

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 Canadian/American  
(CAN/AM) Border Trade Alliance Conference  
Canada-United States Inter-Parliamentary Group  
Ottawa, Ontario, Canada  
May 1-3, 2011**

# Report

## DELEGATION MEMBERS AND STAFF

From May 1-3, 2011, Senator Marie-Paule Poulin, Vice-Chair of the Canada-United States Inter-Parliamentary Group (IPG), represented the Canadian Section of the IPG at the spring meeting of the Canadian/American (Can/Am) Border Trade Alliance. The IPG's House of Commons Co-Chair, Mr. Gord Brown, was an invited speaker. The delegation was accompanied by Ms. Angela Crandall, Executive Secretary to the IPG, and Ms. June Dewetering, the IPG's Senior Advisor.

## THE EVENT

The Can/Am Border Trade Alliance (BTA) holds two meetings each year: in the spring in Ottawa and in the fall in Washington, D.C. The BTA is a coalition of businesses, public-sector organizations and individuals with an interest in bilateral trade and tourism. Its mission is to maximize commercial activity and ensure continued growth in cross-border trade as well as efficient and productive border-crossing capabilities.

During the meeting, sessions with the following titles were held:

- View from the Bridges
- U.S.-Canada Cooperation for a Brighter Future
- Canadian Airports Council
- Oil Sands & Energy Overview and their Importance to U.S. and Canada
- View from Rail
- e-MANIFEST ACI: View from Trade
- Canada/U.S. Perimeter Border Vision Issues
- Freight Transportation
- From Vision to Action: Advancing the Canada-U.S. Partnership
- Canada Border Services Agency
- Canada/U.S. Inter-Parliamentary Group
- The American Perspective.

Attendees at the event included private-sector representatives involved in a number of tourism, transportation and trade-related activities as well as representatives of a variety of U.S. and Canadian federal departments and the U.S. Embassy in Ottawa.

## **DELEGATION OBJECTIVES FOR THE EVENT**

The Canadian Section of the IPG has a long association with the BTA, and members of the Section sometimes attend both the BTA's fall and spring meetings. Given the BTA's focus, attendance at the meetings provides members with an important opportunity to gain insight about problems being experienced by businesses and individuals in respect of trade and tourism as well as about efforts and actions by governments in both countries to address these problems.

The Canadian Section of the IPG's House of Commons Co-Chair, Mr. Gord Brown, M.P., spoke about the Canadian Section's activities since the BTA's 2010 fall meeting and to indicate the nature and scope of the Section's summer activities, including the 52<sup>nd</sup> Annual Meeting as well as meetings with U.S. governors and state legislators.

At this meeting, as at other BTA meetings, members of the Canadian Section benefitted from the opportunity to interact with, and learn from, private- and public-sector organizations and individuals who deal with border issues on a daily basis. Attendance at the BTA meetings also provides members with an opportunity to inform others about the range of actions taken by the Section in respect of shared bilateral goals as well as differences, especially through the invitation that is typically given to the Co-Chairs of the Canadian Section to make remarks about the Section's activities and priorities.

## **ACTIVITIES DURING THE EVENT**

As noted earlier, a variety of sessions were held. As well, His Excellency David Jacobson, the U.S.' Ambassador to Canada, hosted a reception at his home. Members of the Canadian Section were able to speak with attendees about the problems being encountered at Canada's shared border with the U.S. and to share with them the efforts being taken by members to ensure the existence of an efficient, cost-effective and secure common border.

This report summarizes the presentations at the meeting, including Mr. Brown's remarks to meeting delegates.

## **VIEW FROM THE BRIDGES**

### ***Brent Gallaughier, Niagara Falls Bridge Commission***

- there are three bridges in the jurisdiction of the Niagara Falls Bridge Commission: the Lewiston-Queenston Bridge, the Rainbow Bridge and the Whirlpool Bridge
- the Whirlpool Bridge is the only dedicated NEXUS bridge along the border
- over time, significant investments have been made in the Lewiston-Queenston Bridge, which will soon be 50 years old
- the Lewiston-Queenston Bridge has a dedicated NEXUS lane and five dedicated truck lanes

