

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 U.S. Congressional Meetings**

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

**Washington, D.C., United States of America  
February 24–26, 2014**

# Report

## DELEGATION MEMBERS AND STAFF

From 24–26 February 2014, Senator Janis Johnson and Mr. Gord Brown, the Senate and House of Commons Co-Chairs of the Canadian Section of the Canada-United States Inter-Parliamentary Group (IPG), led a delegation to meetings with U.S. Senators and members of the House of Representatives or their staff in Washington, D.C. (see the Appendix). Also participating in the meetings were Senator Paul Massicotte, Vice-Chair, Senator Wilfred Moore, Q.C., Vice-Chair, Senator Scott Tannas, Mr. John Carmichael, M.P., Vice-Chair, Mr. Rick Dykstra, M.P., Vice-Chair, Ms. Chrystia Freeland, Mr. Brian Masse, M.P., Vice-Chair, the Honourable John McKay, P.C., M.P., the Honourable Rob Merrifield, P.C., M.P. and Mr. Peter Stoffer, M.P.

These meetings were held following the Canadian Section's attendance at the winter meeting of the National Governors Association (NGA) in Washington, D.C.

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

On 24 February 2014, prior to the U.S. Congressional meetings on 25 and 26 February, Canada's Ambassador to the United States, Mr. Gary Doer, provided the delegation with a comprehensive briefing about a range of issues. In particular, he and his staff spoke to the delegation about the mid-term elections in the United States, U.S. health care, developments in Ukraine, the most recent summit among the North American leaders, the transition in Afghanistan, the United States' trade negotiations, "Buy American" provisions in U.S. legislation, trade in softwood lumber, the United States' country-of-origin labelling requirements, ballast water regulations, ports, the U.S. customs plaza at the Detroit-Windsor international crossing, truck and air pre-inspection and pre-clearance, the Beyond the Border and Regulatory Cooperation Council Action Plans, and a range of energy and environmental topics, including the Keystone XL pipeline application, the Bakken oil fields, energy efficiency, renewable energy, greenhouse gas emissions and water quality.

As well, on 24 February 2014, the delegation met with representatives of the Canadian American Business Council. Issues that were discussed included the Keystone XL pipeline application, selected environmental concerns, the U.S. customs plaza at the Detroit-Windsor international crossing and other shared border topics, the safety of transportation of goods by rail, truck pre-clearance at the Peace Bridge, the *Foreign Account Tax Compliance Act*, corporate social responsibility, a change to the exam that must be passed before an individual can sell life insurance, regulatory cooperation between Canada and the United States, and value and supply chains.

During their meetings with U.S. Senators and members of the House of Representatives on 25 and 26 February 2014, Canadian parliamentarians focused on the topics that are outlined below. The meetings were similar in intent to previous U.S. Congressional meetings in respect of such issues as bovine spongiform encephalopathy (BSE), trade in softwood lumber, “Buy American” provisions in U.S. legislation, energy, and border issues, including the Western Hemisphere Travel Initiative.

Finally, on 25 February 2014, the Canadian Section hosted a reception on Capitol Hill. Delegates were joined by Ambassador Doer and some of his staff, and by 10 U.S. Senators and members of the House of Representatives.

## **DELEGATION OBJECTIVES DURING THE EVENT**

Congressional meetings enable members of the Canadian Section to meet with U.S. federal legislators, particularly those who do not attend the IPG’s annual meeting, and thereby to inform them about – and gain their support on – critical issues affecting both countries. Delegates view these meetings as an invaluable opportunity to share Canadian views about bilateral issues of common concern, and members of the IPG’s Canadian Section intend to undertake such meetings in the future as the need arises.

Since the meetings with U.S. federal legislators are designed to be “off the record,” the discussion below summarizes the general nature of the issues that were raised by Canadian and American legislators.

## **ISSUES RAISED BY THE CANADIAN SECTION OF THE CANADA-UNITED STATES INTER-PARLIAMENTARY GROUP**

### **History and Mission of the Canada-United States Inter-Parliamentary Group**

- The IPG was formed more than 50 years ago, and – in 2014 – the Group’s Canadian Section will host the U.S. Section at an annual meeting to be held in Ottawa.
- In addition to meeting with U.S. federal counterparts, members of the IPG’s Canadian Section attend national and regional meetings of governors and state legislators.
- The IPG aims to find points of convergence in Canadian and American 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.

