

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 Annual Summer Meeting
of the National Governors Association (NGA)**

Canada–United States Inter-Parliamentary Group

**Providence, Rhode Island, United States of America
13–15 July 2017**

Report

DELEGATION MEMBERS AND STAFF

From 13–15 July 2017, the Canadian Section of the Canada–United States Inter-Parliamentary Group (IPG) was represented at the annual summer meeting of the National Governors Association (NGA) by Senators Art Eggleton and Bob Runciman, the Honourable Mike Lake, P.C., M.P., Ms. Salma Zahid, M.P. and Ms. Brenda Shanahan, M.P. The meeting was held in Providence, Rhode Island. 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

Founded more than a century ago when President Theodore Roosevelt gathered state governors in order to discuss the nation’s resources, the NGA is the collective voice of U.S. governors from the 50 states, three territories and two commonwealths. It is also a public policy organization that represents the governors on Capitol Hill and before the U.S. Administration on federal issues that affect them, and that develops and implements solutions to public policy challenges.

The NGA, which meets in the winter and summer each year, is supervised by a chair, vice chair and executive committee, and governors participate on five issue-related standing committees – Economic Development & Commerce, Education & Workforce, Health & Human Services, Homeland Security & Public Safety, and Natural Resources.

The theme for the NGA’s activities in 2017 – including the winter and summer meetings – is “Meet the Threat: States Confront the Cyber Challenge.” This initiative has been selected by NGA Chair Virginia Governor Terry McAuliffe.

The NGA Chair for 2018 will be Nevada Governor Brian Sandoval. He has selected technology innovation – new products and processes that either improve quality of life or deliver new value – as his theme for the NGA’s activities next year. In this context, and beginning with the energy and transportation sectors as leading areas of innovation, the focus will be six actions: supporting technology transformation; modernizing policy and regulatory processes; preparing and educating the workforce; updating communications and data systems; protecting systems from cyber threats; and informing citizens about benefits and risks.

DELEGATION OBJECTIVES FOR THE EVENT

Members of the Canadian Section of the IPG have been attending the winter and summer meetings of the NGA for several years. At this meeting, delegates spoke with a number of governors, including Governors Matt Bevin (Kentucky), Steve Bullock (Montana), Doug Burgum (North Dakota), Dennis Daugaard (South Dakota), Doug Ducey (Arizona), John Bel Edwards (Louisiana), Mary Fallin (Oklahoma), Eric Greitens (Missouri), Gary Herbert (Utah), John Hickenlooper (Colorado), Larry Hogan (Maryland), Asa Hutchinson (Arkansas), Dannel Malloy (Connecticut), Terry McAuliffe

(Virginia), Gina Raimondo (Rhode Island), Kim Reynolds (Iowa), Brian Sandoval (Nevada) and Bill Walker (Alaska). In particular, they spoke to the governors about a range of issues, including the nature and value of the trade relationship between Canada and their states. In addition, private, “off-the-record” meetings were held with Governors Bevin and Greitens, as well as Delaware Governor John Carney.

Their interactions with governors and others enable Canadian members of the IPG to achieve better the aims of finding points of convergence in respective national policies, initiating dialogue on points of divergence, encouraging exchanges of information and promoting better understanding on shared issues of concern. Moreover, the NGA meetings provide the Canadian Section of the IPG with an important means by which to provide input to, and gather information about, state-level issues that affect Canada.

