

International Policy Forum

PARTNERSHIP THROUGH CAPACITY BUILDING

A FORWARD LOOKING STRATEGY FOR CANADA-US RELATIONS

REPORT BY THE INTERNATIONAL POLICY FORUM

DIRECTORS, MARK RUBENSTEIN AND LAUREN HUNTER

Funded by the



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The **United Nations Society**, *Carleton's International Affairs Association* is a premier student-run organization. Its goal is to promote and engage Carleton University students in international affairs through innovative programming and events. Every year the Society runs speaker events, embassy visits, documentary showings, conferences, the Model UN program, networking events and the International Policy Forum.

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The International Policy Forum (IPF) is Canada's first student-run policy think tank, founded in 2006 at Carleton University, Ottawa. The IPF emerged from the realization that there was an absence of student perspectives and involvement in pressing policy issues. Through the IPF, students gain concrete experience writing and creating policy, as well as advancing the understanding of public affairs from a new and different perspective.

Each year approximately twelve students from varying disciplines are chosen to work alongside the directors and project officers in the creation of a proposal on a selected topic. The participant selection is based on written essays on a number of aspects of the specific year's theme. Besides a keen interest in the topic, a willingness to examine critical aspects of policy and think outside the box is considered crucial. The process is highly competitive and results in a unique group of students, creating an atmosphere of discussion and debate. Guests with expertise in an aspect of the policy focus are invited to present their views, answer questions and participate in frank and stimulating discussion with students. The students then participate in the drafting of a proposal based on the IPF sessions and independent research, the final product of which is published and distributed to numerous leaders in the field.

The IPF is funded by the Carleton United Nations Society, an international affairs centered student organization at Carleton University. The International Policy Forum will continue to contribute to excellence in public affairs and international studies in the 2007-2008 session, beginning September 2007.

LETTER FROM THE DIRECTORS

It is with great pleasure that we present the 2006-2007 International Policy Forum report: *Partnership Through Capacity Building: A Forward Looking Strategy for Canada-US Relations*. The IPF has acted as an outlet for some of the University's brightest students to take what they learn in the classroom and apply it by creating policy recommendations for government decision makers.

The inaugural year of the IPF was marked by a decision to tackle the complex issue of Canada-US relations, which is of utmost importance to both nations. While examining this issue over the past eight months, it became apparent that a stronger, more forward-looking relationship is possible. Indeed, the participants of the Forum found that this can be accomplished by developing new institutions to facilitate trade and security, by fostering greater cooperation on the environment and energy, and by renewing the focus on public diplomacy.

The Policy Forum was developed to foster strong student interaction and discussion, and to create unique learning opportunities from reputable sources. In the first half of the academic year, participants met with experts in the field who presented ideas relating to the shared history, cross-border trade, political perspectives, and mutual security concerns of the two nations. In the second half of the year, participants discussed, debated, and drafted the policy recommendations that are contained in this report. The end result was an innovative and distinctive set of policy proposals that emphasize the necessity of continued relationship-building, stronger mutual understanding and enhanced institutional cooperation.

We would like to thank all the participants for their dedication and the experts who took part in the policy consultations. We would especially like to thank Ahsan Mirza, UN Society Logistics Director Fennigje Hinse, and the IPF project officers Katherine Millard and Matthew Ronald, without whom, the project would not have been possible.

Mark Rubenstein

Lauren Hunter

Directors

April 2007

Directors



Mark Rubenstein is the founder of the IPF. He is completing his final year, majoring in Political Science (International Relations) with a minor in economics. He is concurrently serving in his second term as President of the Carleton United Nations Society. His research interests include: Canadian foreign policy, international law, trade policy, and international organizations.



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Project Officers



Katherine Millard is a third year student, majoring in Public Affairs and Policy Management (International Studies). Her research interests include international humanitarian law, global public health and post-conflict justice.



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Participants



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Allison Worone is in her second year of a B.A in Political Science, with a concentration in International Relations and a minor in Economics. Having lived in South America for eight years, her areas of interest include trade relations, political development, and energy policies.



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Nicholas Doucette is in his third year, majoring in Public Affairs and Policy Management (International Studies). His research interests include international security and defense issues. He hopes to work for the Department of National Defence in either a research or policy capacity.



Yuna Kim is in her third year studying Public Affairs and Policy Management (Social Policy) with a minor in Economics. She is particularly interested in domestic issues such as Canadian nationalism and intergovernmental cooperation. After graduating, Yuna hopes to continue her studies by pursuing a masters degree.

EXECUTIVE SUMMARY

The Canada-US relationship is one of matchless complexity and closeness. Canada and the United States of America currently share one of the most cooperative relationships between any two states in the world. Both nations appear eager to continue to build upon this friendship, which has proven repeatedly to be mutually beneficial. This report focuses on the three key issues of pressing importance: securing our shared objectives, politics and public diplomacy, and interdependency and the environment. The report is a forward-looking approach to further enhancing continued mutual cooperation between Canada and the United States, and it advocates joint capacity building as the most effective means of combating incongruencies.

The entirety of Canadian-American relations can be condensed into two main concerns: trade and security. Trade is the mechanism by which both nations enjoy unprecedented levels of prosperity. Yet, while ensuring that this trade can be conducted, Canada and the United States confront an enormous risk on a daily basis. North American security is of the highest priority, and in order to effectively monitor extensive amounts of land on the border, communication is essential. This report recommends building institutions that will give government agencies and policy-makers the power to jointly monitor cross-border commerce, examine existing regimes that may limit trade, and create a forum for political decision-makers to discuss their concerns.

