



EBTC INFORMATION BULLETIN

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SUBJECT: Business leaders seek faster Canada-U.S. border crossing after delays

SOURCE: Canadian Press

After a "summer from hell" at the Canada-U.S. border, business leaders in both countries called Tuesday for faster action to eliminate worsening bureaucratic hassles that are costing them big money.

"We've experienced the worst delays since 9-11," Stan Korosec, president of the Public Border Operators Association, told a session at the U.S. Chamber of Commerce.

"The volumes are down, the delays are up," said Korosec, who is also vice-president of operations at the Blue Water Bridge connecting Sarnia, Ont., with Port Huron, Mich.

"We ain't seen nothing yet."

Extra security checks, inadequate staffing and faulty computer systems are partly to blame, some business executives say.

Even among truckers who have enrolled in the FAST program that was supposed to speed crossings, 12 per cent are facing secondary screenings, said Ken Oplinger, president of the Bellingham-Whatcom Chamber of Commerce in Washington state.

It's not helping that faulty perceptions persist in the United States that Canada is a magnet for terrorists and soft on security, he said. "We have to do a much better job of telling the Canadian story to the United States."

Lawyer Barry Appleton complained that there is still no contingency plan to maintain cross-border trade - amounting to \$1 million a minute - in the event of another terrorist strike. The attacks on Sept. 11, 2001, shut down the border.

Wait times to cross between Windsor, Ont., and Detroit have almost doubled to nearly 24 minutes, said Korosec. Delays reached one hour on many days this summer at the Sarnia-Port Huron crossing.

Many are worried about big border tie-ups when the United States starts requiring passports at land and sea crossings as early as next summer.

The U.S. government is expected soon to formally endorse the idea of high-technology driver's licences as alternatives to passports. But Oplinger said Canada needs to get moving.

"What we're waiting on right now, frankly, is our friends in Ottawa ... to give it its blessing."

The chamber is also concerned about two bills in Congress that would impose new user fees on food and drugs going to the United States, in light of heightened concerns about safety.

If the bill are passed and apply to Canada, Canadian companies would pay 10 times more than those in China

and twice as much as the European Union, said Kelly Johnston, vice-president of government affairs for Campbell Soup Co.

"We've got to stop doing harm to the U.S.-Canada relationship," said Johnston. "And we've got to undo the harm that's already occurred."

In a speech to the chamber, Canada's Industry Minister Jim Prentice said the so-called Security and Prosperity Partnership struck among Canada, the United States and Mexico in 2005 can make a difference in cutting red tape.

But he acknowledged problems with the process, which critics have tagged as elitist and a hidden agenda to integrate the three countries. Some say these perceptions have struck a fatal blow to the whole concept.

"One thing both governments and the private sector have to do is demystify the SPP for the public," said Prentice.

"The objective of the SPP is both to advance security but also to remove challenges that undermine our prosperity - jammed borders, broken supply chains and reduced tourism can quickly lead to lost jobs."

The Ontario Chamber of Commerce has estimated border delays are costing the Ontario and U.S. economies \$13.6 billion a year, 62 per cent of that from American companies.

"It is a priority for me," Prentice said after his speech. "We can always improve on the circumstances at the border."

U.S. Commerce Secretary Carlos Gutierrez attacked as "absurd" stories that the SPP will lead to a common currency and a reputed continental superhighway.

"We get a lot of calls and e-mails about this at the Commerce Department," he said.

"There is no secret plan to create a North American union or a common currency or intrude on the sovereignty of any of the partner nations," he told the group.

Gutierrez said U.S. President George W. Bush puts a "tremendous value" on Canada-U.S. relations.

And Gutierrez said he's constantly looking at ways to ensure the SPP will outlast the Bush presidency.