

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 National Governors
Association Winter Meeting**

Canada-United States Inter-Parliamentary Group

**Washington, D.C., United States of America
February 21-24, 2014**

Report

DELEGATION MEMBERS AND STAFF

From February 21–24, 2014, Senator Janis G. Johnson, Senate 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. The other members of the delegation were Senator Wilfred P. Moore, Q.C., IPG Vice-Chair, Ms. Joyce Bateman, M.P. and Mr. Peter Stoffer, M.P. The delegation was accompanied by Ms. June Dewetering, Senior Advisor to the Canadian Section.

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 five issue-related standing committees – Economic Development and Commerce, Education and Workforce, Health and Human Services, Homeland Security and Public Safety, and Natural Resources – and, on occasion, on special ad hoc bipartisan committees and task forces. At the 2014 winter meeting, each of the five standing committees held a session.

The theme for the NGA's activities in 2014 – including the winter and summer meetings – is "America Works: Education and Training for Tomorrow's Jobs." This initiative has been selected by NGA Chair Oklahoma Governor Mary Fallin. The four key elements of the initiative, each of which is also applicable in the Canadian context, are:

- Articulate and implement a vision that connects education and the workforce in order that more Americans can achieve "the new minimum."
- Use data to inform policy decisions, track progress and measure success.
- Build partnerships as an aid to results.
- Modify resource allocation and incentives to support the vision referenced earlier.

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 a number of governors, such as Governors Steven Beshear (Kentucky), Jack Dalrymple (North Dakota), Mary Fallin (Oklahoma), Maggie Hassan (New Hampshire), Dave Heineman (Nebraska), John Hickenlooper (Colorado), Dannel Malloy (Connecticut), Martin O'Malley

(Maryland), Deval Patrick (Massachusetts), Brian Sandoval (Nevada), Peter Shumlin (Vermont) and Rick Snyder (Michigan). They spoke about a range of issues, including the nature and value of the trade relationship between Canada and various U.S. states, the importance of cooperation between both countries at all levels of government, the importance of early learning, abuse of prescription drugs, funding of the U.S. customs plaza at the new Detroit-Windsor crossing, the Keystone XL pipeline application and other aspects of the bilateral energy relationship, and a number of water-related issues. At the opening session, Governor Fallin recognized the presence of the IPG delegation at the meeting.

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 2014 winter meeting of the NGA included the following sessions:

- America Works: Education and Training for Tomorrow's Jobs (Opening Session)
- Revving Up: MAP-21 Reauthorization (Economic Development and Commerce Committee)
- The Future of the Guard and Disaster Response in the States (Homeland Security and Public Safety Committee)
- Supporting Governors' Innovation in Early Childhood Education (Education and Workforce Committee)
- Growth and Jobs in America (Special Session)
- Battling an Epidemic: State Efforts to Combat Prescription Drug Abuse (Health and Human Services Committee)
- Accelerating Economic Growth: The Energy Sector (Natural Resources Committee).

As well, some IPG members attended a reception at the residence of His Excellency Mauro Vieira, Ambassador of Brazil to the United States. U.S. Governors Mike Beebe (Arkansas), Tom Corbett (Pennsylvania), Mary Fallin (Oklahoma), Gary Herbert (Utah), John Hickenlooper (Colorado), Jay Nixon (Missouri), Brian Sandoval (Nevada) and Scott Walker (Wisconsin) attended the reception.

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

OPENING PRESS CONFERENCE

At the opening press conference, Governors Beebe, Dalrymple, Fallin, Herbert and Hickenlooper made the following points:

- The United States' governors are leading across the nation, and each state's residents expect the governors to solve problems and address issues – such as the need for job creation and economic growth – in a timely manner.
- Unlike the “gridlock” in Washington, D.C., the governors are working well together and recognize that a great deal can be accomplished by working together.
- Collaboration is needed between U.S. governors and the federal government.
- The U.S. governors believe in flexible federalism, and they should be able to put in place the measures that work for their states.
- Any federal reforms that produce federal savings should be made in full recognition of the reality that the states, unlike the federal government, must balance their budgets.
- A balanced federal budget should not be attained through downloading responsibilities to the states.
- The U.S. Congress should not propose unfunded mandates, especially if there are “strings attached” and if they involve red tape.
- Leaders should focus on identifying issues that bring parties together, not on issues that are divisive.
- The states can “lead the charge” in creating jobs, ensuring that the education system is aligned with the needs of employers and building a highly skilled workforce.

AMERICA WORKS: EDUCATION AND TRAINING FOR TOMORROW'S JOBS

Jeffrey Immelt, *General Electric*

- The United States' economy is getting “a little better” every day; the “missing piece” is capital investment by small and medium-sized enterprises (SMEs).
- The economies of European countries have stabilized, which is good for the United States.
- China's economy continues to be strong.
- Resource-rich countries are important for multinational companies.
- In the foreseeable future, the United States' economy is likely to be characterized by slow growth and some volatility.

