



Prime Minister Trudeau's Visit to the United States

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Canadian Prime Minister Mr. Justine Trudeau will be visiting the United States thrice in March 2016, for a state-level visit, to speak to a women's group and for a nuclear summit. The first of his commitments and also the most anticipated was his first official visit to the United States on 10 March 2016. He became the first Canadian leader in almost two decades to be welcomed by the White House with a state dinner. Beyond the symbolism, it's an important relationship for both countries, the United States gets more oil from Canada than any other country and it's one of Canada's biggest trading partners. The visit was seen as one which provides an opportunity for the United States and Canada to deepen their bilateral relationship, which is based on a shared history, common values, and a vast and intricate network of cultural, familial, and commercial ties. The visit was also with an intention to advance cooperation on important bilateral and multilateral issues, such as energy and climate change, security, and the economy¹. Foreign Affairs Minister Stéphane Dion, along with Defence Minister Harjit Sajjan, Fisheries and Oceans Minister Hunter Tootoo, International Trade Minister Chrystia Freeland and Environment Minister Catherine McKenna were some of the members of the Prime Minister's delegation.

As expected, climate change was a key topics of discussion between Prime Minister Trudeau and President Barak Obama. The two have been vocal about their support to develop a multidimensional continental climate-change strategy for low carbon economy,

with Mexico. The two countries pledged to implement the provisions of the Paris agreement and double their investments in clean energy research and development.

In the joint press conference it was announced that, Canada would be joining the US in the latter's aggressive goal to bring down methane emissions in the oil and gas sectors in both of countries, and together move swiftly to establish comprehensive standards to meet that goal. They would also be working together to phase down HFCs and to limit carbon emissions from international aviation. The two nations announced a new climate and science partnership to protect the Arctic and its people. President Obama also invited Canada, to the White House Science Ministerial on the Arctic to deepen cooperation in this vital region.²

On the issue of security, the United States is persuading Canada to adopt an exit/entry system that will track the movement of everyone who leaves the United States or Canada with the information available to authorities in both countries. The entry-exit initiative is a key element of the highly touted perimeter security deal intended to help ease the passage of travellers and cargo across the Canada-US border while bolstering continental security. The Federal Privacy Commissioner's Office of Canada has raised concerns about this record system that plans to keep information for 75 years. For future phases, Canada will keep personal information on all travellers for 15 years in "personalized" form and for another 15 years stripped of personal details, for a total of 30 years. However, the United States has indicated it plans to keep information collected under the program for anywhere from 15 to 75 years, or possibly longer, depending on the circumstances. They have agreed to implement the policy "even as (they) uphold the privacy and civil liberties of (their) respective citizens". The two have agreed in principle to expand preclearance to the following sites: Billy Bishop Toronto City Airport, Québec City Jean Lesage International Airport, Montréal Rail, and Rocky Mountaineer to allow for faster movement of people of both countries.

On international security, the fight against the Islamic State in Syria is a key issue for the two NATO members. Prime Minister Trudeau made good on his campaign promise and

withdrew Canada's fighters from the American led mission against the Islamic State group but more than doubled the number of military trainers on the ground. Canadian Defence Minister Mr. Sajjan has announced that Canada would triple its current contingent of 69 Special Forces trainers currently working with northern Iraq's Kurdish Peshmerga fighters, as well as plan to double Canada's intelligence-gathering assets. This addition has been welcomed by the White House, and it was further announced that the two countries would be working closely together to prevent the flow of foreign fighters, and agreed to share more information, including with respect to the no-fly lists.

Prime Minister Trudeau has also defended his government's 25,000 Syrian refugees resettlement programme in face of criticism that they would be a security risk, by pointing out that Canada was conducting its own security checks on the backgrounds of the refugees. In an interview to the CBS News, he stated that, "We were able to actually go and pick and choose and screen and bring over the people we chose. And that gives us a much greater level of control and attention over who's actually going to come in." He further stated that, "Ultimately being open and respectful towards each other is a much more powerful way to diffuse hatred and anger than ... big walls and oppressive policies."³

On economic issues, the United States wants Canada to join its Trans-Pacific Partnership deal, but is respectful of the process of public consultations that are going on. On its part, Canada is not allowing the rejection of the Keystone XL Pipeline project⁴ by the United States to be a roadblock in its relations. The United States and Canada recognised the importance of regulatory cooperation to promote economic growth and benefits for their consumers and businesses. The U.S.-Canada Regulatory Cooperation Council will: 1) generate and implement new regulatory cooperation initiatives; 2) engage business and consumer expert groups to identify where and how regulatory cooperation could provide benefits to improve the health and safety of the citizens; and 3) help agencies and departments to put in place ambitious commitments and work plans by early this summer (2016).⁵