- the Canadian-bound NEXUS lane has been removed from the Rainbow Bridge
- the Peace Bridge, which is under the jurisdiction of the Buffalo and Fort Erie Public Bridge Authority, has added a fifth commercial lane and a second NEXUS lane

**Stan Korosec, *Blue Water Bridge Canada***

- the Blue Water Bridge has a new LEEDS-certified building that will open soon, and seven new commercial inspection lanes
- the Blue Water Bridge has dedicated trusted traveller/trader lanes
- the Port Huron plaza is adding 12 inspection lanes for trucks
- the Sault Ste. Marie International Bridge, which is under the Sault Ste. Marie Bridge Authority, is currently undergoing work on both the Canadian and American plazas

**Rik Saaltink, *Seaway International Bridge Corporation Limited***

- within the jurisdiction of the Seaway International Bridge Corporation, two bridges are important: the North Channel Bridge to Cornwall Island and the Seaway International Bridge to Messina, New York
- construction on a new North Channel Bridge is expected to begin in May 2011; once this bridge is constructed, the existing bridge will be demolished
- the U.S. General Services Administration constructed a new Messina port of entry in 2009
- challenges arise when contractors must manage work across the shared border between Canada and the United States
- with new bridges, there may be three construction phases: the environmental assessment, construction of the bridge and demolition of the existing bridge
- the Ogdensburg Bridge and Port Authority is a competitor, and is currently rehabilitating the main span of the bridge
- the Thousand Islands Bridge Authority has passenger traffic that is concentrated in the summer months, although commercial traffic is steady throughout the year

**U.S.-CANADA COOPERATION FOR A BRIGHTER FUTURE**

**Perrin Beatty, *Canadian Chamber of Commerce***

- the shared Canada-U.S. border must not be an impenetrable barrier to travel and trade
- Canada and the United States share one of the closest relationships in the world, which may lead to situations where the countries take each other for granted; from social, military, economic, etc. perspectives, the two countries have the

strongest alliance in the world, although cracks in the relationship are beginning to show

- Canada and the United States should take stock of where the two countries are, where they want to go and how they should get there
- Canada is the U.S.' largest trading partner, and bilateral trade is responsible for 8 million U.S. jobs and 3 million Canadian jobs
- if President Obama's export goal is attained, one reason for success will be trade with Canada; more generally, the manner in which the border functions must be improved in order to achieve trade and growth targets in each country
- as businesses continue to recover from the effects of the recession, the probability of success is improved if Canada and the United States, and the businesses in each country, work together
- regarding the Detroit-Windsor crossing, it should be recognized that the decisions made in Michigan about the bridge affect both countries; a new Ambassador Bridge is needed, and the Canadian government has offered to make a loan to Michigan
- border delays add costs, reduce productivity and lead to job losses; the border must be seen as just another step in the integrated supply chains between Canada and the United States
- improved efficiency at the border has a number of benefits: improved predictability, reduction in wasted resources and greater economic growth
- improving the efficiency of the Canada-U.S. border will require more than infrastructure
- perhaps the situation in Europe should be used as an example; European countries trade without restrictions despite the myriad wars fought among them, while Canada and the United States have not fought each other often but have many border issues
- Canadians take security seriously, and Canada is the only country on Osama Bin Laden's list of targets that has not yet been attacked
- the perimeter security initiative announced by Prime Minister Harper and President Obama on 4 February 2011 is positive, and Canada and the United States must work together on enforcement, the sharing of intelligence, the protection of infrastructure, etc.
- when funds are misspent and/or misdirected to the wrong priorities, security is undermined
- since physical security and economic security are linked, solutions are needed that will work for both types of security
- Canada is a significant source of reliable energy for the United States; Canada is also the most secure energy source

- the environmental movement is targeting Canada's oil sands with erroneous information
- dependence on fossil fuels will not disappear overnight

## **CANADIAN AIRPORTS COUNCIL**

### **Solomon Wong, *InterVISTAS Consulting***

- both people and cargo move by air
- over time, aircraft will have an increasing range; new aircraft will have different performance capabilities in terms of distance, for example, and will have different environmental implications
- intermodalism is important
- emerging and growing markets will lead to a different volume of visitors to North America as well as different nationalities; an appropriate bilateral regime is needed in order to be ready for growth
- a concentration on terrorism is not how a resilient system should be built
- threats to the air systems can be natural, such as tsunamis and severe acute respiratory syndrome, or man-made
- supply chains, border security, transportation security, etc. should be integrated
- Canadians should have access to e-passports

