

HOUSE OF COMMONS CHAMBRE DES COMMUNES CANADA

# THE ARRIVECAN DIGITAL TOOL: IMPACTS ON CERTAIN CANADIAN SECTORS

## **Report of the Standing Committee on International Trade**

Honourable Judy A. Sgro, Chair

MARCH 2023 44th PARLIAMENT, 1st SESSION Published under the authority of the Speaker of the House of Commons

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#### **NOTICE TO READER**

### Reports from committees presented to the House of Commons

Presenting a report to the House is the way a committee makes public its findings and recommendations on a particular topic. Substantive reports on a subject-matter study usually contain a synopsis of the testimony heard, the recommendations made by the committee, as well as the reasons for those recommendations.

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## THE STANDING COMMITTEE ON INTERNATIONAL TRADE

has the honour to present its

#### SIXTH REPORT

Pursuant to its mandate under Standing Order 108(2), the committee has studied the potential impacts of the ArriveCAN application on certain Canadian sectors and has agreed to report the following:

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## LIST OF RECOMMENDATIONS

As a result of their deliberations committees may make recommendations which they include in their reports for the consideration of the House of Commons or the Government. Recommendations related to this study are listed below.

#### **Recommendation 1**

#### **Recommendation 2**

#### **Recommendation 3**

#### **Recommendation 4**

### **Recommendation 5**

That the Government of Canada fill positions that are currently vacant on
Destination Canada's board of directors. Recognizing that the summer 2023
tourism season will be the first season since summer 2019 without COVID-19–
related public health measures, these vacancies should be filled as soon
as possible



## THE ARRIVECAN DIGITAL TOOL: IMPACTS ON CERTAIN CANADIAN SECTORS

### **INTRODUCTION**

On 11 March 2020, the World Health Organization <u>classified</u> the spread of the novel COVID-19 virus as a global pandemic. In response to the public health risks associated with the virus, all levels of government in Canada <u>implemented measures</u> designed to prevent and control its spread. As of 1 October 2022, most of these measures had ended.

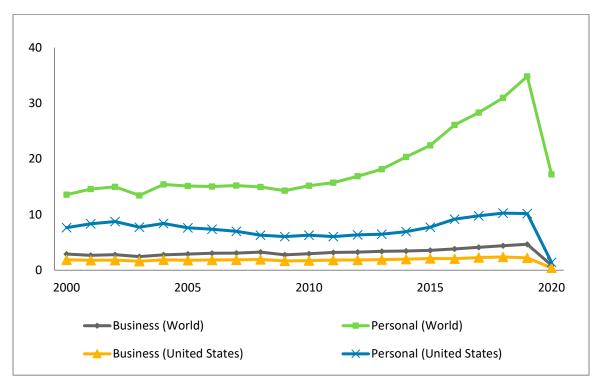
On 20 March 2020, the Governments of Canada and the United States (U.S.) <u>agreed</u>—on a temporary basis—to restrict all non-essential travel across the Canada–U.S. border, including for tourism and recreation. When announcing the restriction, the Government of Canada noted that "[a]II essential and business travel will continue unimpeded. Both governments recognize the importance of preserving vital supply chains between our two countries. These supply chains ensure that food, fuel, and life-saving medicines continue to reach people on both sides of the border."

A March 2022 <u>report</u> by the Organisation for Economic Co-operation and Development indicates that the pandemic has had significant impacts on global trade, including because of some transportation and cross-border travel restrictions that affected trade in certain goods and services, especially at the pandemic's outset.

Like other countries, Canada's trade in travel services has been affected by the pandemic. From 2019 to 2020, the <u>value</u> of Canada's travel services exports decreased by 54.1%, falling from \$39.5 billion to \$18.1 billion. Over that period, the <u>value</u> of Canada's business travel exports declined from \$4.7 billion to \$885 million, while the value for personal travel exports decreased from \$34.8 billion to \$17.2 billion. As shown in the figure below, Canada's travel services exports to the United States followed the same pattern. In 2020, the <u>value</u> of these exports was \$430 million and \$1.4 billion for business travel and personal travel, respectively.







