

Canada - United States
Inter-Parliamentary Group
Canadian Section



Groupe interparlementaire
Canada - États-Unis
Section canadienne

**Report of the Canadian Parliamentary Delegation
to the Pacific NorthWest Economic Region – Border
Challenges and Regional Solutions: 2010 Olympics and the
Pacific Northwest Experience**

Canada-United States Inter-Parliamentary Group

**Washington, D.C., United States of America
February 24, 2009**

Report

On 24 February 2009, Senator Jerry Grafstein, Co-Chair, led a delegation of the Canadian Section of the Canada-United States Inter-Parliamentary Group (IPG) to a Pacific NorthWest Economic Region (PNWER) conference at the Woodrow Wilson Center in Washington, D.C. The delegation included Senator Janis Johnson, Vice-Chair, as well as Mr. Guy André, M.P., Vice-Chair, the Honourable Scott Brison, P.C., M.P., Mr. Gord Brown, M.P., Vice-Chair, Mr. Mark Holland, M.P., Mr. Brian Masse, M.P., Vice-Chair and Mr. Brad Trost, M.P., Vice-Chair. The focus of the conference was "Border Challenges and Regional Solutions: 2010 Olympics and the Pacific Northwest Experience."

The IPG has a long association with PNWER, and typically attends PNWER's fall and summer meetings. PNWER is a statutory, bilateral, regional private-public sector group which includes Alaska, Idaho, Montana, Washington, Oregon, British Columbia, Alberta, Saskatchewan and the Yukon Territory. The aims of the organization are to: promote greater regional collaboration; enhance the competitiveness of the region in domestic and international markets; leverage regional influence in Ottawa, Ontario and Washington, D.C.; and achieve continued economic growth while maintaining the region's natural environment.

Canada and the five Pacific Northwest states included in PNWER share a mutually beneficial relationship. According to recent figures, almost 319,000 jobs in those states rely on Canada-U.S. trade. Bilateral trade between Canada and these Pacific Northwest states was recently valued at just under \$35 billion: nearly \$10.9 billion was exported from the five states to Canada, while they imported just over \$24 billion. Visits between us are also frequent. Recent data suggest that Canadians made nearly 3.3 million visits to these five states and spent about \$809 million, while residents of these states made more than 1.8 million visits to Canada and spent approximately \$664 million.

Given PNWER's focus, attendance at its meetings provides IPG members with an important opportunity to gain insight about problems being experienced by states/provinces and businesses in respect of bilateral issues as well as about efforts and actions by governments at all levels in both countries to address problems. Attendance at PNWER meetings also provides IPG members with an opportunity to inform others about the range of actions taken by the IPG in respect of shared bilateral goals as well as differences. Consequently, the IPG intends to continue its participation at the fall and summer meetings, as well as other relevant activities, of PNWER.

At this conference, the following sessions were held:

- 2010 Olympics as a Catalytic Event resulting in Regional Progress
- Keynote Luncheon
- Border Challenges and Solutions.

This report summarizes the presentations that were made at the conference.

2010 OLYMPICS AS A CATALYTIC EVENT RESULTING IN REGIONAL PROGRESS

Representative Rick Larsen, US House of Representatives

- Canada and the US have a strong friendship, resulting from such factors as shared bonds, geographic proximity, etc.
- some border communities, such as Blaine, Washington, depend on bilateral trade between our nations
- thousands of American and Canadian residents cross the shared border for work, school, recreation, vacation, etc.
- President Barack Obama has made it clear that the US' relationship with Canada is a priority
- it is estimated that 250,000 visitors will experience the shared border at the 2010 Olympics, and millions more will watch the Olympics on television
- everyone wants television viewers of the 2010 Olympics to see a "good news" story
- both countries are concerned about how the influx of dignitaries, tourists and athletes arriving for the 2010 Olympics will be handled
- in 2004, the Governor of Washington formed the 2010 Olympic Task Force, which has since been focused on security, transportation, tourism, economic development, etc. to ensure that the state is ready for the Olympics
- an emergency coordination centre is being built in Bellingham, Washington, and table-top exercise are occurring in order to prepare for possible emergencies
- since it is not possible to predict accurately how the 2010 Olympics will affect wait times at the Canada-US border, it is important to ensure a sufficient number of open booths and adequate personnel so that wait times are not onerous
- Washington wants to build on the 2010 Olympics in order to realize more long-term tourism
- Canada and the United States need a secure and efficient shared border
- policymakers in the US and Canada need to develop innovative solutions to shared challenges