- In terms of investment, these are the ages of gas, advanced manufacturing and the industrial Internet.
- Regarding gas, technology is creating new opportunities around the world; from an economic perspective, natural gas is a “game changer.”
- Advanced manufacturing is an important area where investments in new technologies should occur.
- “Industrial Internet,” which is a term “coined” by General Electric, refers to the integration of machinery with networked software and sensors; it presents many opportunities for job creation.
- Considerations that may be important in identifying opportunities for investment include the following:
 - opportunities for shared services;
 - knowledgeable state-level economic development personnel;
 - the presence of great universities;
 - a talented workforce; and
 - sound “economics” within the state.
- Infrastructure is needed in order to build and sustain competitiveness.
- Regulatory reform is needed.
- Education in science, technology, engineering and mathematics, and high educational standards, are key.
- There is a shortage of jobs in all areas of the United States, and labour demand needs to be linked to labour supply.
- Veterans are an important source of skilled labour.
- Community colleges are a key training ground for advanced manufacturing.
- “Big company-small company” integration should be promoted, perhaps through chambers of commerce, the development of clusters or other activities.
- When companies are deciding where to locate, the quality of universities and the quality of the workforce are key.
- For employers, total labour costs are important, and these costs include wages and health care, among other expenses.
- Innovation and technology “drive” solutions and cost reductions.

THE FUTURE OF THE GUARD AND DISASTER RESPONSE IN THE STATES

General Frank Grass, *National Guard Bureau*

- The U.S. National Guard is focused on the homeland but is also involved in global partnerships.
- Domestically, in recent years, the National Guard has assisted in relation to the bombings during the Boston Marathon, the State of the Union address and national disasters.
- While it is becoming easier to anticipate the needs of residents in emergency situations, the National Guard is pre-occupied with a major disaster, such as a major earthquake, or with what is sometimes termed “the worst night in America.”
- Some National Guard units are involved in cyberdefence in support of cybercommunications.
- The National Guard brings capacity and capabilities both at home and abroad.
- The National Guardsmen and Guardswomen are exceptional, but there are problems that must be tackled, including sexual assault and sexual harassment, suicide prevention, and ethically and fiscally responsible leadership.

Richard Reed, *American Red Cross*

- In a disaster, many types of help are needed: food, shelter, relief supplies, health services, emotional support, family reunification, financial assistance, community recovery, and emergency preparedness and training, among others.
- In disaster situations, volunteers are a key part of the response.
- There is a need to build communities that are more resilient.
- The local, state and federal levels of government must work together before, during and after a disaster.

Suzu DeFrancis, *American Red Cross*

- U.S. governors are “can do,” problem-solving individuals.

SUPPORTING GOVERNORS’ INNOVATION IN EARLY CHILDHOOD EDUCATION

Secretary Arne Duncan, *U.S. Department of Education*

- If the United States does better educationally, there will be “dividends” for children, families and the nation.

- Access to education is important, but the education must be of a high quality.
- There is a need to limit the costs of a college education.
- No party has the monopoly on good ideas; education must be a bipartisan issue, and governors must be the leaders in the area of education.
- High-school graduates must be college- and career-ready; as well, there is a need to reduce high school dropout rates and increase high school graduation rates.
- In reverse order, the top 10 reasons for expanding early childhood education and learning are:
 - Investments in early learning provide a 7-to-1 return on investment.
 - There is bipartisan support for expanded early learning.
 - Faith-based organizations, communities, law enforcement agencies, employers, unions and others believe that expanded early learning “is the right thing to do.”
 - The old arguments against investments in early learning “no longer work.”
 - While access to early learning is important, the quality of that learning matters “tremendously.”
 - Children must not start kindergarten at a disadvantage; rather, they must enter kindergarten “poised for success.”
 - Grade 3 reading laws have been enacted.
 - The United States is behind high-performing countries in providing early learning opportunities.
 - The United States is in the midst of a wave of innovation and capacity-building in early learning.
 - In all 50 states, there is an enormous and persistent unmet need and demand for high-quality early learning.

Lillian Lowery, *Maryland Superintendent of Schools*

- Narrowing the school readiness gap will result in narrowing the school achievement gap.
- Early learning and education should be integrated into the general education system.
- Families, especially those for whom early learning is one of a number of challenges, must be “engaged.”

Jeana Ross, *Alabama Commissioner of the Department of Children's Affairs*

- All children deserve the chance to benefit from early education opportunities.
- Early education programs must be of a high quality.
- Pre-kindergarten opportunities lead to improved educational outcomes, including a reduced need to repeat grades or undertake special education and fewer days of absence from school.

GROWTH AND JOBS IN AMERICA

Maria Bartiromo, Fox News Channel, posed questions to the governors, who provided responses.