ACTIVITIES DURING THE EVENT

In addition to the Innovation Pavilion, which was open throughout the NGA’s 2017 summer meeting and included a variety of presentations and a demonstration of girls engaged in computer coding, the following sessions were held:

- International Investment: A Conversation Among Governors and the China Investment Corporation
- States’ Role in the Changing Trade Environment
- Curbing the Opioid Epidemic: A Discussion with Governors on the Front Lines
- States: The Intersection of Collaboration and Innovation
- Meet the Threat: States Confront the Cyber Challenge (Opening Plenary Session)
- Chair’s Initiative on States Confronting the Cyber Challenge: A Fireside Chat
- Collaborating to Create Tomorrow’s Global Economy (Special Session)
- The Workforce of Tomorrow: Ideas from the States and Overseas About Apprenticeship and Work-based Learning
- Computer Coding: A Governor’s Guide to Innovation in the Classroom
- Preparing for the Extreme: Building Resilient Communities With a Focus on Resiliency and Flood Prevention
- Policy Lightning Talk: Civic Education and Understanding Government by the Numbers
- Armchair Interview with Steve Ballmer

- Ahead of the Curve: The National Governors Association Chair's Initiative for 2018 (Closing Plenary Session).

This report summarizes key points that were made at selected sessions.

INTERNATIONAL INVESTMENT: A CONVERSATION AMONG GOVERNORS AND THE CHINA INVESTMENT CORPORATION

Xu Chen, *China General Chamber of Commerce and Bank of China USA*

- Chinese companies contribute to job creation, and thereby to communities, in the United States.
- Innovation is critical to the expansion of Chinese businesses operating in the United States, and they are investing in research and development in the United States.
- China is focused on intellectual property rights.
- Chinese investment in the United States will continue to grow.

Governor Larry Hogan, *State of Maryland*

- Trade missions and state visits are useful in identifying investment opportunities.
- Maryland has an excellent relationship with China, as evidenced by the 27 Chinese-owned businesses that have their headquarters in the state.
- Maryland has the United States' most educated workforce, and world-class universities and colleges; it also has an innovative economy and unparalleled proximity to key federal entities.

Cui Tiankai, *China's Ambassador to the United States*

- Despite "ups and downs," the China–U.S. relationship has made steady progress over the past four decades; that said, "growing" common interests will determine the future course of the relationship, and the two countries need to "move forward on a steady track in the right direction."
- When "the pie is bigger," everyone can "take a bigger bite"; everyone benefits from a growing economy.
- The United States has a competitive investment environment.
- Every U.S. state, and almost every Congressional district, has Chinese investment, mostly in manufacturing.
- There is a clear need to ensure that federal policy tools facilitate, rather than obstruct, investment.

- When countries trade, trade disputes are inevitable.
- All politics is local, and this statement is perhaps true more so for the United States than for any other country in the world.

Qi Bin, *China Investment Corporation*

- China has been successful in opening up and developing its economy.
- There are many opportunities for China to collaborate with the United States.
- There is a need to reduce trade barriers and enhance economic engagement.

Governor Matt Bevin, *State of Kentucky*

- Stronger economic ties lead to greater prosperity.
- U.S. states want Chinese investment.
- The United States and China are superpowers and they are able to work together.

CURBING THE OPIOID EPIDEMIC: A DISCUSSION WITH GOVERNORS ON THE FRONT LINES

Governors Roy Cooper, Charlie Baker, Gina Raimondo, Terry McAuliffe, Larry Hogan and Bill Walker discussed the opioid epidemic in their states. William Bell, of Casey Family Programs, also made a presentation.

Governor Roy Cooper, *State of North Carolina*

- Many U.S. employees would not be able to pass a workplace drug test.
- Each day, 91 people die in the United States because of the country's opioid epidemic; a comprehensive, data-based program is needed to deal with this epidemic.
- Efforts must be directed to reducing the extent to which opioids are overprescribed; it is not possible for the United States to "arrest" its way out of the opioid problem.
- Emergency interventions, such as naloxone, are needed for those who are overdosing; more generally, because every person is unique, medically assisted treatments for opioid addiction need to be unique to each person.
- Heroin is sometimes laced with synthetic substances, such as fentanyl.

Governor Charlie Baker, *State of Massachusetts*

- Medical practitioners are over-prescribing opioids.
- The United States has 5% of the world's population, and Americans consume 80% of the world's opioids.
- About 80% of people who become addicted to heroin started with pain medications.
- Data are needed regarding what works, and why, in treating opioid addiction; as well, the development and sharing of best practices should occur.

