

Kansas State Senate
Committee on Commerce

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Presentation Notes on
Partners in Prosperity:
The Kansas-Canada Relationship

Remarks delivered at 9:00AM – 10:00AM CST

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REMARKS

Ladies and Gentlemen of the Commerce Committee, I would like to thank you for this incredible opportunity.

It is an honour and a privilege to speak with you today about what's new in Canada and how we can advance economic interests for the benefit of both our countries.

First and foremost, let me begin by saying that this is an exciting time for Canada-U.S. relations.

Last October, Canada elected a new Prime Minister, Justin Trudeau, setting forth a new mandate and list of priorities.

At the top of his list is improving relations with the United States. This will kick-off officially when the Prime Minister visits Washington D.C. next month for the first official visit and state dinner of a Canadian Prime Minister to the U.S. in 19 years.

Of course, while Ottawa and Washington set the course for our relationship, we all know that much of the work is done at the state level.

Which is why I'm happy to be here today to explore opportunities to deepen the Canada-Kansas relationship.

Canada is proud to count the United States as its number one partner, friend and ally.

Canada boasts strong, unique relationships with each of the 50 states, and Kansas is no exception.

In fact, the Canada-Kansas trade relationship is worth \$4.2 Billion.

How big is that in relative terms? That is greater than Kansas's trade with China (\$1.2 Billion) and Japan (\$828 Million) combined.

Not to mention that Kansas enjoys a generous trade surplus with Canada – meaning we buy more from you than you buy from us.

In addition, Canada is also a significant investor in Kansas, with Bombardier, Great West Financial, BMO Harris Bank and 74 other great Canadian companies contributing to the economic well-being of the state.

So what does this all mean in practical terms?

Well, firstly, it means jobs. More than 84,000 jobs in Kansas rely upon trade with Canada.

As you're probably aware, the top industry for exchange between our two economies is aircraft.

What you might not know is that this is a highly integrated partnership.

For example: Kansas imports aircraft parts and engines from Canada, assembles them in Kansas with local workers, and then sells back complete airplanes to Canada and the world – Whether it's Bombardier, Boeing or Beechcraft.

Even better, for every \$1 the U.S. buys from Canada, \$0.25 worth of that product originated in America. Another example of how we make things together.

We also do a great deal of business in cars, agricultural machinery and construction materials.

And of course, there are the more niche business opportunities as well.

For example, right now at KSU, there is a program operating in partnership with Waterloo's Aeryon Labs, a company that specializes in advanced drone technologies.

Together, KSU and Aeryon are developing a specialized type of drone that can be used for land surveillance, specifically with farming and ranching in mind. As you can imagine, there would be many applications for such technology, everything from monitoring herds at night to pest control to soil assessment informing crop rotations.

Or, if drones aren't your thing, how does everyone feel about party balloons?

The reason I ask is that Pioneer Balloon Company, which is based in Wichita, is a prime example of North American trade working the way it's supposed to.

Pioneer manufactures more than 1.5 billion latex, foil and plastic balloons a year, and to meet such high production demand they have strategically placed factories in different regions across North America, including one which is a popular employer in Hamilton, Ontario.

There are more examples I could share of course, but I think the message is clear:

Canada and Kansas are partners in prosperity.

We share everything from the same time-zones to business standards. We speak the same language and we share the same values.

When you buy Canadian products, you can be assured that you are buying from a country that is a friend to the United States.

Our mutual safety is ensured through our deep commitment to one another's security. Our two nations share intelligence at unprecedented levels, and integrated forces can be found from NORAD command to the border patrol.

It's true that we share a special relationship, and it is one that I believe can be even stronger.

My office is always on the lookout for opportunities to deepen and grow connections between Canada and Kansas. We want to work with lawmakers such as you in order to create the most productive and seamless environment we can to make trade possible.

A good day for our team is assisting Kansas companies with investments, acquisitions or technology partnerships in Canada.

Business wants to thrive. Let's make that happen together.

To achieve such goals, I'm interested in building relationships that will inform and drive policy that is in our mutual best interest.

This is why Canada is opposed to protectionist measures, such as Buy America and Country of Origin Labeling – or COOL – laws, that place onerous barriers on businesses and hinder the exchange of goods.

Of course, as I am here before you today, COOL can now be used as a good news story and a prime example of our commitment to solve problems together.

We are very grateful to the many advocates in Kansas, and in particular to Senator Pat Roberts, for his tireless work to fix COOL.

This was a major victory not just for Canada, but for the U.S. as well. As many of you here in Kansas know well, agricultural exchange is a cornerstone for our mutual economic prosperity.

Just as we solved COOL, Canada is dedicated to working with you to address any and all issues that could potentially threaten our mutual economic prosperity.

Those that have followed developments on Canada-U.S. relations over the last several years probably noticed that I didn't kick off this speech with a certain pipeline.

While the outcome of this particular project was not what we had hoped for, energy remains, and will continue to be, a fundamental component of our relationship.

Canada is the number one supplier of all forms of energy to the United States.

Our energy infrastructure – including oil and gas pipeline networks and electricity grids – is highly integrated.

As partners, we will tackle the challenges of the next century, from energy security to environmental responsibility.

And Kansas has an important role to play. This is a beautiful state with abundant resources, from the people who grow our food to the wind that blows across your plains.

While it will never be possible for everyone to agree on everything, there will always be opportunities to work together to advance mutual interests.

That starts today.

Thank you. I now welcome your questions and comments.