

## Report of the Canadian Parliamentary Delegation respecting its participation at the National Governors Association Winter Meeting

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

Washington, D.C., United States of America February 22-25, 2013

## Report

### **DELEGATION MEMBERS AND STAFF**

From February 22-25, 2013, Senator Janis G. Johnson, Co-Chair of the Canadian Section of the Canada-United States Inter-Parliamentary Group (IPG), led a delegation to the annual winter meeting of the National Governors Association (NGA) in Washington, D.C. Other delegates were the Honourable Wayne Easter, P.C., M.P., Vice-Chair, Senator Wilfred P. Moore, Q.C., Vice-Chair, Senator Jean-Guy Dagenais, Senator Terry M. Mercer and Mr. Mark Adler, M.P. The delegation was accompanied by the Canadian Section's Executive Secretary, Ms. Angela Crandall, and its Senior Advisor, Ms. June Dewetering.

#### 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, and governors participate on four issue-related standing committees – Economic Development and Commerce; Education and Workforce; Health and Homeland Security; and Natural Resources; on occasion, they also participate on special ad hoc bipartisan committees and task forces. At the 2013 winter meeting, each of the four standing committees held a session.

The theme for the NGA's activities in 2013 – including the winter and summer meetings – is "A Better Bottom Line: Employing People with Disabilities." This initiative has been selected by NGA Chair Delaware Governor Jack Markell.

#### 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 more than a dozen governors, including Governors Terry Branstad (Iowa), Jerry Brown (California), Steve Bullock (Montana), Chris Christie (New Jersey), Jack Dalrymple (North Dakota), Dennis Daugaard (South Dakota), Maggie Hassan (New Hampshire), Gary Herbert (Utah), John Hickenlooper (Colorado), John Kitzhaber (Oregon), Jack Markell (Delaware), Dannel Malloy (Connecticut), Martin O'Malley (Maryland) and Peter Shumlin (Vermont). Moreover, during a reception hosted by the Canadian Embassy for the governors that was attended by Special Olympics Chairman and CEO Tim Shriver, delegates also had the opportunity to speak with Alberta Premier Alison Redford and Manitoba Premier Greg Selinger.

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 Canadian Section of the IPG 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's attendance at the winter and summer meetings will continue.

## ACTIVITIES DURING THE EVENT

The 2013 winter meeting of the NGA included the following sessions:

- A Better Bottom Line: Employing People with Disabilities (Opening Session)
- States and Federal Tax Reform Looking Forward (Economic Development and Commerce Committee)
- Protecting Our Nation: States and Cybersecurity (Health and Homeland Security Committee)
- Nationwide Public Safety Network (Health and Homeland Security Committee)
- Leaders Speak: Models from the Private and Public Sectors (Special Session)
- A Governor's Plan to Grow School Leaders and Teachers (Education and Workforce Committee)
- Extreme Weather and the Corps of Engineers: Preparing States for the Future (Natural Resources Committee)
- Where Personal Responsibility Meets Government Responsibility (Closing Session).

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

## A BETTER BOTTOM LINE: EMPLOYING PEOPLE WITH DISABILITIES

#### Gregory Wasson, *Walgreens*

- Employing disabled persons makes a positive contribution to a company's "bottom line," and enable companies to "do good" while "doing good business."
- Disabled persons, who are a vastly underused source of labour, want to work and can become qualified to work with a limited amount of training; they can perform at least as well as non-disabled persons.
- At times such as these, governments and businesses cannot afford to overlook or underestimate any source of labour.

- Employing persons with a disability is a win-win-win situation for disabled persons, employers and states.
- Businesses may want to consider working with local agencies that serve disabled persons to both attract and train disabled persons.
- Businesses should train managers about how to manage disabled workers so that disabled and non-disabled employees can work together, side by side.
- At least two roles are key to employing persons with a disability: a highlevel champion within the company, and a line champion who can "drive it" within a given work facility.
- In terms of employing disabled persons, companies can:
  - share their experiences, pitfalls, best practices and "bottom line" results with each other;
  - develop active partnerships, including with schools and agencies that serve disabled persons; and
  - open "their doors and their eyes to what works."
- Having to complete a job application online can be a barrier for someone who would be a great employee.
- If medications are taken properly, millions in medical costs can be avoided.

## STATES AND FEDERAL TAX REFORM – LOOKING FORWARD

#### Thomas Doe, *Municipal Market Advisors*

- In essence, municipal bonds are loans for infrastructure projects.
- If there is a need to borrow funds, it is logical to go to those who have funds.
- About \$3 trillion is currently needed to fund infrastructure in the United States.
- Recently, England lost its Triple A credit rating.

