

Canada - United States
Inter-Parliamentary Group
Canadian Section



Groupe interparlementaire
Canada - États-Unis
Section canadienne

REPORT
of the
CANADIAN PARLIAMENTARY DELEGATION
of the
Canada-United States Inter-Parliamentary Group
to the
THE CANADIAN/U.S. BORDER: A UNIFIED FOCUS
CAN/AM BORDER TRADE ALLIANCE
Ottawa, Ontario
April 30 - May 2, 2006

From 30 April-2 May 2006, Senator Jerry Grafstein, Co-Chair of the Canada-United States Inter-Parliamentary Group, led a delegation of selected members of the Canadian Section of the Group (see Appendix A) to “The Canadian/U.S. Border: A Unified Focus” conference. The conference was sponsored by the CAN/AM Border Trade Alliance in Ottawa, Ontario.

Report

Honourable John Manley, P.C. , CAN/AM Border Trade Alliance Senior Advisory Board Member

- the 2001 Canada-U.S. Smart Border Accord moved forward in part because of the trust and respect that existed between key players on both sides of the shared border
- the importance of improving security while ensuring that trade and the bilateral economic relationship are not compromised is widely recognized
- it will never again be 10 September 2001 in the United States; it will always be 12 September 2001 and we must deal with this reality accordingly
- the softwood lumber dispute had an impact on a range of other bilateral issues; with the recent resolution to the softwood lumber dispute, an impediment to making progress on other bilateral issues has been removed and we are beginning a new phase in the bilateral relationship
- the Smart Border Accord taught us that, by working together, we can move forward
- regarding the Western Hemisphere Travel Initiative, it is the nature of the identity document that is important rather than the requirement for an identity document
- infrastructure issues continue to exist
- the Free and Secure Trade (FAST) and NEXUS programs cannot work without dedicated lanes
- making the border “work” is a crucially important element of making the bilateral economic relationship “work”

Robert Frazier, CAN/AM Border Trade Alliance Executive Board Member

Introductory Remarks

- politicians and leaders must step up to the plate and restore confidence
- we need to take the time to ensure that we “get things right”
- we have a common unprotected border, yet we are talking about identity cards; if friends are truly friends, then identity cards should not be needed; instead, we should focus on protecting each other and our border perimeter

Honourable Stockwell Day, P.C., M.P. , Minister for Public Safety

Strategic Direction of Canada/U.S. Cooperation for a Smart Border for the 21st Century and Beyond

- with a new Canadian federal government, we will have a new and expanded relationship with the United States
- the United States and Americans are our best friends, and we can disagree without being disagreeable
- while our bilateral relations are good, Canada and the United States do have issues on which we must work well together
- we must work together on the security and prosperity of our nations; we both want security with prosperity, and security and prosperity must work hand-in-hand
- regarding the Western Hemisphere Travel Initiative (WHTI), while Canadians respect the concerns of Americans regarding security and understand the effects of the terrorist attacks of 11 September 2001, we must provide security without hampering travel, trade and prosperity; nevertheless, the law is the law, and only Congress can change the legislation respecting the WHTI
- Canada understands, and wants to work with the United States to advance, one another's needs

Sergeant Steve Cummins, Royal Canadian Mounted Police and Hank Connell, U.S. Immigration & Customs Enforcement

Integrated Border Enforcement Teams (IBETs)

- Integrated Border Enforcement Teams (IBETs), which started in 1996 in British Columbia and the state of Washington, enhance border integrity and security by identifying, investigating and interdicting persons and organizations that pose a threat to national security or that are engaged in other organized criminal activity
- the 2001 Smart Border Accord between Canada and the United States provides for integrated border and marine enforcement teams as well as for joint enforcement coordination
- historically, government agencies and departments in Canada and the United States worked independently on border integrity; now, communication, coordination and information sharing regarding law enforcement and anti-terrorism efforts are enhanced
- the priorities of the IBETs, which are intelligence driven, are: national security; organized crime; and other border criminality