### **Daniel-Robert Gooch, *Canadian Airports Council***

- Canada has world-class airports
- in terms of airport rent, the issue is one of competitiveness
- Canadian air carriers are experiencing "passenger leakage," with as many as 4.6 million Canadians driving to the United States to board U.S. air carriers, which have lower ticket prices; passenger leakage is a symptom of a problem, and has implications for reduced duty-free and other shopping, parking, etc. at Canadian airports
- in Canada, there is a "club sandwich" of fees: airport rent, the Goods and Services Tax/Harmonized Sales Tax, fuel taxes, transborder fees, air traveller security fees, etc.

## **OIL SANDS & ENERGY OVERVIEW AND THEIR IMPORTANCE TO U.S. AND CANADA**

### **Len Mitzel, MLA, *Alberta Legislature***

- Canada and the United States share a valued relationship as friends, neighbours, allies and trading partners in endeavours that cover the range from culture to commerce

- the key to the strong relationship between Canada and the United States is an effective border; the border should be seen as a boundary rather than as a barrier
- trade is vital to Alberta
- Alberta provides 70% of the oil imported by the United States; oil and natural gas form the majority of Alberta's exports to the United States, and that energy uses pipelines rather than trucks, which means that there are no delays at the border
- the United States exports more to Canada than to China, Japan, Singapore and Malaysia combined
- the location from which the United States buys its energy matters; when that energy is bought from Canada, Canadians then use those revenues to purchase U.S. goods
- trade-enabling infrastructure must not be derailed
- there is only one 24-hour border crossing in Alberta; a second such crossing would be very beneficial

## **VIEW FROM RAIL**

### **Bruce Burrows, *Railway Association of Canada***

- 2011 is the 175<sup>th</sup> anniversary of rail in Canada
- rail is currently in a growth mode, and some are viewing the current growth as the second "golden age" for railroads
- rail is environmentally friendly and is an economic-growth enabler; one-third of Canada's gross domestic product (GDP) is exported, and rail is moving about one-half of that GDP
- international trade seeks the most cost-effective routings
- 100% of rail traffic is scanned; rail is a very secure mode of transportation
- Canada is a convenient entry point to the North American marketplace
- with surface transportation often in a state of gridlock, rail is a good alternative
- in the United States, much of the federal stimulus money was invested in transportation
- cross-border harmonization is important to an integrated, competitive North American marketplace; Canadian railways need to be able to operate on a basis that is competitive with U.S. railways
- the 4 February 2011 announcement by Prime Minister Harper and President Obama regarding perimeter security as well as regulatory cooperation provides opportunities for streamlining and greater cooperation
- regulatory requirements should be the same for both Canada and the United States, and should be risk-based; as well, unjustified border fees and fee increases should be minimized, and tax regimes should be competitive

**Mike Tamilia, CN**

- CN is a tri-coastal railroad: the Atlantic Coast, the Pacific Coast and the Gulf Coast
- rail infrastructure at the border usually has a relatively small footprint and rail border gateways typically are not congested
- rail companies have made substantial investments in border-related measures, including radio frequency identification technology, infrastructure, equipment, etc.
- since the terrorist attacks of September 11, 2001, there have been many initiatives, including ACE, C-TPAT, e-manifest, etc.; while the rail industry complies with such measures, since it takes security seriously, costs and delays are mounting
- there is a need to ensure that containers are inspected efficiently; for example, they should not be inspected on multiple occasions, unless necessary
- in terms of intermodal transportation, there is a need to determine how many times and when inspection should occur
- the shared border between Canada and the United States, which is thickening, needs to be kept as fluid as possible for rail, and commonality between the two countries in respect of inspection requirements, etc. must exist