Governor Gina Raimondo, *State of Rhode Island*

- Although opioid addiction is a pervasive issue in the United States, it is not well understood by the average person.
- An unprecedented level of collaboration will be required to resolve the United States' opioid epidemic.
- In resolving the opioid epidemic, there is a need to do more, and to make a commitment to the long-run resolution of the issue.
- Consideration should be given to the creation of opioid centres of excellence.
- Opioid addiction is a chronic disease that requires lifelong treatment, and the United States will not be able to "enforce or arrest" its way out of the problem.

Governor Terry McAuliffe, *State of Virginia*

- The problem of opioid addiction knows no borders.
- There is a need to monitor opioid prescriptions.

Governor Larry Hogan, *State of Maryland*

- The opioid epidemic is constantly evolving, and it is tearing families and communities apart.
- Various strategies must be used to address the opioid epidemic, including education, prevention, treatment and intervention; the epidemic must be "hit" from every direction, with "everything we have."

Governor Bill Walker, *State of Alaska*

- The United States' opioid epidemic is as disastrous as fires, floods, etc., and the problem must be met "head on."
- Because the United States' opioid epidemic is a disaster, it should be treated like the disaster that it is.

William Bell, *Casey Family Programs*

- It is not possible for the United States to “punish” its way out of its opioid epidemic.
- Because opioid addiction is a disease, treatment is needed and recovery is possible.
- Everyone who has something to contribute to solving the United States’ opioid epidemic must become engaged in the search for solutions; those who should be contributing include health care professionals, law enforcement officials, families, communities, the philanthropic sector, and governments at all levels.
- In the United States, every 25 minutes, a baby is born who is suffering from opioid withdrawal.
- In the most recent year, one third of all placements into foster care were linked to parental substance abuse.

MEET THE THREAT: STATES CONFRONT THE CYBER CHALLENGE

Matt Spence, *Andreessen Horowitz*

- The issue of “cyber” is important in both the White House’s Situation Room and the corporate board room.
- Conversations about cyber have not changed very much over the last five years.
- Addressing cyber concerns is less about technology than it is about changing human behaviour.
- The “Internet of Things,” artificial intelligence and autonomous vehicles create vulnerabilities, but their technologies are important for economic growth; technology and innovation create both economic growth and threats.

Wes Kremer, *Raytheon*

- Every business that relies on technology is a cyber company, and the cyber issue is “here to stay.”
- The cyber domain is dynamic; consequently, threats are always changing and advancing.
- Cyber threats are increasingly sophisticated as nation states and cyber hackers continue to evolve.
- Cyber security has changed radically in less than 10 years, and everything that is connected is vulnerable.

- Efforts should be directed to ensuring that critical infrastructure, such as hospitals, would be able to continue operating during a cyberattack.

Chris Bream, *Tanium*

- Human behaviour is important in terms of cyber security; for example, fatigue can compromise security.
- Rising connectedness improves lives, but it also increases risks.
- Cyber security should be incorporated into school curricula; start early, ensure familiarity with technology, change behaviours and remain current as cyber and technological issues change.

COLLABORATING TO CREATE TOMORROW'S GLOBAL ECONOMY

Vice President Mike Pence, *Government of the United States*

- At this time, important issues for the United States include infrastructure, energy, tax reform, health care, the opioid epidemic, job creation, free and fair trade, economic prosperity and national security.
- The United States and Canada have a remarkably strong relationship, but it is time to bring the *North American Free Trade Agreement* (NAFTA) into the future for the benefit of both countries; it is possible to change NAFTA in a win-win-win manner.