Honourable Gary Lunn, Canadian Minister of State for Sport

- in less than one year, Canada will be welcoming the world to Vancouver, and Canada wants to project a good image and to showcase the culture and beauty of the region
- one-half of the world's population is expected to watch the 2010 Olympics' opening ceremonies on television
- visitors to the 2010 Olympics need to have a safe, yet efficient, border experience, which can be achieved through dedicated lanes, promotion of trusted traveller programs, etc.
- a smooth border experience is the first experience that someone has when entering a country, and technology and infrastructure enhancements have key roles to play in this regard
- all sporting venues for the 2010 Olympics are now complete
- friendships and relationships do not happen by accident, and the long-term partnership between Canada and the US has pioneered global value chains
- Canada and the United States share one of the strongest trading relationships in the world
- Canada and the US have a mutual understanding about the need to ensure shared physical security
- since our two nations have close economic ties and a deeply integrated industrial base, we will thrive or fall together
- we must avoid further thickening of the border, and struggling businesses should not have to face additional border-related costs and delays
- both nations must push the limits in ensuring seamless movement of goods and people across the shared border coincident with strengthened security
- it is essential that governments in both countries see economic security and physical security as being linked
- Minister Ablonczy is working on a "beyond 2010" plan in order to build on the 2010 Olympic games long after the games are done

Cindy Gillespie, McKenna Long & Aldridge

- when a nation agrees to host an Olympic games, it basically agrees to provide a neutral place for the world to gather
- Olympic games always foster new methods of cooperation and a legacy of infrastructure, economic advantages, etc.
- Olympic cities always have a legacy of "I can do anything"
- the challenge for the 2010 Olympic games will be cross-border travel

Sukumar Periwal, Government of British Columbia

- there are a number of important lessons, including:
 - relationships and their continuity matter, since trust leads to results
 - it is important to focus on citizens and their needs
 - the 2010 Olympic games are a legacy and will lead to a quantum leap forward for the entire Pacific Northwest region
- the 2010 Olympic games provide a very real deadline for "getting things done," and "getting things right," at the shared border between Canada and the United States
- since 2006 the BC and Washington Cabinets have met annually in a Joint Cabinet meeting, and they have learned that it is relatively easy to align the priorities of two governments in two countries when shared goals, objectives and purposes exist
- the 2010 Olympic games are a catalytic moment, and the governments of Washington and British Columbia see shared opportunities
- the Premier of British Columbia has offered to have part of the Olympic torch relay occur in Washington
- the governments of Washington and British Columbia have signed memoranda of understanding regarding such issues as the shared border, transportation and emergency preparedness
- British Columbia is Canada's leader in respect of enhanced driver's licences, which ease movement across the shared border
- regional cooperation, with a focus on local solutions that reflect the desires and needs of citizens and communities, creates solutions for North America

Hugh Conroy, Whatcom Council of Governments

- the International Mobility and Trade Corridor Project is a regional, bilateral planning coalition focused on the Cascade Gateway
- improved planning and data collection are critical
- data should be compiled and analyzed in order to contribute to better decisions
- many stakeholders are working toward efficient and predictable travel to and from the 2010 Olympic games, which is an international event
- in the context of the 2010 Olympic games, the shared border has become a focal point, and there is a checklist of things that must be done before the games begin in order to ensure that the border is not a problem
- traveller information is important for informing individuals about their options
- British Columbia and Washington want the 2010 Olympic games, not the border, to be "the story"

- regional, bilateral coordination is a key element

Don Alper, Western Washington University

- regional solutions and innovation can migrate to the national policy level
- shared regional and national models exist that can be replicated
- catalytic events, both positive (such as the 2010 Olympic games) and negative (such as the decline in the automotive sector), play a role in pulling border regions together

Christopher Sands, Hudson Institute

- some believe that the same things must be done at the Canada-US border as are done at the US-Mexico border in order to avoid allegations of discrimination
- in the mid-1990s, there was good dialogue between Canada and the United States about the shared border, and there was increased involvement of stakeholders in this dialogue
- the 2001 Smart Border Action Plan provided a roadmap for improving the Canada-US border and, by 2004, much had been done or was well on its way to being done
- some believe that the 2001 Smart Border Action Plan worked well because of consensus among the parties, including governments, communities, etc. in Canada and the US
- with the trilateral Security and Prosperity Partnership, which supplanted some elements of the Smart Border Action Plan, Mexico became involved and many stakeholders were excluded
- there is a need to rediscover some of the good ideas of the past that have fallen by the wayside
- there are certain problems that must be considered, including:
 - limited funds
 - limited political capital
 - a range of global problems require political energy
 - the US Department of Homeland Security wants one border policy rather than one policy for the north and another policy for the south, and one border strategy makes it easier to move people around, integrate technology, etc.
- precise recommendations, including a precise indication of problems at each location, should be made for moving forward
- decentralization should be considered again so that localities are provided with the power to make decisions that are right for them