**e-MANIFEST ACI: VIEW FROM TRADE**

**Larry Hahn, *Livingston International***

- delays at the border must be avoided, since delays mean costs
- security must be balanced with trade facilitation
- what is needed is the right information at the right time to enable border officials to undertake their risk assessment and to act on that assessment
- the e-manifest initiative, which started with the marine environment before being applied to air and subsequently to all modes, is designed to ensure that the Canada Border Services Agency has the right information at the right time to enable it to do its risk assessment and to act on that assessment
- the movement of data and documents is becoming more important than the movement of goods; if data are not available on time, delays will be experienced, so planning is critical
- one consideration is the extent to which Canadian and American authorities request the same data

**Renate Jalbert, *FEDEX Canada***

- advance reporting requires significant human, financial and infrastructure investments



- the “trade chain” has a number of layers
- if the border is characterized as including “pre-border,” “at the border” and “post-border,” most information should be required at the first of these
- the e-MANIFEST initiative is game-changing; it is a global phenomenon that changes the way that business is done, with implications for efficiency
- electronic reporting is preferred to paper reporting

**Michel Vallee, UPS-SCS**

- security is important, but consideration should be given to the security that is needed in respect of cargo moving between Canada and the United States
- with the e-MANIFEST initiative, cargo and conveyance information are transmitted electronically to the Canada Border Services Agency in advance of the cargo’s arrival at the Canada-U.S. border
- exceptions always exist; for example, regarding e-MANIFEST requirements, emergency vehicles are exempt

**CANADA/U.S. PERIMETER BORDER VISION ISSUE**

**Jim Phillips, *Canadian/American Border Trade Alliance***

- perimeter clearance is not a customs union and it is not integration of Canada into the United States
- Canada and the United States should focus on protecting the external border while facilitating and expediting movement across the internal border in order to increase efficiency and security, reduce delays and fuel consumption as well as pollution, enhance predictability, etc.
- in the future, economics will drive border management; with budget reductions and no ability to reduce security in order to reduce costs, the focus will be on doing things more efficiently
- there are eight specific border improvements that should be contemplated:
  - in terms of entry and exit, the Canadian entry point on the land border becomes the U.S. exit point and vice versa
  - low-risk cross-border activities should be expedited and duplicate inspections at the land border should be eliminated
  - in terms of pre-processing, truck pre-processing should occur on the Canadian side of the Peace Bridge, recognizing that pre-processing is not synonymous with pre-clearing
  - biometric checking of foreign visitors should occur prior to boarding offshore in order to ensure that no non-low-risk people can reach Canada or the United States

- in Canada and for land border crossings, radio frequency identification companion cards should be issued alongside Canadian passports
- Canada and the United States should develop joint or cross-designation for two-way inspection at low-volume rural crossings along the shared border
- in partnership with industry, Canada and the United States can streamline excessive border regulations that currently exist
- the U.S. Transportation Safety Administration should recognize NEXUS for passenger inspections at U.S. airports

## **FREIGHT TRANSPORTATION**

### **Bruce Agnew, *Cascadia Center***

- while the Obama Administration and the U.S. Congress have increased fuel efficiency standards, these standards do not accomplish very much in terms of reducing freight emissions, and they are not sufficient to “get us to where we need to be”
- there is a desire to reduce greenhouse gas emissions associated with transportation, particularly rail and roads; in that context, it should be noted that delays experienced by trucks trying to cross the shared border is a significant contributor to greenhouse gas emissions
- while there are significant quantities of data on congestion at the border, limited data are available in respect of greenhouse gas emissions related to border congestion
- for many, a carbon tax is an energy tax, with negative economic impacts
- trade corridors go from Canada to Mexico
- the Mexican rail system is less mature than the Canadian and American systems
- more than tax incentives is needed if goals for reduced greenhouse gas emissions are going to be met, especially regarding the trucking sector
- driver training should be provided so that truckers can drive “smarter”
- the Commission for Environmental Cooperation’s report *Destination Sustainability: Reducing Greenhouse Gas Emissions from Freight Transportation in North America* identified seven challenges that must be met in order to achieve more environmentally sustainable freight transportation in North America:
  - lack of internalization of the external costs associated with freight transportation
  - inadequate coordination among transportation agencies in North America
  - a lack of integrated planning in respect of land use and freight transportation
  - significant delays in the movement of truck freight across borders

