Chair’s Letter

In the summer of 2013, I convened my fellow Governors and Premiers on Mackinac Island to reinvigorate our shared work. In just three years, we have made a tremendous amount of progress. We relaunched and reimagined our program to combat aquatic invasive species. Together, we’ve made such great strides that our work was recognized with a prestigious national award. We plan to build on our successful partnership, and we remain committed in our fight against aquatic invaders.

On Mackinac Island, we held the first meeting of the Great Lakes Compact Council and Regional Body to include the member Governors and Premiers. Our collaboration has continued and, following many months of hard work, our regional organizations reached consensus on Waukesha’s Great Lakes water proposal.

Separately, on Mackinac Island we created a new partnership to reinvigorate the Great Lakes-St. Lawrence maritime transportation system. Last month, we completed a comprehensive regional strategy, the first of its kind. Following through on the strategy’s promise will be just one part of a broader effort to stimulate the regional economy in coming years.

We have made significant progress in a relatively short amount of time. Working together, we will accomplish even more in coming years.

—Rick Snyder
Chair, Conference of Great Lakes and St. Lawrence Governors and Premiers
Governor, State of Michigan

First-Ever Regional Maritime Transportation Strategy Released

On June 15, the Conference of Great Lakes and St. Lawrence Governors and Premiers released the first-ever regional strategy for the Great Lakes-St. Lawrence maritime transportation system. The strategy’s objectives are to double maritime trade, shrink the environmental footprint of the region’s transportation network, and support the region’s industrial core. Once fully implemented, the strategy will help grow the region’s maritime sector, which already contributes more than US$30 billion to the US and Canadian economies and accounts for more than 220,000 jobs.

“The maritime system connects regional markets with one another, and with the world. By leveraging maritime transport on the Great Lakes and St. Lawrence River, we can boost the region’s $5 trillion economy and create jobs throughout the region,” said Michigan Governor Rick Snyder, Chair of the Conference of Great Lakes and St. Lawrence Governors and Premiers.

“Improving maritime transportation is critical to our economies — in order to remain competitive in (continued on next page)
(continued from previous page) today’s global markets, we need to improve and expand the Great Lakes-St. Lawrence maritime transportation system,” said Ontario Premier Kathleen Wynne. “Our new strategy will help guide the sustainable development of maritime trade to ensure that future generations can enjoy the economic and environmental benefits of the region.”

The strategy includes a blend of policies, programs and projects to rejuvenate the regional maritime system. Ten-year implementation of the strategy is estimated at US$3.8 billion based on preliminary analysis. The States and Provinces will work with other levels of government, industry and other stakeholders to advance implementation of the recommendations over the longer term. Specific recommendations include:

• Constructing a second “Poe Class” Lock in Sault Ste. Marie, Michigan, to ensure the movement of vital raw materials like iron ore and coal.
• Dredging the system’s critical chokepoint - the St. Marys River - to its authorized depth of 27 feet, while a longer-term, system-wide analysis of bottlenecks is completed to make sure dredging dollars are used most efficiently.
• Developing recommendations for a treaty or other binding agreement between the US and Canada to cooperatively manage the regional maritime system, and harmonize regulations across levels of governments.
• Expediting the movement of goods and people across the US-Canada border by streamlining the customs clearance process for cruise passengers and maritime cargo.

“This new strategy will strengthen our region’s economic competitiveness in the global marketplace. These investments will make it easier, faster, and cheaper to move iron ore and other goods from here to other U.S. and overseas markets,” said Minnesota Governor Mark Dayton.

“I am very pleased with this new regional initiative, which provides concrete evidence of the level of leadership and commitment by the Conference of the Great Lakes and St. Lawrence Governors and Premiers toward leveraging our maritime and logistical assets as engines of sustainable growth and competitiveness. It dovetails nicely with the priorities and objectives of Québec’s Maritime Strategy, launched in 2015 and demonstrates once more the relevance for Québec to be a member of this forum,” said Québec Premier Philippe Couillard.

The Governors and Premiers led the development of the strategy in a collaborative and transparent process along with representatives of government, industry, environmental groups, and other regional partners. The strategy reflects a regional consensus on supporting the Great Lakes-St. Lawrence maritime system as a backbone of the economy. The successful implementation of the strategy will require ongoing collaboration between the States and Provinces, industry, the two federal governments, local governments and other key stakeholders. Work will be ongoing in coming years to realize the strategy’s promise. The strategy can be accessed HERE.

