

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 6-8, 2012**

# Report

## **DELEGATION MEMBERS AND STAFF**

From May 6-8, 2012, Mr. Gord Brown, M.P., Co-Chair, Mr. Brian Masse, M.P., Vice-Chair, Mr. John Carmichael, M.P., Vice-Chair, and Ms. Joyce Murray, M.P. represented the Canadian Section of the Canada-United States Inter-Parliamentary Group (IPG) at the spring meeting of the Canadian/American (Can/Am) Border Trade Alliance. Mr. Brown and Mr. Masse were invited as speakers. The delegation was accompanied by Ms. June Dewetering, Senior Advisor to the Canadian Section, and Mr. Mohamed Zakzouk, Advisor to the Canadian Section.

## **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.

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 fall and spring meetings of the BTA. 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.

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 Canadian Senate and House of Commons Co-Chairs and/or Vice-Chairs of the Canadian Section to make remarks about the Section's activities and priorities.

## **ACTIVITIES DURING THE EVENT**

Members of the Canadian Section were able to speak with attendees about the problems being encountered at Canada's shared border with the United States and to share information about the efforts being taken by them to ensure the existence of an efficient, cost-effective and secure common border. The Canadian Section's House of Commons Co-Chair, Mr. Gord Brown, M.P., spoke about the Section's upcoming activities, while a Canadian Section Vice-Chair, Mr. Brian Masse, M.P., discussed the Section's activities since the BTA's 2011 fall meeting.

Sessions with the following titles were scheduled to be held:

- Border Issues Briefing
- Transportation
- Canada/U.S. Inter-Parliamentary Group
- U.S./Alaska/Canada Arctic Panel
- View from Trucking
- International Trade
- RFID Product Coding for Expedited Border Crossing
- Canada Border Services Agency Beyond the Border
- Plan Nord - Building Northern Quebec Together.

This report summarizes selected presentations at the meeting, including the remarks made by Mr. Brown and Mr. Masse.

## **BORDER ISSUES BRIEFING: INTRODUCTION AND BEYOND THE BORDER PERIMETER PLAN IMPLEMENTATION STATUS**

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

- A passport is the most inefficient document for crossing the land border between the United States and Canada, and Canadians will continue to experience long wait times until a Canadian passport companion document is issued by Passport Canada.
- Under the Beyond the Border Action Plan, the Canada Border Services Agency (CBSA) will be deploying radio frequency identification (RFID) technology at 11 land points of entry in at least two lanes; an RFID passport companion document would save 24 seconds per person in inspection time.
- Currently, only 1% of the Canadian population has access to NEXUS and enhanced driver's licences, and Canadians make about 70% of total trips across the Canada-U.S. border.
- The implementation of pre-inspection and pre-clearance initiatives will provide direct benefits for Canada and the United States; by September 2012, Canada

and the United States will launch a land cargo pre-inspection pilot in at least one location in Canada.

- By December 2012, Canada and the United States will negotiate a pre-clearance agreement for land, marine and rail border crossings in order to provide the legal framework and reciprocal authorities necessary for the CBSA and the U.S. Customs and Border Protection (CBP) to carry out their missions in the other country effectively.
- Budget reductions at the CBP and the CBSA will have a significant impact on Canada-U.S. border management; consequently, great efforts are needed in order to expedite the movement of known low-risk shipments and trusted travellers across the shared border.

**David Moloney, *Privy Council Office***

- The Canada-U.S. border is the lifeblood of the Canadian and U.S. economies, and is also critical in the daily life of many people in North America.
- It is important to ensure that the Canada-U.S. border is not a hindrance to economic activity or a threat to North America's security.
- The Beyond the Border Action Plan involves a tremendous partnership and requires collaboration among a wide range of expertise.
- Some of the Beyond the Border Action Plan's initiatives have already been implemented, while others will be put into effect in the near future.

