

## COMMENTARY

# U.S. relationship has trends

## Canada in unique position to improve situation with its neighbour

BY COLIN ROBERTSON  
SPECIAL TO THE VANCOUVER SUN

Living next door to the American giant can at times be frustrating and even uncomfortable for Canadians. Yet proximity to the world's biggest and most productive economy has given us access to a preferred market, and helped to deliver a high level of prosperity. Perhaps no other country can play the "American game" as well as Canadians, but then again no other country has the same interests when it comes to America.

Below is a look at the challenges that Americans face that will influence Canada and B.C. in the coming years, as well as some suggestions to advance our interests vis-à-vis the United States:

• **Security is now America's abiding pre-occupation:** Canada needs to re-frame the "border debate" to one that looks at a common approach on visa policy and perimeter border security. This will present domestic political challenges in Canada but, set against the costs of a thickening border and with the benefit of enhanced North American security, it is a case worth making.

• **Smart partnerships:** It is time to begin discussions aimed at Canada-U.S. "smart economic part-

nerships" that move toward harmonized regulatory standards, a common customs platform, and greater labour mobility.

• **Being there:** We need to expand the presence of Canadians in the U.S., with a stronger mandate to market and promote Canada. By targeting state legislators, governors, and local chambers of commerce, it should be possible to develop a strong positive image of Canada as friend, ally and partner. After all, four of the last six presidents were governors.

• **Permanent campaign:** To advance and safeguard Canadian interests requires a permanent campaign of outreach and advocacy, with a clear plan of engagement. The flip side is the need to constantly remind Canadians of the central importance of the American relationship.

• **Investment promotion:** Given Canada's modernizing and upgraded infrastructure, relatively sound fiscal position, competitive taxation structure, and strong financial system, combined with traditional strengths (such as resources, labour, culture), we are well-positioned to take advantage of a recovery in economic activity and in business investment. Canadians should aim to rise from a middle-ranking investment destination to one that stands much taller in the eyes of

global businesses.

• **Joint R&D:** Far-sighted investments have given Canada expertise in numerous fields. National leadership would provide the framework for the necessary and practical follow-up by premiers, provincial ministers and university presidents to deepen cooperation with their American counterparts.

• **2010 Olympics as a trampoline:** Tourism promotion, marketing Canada as a "clean" and "green" destination, should be part of Canada's strategy for targeting Americans looking for a holiday that is safe, economical and close to home. This is a particular opportunity for B.C.

• For B.C., as with every province, the U.S. is our principal trading partner, and the biggest source of foreign investment and tourism. Here is how we can enhance this relationship:

• **Regional and national collaboration:** While national leadership is essential, history has illustrated the advantages of initiating collaboration with neighbouring American states, both bilaterally and through initiatives like the Pacific Northwest Economic Region.

• **Council of the Federation:** The council is playing an important role as an incubator for smart policy development. It should meet at least annually with

the U.S. National Governors' Association with the goal of enhancing competitive advantages especially around state, provincial and local procurement policies.

• **Clean energy:** Through the hydrogen highway and its participation in the Western Climate Initiative, B.C. can provide a platform for commercial development of clean energy in North America but, in the longer term, into Asia as well.

• **Water:** Environmental issues will only increase in importance in the coming decade, particularly around the supply of water. A national water policy has been created, but there is considerable scope for innovative work at the provincial level. This is particularly true for BC.

• **Crime:** There is a risk that if the American war on drugs south of its border is successful (to be determined), it could turn its attention to Canada, especially the existing routes in B.C. used in the marijuana trade. Such a development would have significant negative implications for efforts to "thin" the Canada-U.S. border. There is also a perception, based in part on Vancouver's Downtown Eastside experiment with

safe injection sites, that B.C. has a permissive climate for drug trafficking and related criminal activity. This perception needs to be addressed.

• **Promoting creativity:** It makes sense to continue investments in supportive infrastructure — roads, Port of Vancouver and YVR, universities and knowledge industries — to attract talent and contribute to Vancouver as a place to live, work and raise families.

• **Smart immigration:** B.C. was one of the first provinces to take advantage of the "provincial nominee" program. In the coming decades, especially given global demographic trends, the search for talent is sure to become increasingly competitive. B.C. should step up its recruitment efforts, and could do so in collaboration with other western provinces.

*Colin Robertson is a Distinguished Senior Fellow at Carleton University's Norman Paterson School of International Affairs. He helped negotiate the Canada-U.S. Free Trade Agreement and NAFTA, and will be a panelist at next week's B.C. Business Council Summit in Vancouver.*



COLIN ROBERTSON'S FULL BRITISH COLUMBIA BUSINESS COUNCIL OUTLOOK 2020 DISCUSSION PAPER CAN BE READ AT VANCOUVERSUN.COM/BUSINESS