

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 2014 Annual Summer
Meeting of the National Governors Association (NGA)**

Canada-United States Inter-Parliamentary Group

**Nashville, Tennessee, United States of America
July 10–13, 2014**

Report

DELEGATION MEMBERS AND STAFF

From 10–13 July 2014, four Vice-Chairs from the Canadian Section of the Canada-United States Inter-Parliamentary Group (IPG) – Senator Michael L. MacDonald, Senator Wilfred Moore, Q.C., Mr. Rick Dykstra, M.P. and Mr. Peter Stoffer, M.P. – and Mr. David McGuinty, M.P. attended the 2014 summer meeting of the National Governors Association (NGA) in Nashville, Tennessee. The delegation was accompanied by Ms. Angela Crandall, the Canadian Section’s Executive Secretary, and Ms. June Dewetering, Senior Advisor to the Canadian Section.

THE EVENT

Founded more than a century ago when President Theodore Roosevelt gathered state governors in order to discuss the nation’s resources, the NGA is the collective voice of U.S. governors from the 50 states, three territories and two commonwealths. It is also a public policy organization that represents the governors on Capitol Hill and before the U.S. Administration on federal issues that affect them, and that develops and implements solutions to public policy challenges.

The NGA, which meets in the winter and summer each year, is supervised by a chair, vice chair and nine-person executive committee. Governors participate on five issue-related standing committees – Economic Development and Commerce, Education and Workforce, Health and Human Services, Homeland Security and Public Safety, and Natural Resources – and, on occasion, on special ad hoc bipartisan committees and task forces. At the 2014 summer meeting, each of the standing committees held a session.

The theme for the NGA’s activities in 2014 – including the winter and summer meetings – is “America Works: Education and Training for Tomorrow’s Jobs.” This initiative was selected by NGA Chair Oklahoma Governor Mary Fallin.

DELEGATION OBJECTIVES FOR THE EVENT

Members of the Canadian Section of the IPG have been attending the winter and summer meetings of the NGA for several years. At this meeting, delegates spoke with a number of governors, including Governors Terry Branstad (Iowa), Phil Bryant (Mississippi), Lincoln Chaffee (Rhode Island), Jack Dalrymple (North Dakota), Dennis Daugaard (South Dakota), Bill Haslam (Tennessee), Dave Heineman (Nebraska), Gary Herbert (Utah), John Hickenlooper (Colorado), Dannel Malloy (Connecticut), Jack Markell (Delaware), Jay Nixon (Missouri), Martin O’Malley (Maryland), Brian Sandoval (Nevada) and Peter Shumlin (Vermont).

Their interactions with governors and others enable Canadian members of the IPG to achieve better the aims of finding points of convergence in respective national policies, initiating dialogue on points of divergence, encouraging exchanges of information and promoting better understanding on shared issues of concern. Moreover, the NGA

meetings provide the IPG's Canadian Section with an important means by which to provide input to, and gather information about, state-level issues that affect Canada. It is anticipated that the Canadian Section will continue to attend the NGA's winter and summer meetings.

ACTIVITIES DURING THE EVENT

The 2014 summer meeting of the NGA included the following sessions:

- The State-Federal Partnership (Opening Session)
- The State of U.S. Manufacturing: Growing Small & Medium-Sized Enterprises (Economic Development and Commerce Committee)
- Pathway to Work: The Role of Education in Economic Development (Education and Workforce Committee)
- Perspectives on the Future of Health Care (Health and Human Services Committee)
- America Works: Education and Training for Tomorrow's Jobs (Special Session)
- Putting Veterans on a Path to Career Success (Homeland Security and Public Safety Committee)
- Modernizing the Electric Grid: Confronting Challenges and Identifying Solutions (Natural Resources Committee)
- The Future of Main Street (Closing Session).

This report summarizes some of the points that were made at the opening and special sessions, as well as at selected standing committee meetings.

THE STATE-FEDERAL PARTNERSHIP

Joe Biden, *Vice-President of the United States*

- The culture in Washington, D.C. is now too personal, and it has become corrosive.
- The United States' Democratic and Republican governors, who treat each other with respect, are "the best hope" for returning to "a place" where people can disagree without being disagreeable; the common goal is to find solutions and, as governors provide solutions, they have the greatest respect among those who hold elected office.
- "Politics," but not Americans, are divided; the United States is one country, and the country does best when it acts like one country.