Nevertheless, Canada's position on such mutual priorities will not be addressed without a determined effort to summon the power of influence where it matters. While commendable efforts have been made in recent years to advance Canadian diplomacy, not enough has been done to stress the importance of this relationship. In developing greater diplomatic capacity, through the expansion of current programs and the use of new and emerging technologies, the promotion of Canadian interests in the United States would become much easier. Additionally, efforts must be made to integrate existing cross-border links between political officials in Canada and their American counterparts. Finally, Canadians must look inwards and examine their own views of the United States to combat long-standing assumptions and prejudices.

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In conjunction with these ideas, any proposal on North American relations would be remiss if it did not consider future challenges that will be faced by policy-makers. With environmental sustainability and resource control taking centre-stage on the global agenda, the relationship between Canada and the United States will undoubtedly be affected. Canada, as a country rich in natural resources, including oil, gas, and water, must establish the organizational capability to not only conserve and distribute its wealth in a sustainable manner, but also to consider its role in encouraging the preservation of the environment. To this end, a comprehensive legislative package is required, including regulatory regimes and government-sponsored programs to plan for future necessities.

To tackle the rather broad issue of Canada-US relations, the IPF had a unique structure for student interaction and discussion. Forum members convened with high profile speakers from differing spheres of relevance in the arena of Canada-US relations in five policy consultations: History and Context, Trade Relations, Security and Defence, The American Perspective, and The Canadian Perspective. Speakers voiced their opinions, answered questions, and participated in frank and stimulating discussion.

Forum session speakers included:

- **David Wilkins**, United States Ambassador to Canada;
- **Colin Robertson**, former Head of the Advocacy Secretariat, Canadian Embassy in Washington and former Canadian Consul-General in Los Angeles.
- **Professor Michael Hart**, Simon Riesman Chair in Trade Policy at the Norman Paterson School of International Affairs, Carleton University;
- **Professor Norman Hilmer**, Professor of History and International Affairs at Carleton University;
- **Bruce Campbell**, Executive Director, Canadian Centre for Policy Alternatives;
- **Brian Zeiler-Kligman**, Policy Analyst, Canadian Chamber of Commerce;
- **Philippe Lagasse**, Centre for Security and Defence Studies;

During the second half of the year IPF members drafted final policy recommendations based on the Forum sessions, other research, and

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personal opinion. The recommendations which follow aim to broaden the scope of the Canada-US bilateral relationship and to promote Canada's interests in the process. The recommendations herein have been diligently crafted, and are intended to address some of the most pressing issues of our time. The students involved in the process feel that these policies can have a great and advantageous impact on the prosperity and well-being of both countries through enhanced cooperation and partnership.

A. BUILDING INSTITUTIONAL CAPABILITIES TO SECURE OUR SHARED OBJECTIVES

Current Situation

Canada and the United States enjoy unparalleled cooperative relations. Canadian and American officials work in conjunction with each other on numerous political, economic, or societal issues. However, in the wake of the September 11, 2001 attacks and in the context of the global 'War on Terror' not enough has been done to ensure the safety of the North American continent from internal and external threats. Perhaps the greatest challenge to this security is to maintain the unparalleled flows of trade that cross the Canadian-American border everyday. To date, a comprehensive policy solution has not been implemented which addresses both of these concerns to a mutually satisfactory degree.

Overview

Unquestionably, in any discussion of Canada-US relations, means to facilitate trade while addressing shared defence issues must be considered. This proposal aims to create cross-governmental mechanisms that will facilitate cooperation, and closer, more integrated relations in areas of utmost importance to Canadians and Americans. Primarily, the intention is to build institutions that will ensure open communications on these issues: one, in the creation of a border-monitoring mechanism; two, in expanding the north-south discussions in a North American Council supporting dialogue and mutual assistance; and three, in working towards regulatory harmonization in food and drug administrations, wherever possible.

In undertaking the crucial task of securing the continent, focus has been placed on the weakest links in the system, aiming to expand presently existing programs. At the heart of this extension of program capacities is an appeal for increased functional capabilities and decision-

- Over 300,000 people travel between Canada and the US daily
- Over \$1.8bn (CDN) crosses the border each day
- Canada is the largest importer of exports from 38 US States
- 84% of Canadian merchandise exports go to the US
- Merchandise trade between Canada and US has more than doubled since the signing of NAFTA in 1994

A. Building Institutional Capabilities to Secure Our Shared Objectives

making at the point of contact. To this end, a concentration on combined human and technological capacity in implementation will ensure a secure continent that can manage the enormity of commerce that continually streams across the border.

1. Building Institutional Capacity

1.1 Canada-US Joint Cooperation Commission

Canada and the United States of America should create a permanent joint agency with representatives of all relevant national departments and agencies involved in trade and security. Their mandate will be to deal with non-political technical issues, specifically related to our mutual borders.

The Canada-US relationship relies heavily on the shared border and yet no permanent inter-governmental body exists that can deal with concerns that arise in real-time. The relationship between Canada and the US has become increasingly complex, with dozens of departments and agencies on both sides involved in trade and security issues. However, in many cases these departments are not communicating with each other effectively to resolve technical issues that arise in a timely manner. A standing organization will be able to craft the necessary partnerships to resolve issues quickly, while building the experience and expertise required to deal with this important and complex relationship.

