

Canada – United States
Inter-Parliamentary Group
Canadian Section



Groupe interparlementaire
Canada – États-Unis
Section canadienne

Report of the Canada–United States Inter-Parliamentary Group

Congressional Visit

Washington, D.C., United States of America

February 6–9, 2023

REPORT

A. DELEGATION MEMBERS AND STAFF

From 6 to 9 February 2023, the Honourable Senator Michael MacDonald and the Honourable John McKay, P.C., M.P., co chairs of the Canadian Section of the Canada–United States Inter Parliamentary Group (IPG), led a delegation to Washington, D.C., for meetings with U.S. representatives and senators. The delegation included honourable senators Tony Loffreda and Scott Tannas, as well as Anthony Housefather, M.P., Tom Kmiec, Peter Julian, M.P. and Simon Pierre Savard Tremblay, M.P. The delegation was accompanied by David Chandonnet, Executive Secretary, and Sarah Lemelin-Bellerose, Advisor to the Canadian Section.

B. THE OBJECTIVES OF THE CANADA–UNITED STATES INTER PARLIAMENTARY GROUP

Created nearly six decades ago, the IPG has four main objectives: find points of convergence in the respective national policies of Canada and the United States, initiate dialogue on points of divergence, encourage exchanges of information and promote better understanding between Canadian and American parliamentarians on shared issues of concern. The members of the Canadian Section of the IPG pursue their objectives primarily by meeting with their Congressional counterparts in Washington, D.C., or Ottawa and occasionally elsewhere in Canada or the United States. They also do so by liaising with U.S. governors and state legislators at national and regional conferences throughout the U.S. and sometimes in Canada.

C. THE DELEGATION’S VISIT AND OBJECTIVES IN FEBRUARY 2023

Meetings at the Capitol provide an opportunity for Canadian Section members to meet with federal legislators in the U.S. and inform them of critical issues that impact Canada and the U.S. and to gain their support. Given that the U.S. midterm elections were held in the fall of 2022, one of the objectives of this visit was to meet with newly elected members of Congress and use this opportunity to reiterate the importance of the Canada–U.S. relationship. Canadian Section delegates noted that Canada is the top international economic partner of most U.S. states and emphasized that Canada and the U.S. have many common interests and would benefit from greater collaboration. The Canadian Section also wanted to make U.S. legislators aware of the unintended impacts of certain U.S. policies on Canada and suggested ways to address them.

The visit also took place against the backdrop of a Chinese high-altitude surveillance balloon flying over Canada and the United States and the U.S. President’s State of the Union Address. It was in this context that discussions were held with U.S. legislators on the importance of the Canada–U.S. partnership on many fronts, including national security, since Canada is a secure and reliable partner that shares the same interests as the U.S.

During their February 2023 meetings at the Capitol, the Canadian delegates addressed a number of issues affecting Canada–U.S. relations, including trade between the two countries and the importance of a “buy North American” strategy, energy cooperation and defence partnerships. As the summary of the discussion below indicates, other topics were also discussed. Because discussions between Canadian Section members and

U.S. federal legislators are private and held on the condition of anonymity, the report below provides a general summary of the issues discussed by the legislators from both countries.

Prior to meeting in the U.S. Congress with senators and members of the House of Representatives, the delegates met with the Deputy Ambassador of Canada to the U.S., Arun Alexander, and with officials from the Embassy of Canada to the U.S. to discuss a number of issues affecting both countries. The delegation also attended a meeting of the House Oversight Committee, which enabled them to witness the dynamics that will shape relations in U.S. politics for the next two years. Members of the Canadian Section also attended a reception hosted by the Canadian Embassy in Washington, D.C., where they spoke with dozens of senators and members of Congress. A. SSUES