## Robert Leonard, Akin Gump Strauss Hauer & Feld LLP

- It is important to ensure that tax issues are debated, negotiated and resolved.
- The tax reform discussion currently under way between Republicans and Democrats is reminiscent of 1986: substantial reductions in tax rates balanced by revenue offsets so that the budget deficit does not change.

• The issues of itemized deductions, as well as tax exclusions and exemptions, will "come into play" during discussions about tax reform.

### Mark Vitner, Wells Fargo

- The United States is on a stronger economic "foundation" than most Americans realize, but budget problems will persist for some time.
- The U.S. economy is gaining momentum, the unemployment rate is falling, the rate of job growth is rising, and the housing market is "picking up."
- The "incredibly easy" monetary policy approach by the U.S. Federal Reserve, including in respect of the policy interest rate and quantitative easing, has contributed to positive outcomes in the United States.
- Regarding industrial development, many American companies are continuing to be exceptionally cautious.
- U.S. consumers appear to be "holding up" relatively well.
- Regarding sequestration, some states are likely to be "hit" especially hard because they rely on military projects, have high levels of federal employment, etc.
- Most small businesses in the United States have revenues of \$3 million or less, and are structured in a way that minimizes their tax liability.
- The regulatory environment is "tough," including in terms of enforcement.
- The United States may be on the cusp of a mini-bubble in housing, as there is some speculation occurring.
- In the United States, the switch from coal to natural gas has gone smoothly, but it will be difficult to "reverse" quickly if the price of natural gas rises.

#### SPECIAL SESSION

PBS Newshour's Judy Woodruff moderated a discussion with the governors following brief presentations by:

- Neill Christopher, Acadia Windows & Doors;
- Judith Heumann, U.S. Department of State;
- Joan McGovern, JPMorgan Chase; and
- Carl Van Horn, Rutgers.

## Judy Woodruff, *PBS Newshour*

• The issue of employing persons with a disability is important.

- It is hard for disabled persons to get an education, find and retain a job, etc.
- Disabled persons can make meaningful contributions in their families, at work, in their communities, etc.

#### Joan McGovern, *JPMorgan Chase*

- Leadership from the top "drives" support for an entity's "disability agenda."
- A number of questions should be considered when employing persons with a disability, including the following:
  - Where are you recruiting?
  - What actions are being taken to ensure retention?
  - What accommodations are needed?
  - What is needed to enhance productivity?
  - Are there transportation barriers that need to be overcome?
- Employing persons with a disability is an effective way to "do business."
- Efforts should be directed to attracting, but also to retaining, disabled persons in order that they can build careers.
- There is no "one size fits all" approach for employing persons with a disability.
- Attention should be paid to the contributions that can be made by disabled veterans.

#### Neill Christopher, Acadia Windows & Doors

- The focus for hiring should be finding people with the right skills, regardless of their disability status.
- Employing people with a disability needs to be a top-down, as well as a bottom-up, initiative.
- Businesses seeking to employ disabled persons should partner with organizations that serve those with disabilities, including for reasons of transportation and job coaching.
- The primary reason why businesses do not hire people with a disability is fear; that said, there are also concerns about safety, but it should be recognized that if the workplace is made safer for those with a disability, everyone at the workplace benefits.
- As the baby boom generation retires, it will be important to access "untapped" pools of labour, one of which is disabled persons.

#### Judith Heumann, U.S. Department of State

- Over time, there have been significant and positive changes for those with a disability.
- All states are looking at diversity in their workforce, and people with disabilities of all types and from all backgrounds can contribute to the workplace; it is important to identify opportunities for them.
- When contemplating the employment of people with a disability, companies should train hiring managers, attend job fairs and work with educational institutions, including to explore the possibility of internships.
- Children with a disability need to see themselves in a work environment, and parents of these children must expect that their child will be gainfully employed.
- Those with responsibility for integrating persons with a disability into the workplace must be held accountable for results.
- Employers should make reasonable and appropriate workplace accommodations for those with a disability.
- There is a need to change "the mindset" in relation to those with a disability.

#### Carl Van Horn, *Rutgers*

- While there are millions of disabled workers who are employed today, there are millions more who could be employed.
- As the workforce ages, there will be age-onset disabilities to be considered.
- In the United States, the unemployment rate for those with a disability is double the national average, and the labour force participation rate for disabled persons is 21% of the national average.
- Nearly 20% of U.S. employers report that they have hired a disabled person.
- Hiring managers, and their attitudes, can be a barrier to employing those with a disability.
- For six in 10 employers, the cost of accommodating a person with a disability is \$0 or a very small amount; the average accommodation cost is \$500.
- There are at least five areas in which the governors could take action regarding the employment of persons with a disability, including the following:

- showing leadership, such as in the areas of increasing awareness, and working to dispel myths and change expectations;
- working with employers that want to hire those with a disability;
- acting as a model employer, such as through providing capital funding for accommodation, providing disability awareness training, and developing internship and other opportunities;
- developing incentives for companies to hire persons with a disability, such as employment tax credits, state procurement preferences for businesses owned by those with a disability, and low-interest loans to make workplaces accessible to those with a disability; and
- marketing federal and state programs relating to employment of those with a disability.

