

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 U.S. Congressional Meetings

Canada–United States Inter-Parliamentary Group

**Washington, D.C., United States of America
20–22 March 2017**

Report

DELEGATION MEMBERS AND STAFF

From 20–22 March 2017, Senator Michael L. MacDonald, Co-Chair and the Honourable Wayne Easter, P.C., M.P., Co-Chair led a delegation from the Canadian Section of the Canada–United States Inter-Parliamentary Group (IPG) to Washington, D.C. for meetings with members of the U.S. Senate and House of Representatives, and their staff (see the Appendix). The other members of the delegation were six of the Canadian Section’s Vice-Chairs – Senator Paul J. Massicotte, Senator Yuen Pau Woo, the Honourable Judy Sgro, P.C., M.P., Ms. Yvonne Jones, M.P., Mr. Brian Masse, M.P. and Mr. Phil McColeman, M.P. – and the Honourable John McKay, P.C., M.P., Mr. Vance Badawey, M.P. and Mr. Todd Doherty, M.P. The delegation was accompanied by Ms. Miriam Burke, Executive Secretary to the Canadian Section, and Ms. June Dewetering, the Canadian Section’s Senior Advisor.

Prior to their meetings on Capitol Hill, members of the delegation had a briefing from Canada’s Ambassador to the United States, David MacNaughton, and his staff, as well as a meeting with the Canadian American Business Council.

THE EVENT AND DELEGATION OBJECTIVES

During their meetings with U.S. Senators and members of the House of Representatives, Canadian parliamentarians generally focus on a range of issues that are important to the Canada–U.S. relationship. These meetings were similar in intent 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–Windsor, Ontario, and border security and facilitation.

Congressional meetings enable members of the IPG’s 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. Members of the Canadian Section believe that Congressional meetings are an invaluable opportunity to share Canadian views about bilateral issues of common concern, and they intend to continue undertake such meetings in the future as the need arises.

In addition to their individual meetings with U.S. Senators and members of the House of Representatives, members of the IPG’s Canadian Section met with some members of the Great Lakes Task Force, including Representatives Debbie Dingell, Brian Higgins, Bill Huizenga, David Joyce, Marcy Kaptur, Dan Kildee and Rick Nolan.

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

THE OBJECTIVES OF THE CANADA–UNITED STATES INTER-PARLIAMENTARY GROUP

Since its establishment in 1959, the Canada–U.S. IPG has pursued four main goals: find points of convergence in respective national policies; initiate dialogue on points of divergence; encourage the exchange of information; and promote better understanding among legislators on shared issues of concern.

In pursuing its goals, the IPG’s Canadian Section meets with U.S. federal legislators at annual meetings and during meetings on Capitol Hill; members of the Canadian Section also attend conferences with U.S. governors and state legislators.

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

ECONOMIC AND TRADE ISSUES

- Canada is a free and fair trader.
- An estimated 9 million U.S. jobs depend on trade with Canada.
- The Canada–U.S. relationship is unique.
- The Canada–U.S. partnership is a competitive advantage when dealing with other countries; the two countries build – and innovate – together, and should work together to compete against the rest of the world.
- Canada and the United States prosper when they work together.
- The economies of the three *North American Free Trade Agreement* (NAFTA) countries are interconnected, and their integrated supply chains lead to efficiencies and economies of scale.
- Canada is not opposed to negotiating changes to NAFTA, but believes that the countries must be mindful of integrated supply chains and the need for North American competitiveness with the rest of the world.
- NAFTA is a tool to strengthen the relationships among Canada, the United States and Mexico, and to enhance economic growth in these countries; that said, the agreement should be modernized in a number of areas, including intellectual property.
- Regulatory harmonization between Canada and the United States would have some benefits.
- The efficient movement of goods and people across a “thin” Canada–U.S. border should be a goal.
- With an efficient, effective and secure Canada–U.S. border, both countries win.