ADDRESSED AT THE MEETINGS

1. Trade and investment

- The U.S. and Canada share a very important and special trade relationship that greatly benefits both countries. Given the physical and political proximity of the two countries, their supply chains are tightly integrated.
- Softwood lumber continues to be a major issue for both countries. Resolving this ongoing dispute could help reduce material costs and thereby address the housing crisis. The punitive tariffs imposed by the U.S. as part of this dispute are weakening Canadian forestry companies. If companies are weakened too much, they may be more susceptible to foreign takeovers, which is not in the interest of Canada or the United States.
- It is important to ensure that the Canadian foreign investment review is robust enough to protect Canadian industries. Foreign investment may sometimes not be considered risky given its small-dollar amount, but it may still have high intellectual property value. Also, foreign companies from some countries may appear to be private when in fact they are state-owned enterprises.
- Canada should strengthen its mechanisms to prevent the importation of goods produced by forced labour and could build on the initiatives already put in place by the U.S., which is more aggressive than Canada in blocking the importation of goods produced by forced labour.

2. Energy and environment

- It is important to establish a North American approach to energy. Managing energy infrastructure such as pipelines should not be partisan. There must be continuity and stability in managing the pipelines that cross the Canada–U.S. border.
- It is very important for Canada that Enbridge Line 5 remain in operation, given that it transports a significant amount of oil each day. It should be noted that Enbridge Line 5 has never leaked since it opened. Canada hopes that working with the U.S. states involved will resolve their concerns and bring about a lasting solution to the situation as soon as possible.
- Oil produced in Canada is less emission-intensive than oil produced in most other oil-producing countries.

- The *Inflation Reduction Act of 2022* provides tax incentives for vehicles manufactured in North America, not just the U.S., which will help develop a resilient supply chain by supporting businesses on both sides of the border. However, there is still an incentive to purchase only American batteries for electric vehicles, which could hurt the developing Canadian battery industry.
- The U.S. could learn from the measures that Canada has put in place to protect whales and their habitat along the U.S. West Coast.

3. Defence

- It is critical that Canada and the United States continue to work together on defence. Existing partnerships, such as the North American Aerospace Defence Command (NORAD) and the North Atlantic Treaty Organization, are useful and important to national and regional security.
- It is important that the U.S. not only allow military equipment to be purchased domestically, but that it also advocate for a North American approach, especially considering that the two countries' supply chains are tightly integrated. Both countries would benefit from supporting the purchase of North American military equipment.
- Questions about NORAD's role were raised after a Chinese high-altitude surveillance balloon flew over Canada and the United States in early February 2023. It is important to ensure that the rules surrounding NORAD's work are appropriate for the risks in 2023 and in future years.
- The U.S. and Canada have a similar approach to assisting Ukraine in its response to the Russian invasion. In particular, Canada has purchased U.S. equipment to be shipped to Ukraine, demonstrating the importance of North American defence cooperation.

Respectfully submitted,

Hon. Michael L. MacDonald, Senator,
Co-Chair,

Hon. John McKay, P.C., M.P.,
Co-Chair,

Canada–United States Inter-Parliamentary Group

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Travel Costs

ASSOCIATION

Canada-United States Inter-Parliamentary Group

ACTIVITY

Congressional Visit

DESTINATION

Washington, D.C.

DATES

February 6-9, 2023

DELEGATION

SENATE

Hon. Tony Loffreda,
Hon. Michael L. MacDonald,
Hon. Scott Tannas

HOUSE OF COMMONS

Anthony Housefather
Peter Julian
Tom Kmiec
Hon. John McKay
Simon-Pierre Savard-Tremblay

STAFF

David Chandonnet, Association Secretary
Sarah Lemelin-Bellerose, Analyst**TRANSPORTATION**

\$11,951.07

ACCOMMODATION

\$18,979.07

HOSPITALITY

\$0.00

PER DIEMS

\$4,419.64

OFFICIAL GIFTS

\$0.00

**MISCELLANEOUS / REGISTRATION
FEES**

\$1,411.01

TOTAL**\$35,349.78**