## The Bilateral Trade Relationship and the Common Border

- Canada and the United States have the world's largest bilateral trade relationship and its longest undefended border; additionally, the nations and their inhabitants are important to each other for non-trade reasons.
- Canada is a trade-oriented nation, and believes that free trade maximizes employment and prosperity in countries that sign free trade agreements.
- The Beyond the Border Action Plan, which is supported by both countries, contains a number of measures designed to facilitate the movement of people and goods across the common border; an entry/exit system is among the information-sharing measures in the Action Plan.
- At present, 38 of the 50 U.S. states have Canada as their primary foreign export destination.
- In 2012, Canada was the United States' largest customer, and purchased goods valued at \$233 billion; this amount exceeded the value of purchases by China, Japan and the United Kingdom combined.
- In 2012, Canada–U.S. trade in goods and services was valued at \$710 billion, which is equivalent to almost \$2 billion per day or about \$1.4 million per minute.
- An estimated 8 million U.S. jobs depend on trade and investment with Canada.
- A seamless, yet secure, common border between Canada and the United States helps to ensure the prosperity and competitiveness of both countries.
- Canada is financing the new international crossing at Detroit, Michigan and Windsor, Ontario, which is the busiest commercial crossing point along the shared border; it would be helpful if the United States could identify \$250 million for the construction of the U.S. customs plaza.
- There are fundamental differences between the United States' northern border with Canada and its southern border with Mexico; because of these differences, different policies, practices, etc. are required at the northern and southern borders.
- Regulations that are inconsistent between Canada and the United States, or regulations in either country that serve no useful purpose, lead to negative consequences, including increased costs; the Regulatory Cooperation Council, and any successor initiative, will be beneficial in addressing "the tyranny of small differences."
- "Buy American" provisions are a form of protectionism, and Canada is harmed by such provisions even when they are aimed at other countries; in essence, an unintended consequence of these provisions is that Canada may be "collateral damage."

- The United States' country-of-origin labelling requirements are having negative impacts on the North American livestock sector; the sector is highly integrated, and livestock producers in both Canada and the United States are being harmed.

## **Energy**

- Canada and the United States share the world's closest energy relationship, and energy trade between the countries is significant in value and volume.
- Canada exports a range of energy resources to the United States, and is the United States' most stable, secure and reliable supplier of such resources.
- For energy security and other reasons, it is important that the Keystone XL pipeline application is approved; some believe that a decision will be made about the application in the next two months.

## **Water**

- The U.S. Environmental Protection Agency's ballast water regulations are creating problems for Canada; according to estimates, the Canadian economy will lose \$429 million each year and 2,800 jobs, and the estimated cost per vessel to install a ballast water treatment system, if one becomes available for freshwater use, would be \$4.7 million per vessel.
- In Canada's view, a binational harmonized approach to the regulation of ballast water is needed to ensure the protection of the marine environment and the competitiveness of the Canadian and American fleets.

## **Other Issues**

- It is not clear to Canadians whether the U.S. President will receive trade promotion authority (TPA).

## **ISSUES RAISED BY U.S. SENATORS AND MEMBERS OF THE HOUSE OF REPRESENTATIVES**

### **Energy**

- Despite comments being made about a decision on the Keystone XL pipeline application within the next two months, a number of Americans feel that the decision will not be made within this time frame; after all, a decision was expected last year and was not forthcoming.
- In the U.S. Senate, there is strong support for the Keystone XL pipeline proposal; supportive Senators will "keep the pressure on."
- Energy security on a continental basis should be the goal.

- Both the United States and Canada should focus on the safe movement of hydrocarbons by rail.
- Canada will export its oil to one or more countries; it is unclear why the United States appears not to want Canadian oil.

### **Trade and Economic Prosperity**

- There is much that the United States could learn from Canada regarding “economic measures”; Canada’s finances are relatively stronger, Canada is relatively more focused on trade, and Canada’s general corporate tax rate is relatively lower.
- The United States’ trade agreement with South Korea is working well.
- Canada and the United States are close allies, friends, neighbours and partners; the two countries have a great deal in common, enjoy a mutually beneficial relationship, and should not take each other for granted.
- The United States’ northern border is only as secure as Canada’s borders.
- The United States focuses more on its southern border with Mexico than on its northern border with Canada; there are fewer concerns about the northern border.
- With free trade, everyone “wins.”
- The focus should be “Buy American or Canadian,” or “Buy North American.”