- The Commission will be made up of agencies and departments on both sides of the border that are currently tasked in some part with the Canada-US relationships, and specifically with trade and security matters.
- ♦ The Canadian agencies will include, but not be limited to: Foreign Affairs and International Trade Canada, Department of National Defence, Public Safety, Citizenship and Immigration Canada, Transport Canada, Industry Canada, Department of Justice, Canadian Border Services Agency, Royal Canadian Mounted Police, Canadian Security and Intelligence Service, Canadian Food and Inspection Agency, Canadian Coast Guard.
- ♦ The American agencies will include, but not be limited to: State Department, Department of Defence, Homeland Security, Department of Justice, Department of Commerce, Office of the US Trade Representative, US Customs and Border Protection, Fed-

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eral Bureau of Investigation, Drug Enforcement Agency, Central Intelligence Agency, Transportation Safety Administration, Immigration and Customs Enforcement, Citizenship and Immigration Services.

1.2 North American Council of Ministers

Canada, the United States of America, and Mexico should create a permanent standing forum for ongoing communication and discussion on security and trade issues.

A major problem, inhibiting proper cooperation and communication between the three North American countries, is the lack of an appropriate permanent institution. Providing the institutional capacity needed to promote discussion and cooperation will allow for a more fluid implementation of agreed upon principles, as well as the ability to branch into new areas of partnership. Currently, there exists no strong framework that has the capacity to create dialogue between the North American countries and within different policy sectors.

The proposed Council of Ministers would expand the current Security and Prosperity Agreement working group initiative. The Council will have no formal legal decision-making ability that would bind any of its members; nonetheless, it would be the beginning of a more structured continental dialogue.

- The Council would be made up of separate committees, each tasked with various issues of North American cooperation and partnership including: General Affairs; External Security; Shared Borders and Judicial Cooperation; Energy; Transportation; Environment; Food, Agriculture and Fisheries; Trade and the Economy; Industry and Competitiveness; and Public Health.
- These committees would be composed of Ministers from each home government, and each committee would meet at least twice a year at the ministerial level.
- A summit-level meeting would also be held bi-annually between the three Heads of Government.

1.3 Regulatory Harmonization

Canada and the United States of America should work towards achieving a harmonious regulatory standard for drug and food safety.

Regulations regarding the testing of food and drug products as they

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currently exist between Canada and the United States are extraordinarily similar, with only minor differences; both countries follow parallel processes that often achieve the same regulatory outcome. The harmonization of drug and food safety mechanisms would allow for one process of mutual recognition, eliminating a redundant process in order

Mutual Recognition Agreements (MRAs) allow for two states to recognize each other's conformity assessments on agreed upon product or services. Such assessments include testing, inspection, auditing, accreditation and certification.

to facilitate a decision. This would be accomplished through a series of Mutual Recognition Agreements (MRAs) where possible. If MRAs are not feasible in a particular sector, other methods would be considered including, but not limited to: complete harmonization, bilateral enforcement bodies, and the "tested once" principle.

- A council of experts drawn from both nations would be established, overseen by the appropriate departments in both countries. This council would be responsible for implementing the processes and determining the most appropriate means of harmonization for each category.
- The final decision to harmonize a sector would ultimately rest with each government, based on the recommendations of the body; the council would conduct the actual process of determining the potential for safety and efficacy of harmonization.
- Each nation would still follow its own requirements and maintain control over regulations regarding distribution and acquisition of food and drug products within the country's borders.
- Harmonization would ease the movement of goods, such as pharmaceuticals, across the borders, while potential savings would be realized by eliminating two of the same certifications of approval on both sides of the border.
- Standards would be maintained and possibly raised through harmonization as more resources would be devoted to ensuring each testable subject can be more closely scrutinized in one process.
- As many MRAs have been signed in the past that govern a number of areas, including the ability of professionals, such as nurses, to have credentials recognized across the Canada-U.S. border, the expansion of this and similar regimes could be very effective.

2. Making Security a Priority

2.1 Enhancing North American Port Security

To ensure the safety of peoples on both sides of the 49th parallel and continuity of trading relationships, governments should seek to enhance port security by providing adequate funding for new policing personnel and VACIS scanners where relevant. Furthermore, policies requiring the mandatory inspection of empty containers and the security clearance of personnel in key positions are of the utmost importance.

Ports are of vital importance to the health of the American and Canadian economies. Unfortunately, they are among the most vulnerable areas of North American security. Finding the right balance between security practices

Vehicle and Cargo Inspection System (VACIS) is a mobile truck mounted, non-intrusive gamma ray imaging system that can evaluate the contents of vehicles, containers and cargo.

and the free flow of goods remains a problem. Yet in the post-9/11 world, the necessity of securing points of entry to limit the risk of future attacks cannot be denied. Moreover, past programs, such as the International Ship and Port Facility Security Code or the Container Security Initiative, have proved effective without being a large hindrance to trade.

- Utilization of Process Mapping to determine positions in port facilities that should require security clearance will ensure the safe oversight of transported goods with a minimum amount of additional bureaucratic burden.
- Practices of not inspecting empty cargo containers must be put to a halt. An empty container can carry dangerous or illegal material just as easily as any other.
- Marine security funding programs should focus on acquiring and maintaining VACIS mobile gamma ray scanning vehicles for larger port facilities.
- A new emphasis must be placed on the importance of securing small ports. These are often forgotten in security legislation, yet remain easy access points for illegal or terrorist activity. Initiatives like the Marine Security Contribution Program should be encouraged in order to ensure provision of better equipment to small ports.