**VIEW FROM THE BRIDGES**

**Ron Rienas, *Peace Bridge Authority***

- The refurbishment of the Ogdensburg-Prescott International Bridge faces significant funding challenges; in particular, an estimated \$95 million to \$100 million is required to refurbish the bridge, including \$58 million to \$60 million for painting and \$37 million to \$40 million for decking.
- A \$30,000 lighting study for the Ogdensburg-Prescott International Bridge was deferred due to the lack of funds.
- Much work has been done in the past few years to modernize the Thousand Islands Bridge, including a new lane that reduces queues on Highway 137 and Highway 401.
- An E-ZPass penetration study is currently being conducted for the Thousand Islands Bridge in order to determine the feasibility of adopting electronic toll collection to replace the traditional cash system.

**Lew Holloway, *Niagara Falls Bridge Commission***

- The Niagara Falls Bridge Commission has allocated \$50 million to upgrade the Lewiston-Queenston Bridge Plaza (hereinafter, the project), and an estimated \$90 million is required to complete the plaza.
- The project's main objective is to facilitate the movement of traffic across the Canada-U.S. border.
- The project's priorities are to increase the number of primary inspection lanes from 10 to 15 lanes, and to introduce a new bus lane, administration building and processing facilities.
- The project is currently behind schedule because of certain delays in the regulatory process. For example, the CBP was unable to provide its program of requirements as scheduled; as well, the environmental assessment process has the potential to delay the project.

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

- The current wait time on the Blue Water Bridge is one hour during peak periods.
- There are plans to add six primary inspection lanes on the Blue Water Bridge; to a great extent, these lanes are expected to eliminate delays.
- New primary inspection lanes on the Blue Water Bridge would benefit commercial traffic by avoiding the conversion of commercial lanes to passenger vehicle lanes during peak periods.
- The renovation of the Blue Water Bridge will be funded by:
  - Blue Water Bridge Canada - booths and the construction work;
  - Michigan Department of Transportation - engineering work and project supervision; and
  - CBP - necessary technology and staff.

**CANADA/U.S. INTER-PARLIAMENTARY GROUP: CANADA/U.S. RELATIONS AND COOPERATION ACTIVITIES**

**Mr. Brian Masse, M.P., *Canada-U.S. Inter-Parliamentary Group***

- A strong North America is a goal that is shared by many, and the benefits of intergovernmental engagement - not only between national governments, but also between and among sub-national and national governments as well as between and among sub-national governments - are clear.
- Maintaining good relationships with state legislators is critical to maintaining an active relationship between Canada and the United States.
- Canada is the primary foreign export market for 35 U.S. states, and an estimated 8 million American jobs depend on bilateral trade with Canada.
- The Canadian Section of the IPG has participated in three key activities since October 2011:

- annual national meeting of the Council of State Governments (CSG);
  - annual winter meeting of the National Governors Association (NGA); and
  - Congressional visits with members of the U.S. Senate and House of Representatives and/or their senior staff.
- At the CSG's 2011 annual national meeting, a North American Summit was concurrently held; the Summit, which is sometimes an aspect of the CSG-WEST's annual meeting but was raised to the CSG's national level, illustrates a clear realization that Canada and the United States share a North American economic space, and need to work together both nationally and regionally for the joint benefit of residents and businesses as well as to promote economic growth and competitiveness.
- The CSG meeting was an important occasion on which to speak with state legislators from throughout the United States as well as with Montana Governor Brian Schweitzer, Canadian Ambassador to the United States Gary Doer and U.S. Ambassador to Canada David Jacobson.
- Meetings such as those organized by the CSG provide Canadian Parliamentarians generally, and IPG members specifically, with invaluable insights about U.S. views of Canada.
- An IPG Vice-Chair, Wayne Easter, P.C., M.P., was a panellist at the CSG meeting's session entitled "Governing in North America: Strengthening Global Relations Through Intergovernmental Engagement," and he made a number of points:
  - The U.S. focus on security since the terrorist attacks of September 2001 has affected North America's economic potential.
  - Moving ahead, the key question is how Canada and the United States should build understanding and grow together in the North American context.
  - Canada is very concerned about the United States becoming increasingly protectionist.
- One possible manifestation of U.S. protectionism is the Buy American provisions that periodically appear in U.S. legislation; in the context of the *American Recovery and Reinvestment Act of 2011*, Canada was able to get an exemption from Buy American provisions only after very intensive lobbying efforts by a variety of individuals and organizations.
- Protectionist U.S. provisions are upsetting to some Canadians and lead to the suggestion that Canada is not a priority for U.S. decision makers.
- In February 2012, the Canadian Section of the IPG attended the annual winter meeting of the NGA in Washington; the meeting's theme of growing state economies has relevance to both Canada and the United States, as economic

