# Report of the Canadian Parliamentary Delegation respecting its participation at the U.S. Congressional Meetings

Canada-United States Inter-Parliamentary Group

Washington, D.C., United States of America 14–16 March 2016

## Report

#### **DELEGATION MEMBERS AND STAFF**

From 15–16 March 2016, the Honourable Wayne Easter, P.C., M.P., Co-Chair of the Canadian Section of the Canada–United States Inter-Parliamentary Group (IPG), led 11 of his colleagues to meetings with members of the U.S. Senate and House of Representatives, as well as their staff (see the Appendix). On 14 March 2016, he led the delegation to a briefing by Canada's new Ambassador to the United States, David MacNaughton, and his staff, as well as to a meeting with the Canadian American Business Council.

The other members of the delegation were Senators Michael L. MacDonald, Vice-Chair, Paul Massicotte, Vice-Chair, Wilfred Moore, Q.C., Vice-Chair and Vern White, as well as the following members of the House of Commons: Gord Johns, M.P.; Steven MacKinnon, M.P., Vice-Chair; Larry Maguire, M.P.; Don Rusnak, M.P.; Brenda Shanahan, M.P.; Brad Trost, M.P., Vice-Chair; and Dan Vandal, M.P. The delegation was accompanied by Ms. Miriam Burke, the Canadian Section's Executive Secretary, and Ms. June Dewetering, Senior Advisor to the Canadian Section.

#### THE EVENT AND DELEGATION OBJECTIVES

During their meetings with U.S. Senators and members of the House of Representatives, Canadian parliamentarians focused on a range of issues that are important to the Canada–U.S. relationship. The meetings were similar to previous U.S. Congressional meetings that focused on such topics as bovine spongiform encephalopathy, bilateral trade in softwood lumber, "Buy American" provisions in U.S. legislation, energy trade and security, the Western Hemisphere Travel Initiative, the international crossing at Detroit, Michigan and Windsor, Ontario, and border security and facilitation.

Congressional meetings enable members of the Canadian Section to speak with U.S. federal legislators – particularly those who do not attend the IPG's annual meeting and/or those who have recently been elected to Congress – and thereby to inform them about, and gain their support on, critical issues affecting both countries. More generally, members of the Canadian Section believe that Congressional meetings are an invaluable opportunity to share Canadian views about bilateral issues of common concern.

Since the meetings with U.S. federal legislators are designed to be private, this report summarizes the general nature of the issues that were raised by Canadian and U.S. legislators.

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

History and Mission of the Canada-United States Inter-Parliamentary Group

- The IPG, which was established in 1959, has four primary aims: find points of convergence in Canadian and American national policies; initiate dialogue on points of divergence; encourage the exchange of information; and promote better understanding among legislators on shared issues of concern.
- The IPG's Canadian Section attends a variety of meetings and conferences as it seeks to attain its goals including, for example, an annual meeting at which federal legislators from both Canada and the United States participate meetings on Capitol Hill at least annually, and participation in national and regional meetings of governors and state legislators.

#### Overview of the Canada-U.S. Relationship

- The United States continues to be Canada's nearest geographical neighbour, most important trade and investment partner, and close ally in such areas as defence; the two countries have a long, peaceful and mutually beneficial relationship.
- Canada and the United States share common geography, similar values and interests, integrated supply chains, and thousands of personal and business connections.
- At present, Canada is the primary foreign export market for most U.S. states, and an estimated 9 million U.S. jobs depend on trade with Canada.
- On average, goods and services valued at \$1.2 million per minute is exchanged between Canada and the United States; for that reason, seamless, yet secure, shared borders enhance prosperity in both countries.

#### The Shared Borders Between Canada and the United States

- At 8,891 kilometres in length, Canada and the United States have the world's longest international border; it is also the world's longest undefended border.
- Canada and the United States are continuing with their close cooperation designed to ensure that their shared borders are secure, yet efficient for trusted travellers and goods; border delays are detrimental for both countries.
- It is estimated that, more than 400,000 people cross the Canada–U.S. border by land, water, air or rail.
- Canada continues to work on parliamentary passage of the preclearance legislation that was introduced pursuant to the March 2016 announcement that Canada and the United States would bring the Canada—U.S. Agreement on Land, Rail, Marine, and Air Transport Preclearance into force with a view to expanding preclearance both to enhance security and to expedite the movement of legitimate people and goods across the shared Canada—U.S. borders.