Conference to Lead Trade Mission to Poland and Romania

From November 6-11, the Conference will lead a multi-sector trade mission to capitalize on the growing markets of Poland and Romania. Small- to medium-sized companies from the Great Lakes-St. Lawrence region will receive customized business-to-business appointments to meet with potential distributors, partners and end users in both countries. Participants will also benefit from in-country briefings, networking events and logistical support.

Grant funding is available in many States to offset mission participation fees and travel costs. Further details on the trade mission are available HERE. The mission registration deadline is August 31, 2016.

Key Sector Opportunities in Poland and Romania:
In June, the Conference and BMO Capital Markets jointly released an economic report to assess the regional economy and its competitiveness. The report finds that the economy of the Great Lakes-St. Lawrence region will build on 2015 growth of over 2% and continue its expansion in the current year. Growth will be fueled by bright spots in manufacturing, housing and consumer expansion, among others. The region's economic output is estimated at $5.8 trillion which would rank as the third largest economy in the world if it were a country. Still, some longer-term issues remain for the region's economy. Labor costs are in focus as the factory sector seeks to remain competitive, while productivity growth has slowed; demographic headwinds are blowing; and policymakers are working to keep finances in order, as well as facilitating cross-border trade flows.

In conjunction with the report’s release, the Conference is creating a regional economic task force. Ohio Lieutenant Governor Mary Taylor will serve as Chair. The group’s most immediate focus will be working toward easing cross-border trade, supporting key economic sectors and boosting regional productivity. The economic report can be accessed HERE.

ECONOMIC DEVELOPMENT

Compact Council Approves Waukesha Great Lakes Application

On June 21, the Great Lakes-St. Lawrence River Basin Water Resources Council (Compact Council) approved the city of Waukesha, Wisconsin’s application for Great Lakes water. The application sought an exception to the Great Lakes Compact’s ban on the diversions of water from the Great Lakes-St. Lawrence River Basin. The Compact Council, composed of the Governors of the eight Great Lakes States, voted to approve with conditions the diversion of 8.2 million gallons of water per day from Lake Michigan to Waukesha, and required Waukesha to return an equal volume of water to the Lake Michigan watershed. The treated wastewater returned to the Lake Michigan watershed will be required to meet Clean Water Act water quality discharge standards.

Waukesha submitted its original application to the State of Wisconsin in 2010, and Wisconsin forwarded Waukesha’s revised application to the Regional Body and Compact Council on January 7, 2016. On the same day, the Regional Body and Compact Council launched a website (www.WaukeshaDiversion.org) to provide the public with information about the application and to accept comments. A two-month public comment period began on January 12 and ended on March 14, and during that time more than 11,000 comments were received from the public. On May 18, the Regional Body voted to issue a Declaration of Finding on the application, with the final vote of the Compact Council taking place on June 21. Further information is available HERE.

Governors and Premiers Launch Economic Task Force

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Conference Awarded for Innovative AIS Work

In June, the Conference received a national award for its program to combat invasive species from the Reduce Risks from Invasive Species Coalition (RRISC). RRISC is a national partnership of public- and private-sector organizations that works to reduce risks posed by invasive species to the economy, environment and public health. The award recognized the Conference’s work in three major areas:

- Developing an innovative Mutual Aid Agreement to facilitate cooperation and the sharing of resources among the States and Provinces in the event of a serious AIS threat;
- Identifying and advancing measures to restrict the transfer of the “least wanted” AIS that pose a particular threat of invasion and harm;
- Launching a regional pilot project to harmonize AIS laws and regulations among the States of Michigan and Ohio and the Province of Ontario.

In making the award, RRISC commended the Conference’s innovative approach as a model of cross-border cooperation for other regions. The Conference and its member States and Provinces continue to aggressively combat invasive species, in collaboration with the Great Lakes Fishery Commission and other partners. Further information on the Conference’s invasive species program is available HERE.

International Media Tour Regional Destinations

Great Lakes USA recently hosted media from London, Dublin, Berlin and Hanover, Germany on a regional familiarization tour. Highlights included visits to Anderson Japanese Gardens in Rockford, Illinois; ballooning over Galena, Illinois; driving along the original Route 66 near Springfield; riding in an Indy car in Indianapolis; and touring Millennium Park in Chicago.

Further information on Great Lakes USA is available HERE.