recovery and growth following the global financial and economic crisis is a priority in both countries.

- At the NGA's winter meeting, members of the Canadian Section reiterated to U.S. Governors the reality that 8 million U.S. jobs rely on trade with Canada and that Canada is the primary foreign export market for most U.S. states.
- Following the NGA meeting, the Canadian Section met with about 50 members of Congress - Senators and members of the House of Representatives - or, in a limited number of instances, their senior staff; Canadian Parliamentarians reiterated a number of issues and factors that influence and define Canada-U.S. relations, including:
  - the large volume and value of annual and daily trade between Canada and the United States;
  - the importance of Canada as the primary foreign export destination for the majority of U.S. states;
  - the millions of U.S. jobs that rely on Canada-U.S. trade;
  - the February 2011 announcement by Prime Minister Harper and President Obama of the perimeter security and economic competitiveness agenda, and the December 2011 action plan; and
  - the activities and value of the Canada-United States Inter-Parliamentary Group in addressing issues of bilateral concern.
- During the Canadian Section's Congressional visits, a significant number of Senators and Representatives were unaware of the February 2011 announcement by Prime Minister Harper and President Obama of the perimeter security and economic competitiveness agenda, and the subsequent December 2011 action plan; similarly, many were unaware of the Regulatory Cooperation Council initiative, which was part of the February 2011 announcement, and the resulting action plan.

### **Gord Brown, M.P., *Canada-U.S. Inter-Parliamentary Group***

- On May 14-15, 2012, six Canadian Senators will travel to Washington, D.C. for a meeting with U.S. Senators in what the U.S. Senate has decided is a new format: meetings without the House of Commons and the House of Representatives, to be held in alternating capital cities on a biennial basis; it will also be the first occasion on which all elements of the meeting will occur in plenary sessions, rather than opening and closing plenary sessions with - between the two - concurrent sessions focused on our three traditional areas: economic and trade issues, international issues and transborder resource issues.
- During the meeting between U.S. and Canadian Senators, some time will be spent discussing cooperation on global and bilateral trade and economic issues; in that context, it is likely that Canadian Senators will mention that Canada must

not be allowed to be collateral damage when Buy American provisions are included in legislation, that Canada and Mexico support the World Trade Organization panel's findings regarding the U.S. country-of-origin labelling requirement, that there is a need for continued work and reforms worldwide to ensure that a global financial and economic crisis does not recur, and that both countries should support - as appropriate - the work of the action plans associated with the perimeter security and economic competitiveness agenda and the Regulatory Cooperation Council.

