

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 41st Annual Conference of
the New England Governors and Eastern Canadian Premiers
(NEG/ECP)**

Canada–United States Inter-Parliamentary Group

**Charlottetown, Prince Edward Island, Canada
27–29 August 2017**

Report

DELEGATION MEMBERS AND STAFF

From 27–29 August 2017, the Honourable Wayne Easter, P.C., M.P., Co-Chair of the Canadian Section of the Canada–United States Inter-Parliamentary Group, led a delegation to the annual conference of the New England Governors and Eastern Canadian Premiers (NEG/ECP) in Charlottetown, Prince Edward Island. The other members of the delegation were Senators Norman Doyle and Diane Griffin, Vice-Chair, as well as Mr. Randy Hoback, M.P. and the Honourable John McKay, P.C., 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

Established in 1973, the Conference of New England Governors and Eastern Canadian Premiers is an inter-regional, bi-national organization of 11 jurisdictions: six New England states – Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont – and five Eastern Canadian provinces – New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island and Quebec. The governors and premiers meet alternately in Eastern Canada and the New England states to address issues of shared concern, and to cooperate in developing networks and relationships, taking collective action, engaging in regional projects and endorsing projects by others, undertaking research and increasing public awareness of common interests. Over time, the NEG/ECP conference has addressed a range of topics of shared bilateral interest, including trade, the environment, economic development, tourism, energy, fisheries and agriculture.

The governors and premiers attending this year’s NEG/ECP conference were Maine Governor Paul LePage, Connecticut Governor Dannel Malloy, Vermont Governor Phil Scott, Newfoundland and Labrador Premier Dwight Ball, Quebec Premier Philippe Couillard, New Brunswick Premier Brian Gallant, Prince Edward Island Premier Wade MacLauchlan and Nova Scotia Premier Stephen McNeil. The meeting was co-hosted by Premier MacLauchlan and Governor Scott.

At the conclusion of the meeting, the NEG/ECP adopted the following four resolutions:

- 41-1: Trade Integration and the Benefits of Cross-Border Trade
- 41-2: Regional Climate Change Action Plan
- 41-3: Response to Emergencies in a Changing Climate
- 41-4: Transportation.

The NEG/ECP’s next annual conference will be held in August 2018 in Vermont.

DELEGATION OBJECTIVES FOR THE EVENT

The IPG aims to find points of convergence in respective national policies, to initiate dialogue on points of divergence, to encourage the exchange of information and to promote better understanding among legislators on shared issues of concern. Members of the IPG's Canadian Section meet regularly with their federal counterparts and, a number of years ago, started to attend meetings of governors and state legislators. At these events, Canadian delegates engage in conversations that will help the Canadian Section to achieve its objectives, and to communicate the nature and scope of the bilateral relationship.

In addition to attending the plenary and concurrent sessions at this annual conference of the NEG/ECP, Canadian delegates had a private, "off-the-record" meeting with Governor Malloy.

ACTIVITIES DURING THE EVENT

During the NEG/ECP's 2017 annual conference, business-to-business meetings were held, renewable energy and food innovation tours were conducted, and the following sessions occurred:

- Renewable Energy Forum
- Food Innovation Forum
- An Armchair Discussion on Canada–U.S. Trade
- The Discussion Continues with Industry Leaders
- A Keynote Address by the Honourable Frank McKenna
- Responding to a Changing Climate and Emergencies
- New Energy Solutions.

This report summarizes some of the discussions that occurred at the conference.

FOOD INNOVATION FORUM

Honourable Lawrence MacAulay, P.C., M.P., *Minister of Agriculture and Agri-Food Canada*

- Canada and the United States are working well together; it is important to continue to work together to create jobs and support economic growth.
- The United States is the primary foreign export market for Canadian farmers.
- Trade with global partners must be firmly based in science.
- Modernizing the *North American Free Trade Agreement* (NAFTA) would make a "great" agreement even better.

