

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 US
Congressional Visit**

Canada-United States Inter-Parliamentary Group

**Washington, D.C., United States of America
February 23-25, 2010**

Report

From February 23-25, 2010, Senator Wilfred Moore, Acting Co-Chair, and Mr. Gord Brown, M.P., Co-Chair, led a delegation from the Canadian Section of the Canada-United States Inter-Parliamentary Group (IPG) to visits with their Congressional counterparts. Delegates met with more than 15 US Senators and with about 35 members of the House of Representatives and/or their staff (see Appendix). The delegation included Senator Michael MacDonald; Senator Jim Munson; the Honourable Scott Brison, P.C., M.P.; the Honourable Bob Rae, P.C., M.P.; Mr. Guy André, M.P., Vice-Chair; Mr. Brad Trost, M.P., Vice-Chair; and Mr. Jim Maloway, M.P.

At a press conference on February 25, 2010, Senator Moore, Senator MacDonald, the Honourable Scott Brison and Mr. Trost summarized the major themes conveyed to their federal counterparts as well as to US governors, since IPG members also participated in the National Governors Association (NGA) winter meeting on February 20-22 in Washington (see separate report tabled for the NGA meeting).

The primary focus of the meetings with US Senators and Representatives to discuss such key concerns as the “Buy American” provisions in the US stimulus package and other measures, management of the shared border, and energy and environmental issues. The visits were similar in intent to previous Congressional visits in respect of such issues as bovine spongiform encephalopathy (BSE), trade in softwood lumber, energy and border issues, including the Western Hemisphere Travel Initiative (WHTI).

Congressional visits enable IPG members to meet with US federal legislators, particularly those who do not attend the Group’s annual meeting, and thereby to inform them about – and gain their support on – critical issues affecting both countries. More generally, the IPG believes that Congressional visits are an invaluable opportunity to share Canadian views about bilateral issues of shared concern, and intends to undertake such visits in the future as the need arises. Since the meetings with federal legislators are designed to be “off the record,” the discussion below summarizes the general nature of the issues that were raised by Canadian and American legislators.

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

THE SHARED BORDER

- trade, which benefits both Canada and the United States, is facilitated by a smoothly functioning, seamless shared border
- our countries should work together to lower barriers and eliminate unnecessary requirements at the common border
- more than 7 million American and 3 million Canadian jobs depend on bilateral trade, and Canada is typically the primary foreign export market for 35 or 36 US states, depending on the year

- security initiatives are resulting in higher costs and delays at the shared border; while Canada too is concerned about security, it is not always clear that the new security measures are necessarily resulting in increased safety
- the growth and prosperity of North America depend, in part, on free and fair trade as well as investment.

ENERGY AND THE ENVIRONMENT

- Canada is a reliable, safe and secure supplier of energy to the United States, including oil, gas and hydroelectricity
- Canada and the US are working together on a number of energy-related issues, including carbon capture and storage.

THE “BUY AMERICAN” PROVISIONS AND OTHER TRADE ISSUES

- the rush to protectionism that sometimes occurs during times of economic difficulty must be avoided
- instead of “Buy American,” the focus should be “Buy American and/or Canadian”
- many industries are integrated on a North American basis, including activities in the agricultural, steel and manufacturing sectors; the Buy American provisions negatively affected integrated supply chains
- while the February 2010 agreement between Canada and the US that will expand sub-national procurement is welcome, a longer-term solution is needed
- the Canadian and US economies are integrated, and integration has been increasing since the North American Free Trade Agreement was implemented
- care should be taken to ensure that US actions do not have unintended consequences for Canada; moreover, when the US is upset with China, Canada should not be subject to the same sanctions.

OTHER ISSUES

- Canada is unhappy about mandatory US country-of-origin labelling requirements, and does not view these requirements as a food safety issue
- Canada and the United States should work together on agricultural issues
- the regulation of Canada’s banking system by the Office of the Superintendent of Financial Institutions is responsible for the system’s strength
- US debt is affecting Canada.