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- Machinery and surveillance equipment should be thought of as a supplement, not a substitute to security officials.

2.2 Expanding IBETs Program

Canada must continue to work towards strengthening the world's longest undefended border by expanding the Integrated Border Enforcement Teams (IBETs) program particularly on busy crossings which utilize the NEXUS and FAST programs.

NEXUS-A bi-national and jointly administered customs and immigration program aimed at frequent cross-border travelers. The program aim is to provide simplified border crossing by pre-approving low-risk travelers.

Free and Secure Trade (FAST) program is a bi-national and jointly administered customs program which pre-approves eligible goods across the border for pre-approved commercial carriers.

Integrate Border Enforcements Teams (IBETs) are based on a joint border security initiative between the RCMP, Canadian Border Services Agency, US Coast Guard, US Customs and Border Protection/Border Patrol and the US Immigration and Customs Enforcement. Currently there are 23 teams, across 15 regions.

IBETs are a successful and effective integrated law enforcement tool for both countries. The training and departmental cohesiveness between CBSA and the Department of Homeland Security is the ideal balance when it comes to resource utility and maximizing security. The system design, legal issues and chain of command model have already been established. These teams should be replicated as a standard model at as many border crossings as possible.

- Increasing the number of IBETs and arming border guards will provide a broader and tighter security net across the border and make Canada's contribution to joint border security more comprehensive.
- While the RCMP is an important player in IBETs, it will be more efficient to have CBSA involved in the detention of the majority of criminals apprehended near the border rather than the local police force, who may not have the capacity to channel the right information to agencies who could benefit from it.
- The expanded presence of IBETs will help to highly mitigate security threats and facilitate further integration projects between CBSA and DHS that promote equal contributions and benefits for both sides.

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B. POLITICS AND PUBLIC DIPLOMACY

Current Situation

The Canadian-American relationship extends throughout a vast network of different levels of government, departments, business sectors, interest groups, and has an impact on almost every aspect of life in North America. While the relationship between Canada and the United States has been, and will be, deficient at times, it is in both countries' best interest to cooperate and overcome such problems in the future.

Official Canadian presence in the United States

- 1 Embassy
- 13 Consulates General
- 7 Consulates

Official US presence in Canada

- 1 Embassy
- 7 Consulates

The benefits of facilitating and improving the Canada-US relationship will far outweigh the effort required by Canada to promote this cause. It is inevitable that a stronger relationship will lead to a more harmonious and prosperous relationship for both sides. A more interactive and receptive relationship will not only facilitate trade, but will also help improve communication and cooperation concerning the management of security, regional and "borderless" issues.

Overview

To improve our vital strategic partnership with the United States, and in order to ensure that Canadian needs are heard and understood in Washington, there are several different strategies that should be adopted.

While many aspects of the relationship extend far beyond the Canadian administration, the government still has an important role that it must play to encourage the growth and continual improvement of Canada-US relations. The Canadian Government should work towards developing a system promoting the benefits of the relationship with the United States to Canadian political parties, the public sector, and most importantly, the Canadian people. Promotion of the mutual partnership will mitigate some of the anti-American tendencies that serve as a hindrance to improving the relationship. Finally, in order to improve diplomatic relations in Washington, Canada must stay relevant, competitive, and effective in its ability to voice its concerns.

3. Canadian Diplomatic Affairs in Washington

The structure of power in Washington is extremely decentralized. Unlike the greater jurisdiction enjoyed by its northern counterpart, the American executive lacks the influence needed to realize all of its goals. Canadian diplomats, led by former ambassador Allan Gotlieb, have come to understand this. In response, they have adapted their style of diplomacy to closely resemble that of lobbyists. This has proved an effective way to engage hundreds of congressmen and congresswomen, all of whom possess substantial power on Capitol Hill. By changing with the times, Canadian diplomats in Washington have managed to “punch above their weight.” Canada’s diplomatic efforts, however, must continue to improve.

3.1 Take Advantage of Emerging Media

To stay relevant, competitive, and effective, Canadian diplomats should continue to create new and innovative lobbying strategies; financial and personnel resources should be allocated to this end.

Of particular interest are the new opportunities for public diplomacy offered by emerging internet technologies. Canadian diplomatic efforts in Washington would also benefit greatly from additional financial and personnel support from Ottawa. Canada’s embassy in Washington has started taking advantage of the internet with the Connect2Canada network. This online network connects the embassy to over 30,000 businesspeople, academics, politicians and Canadian expatriates in the United States.

- With additional resources Connect2Canada could be further developed. Public outreach campaigns could enlarge network membership, while more dedicated staff could support emerging projects, such as the Connect2Canada Podcast.
- Newly-emerging online social networks such as Facebook and Myspace are also fertile ground for expansion, and should be considered as such. Creating a presence on these forums would connect the embassy with a younger audience that includes the leaders of tomorrow.

Facebook and **MySpace** are example of online social networking websites which allow users to communicate and share photos, profiles, blogs, videos and more with others around the globe.

Facebook has over 17 million users, while MySpace has over 100 million.

- The embassy should also consider participating in discussions in the ever-expanding blogosphere. By participating in these discussions embassy officials could positively influence perceptions of Canada and also correct erroneous information before it reaches the larger public sphere.
- In media surveillance, elite bloggers should be treated as media. Giving media orientation seminars to influential international affairs bloggers could raise awareness, generate coverage and preemptively correct misperceptions. Embassy officials should also grant select bloggers media-accreditation at embassy events. The resulting coverage would create online buzz and thereby increase Canada's online profile in the United States.