- The border adjustment tax that is being proposed in the United States probably would not comply with the United States' trade obligations, would likely be detrimental for both Canada and the United States, would have negative impacts on supply chains, and would likely lead to retaliation.
- "Buy American" provisions in U.S. legislation disrupt integrated supply chains and harm the Canada–U.S. relationship; "Buy North American" should be the focus.
- Anti-dumping and countervailing duties applied on certain Canadian softwood lumber exports to the United States will mean higher home prices in the United States; in particular, home prices could be between \$1,200 and \$1,500 higher than would otherwise be the case.
- Canada has consistently won World Trade Organization challenges initiated by the United States regarding certain Canadian softwood lumber products, and is a reliable and trustworthy supplier to the United States; in particular, Canada typically meets between 26% and 33% of the United States' softwood lumber needs.
- In Canada, some forests are privately owned; in relation to forests on public lands, stumpage fees are not subsidized.
- Prior to the introduction of the United States' mandatory country-of-origin labelling requirements, the livestock sector was among North America's most integrated sectors.

GREAT LAKES ISSUES

- The Great Lakes are a shared resource, and Canada and the United States should work together to care for this common asset.
- Aquatic invasive species are a threat.

DEFENCE ISSUES

- Canada and the United States have a strong defence partnership, and work together in international fora and armed conflicts; for example, they are both involved in the North Atlantic Treaty Organization and the North American Aerospace Defense Command.
- As Canadians and Americans fight "shoulder to shoulder," interoperability is important.

OTHER ISSUES

- Canada and the United States share common values.

- Canadians consider Americans to be family members, and not residents of a foreign country.
- Like the United States, Canada has a shortage of skilled trades workers, including truckers.

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

ECONOMIC AND TRADE ISSUES

- The United States cannot ignore the reality that it exists in a global economy.
- The United States benefits from Canadian prosperity.
- The three NAFTA countries are interconnected, including in relation to manufacturing.
- It will not be possible to repatriate all “U.S. jobs” that have moved to other countries, and some jobs have been lost because of automation.
- The United States needs more individuals with skilled trades certifications; efforts should be devoted to attracting youth to skilled trades, and schools should promote the opportunities associated with such trades.
- The United States’ agricultural sector is experiencing “difficulties.”
- More jobs are lost because of technology than are lost to foreign countries.
- The United States has infrastructure challenges, and adequate funds must be identified to meet the country’s infrastructure needs.
- Trade must be free and fair.
- Trade disputes are inevitable.
- Countries must be good neighbours in order to be good trading partners.
- In some U.S. states, economies would “collapse” without trade.
- Some of the topics being proposed for inclusion in trade agreements, such as the environment and currency manipulation, have only a tangential relationship to trade; that said, some Americans believe that all free trade agreements should address not only the two aforementioned issues, but also labour.
- A “fulsome” review of investor–state dispute-settlement mechanisms is needed.

- Some of President Donald Trump’s trade-related comments indicate a preference for bilateral, rather than multilateral, free trade agreements; other Americans also support a bilateral approach.
- President Trump believes that a number of the trade agreements signed by the United States need to be re-evaluated.
- Because it has been more than two decades since NAFTA was implemented, the agreement should be reviewed and updated, as required; for example, changes are needed to enhance protection for intellectual property.
- Some Americans believe that the Trans-Pacific Partnership agreement was a “modernized NAFTA.”
- A number of Americans believe that NAFTA has been a “great” success.
- When some Americans see “NAFTA,” they think “Mexico;” when others see “NAFTA,” they think “job losses,” even though losses may be the result of technological change, among other factors.
- Because of the significant amount of trade that occurs along the U.S.–Mexico border, it is important that the United States not see Mexico as an “enemy.”
- Not all members of the U.S. Congress support the proposed border adjustment tax; some Americans believe that such a tax would be a tax on consumers, and that it would lead to both a trade war and a recession.
- Canada’s policy regarding diafiltered milk is highly protectionist, and is “decimating” some U.S. farmers; the United States would like improved access to Canada’s dairy market.
- In some parts of the United States, Canadian softwood lumber is a component of many homes.
- A number of Americans believe that, 20 years ago, Canada “dumped” softwood lumber into the U.S. market.

SECURITY ISSUES

- Technology can be used to help secure borders.
- Because terrorists can enter the United States through Canada, the shared border must be both secure and efficient.

GREAT LAKES ISSUES

- The Great Lakes are connected, and should be viewed as a single system.

