

## **CREATION OF A FEDERAL AND PROVINCIAL CANADA-US RELATIONS COMMITTEE TO ADDRESS TRADE, THE ECONOMY, AND POST-PANDEMIC RESPONSE**

### **Issue**

The United States and Canada have an interconnected, complex, and, at times, strained relationship. The last 4 years have shown how quickly communication can break down, and the economic toll such a break down can have. While there was hope that the next four to eight years will be amicable, the recent flurry of executive orders has shown that Canada-US relations will likely remain strained as Canadian interests are jeopardized. The Federal and Provincial Governments should create a Canada-US Relations Committee to protect BC and Canadian interests from plans made by the United States.

### **Background**

The Canada-United States partnership is forged by shared geography, similar values, common interests, deep personal connections and powerful, multi-layered economic ties. Canada and the United States enjoy the largest trading relationship in the world. A secure and efficient flow of goods and people across the border is vital to both countries' economic competitiveness and prosperity.

Canada and the United States also work together on security and defence efforts. The relationship reaps benefits such as access to information, and the flow of people, goods and services. Both countries also have similar values that are used to address international challenges and humanitarian crises. To address these global challenges, the Canada and US cooperate by participating in many multilateral institutions ranging from the North Atlantic Treaty Organization (NATO) to the G20.

Canada has many trade and investment agreements with the United States. These agreements, such as Canada-US Free Trade Agreement (CUSFTA), Canada-United States-Mexico Agreement (CUSMA), Agreement on Trade-related Investment Measures (TRIMS), Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), and many others, serve as the first line of defining trade boundaries between the two countries. The boundaries become strained when domestic interest conflicts with international agreements.

Former President Donald Trump created many domestic policies that strained relations with Canada. The former President created sanctions, levied tariffs, created policy to only use domestically created product, among others, which compromised the Canadian economy, jobs, and international security. These policies fractured a once bountiful relationship. COVID-19 responses were also disjointed. During President Obama's tenure, he effectively and efficiently created a plan to control the spread of the Ebola virus.

As of January 20, 2021, President Joseph Biden took office in Washington. It was believed that this change in leadership would start the path towards reconciling the fractured relationship, but many policies implemented or signed by President Biden under executive order only exacerbated the already fragile partnership. These orders included the cancellation of the Keystone XL Pipeline, creating a Buy America policy plan, and provisions being advanced by President Biden to cancel the Enbridge pipeline.

Canada must assess our relationship with our southern neighbours. We need to understand where our priorities lie, and how impactful US policy will be to Canada's interests. There is a need for a Canada-US Committee.

The Canada-US Relation Committee would carry out many duties because our relationship with the US is complex and interconnected on many levels. On the COVID-19 front, the Committee would need to investigate what the government is doing with the US to procure a steady stream of COVID-19 vaccines. It would also need to report on what is being done in advance of borders reopening. Additionally, Buy American orders by President Biden are a cause for concern. The Committee would need to apprise government and the public on how this will impact Canadian industries, trade access, and Canadian jobs.

#### THE CHAMBER RECOMMENDS

That the Federal Government in coordination with Provinces and Territories:

1. Create a Canada-US Relation Committee to implement an economic recovery plan that recognizes the integration of the North American economy.

**Submitted by the Surrey Board of Trade**