- The bilateral Beyond the Border initiative, which in some sense is the "next generation" of the Smart Border Accord that was concluded by Canada and the United States following the 11 September 2001 terrorist attacks, is one mechanism that Canada and the United States use to collaborate on borderrelated and other issues.
- Canada and the United States should focus on a perimeter approach in securing the two countries, and should ensure adequate infrastructure, personnel, etc.
- Law enforcement officials on both sides of the shared Canada–U.S. borders cooperate to ensure security, to address organized crime and gangs, etc.; such cross-border initiatives are of joint benefit.
- Fear should not "drive" border actions.
- The United States' northern border is focused on goods while its southern border is focused on people.

#### **Trade and Trade Agreements**

- In relation to "Buy American" provisions in U.S. legislation, Canada is "collateral damage."
- Canada is expected to sign the Trans-Pacific Partnership (TPP) agreement, which will be followed by public consultations; it is important that the country be a part of an agreement of that size and scope.
- On balance, the *North American Free Trade Agreement* (NAFTA) has been beneficial for Canada, the United States and Mexico.
- When manufacturing operations close in Canada and the United States, they
  often relocate to Mexico; both Canada and the United States are "losing jobs" to
  Mexico, in part because of lower wage costs.
- From Canada's perspective, the 2006 softwood lumber agreement between Canada and the United States "worked well" and should be extended.
- During Prime Minister Justin Trudeau's state visit to Washington, D.C. in March 2016, a 100-day process aimed at identifying a resolution to the dispute about bilateral trade in softwood lumber was initiated.
- The United States' mandatory country-of-origin labelling (COOL) requirements led to an estimated \$5.5 billion loss for Canada's cattle and hog sectors, and U.S. livestock processors were also disadvantaged.
- Canada's World Trade Organization challenge of the United States' COOL requirements was in relation to beef and hogs; the sheep and goat sectors continue to be affected in a negative manner.

- Prior to the United States imposing its COOL requirements, the level of integration in Canada's and the United States' beef sectors exceeded that of the auto sector.
- Regulatory cooperation helps to ensure prosperity.

#### **Energy Issues**

- Canada is a reliable and secure supplier of energy to the United States.
- Nuclear energy should be a part of the energy "mix."
- Nuclear waste can be made into fibreglass material.
- A North American rather than a Canada–U.S. solution to nuclear waste is needed.
- Nuclear waste should not be located adjacent to bodies of water.
- "NIMBY" not in my back yard is a part of the problem regarding nuclear waste.

#### Canada-U.S. Security and Defence Cooperation

- Both Canada and the United States are concerned about security.
- Canada is fully committed to the defeat of the Islamic State of Iraq and the Levant.
- When accepting refugees, Canada uses security protocols that are accepted by the United States.
- The North American Aerospace Defense Command is an enduring symbol of Canada–U.S. cooperation.

# ISSUES RAISED BY U.S. SENATORS AND MEMBERS OF THE HOUSE OF REPRESENTATIVES

#### Overview of the United States-Canada Relationship

- The United States and Canada are best friends, neighbours and allies, and the U.S.–Canada relationship is "critical" for the United States.
- Some view the United States and Canada as "the same country, with a river running through it."
- Although many Americans and Canadians do not consider Canada and the United States, respectively, to be a foreign country, the United States should not take its relationship with Canada for granted.

• There are many issues on which the United States and Canada should work both separately and together.

#### The Shared Borders Between the United States and Canada

- For the United States, one priority is ensuring that the country's borders prevent cross-border illegal drug trade.
- The United States' shared borders must be secure, trade-enabling and adequately staffed.
- Both the United States and Canada need a high level of security at their shared borders.
- Technology should be used to expedite the movement of trusted people and goods.
- A focus on the United States' southern border has implications for the country's northern border.
- Preclearance is particularly important for some U.S. states.
- Regarding the new border crossing at Detroit, Michigan–Windsor, Ontario, Canada's support is both appreciated and critically important.
- From a business perspective, there is no border between the United States and Canada.

#### **Trade and Trade Agreements**

- Canada is the United States' largest trading partner.
- Trade must be fair.
- Some members of the U.S. Congress are concerned about the "assault" on NAFTA, which has had both positive and negative impacts; the former exceed the latter, and the benefits must be continuously communicated and reinforced.
- Too often, trade is "blamed" for job losses.
- Within the U.S. Congress, some view trade and free trade agreements including the TPP agreement and NAFTA – favourably, while others do not do so; for some, "trade" is a "hard sell."
- The proposed data onshoring provisions in the TPP agreement are "problematic."
- The United States and Canada seem to be "hurtling" toward litigation in relation to bilateral trade in softwood lumber.

- The United States and Canada should try to avoid another "softwood lumber war."
- The United States' mandatory COOL requirements are a "black mark" on the country; some U.S. states had beef and hog sectors that were highly integrated with the Canadian sectors.