- At the Senate meeting, participants will also likely discuss bilateral cooperation on international security issues, perhaps to include the Arctic as well as Afghanistan and the North Atlantic Treaty Organization.
- Finally, recognizing the importance of energy to both countries, Canadian and U.S. Senators are expected to discuss North American energy security, including bilateral energy trade, the Keystone XL pipeline proposal and the importance of energy security for economic security; some time might also be spent speaking about the Great Lakes revitalization that is needed for the future benefit of both countries.
- After the meeting between Canadian and U.S. Senators, the Canadian Section of the IPG's summer activities will get under way when the Section attends the annual meeting of the SouthEastern United States-Canadian Provinces Alliance, or SEUS-CP Alliance; the business program at the meeting is being co-chaired by a former U.S. Ambassador to Canada, David Wilkins, and the BTA's Jim Phillips will serve as the moderator for a session focused on efforts to ensure efficient bilateral trade in a tightened security environment.
- The Canadian Section will also be represented at the Pacific NorthWest Economic Region (PNWER) meeting, to be held in Saskatoon.
- Unlike the Canadian Section's other activities, both the SEUS-CP Alliance and PNWER combine a private-sector and a public-sector perspective, which helps to showcase what can be accomplished when the sectors work together.
- Over the summer, the Canadian Section will also attend meetings of Governors, including the National Governors Association and regional meetings of governors who represent the U.S. South, U.S. western states and New England; the meetings with Governors - who are the Chief Executive Officers of their states - are an important means by which Canadian Parliamentarians can promote better understanding about shared issues of interest as well as areas of concern that may be unique to Canada, and to initiate dialogue on those points of divergence between us.
- Discussions by members of the Canadian Section with Governors have played a role regarding some of the border-related issues over the years, including the Western Hemisphere Travel Initiative and the enhanced driver's licence



measure, although the efforts of others also contributed to the successes regarding both of these measures.

- The Canadian Section typically augments its efforts with Governors by delivering the same priority messages to state legislators at national meetings of state legislators - like the National Conference of State Legislatures, which is the largest meeting of state legislators, and the CSG - as well as at the regional meetings of the CSG. Of particular note this year is the CSG-WEST meeting, which will be held in Edmonton.
- In 2011, the Canadian Section had opportunities to participate as panellists or keynote-type speakers at the BTA meeting one year ago, PNWER's summer meeting, the CSG-WEST meeting, the National Conference of State Legislatures' Legislative Summit and the annual national meeting of the CSG; at the last of these, the North American Summit is particularly valuable in helping to identify ways in which Canada and the United States can work together for joint benefit.
- Four years ago, for the first time, members of the Canadian Section were fortunate to be able to attend the Democratic and Republican National Conventions, at which they were able to speak with Governors as well as federal and state legislators; the conventions provide an unparalleled opportunity to meet with decision makers at both the federal and state levels of government, and the Canadian Section is hopeful that attendance at the Republican National Convention in Florida and the Democratic National Convention in North Carolina will be possibilities this year.

## **THE AMERICAN PERSPECTIVE**

### **Honorable David Jacobson, *U.S. Ambassador to Canada***

- We live in very interesting times, with a great deal happening around the world, including:
  - conflict in Syria, Korea and Iran, among other locations;
  - economic challenges;
  - energy and environmental issues; and
  - challenges at the common border between Canada and the United States.
- Efforts are under way to align regulatory processes and approaches across the shared border between Canada and the United States; there is a need to continue to make progress in this area, since the benefits will include growth, investment and innovation.
- Canada and the United States should address "the tyranny of small regulatory differences" without compromising health and safety.
- Although trade is a critical part of the Canada-U.S. relationship, it is not the entire relationship.

- Canada and the United States have learned a lot since the terrorist attacks in September 2001, and it is now realized that a choice does not have to be made between trade and security.
- The only way to have a secure North American space is to have a smooth border.
- Goods and people are of three types:
  - RBGs, or really bad guys;
  - known and/or low risk; and
  - everything and everyone who is not in the previous two categories, which is the largest category and is the category to which efforts should be directed to move these things and people into the known- and/or low-risk category.
- The shared border is the worst point at which to make a decision about anything, since it can become a chokepoint; the goal should be to make as few decisions at the border as possible, which requires that as much as possible be decided away from the border.
- At the highest level, in both Canada and the United States, there is real interest in making progress on issues; this interest filters down to other levels.
- Regarding the action plan in relation to the Regulatory Cooperation Council, specific agencies and entities have deliverables with deadlines; accountability has been established, and that accountability is time-defined.
- The largest factor in the growing trade with Asia is trade with China; that said, trade with China has certain issues, including in relation to:
  - the political situation;
  - the environment and natural resources;
  - demographic change; and
  - a declining cost advantage.
- Trade with China and with the rest of Asia is expected to grow, including as a consequence of the Trans-Pacific Partnership (TPP), which has a very aggressive agenda.
- If the *North American Free Trade Agreement* (NAFTA) is 1.0, the TPP is 4.0.
- Canada, Mexico and Japan want to join the TPP negotiations; each of the nine TPP countries will make individual decisions about allowing any or all of Canada, Mexico and Japan to join.
- President Obama welcomes Canada's interest in the TPP negotiations, but does not want those negotiations to become the next Doha Round; if there are too many countries involved in negotiations, it is relatively more difficult to reach agreement.
- In the context of the TPP negotiations, it is important to note that an agreement with nine countries is better than no agreement with 12 countries.