- NAFTA is a “success story,” especially for agriculture.
- The agricultural sector has great potential for contributing to economic growth.
- Much of the growth in the agricultural sector is linked to innovation; food and innovation go “hand in hand.”
- Innovation is critical to the competitiveness of Canada and the United States, and their economies.
- With rising global demand for food, a key question is which country or countries will provide the food to meet that increasing demand.
- Canada and the United States can accomplish more together than they can individually; if the countries deepen their trade together, they will deepen their economies together.

John Rowe, of the Prince Edward Island Food Island Partnership and Island Abbey Foods Ltd., moderated a discussion among Robert Bruce, of DME Brewing Solutions, Karen Oldfield, of the Halifax Port Authority, Chad Mann, of Amalgamated Dairies Limited, Stephen MacDonald, of EfficiencyOne Services, Monique Lacroix, of INRS-Institut Armand-Frappier, and David McInnes, of DMci Strategies.

Robert Bruce, *DME Brewing Solutions*

- Craft brewing is increasing rapidly in Canada and the United States.
- Prior to the year 2000, less than 2% of all beer sales in North America were craft beers; now, craft beers are more than 12% by volume and more than 20% by value.
- One focus for at least some craft brewers is identifying the manner in which energy can be recaptured and re-used in the brewing process.

Karen Oldfield, *Halifax Port Authority*

- It is possible to connect with 150 countries through the Port of Halifax, which provides significant “global reach.”
- The Port of Halifax is an enabler, a partner, an incubator and an innovator.
- The Port of Halifax must be innovative in order to berth and serve vessels of an ever-increasing size.

Chad Mann, *Amalgamated Dairies Limited*

- High-quality milk is needed for high-quality cheese.
- Future success requires innovation.

Stephen MacDonald, *EfficiencyOne Services*

- Regulators should hold public utilities accountable for ensuring the existence of efficiencies.
- Energy efficiency contributes to food innovation; all states in the food chain use energy.
- Energy efficiency provides direct economic benefits, enhanced energy security and the attainment of environmental targets.

Monique Lacroix, *INRS-Institut Armand-Frappier*

- Canada is the world's fifth-largest exporter of agricultural and agri-food products.
- Globally, food loss and food waste are significant.
- Food-based illness in Canada is costly.
- Consumer demand for fresh and ready-to-eat food is rising.
- Technology can be used to improve food safety; it reduces food waste and food-related illnesses, and increases the shelf life of food.
- Efforts should be devoted to harmonizing food regulations in Canada and the United States; areas of focus might include permitted additives, processing conditions and labelling requirements.

David McInnes, *DMci Strategies*

- Regarding food, trust is important.
- Three shifts are shaping the agri-food sector: with precision agriculture, data are changing how we eat; transportation is changing how we compete; and metrics, including sustainable sourcing, are changing how we regulate.

AN ARMCHAIR DISCUSSION ON CANADA–U.S. TRADE

Maryscott Greenwood, of the Canadian American Business Council, moderated a discussion among the Honourable Andrew Leslie, P.C., M.P., of the House of Commons, and Elizabeth Moore Aubin, of the U.S. Department of State.

Honourable Andrew Leslie, P.C., M.P., *Parliamentary Secretary to the Minister of Foreign Affairs*

- The societies in Canada and the United States are integrated, despite sovereignty considerations and some differences between the two countries.

- Canada is the United States' primary foreign export market, and the two countries have a powerful bilateral relationship.
- The focus on NAFTA has been good for both Canada and the United States, but the agreement should be modernized.
- Consistent U.S. Vice President Mike Pence's comment to U.S. governors, the goal should be changes to NAFTA that can be characterized as win-win-win.
- The negotiation of changes to NAFTA is creating uncertainty, and there is substantial international capital seeking stable places in which to invest.
- The shared borders between Canada and the United States must be "smart" and "fast," and the time needed to clear people and goods should be as short as possible; the borders should be "thin" but the perimeter around the two countries should be "thick."
- In addition to the trade relationship, Canada and the United States have a strong defence relationship; soldiers from the two countries have fought and bled alongside each other for more than a century.
- Canada and the United States help each other in situations of natural disasters.

