

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 52nd Annual Meeting and Regional
Policy Forum of the Council of State Government's Eastern
Regional Conference**

Canada-United States Inter-Parliamentary Group

**Atlantic City, New Jersey, United States
July 20-23, 2012**

Report

DELEGATION MEMBERS AND STAFF

From July 20-23, 2012, Mr. Ron Cannan, M.P., Vice-Chair, led a delegation of members of the Canadian Section of the Canada-United States Inter-Parliamentary Group (IPG) to the 52nd Annual Meeting and Regional Policy Forum of the Council of State Government's Eastern Regional Conference (ERC), which was held in Atlantic City, New Jersey. The other member of the delegation was the Honourable Michel Rivard, Senator, and the delegation was accompanied by Mr. Mohamed Zakzouk, Advisor to the Canadian Section.

THE EVENT

The ERC, which meets annually, is a regional association of state and provincial legislators from 19 member jurisdictions from the United States and Canada (see the Appendix). By facilitating cooperation among its member jurisdictions, the ERC promotes multi-state and/or region-wide solutions to the problems and challenges facing state and provincial legislators.

DELEGATION OBJECTIVES FOR THE EVENT

Canada and the 11 ERC states share a mutually beneficial relationship. According to recent figures, annual merchandise trade between Canada and the ERC states was valued at about US\$86 billion: about US\$30 billion was exported from these states to Canada, while they imported more than US\$56 billion from Canada. Data suggest that, in a recent 12-month period, Canadians made more than 7 million visits to the ERC states and spent more than US\$1.8 billion, while residents of these states made more than 3.9 million visits to Canada and spent about US\$1.5 billion. More than 1.6 million jobs in the 11 ERC states rely on Canada-U.S. trade.

The IPG aims to find points of convergence in respective national policies, to initiate dialogue on points of divergence, to encourage the exchange of information and to promote better understanding among legislators on shared issues of concern. Members of the IPG's Canadian Section meet regularly with their federal counterparts and, in recent years, have attended meetings of governors and state legislators. At these events, Canadian delegates engage in conversations that help the Canadian Section to achieve its objectives and that explain the nature and scope of the bilateral relationship.

Members of the Canadian Section found the 2012 meeting of the ERC to be a valuable occasion on which to discuss the numerous opportunities for Canada and the eastern U.S. states to collaborate on improving economic development. Furthermore, they

benefited from presentations on a variety of issues, including Canada-U.S. relations and border issues, regional transportation, healthcare and education. Feeling that members of the Canadian Section were able to achieve their objectives for the event, the Canadian Section intends to attend future annual meetings of the ERC to continue its work in advocating Canadian interests in the eastern United States.

ACTIVITIES DURING THE EVENT

During the 2012 meeting of the ERC, the following plenary and concurrent sessions took place:

- American Nations: A History of the Eleven Rival Regional Cultures of North America
- Canada-U.S. Relations
- Impact Investing for Rural Wealth Creation
- The Ins and Outs of Labeling Genetically Modified Organisms
- Is the EPA Using Outmoded Data?
- Education: Various Topics
- State Clean Energy Mandates
- The Affordable Care Act and Reform: What's Next?
- Transportation: Issues Related to Intercity Passenger Rail
- Economic Development in the United States and Overseas
- Governor and Premiers Roundtable
- The Changing Face of American Politics
- Beyond the Border Implementation - The Hard Work Begins
- Working to Improve Education: Lessons from Research, Policy and Practice
- Capturing Energy Efficiency: Approaches with Validated Results
- Win-Win: Ideas to Control Costs and Improve Quality in Health Care
- Insurance Fraud: Are Policy Holders the Only Victims?
- Transportation: Following the Money
- Connect First: Key Communication Skills for Public Officials
- Northeast States Association for Agriculture Stewardship Roundtable
- What's Behind the Current "Recover-less" Recovery?
- Toll Financing
- How the Overuse of Medical Care is Wrecking Your Health (and Your State's Budget) and What We Can Do to Stop It.

This report summarizes the plenary and selected concurrent discussions that occurred at the meeting.

AMERICAN NATIONS: A HISTORY OF THE ELEVEN RIVAL REGIONAL CULTURES OF NORTH AMERICA

Colin Woodward, *Author*

- There are profound cultural and political differences among North American regions.
- The regional cultures of modern North America stem, in part, from the diversity of early settlers and the original founders of the United States and Canada.
- For generations, different euro-American and First Nations cultures developed in isolation from each another, thereby giving rise to diverse cultures, languages and ideologies across North America.