Edward Alden, Council on Foreign Relations

- there are problems and obstacles to cooperation in reaching the shared goal of a "smart border"
- there is a broad and diffuse definition of "threats" at the border
- there are particular vulnerabilities associated with the Native Indian/Aboriginal reservations that straddle the shared Canada-US border
- some in the US government view the shared border as the best way to control a great range of threats that have nothing to do with terrorism, such as drug trafficking
- the shared border may become tighter rather than looser, in part because Canada will not accede to US terms that would compromise Canadian laws, such as in respect of privacy

Kelly Johnston, Campbell Soup Company

- NEXUS is a valuable tool in saving time at the border
- the border could be "thinned" through successful pilot projects
- ten minutes wasted per day equates to one week wasted per year
- delays and fees have a negative impact on business
- the trilateral Security and Prosperity Partnership did not accomplish a great deal, but it did make some contribution, including through the report of the North American Competitiveness Council
- going forward, the parties should:
 - launch land pre-clearance centres or pilot projects to move customs processes and congestion away from the border
 - consider a joint border commission for the Canada-US border
 - reconsider the structure, mission and composition of the US Department of Homeland Security
 - promote collaboration between the travel and tourism sectors on the one hand and the manufacturing and service sectors on the other hand

Michele James, US Department of Homeland Security

- the key mission of the US Department of Homeland Security (DHS) is to secure America's borders, yet the twin goals of facilitation and security, in a balanced approach, are recognized
- while there might be a heightened security awareness during the 2010 Olympic games, it must be recognized that security is DHS's mission each and every day, day in and day out
- there is daily dialogue between the DHS's Customs and Border Protection and the Canada Border Services Agency

- border response plans for critical border incidents exist
- radio-frequency identification technology continues to be deployed, with benefits for the 2010 Olympic games and beyond
- during the 2010 Olympic games, all booths will be manned at all peak time

KEYNOTE LUNCHEON

Governor Gregoire, Governor of Washington

- the economy of Washington is part of the regional economy, and Washington thrives if the region thrives
- we are constantly working to overcome obstacles
- we need an open, convenient border in order to meet vital economic interests as well as the needs of friendships, family relationships, etc.
- air, water, pollution, etc. do not recognize the border
- an annual Joint Cabinet meeting between Washington and British Columbia started in 2006, and all issues are on the table during these meetings
- we are more than just neighbours; we are best friends
- Washingtonians travel to Canada as a day trip to shop, dine, study, attend recreational and cultural activities, etc.
- although the path to implementation of the enhanced driver's licence initiative between Washington and British Columbia was not always easy, we kept working at it, and now Washington has broken through the barrier
- in order to receive an enhanced driver's licence, one must undergo an interview that is more rigorous than the screening associated with a passport
- the relationship between Washington and British Columbia can be replicated along the shared border
- the border between Washington and British Columbia is a fiction
- as the Olympic torch travels in Canada, it will be passed to the US at Bellingham before being passed to Canada again
- President Barack Obama, whose first foreign trip was Canada, should be viewed as a new partner

Premier Campbell, Premier of British Columbia

- the 2010 Olympic games will provide economic stimulus for the entire Pacific Northwest region
- Washington and British Columbia have worked together on a number of border issues and solutions, including enhanced driver's licences
- safety and security must be balanced, and costs for businesses and consumers must be reduced

- there is a need to work together to move the state/provincial, regional and national economies forward

Senator Grafstein, Canadian Section of the Canada-United States Inter-Parliamentary Group

- Canada needs to reorganize the way that business is done with the US
- over time, needed investments at the border have not been made
- a significant portion of the funds in the US stimulus package will be spent by governors
- Canada has concerns about the Buy American provisions in the US stimulus package, as well as about state Buy American/Buy State requirements that exist
- protectionism made the Great Depression deeper and longer
- we must work on building new institutional relationships
- all politics, cooperation and growth are local

BORDER CHALLENGES AND SOLUTIONS

Marc Heller, Watertown Daily News

- things should be measured in order to assess what is working, what is not, and the degree to which progress is being made
- border performance metrics are needed