## Governor Dennis Daugaard, State of South Dakota

- Those with a disability may have a higher level of determination, as they are required to be more determined.
- There is a need to focus on what is inside someone, rather than on whether he/she has a disability.
- Technology has provided many new tools to help those with a disability, including in workplaces.
- Employers know that hiring workers with a disability is "good for business."
- States should help persons with a disability find employment, and should help to instil in disabled persons the notion that they can work.

## Governor Dannel Malloy, State of Connecticut

- To assist those with a disability, it is important to remove barriers to employment and education, including through the promotion of workplace accommodations, employer and worker training, and distance learning.
- The United States "owes" it to veterans to ensure that they have a job.

## Governor Terry Branstad, State of Iowa

- Regarding the employment of persons with a disability, one challenge is mindset; people need to begin thinking "outside the box."
- For persons with a disability, barriers such as transportation must be overcome and needed workplace accommodations must be made.

## Governor Gary Herbert, State of Utah

• Everyone has limitations of some sort; some limitations are more notable than others.

- Persons with a disability are just like everyone else.
- Regarding disabled persons, there is a need to fight stigmas and to develop the right mindset.
- Persons with a disability have a "can do" spirit; they believe that they can "do it," and others need to believe the same thing.

#### Governor Scott Walker, *State of Wisconsin*

- There is a need to work with employers to identify their needs.
- Disabled employees can be motivational for their coworkers.

## A GOVERNOR'S PLAN TO GROW SCHOOL LEADERS AND TEACHERS

#### Bryan Hassel, *Public Impact*

- Teachers are the single most important factor affecting how much students learn.
- Even if all of the current policies were successful, the goal of having a great teacher in every classroom would not be attained.
- Only 25% of classes have excellent teachers, and 25% of classrooms are getting the results that are needed.
- Technology and new designs for schools should be used to get out of the "one teacher, one classroom" model; students should be given access to the best teachers, a situation that can be realized with technology.
- In the United States, spending on education has increased by 140% over the last 40 years.
- Over time, teacher compensation has basically been stagnant; at the same time, teaching has become more difficult, and the expectations of teachers to get results for all students have been rising.
- It is increasingly difficult to attract and retain teachers.
- Policy recommendations in relation to teaching include the following:
  - Get selective about who will be permitted to teach.
  - Eliminate barriers to having excellent teachers reach more students.
  - Count the number of students who have excellent teachers.
  - Declare it a civil right for students to have excellent teachers.
  - Establish a goal of increasing the average amount paid to teachers to at least \$100,000, and within existing budgets.

#### Rick Hess, American Enterprise Institute

- Talented teachers should be used "wisely and widely."
- There is a need for better leaders in schools, and they need to feel that they have the power and ability to "do things"; the challenge for leaders is to re-engineer schools.
- The current educational system was built for a different era.
- There are four important factors talent, time, tools and money and if a great job is not done with the first three, then more of the fourth is required.
- About 80% of educational leaders in the United States have not worked outside the kindergarten-grade 12 environment.
- Policy recommendations in relation to leadership in schools include the following:
  - Cultivate a "coalition of the willing."
  - Tackle licensing and expand the "pipeline."
  - Clarify what is expected and what is allowed.
  - Encourage school districts to differentiate and to compensate with a view to performance.
  - Get others to support educational reform efforts.

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	National Governors Association Winter Meeting
DESTINATION	Washington, D.C., United States of America
DATES	February 22-25, 2013
DELEGATION	
SENATE	Hon. Janis G. Johnson Hon. Wilfred P. Moore, Q.C. Hon. Jean-Guy Dagenais Hon. Terry M. Mercer
HOUSE OF COMMONS	Hon. Wayne Easter, P.C., M.P. Mr. Mark Adler, M.P.
STAFF	Ms. Angela Crandall, Executive Secretary Ms. June Dewetering, Senior Advisor
TRANSPORTATION	\$ 6,503.89
ACCOMMODATION	\$ 14,827.37
HOSPITALITY	
PER DIEMS	\$ 2,112.36
OFFICIAL GIFTS	
MISCELLANEOUS / REGISTRATION FEES	\$ 9,180.25
TOTAL	\$ 32,623.87