3.2 Create a More Robust Diplomacy

To stay efficient Canada should attempt to increase its presence on Capitol Hill. The Canadian embassy must continue the development of such programs as the Government of Canada Congressional Analysis and Research Tool (GoCCART).

The GoCCART computer program shows how each American congressional district is dependent on Canadian commerce. In a system where all politics is truly local, such information helps diplomats lobby and build voting coalitions based on the mutual interests of Canada and individual congressmen. Creative innovations like these will keep Canada ahead of the lobbying pack.

- Canada should develop closer links with think tanks in Washington and throughout the United States. Learning and research communities such as these constantly generate new ideas, many of which could be useful to Canadians' interest.
- Canada's diplomatic corps in Washington should also build on the newly-created Congressional Friends of Canada Caucus. This caucus brings together congressmen and women from traditionally pro-Canadian states. The Government should work to expand the size and the functionality of this group.
- The Congressional Friends of Canada Caucus should also be tasked with more frequent functions aimed at raising awareness of cross-border links and strengthening group cohesiveness. Such a group, constructed in good times, will pay solid dividends in hard times. In times of crisis, the caucus will be able to quickly mobilize

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the mass political will needed to normalize damaging disruptions to cross-border traffic flows.

- Canada should also enlarge the Washington Advocacy Secretariat, the embassy section that coordinates outreach activities in Washington. In an embassy quickly adopting new technologies and techniques, the last missing element is a larger corps of diplomats trusted to bring Canada's message to Capitol Hill. The case for such a manpower boost is simple: Canada's foreign interests are overwhelmingly concentrated in the United States.

4. Importance of the Sub-National Relationship

In an era in which Canada-United States relations have been characterized as increasingly distant, it is important that the shapers of Canadian foreign policy capitalize on the strengths of the bilateral relationship. One such strength is the cooperative potential that has been demonstrated by Canadian and American sub-national governments. A number of mutually beneficial regional state-province relationships have already developed, including regular meetings such as the New England Governors and Eastern Canadian Premiers, and the Northeast Regional Homeland Security Directors Group. However, in terms of both bolstering Canada-US relations and achieving policy goals, it is in Canada's interest to facilitate equal, consistent and effective relationships between states and provinces. More can be done to facilitate partnerships that create security, prosperity and positive cross-border relations.

4.1 Developing the Relationship

Foreign Affairs and International Trade Canada, in concert with provincial premiers and intergovernmental affairs ministers, should coordinate the Continental Council, an annual summit for Canadian premiers and a broad cross-section of American governors. A conference chaired jointly by the Minister of Foreign Affairs and the American Secretary of State or Ambassador to Canada would help elevate the profile of bilateral cooperation of trade, security and disaster prevention issues.

It is important that Canadian officials take the lead in the facilitation of state-province discussions. Sub-national relationships provide an ideal opportunity for an equal and fruitful diplomacy to ensue. By operating a conference of sub-national leaders out of a Canadian border city or an American city with a Canadian consulate, the Canadian govern-

ment can demonstrate its commitment to improving the Canada-US relationship. Furthermore, by designing a conference agenda with consideration for American interests, Canada can present itself as a true American ally, and increase the probability of substantive agreements taking place.

The phenomenon of “glocalization” is as evident in the Canadian-American context as it is anywhere in the world. By utilizing sub-national networks, Canada and the United States can be leaders in a burgeoning field of diplomacy, and work towards solving a growing number of crucial bilateral policy issues.

- Summit diplomacy at this level should facilitate trade awareness in both the regional and continental context, and allow for trade-related issues, such as infrastructure improvements, to be expressed.
- The summit should permit discussion of a wide range of security issues, such as police cooperation and smuggling prevention.
- Sub-national cooperation is imperative to the fight against “borderless” problems like environmental degradation and the control of infectious disease outbreak. The tragedies of Hurricane Katrina also demonstrated the need for cooperation plans in cases of natural disasters. To tackle the regional nature of some of these issues, discussions can be conducted both in plenary and in meetings by region. Both countries stand to benefit significantly from pursuing such an agenda, and the agenda can be pursued legitimately by state and provincial leaders.
- The summit would allow the provinces to make the best possible use of the resources of Foreign Affairs and International Trade Canada (DFAIT), while the federal government could utilize the conference as a tool for realizing a more cohesive foreign policy agenda, and could capitalize on the strong relationships between regional leaders.

Furthermore, state-provincial cooperation can create progress on issues – commerce, border security and law enforcement, the environment, public health and disaster relief cooperation – that will not only forge a safer and more prosperous continent, but will be of interest to American politicians and voters.

5. Anti-Americanism in Canada

Canada has the opportunity to strengthen its partnership with the US

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by fighting anti-Americanism at home. To do this Canada should adopt a Triple P Platform; an initiative aimed at the three most important sectors of Canada when it comes to American policy: The Parties, The People, and The Public Service.

Anti-Americanism is often a point of satire in Canadian culture. However, the real effects of anti-Americanism must be recognized and treated as more than just a tongue-in-cheek part of the Canadian identity. The psychological consequences felt by Canadians of becoming more closely integrated with the United States deserve little merit compared to the benefits of this relationship. While complete integration is out of the question, and Canada must most definitely follow its own path, Canada can position itself closer to America to better its own position. The economic benefits of being more closely integrated with the most powerful economy in the world far outweigh the negatives. Many fear that a closer relationship with the United States will affect the positive international image of Canada, but instead the closer relationship will give Canada a means to restore its positive image.