- the time needed to turn over the inefficient “legacy” truck fleet
- inadequate funding for transportation infrastructure
- a lack of essential transportation data
- the Commission for Environmental Cooperation’s report *Destination Sustainability: Reducing Greenhouse Gas Emissions from Freight Transportation in North America* specified 11 areas where action is needed in order to make progress at a North American scale:
  - pricing carbon
  - reducing delays and enhancing security at the borders
  - integrating planning in respect of transportation and land use
  - shifting to more efficient modes of transportation
  - shifting to the use of fuels with less carbon
  - increasing the efficiency of transportation technologies
  - funding transportation infrastructure and pricing the use of this infrastructure
  - greening integrated supply chains and implementing best practices in this regard
  - acquiring data and developing metrics to measure performance
  - reducing the demand for inefficient freight transportation
  - improving governance and stakeholder networking in respect of freight transportation
- the Commission for Environmental Cooperation’s report *Destination Sustainability: Reducing Greenhouse Gas Emissions from Freight Transportation in North America* made 10 recommendations to help countries in North America foster a more efficient, competitive, secure and environmentally sustainable freight transportation system:
  - establish a North American transportation forum in which transportation and environmental ministers and a working group of officials could maintain an ongoing dialogue on the efficiency and sustainability of the freight transportation system in North America
  - create a network to facilitate collaboration on a continental basis among freight industry representatives, transportation experts and stakeholders
  - strengthen and harmonize existing public/private partnerships in order to enable the collection and sharing of freight performance data and emission factors among the North American countries
  - conduct a cooperative study on the potential for carbon pricing to contribute to a dedicated North American multi- and intermodal transport infrastructure fund
  - consider carbon dioxide emissions and other environmental externalities when pricing strategies are developed to address freight transport

- create adequate sources of funding for major freight transportation infrastructure investments
- provide meaningful incentives to support the development and deployment of advanced fuel-saving transportation operational strategies
- develop trilateral collaboration on supply chain carbon accounting and reporting in respect of locomotives, marine vessels, airplanes and diesel trucks
- train truck drivers in eco-training practices
- develop a comprehensive North American freight data collection and dissemination plan that ensures comparability, interoperability and consistency in data and data formats and that provides a common platform and methodology for collecting transportation-related information

#### **FROM VISION TO ACTION: ADVANCING THE CANADA-U.S. PARTNERSHIP**

##### **Sam Boutziouvis, *Canadian Council of Chief Executives***

- Canadian business groups need more “boots on the ground” in Washington, D.C.; in recent months, the Canadian Council of Chief Executives held a summit of business leaders in Washington, and meetings were held with Administration officials and members of Congress, among others
- the Canada-U.S. partnership has delivered tremendous economic benefits to both countries and for many years; any threats to the United States are threats to Canada, so the two countries should pool their strengths and their resources
- in light of the rise of Asia and the importance of security, the Canada-U.S. relationship needs to be “updated” and it must evolve to address current and emerging threats
- nothing among the four key elements of the perimeter security initiative announced by Prime Minister Harper and President Obama on 4 February 2011 is entirely new, and some elements date to Prime Minister Chretien and President Clinton; that being said, now is the time to act boldly and quickly
- the Canadian Council of Chief Executives has developed a number of recommendations:
  - over the next six months, focus on bilateral border infrastructure, including the crossing at Detroit-Windsor
  - improve and expand trusted-trader programs, with expanded benefits and improved effectiveness
  - establish customs pre-clearance of shipments before they reach the border, including the development of a one-year pilot project that would eliminate border re-inspections for low-risk Canadian and U.S. meat production companies