Prime Minister Justin Trudeau, *Government of Canada*

- Canada and the United States have common values and they work on common solutions to challenges; they also share a common North American “home.”
- Canada and the United States help each other in times of need; examples include: the Gander homes that were open to Americans as a result of the 11 September 2001 terrorist attacks; the New Englanders who helped Halifax in 1917 during a massive fire; the North American Aerospace Defense Command; and the defense of borders against common threats.
- Canada is confident, creative, resourceful and resource-rich; however, it is not always easy being a country of 35 million people living beside a country that is 10 times larger and is the world's only superpower.
- An estimated 9 million U.S. jobs depend on trade with Canada, and about two thirds of U.S. states have Canada as their primary foreign export market; Canada is a better customer for the United States than China, Japan and the United Kingdom combined.

- The NAFTA trade zone is the largest in the world, and NAFTA should be modernized and strengthened for the benefit of Canada, the United States and Mexico.
- Trade barriers, such as local preferences, harm economic growth; because trade “matters,” efforts should be devoted to identifying and creating new market, and to sharing the benefits of trade fairly across citizens.
- Canada wants a “thinner” border in order to facilitate trade and support the integrated supply chains that span the Canada–U.S. border.
- Canadian capital and innovation can contribute to U.S. growth and prosperity.
- Canada is confident about the future that it shares with the United States, and about creating lasting conditions for prosperity and security in the North American “home”; the countries should strive to continue making history together.

Miguel Ángel Mancera, *Mayor of Mexico City*

- The negotiation of changes to NAFTA is an historical opportunity for Mexico, the United States and Canada “coming together again”; states and provinces should be involved in this endeavour.
- An estimated 5 million U.S. jobs depend on trade with Mexico, and 10% of the United States’ workforce is of Mexican heritage.
- A united and integrated North America must be a strong commercial block without tariffs, and a region that is committed to maximizing its competitive advantage in the global marketplace.

Premier Kathleen Wynne, *Government of Ontario*

- All Canadian premiers recognize the importance of the relationship with U.S. states and the United States as a whole.
- Strong relationships at the sub-national level are important.
- When Canada and the United States work together, they can “grow the North American pie.”
- Canada and the United States are dealing with some of the same issues, including abuse of opioids, ensuring the existence of an educated and skilled workforce, and increasing the presence of girls and women in science, technology, engineering and mathematics.
- Infrastructure investments lead to the creation of jobs.

Governor Francisco Dominguez Servián, *State of Querétaro, Mexico*

- Mexico, the United States and Canada must view themselves as a region and as having a community of interest.
- North American integration has resulted in the development of integrated supply chains.
- As changes to NAFTA are negotiated, Mexico, the United States and Canada should have a spirit of cooperation and a focus on growth; there is a unique opportunity to reinforce the strengths, opportunities and potential of the three countries and the North American region.
- Mexico, the United States and Canada, and their societies, have undergone profound changes since NAFTA was signed; it is important to adapt to new realities in order to avoid “perishing.”

THE WORKFORCE OF TOMORROW: IDEAS FROM THE STATES AND OVERSEAS ABOUT APPRENTICESHIP AND WORK-BASED LEARNING

Judith Marks, *Siemens USA*

- Efforts should be devoted to creating “talent” today for the industrialized nation of tomorrow.
- States and nations can learn from each other.
- While there is a role for robots, there is also a role for humans; workers need more than a high school education.
- Germany’s apprenticeship model is highly successful.
- The stigma associated with a technical education must end.

Zoë Baird, *The Markle Foundation*

- Most people are excited about the benefits of the digital economy, but they do not have very much information about the jobs in the “digital economy.”
- Lifelong learning is important.
- Education should be “matched” to the needs of employers; thus, educators need to know about those needs.
- Nearly 70% of Americans do not have a four-year college degree; that said, skills are not always measured by a diploma.
- More people should be “equipped” to fill middle-skilled jobs, and then more of those jobs should be created.

- A skills-based “labour market ecosystem” should be created, and technical education should be “de-stigmatized.”