- In order for prosperity to occur, investments in infrastructure are needed, and the United States should ensure that it has the highest-skilled workforce in the world; at the present time, the country is “way behind” in both of these areas, but the governors are “leading the way,” with very little help from the U.S. Congress.
- Infrastructure and workforce education are not partisan issues.
- The United States was built “on the backs and shoulders” of the most advanced infrastructure in the world and the hard work of the American people.
- Rail, highway and inland waterway connections are critical, as manufacturers locate where they can get their products to market as efficiently and inexpensively as possible.
- According to a 2013 report by the American Society of Civil Engineers, \$3.6 trillion needs to be invested in infrastructure by 2020.
- Infrastructure projects have “ripple effects,” and these projects help to build the economy.
- Following Hurricane Sandy in 2012, rebuilding “to a higher standard” has occurred.
- The “best path” to employment is partnerships among educational institutions, businesses and non-governmental organizations.
- People need to know “how to know”; as well, they need to know the location of jobs, the training that is needed for those jobs and where to get that training.
- The American people are “ready to work” and, if given a chance, they will not let the United States down.
- In 2013 and 2014, the United States was the first choice worldwide for foreign direct investment, which provides “immense” opportunities; the United States is better-positioned than any other nation to have the leading economy of the 21st century.
- The United States needs to be more efficient and productive, and to establish an environment that enables the creation of more jobs.
- There is a need to take advantage of the opportunities that exist in the United States; among all of the countries in the world, the United States has the greatest research universities and the highest number of venture capitalists.
- China has an energy shortage, a water shortage and a divided population.

THE STATE OF U.S. MANUFACTURING: GROWING SMALL & MEDIUM-SIZED ENTERPRISES

Lisa Allen, *Ziegenfelder Company, Inc.*

- Employees should be considered to be “internal customers” and “team members.”
- For many Americans, the recent economic recovery has not improved their lives.
- Employment opportunities exist for entry-level employees who are not “tech-savvy.”

Eric Cromwell, *Cromwell Schmisser*

- Innovators and entrepreneurs are important, but they need a supportive “ecosystem.”
- Small businesses that have the potential for high growth and those that are limited in their growth potential have different needs; the former are creating jobs and wealth in their communities.
- As supporting small businesses that have the potential for high growth is difficult and it may take a number of years to yield results, the “political will” to “stick with it for more than the short term” is needed.
- The “building blocks” to support innovation include the following:
 - infrastructure that supports research and innovation;
 - entrepreneurial accelerators and incubators; and
 - access to capital.
- States can stimulate private investment in innovation, including through the following actions:
 - use the federal resources that are available;
 - be efficient;
 - fill gaps and do not displace the efforts of others;
 - use a competitive process to avoid “picking winners”; and
 - expect a financial return, rather than reinvestment.

Jim Hudson, *HudsonAlpha Institute for Biotechnology*

- Public-private partnerships (P3s) can create jobs and improve lives.
- Private enterprise is the most timely and efficient way in which to “move” innovation from the laboratory to the marketplace.
- There is a need to accelerate the rate at which innovations are commercialized.
- World-class infrastructure attracts “talent.”
- Scientists who are entrepreneurial “in spirit” should be recruited.
- Collaborative environments should be established.
- Educational outreach programs established by businesses can help to ensure a properly educated workforce.

PERSPECTIVES ON THE FUTURE OF HEALTH CARE

Andrew Dreyfus, *Blue Cross Blue Shield of Massachusetts*

- Regarding health care, the fee-for-service model should be changed to an outcome-, success- or performance-based model; the payment system should provide for a flat fee and quality incentives.
- The goal should be providing better health care at lower cost.
- Part of the solution to the United States’ health care challenges is having required data “at one’s fingertips”; for example, doctors may benefit from knowing how their patient who has a particular ailment is doing relative to other patients who have that ailment.
- In Massachusetts, there are no uninsured children, and there are few uninsured adults.
- The state of Massachusetts has passed health care cost containment laws; in the state, 5% of patients are responsible for about 50% of health care spending.

Tom Latkovic, *McKinsey & Company*

- The paths taken by the U.S. states in relation to health care are likely to differ.
- There are multiple opportunities to improve the health care system in the United States, and “intelligent choices” could have major benefits.
- At present, the United States’ health care system is extremely fragmented, and there are a great many stakeholders.

- In relation to health care, states can play a dual role: accelerator of private-sector innovation; and public-sector purchaser.
- The focus should be paying for the delivery of better health outcomes at a lower cost.
- Better health care infrastructure, professionals and technology are needed.

Bill Rutherford, *Hospital Corporation of America*

- Health care providers are investing in high-value, integrated delivery systems; as well, investments are being made in technology, including electronic health records.
- The focus should be on: improving health outcomes; enhancing the patient experience; and identifying opportunities for cost reductions, including through consolidated administration.
- New health care payment models are being implemented, including pay for “performance” that considers outcomes and the extent to which costs have been contained.
- Health care reform is important, and the “early signs” are encouraging.