- Funds to resolve problems relating to the Great Lakes, including protection and restoration, should be identified.
- Investments in ports are needed; such investments would yield revenue.
- Aquatic invasive species are a problem that requires a solution.
- The prospect of nuclear waste on the shore of Lake Huron is problematic.

DEFENCE ISSUES

- Since the terrorist attacks of 11 September 2001, there has been a need to work together in resolving real or perceived threats to security.
- The focus should not be “the United States protecting the world,” but rather countries with similar values working together cooperatively to improve security.
- The United States and Canada are fighting side-by-side, and the United States is thankful for Canada’s support in Afghanistan.

OTHER ISSUES

- The “amazing” and positive relationship that the United States has with Canada needs to be retained; the two countries are best friends and allies, and have more “common cause” than differences.
- Because the United States and Canada have so much in common, the two countries do not always seem to be separate nations.
- Canada is an important part of the “North American family.”
- North American energy independence would create jobs and foster good relations.
- It is always good to discuss issues with voters and to educate them with facts; discussions should be open, candid and solution-oriented.

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 THEIR STAFF, WITH WHOM THE CANADIAN SECTION OF THE CANADA–UNITED STATES INTER-PARLIAMENTARY GROUP MET

U.S. Senate:

John N. Boozman

Susan M. Collins

Ron Johnson

John McCain

Gary Peters

James E. Risch

Pat Roberts

Richard C. Shelby

Jon Tester

Roger F. Wicker

U.S. House of Representatives:

Brian Babin

Donald Bacon

Joe Barton

Ami Bera

Andy Biggs

Mike Bishop

Brendan F. Boyle

Chris Collins

Jim Costa

Joseph Courtney

Kevin Cramer

Rodney Davis

Peter A. DeFazio

Mark DeSaulnier
Debbie Dingell
Michael F. Doyle
Dwight Evans
Blake R. Farenthold
John Faso
John Garamendi
Bob Gibbs
Louie Gohmert
Paul Gosar
Gregg Harper
Jody Hice
Brian Higgins
Eleanor Holmes Norton
Bill Huizenga
Randall M. Hultgren
Sheila Jackson Lee
Bill Johnson
Daniel Kildee
Derek C. Kilmer
Steven A. King
Ann Kuster
Raul R. Labrador
Doug Lamborn
Rick Larsen
Robert E. Latta
Brenda Lawrence
Blaine Luetkemeyer
Roger Marshall
A. Donald McEachin
Cathy McMorris Rodgers
Patrick Meehan
Paul Mitchell

John Moolenaar
Markwayne Mullin
Gary Palmer
Collin C. Peterson
Chellie Pingree
Mark Pocan
David E. Price
David G. Reichert
C.A. Ruppertsberger
Bobby L. Rush
John P. Sarbanes
Kurt Schrader
Austin Scott
Pete Sessions
Jason Smith
Darren Soto
Jackie Speier
Chris Stewart
Mark Takano
Glenn Thompson
Dina Titus
Paul Tonko
Juan Vargas
Daniel Webster

Travel Costs

ASSOCIATION	Canada–United States Inter-Parliamentary Group
ACTIVITY	U.S. Congressional Meetings
DESTINATION	Washington, D.C., United States of America
DATES	20–22 March 2017
DELEGATION	
SENATE	Hon. Michael L. MacDonald, Senator Hon. Paul J. Massicotte, Senator Hon. Yuen Pau Woo, Senator
HOUSE OF COMMONS	Hon. Wayne Easter, P.C., M.P. Hon. John McKay, P.C., M.P. Hon. Judy Sgro, P.C., M.P. Mr. Vance Badawey, M.P. Mr. Todd Doherty, M.P. Ms. Yvonne Jones, M.P. Mr. Brian Masse, M.P. Mr. Phil McColeman, M.P.
STAFF	Ms. Miriam Burke, Executive Secretary Ms. June Dewetering, Senior Advisor
TRANSPORTATION	\$ 17,832.91
ACCOMMODATION	\$ 12,640.13
HOSPITALITY	\$ 316.35
PER DIEMS	\$ 4,229.43
TOTAL	\$ 35,018.82