5.1 Influencing Parties

Political parties must be charged by their own morals and be pressed to realize that the long term negative effects of campaigning around anti-Americanism outweigh the short term gains of catering to Canadians' reactionary tendencies of responding to anti-Americanism during political campaigns.

As any good party would, Canadian political parties are prepared to campaign around almost anything that will get them elected. Since anti-Americanism has crept far into Canadian culture, parties know that appearing too close to the American administration will garner a degree of voter resentment, a highly negative position for the country to be in. Our government should not fear cooperation with our greatest ally. This is why, as a whole, political parties must take a moral stand on the issue. To quote US Ambassador David Wilkins, "It may be smart election year politics, to thump your chest and constantly criticize your friend and your number one trading partner, but it's a slippery slope." One can only imagine the reaction in Canada if American politicians used this tactic south of the border. As political parties have their own prerogatives, the policy on this matter must come from within in a two-pronged approach:

- Firstly, the move must begin at the grassroots level, with members

of political parties showing that they will no longer respond to such rhetoric.

- Secondly, the leaders of the respective parties must be charged with considering their legacy, as no leader will want to be known as the person who damaged perhaps the most important relationship in the world.

5.2 Influencing People

The most important target group is the Canadian people, because voters strongly affect the actions of the parties and the public service.

A strong swing in public opinion towards anti-Americanism would take all the motivation out of the parties to avoid campaigning on an anti-American platform. Since the public service is going to take its cues from both the political and public spheres, initiatives aimed towards the public have a number of successful outcomes.

The best means of combating public anti-Americanism is by confronting average Canadians with the facts about partnership, interdependency, and mutual cooperation that exist between the two countries.

- American foreign policy is often the primary cause of anti-American views, and as such, can be used to combat the problem. Canadian forms of public diplomacy must be created and aimed to confront Canadians with the knowledge of positive American foreign policies that benefit the world to counter the negative sentiments in the Canadian public.
- Canadians should be confronted with facts about Canadian dependency on the United States, such as the reality that approximately 65% of foreign investment inside Canada comes from the United States. If the public better understands the American image, not just the rhetoric and media propaganda, the image of Canadians as compassionate and empathetic people will be further established.

5.3 Influencing the Public Service

The public service must create a stronger sustained working relationship with its counterpart in the United States. When political leaders are experiencing turbulent relationships and the public sentiment towards the US is at its worst, the bureaucracy of both countries must persist in mutual long-term cooperation.

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Elected officials change periodically, while civil servants remain in place regardless of who is in office. As such, the public service is in a distinguished position of being able to effect real, long term change. While the Canada-US partnership is unique both in its character and capacity, there is room for further cooperation and stronger ties between the two nations. As well, this cooperation should not be limited due to national pride, for in certain non-controversial areas this integration can go as far as a complete partnership. This partnership should continue without any expectation that leaders of both countries will have the strongest possible relationship at all times.

- The public service must be the mechanism on both sides of the border that continues the strategic partnership at all times, no matter what type of relationship exists between the governments.
- Furthermore, the public service must work to highlight current cooperation initiatives as a way to gain confidence in the partnership in order to alter public sentiments about the United States.

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C. BEYOND A SHARED BORDER: INTERDEPENDENCY AND THE ENVIRONMENT

Current Situation

The trading relationship that exists between Canada and the United States is certainly unparalleled in the international community; however, the nature of this relationship has created a deepening need for cooperation over environmental and natural resource policies. Many environmental issues that affect the Canadian people have a similar impact in the United States. To this end, and while being mindful of future possibilities, a set of policies has been drafted to address some environmental issues and trading areas related to energy and natural resources that lack the kind of strong, interrelated policies that will create stability for generations to come.

Overview

There are three vital issues that highlight the interdependent nature of the relationship between Canada and the United States that must be given due attention by policymakers. First, both countries would benefit from improved environmental cooperation in the fields of carbon dioxide emissions reduction and convergence of environmental regulation. Second, the flourishing energy industry requires a shift towards environmentally sound technologies both to extract oil from oil sands and to further develop renewable energy sources. Third, both nations understand the threat posed by water scarcity, and an increase in national conservation programs, as well as the creation of legally binding domestic and international legislation to halt the possibility of water commodification is a good starting point for future decisions in natural resource management.

6. Environmental Cooperation

North America became a pioneer and leader in environmental cooperation when trade was partially subordinated to environmental concerns under the North American Free Trade Agreement. Indeed NAFTA remains unparalleled as a trade agreement to the extent to which it addresses environmental concerns.

However, North America has since lagged behind other OECD countries in terms of environmental policy. Renewed environmental cooperation between Canada and the United States, and North American leadership is needed more than ever as climate change becomes an issue of primary concern around the world.

6.1 Curbing Carbon Dioxide Emissions

Following in the footsteps of the 1991 US-Canada Air Quality Agreement and the 2000 Ozone Annex, both countries should agree to adopt a voluntary proactive stance towards curbing CO₂ emissions, using local best practices (in states/provinces and cities) as models, and cognizant of the varying circumstances within different regions of North America.

US-Canada Air Quality Agreement, 1991 was signed to address the problem of air pollution, and led to reductions in acid rain.