CANADA-U.S. RELATIONS

John Prato, *Consul General of Canada in New York*

- Canada-U.S. relations have an important impact on provincial and state economies.
- Since the war of 1812, Canada and the United States have developed a mutually beneficial relationship characterized by peace and prosperity; the strong cultural and economic ties between Canada and the United States are unique in the world.
- Canada and the United States are stronger and more competitive when they work collaboratively.
- The main purpose of the Regional Cooperation Council (RCC) is to enhance economic cooperation between Canada and the United States.
- It is important to look at Canada and the United States as two interconnected, rather than independent, economies that compete together in the global marketplace.
- Excessive regulation adds to the costs of cross-border trade, thereby raising the price of products and decreasing North America's competitiveness in global markets.
- The RCC represents an important win-win initiative for Canada and the United States; the eastern states and provinces are among the biggest beneficiaries of this initiative.

TRANSPORTATION: ISSUES RELATED TO INTERCITY PASSENGER RAIL

Lynn Weiskopf, *New York State Department of Transportation*

- In 2008, the Northeast Corridor Infrastructure and Operations Advisory Commission was authorized to:
 - convene key Northeast corridor stakeholders;
 - establish a consensus on a unified, long-term vision and funding plan for the corridor;
 - recommend near-term infrastructure-improvement needs; and
 - develop a cost-allocation formula that ensures that there is no cross-subsidization of commuter rail, intercity passenger rail or freight rail transportation.
- To carry out its mission, the Commission has created five committees:
 - Corridor Planning Committee – leads the Commission’s work to produce a long-term vision, investment and implementation strategy for the corridor;
 - Infrastructure and Operations Committee – works to identify key infrastructure projects that need to move forward now, to lay the foundation for future plans to identify potential operating improvements and to expedite progress on currently funded projects;
 - Cost Allocation Committee – works to develop a formula to allocate costs between Amtrak and the commuter railroads to ensure that there is no cross-subsidization between intercity passenger rail, commuter rail or freight rail users of the corridor;
 - Freight Committee – works to address critical rail freight needs facing the region and to engage freight railroads in the Commission’s work; and
 - Communications and Outreach Committee – works to develop a strategy to educate stakeholders and the public about the importance of the Northeast corridor.
- Regarding Toronto-Buffalo-New York cross-border rail services:
 - pre-clearance is not feasible because there are multiple stops on both sides of the border;
 - passengers are currently cleared at the border, with screening conducted entirely off-board in VIA Rail’s Niagara Falls, Ontario station in Ontario and with primary inspection conducted on the train and secondary screening occurring at Amtrak’s Niagara Falls, New York station in New York; and

- the City of Niagara Falls is building a new station and U.S. Customs and Border Protection (CBP) facility, at which point passengers will be screened entirely off-board.
- Regarding Montreal-New York cross-border rail services:
 - customs and immigration services and requirements are performed on-board at Lacolle, Quebec and at Rouses Point, New York; and
 - there is an intention to replace existing facilities in Lacolle and Rouses Point with a joint customs and immigration facility in Central Station for both the Canada Border Services Agency (CBSA) and the U.S. CBP, which would enable a non-stop, closed-door Amtrak service between Central Station and the Canada-U.S. border.
- Regarding Vancouver-Seattle-Portland rail services:
 - border inspections are conducted in Vancouver at the Pacific Central Station, which is owned by VIA Rail; and
 - inspections are the most advanced among the current cross-border rail services.

ECONOMIC DEVELOPMENT IN THE UNITED STATES AND OVERSEAS

James Fallows, *The Atlantic*

- Economic conditions in North America are more promising than in other countries and regions around the world, and North Americans should be confident about the prospects for an economic rebound.
- The United States has overcome numerous economic crises in the past; the current economic challenges are familiar from an historical perspective and, therefore, can be overcome.
- From an economic perspective, the United States is more resilient than most countries; since the 1970s, the U.S. economy has grown threefold while U.S. oil consumption has increased by 1%.
- The United States has a university structure and a culture of innovation that are unique in the world.
- The United States lags many developed economies in terms of infrastructure, including roadways and airports; the need for infrastructure improvements in the United States is a major issue that should be addressed by all political parties.
- The economic relationship between the United States and China has been both a “win-win” and a “lose-lose” relationship; in particular, while low wages in China have benefited North American corporations and the Chinese labour market, these low wages threaten North America’s manufacturing base and China’s

prospects for creating both a competitive corporate base and high-wage employment.