Elizabeth Moore Aubin, *U.S. Department of State*

- The United States' relationship with Canada is its most consequential.
- Canada and the United States are family, friends, partners and allies; the countries work together, help each other and overcome challenges, including natural disasters.
- The United States and Canada face many and significant challenges around the world together, including in relation to North Korea, Syria, Iraq, and Eastern Europe.
- The United States and Canada see the world through similar lenses, and the United States could not do what it does without Canada; the two countries are stronger together.
- The negotiation of changes to NAFTA provides an opportunity to modernize the trade relationship.

THE DISCUSSION CONTINUES WITH INDUSTRY LEADERS

Maryscott Greenwood, of the Canadian American Business Council, moderated a discussion among the Honourable Perrin Beatty, P.C., of the Canadian Chamber of Commerce, Jim Irving, of J.D. Irving Limited, William Bates, of the Council on Competitiveness, and Barry Perry, of Fortis.

Honourable Perrin Beatty, P.C., *Canadian Chamber of Commerce*

- NAFTA is the envy of the world; while the negotiators should “do no harm” as they negotiate changes to the agreement, the goals should be ambitious.
- NAFTA is now 23 years old and it should be modernized, including to address e-commerce; free trade agreements should be “organic.”
- The economies of the North American countries are integrated, and there is a need to distinguish the way that the three countries build things together from the three countries’ trade relationships with other countries and regions.
- A revised NAFTA must meet the needs of Canada, the United States and Mexico.
- Borders should be “fluid.”
- The Canada–U.S. relationship is important to both countries, and they should build their future together; working together results in greater prosperity.
- Although the Canada Free Trade Agreement is a welcome “update” to the Agreement on Internal Trade, too many barriers remain.

Jim Irving, *J.D. Irving Limited*

- The next agreement regarding bilateral trade in softwood lumber should be negotiated in parallel to the changes to NAFTA.
- Like the United States, Canada has regional differences in terms of softwood lumber; it is for this reason that softwood lumber producers in Atlantic Canada receive an exemption for requirements that exist for other Canadian softwood lumber producers.
- In many ways, the world is “getting smaller.”

William Bates, *Council on Competitiveness*

- The United States’ private sector needs to “have a voice” when decisions are being made in Washington, D.C.
- For increased productivity, it is important to focus on education and workforce development, capital investments, technology and infrastructure.
- A key focus should be the creation of “good,” well-paid jobs and the availability of people to do those jobs; the “correct match” is needed, which requires communication among businesses, governments and academic institutions.
- Policy making “by anecdote” should be avoided.

Barry Perry, *Fortis*

- NAFTA has been working well.
- Labour mobility is an important issue; executives should be able to move between countries with ease.
- Businesses should continue to expand east to west and north to south.

A KEYNOTE ADDRESS BY THE HONOURABLE FRANK MCKENNA

Honourable Frank McKenna, P.C., *TD Bank Group*

- Canada and the United States have enduring bilateral links, and “institutions” help to maintain and control the bilateral relationship.
- The Canada–U.S. relationship is the greatest in the world in both qualitative and quantitative terms.
- Regarding Canada–U.S. trade in softwood lumber, a managed relationship is needed; the alternative is chaos.
- The United States’ trade relationship with Canada is larger than its relationship with the European Union, and Canada–U.S. trade is essentially balanced.
- Canada–U.S. merchandise and services trade is valued at about \$1.2 million per minute, on average.
- About 9 million U.S. jobs rely on trade with Canada.
- Canada is the largest supplier of energy to the United States.
- Like all relationships, the Canada–U.S. relationship “waxes and wanes,” but the two countries “always have each other’s back” and are always “best friends and allies.”
- If the United States’ pro-growth agenda is implemented, there will be positive impacts on Canada and the rest of the world.
- Populism is “out of control”; immigration, free trade and globalization are not “the enemy,” but instead are a source of prosperity.
- The world is a far better place than the headlines would indicate; global life expectancy is rising, the world has fewer wars than at any other time in history, and people are better educated and more likely to be employed than in the past.