The Ozone Annex was an expansion of the US-Canada Air Quality Agreement signed in 2000, aimed at reducing smog emissions.

Carbon dioxide emissions have yet to be addressed in any agreements between the United States and Canada. The wide scientific consensus about the harmful effects of CO₂ coupled with the permissive recognition among industry, business, and the public today presents a significant opportunity for both governments to cooperate towards emissions reduction.

- Continuing in the methodology of the Air Quality Agreement, both countries should agree to voluntary benchmarks on CO₂ emissions reduction. Due attention should be paid to environmental concerns and emissions reduction in long-term and very long-term planning with a focus on fostering innovation and R&D to proactively combat climate change.
- To determine the optimal level of voluntary reductions, both countries should set up a greenhouse gases evaluation subcommittee of the Air Quality Committee, with a mandate to make recommendations to each government based on an environmental and economic assessment of sub regions within each country.
- Beyond voluntary commitments, both nations should also pledge to share specific CO₂ emissions reduction strategies and jointly promote successes in their efforts.

6.2 Regulatory Cooperation

Canada and the United States should work towards harmonization of environmental policy and regulations by converging on best practices, based on the performance of each country in reference to a given environmental issue.

An environmental policy that is coherent and consistent in both countries will enhance implementation and compliance, while increasing efficiency and reducing redundancies. This harmonization should ensure that cultural and economic differences, as well as carrying and assimilative capacities of sub-national regions are taken into consideration.

- The Government of Canada should work with the United States in assessing conformity and compatibility for different economic sectors and environmental issue areas. Once established, regulatory practices, product approvals, and technical reviews in such areas can be recognized transnationally without procedural redundancy.
- Priority should be given to jointly refining and establishing anew environmental standards, indicators, and policy targets for North America and also to provide easy access of these data to the general public.
- In regulatory convergence, a strict focus should be maintained on best practices in each issue area rather than the lowest common denominator.
- Both governments should seek the participation of states, provinces, territories and other stakeholders in working towards harmonization of macro level environmental policy.

7. Energy

Canada and the United States are increasingly dependent upon one another in the realm of energy. Due to its market size and proximity to Canada, the United States is the primary purchaser of energy produced in Canada. The nature of the energy relationship has added complexity to Canada's attempts to make its energy production more environmentally sustainable.

7.1 Sustainable Oil Production

The Government of Canada and relevant provincial governments, in close consultation with members of the petroleum industry, should

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develop a sustainable development strategy for oil production. Toward this end, the federal government should especially work in close association with the Government of Alberta to develop alternative energy sources including nuclear power to replace natural gas as a primary energy input in oil sands extraction and processing.

The gradual elimination of the accelerated capital cost allowance that encouraged oil sands development, as outlined in the Federal Budget of 2007, is a necessary tax structure adjustment. However, unless further action is taken, tar sand production will continue to emit substantial quantities of greenhouse

- Canada has the world's second largest oil reserves
- 96% of US electricity imports come from Canada
- 17% of US energy imports come from Canada

gases. A dramatic decrease in oil sands production is impractical and also unfavourable for the Canada-US relationship. Since greenhouse gas emissions are largely the result of using natural gas as a primary energy input in the production process, a shift away from natural gas towards nuclear energy and other clean alternatives can benefit the environment while also ensuring steady oil production in Canada.

- Given the trans-provincial effects of industry on the environment, the federal and relevant provincial governments should develop a sustainability strategy to guide future oil production. During this process, the governments must consult relevant industry members.
- Working closely with the Government of Alberta, the Government of Canada should seek to develop alternative energy sources including nuclear power to replace natural gas as a primary energy input in oil sands production. This long-term solution will result in the substantial reduction of the amount of greenhouse gases emitted by the production process.

7.2 Sustainable Energy Development

The Government of Canada should aid in the development of sustainable energy sources by working with the provincial governments to further stimulate both the demand for and the supply of such resources.

The long-term future of energy production lies not with oil and natural gas, but with sustainable and renewable energy sources. When taking into consideration the likelihood of an increase in demand for energy from the United States, the Canadian government should employ a certain degree of foresight to create its energy policy. Canada can main-

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tain its advantage in energy exports by making the necessary preparations to further develop the capacity for sustainable energy production.

- The Government of Canada should work in collaboration with the provinces to develop a framework for encouraging greater development in the area of renewable energy resources, which can then be used in Canada and exported to the United States.
- Such frameworks should include measures to promote domestic demand for renewable energy. This can be accomplished by increasing renewable energy integration into the existing energy grid and implementing tax incentives for the use of such energy.
- Federal funding for provincial and private programs that promote either the supply or demand of renewable energy should be increased and expanded.

8. Water

In its April 29th, 2004 survey, Ipsos-Reid found that 97% of Canadians agree with the statement “Canada should adopt a comprehensive national water policy that recognizes clean drinking water as a basic human right”. It is vital that the Government of Canada ensure that a continuous supply of water be provided for present and future generations of Canadians.

With the likelihood of future increase in pressure from the United States to trade and privatize this precious natural resource, the government must be prudent to protect the country’s comparative advantage in water by treating it as a strategic resource.

8.1 Conservation

In order to ensure a secure water supply for Canadians as well as North Americans over the long term, the Government of Canada should collaborate with key stakeholders to increase accessibility to water-efficient products and should establish federal funding to increase the effectiveness of local conservation programs.

