheryl Connelly, *Ford Motor Company***

- A number of thoughts and behaviours can help someone “think like a futurist,” including the following:
  - Do not be afraid of the future.
  - Explore the things that cannot be controlled or influenced, since no one and nothing exists in a vacuum.
  - It is better to be generally right than precisely wrong.
  - Be provocative and challenge the status quo, since a dissenting voice can be the trigger for insights.
  - Be plausible.
  - Since the future cannot be predicted with certainty, expect the unexpected, be nimble and imagine multiple futures.
  - The inability to predict the future does not mean that people should not try to do so.
  - The best way to predict the future is to create it.

**U.S. ECONOMIC OUTLOOK: WILL SLOW AND STEADY WIN THE RACE?**

**Christopher Thornberg, *Beacon Economics, LLC***

- The U.S. economy is “picking up steam”; there has been “solid” acceleration in domestic demand, labour markets have “turned a corner,” wages are expected to begin to rise for some workers, credit is expanding, interest rates are stable, the savings rate is steady, the unemployment rate is falling, etc.
- Although the U.S. economy is “picking up steam,” there are concerns about the global economy, state and local budgets continue to be “stressed,” and there is growing inequality.

- A college degree is no longer adequate; Americans need to be better-educated.
- In the United States, there is a limited supply of individuals with some skill sets, such as engineering.
- The size of the United States' trade deficit is stable in nominal terms.
- The relative value of the U.S. dollar is rising because of the value of the euro.
- From a long-term perspective, U.S. housing prices are still low.
- With revenues being allocated to social benefits, including pensions and employment insurance, limited funds are available for investments in infrastructure.

## **THE CHALLENGE OF POLITICS AND AMERICA'S GLOBAL STANDING**

### **Robert Gates, *Former United States Secretary of Defense***

- National security and foreign policy challenges include the following:
  - terrorism;
  - cybersecurity; and
  - oil prices.
- The most significant challenge to the United States' national security is the U.S. Congress, where there is an unwillingness to put aside short-term political gain for the sake of the long-term public good, as well as an aversion to compromise.
- It is not possible to eliminate all risks of terrorist attacks.
- New and evolving threats associated with cybersecurity include the following:
  - collection by governments of data for purposes of national security;
  - collection of information for economic purposes;
  - denial of service or the disruption of infrastructure; and
  - theft.
- Increasingly, events around the world affect Americans.
- Leaders must be extremely cautious in "drawing a line in the sand" or issuing an ultimatum, since a failure to act diminishes credibility.
- The Middle East will continue to be in turmoil for the foreseeable future.
- Iran is determined to develop a nuclear capability.
- It is difficult to identify and monitor the people who may be susceptible to self-radicalization.

## **A BETTER WAY TO ENSURE SMART TAX INCENTIVES**

### **Representative Steve Tharinger, *Washington State House of Representatives***

- It is important to be transparent and equitable.
- Since there are competing priorities for limited resources, the merits of a particular incentive should be assessed.
- Sunset provisions can be useful in ensuring that incentives are assessed on an ongoing basis.

### **Senator Brandt Hershman, *Indiana State Senate***

- Decisions must be made about how to spend the revenue collected from taxpayers.
- Governments make decisions to spend on various programs and tax measures in order to “drive” particular behaviours.
- Regular evaluation of tax incentives should occur; in that regard, key questions include the following:
  - What is the purpose of the tax measure?
  - Is the tax measure having the intended effect?
  - Is the tax measure “driving” behaviour that would not otherwise occur?
  - What is the economic impact of the tax measure?

## **A BETTER WAY TO KEEP KIDS OUT OF PRISON**

### **Senator Alan Solano, *South Dakota Legislature***

- Investments should be made in community-based initiatives that have been proven to work.
- The root causes of juvenile delinquency need to be identified.
- Decisions should be data-driven.

### **Dan Satterberg, *King County Prosecuting Attorney***

- The United States has a crime rate that is at an historic low and an imprisonment rate that is at an historic high.
- Creative ways must be found to stop the juvenile offender of today from becoming the adult offender of tomorrow.
- Areas for focus in relation to juvenile delinquency should include the following:
  - schools;
  - community-based mental health and dependency supports;
  - sentencing reform;

- prison reform; and
- the re-entry process.

**Steve Aos, *Washington State Institute for Public Policy***

- Data should be collected regarding criminal justice measures and systems that “work.”
- With better criminal justice systems, crime rates would be lower and spending would be less; the goal is to reduce crime and provide a better return on investments made in the criminal justice system.
- Anything that affects the juvenile crime rate also affects the adult crime rate.

**LEADERSHIP LESSONS**

**Jon Meacham, *Author***

- It is important to reflect on what has been learned about the past to help “negotiate” the present and “shape” a better future.
- History is not a “roadmap to the future”; however, it is a “diagnostic tool,” and a failure to “look back in order to look forward” constitutes a failure to use an information source.
- Great leaders tend to be “in touch with” the culture, ideas, etc. of their times; they also “master” the means of communication of their times.
- Great leaders have a capacity to “learn on the job,” learn from mistakes and adjust in “real time.”
- Great leaders appreciate the art of compromise; getting 80% is better than “holding out” for 100% and, as a result, getting nothing.

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

<b>ASSOCIATION</b>	Canada–United States Inter-Parliamentary Group
<b>ACTIVITY</b>	Annual Legislative Summit of the National Conference of State Legislatures (NCSL)
<b>DESTINATION</b>	Seattle, Washington, United States of America
<b>DATES</b>	3–6 August 2015
<b>DELEGATION</b>	
SENATE	Hon. Michael L. MacDonald, Senator Hon. Céline Hervieux-Payette, P.C., Senator Hon. Victor Oh, Senator
HOUSE OF COMMONS	
STAFF	Ms. June Dewetering, Senior Advisor
<b>TRANSPORTATION</b>	<b>\$ 6,581.70</b>
<b>ACCOMMODATION</b>	<b>\$ 4,811.68</b>
<b>HOSPITALITY</b>	<b>\$ 0.00</b>
<b>PER DIEMS</b>	<b>\$ 2,035.24</b>
<b>OFFICIAL GIFTS</b>	<b>\$ 0.00</b>
<b>MISCELLANEOUS / REGISTRATION FEES</b>	<b>\$ 5,530.76</b>
<b>TOTAL</b>	<b>\$18,959.38</b>