RESPONDING TO A CHANGING CLIMATE AND EMERGENCIES

Leslie Malone, of Dunsky Energy Consulting, moderated a discussion among Jennifer MacIntyre, of Environment and Climate Change Canada, and Adam Fench, of the University of Prince Edward Island.

Jennifer MacIntyre, *Environment and Climate Change Canada*

- Climate change is a global problem that requires innovation and solutions at the local level.
- Climate change is manifested by more frequent and more powerful storms, soil erosion and less ice to protect harbours, among other impacts.
- An investment in the climate is an investment in growth.
- Addressing climate change is an opportunity for trade and investment.
- With the *United Nations Framework Convention on Climate Change*, more than 190 countries are taking actions to address climate change; Canada is disappointed by the United States' withdrawal from the Convention.
- The demand for clean technology is rising.

Adam Fench, *University of Prince Edward Island*

- With rising seas, islands are shrinking.
- Sea levels on the eastern side of North America are expected to rise more quickly than the global average; consequently, the Atlantic seaboard is at the forefront of climate impacts.
- Many Atlantic communities are susceptible to coastal erosion.
- Seasonality is different now than it has been in the past.

NEW ENERGY SOLUTIONS

Colleen Mitchell, of the Atlantic Centre for Energy, moderated a discussion among Pete Sheffield, of Enbridge, Karen Hutt, of Nova Scotia Power, Éric Martel, of Hydro-Québec, Stan Marshall, of Nalcor Energy, Will Nicholas, of Tesla Canada, Jeanette Patell, of GE Canada, and Chandu Visweswariah, of Utopus Insights.

Éric Martel, *Hydro-Québec*

- There are opportunities regarding electrical energy.
- Hydroelectricity is one way of helping to meet future energy, climate and other challenges.
- It is costly to store electricity, and complementary energy sources – such as solar and wind – are helpful.

Stan Marshall, *Nalcor Energy*

- Hydroelectricity cannot be stored directly; instead, it is stored indirectly as water in a reservoir.
- Hydroelectricity is a complement to wind power.
- Electricity is the best way to deliver any form of energy.

Karen Hutt, *Nova Scotia Power*

- Electric vehicle charging stations are increasingly prevalent.
- Customer-centred conversations, such as about Smart Meters, are needed.

Jeanette Patell, *GE Canada*

- Change is occurring across the entire energy ecosystem, particularly in order to meet consumers' energy preferences.
- Consideration should be given to influencing consumer behaviours regarding energy.
- Digital technologies are providing opportunities, including for low-cost communication using sensors.
- Data should be gathered and analyzed in an effort to avoid problems, if possible, or to address problems, if avoiding them is not possible.

Chandu Visweswariah, *Utopus Insights*

- The future is “coming for us” more quickly than ever before.
- Digital disruption is occurring in the energy domain and digital technologies should be fully utilized including the cloud.
- Consumers should pay for their use of energy separate from their use of the grid.

Pete Sheffield, *Enbridge*

- Efforts should be directed to determining ways in which the energy sector could be further decarbonized.
- There are significant opportunities to decarbonize the transportation sector, including in relation to both people and cargo.

Will Nicholas, *Tesla Canada*

- Efforts should be directed to creating more demand for zero-emission vehicles.

- Consumer awareness should be enhanced.

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	41 st Annual Conference of the New England Governors and Eastern Canadian Premiers (NEG/ECP)
DESTINATION	Charlottetown, Prince Edward Island, Canada
DATES	27–29 August 2017
DELEGATION	
SENATE	The Hon. Norman E. Doyle The Hon. Diane Griffin
HOUSE OF COMMONS	The Hon. Wayne Easter, P.C., M.P. The Hon. John McKay, P.C., M.P. Mr. Randy Hoback, M.P.
STAFF	Ms. Miriam Burke, Executive Secretary Ms. June Dewetering, Senior Advisor
TRANSPORTATION	\$ 3,338.31
ACCOMMODATION	\$ 4,484.30
PER DIEMS	\$ 1,827.84
MISCELLANEOUS	\$ 0.00
TOTAL	\$ 9,650.45