Question: Where are the jobs? Where is the growth in the United States?

Governor Quinn (Illinois): The automotive sector is growing and jobs are being created in the sector.

Governor Beshear (Kentucky): The automotive sector is growing, there is a “huge” manufacturing “comeback” and advanced manufacturing is growing. Advanced manufacturing requires a highly educated and trained workforce.

Governor Beebe (Arkansas): Infrastructure, the “right” tax policy and a highly qualified workforce are needed. Corporate support for the “reshoring” of manufacturing is required, and there is a need to appeal to Americans’ patriotic spirit.

Governor Fallin (Oklahoma): Today’s manufacturing companies are not your grandfathers’ manufacturing companies. There is a new minimum level of education that is required to be employed today, and there is a need to acquire the skills today that employers will be seeking tomorrow. Businesses and the providers of education should talk to each other.

Governor Herbert (Utah): At times, governments try to do too much. Instead, governments should provide an environment where businesses can excel.

Governor Bullock (Montana): Companies and providers of education should ensure that curricula are aligned with the needs of employers.

Governor Corbett (Pennsylvania): A fair, streamlined tax system with low rates is needed, as are proper regulations. Entrepreneurs should be assisted as they seek to get started.

Governor Hassan (New Hampshire): SMEs need to be supported, including through easing the paperwork burden. As well, working people should be supported in order to ensure the existence of a strong middle-class.

Question: What solutions should be implemented for the future?

Governor McCrory (North Carolina): There is a need to bridge the gap between education and commerce. People should pursue training in areas where there are job vacancies, and funding for education must be flexible and allocated to the disciplines that are in demand.

Governor Heineman (Nebraska): Education is very important, as are low taxes and a low regulatory burden. Competition helps everyone get better, and children must understand that the country needs to be globally competitive.

Governor Hassan: Young people must understand where the jobs will be in the future, and must be instructed in the pathways to get there. Technical skills, as well as communication and collaboration skills, are key.

Governor Haslam (Tennessee): The United States is pursuing trade agreements, including with the European Union and in the context of the Trans-Pacific Partnership.

Governor Walker (Wisconsin): Advanced manufacturing, agriculture and water are areas of growth. Training, dual enrolment, and academic and career planning beginning in grade 6 should be priorities.

Governor Branstad (Iowa): The good jobs of the future will require education in science, technology, engineering and mathematics. Education in these areas will equip individuals for jobs in the agricultural, medical, health care and bioscience sectors.

Question: What comments should be made about energy?

Governor Dalrymple (North Dakota): There are “incredible” opportunities in the energy sector. The United States is producing more petroleum than Saudi Arabia. The right policies and the right opportunities are “magic.”

Governor Mead (Wyoming): The energy sector produces many jobs. Affordable energy “lifts all boats.”

Governor McCrory: Seismic testing is required in relation to offshore energy. More generally, the energy sector needs safe and environmentally sound practices.

Governor Bryant (Mississippi): It is possible to have a “tremendous” career in the energy sector.

Governor Herbert: The energy sector creates jobs because there is a significant demand for energy, and perhaps especially for affordable, clean and sustainable energy resources.

Governor Hassan: Some states have energy challenges, including in relation to infrastructure. Over the long run, a diverse energy portfolio is needed.

Governor Quinn: Energy efficiency should be a goal. Severe weather is increasingly common, and there is a need to be more observant of the environment and the climate. As well, water is important.

Governor Sandoval (Nevada): Renewable energy sources are important, and Nevada has wind, solar and geothermal energy.

Question: What are some of the challenges on the horizon?

Governor O'Malley (Maryland): The United States is the last industrialized country to determine how to ensure that the entire population has health care. Incentives need to change, and there should be an improved focus on wellness.

Governor Branstad: The United States' health care problem could be solved by getting people to take personal responsibility for their health. People should know their health risk factors, and should work to reduce them. Chronic diseases are expensive.

Governor Haslam: A fee-for-service model in health care provides the wrong incentives.

Governor Hassan: A healthy workforce is a better workforce. It is important to provide the right incentives in relation to health care.

Governor Herbert: The poor and otherwise disadvantaged can be helped by providing them with employment. Healthy lifestyles should be promoted, and people should take ownership of their health. Wealth creators should be empowered.

Governor Nixon (Missouri): The working poor should be provided with an opportunity for health care in the same way that seniors have Medicare. More technology should be used in health care.

Governor Walker: Most Americans do not know the details of their health plan. Most health care decisions are elective. A patient-centred approach to health care is needed.

Governor Bryant: Health care should be considered as an economic driver, and the medical community should be incentivized.

Governor McCrory: The challenges of the future include unfunded liabilities, including for pensions and health care. Another challenge is that the federal government develops policies without knowing how they will be funded. The states need predictability regarding federal rules and procedures.

