

Why it's so important for Trudeau to fix the Canada-U.S. border

Colin Robertson: The Globe and Mail Tuesday, Sep. 13, 2016

Call it the 9/11 effect. Fifteen years on we are still paying the price of that tragic day. It changed how we trade. Tourism to Canada by Americans has never recovered. It also altered, probably permanently, the easy trust that characterized what was once the "longest undefended border."

The trade effect with the United States is the most evident. A smart and secure border must be the Trudeau government's priority with the next administration.

Notwithstanding a series of initiatives – Smart Border, Security and Prosperity, and now Beyond the Border, the border has thickened. While rail shipments have increased, especially for oil in the absence of new pipelines, trucks remain the primary mode of cross-border transport although truck traffic is down almost 20 per cent since 9/11.

A study by Statistics Canada (2015) concluded that the premium paid to move goods across the border rose, from 0.3 per cent of the value of goods shipped prior to 9/11, to about 0.6 per cent after 9/11 because of inspection and a surge in paperwork required for passage.

Verification programs for "secured" carriers and goods and regulatory co-operation have mitigated border delays. But we are still awaiting the promised single electronic portal that will satisfy the information requirements of governments and their agencies.

The Nexus card, held by over one million Canadians, has become the fast pass with special lanes at the land border and at airports. It is smart security. Finding the baddies is like looking for a needle in a haystack. You shrink the size of the haystack through advance screening.

The "trusted traveller" formula is now being applied to employers because so much of our trade is intrafirm, including servicing, or moving goods as part of supply chain manufacturing, especially in the auto industry.

We still have work to do.

Both the U.S. Congress and our Parliament have yet to pass the enabling legislation for preclearance, benefiting travellers at Billy Bishop and Jean Lesage airports and those travelling south by train from Montreal and Vancouver. We also need to implement the long-promised Entry/Exit system that will give us an accurate portrait of who is coming and going within North America.

Tourism from the U.S. has not recovered: it is just over half of what it was in 2000.

We need to do a lot more to aggressively promote travel to Canada in the U.S., starting with the estimated 38 million Americans living within a two hour drive of the border. We are safe, we are close, and the U.S. dollar enjoys a 30-cent premium.

Part of the problem is the requirement for a passport. Only 38 per cent of Americans, compared to 70 per cent of Canadians, hold passports. Provincial governments should work with border states to make the smart drivers licenses, that also allow land border transit, the default option.

Canadians, meanwhile, continue to flock south. We spend over 238 million nights a year in the U.S.: over 8 million nights in Las Vegas and 91 million nights in Florida. And even with our drooping loonie, it is estimated that this year Canadians will spend \$20.5-billion in the U.S., with Americans spending \$9.5-billion in Canada.

The trust issue requires constant effort by Canadian leadership.

The 9/11 Commission worried about lax Canadian immigration standards. This was fixed by the Harper government. But still there is suspicion that Canada is the broken back door. In February, the Senate Homeland Security committee held hearings on Canada's decision to take in the Syrian refugees to be sure we were not taking any "shortcuts."

Americans feel more vulnerable, ranking terrorism second only to the economy and ahead of health care, according to a recent Pew survey.

Even while President Barack Obama was making his first official trip to Canada in February, 2009, drones began patrolling our shared border. Wisconsin Governor Scott Walker mused last year, while seeking the Republican nomination, about building a wall with Canada. A subsequent Bloomberg poll revealed that 41 per cent of Americans agreed with this idea.

The 9/11 effect has changed how Americans view the world and manage their borders. There is still too much emphasis on enforcement and not enough on expediting legitimate travel. If we have learned anything from 9/11 it is that the answer is not more guns, guards and gates but rather smart screening and risk management.

In our daily dealings with the U.S. we need to remind them that our shared economic prosperity is predicated on the ability to trade goods and services. But because Americans put a premium on security, Canadians need to constantly reassure them and visibly demonstrate that we have their back.