Governor Jack Markell, *State of Delaware*

- By providing a steady source of human capital in the context of an aging workforce, immigration policies in the United States have been critical in ensuring the resilience of the U.S. economy.
- Management of human capital is a major issue that needs to be prioritized; to remain economically competitive, the United States must foster and sustain a large, educated workforce.
- North America is in a “global war for jobs” and, therefore, for talent; employment is created where talent is present.
- Reforming the U.S. educational system is a major and emerging issue; investments in education will determine economic development in the United States.
- Companies make decisions on where to do business based on numerous factors, including the quality of the workforce, wages and taxation; legislators have a responsibility to understand and promote the business environment that companies seek.
- Multilingualism is critical for global economic competitiveness; consequently, it is important to foster foreign language training in the U.S. workforce.

Ed Rendell, *Former Governor of Pennsylvania*

- Education is both a social and an economic issue; educational reform is a long-term plan to revive the U.S. economy.
- The U.S. economy cannot fully recover unless the issue of the national debt is addressed; addressing this issue will require strong political will and bipartisan action.
- U.S. states should exercise budgetary restraint as a way of reducing the national debt; at the same time, it is important to invest in areas that will produce economic growth.
- Aging U.S. infrastructure hinders the economic competitiveness of the United States.
- The United States needs an energy strategy that fosters domestic energy production from a variety of sources, including renewable energy.

THE CHANGING FACE OF AMERICAN POLITICS

Mara Liasson, *National Public Radio* and *Fox News Channel*

- Even though the current economic conditions would typically not favour an incumbent president, the current presidential race has been mostly tied, with a minor national lead for President Obama.
- According to recent polls, President Obama's support is estimated to be about 47% of the national vote, while the presumptive Republican presidential candidate – Mitt Romney – has support that is estimated to be about 45% of the national vote; both presidential candidates are tied in the battleground states, with each having about 46% of the vote.
- Since election polls have been unusually stable for months, there does not appear to be any volatility among the electorate during this election.
- Almost nothing appears to affect this election race; for example, the recent Supreme Court decision upholding the constitutionality of President Obama's health care law has not had any significant effect on election polls.
- In the battleground states, only 3% of the electorate is undecided. As a result, the main challenge in this election is voter mobilization, rather than voter persuasion.
- The race between President Obama and Mitt Romney has become negative and personal earlier than in past electoral campaigns; a number of important differences between the candidates have not been a central part of the campaign, such as questions about the size and role of government.
- Even though the two presidential candidates in the current election have different economic visions, neither of the candidates has offered sufficient details about how these visions would be implemented in practice.
- The campaign strategy of Mitt Romney has been to focus on making President Obama lose the election rather than on winning the election by explaining how he would govern.
- The campaign strategy Mitt Romney is based largely on the candidate's fundamental belief that the electorate is ready to replace the incumbent president; as a result, the majority of Republican voters indicate that its vote is against President Obama, while the majority of Democratic voters indicates that its vote is for President Obama.
- President Obama's campaign strategy has been to attack the central image of Mitt Romney as a "businessman," labeling him as an "outsourcer" as well as alleging that he has contributed to the bankruptcy of U.S. companies and the consequential unemployment of many workers.
- President Obama has been ahead of Mitt Romney among young, Hispanic and African-American voters, which are the parts of the electorate that tend to have

lower-than-average voter turnout; a major challenge for President Obama will be to mobilize these voters.

- Foreign policy has not played any significant role in the current presidential election, which is not unusual in U.S. elections.

BEYOND THE BORDER IMPLEMENTATION - THE HARD WORK BEGINS

Kym Martin, *Canada Border Services Agency*

- In February 2011, President Obama and Prime Minister Harper announced a shared vision for perimeter security and economic competitiveness; an action plan for accomplishing this vision – the Beyond the Border Action Plan – was signed in December 2011, with a focus on four key areas of cooperation:
 - addressing threats early;
 - trade facilitation, economic growth and jobs;
 - integrated cross-border law enforcement; and
 - critical infrastructure and cyber security.
- The United States and Canada have the largest bilateral trading relationship, and one of the largest investment relationships, in the world.
- Each day, more than 300,000 people cross the Canada-U.S. border for business or tourism, or to visit family and/or friends; critical infrastructure and community support services also cross the shared border.
- U.S. defence arrangements with Canada are more extensive than with any other country in the world.
- The CBSA and the U.S. CBP have started to conduct joint threat assessments as well as to improve the sharing of information between Canada and the United States.
- Expected changes to Canada-U.S. border management as a result of the Beyond the Border Action Plan include:
 - security and contraband concerns in relation to cargo will be resolved at the perimeter or at the land border;
 - duplicate inspections of air cargo and passenger baggage will be eliminated;
 - low-risk travelers will be able to cross the border more easily;
 - truckers and travelers will have access to real-time information on border wait times;.
 - more businesses, including small businesses, will be able to attain trusted trader status;
 - small-value courier shipments will require less paperwork; and