- align and streamline customs rules and procedures, including through the implementation of a single-window initiative whereby traders would satisfy all government requirements through a single electronic submission
- build a perimeter of confidence for cargo, with cargo arriving at a Canadian or an American port of entry from a third country inspected only once
- expedite the movement of people across the shared border, including through the creation of a single Canada-U.S. trusted traveller program and a bilateral labour mobility arrangement for certain professional and technical workers
- enhance border resiliency, with the development of a comprehensive, well-tested bilateral border contingency plan
- align advanced passenger screening programs and biometrics technology with the adoption of common standards in the use of biometric information
- expand binational border enforcement efforts, with the expansion of the Integrated Border Enforcement Team model
- develop a binational cyberspace defence strategy that includes the private sector and end-users in both Canada and the United States
- extend the North American Aerospace Defense Command (NORAD) model of bilateral engagement to incorporate maritime interoperability
- implement an integrated, automated entry-exit system at the perimeter, with increased joint information-sharing to address external threats
- build trust over the medium term by working together over the short term, with short-term processes used to determine the feasibility and proper implementation of national initiatives
- strengthen the northern security perimeter, with the Canadian government taking the lead in developing a common security agenda for the North
- update Canadian copyright legislation at the earliest opportunity to ensure that international obligations are met and that the legislation reflects the impact of new technologies
- roll back regulations and fees that impede North American supply chains, such as U.S. country-of-origin labelling requirements for meat products and Animal and Plant Health Inspection Service fees
- exempt Canada from the U.S. Foreign Account Tax Compliance Act, which – in the absence of an exemption – will affect Canadian financial institutions and their accountholders
- develop common standards for secure information technology, to be incorporated in the mandates of Canada's Communications Security Establishment and the U.S. National Security Agency

- agree on food safety technology regulatory approvals, and make a commitment to harmonizing food safety and animal health standards as well as compliance measures in targeted areas
- develop a broad bilateral energy and environmental accord that would build on the Canada-U.S. Clean Energy Dialogue
- align and advocate market-driven energy policies in both countries, with resulting investments in cleaner energy development and delivery
- streamline energy infrastructure approvals, with accelerated permitting and construction of new cross-border energy infrastructure
- avoid border charges from potential greenhouse gas emissions regulations, and develop consistent criteria to measure, report and verify greenhouse gas emissions
- ensure common Canada-U.S. interests on climate policy are advanced internationally, with closer collaboration leading to an outcome that accommodates North American circumstances
- work together to leverage and increase investment in advanced technologies, with shared pilot projects and joint funding in selected areas

## **CANADA BORDER SERVICES AGENCY**

### **Ron Moran, *Canada Customs and Immigration Union***

- a cooperative cross-border approach is needed
- in Canada, the border and revenue collection functions used to co-exist; while it is hard to move away from the revenue-collection mentality, it is reasonable that – with the tragic events of September 11, 2001 – people expect a greater focus on security
- border officials have authority beyond the points of entry
- Free and Secure Trade (FAST) and NEXUS are positive measures and their use should be expanded
- there is a need to move forward with the perimeter security initiative announced by Prime Minister Harper and President Obama on 4 February 2011, since this approach is very positive
- the Canada Border Services Agency is not fully engaged in border patrol, despite the clear authority to undertake this activity
- in Canada, some security cameras lack the resolution that is needed
- the proposed Shiprider Agreement excludes local police and the Canada Border Services Agency, which is undesirable since these entities should be included
- the strategic review conducted by the Canada Border Services Agency had some deficiencies

- in the future, both Canada and the United States are likely to face financial constraints, which will prompt a need to identify efficiencies as the countries seek to expedite cross-border trade
- support for cross-border enforcement measures should be re-emphasized
- threats should be addressed as early as possible
- pre-border clearance at selected locations should be considered, even if only on the basis of a pilot project