COMPUTER CODING: A GOVERNOR’S GUIDE TO INNOVATION IN THE CLASSROOM

Reshma Saujani, *Girls Who Code*

- Automation has transformed everything about how we live and work; while it has created “tremendous pain,” it has already created “tremendous opportunities.”
- The number of women in computing has been declining.
- One in four U.S. schools offers computer science classes, and girls are under-represented in those classes.
- Girls are raised to be “perfect,” while boys are raised to be “brave.”

PREPARING FOR THE EXTREME: BUILDING RESILIENT COMMUNITIES WITH A FOCUS ON RESILIENCY AND FLOOD PREVENTION

Brock Long, *U.S. Federal Emergency Management Agency*

- A variety of entities need to work together in order to increase resiliency.
- Citizens lack a true culture of resiliency, and some Americans cannot afford to buy three days’ worth of supplies in order to prepare for a disaster.
- States should identify their “resiliency gaps.”
- In some sense, family, friends and other citizens are “first responders,” and need to have life-saving skills.

Michael Berkowitz, *100 Resilient Cities*

- More cost-effective approaches to flooding and flood resilience are needed.
- Resilience needs to be “built in.”
- Infrastructure and emergency response are important, but inadequate; strong communities, robust and diversified economies, and leadership are also required.
- The type of disaster that will happen next, and how it will “play out,” is rarely known.
- Each state should have a chief resilience officer.
- Solutions should be tested in real-time, the “micro” of cities should be “translated to” the “macro” of states.

POLICY LIGHTNING TALK: CIVIC EDUCATION AND UNDERSTANDING GOVERNMENT BY THE NUMBERS

Steve Ballmer, *Microsoft (formerly)*

- To assist with decision making, data should be factual, unbiased, comprehensive, contextual and comprehensible; anecdotes are important for “colour and context,” but decisions need to be “anchored” in data.
- Governments should optimize outcomes for citizens.
- When different opinions exist, “common facts” might lead to “common ground.”

AHEAD OF THE CURVE: THE NATIONAL GOVERNORS ASSOCIATION CHAIR'S INITIATIVE FOR 2018

Elon Musk, *Tesla and SpaceX*

- Regarding innovation and public policy for the future, it is important to “get the rules right.”
- Small and medium-sized businesses should be supported regarding innovation because their need exceeds that of large businesses.
- Regulations should be reviewed periodically to ensure that they are still needed and appropriate.
- Tax policy should provide the right incentives.
- In 10 years, more than 50% of vehicle production in the United States is likely to be electric, and almost all vehicles will be autonomous.
- Today, the earth is entirely solar-powered; the sun keeps earth from being a ball of ice.
- To move toward energy sustainability within the next 20 years, utility-scale solar, rooftop-scale solar, wind, geothermal and hydroelectricity will be needed.
- Decision makers should be proactive, rather than reactive, in regulating artificial intelligence; artificial intelligence is the fundamental existential risk to the existence of human civilization.
- Robots are a job disruptor because they can perform better than humans.
- About 12% of all jobs are related to transportation, and that sector will be among the first to become completely automated.

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

Travel Costs

ASSOCIATION	Canada–United States Inter-Parliamentary Group
ACTIVITY	National Governors Association Annual Summer Meeting
DESTINATION	Providence, Rhode Island, United States of America
DATES	13–15 July 2017
DELEGATION	
SENATE	The Hon. Art Eggleton The Hon. Bob Runciman
HOUSE OF COMMONS	The Hon. Mike Lake, P.C., M.P. Ms. Brenda Shanahan, M.P. Ms. Salma Zahid, M.P.
STAFF	Ms. Miriam Burke, Executive Secretary Ms. June Dewetering, Senior Advisor
TRANSPORTATION	\$ 8,780.07
ACCOMMODATION	\$ 8,526.41
PER DIEMS	\$ 2,844.71
MISCELLANEOUS / REGISTRATION FEES	\$ 7,657.09
TOTAL	\$ 27,808.28