- Because of integrated companies and supply chains, if Canada increases its trade with China - even if it does so at the expense of trade with the United States - some U.S. companies will benefit as well.
- Canada and the United States share the same values.
- In 2011, Canadians spent 44 million nights in Florida.
- In a 2011 Pew Research Center survey, Canada had a number one favourability rating and a 96% approval rating, the highest rating ever received by any country.
- The Buy American provisions that are sometimes included in U.S. legislation have nothing to do with Canada; if members of the U.S. Congress were polled, most would not realize that Canada is affected by such provisions.

## **U.S./ALASKA/CANADA ARCTIC PANEL: OVERVIEW, UPDATE AND ISSUES**

### **Don Norquay, *Government of Manitoba***

- The province of Manitoba is at the geographic centre of North America; it is largely founded on transportation and wants to be a global distribution and trade gateway.
- Manitoba is “a truck drive away” from a market of more than 100 million people.
- Winnipeg is the only city between Montreal and Vancouver with three class 1 railways.
- The Arctic Gateway is being developed through Churchill, which is the closest tidewater location to the Prairies, is a key resupply point for Arctic communities and is strategically located to serve growing markets.
- Six northern communities rely on the Hudson Bay Railway as their only land transportation option.
- Currently, the Port of Churchill’s shipping season is mid-July to early November; an additional month could be added with an appropriate regulatory change.
- From a supply chain perspective, Churchill is shorter and faster than Thunder Bay.
- In 2003, the Churchill Gateway Development Corporation was established as a private-public partnership.
- Canada has a northern strategy.
- Climate change is opening up the Arctic, with an extended shipping season as the water freezes later and melts earlier, and the identification of Arctic sea routes such as the Northwest Passage.
- The Arctic has the largest reserve of undeveloped mineral resources in the world.
- Arctic Gateway challenges include:

- infrastructure - the system was built for grain shipments to Europe, and new bulk handling facilities are needed;
- policy - there is a need for regulatory flexibility to recognize the changing environment; and
- changing commercial structures - in some years, Canadian Wheat Board grain represented 100% of shipments through the Port of Churchill.
- In an effort to mitigate the effects associated with elimination of the Canadian Wheat Board, the federal government established the Churchill Port Utilisation Program, which is designed to support grain shipments through the Port of Churchill.

**Matt Morrison, *Pacific NorthWest Economic Region***

- PNWER has established an Arctic Caucus.
- Canada will take leadership of the Arctic Council for the 2013-2015 period, while leadership will reside with the United States for the 2015-2017 period; some believe that these two periods should be viewed as leadership for a four-year term.
- There are many natural resources in the Arctic, including oil, gas and a variety of minerals.
- An important consideration is the extent to which Canada and the United States are prepared for increases in Arctic traffic, one aspect of which is the number of icebreakers that each country has or is planning to have.