## **CANADA/US INTER-PARLIAMENTARY GROUP**

### **Gord Brown, M.P., *Canada-United States Inter-Parliamentary Group***

- since September 2010, the activities of the Canadian Section of the Canada-United States Inter-Parliamentary Group (IPG) have essentially been focused on four activities: the Council of State Government's annual meeting in Rhode Island in December 2010, the winter meeting of the National Governors Association in Washington in February 2011, meetings with U.S. Senators and members of the House of Representatives as well as their staff in March 2011 and a conference sponsored by the McGill Institute for the Study of Canada in Montreal in March 2011
- 2011 was the second year in which the Canadian Section of the IPG attended the annual meeting of the Council of State Governments (CSG); the Group's usual practice is to attend only the regional meetings of state legislators that are members of the CSG
- members of the Canadian Section attended a number of the plenary and concurrent sessions at the CSG's annual meeting, and were very interested in the similarities and differences between the Canadian and U.S. systems in several areas, including health care, education, energy and the environment, transportation and infrastructure, and such fiscal issues as addressing the debt
- at the annual meeting of the CSG, Canadian parliamentarians were also able to speak with governors, state legislators and members of Canada's diplomatic corps; these sorts of meetings are invaluable in gaining insights about American views of Canada and about Canada's activities by Canadian diplomats in the United States
- for a number of years, the Canadian Section of the IPG has been attending the winter meeting of the National Governors Association (NGA) in Washington, D. C.; this year, the meeting was held from February 26-28, 2011, and it was a particularly important and interesting meeting in light of the great number of governors elected in November 2010
- with so many governors unfamiliar with the IPG, and perhaps with some of the key facts and figures about the bilateral relationship and Canada's relationship with their state, Canadian parliamentarians had an opportunity to communicate key messages about economic interdependence and working together for mutual benefit; in particular, comments were made to them about trade, integrated

supply chains and markets, and the need to cooperate to ensure the security and prosperity of both Canada and the United States

- while in Washington, members of the Canadian Section met with more than 40 members of the U.S. Senate and House of Representatives and their staff, which provided an invaluable opportunity to “market” the Group, highlight important facts about the bilateral relationship, and talk about issues that are having an impact – generally negative – on bilateral trade or tourism or both
- during Congressional meetings on March 1-2, 2011, members of the Canadian Section spoke about the goals of the IPG, and highlighted the \$1.9 billion in goods and services traded daily between Canada and the United States, the 8 million U.S. jobs that depend on this bilateral trade, and Canada’s role as the most secure and reliable supplier of energy to the United States
- as well, during the meetings with members of the U.S. Congress, Canadian parliamentarians made specific reference to the February 4, 2011 announcement by the Canadian Prime Minister and the U.S. President about a shared vision for perimeter security and economic competitiveness
- security, and more particularly the need to push the border out and ensure that North America is secure, is a priority of the IPG; important work was begun during the Congressional meetings, since quite a number of the Senators and members of the House of Representatives with whom the Canadian Section met were relatively unaware of the details of the perimeter security initiative and the growing focus on regulatory cooperation
- Canadian parliamentarians also discussed, with their Congressional counterparts, the negative impact of the \$5.50 “passenger inspection” fee for Canadian air and marine travellers to the United States proposed by President Obama
- in the final days of the 40th Parliament, members of the Canadian Section attended a conference on Canada-U.S. relations at the McGill Institute for the Study of Canada in Montreal; each year, the Institute hosts a conference designed to foster discussions on topics of interest to Canadians as well as to encourage open and non-partisan discussion on current policy issues
- this year’s conference of the McGill Institute for the Study of Canada, entitled “Canada and the United States: Conversations and Relations,” focused on a series of conversations between Canadians and Americans about the fundamental aspects of the Canada-U.S. relationship; at the conference, parliamentarians had the opportunity to discuss a wide range of key Canada-U.S. issues, including trade, security, energy and border concerns
- going forward, the IPG’s next activity will be the 52<sup>nd</sup> Annual Meeting, to be held in September 2011 in St. John’s, Newfoundland and Labrador, rather than in May, as is typically the case; with so much uncertainty about the timing of a potential federal election in Canada and with the late appointment of a Republican House of Representatives chair following the American election in November 2010, it was thought prudent to change the date of the annual meeting
- September 2011 marks the ten-year anniversary of the terrorist attacks of September 11, 2001; on that day, the U.S. Federal Aviation Administration



ordered U.S. airspace closed at 9:45 Eastern Standard Time and all U.S.-bound flights were ordered to land at the nearest airport

