

## **CGLI President Kathryn Buckner Promotes the Great Lakes Economy in Comments to the Great Lakes Commission**

*On October 7, 2016, CGLI President Kathryn Buckner participated in a panel at the Great Lakes Commission's Annual Meeting in Toronto, ON that addressed the importance of the Great Lakes economy and the need for a coordinated and collaborative regional economic agenda. A copy of her comments appears below.*

Good morning, and thank you Tim and Commissioners, for this opportunity to offer the perspective of the Council of Great Lakes Industries on the importance of the Great Lakes economy.

CGLI was created 25 years ago so that industry could be an active participant in the development of policies and programs that affect the Great Lakes. Our members are large US and Canadian companies that have a significant footprint in the Great Lakes and an interest in sustainable development. By that, we mean that we support human activity in the basin (especially, in our case, industrial activity) that promotes a vibrant regional economy while protecting and restoring the Great Lakes and the regional environment. In addition to companies, our membership includes national industry associations – like the American Forest and Paper Association and the American Chemistry Council -- that look to CGLI to monitor and provide coverage on regional issues, including, and these days especially, water.

The purpose of this panel is to begin a discussion about the regional economic agenda. As many of you know, CGLI has been thinking about the regional economic agenda since we were created in 1991. In fact, you may or may not know that for several years in the 1990s CGLI published a quarterly report on the binational Great Lakes economy. At that time, one of the most serious concerns about the regional economy was the decline in the manufacturing sector, which of course was and continues to be an enormous driver of regional economic activity. CGLI published the economic report as an adjunct to its environmental policy work to remind and sometimes to inform policymakers and the public that concern over the health of the economy must go hand-in-hand with concerns about the health of the environment. We cannot have one without the other.

CGLI is in its 25<sup>th</sup> year, and some of the people who were instrumental in its formation and passionate about its mission and purpose are still around. One of them is Skiles Boyd of DTE Energy, who participated in the climate impacts panel this morning. DTE Energy has supported and guided CGLI for 25 straight years; Skiles has been involved personally for 15 years. DTE Energy is only one company that has supported CGLI over the years. In all, 76 major corporations have been members of CGLI at various times in its 25-year history. In fact, the average length of membership is greater than 7 years, and more than 1/3 of CGLI's member companies have kept up their memberships for more than 10 years. CGLI's member companies are extremely committed to Great Lakes issues and to CGLI.

The folks who have been around that long remember the days when industry had to elbow its way into the rooms where natural resource, water resource and chemical management policy was being developed. In my experience with CGLI over the past five years, however, industry has not had to elbow its way into most policy discussions. We've talked about "watershed moments" and "sea change" this week in a number of contexts during the Great Lakes Public Forum; clearly there's been a significant change in the past 25 years in the region's acknowledgement of the importance of both the economy and environment.

So what does that economic agenda look like? Back in 2010, CGLI and its members crystalized some ideas on what policy must exist in the region in order for an economic agenda to succeed. The ideas

reflected in this policy statement were not newly formed in 2010 – they were operating principles for CGLI for a long while before 2010 – but in 2010 the membership saw the need to write them down as a formal position statement.

There are five principles.

- First, the region should attract new industrial activity - and the jobs new industry provides – but also must ensure that the industry sectors that built the regional economy into the powerhouse it is today continue to provide the economic foundation. We make stuff in the Great Lakes region and we should continue to do so.
- Second, there is a need to preferentially attract capital to the region that supports world class manufacturing facilities and other industrial activity and that creates good jobs, but we need to deliver “products and services of the future.”
- Third, the region will have better luck strengthening the economy if we create – to the extent possible -- a regionally competitive business climate, not a fragmented or fractured economy defined by competitive agendas developed by neighboring jurisdictions. Only through regional collaboration and alignment will basin facilities be able to compete successfully with companies in other parts of the country and the rest of the world.
- Fourth, policymakers should assure continued access to – and promote responsible use of -- water and other natural resources. There is a tremendous opportunity to capitalize on the growing trend within Great Lakes companies to characterize their relationship with the natural environment in the context of stewardship and sustainability.
- And finally, and of course, regional policy must promote a healthy and enjoyable environment that will attract talented people to live and work in the basin.

The five principles reflected in this policy agenda remain relevant today, however general they might be. However, I would support adding an additional item to the list. The regional economic agenda must support the ongoing effort to create a strategic data and information management platform to support and inform the achievement of the objectives we establish for the region. Here, of course, I’m talking about the Blue Accounting platform. It may seem like an esoteric issue to raise in this general economic discussion, but the key thing about Blue Accounting is that it provides a framework for establishing, and demonstrating achievement toward, desired outcomes that we as a community establish for the Great Lakes. As you know, we at CGLI co-authored the original report to the Governors and Premiers that launched the Blue Accounting initiative and we continue to serve on the Blue Accounting Advisory Committee. We firmly believe that the Blue Accounting platform is a foundational element in the decisions we make regarding policy and economic investments in the Great Lakes.

We look forward to defining a regional economic agenda that will cement the interconnection between the economic powerhouse that this region represents – and particularly its future economic potential -- and the region’s spectacular natural assets. CGLI looks forward to contributing to the thinking that must occur. There is a real opportunity to understand the economy that exists now in the region and to work together to sort out what a sustainable, or “Blue,” regional economy means for the future.

Thanks again for offering me an opportunity to share these thoughts. I look forward to further discussion on these issues.