**INTERNATIONAL TRADE: OVERVIEW AND ISSUES IN CANADA/U.S. TRADE RELATIONS, INCLUDING BUY AMERICAN**

**Minister Ed Fast, *Department of Foreign Affairs and International Trade***

- These are globally challenging times from an economic perspective, and trade is a key to prosperity; freer and more open trade is essential to ensuring that prosperity takes root around the world.
- The fiscal stimulus measures implemented by countries to address the global financial and economic crisis were meant to be temporary; trade is the new stimulus, and deeper trade ties are the single best solution to growth and job creation.
- Certain key facts about Canada-U.S. trade should be remembered:
  - 8 million American jobs depend on trade with Canada;
  - 2.5 million Canadian jobs depend on trade with the United States;
  - 35 U.S. states have Canada as their primary foreign export market;
  - in 2011, two-way trade was valued at more than \$700 billion; and

- bilateral trade is valued at more than \$1.9 billion each day, or \$1.3 million each minute.
- Canada and the United States have highly integrated manufacturing processes and sophisticated, complex, 21<sup>st</sup>-century supply chains.
- NAFTA has been the engine for North American integration.
- When it is done properly, trade enhances prosperity, profits, efficiency, wages and the standard of living.
- The Beyond the Border Action Plan is the most significant trade initiative since NAFTA, and the four main goals are:
  - address threats early;
  - facilitate trade and create jobs;
  - integrate cross-border law enforcement; and
  - invest in critical infrastructure and cybersecurity.
- With the Regulatory Cooperation Council Action Plan, the goal is to eliminate unnecessary red tape that hinders growth and prosperity.
- Canada is the largest foreign supplier of oil, natural gas and hydroelectricity to the United States.
- The Keystone XL pipeline would enhance energy security, reduce U.S. dependence on oil from the Middle East and Venezuela, and create thousands of jobs.
- Protectionist measures are counterproductive to the shared goal of restored economic growth.
- There is a need for Canada and the United States to resolve disagreements that arise, such as those in relation to softwood lumber trade and Buy American provisions.
- Canada has a pro-trade plan, but the United States will always be Canada's largest and most important trade partner.
- Canada wants to participate in TPP negotiations as soon as possible, and the TPP should establish high standards in such areas as regulatory cooperation, the environment, labour, state trading enterprises and investment.
- Canada's global engagement will help the United States to achieve its National Export Initiative goal to double exports over a five-year period.
- Americans understand the importance of Canada to their economy.
- A successful partnership rests on the foundation of strong underlying support.

**STRATEGIC DIRECTION OF CANADA/U.S. COOPERATION FOR A SMART BORDER FOR THE BEYOND THE BORDER PERIMETER ACTION PLAN**

**Minister Vic Toews, *Public Safety Canada***

- In December 2011, two action plans in relation to Canada and the United States were announced: the Beyond the Border Action Plan and the Regulatory Cooperation Council Action Plan.
- Economic recovery and growth are important priorities for the governments of both Canada and the United States.
- Border management is key to the successful realization of Canada's federal Economic Action Plan and to economic success as supply chains become increasingly integrated.
- There is a need to remove "speed bumps" between Canada and the United States.
- Once it is fully implemented, the action plan associated with the perimeter security and economic competitiveness agenda will be transformational.
- Canada and the United States need an efficient border that is secure against threats yet open to the legitimate movement of people, goods and services.
- Canada and the United States share the world's largest trade relationship, similar values and democratic principles; the common border should reflect that sharing, and the action plan associated with the perimeter security and economic competitiveness agenda will help in that regard as it supports:
  - "pushing the border out";
  - efforts to accelerate and secure supply chains;
  - reduced duplication in terms of screening;
  - moving many activities away from the border itself;
  - the development of a common set of data for all transportation modes; and
  - pre-clearance and pre-inspection initiatives across all transportation modes.
- Canada and the United States need to work together to enhance the benefits of trusted traveller and trusted trade programs, such as NEXUS.
- Canada is mindful of U.S. security concerns as well as its own concerns in this regard.
- A good trade relationship between Canada and the United States benefits both countries immensely.