ISSUES RAISED BY US SENATORS AND MEMBERS OF THE HOUSE OF REPRESENTATIVES

ENERGY AND THE ENVIRONMENT

- most Democrats do not want to expand the use of fossil fuels
- “green” jobs can be created, but they are very expensive

- the US has significant fossil fuel reserves
- the US and Canada should work together to ensure North American energy security
- the Administration is very focused on the environment and has the authority to legislate greenhouse gas emission reductions
- the Senate is working on a method to price carbon, which is important for the health of the planet; the solution should be as fair as possible across emitters and no particular form of energy should be favoured
- the Senate is unlikely to take up stand-alone cap-and-trade legislation
- nuclear energy is likely to be a “centrepiece” of any bill
- it is likely that nuclear energy will increase in future, giving rise to increased demand for uranium
- US states are acting regionally, such as through the Regional Greenhouse Gas Initiative; a regional perspective should be taken on energy issues, since there are many common interests
- Canada’s hydroelectricity sector is impressive
- in the US, it is unlikely that there will be federal legislation related to climate change this year; in a new Congress, an energy bill is likely to mention renewable portfolio standards, nuclear energy, off-shore drilling, building standards, green jobs and clean coal, but is not likely to mention a carbon tax or cap-and-trade system
- oil is essentially a transportation fuel but, more generally, will continue to be needed as the long transition to other energy sources occurs
- the US will not be able to meet its demand for oil from domestic sources; it will need Canadian energy, and Canada is a friendly and secure source
- regarding liquefied natural gas and Maine, there are three potential locations; questions continue to exist about ownership of the water passage and whether there is a right of innocent passage
- in Maine, natural gas is needed to replace oil for home heating.

THE “BUY AMERICAN” PROVISIONS AND OTHER TRADE ISSUES

- a “North American” approach to trade and prosperity would be beneficial for both the US and Canada; that being said, bringing Mexico and Central America into the discussion changes things
- many politicians say one thing to their constituents about free trade, and say another thing in Washington, D.C.
- during difficult economic times, it is natural to turn inward
- the “Buy American” provisions were never directed at Canada; rather, they were directed overseas

- Canadians are more open to trade than are Americans; for some American working people, trade is a sensitive issue
- some are concerned about trade with countries that pay low hourly wages, where unions cannot organize, etc.
- unfettered free trade has been a disaster for the United States; good, fair trade agreements that benefit both sides equally are needed
- Americans are typically more concerned about trade with China than they are about trade with Canada; no one thinks of Canada as being like China
- in general, protectionism backfires; the focus should be free and fair trade
- trade must be facilitated or jobs will be lost
- in so much of what is done in the US, what happens to Canada is an unintended consequence
- there is a need for education about North American supply chains, Canada's role as a safe and secure supplier of energy to the US, the serious view taken by Canada regarding security, etc.
- our bilateral trade is important to both countries
- the renewed emphasis by the US President on trade agreements is good for the American economy
- in some parts of the United States, efforts are being taken to repeal the North American Free Trade Agreement; often, the focus is discontent with Mexico
- the Doha Development Agenda will not work, should this round of World Trade Organization negotiations ever be concluded, because the developing countries lack needed infrastructure
- some members of the Democratic caucus want labour and environmental standards to be part of trade agreements; at least to some extent, the US trade agenda has been halted as a consequence of this issue
- US legislation should be consistent with international trade obligations
- in the type of relationship that the US and Canada share, disagreements are inevitable
- according to some in the US, the outcomes of the softwood lumber process are not fair.

OTHER ISSUES

- the United States feels close to Canada; Canada is a great neighbour, is an absolutely wonderful friend and is the US' "partner to the north"
- there are reports that some Americans are being "hassled" at the shared border as they are seeking to enter Canada
- the border at Detroit-Windsor is the busiest crossing point between our countries