#### **Energy Issues**

- The United States thinks that Canadian oil should be sold to it, rather than to another country.
- Because the United States already has many pipelines, the Keystone XL pipeline would be "nothing new."
- Oil will continue to be transported by rail and, because of overproduction, some oil is being stored in rail cars.
- Not everyone in the United States supports the movement of oil by rail; some prefer pipelines.
- U.S. energy independence is an important goal.
- Regarding energy, the United States should "buy what it wants to buy" and "sell what it wants to sell."
- North American energy security should be a priority.
- In relation to nuclear waste, the United States does not have "clean hands."
- The United States and Canada define low-level and medium-level nuclear waste differently.
- Nuclear waste should be moved away from bodies of water.
- The Asian carp in the Great Lakes are problematic.

#### Other

- At this point in time, the biggest threat including in relation to energy is cyber.
- From a fiscal perspective, the United States has a financial crisis because of its level of federal debt.
- The United States' monetary and fiscal policies are in conflict.
- Some in the U.S. electorate appear to be more loyal to anger than they are to ideology.

## Respectfully submitted,

Hon. Michael L. MacDonald, Senator, Co-Chair Canada–United States Inter-Parliamentary Group Hon. Wayne Easter, P.C., M.P. Co-Chair Canada–United States Inter-Parliamentary Group

### **APPENDIX**

# MEMBERS OF THE U.S. SENATE AND HOUSE OF REPRESENTATIVES AND/OR THEIR STAFF WITH WHOM THE DELEGATION MET

#### U.S. Senate:

Senator Tom Cotton Senator Mike Crapo Cory Senator Gardner King Senator Angus Senator Amy Klobuchar Senator James Lankford Perdue Senator David Senator Pat Roberts Senator Debbie Stabenow

Senator Roger Wicker

# **U.S. House of Representatives:**

Representative Ralph	Abraham
Representative Joe	Barton
Representative Dan	Benishek
Representative Ken	Buck
Representative Larry	Bucshon
Representative Tony	Cardenas
Representative Buddy	Carter
Representative Kathy	Castor
Representative Steve	Chabot
Representative David	Cicilline
Representative Mike	Conaway
Representative Jim	Costa
Representative	Crawford
Representative Suzan	DelBene
Representative Debbie	Dingel
Representative Jeff	Duncan
Representative Lois	Frankel
Representative Bob	Gibbs
Representative Paul	Gosar
Representative Gene	Green
Representative Morgan	Griffith
Representative Brett	Guthrie
Representative Jody	Hice
Representative Brian	Higgins
Representative French	Hill
Representative Bill	Huizenga

Representative Representative	Bill Derek	Johnson Kilmer
Representative	Steve	King
Representative	Adam	Kinzinger
Representative	Ann	Kuster
Representative	Doug	LaMalfa
Representative	Bob	Latta
Representative	Michael	McCaul
Representative	Candice	Miller
Representative	John	Moolenaar
Representative	Markwayne	Mullin
Representative	Rick	Nolan
Representative	Ted	Poe
Representative	Matt	Salmon
Representative	John	Sarbanes
Representative	Jan	Schakowsky
Representative	Albio	Sires
Representative	Louise	Slaughter
Representative	Elise	Stefanik
Representative	Randy	Weber
Representative	Peter	Welch
Representative	Ed	Whitfield
Representative	Don	Young
Representative Ryan Zinke		

#### **Travel Costs**

ASSOCIATION	Canada–United States Inter-Parliamentary Group
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**ACTIVITY** U.S. Congressional Meetings

**DESTINATION** Washington, D.C., United States of America

**DATES** 14–16 March 2016

**DELEGATION** 

Hon. Michael L. MacDonald, Senator

SENATE Hon. Paul Massicotte, Senator

Hon. Wilfred Moore, Q.C., Senator

Hon. Vern White, Senator

Hon. Wayne Easter, P.C., M.P., Co-Chair

Mr. Gord Johns, M.P.

HOUSE OF COMMONS Mr. Steven MacKinnon, M.P.

Mr. Larry Maguire, M.P. Mr. Dan Rusnak, M.P.

Ms. Brenda Shanahan, M.P.

Mr. Brad Trost, M.P. Mr. Dan Vandal, M.P.

STAFF Ms. Miriam Burke, Executive Secretary Ms. June Dewetering, Senior Advisor

TRANSPORTATION \$ 21,758.09

ACCOMMODATION \$ 19,881.34

HOSPITALITY \$ 0.00

PER DIEMS \$ 5,236.57

OFFICIAL GIFTS \$ 0.00

MISCELLANEOUS \$ 0.00

TOTAL \$ 46,876.00