## **RFID PRODUCT CODING FOR EXPEDITED BORDER CROSSING**

### **Forrest Parlee, *GS1 Canada***

- Global standards are created around the world in order to facilitate supply chains and enable the identification of products and their locations, with all retailers and suppliers using the same "names" - as with barcodes - to identify products.

- The global trade item number - GTIN - as well as the global data synchronization network and the global product classification code are valuable tools.
- The use of GTINs creates efficiencies and global product classification codes extend product visibility.
- The ability to avoid focusing on known products means that resources and efforts can be directed to unknown products and thereby unknown risk.
- The scrutiny of products could be reduced by 80% because of GTINs and global product classification codes.
- In 2007, GS1 and the World Customs Organization signed a memorandum of understanding.

## **CANADA BORDER SERVICES AGENCY BEYOND THE BORDER**

### **Luc Portelance, *Canada Border Services Agency***

- The CBSA is working at becoming a more sophisticated and modern border management agency; some changes in structure resulted in internal turmoil, but the result should be greater reliability and predictability as well as clearer points of contact.
- The CBSA's goal is to be an integrated border management agency that will be recognized for high-quality service, and the CBSA is looking for ways to deliver high-quality border services in a more efficient and cost-effective manner.
- In Canada, about 80% of traffic passes through 20% of the ports of entry.
- The CBSA needs to work closely with the CBP; in that regard, the sharing of information, the harmonization of programs and a focus on infrastructure are important.
- The CBSA balances facilitation with enforcement.
- Canada is a trading nation, and trade facilitation is critical to Canadian prosperity.
- An increased volume of goods and people at the shared border between Canada and the United States has implications for border management agencies.
- Since the security threat that existed in September 2001 has not really abated, there is an ongoing need to be vigilant and uncompromising.
- In enforcing the *Immigration and Refugee Protection Act*, more than 15,000 people were removed from Canada last year; as well, 35 missing children were found, more than 10,000 drug seizures occurred and 7,000 improperly documented people were prevented from entering Canada.
- The CBSA's "Wanted by the CBSA" initiative is highly successful; 92 people have been identified publicly and 25 individuals have been caught.
- The Beyond the Border Action Plan, which is the cornerstone for modernizing border management in Canada, is a priority for the CBSA in addition to its continued focus on transformation and innovation; the CBSA is directly

responsible for 10 of the action plan's deliverables and is contributing to a number of others.

- The Beyond the Border Action Plan represents a different way of looking at the border; it is a shared space requiring shared management.
- The CBSA is not only spending money on technology; it is also trying to achieve a return on investments that are made.
- The CBSA aligns itself with businesses, and has an engagement strategy for senior management to connect with the business community.
- Considerable investments will be made for the purpose of modernizing the Canada-U.S. border, and all stakeholders must work together to ensure that these investments are successful.
- The CBSA is facing a number of challenges to the status quo, including:
  - fiscal pressures;
  - increased volumes;
  - enforcement responsibilities; and
  - changing trade patterns.

**Allen Bersin, *U.S. Department of Homeland Security***

- The Beyond the Border Action Plan has the potential to bring about significant advancement in the relationship between Canada and the United States.
- Long wait times at the Canada-U.S. border are largely a result of inadequate border infrastructure; these wait times result in trade inefficiency.
- Pre-travel risk assessments can separate low-risk from high-risk traffic, thereby expediting the movement of people and goods across the Canada-U.S. border.
- Thinning the Canada-U.S. border is in the interest of economic competitiveness; however, the Beyond the Border Action Plan represents a series of paradigm changes that cannot be implemented hastily.
- The CBSA and the CBP need time to adjust to the new practices that will be implemented as a result of the Beyond the Border Action Plan.

**PLAN NORD - BUILDING NORTHERN QUEBEC TOGETHER: QUEBEC'S FOCUS - SUSTAINABLE NORTHERN ENERGY, MINERAL AND FOREST RESOURCE DEVELOPMENT**

**Robert Giguere, *Quebec Ministry of Natural Resources and Wildlife***

- Plan Nord, which will span 25 years, covers about 72% of the province of Quebec, a geographic area inhabited by about 1.6% of the province's population, including four Aboriginal nations: Inuit, Cree, Innu and Naskakpi.



