

Canada – United States
Inter-Parliamentary Group
Canadian Section



Groupe interparlementaire
Canada – États-Unis
Section canadienne

Report of the Canadian Parliamentary Delegation respecting a Meeting with Members of the U.S. House of Representatives

Canada–United States Inter-Parliamentary Group

**Windsor, Ontario, Canada
14–16 September 2017**

Report

DELEGATION MEMBERS AND STAFF

From 14–16 September 2017, the Co-Chairs of the Canadian Section of the Canada–United States Inter-Parliamentary Group (IPG) – Senator Michael L. MacDonald and the Honourable Wayne Easter, P.C., M.P. – led a delegation to a meeting with members of the U.S. House of Representatives in Windsor, Ontario. The other members of the Canadian delegation were Senator Frances Lankin, P.C., the Honourable John McKay, P.C., M.P., Mr. Ziad Aboultaif, M.P., Mr. Fayçal El-Khoury, M.P., Mr. Brian Masse, M.P., Vice-Chair, Ms. Tracey Ramsey, M.P. and Mr. Brad Trost, M.P., Vice-Chair. The delegation was accompanied by Ms. Miriam Burke, Executive Secretary to the Canadian Section, Ms. June Dewetering, the Canadian Section’s Senior Advisor and Ms. Chantal Goulet, Protocol Officer for the Canadian Section.

The delegation from the U.S. House of Representatives was led by Representative Bill Huizenga, Co-Chair of the American Section of the IPG; the delegation also included Representative Jeff Duncan and Representative Gregory Meeks. Representative Marcy Kaptur, Representative Brenda Lawrence and Representative John Moolenaar attended selected activities during the meeting.

THE EVENT AND DELEGATION OBJECTIVES

In general, during meetings with their Congressional counterparts, Canadian parliamentarians focus on a range of issues that are important to the Canada–U.S. relationship.

At this meeting, Canadian and U.S. legislators boarded Shiprider vessels, and visited the Ambassador Bridge and the site of the Gordie Howe International Bridge; at the former, they met with Stan Korosec, from the Detroit International Bridge Company, while at the latter they met with Mark Butler, from the Windsor Detroit Bridge Authority. Delegates also heard from the Honourable Andrew Leslie, P.C., M.P., Parliamentary Secretary to Canada’s Minister of Foreign Affairs, and had an opportunity to speak with Canada’s Consul General in Detroit, Mr. Doug George, and the United States’ Chargé d’Affaires to Canada, Ms. Elizabeth Aubin. As well, to provide background information for their discussions, they met with representatives of the Windsor-Essex Chamber of Commerce, and heard presentations on the following topics:

- border security: Dan Badour, from the Canada Border Services Agency, and Tinesha Cherry, from U.S. Customs and Border Protection;
- the Shiprider Program: Jeremy Dunphy, from the Royal Canadian Mounted Police, and Michael Wurster, from the U.S. Coast Guard;
- trade: Bill Anderson, from the University of Windsor, and James Stewart, from Unifor; and

- the Great Lakes: Gordon Walker and Lana Pollack, from the Canadian and U.S. Sections of the International Joint Commission, respectively, Jim Weakley, from the Lake Carriers' Association, and David Cree, from the Windsor Port Authority.

This report presents the highlights of selected presentations that were made to the Canadian and U.S. legislators at the meeting. Since the discussions that occur among the legislators are designed to be private and "off the record," this report summarizes the general nature of their comments.

COMMENTS BY REPRESENTATIVES OF THE WINDSOR-ESSEX CHAMBER OF COMMERCE

- Delays at the Canada–U.S. border can lead to "incredible" costs for businesses; often, delays are the result of inadequate staffing.
- With thousands of inspections occurring at border crossings, seconds saved on each inspection can accumulate and lead to significant time-related savings, with cost implications.
- Since crossing the Canada–U.S. border largely occurs electronically now, a 30-minute outage can lead to a delay of four hours.
- Border officers have discretion when making certain decisions, and not all officers exercise their discretion in the same manner.
- "Buy American" provisions in legislation appear to have "traction" with U.S. federal legislators.
- Changes to the rules of origin in the *North American Free Trade Agreement* (NAFTA) would affect businesses, with both "winners" and "losers."
- Online shopping is a "growth sector," which gives rise to a need to examine the de minimis threshold.