### **Other Issues**

- President Obama wants TPA without the political consequences that would accompany it.
- Republicans do not think that they should give the President TPA.
- President Obama has had quite a few international successes.
- Not much is “getting done” in Washington, and it seems as though the leadership of the Democratic and Republican parties are “ships passing in the night.”
- Because of the limited amount of “friction,” many Americans think that there is no border between the United States and Canada.
- Canada’s intellectual property laws require reform.
- The United States and Canada should work together on addressing invasive species, including Asian carp and zebra mussels.
- A great many U.S. legislators are concerned about the environmental health of the Great Lakes.

- The United States' economic "problems" cannot be solved with a focus on discretionary spending; attention needs to be paid to entitlements.

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

### U.S. SENATORS AND MEMBERS OF THE HOUSE OF REPRESENTATIVES AND THEIR STAFF WITH WHOM THE DELEGATION MET

#### Senators:

Senator Benjamin Cardin (D-MD)

Senator Mike Crapo (R-ID)

Senator Ted Cruz (R-TX)

Senator Heidi Heitkamp (D-ND)

Senator Ron Johnson (R-WI)

Senator Amy Klobuchar (D-MN)

Senator John McCain (R-AZ)

Senator Jeff Merkley (D-OR)

Senator Pat Roberts (R-KS)

Senator Roger Wicker (R-MS)

#### Members of the House of Representatives:

Representative Dan Benishek (R-MI)

Representative Kerry Bentivolio (R-MI)

Representative Charles Boustany (R-LA)

Representative Corinne Brown (D-FL)

Representative Steve Chabot (R-OH)

Representative Joe Courtney (D-CT)

Representative Kevin Cramer (R-ND)

Representative Susan DelBene (D-WA)

Representative Ted Deutch (D-FL)

Representative John Dingell (D-MI)

Representative Jeff Duncan (R-SC)

Representative Phil Gingrey (R-GA)

Representative Bill Huizenga (R-MI)

Representative Doug Lamborn (R-CO)

Representative Cynthia Lummis (R-WY)



Representative Thomas Marino (R-PA)  
Representative Michael McCaul (R-TX)  
Representative Jim McDermott (D-WA)  
Representative Mark Meadows (R-NC)  
Representative Patrick Meehan (R-PA)  
Representative Michael Michaud (D-ME)  
Representative Candice Miller (R-MI)  
Representative Richard Neal (D-MA)  
Representative Alan Nunnelee (R-MS)  
Representative Bill Owens (D-NY)  
Representative Thomas Petri (R-WI)  
Representative Chellie Pingree (D-ME)  
Representative David Price (D-NC)  
Representative Charles Rangel (D-NY)  
Representative David Reichert (R-WA)  
Representative Dutch Ruppersberger (D-MD)  
Representative Matt Salmon (R-AZ)  
Representative David Scott (D-GA)  
Representative John Shimkus (R-IL)  
Representative Albio Sires (D-NJ)  
Representative Adam Smith (D-WA)  
Representative Jason Smith (R-MO)  
Representative Chris Stewart (R-UT)  
Representative Glenn Thompson (R-PA)  
Representative Dina Titus (D-NV)  
Representative Tim Walberg (R-MI)  
Representative Edward Whitfield (R-KY)  
Representative Robert Wittman (R-VA)  
Representative Ted Yoho (R-FL)

## Travel Costs

<b>ASSOCIATION</b>	Canada-United States Inter-Parliamentary Group
<b>ACTIVITY</b>	U.S. Congressional Meetings
<b>DESTINATION</b>	Washington, D.C., United States of America
<b>DATES</b>	February 24-26, 2014
<b>DELEGATION</b>	
SENATE	Hon. Janis G. Johnson Hon. Paul Massicotte Hon. Wilfred P. Moore, Q.C. Hon. Scott Tannas
HOUSE OF COMMONS	Mr. Gordon Brown, M.P. Mr. John Carmichael, M.P. Mr. Rick Dykstra, M.P. Ms. Chrystia Freeland, M.P. Mr. Brian Masse, M.P. Hon. John McKay, P.C., M.P. Hon. Rob Merrifield, P.C., M.P. Mr. Peter Stoffer, M.P.
STAFF	Ms. Angela Crandall, Executive Secretary Ms. June Dewetering, Senior Advisor
<b>TRANSPORTATION</b>	<b>\$ 15,867.85</b>
<b>ACCOMMODATION</b>	<b>\$ 9,663.68</b>
<b>HOSPITALITY</b>	
<b>PER DIEMS</b>	<b>\$ 3,382.16</b>
<b>OFFICIAL GIFTS</b>	<b>\$ 6,239.25</b>
<b>MISCELLANEOUS / REGISTRATION FEES</b>	<b>\$ 314.70</b>
<b>TOTAL</b>	<b>\$ 35,467.64</b>