The most important issue that was expected to be resolved between the two heads of government is the long standing trade dispute between Canada and the United States on the softwood lumber deal. The dispute centred on stumpage fees – set amounts charged to companies that harvest timber on public land. Many in the United States see Canadian stumpage fees as being too low, making them de facto subsidies. A United States coalition of lumber producers wants the provincial governments to follow the American system and auction off timber rights at market prices.⁶ The renewed interest in housing in the United States has meant that the industry in both countries is looking to take advantage of the potential for growth.

Disputes on softwood lumber have simmered for more than 20 years, but the differences came to the forefront in May 2002, when the United States imposed duties of 27 per cent on Canadian softwood lumber, arguing that Canada unfairly subsidized producers of spruce, pine and fir lumber. Canada's protracted dispute with the United States over softwood lumber finally ended in April 2006 with an agreement that would require the United States to return about 80 per cent of the more than \$5 billion in duties it had collected on lumber imports. The deal was signed in July 2006. The deal removes tariffs on lumber, but includes export taxes that kick in if the price of lumber drops. Producers would have to pay an export tax between five per cent and 15 per cent depending on the price reduction.⁷ The agreement expires in October 2015 but a standstill clause prevents the United States from trade actions for one year. That time period ends in October 2016. It is speculated that it would be difficult to revive the old agreement and it is difficult to arrive at a new deal that is agreeable to the industry on both sides of the border. Nonetheless, it was stated by the two heads of government that the matter was discussed and their “teams are already making progress on it”. President Obama went on to state that, the issue has been a longstanding bilateral irritant, but hardly defines the nature of the US-Canadian relationship.

The United States and Canada share two borders and their bilateral relationship is one of the closest and most extensive in the world. There were differences between the government of Prime Minister Stephen Harper and President Obama, with Prime Minister

Trudeau's government relations have strengthened. Questions have been raised on his visiting the United States, when it is in the process of electing candidates for the presidential position and talking to a president who is in his last year in office. By the end of 2016, Canada would be hoping to forge its relations with the new President of the United States. With the Democratic candidates, Canada finds similarity on the issues such as climate change. From among the Republican candidates, some have expressed interest in reviving the Keystone project, while there are difference with some on the crisis in the Middle East and the refugee problem that has steamed from it.

During his campaign Prime Minister Trudeau had called for building a constructive relationship with the United States to find solutions to issues that confront both nations. It is unlikely that a change in Presidency will change this view, but the close relations he builds with the United States will continue into the next Presidency.

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The Views expressed are that of the Researcher and not of the Council.*

End Notes:

¹ Office of Press Secretary, The White House, "Statement by the Press Secretary on the Official Visit of Canadian Prime Minister Justin Trudeau", <https://www.whitehouse.gov/the-press-office/2015/12/28/statement-press-secretary-official-visit-canadian-prime-minister-justin>, (Accessed on 07 March 2016).

² Office of the Press Secretary, The White House, "Remarks by President Obama and Prime Minister Trudeau of Canada in Joint Press Conference", <https://www.whitehouse.gov/the-press-office/2016/03/10/remarks-president-obama-and-prime-minister-trudeau-canada-joint-press>, (Accessed on 14 March 2016).

The U.S.-Canada Joint Statement on Climate, Energy, and Arctic Leadership is available here <https://www.whitehouse.gov/the-press-office/2016/03/10/us-canada-joint-statement-climate-energy-and-arctic-leadership>

³ CBS 60 minutes, "Prime Minister Trudeau", <http://www.cbsnews.com/news/60-minutes-prime-minister-trudeau/>, (Accessed on 07 March 2016).

⁴ Keystone XL Pipeline, a proposed 1,179-miles (1,897km) cross border crude oil pipeline beginning in Hardisty, Alberta, Canada, and extending south to Steele City, Nebraska, USA, was rejected by President Obama late last year. It would have carried crude oil obtained from oil sands in Canada.

⁵ The Office of the Press Secretary, The White House, “FACT SHEET: United States – Canada Relationship”, <https://www.whitehouse.gov/the-press-office/2016/03/10/fact-sheet-united-states-%E2%80%93-canada-relationship>, (Accessed on 14 March 2016).

⁶ CBC News, “Softwood Lumber Dispute”, http://www.cbc.ca/news2/background/softwood_lumber/, (Accessed on 07 March 2016).

⁷ Ibid.