COMMENTS BY ELIZABETH AUBIN, U.S. CHARGÉ D'AFFAIRES TO CANADA

- The United States' most consequential relationship is that which it has with Canada.
- The trade relationship between the United States and Canada is "vital."
- The United States and Canada work "hand in hand" on security issues, including in relation to pre-clearance and trusted trader/traveller programs.
- On the battlefield, the United States has no better partner than Canada.
- The United States and Canada are better when working together.

COMMENTS BY DOUG GEORGE, CANADIAN CONSUL GENERAL IN DETROIT

- The border crossing at Detroit, Michigan–Windsor, Ontario is Canada’s most important commercial crossing.
- Crossings along the Canada–U.S. border need to become more efficient.
- NAFTA was “leading edge” when it was implemented, but it needs to be modernized in a win-win-win manner.
- Canada and the United States jointly manage the Great Lakes, which contain 20% of the world’s fresh water.
- Canada is the United States’ largest and most reliable supplier of energy.
- Through the North American Aerospace Defense Command, Canada and the United States jointly protect the continent.

COMMENTS ABOUT BORDER SECURITY

Dan Badour, *Canada Border Services Agency*

- On average, every minute of every day, trade that is valued at about \$1 million crosses the Canada–U.S. border.
- Trade occurs by land, marine and air.
- Many people cross the Canada–U.S. border for work, school and leisure pursuits.
- One goal of the Canada Border Services Agency is to facilitate the entry of admissible goods and people, and to stop the entry of items and individuals who are inadmissible.
- As part of its goal of protecting the health and safety of Canadians, Canada Border Services Agency officers undertake seizures of child pornography and other items, arrest impaired drivers and recover missing children, among other activities.
- Resources should be directed to people and goods that are the highest risk.

Tinesha Cherry, *U.S. Customs and Border Protection*

- Technology should be used to strengthen security, and to expedite the movement of admissible goods and people.
- Terrorists should be both intercepted and denied opportunities to do harm.
- Among the activities of U.S. Customs and Border Protection are curtailing illegal immigration, drug and arms trafficking, and imports of illegal and/or counterfeit goods.

- Because the nature of borders and threats evolves over time, so too must enforcement activities.

COMMENTS ABOUT THE SHIPRIDER PROGRAM

Jeremy Dunphy, *Royal Canadian Mounted Police* and Michael Wurster, *U.S. Coast Guard*

- Integrated cross-border law enforcement was one of the four key pillars of the Canada–U.S. Beyond the Border initiative.
- With the Shiprider program, specially trained and cross-designated Canadian and U.S. law enforcement officers jointly crew each other's vessels to enforce laws on both sides of the international border; operations, which are intelligence-driven and based on joint threat assessments, are conducted under the direction of the host country's officers while respecting the sovereignty of each country.
- The objectives of the Shiprider program include eliminating the international border as a barrier to law enforcement, targeting cross-border criminality, and maximizing resources and assets.

COMMENTS ABOUT TRADE

Bill Anderson, *University of Windsor*

- From an economic perspective and because of their differences, Canada and the United States do better when they work together.
- A border is the “institution” that “policies” the differences between two countries; a border “makes it okay” for the countries to disagree.
- Canada and the United States experience economic growth, as well as improved productivity and efficiency, when their systems for the production and distribution of goods and services are integrated, rather than operating independently.
- The United States' market is larger, but Canada's market is younger and is growing more quickly.
- The United States has a “huge” industrial labour force and Canada has a labour force with technical skills.
- Canada and the United States have “peaks and troughs” that are “out of sync,” which dampens volatility.
- The economies of Canada and the United States benefit from integration, including in relation to supply chains, firms operating in both countries, the sharing of skills and expertise, a fluid border and “flexible” trade rules.

James Stewart, *Unifor*

- The modernization of NAFTA presents opportunities.
- Fair and reciprocal trade should be a goal.
- Compared to Canada and the United States, Mexico has significantly lower wages in at least some manufacturing sectors, which has led to the relocation of jobs.

COMMENTS ABOUT THE GREAT LAKES

Gordon Walker, *Canadian Section of the International Joint Commission*

- The International Joint Commission was created by the *Boundary Waters Treaty*.
- The International Joint Commission functions as a dispute-settlement organization.
- Everyone wants clean water.

Lana Pollack, *U.S. Section of the International Joint Commission*

- The International Joint Commission is an advisory group that operates without bias.
- Challenges regarding water quality are not limited to the Great Lakes.

Jim Weakley, *Lake Carriers' Association*

- Invasive species can be introduced in ballast water.