- The objectives of Plan Nord include:
  - ensuring community well-being and development;
  - harnessing Northern Quebec's economic potential in a wide range of sectors, including energy, mining, forestry, wildlife, tourism and bio-food;
  - increasing the accessibility of Northern Quebec; and
  - protecting the environment.
- Plan Nord respects existing and future agreements with, and commitments to, Aboriginal peoples.
- The development of Northern Quebec will lead to investment, employment and socioeconomic benefits in other regions of North America.
- Plan Nord reflects Quebec's determination to become a world leader in clean energy; the project includes \$25 billion in renewable energy investments.
- In the coming years, more than 20 new mining projects will be under development in the area covered by Plan Nord; these projects will be geared towards sustainable development, and are expected to generate more than \$10 billion in investments and create more than 40,000 jobs.
- In order to advance the development of Northern Quebec, the Government of Quebec plans to pursue a wide range of initiatives, including:
  - a wildlife development and enhancement program specific to the northern environment, as Northern Quebec is home to significant wildlife resources, including two herds of migrating caribou and internationally renowned salmon rivers;
  - efforts to make the province's land beyond the 49<sup>th</sup> parallel a "world-class destination" for tourism by 2021, recognizing that the Plan Nord area is especially attractive to international tourists who seek new, unusual destinations;
  - initiatives to support bio-food projects in Northern Quebec, particularly in relation to the development of local produce and the establishment of northern greenhouses;
  - partnerships with investors that require transportation infrastructure in order to increase the accessibility of Northern Quebec; and
  - the establishment of the Société du Plan Nord, a provincial government corporation with a mandate to coordinate the financing and implementation of Plan Nord projects, and to support local and Aboriginal communities with regard to carrying out their own development projects.
- Plan Nord's first five-year action plan, which covers the 2011-2016 period, provides for \$2.1 billion in investments, including \$1.2 billion for infrastructure, \$382 million for socioeconomic measures, \$52 million for administration of the Société du Plan Nord and for the solicitation of investment abroad, and \$500 million for equity participation in projects managed by Investissement Quebec.

- In its 2012-2013 budget, the Government of Quebec announced an additional public investment of \$165 million over the next five years, including:
  - \$120 million for new infrastructure to help local communities address the development generated by the implementation of Plan Nord; and
  - \$45 million for new social and community measures.
- During the next 25 years, Plan Nord is expected to generate returns that will benefit all Quebecers, including:
  - a minimum of \$80 billion in private and public investments;
  - \$14 billion in taxes;
  - an average of 20,000 jobs created or maintained annually, which is equivalent to 500,000 person-years; and
  - a positive impact on the gross provincial product of Quebec, with economic spin-offs of \$162 billion.
- Approximately \$30 billion in public and private investments have been made in current or planned projects related to Plan Nord; these initial projects are expected to generate \$5.5 billion over 25 years.

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 Conference
<b>DESTINATION</b>	Ottawa, Ontario, Canada
<b>DATES</b>	May 6-8, 2012
<b>DELEGATION</b>	
SENATE	
HOUSE OF COMMONS	Mr. Gord Brown, M.P., Co-Chair Mr. Brian Masse, M.P., Vice-Chair Mr. John Carmichael, M.P., Vice-Chair Ms. Joyce Murray, M.P.
STAFF	Ms. June Dewetering, Senior Advisor Mr. Mohamed Zakzouk, Advisor
<b>TRANSPORTATION</b>	\$ Ø
<b>ACCOMMODATION</b>	\$ Ø
<b>HOSPITALITY</b>	\$ Ø
<b>PER DIEMS</b>	\$ Ø
<b>OFFICIAL GIFTS</b>	\$ Ø
<b>MISCELLANEOUS/REGISTRATION FEES</b>	\$1,641.70
<b>TOTAL</b>	\$1,641.70