- the IBET concept includes the following elements: joint management teams (JMTs); an integrated intelligence component; and an integrated investigative component
- an international joint management team: identifies common concerns, issues, challenges and best practices; and provides guidance to JMTs
- JMTs: prioritize projects and investigations; involve relevant partners; and facilitate IBET operational resources
- the benefits of the IBET approach include:
 - an integrated team approach
 - open lines of communication among key partners and stakeholders
 - the effective use of resources
 - the sharing of intelligence
 - the fostering of relationships among Canadian, American and international partners
- with a proactive and intelligence-led approach, IBETs must:
 - actively pursue information
 - develop and share intelligence
 - support national security units
 - conduct threat assessments and determine priorities as a result of such assessments
 - collaborate with other agencies
 - be familiar with regions and communities
 - create public awareness, in part as a means of ensuring that intelligence is forwarded to the IBETs
- the challenges are not just political and they do not occur in just one country; there are also geographical challenges

Honourable Lawrence Cannon, P.C., M.P. , Minister of Transport

Strategic Direction of Transport Policy – National Highway, Rail, Air and Maritime Infrastructure: Specifics on Trade Corridors and Border Crossings

- the transportation stakes are very high; the transportation system must serve needs in the global economy and must be a source of competitive strength, which is particularly important at the border
- the new Canadian federal government is serious about the shared border, and believes that transportation has a role to play in a secure, efficient and prosperous border; transportation is also a consideration regarding clean air
- the current federal government will move ahead with the previous government's border infrastructure improvements, and sees the Windsor-Detroit crossing as particularly important for Canada
- the federal government supports a multi-modal transportation system as a means of: sharing the transportation load; easing congestion; and increasing efficiency
- a North American approach to shipping, rail, etc. is needed
- as well, a level of traffic that will help the transportation system grow and prosper is needed
- actions taken in the United States to ensure security can have negative unintended consequences for Canada
- Canada needs to show the United States that we are also concerned about security; both countries need comparable levels of security, and those levels can be achieved in a manner that is not identical

Bill Nolle, U.S. Customs and Border Protection, Mike Leahy, Canada Border Services Agency and Steve Chapman, Canada Border Services Agency

Canada/U.S. World Customs Organization Activities and Related Global Data Harmonization

- elements of the 2001 Smart Border Accord between Canada and the United States and the 2005 trilateral Security and Prosperity Partnership among Canada, the United States and Mexico are directed toward the harmonization of commercial processes, which could include the alignment of technologies and requirements
- there are a variety of harmonization working groups
- both countries have developed electronic highway processes, Canada in 2002 and the United States in 2004

- a multi-modal manifest will provide a standard for reporting across all modes
- the Canada Border Services Agency has a single-window model with several other government departments, and the U.S. Customs and Border Protection is developing a single-window model; what is needed, however, is a global single window
- there is growing momentum to establish international standards and a single window, with data requirements aligned with the World Customs Organization data model and the United Nations Trade Data Elements Directory

Ambassador David Wilkins, U.S. Embassy

The American Perspective

- the resolution of the softwood lumber issue speaks volumes about the strength of the Canada-United States relationship and the resolve that exists at the highest level to find a solution to bilateral irritants
- the softwood lumber issue was a stumbling block that kept us from focusing on other issues; both countries can be proud of the recent agreement, which provides stable and predictable access for Canadian lumber to the U.S. market
- leadership matters, and there is a new tone in our bilateral relationship, with a renewed energy and commitment as well as positive momentum
- U.S. leaders and officials are eager to come to Canada and meet with their counterparts
- increasingly, problems are being seen as a shared responsibility rather than seeking blame
- we are all in a post-11 September 2001 era, and that will not change
- regarding the Western Hemisphere Travel Initiative (WHTI), it must be remembered that Congress has passed to law, and only Congress has the power to change or rescind it
- the WHTI does not have to be seen as bad or negative; instead, it can be seen as a positive measure to enhance security and ease the flow of legitimate goods and people; no one in the Administration wants to impede travel or trade, and travel and trade on the one hand with security on the other hand are not mutually exclusive; we need to work toward a unified system that everyone can support
- there is no relationship that is more important to the United States than the relationship with Canada; the best and most productive days in the bilateral relationship are those yet to come

Stephen Rigby, Privy Council Office

Overview, Initiatives, Progress and Accomplishments of the Smart Border 32-Point Plan

