



**Report of the Canadian Parliamentary Delegation
to the 40th Conference of the British Islands and
Mediterranean Region**

**Canadian Branch of the
Commonwealth Parliamentary Association (CPA)**

**St. Peter Port, Guernsey, Channel Islands
June 15th – 19th, 2009**

Hon. Joan Cook, Senator represented the Canadian Branch of the Commonwealth Parliamentary Association (CPA) as an observer at the 40th Conference of the British Islands and Mediterranean Region in St. Peter Port, Guernsey, Channel Islands from June 15th – 19th, 2009

Report

As the representative of the Canadian Branch of the Commonwealth Parliamentary Association (CPA), it was both an honour and a privilege to be chosen to represent Canada as an observer to this conference. Overall, it was both proactive and visionary as it relates to the “economic downturn”. The speakers were renowned and presented a realistic overview of the situation.

Monday, June 15th

The President of the States, Bailiff of Guernsey, Mr. Geoffrey R. Rowland presided at the opening ceremonies. The conference was officially opened by H.E. the Lieutenant-Governor Sir Fabian Malbon. An official Conference photo was taken on the courthouse steps. The regional AGM was held in the Royal Court Chamber.

Tuesday, June 16th

The session began with a talk of the evolution of Guernsey’s constitutional relations with the United Kingdom and the European Union followed by a brief visit to see the Charters in the strong room of the Greffe. I found it interesting to see charters that were given to emigrants from the Islands to Prince Edward Island for land at its time of settlement.

The opening speech, given by the Right Honourable John Redwood, M.P., focused on the global economic downturn, its origins, impact and possible policy responses. His speech included:

- (a) an overview of the credit crunch,
- (b) reference to banking and regulatory failure,
- (c) The excesses of derivatives and collateralised debt markets including monetary and budgetary policies in certain countries in particular the United States,
- (d) The way the shock hit both the high saving successful exporting economies and the high borrowing big importing countries.

There was recognition that different countries, i.e. USA, UK, Germany, China and Japan are in different stages of the cycle and therefore in need of different responses.

Professor Robert Van Order, former chief Economist of Freddie Mac, University of Aberdeen and George Washington University, Mr. Tom Burns, Lawyer for securitisation, University of Aberdeen, presented an analogy of the *mortgage crisis* and the *shadow banking system*. They both examined, in detail, the causes that triggered the crisis which operated without much regulation and produced some of the toxic assets that caused banks to fail. Their speeches were called:

- (a) U.S. Economy and Mortgage Market Crisis Origins of the Crunch and
- (b) Excess Production of the Housing Market.

A recommendation that evolved from this session was a call to regulate the credit card industry.

There were workshops on Corporate Governance, International Trade and the Impact of the Crisis on Small Jurisdictions. I chose to attend the last.

The speakers were Dr. Dirk Willem te Velde, Program Leader and Research Fellow, Overseas Development Institute and the Hon. Speaker Delroy Chuck, M.P., Speaker of the House of Representatives, Jamaica.

The focus was centered on the dangers of protectionism and the tendency of national economies to turn inwards and the avoidance of severe social recession in developing countries with irreversible repercussions world wide.

The consensus was there is a need for development aid and effective and sustainable investment strategies.

Wednesday, June 17th

Speakers Professor Patrick Minford, former advisor to Margaret Thatcher University of Cardiff and Lord Christopher Haskins of Skidby, Member of the European Union Subcommittee on Economic and financial Affairs and International Trade, House of Lords, presented a session called **Frameworks of International Cooperation: Financial and Political Aspects.**

There was an examination of the current framework and it was noted that Governments responses to a collapse in credit disrupted the monetary system. It was concluded that:

- (a) There is a need to restore bank capital,
- (b) Society requires law and order (regulation),
- (c) There is a need for public understanding with respect to the banking crisis,
- (d) There is a need for a *new* framework.

Speakers Jon Moulton, CEO and founder of Alchemy Partner and Mr. Michael Fallon, M.P., Vice Chairman of the House of Commons Treasury Select Committee, U.K. presented on the topic, **An Effective National Response: Perspectives from Opposition and Business – The Impact of Parliamentary Scrutiny on Current and past Government Policies.**

It is to be noted that:

- (a) The UK public sector has been borrowing more than its income for all but three of the last fifty years and the Government debt will push 100% of the GDP by 2014,
- (b) The economic errors of eradicating poverty - the regulatory system was poorly designed
- (c) There is a global worry that the sovereign debt of sixteen trillion dollars will default,
- (d) It's good not to be in the UK; integrity has declined and poor assets could not generate enough income to pay the interest.

The final session laid out an overall framework for action for Parliamentarians.

Drawing on output from the workshops and the keynote speakers, it is my understanding that:

- (a) we must stress the need for effective scrutiny, checks and balances by Parliaments and Parliamentarians,
- (b) We must consider the role of Parliamentarians to hold the financial services industry to account whilst ensuring their constituents understanding and broad assent to government expenditure and action.

It was noted that:

- (a) While banks are the clean water of our economy, they are badly run and poorly governed,
- (b) There is a need for long term policy that is equitable,
- (c) Lending of public money be reviewed,
- (d) There needs to be a proper vision plan that is properly balanced and not inflationary,
- (e) There must be public policy for public money.

Thursday, June 18th

All participants and accompanying guests were offered to attend an optional day trip to the Island of Sark for a personal fee.

Sark is the smallest of the four main Channel Islands, located some 80 miles off the south coast of England. Sark is home to 850 people. The Channel Islands have belonged to the Crown since the time of William the Conqueror when they formed part of the Duchy of Normandy. In the 13th Century, they were retained by King John when the rest of Normandy was lost to the French. In 1565, Queen Elizabeth I granted Sark to Helier de Carteret as a 'fief haubert' and the island's unique status has remained the same ever since. Today, Sark retains this independence but through a fully elected parliament (called the Chief Pleas); neither part of the United Kingdom nor European Union, yet not a sovereign state either.

I thank the Executive of the Commonwealth Parliamentary Association, Canadian Branch, for selecting me for this event. I worked hard to represent Canada and was diligent in attending all seminars and functions. The conference was a truly memorable experience.

Respectfully submitted,

Mr. Russ Hiebert, M.P., Chair, Canadian Branch of the Commonwealth
Parliamentary Association (CPA) for Hon. Joan Cook, Senator

Travel Costs

ASSOCIATION	Canadian Branch of the Commonwealth Parliamentary Association (CPA)
ACTIVITY	40 th Conference of the British Islands and Mediterranean Region
DESTINATION	St. Peter Port, Guernsey, Channel Islands
DATES	June 15th – 19th, 2009
DELEGATION	
SENATE	Senator Joan Cook
HOUSE OF COMMONS	
STAFF	
TRANSPORTATION	\$ 4,330.20
ACCOMMODATION	\$ 240.21
HOSPITALITY	\$
PER DIEMS	\$ 373.28
OFFICIAL GIFTS	\$
MISCELLANEOUS/REGISTRATION FEES	\$ 46.26
TOTAL	\$ 4,989.95