Since it is likely that issues of water scarcity will soon become a cause for potentially heated political conflicts among nations, the government should further develop viable long-term water conservation policies.

- Similar to the existing EnergyStar program, the government should expand its efforts to work with industries in order to promote the

use of water-efficient appliances (for commercial or residential purposes) by providing rebates or tax relief for citizens who purchase these products.

- Several cities across Canada have initiated conservation programs that include residential “water conservation kits,” which contain various water-efficient appliances at a relatively affordable price. The Government of Canada should offer a reasonable grant to each province aimed at assisting in the provision of similar kits and reducing the prices of these kits. Further, the federal government should seek to expand these and other such programs to include all of Canada. Federal grants should also be directed towards improving and encouraging water recycling and other programs that assist in conservation.

The Energy Star program is an international program to promote energy efficiency in consumer appliances by placing its recognizable logo on all its certified products.

Water Conservation Kits are tools which help households reduce their water usage levels by providing tools to detect leaks and inefficient showerheads, faucets and other devices.

8.2 National Legislation and International Agreements

In order to protect Canada’s comparative advantage in the natural resource sector of water, the Government of Canada should update the current National Water Policy and re-introduce the Canada Water Preservation Act into legislation. In addition, the government should negotiate an explicit agreement under NAFTA that reflects the 1994 Canada-United States-Mexico declaration on water.

Canada Water Preservation Act: Introduced in 1988 but never passed, the bill opposed large-scale water exports and bounded both the private and the public sector. It granted the government wide-ranging regulatory power and mandated thorough environmental assessments before any export license could be issued.

Although many domestic and international provisions have been made in regards to water conservation and restriction of water as a tradable commodity, the government should ensure these statements become legally binding in both national and international law.

- An updated National Water Policy should ban the exporting of bulk water, restrict new potential diversions and assert the strong role of the Government of Canada in international water issues.
- This revised National Water Policy should be supplemented by the re-introduction and passage of Bill C-156, the Canada Water Pres-

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ervation Act.

- The principles agreed upon in the joint statement on water (presented by the governments of Canada, the United States and Mexico) should be reiterated as an amendment to NAFTA, in order to ensure that there is an explicit NAFTA exemption for all water other than bottled.

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APPENDIX: SUMMARY OF POLICY RECOMMENDATIONS

A. BUILDING INSTITUTIONAL CAPABILITIES TO SECURE OUR SHARED OBJECTIVES

1. Building Institutional Capacity

1.1 Canada-US Joint Cooperation Commission

Canada and the United States of America should create a permanent joint agency with representatives of all relevant national departments and agencies involved in trade and security. Their mandate will be to deal with non-political technical issues, specifically related to our mutual borders.

1.2 North American Council of Ministers

Canada, the United States of America, and Mexico should create a permanent standing forum for ongoing communication and discussion on security and trade issues.

1.3 Regulatory Harmonization

Canada and the United States of America should work towards achieving a harmonious regulatory standard for drug and food safety.

2. Making Security a Priority

2.1 Enhancing North American Port Security

To ensure the safety of peoples on both sides of the 49th parallel and continuity of trading relationships, governments should seek to enhance port security by providing adequate funding for new policing personnel and VACIS scanners where relevant. Furthermore, policies requiring the mandatory inspection of empty containers and the security clearance of personnel in key positions are of the utmost importance.

2.2 Expanding Integrated Border Enforcement Teams Program

Canada must continue to work towards strengthening the world's longest undefended border by expanding the Integrated Border En-

forcement Teams (IBETs) program particularly on busy crossings which utilize the NEXUS and FAST programs.

B. POLITICS AND PUBLIC DIPLOMACY

3. Canadian Diplomatic Affairs in Washington

3.1 Take Advantage of Emerging Media

To stay relevant, competitive, and effective, Canadian diplomats should continue to create new and innovative lobbying strategies; financial and personnel resources should be allocated to this end.

3.2 Create a More Robust Diplomacy

To stay efficient Canada should attempt to increase its presence on Capitol Hill. The Canadian embassy must continue the development of such programs as the Government of Canada Congressional Analysis and Research Tool (GoCCART).

4. Importance of the Sub-National Relationship

4.1 Developing the Relationship

Foreign Affairs and International Trade Canada, in concert with provincial premiers and intergovernmental affairs ministers, should coordinate the Continental Council, an annual summit for Canadian premiers and a broad cross-section of American governors. A conference chaired jointly by the Minister of Foreign Affairs and the American Secretary of State or Ambassador to Canada would help elevate the profile of bilateral cooperation of trade, security and disaster prevention issues.

5. Anti-Americanism in Canada

Canada has the opportunity to strengthen its partnership with the US by fighting anti-Americanism at home. To do this Canada should adopt a Triple P Platform; an initiative aimed at the three most important sectors of Canada when it comes to American policy: The Parties, The People, and The Public Service.

5.1 Influencing Parties

Political parties must be charged by their own morals and be pressed to realize that the long term negative affects of campaigning around anti-Americanism outweigh the short term gains of catering to Canadian's reactionary tendencies of responding to anti-Americanism during political campaigns.

5.2 Influencing People

The most important target group is the Canadian people, for the voters strongly affect the actions of the parties and the public service.

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The public/civil service must create stronger sustained working relationships with their counterparts in the United States. When political leaders are experiencing turbulent relationships and the public sentiment towards the US is at its worst, the bureaucracy of both countries must persist in mutual long-term cooperation.

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