- increasingly, in order to be competitive globally, we require a shared border that – if not invisible – is seamless and highly efficient
- a number of sectors, including automotive, are integrated across the shared border
- the focus must be strengthening the security of the border while ensuring the efficient, streamlined movement of goods and people
- the 2005 trilateral Security and Prosperity Partnership (SPP) among Canada, the United States and Mexico expands and trilateralizes the 2001 Smart Border Accord between Canada and the United States; it contains more than 300 deliverables in five priority areas, three of which are related to security
- at the 31 March 2006 Cancun meeting, the North American Free Trade Agreement partners reviewed the progress made on the SPP and reaffirmed the trilateral commitment to the initiative; the parties are committed to methodical, systematic and sequential change
- regarding the Western Hemisphere Travel Initiative, the security and identity document that is chosen should be convenient to obtain and low cost to purchase

Alain Jolicoeur, Canada Border Services Agency

- we must protect against terrorists, criminality and drugs while facilitating the movement of people and goods
- we must constantly strive to push the border out, and to check people and goods before they reach North America; we must screen in advance, and must screen and gather intelligence at various points along the continuum (departure, in-transit, arrival)
- “secure” does not require checking every shipment
- with new technology, all containers can be screened without interrupting the flow of traffic

Senator Jerry Grafstein, Co-Chair of the Canada-United States Inter-Parliamentary Group

Corridors, Gateways and Bi-national Regional Economies

- cross-border and cross-province/state regions will enhance prosperity for all and can help meet the challenges of a competitive global marketplace, particularly if

attention is paid to the trade and border corridors and gateways that are needed; our economic interests and goals are mutual and shared

- a model of success for cross-border regions is provided by the Pacific North West Economic Region, or PNWER; this bi-national, private-public partnership – which has a legislative basis – is working to create a powerful economic region through a cooperative consortium of businesses and governments in Alaska, Idaho, Montana, Oregon, Washington, British Columbia, Alberta and the Yukon Territory
- in part because of PNWER, the Pacific North West has experienced greater domestic and global competitiveness as well as, by extension, increased prosperity, an improved quality of life and an enhanced economic well-being for the citizens and businesses in the region; the partners reorganize and reorient themselves to take advantage of their region's comparative economic advantages that straddle provincial, state and international borders
- the Atlantic region, consisting of Maine, Connecticut, New Hampshire, Vermont, Nova Scotia, Prince Edward Island, New Brunswick and Newfoundland, is moving in a similar direction with the Atlantica Prosperity initiative
- other models also exist, including the Memorandum of Understanding and Cooperation signed in 2001 by New York and Ontario, the Council of Great Lakes Governors, the Great Lakes Commission, and the International Association of Great Lakes and St. Lawrence Mayors, among many others
- all stakeholders should move forward quickly, and not get bogged down in how precisely, exclusively or exhaustively regional boundaries should be defined as cross-border economic regions are identified and developed
- some “economic regions” will, of necessity, overlap and the composition of economic regions may change somewhat over time; for now, the states and provinces that form a natural geographic and economic nexus should galvanize willing players, with the goal being enhanced prosperity, productivity and competitiveness that results in a rising standard of living
- while we must modernize our east-west corridors of trade, economic development and transportation, we must also bear in mind the need for north-south corridors and gateways to ensure our joint prosperity
- we need a vision of trade and transportation corridors and gateways matched by accessibility to coastal port facilities, a north-south interstate highway, direct high-speed rail links, harmonized regulations and the reduction in – and hopefully removal of – trade barriers
- one of the roles of Parliamentarians – as stewards of our national economy – is to create and promote the types of programs, policies and actions that will facilitate economic growth, productivity and prosperity for all

- our provinces and states have comparative advantages that are underutilized, and they can become more globally competitive together than they are individually, provided the right tools and the right infrastructure are in place
- if you combine the Gross Domestic Product of each of the entities in PNWER – if the states, provinces and the territory in PNWER were one nation – that nation would rank tenth among the leading industrial economies in the world
- my research shows that within a 500-mile radius of Niagara Falls – comprised of Ontario, New York, Ohio, Michigan, Pennsylvania and Illinois – there are more than 78.5 million people who represent more than US\$3.09 trillion in Gross State or Provincial Product; if the region were one nation, it would have the “largest” economy in the world behind the rest of the United States, but ahead of Germany
- as we move forward, we must recognize that trade is now bloc-to-bloc rather than nation-to-nation and we are facing internal economic realignment, with corridors, bi-national economic regions and similar initiatives taking on increased importance; as national borders matter less and less as time goes on, we must “work local and be global”
- we must identify the top impediments and the top contributors to growth and evolution, as well as the top actions that must be taken to improve bi-national regions
- one idea is a public-private Economic Institute focused on assisting in the development, promotion and prosperity of cross-border economic regions; this group could become an advocate, and provide private and public leadership to transform activities into education, research, marketing, tourism and a host of other areas