David Davidson, Western Washington University

- for some, "border performance" is equivalent to "wait time"
- consistent methods of defining and measuring wait times are needed
- the border is about more than just queues
- data enable a review of performance over time
- data should be collected on a port-by-port basis in order to enable cross-port comparisons
- a barometer is needed in order to help find solutions in the sense that baseline conditions need to be evaluated and then the results need to be assessed as changes occur over time in terms of porosity, infrastructure, etc.
- factors that affect the length of lines at the border include:
 - the number of seconds taken to inspect each vehicle
 - the number of booths that are open
- actions that can be taken to reduce the time taken to inspect vehicles include:
 - increasing enrolment in trusted traveller programs, such as NEXUS
 - increase the rate at which people carry an enhanced driver's licence

- regions differ in the types of commodities that cross the border
- an important consideration is how well the border functions in terms of stopping the "bad things" that are out there, including terrorists, drugs, firearms, etc.

Kathryn Bryk Freidman, University at Buffalo Regional Institute

- you cannot manage what you cannot measure
- tools are needed in order to measure border performance so that policymakers can make more informed decisions
- regional variation exists and should be taken into account when policies are developed
- border conditions can be assessed in terms of:
 - porosity, or patterns of cross-border activity, such as trade flows, mode shares, trade ratios and vehicle traffic
 - border infrastructure, or physical and organizational connections, including binational networks, document uptake, booth distribution, and booths-to-traffic ratios

Matt Morrison, Pacific NorthWest Economic Region

- some very specific things have to be fixed prior to the 2010 Olympic games, which is one reason why the Pacific NorthWest Economic Region (PNWER) Border Solutions Coordination Council was established
- border assessment criteria should include:
 - the length of the wait time
 - the clarity of documentation requirements and the ease with which documents can be secured
 - the transparency of the processing
- with the economy in a tailspin, now is the perfect time to think broadly and outside the box

Kathleen Carroll, HID Global

- no matter how sophisticated your encryption, there will always be people looking for a way around it
- the enhanced driver's licence uses a pointer system in the sense that no personal data are transferred from the licence to the customs agent; instead, the number on the licence "points" to a particular file in a secure database
- one obstacle to broader application of the enhanced driver's licence initiative is state legislation regarding radio-frequency identification (RFID) technology
- it would not be possible to track someone using RFID technology unless there were RFID readers every few feet

- some privacy concerns are mistakenly linked to the view that RFID reading can occur indiscriminately

Tony Shallow, Transport Canada

- Transport Canada is committed to smarter border management, and to tangible products, useful intelligence and tangible results
- data are updated on a virtually real-time basis, patterns can be discerned on an hourly, daily and weekly basis; detailed data can help shippers and travellers determine the best time and/or day to cross the border
- bluetooth technology, which has no connectivity to personal information, needs to be exploited
- bluetooth technology complements radio-frequency identification technology, but has a lower implementation cost

CONCLUDING COMMENTS

Matt Morrison, Pacific NorthWest Economic Region

- Washington and British Columbia have made tremendous investments and have exercised real leadership
- friendships do not happen by accident
- continuity of relationships builds trust
- a process to rebuild the vision of the type of border we want needs to be developed, which would inform everything else that is done; a joint Canada-US vision needs to be built
- one institutional mechanism that should be considered is a joint Canada-US border commission
- institutional frameworks are important for transforming how we look at our border
- performance must be measured

states and provinces are laboratories of innovation

Respectfully submitted,

Hon. Jerahmiel Grafstein, 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	Pacific NorthWest Economic Region – Border Challenges and Regional Solutions: 2010 Olympics and the Pacific Northwest Experience
DESTINATION	Washington, D.C., United States of America
DATES	February 24, 2009
DELEGATION	
SENATE	Hon. Jerry Grafstein, Q.C., Senator, Co- Chair Hon. Janis G. Johnson, Senator, Vice- Chair
HOUSE OF COMMONS	Mr. Gord Brown, M.P., Vice-Chair Mr. Brad Trost, M.P., Vice-Chair Hon. Scott Brison, P.C., M.P. Mr. Mark Holland, M.P. Mr. Guy André, M.P., Vice-Chair Mr. Brian Masse, M.P., Vice-Chair
STAFF	June Dewetering, Analyst Chad Mariage, Executive Secretary
TRANSPORTATION	\$37.20
ACCOMMODATION	\$3,201.73
HOSPITALITY	\$ Ø
PER DIEMS	\$626.10
OFFICIAL GIFTS	\$ Ø
MISCELLANEOUS/REGISTRATION FEES	\$ Ø