Governor Hickenlooper (Colorado): There is inadequate capital for infrastructure.

Question: If you could identify a priority action for President Obama to take, what would it be?

Governor Quinn: Increase the minimum wage.

Governor Branstad: Do not reduce funding for the National Guard.

Governor Heineman: Give the states more flexibility.

Governor Dalrymple: Provide leadership.

Governor Bullock: Ensure that Washington, D.C. is not dysfunctional.

Governor Herbert: Bring about a “rebirth” of federalism, with the federal and state governments being co-equals.

Governor Mead: Get “back on track” and get things done.

Governor Daugaard (South Dakota): Fix uncertainties.

Governor Sandoval: Provide states with certainty.

Governor Walker: Give the states flexibility with programs and implement an “all of the above” energy policy.

Governor Nixon: Recognize that education is the best economic development tool and support military families.

Governor Bryant: Gives the states flexibility and fix the national debt problem.

Governor Haslam: Give the states flexibility.

Governor McCrory: Give the states flexibility, “unleash” energy resources, and provide clarity regarding addiction and mental health.

Governor Corbett: Give the states flexibility and predictability.

Governor Chafee (Rhode Island): Enact legislation in relation to Internet sales tax.

Governor Hassan: Work with the states.

Governor Malloy (Connecticut): Increase the minimum wage, and give the states flexibility regarding education, health, transportation and the environment.

Governor Hickenlooper: Support infrastructure.

Governor Fallin: Give the states flexibility and predictability, and approve the Keystone XL pipeline application.

LUNCHEON FOR CORPORATE FELLOWS, GOVERNORS’ STAFF AND NATIONAL GOVERNORS ASSOCIATION STAFF

Maria Bartiromo, *Fox News Channel*

- It is hard to identify a bubble when you are in it.
- If something looks too good to be true, it probably is.
- There is optimism about the United States’ economy, with energy prospects, opportunities in health care and a “rebirth” of manufacturing; the United States is “headed in the right direction,” and economic growth is stable.
- European countries are “moving in the right direction,” but caution should be exercised, as they may not be “through the worst.”
- Emerging countries may not have “reached bottom” yet.
- Mexico has a budget surplus and relatively low labour costs, which is good for manufacturing; however, there are significant security issues relating to the illegal drug trade.
- People want to receive their medical care in their home.
- The opportunities arising from the interface between health care and technology have not yet been maximized.
- Technology is “changing the game everywhere,” including in relation to health and energy.
- Because of the highly competitive marketplace, it is important to know what is occurring outside the United States.
- Businesses like certainty.

BATTLING AN EPIDEMIC: STATE EFFORTS TO COMBAT PRESCRIPTION DRUG ABUSE

Governor Peter Shumlin, *State of Vermont*

- Since 2000, there has been a dramatic increase in opiate addiction in Vermont.
- People who become addicted to opiates face a lifelong challenge.
- Opiate addiction “drives” incarceration.
- Prescription drug abuse is a health care crisis, but is a “winnable” battle.

Governor Robert Bentley, *State of Alabama*

- Prescription drug abuse is devastating to communities.
- Strategies for reducing prescription drug abuse include the following:
 - make better use of prescription drug monitoring programs;
 - enhance enforcement efforts;
 - ensure proper disposal of prescription drugs;
 - leverage the role of the state as a regulator and a purchaser of services;
 - build partnerships among key stakeholders; and
 - promote public education about prescription drug abuse.
- To address prescription drug abuse, health and law enforcement “levers” should be used.
- Prescription drug abuse is a serious and growing threat.

Governor John Hickenlooper, *State of Colorado*

- There is an epidemic of addiction, overdoses and suicides relating to prescription drug abuse.
- There are a variety of lessons learned in relation to prescription drug abuse that can be shared, including the following:
 - Leadership matters, including by governors and the medical community.
 - Prescribing behaviour needs to change.
 - Disposal options should be convenient and cost-effective.
 - Prescription drug monitoring programs are underused.
 - Public education is critical.
 - Treatment is essential.
 - Data, metrics and evaluation must “drive” policy and practice.

- People often use prescription drugs that have been prescribed for someone else.

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 21-24, 2014
DELEGATION	
SENATE	Hon. Janis G. Johnson Hon. Wilfred P. Moore, Q.C.
HOUSE OF COMMONS	Ms. Joyce Bateman, M.P. Mr. Peter Stoffer, M.P.
STAFF	Ms. June Dewetering, Senior Advisor
TRANSPORTATION	\$ 5,321.32
ACCOMMODATION	\$ 8,398.41
HOSPITALITY	
PER DIEMS	\$ 1,702.64
OFFICIAL GIFTS	
MISCELLANEOUS / REGISTRATION FEES	\$ 6,605.58
TOTAL	\$ 22,027.95