- the US has a large debt that will affect many, including Canada; Washington must not do more than it can afford to do, and trying to run all parts of everyone's life from Washington is not working
- in the US, there should be a 50-state network of best practices and competition
- while President Obama understands intellectually what must be done, organized labour is the biggest contributor to the Democratic party, which is problematic for him
- visits by members of the US Congress and their staff to Canada, including to the Alberta oil sands, are useful in helping them understand Canada, the bilateral relationship, energy trade, etc.
- when food aid is given to Africa, local production is undermined
- in March 2010, work will begin on the US farm bill that will replace the current bill, which is due to expire in 2012; one area that will be examined is agricultural support programs in other countries, including those in Canada and in the European Union
- in the European Union, there is some interest in harmonizing agricultural support with the United States; there may be an opportunity for Canada to participate in a trilateral initiative
- countries need to have some type of agricultural support network if they want to have more than ten farms; the free market would lead to a limited number of large producers
- Canada's strength during the global financial and economic crisis, particularly the financial system, is commendable
- for many, many years, US Federal Reserve Chairman Alan Greenspan spoke against regulation; he has since admitted that he was wrong
- US families are losing enormous wealth
- the US tax system is not fair and should be reformed
- the United States will have to redefine what it considers to be "full employment"
- many of the jobs lost in the recession are completely gone
- while the US stimulus package gave funding for retooling and retraining, some relatively older workers are difficult to retrain
- General Motors and Chrysler needed to be "right-sized"
- in some sense, Wall Street is "legalized gambling"
- Canada and the US have been working together on the Asian carp issue
- garbage from Toronto is being transported to Michigan, while nuclear waste is being moved in the other direction; a four-year phase-out agreement will expire by December 2010

- the screening of “trash trucks” must occur manually because of the density of the contents; this approach requires more staff and results in higher costs
- Canada is to be congratulated on the 2010 Olympic Games in Vancouver
- the US could continue to use Canada’s help in Afghanistan

Respectfully submitted,

Hon. Janis G. Johnson, Senator
Co-Chair
Canada-United States
Inter-Parliamentary Group

Gord Brown, M.P.
Co-Chair
Canada-United States
Inter-Parliamentary Group

APPENDIX: Members and Staff of the US Senate and the US House of Representatives with whom the delegation met

US Senators

Sen. Mark Begich
Sen. Ben Cardin
Sen. Susan Collins
Sen. Mike Crapo
Sen. Jim DeMint
Sen. Johnny Isakson
Sen. Mike Johanns
Sen. Amy Klobuchar
Sen. Jeff Merkley
Sen. Lisa Murkowski
Sen. Mark Pryor
Sen. Bernie Sanders
Sen. Debbie Stabenow
Sen. Jon Tester
Sen. Tom Udall
Sen. Roger Wicker

US Representatives

Rep. Dan Burton
Rep. Jason Chaffetz
Rep. Yvette D. Clarke
Rep. Emanuel Cleaver
Rep. Mike Coffman
Rep. Geoff Davis
Rep. Jim Gerlach
Rep. Phil Gingrey
Rep. Louie Gohmert
Rep. Charlie Gonzalez
Rep. Bart Gordon
Rep. Wally Herger
Rep. Ann Kirkpatrick
Rep. Christopher Lee
Rep. Sander Levin
Rep. Zoe Lofgren
Rep. Connie Mack
Rep. Don Manzullo
Rep. Candice Miller
Rep. Jim Oberstar
Rep. Bill Owens
Rep. Collin Peterson
Rep. Chellie Pingree
Rep. Joe Pitts
Rep. David Price
Rep. Mike Rogers
Rep. Dutch Ruppersberger
Rep. James Sensenbrenner
Rep. John Shadegg
Rep. Brad Sherman
Rep. John Shimkus
Rep. Louise Slaughter
Rep. Cliff Stearns
Rep. John Sullivan
Rep. Glenn Thompson
Rep. Fred Upton

Travel Costs

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| ASSOCIATION | Canada-United States Inter-Parliamentary Group |
| ACTIVITY | US Congressional Visit |
| DESTINATION | Washington, D.C., United States of America |
| DATES | February 23-25, 2010 |
| DELEGATION | |
| SENATE | Hon. Wilfred P. Moore, Senator, Acting Co-Chair, Hon. Michael MacDonald, Senator Hon. Jim Munson, Senator |
| HOUSE OF COMMONS | Mr. Gord Brown, M.P., Co-Chair Hon. Scott Brison, P.C., M.P. Hon. Bob Rae, P.C., M.P. Mr. Guy André, M.P., Vice-Chair Mr. Brad Trost, M.P., Vice-Chair Mr. Jim Maloway, M.P. |
| STAFF | Chad Mariage, Executive Secretary June Dewetering, Analyst |
| TRANSPORTATION | \$1,013.91 |
| ACCOMMODATION | \$18,907.59 |
| HOSPITALITY | \$4,079.17 |
| PER DIEMS | \$2,222.47 |
| OFFICIAL GIFTS | \$Ø |
| MISCELLANEOUS / REGISTRATION FEES | \$350.38 |
| TOTAL | \$26,573.52 |