- by 6 p.m. on September 11, 2001, more than 200 aircraft had landed at various Canadian airports; in particular, international flights were diverted to more than 12 Canadian airports across Canada
- on the day of the terrorist attacks, 78 aircraft carrying about 13,000 people landed in Newfoundland and Labrador, which welcomed more passengers than any other province; flights landed at four airports on the Island and at one airport in Labrador
- Gander, which was the first North American airport on the trans-Atlantic route and which is known by airline pilots as the lifeboat of the Atlantic, took in almost 40 of the 239 aircraft destined for the United States and Canada on September 11, 2001, mostly headed for U.S. destinations
- Gander, which has a population of about 9,600 people, received 6,600 diverted passengers on September 11, 2001, amounting to more than two-thirds of the town's permanent population; nearly one-half of the passengers who were stranded in Newfoundland and Labrador ended up in Gander
- passengers stranded in Gander in the aftermath of the terrorist attacks were provided with food, shelter, guided tours, whale-watching excursions and impromptu concerts; according to the provincial division of the Canadian Red Cross, about 600 volunteers worked almost non-stop for six days
- since September 11, 2001, stranded passengers have sponsored scholarships, donated computer equipment and financed a new conference room in a Gander-area community
- as well, after spending more than a year to raise \$60,000, a Syracuse, New York couple who own a catering business travelled to Gander in September 2003 with about 15 volunteers, some of whom were among those rerouted to Gander; their objective was to hold an outdoor picnic, dubbed Gratitude for Gander, for an estimated 3,000 to 4,000 residents of Gander and the surrounding area to say "thanks" to Gander on behalf of all Americans
- as the ten-year anniversary of the terrorist attacks approaches, it is fitting that the U.S. and Canadian members of the Canada-United States Inter-Parliamentary Group meet in Newfoundland and Labrador to recognize the province for the important role that its citizens played on September 11, 2001 and to say thanks.
- during the IPG's Annual Meeting in September, we will discuss any irritants between us, such as the speed with which Canada is amending its copyright legislation and possibly renewal of the Softwood Lumber Agreement, as well as areas where we can work together for our joint benefit, such as North American economic prosperity, international peace and energy security
- before the IPG's Annual Meeting occurs, members of the Canadian Section of the Group will be attending the summer meetings of governors and state legislators as well as the meetings of the Pacific NorthWest Economic Region and the Southeastern United States–Canadian Provinces Alliance
- at all of the Canadian Section of the IPG's activities and in all of the Section's interactions with Americans, members of the Canadian Section are working on the issues that are important to Canadians and to participants at the

Canadian/American Border Trade Alliance's meetings: the need for a seamless border that allows efficient and cost-effective movement of no or low-risk people and goods across the shared Canada-U.S. border

## THE AMERICAN PERSPECTIVE

**Jim Phillips, *Canadian/American Border Trade Alliance***

- Canada and the United States make things together, and the export initiative announced by President Obama is good news for Canada
- there is a need to educate the U.S. population about the benefits of international trade; for example, they should know that 8 million U.S. jobs depend on trade with Canada
- Canada is the largest and most secure supplier of energy to the United States
- the American view of Canada's oil sands is becoming more positive
- 45% of the U.S. trade deficit is due to petroleum imports
- the two "gorillas" of debt and spending must be addressed in the United States
- in the United States, job growth is lagging economic growth
- in the near term, economics will dictate border management at the Canada-U.S. border
- Canada and the United States are two sovereign nations, but they share the same vision and commitment, and there is no reason why the countries cannot find joint solutions while respecting differences and the right to be different
- security and economic activity are a single phenomenon, and both are needed

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

<b>ASSOCIATION</b>	Canada-United States Inter-Parliamentary Group
<b>ACTIVITY</b>	Canadian/American (CAN/AM) Border Trade Alliance (BTA) Conference
<b>DESTINATION</b>	Ottawa, Ontario, Canada
<b>DATES</b>	May 1-3, 2011
<b>DELEGATION</b>	
SENATE	Hon. Marie-Paule Poulin, Senator Vice-Chair
HOUSE OF COMMONS	Mr. Gord Brown, M.P., Co-Chair
STAFF	Angela Crandall, Executive Secretary June Dewetering, Senior Advisor
<b>TRANSPORTATION</b>	<b>\$ Ø</b>
<b>ACCOMMODATION</b>	<b>\$ Ø</b>
<b>HOSPITALITY</b>	<b>\$ Ø</b>
<b>PER DIEMS</b>	<b>\$ Ø</b>
<b>OFFICIAL GIFTS</b>	<b>\$ Ø</b>
<b>MISCELLANEOUS/REGISTRATION FEES</b>	<b>\$1,039.10</b>
<b>TOTAL</b>	<b>\$1,039.10</b>