David Cree, *Windsor Port Authority*

- Ports can be a major contributor to regional economies, including through the creation of direct and indirect jobs.
- When compared to trucks, ships can be safer and involve fewer environmental impacts.

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

Trade

- The provisional application of the *Canada–European Union Comprehensive Economic and Trade Agreement* gives Canada a trade advantage over the United States and Mexico.

- The NAFTA negotiations should be fact-based and cooperative, and – like U.S. Vice-President Mike Pence – Canada believes that a win-win-win agreement is possible; reverting to a bilateral agreement between Canada and the United States could lead to job losses.
- Canada, the United States and Mexico have benefitted from NAFTA.
- During the NAFTA negotiations, all three countries are focused on increasing labour standards; that said, Mexico's labour standards differ from those in Canada and the United States.
- Canada believes that NAFTA's Chapter 19 dispute-settlement mechanism is very important and should continue to be a part of the agreement.
- NAFTA should be modernized, and should address e-commerce and digital issues, among others.

Border

- Canada and the United States have different privacy regimes; these regimes determine the information that can, and cannot, be shared.

Energy

- Canada is a safe and secure source of energy for the United States.
- An estimated 78% of Canada's oil production is exported, mostly to the United States; Canada exports crude oil to, and imports crude oil from, the United States.
- About 50% of Canada's natural gas production is exported, including to the United States.
- When foreign investments are made in Canada's oil and gas sector, U.S. investments are preferred to those of other countries.
- In Canada, geothermal energy is not yet at commercial scale.
- Most parts of Canada are pricing carbon in some way.
- In Canada, there is some controversy about nuclear waste.
- Canada and the United States have an integrated grid, and rely on each other for electricity.
- Prime Minister Justin Trudeau and President Donald Trump have agreed to continue to cooperate on energy issues.

Great Lakes

- Canada has regulations relating to Asian carp.
- There is significant economic activity in the Great Lakes corridor.

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

Trade

- Trade agreements, including labour provisions, should be enforced.
- In the U.S. Congress, support for trade exists among some Democrats and some Republicans.
- The world has changed a great deal since NAFTA was implemented in 1994, and the agreement should be modernized; that said, there is no need to change the parts of the agreement that are working well.
- NAFTA should contain provisions in such areas as cyber, privacy and e-commerce.
- Some in the United States saw the Trans-Pacific Partnership agreement as an “updated NAFTA.”
- The timeline for negotiating changes to NAFTA is likely too ambitious if serious discussions are to occur.

Border

- Pre-clearance is important for both the United States and Canada.
- It is important to have adequate border infrastructure.
- There is a difference between the “watch” list and the “no fly” list.

Energy

- Energy trade between the United States and Canada is important to both countries.
- Many Americans think that Saudi Arabia is a larger source of oil for the United States than is Canada.
- Because there are energy opportunities in North America, the countries should work together regarding energy.
- In the United States, it is somewhat difficult to gain public acceptance for nuclear energy.
- In certain regions, the United States and Canada share an electricity grid.

- Not all refineries refine the same grades of oil.

Great Lakes

- Asian carp are a significant concern.
- Invasive species can be introduced in ballast water.
- A financing plan is needed for the Great Lakes corridor.
- The Great Lakes do not have a liquefied natural gas facility.

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	Meeting with Members of the U.S. House of Representatives
DESTINATION	Windsor, Ontario, Canada
DATES	14–16 September 2017
DELEGATION	
SENATE	Hon. Michael L. MacDonald, Senator Hon. Frances Lankin, P.C., Senator
HOUSE OF COMMONS	Hon. Wayne Easter, P.C., M.P. Hon. John McKay, P.C., M.P. Mr. Ziad Aboultaif, M.P. Mr. Fayçal El-Khoury, M.P. Mr. Brian Masse, M.P. Ms. Tracey Ramsey, M.P. Mr. Brad Trost, M.P.
STAFF	Ms. Miriam Burke, Executive Secretary Ms. June Dewetering, Senior Advisor Ms. Chantal Goulet, Protocol Officer
TRANSPORTATION	\$ 9,208.26
ACCOMMODATION	\$ 3,539.00
HOSPITALITY	\$ 8,901.40
PER DIEMS	\$ 2,100.51
OFFICIAL GIFTS	\$ 34.00
MISCELLANEOUS / REGISTRATION FEES	\$ 0.00
TOTAL	\$ 23,783.17