Drew Fagan, Department of Foreign Affairs and International Trade

Importance of Corridors, Gateways and Bi-national Regional Economies

- the new global giants are India and China, and Canada and the United States must work together to maximize North American competitiveness and we must think in a more continental way; the 2005 trilateral Security and Prosperity Partnership among Canada, the United States and Mexico provides a framework for this type of thinking
- cross-border ties matter, as do continental ties
- we must diversify in order to avoid “putting all of our eggs into one basket”
- the North American Free Trade Agreement is no longer the key architecture; instead, corporations provide the key architecture
- while Americans are blithely uninformed about Canada, Canadians are maliciously informed about the United States

Marygrace Parker, I-95 Corridor Coalition

Quebec-New Brunswick to Florida/Coalition Activities that Tie In Canada

- what is needed is a transportation network that is safe, efficient, seamless and intermodal and which supports economic growth in an environmentally sustainable manner
- we need to collaborate and coordinate before something happens
- we can: achieve greater efficiency through coordination; share research and development; and share field testing

Walter Steeves, Eastern Border Transportation Coalition

Importance of Joint Low-Risk Traveller Programs

- low-risk traveller programs are designed to make it seem as if the border is invisible
- we need to promote efficiency and security, thereby increasing the resources available to focus on higher-risk goods and people

Jim Phillips, CAN/AM Border Trade Alliance

NEXUS Progress and End Game

- we need to enhance the enrolment in NEXUS of known low-risk travellers
- NEXUS cannot be a viable option under the Western Hemisphere Travel Initiative (WHTI) unless all border points are part of the program
- NEXUS lanes should be convertible, rather than dedicated
- Representative Slaughter of New York has a bill in the U.S. House of Representatives that would enhance NEXUS enrolment
- regarding the WHTI, there are various campaigns under way: the “Go Away” campaign, the “Delay the Dates” campaign, the “Combine the Dates” campaign, the “Real ID” campaign, etc.
- it should be remembered that the WHTI was not an Administration or a Congressional initiative; it arose from the report of the 911 Commission
- the WHTI-approved document must confirm identity and nationality, and should be both easily accessible and available at low or no cost
- ideally, we need a perimeter clearance strategy and we must identify low-risk goods and people before they get to our borders

Garry Douglas, Plattsburgh-North Country Chamber of Commerce

Overview of the Western Hemisphere Travel Initiative

- the Western Hemisphere Travel Initiative (WHTI) is a tyrannically bad law
- Canadians can influence what happens with the WHTI, and the new federal government in Canada has a fresh opportunity to try to influence the outcome
- the stakes are enormous on both sides of the border and across both countries

Ken Oplinger, Bellingham/WHATCOM Chamber of Commerce

Western Hemisphere Travel Initiative

- there are a variety of Congressional efforts under way with respect to the Western Hemisphere Travel Initiative (WHTI)
- there is a need to address implementation and rules timelines as well as the economic aspects of the WHTI

Respectfully submitted,

Hon. Jerahmiel Grafstein, Senator
Co-Chair, Canadian Section
Canada-United States
Inter-Parliamentary Group

Rob Merrifield, M.P.
Co-Chair, Canadian Section
Canada-United States
Inter-Parliamentary Group

Travel Costs

NAME OF ASSOCIATION	Canada-United States Inter-Parliamentary Group
ACTIVITY	The Canadian/U.S. Border: a Unified Focus CAN/AM Border Trade Alliance
DESTINATION	Ottawa, Ontario
DATES	April 30 - May 2, 2006
NAMES OF SENATORS	Senator Jerry Grafstein, Senator Terry Mercer
NAMES OF MEMBERS	Mr. Rob Merrifield, M.P., Ms. France Bonsant, M.P., Mr. Paul Crête, M.P., Dr. Ruby Dhalla, M.P., Mr. Derek Lee, M.P.
NAMES OF STAFF	Mr. Serge PELLETIER, Ms. June DEWETERING,
TRANSPORTATION	\$0
ACCOMMODATION	\$0
HOSPITALITY	\$0
PER DIEMS	\$0t
OFFICIAL GIFTS	\$0
MISCELLANEOUS/REGISTRATION FEES	\$ 2,534.94
TOTAL	\$ 2,534.94