- shippers will receive single-window service from both the Canadian and U.S. governments.
- One of the first “deliverables” under the Beyond the Border Action Plan is a set of privacy-protection principles; for example, only relevant and necessary information will be shared between Canada and the United States, and any sharing of information will be consistent with each country’s privacy laws and Constitution.
- Successful implementation of the Beyond the Border Action Plan will result in more effective and streamlined management of risk at the land border.
- Sustained efforts will be needed to implement fully the Beyond the Border Action Plan; for example, as implementation proceeds, the Canadian and U.S. governments will continue to consult with the full range of stakeholders.

Ana B. Hinojosa, *U.S. Department of Homeland Security*

- Achievements in 2012 in relation to the Beyond the Border initiative include:
 - the completion of a joint statement of privacy principles;
 - measures regarding mutual recognition of air cargo security;
 - the deployment of explosive detection systems equipment at pre-clearance airports;
 - the convening of two cross-border business traveler consultations;
 - the creation of dedicated NEXUS lanes at Canadian airports;
 - the announcement of streamlined NEXUS renewal procedures;
 - the deployment of bi-national port operations committees for land and air travel;
 - the launch of the pilot Regional Resilience Assessment Program; and
 - the convening of the Executive Steering Committee.

HOW THE OVERUSE OF MEDICAL CARE IS WRECKING YOUR HEALTH (AND YOUR STATE’S BUDGET) AND WHAT WE CAN DO TO STOP IT

Rosemary Gibson, *Robert Wood Johnson Foundation*

- Underuse, misuse and overuse of healthcare are three major issues in the United States in relation to healthcare.
- According to the National Academy of Sciences, up to 98,000 deaths occur every year from medical mistakes in the United States.
- According to the Centers for Disease Control and Prevention, about 99,000 deaths occur every year from hospital-acquired infections in the United States.

- In 2008, some doctors identified surgeries and tests that are overused in the United States; examples of overused surgeries include: heart bypass surgeries, hysterectomies, spine surgeries and prostatectomies.
- Among the CT scans performed in the United States in 2007, 70 million are expected to result in 29,000 cancers and 15,000 deaths; two thirds of the projected cancers are expected to occur in women.
- The Radiological Society of North America has called for a national plan to reduce diagnostic imaging.
- Medical treatment should be focused on treatment that is absolutely necessary for the patient.
- According to the American College of Obstetrics and Gynecology, elective delivery with no medical indication from 37 to 39 weeks of gestation is an unacceptable medical practice.
- Physicians in the 20 largest hospitals in Ohio were asked to document a medical reason every time a woman was scheduled to deliver a baby before 39 weeks of gestation; in a survey period of less than 15 months, the percentage of early deliveries without medical necessity declined from 15% to less than 5% and the number of babies admitted to neonatal intensive care also decreased.
- Antibiotic overuse is prominent in the United States; prescribing rates per capita are highest in West Virginia, Kentucky and Tennessee.

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

Appendix

MEMBER U.S. STATES OF THE EASTERN REGIONAL CONFERENCE

Connecticut
Delaware
Maine
Maryland
Massachusetts
New Hampshire
New Jersey
New York
Pennsylvania
Rhode Island
Vermont

Puerto Rico and the U.S. Virgin Islands are also members.

MEMBER CANADIAN PROVINCES OF THE EASTERN REGIONAL CONFERENCE

New Brunswick
Newfoundland and Labrador
Nova Scotia
Ontario
Prince Edward Island
Quebec

Travel Costs

ASSOCIATION	Canada-United States Inter-Parliamentary Group
ACTIVITY	52nd Annual Meeting and Regional Policy Forum of the Council of State Government's Eastern Regional Conference
DESTINATION	Atlantic City, New Jersey, United States of America
DATES	July 20-23, 2012
DELEGATION	
SENATE	Hon. Michel Rivard, Senator
HOUSE OF COMMONS	Mr. Ron Cannan, M.P., Vice-Chair
STAFF	Mr. Mohamed Zakzouk, Advisor
TRANSPORTATION	\$1,682.03
ACCOMMODATION	\$1,544.49
HOSPITALITY	\$Ø
PER DIEMS	\$614.20
OFFICIAL GIFTS	\$Ø
MISCELLANEOUS/REGISTRATION FEES	\$1,024.86
TOTAL	\$4,865.58