AMERICA WORKS: EDUCATION AND TRAINING FOR TOMORROW’S JOBS

Stephen Rohleder, *Accenture*

- The “battle for talent” is a key issue for organizations, and is ongoing; a number of organizations are developing “talent pools” that meet their particular needs.
- All governors are competing with each other and with other countries for “talent”; the states that are more successful in attracting “talent” will be more successful in attracting businesses, and will grow and prosper.
- There is a disconnect between labour supply and labour demand; it is a challenge to match job seekers who have the right skills with jobs where those skills are needed.
- States need to “attack” the issues of “talent” and workforce development for the benefit of people, businesses and communities; losing this “battle” will lead to lost opportunities, lower growth, and a reduced standard of living and quality of life.
- The next generation’s standard of living could be lower than that of the previous generation.
- There are “three Ps” that are important:

- population – the baby boomers are retiring and are not being replaced in all cases;
 - participation – the labour force participation rate is declining, especially among the youngest workers; and
 - productivity – growth in labour force productivity is unreliable, but if it improves quickly enough, its effects would outweigh the effects of population and participation, resulting in a rising standard of living and quality of life.
- Strategies are needed in four areas:
 - analytics – real-time information and insights about “talent”;
 - pipelines – reliable “talent supply” systems;
 - pathways – a personalized “roadmap” for every job seeker that shows how his/her talents can be used for both current and future jobs; and
 - focus – outcomes should be the priority.
 - States that have an integrated and unified approach to “talent” will have a higher standard of living.

PUTTING VETERANS ON A PATH TO CAREER SUCCESS

Susan Kelly, *U.S. Department of Defense*

- The Transition Assistance Program has undergone a significant redesign.
- One challenge is determining how military skills can be applied in civilian life following separation from active duty; people should begin to think about this issue as early as possible, such as during the first permanent posting.
- As there are too many websites directed to veterans, work is under way to establish a single portal to assist veterans with “translating” their military skills into civilian uses for those skills, locating employment, etc.
- Each year, nearly 200,000 people “separate” from the U.S. Department of Defense; turnover is constant.
- The veterans population has demonstrated an ability to be trained.
- Veterans frequently have strong leadership, decision-making, team-building and teamwork skills.

Teresa Gerton, *U.S. Department of Labor*

- Partnerships are key in supporting veterans, and the U.S. Department of Labor is uniquely positioned to facilitate matches between employment opportunities and veterans who are seeking jobs.
- “Unemployed,” “underemployed” or “unhappily employed” are terms that describe many U.S. veterans and members of the National Guard.
- Although employers can be “tremendously” committed to hiring veterans, it can be difficult to “translate” that commitment into hiring strategies.
- Some veterans are enrolling in credentialing programs while they are on active duty.

Debi Durham, *Iowa Economic Development Authority*

- It is important that a “cross-walk assessment” be done in order to determine how the skills used in military work activities can be transferred to the civilian labour market.
- There is a disconnect between human resources departments and hiring the veteran population.
- It is important to “put veterans on the path” to career success.

Jeff Harris, *Office of Missouri Governor Jay Nixon*

- In Missouri’s Show Me Heroes Program, there are two keys to success:
 - employers take a pledge to give a veteran an employment opportunity; and
 - existing resources are used.
- In Missouri, 4,000 employers have signed up to be “Show Me Heroes” employers, and 6,800 veterans have been hired.
- In terms of licensing, it may be possible to give credit for “military skills.”

Johan Houts, *Express Grips*

- The private sector can build partnerships at the federal and state levels to increase employment opportunities for veterans.
- People seek employment differently today than they did in the past; it is important to make changes, as required, such as through using social media.
- An organization’s commitment to employing veterans becomes part of the corporate culture and builds a patriotic feeling within the organization.

Moon Passino, *Enterprise Holdings*

- Veterans understand the notion of hierarchy.
- Veterans often display such characteristics as loyalty, commitment, teamwork and dedication, and have a strong work ethic.

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	2014 Annual Summer Meeting of the National Governors Association (NGA)
DESTINATION	Nashville, Tennessee, United States of America
DATES	July 10–13, 2014
DELEGATION	
SENATE	Hon. Michael L. MacDonald Hon. Wilfred P. Moore, Q.C.
HOUSE OF COMMONS	Mr. Rick Dykstra, M.P. Mr. Peter Stoffer, M.P. Mr. David McGuinty, M.P.
STAFF	Ms. Angela Crandall, Executive Secretary Ms. June Dewetering, Senior Advisor
TRANSPORTATION	\$ 7,546.54
ACCOMMODATION	\$ 9,243.12
HOSPITALITY	\$ 0.00
PER DIEMS	\$ 2,458.67
OFFICIAL GIFTS	\$ 0.00
MISCELLANEOUS / REGISTRATION FEES	\$ 8,990.65
TOTAL	\$ 28,238.98