Source: Statistics Canada, <u>Table: 36-10-0004-01—International transactions in services, travel by</u> <u>category and geographical area, annual (x 1,000,000)</u>, Database, accessed on 9 November 2022.

On 30 April 2020, the Government of Canada <u>launched</u> ArriveCAN, a digital tool that is available through a mobile app or a federal website. This digital tool was developed in collaboration with the Public Health Agency of Canada and the Canada Border Services Agency (CBSA).

Between 21 November 2020 and 30 September 2022, the mandatory use of ArriveCAN was aimed at ensuring that all travellers to Canada complied with federal travel and border measures relating to the COVID-19 virus. During that period, most travellers entering Canada by any mode of transportation were required to use this digital tool to submit certain information, including their vaccination status and quarantine plan if they tested positive for the virus. On 26 September 2022, the Government of Canada announced that—effective 1 October 2022—travellers to Canada are not required to use ArriveCAN.

On 6 June 2022, the House of Commons Standing Committee on International Trade (the Committee) adopted a <u>motion</u> to conduct a study on the impacts of ArriveCAN on

certain Canadian sectors. During three meetings held on 15 June, 27 September and 4 October 2022, the Committee heard from Canada Border Services Agency and Public Health Agency of Canada officials, Niagara Falls Mayor Jim Diodati, an infectious disease physician, and representatives of: the Niagara Falls Bridge Commission; the Vancouver Airport Authority; two regional tourism organizations; four trade associations that advocate for firms generally or for stakeholders in a particular sector; one organized labour group; and one firm. Most witnesses appeared before the mandatory use of ArriveCAN ended. The Committee also received briefs from the Buffalo and Fort Erie Public Bridge Authority, the Greater Toronto Airports Authority, the National Airlines Council of Canada and the Niagara Falls Bridge Commission.

In addition to focusing on ArriveCAN, some witnesses discussed other themes. These themes included a range of issues directly or indirectly associated with the pandemic, including government support measures, supply chain disruptions, impacts on Canada's tourism and hospitality sectors, labour challenges in certain sectors, domestic interest and inflation rates, the number of reported COVID-19 cases and related deaths in Canada and elsewhere, the emergence of COVID-19 variants, the number of people vaccinated against the COVID-19 virus in Canada and in other countries, and vaccination requirements for cross-border travellers in jurisdictions other than Canada.

This report summarizes comments about ArriveCAN made by witnesses and contained in briefs submitted to the Committee. In particular, the first section provides observations about the impacts of ArriveCAN on Canada's borders, while the second section highlights some of the digital tool's impacts on certain sectors, especially tourism. The third section presents their views about proposed government actions and ideas for economic recovery that could support specific sectors negatively affected by the mandatory use of ArriveCAN. The final section contains the Committee's thoughts and recommendations.

### **BORDER IMPACTS OF ARRIVECAN**

In speaking to the Committee about the impacts of the mandatory use of ArriveCAN on Canada's borders, witnesses focused on the ease or difficulty with which travellers to Canada were able to use the digital tool and to enter the country using it, as well as the characteristics of "modern" Canadian ports of entry.

### A. Ease or Difficulty of Using ArriveCAN

Public Health Agency of Canada <u>officials</u> described the options for accessing ArriveCAN—a mobile app or a federal website—as meeting "high standards for



accessibility." Moreover, the officials outlined the support services available to travellers using ArriveCAN: telephone and e-mail helplines, as well as online information about how to use the digital tool. Similarly, Canada Border Services Agency <u>officials</u> indicated that their agency provides support regarding the use of ArriveCAN.

As well, Public Health Agency of Canada <u>officials</u> estimated that—as of 15 June 2022 approximately 95% of travellers to Canada had complied with the requirement to use ArriveCAN before entering the country, with most travellers using the digital tool "successfully and without issue." Canada Border Services Agency <u>officials</u> said that, as of 2 May 2022, their estimated percentages of travellers to Canada who successfully used ArriveCAN were 99% for those arriving by air and 94% for those arriving by land.

However, the <u>Customs and Immigration Union</u> described the Canada Border Services Agency's estimated percentages as "absolutely false," and provided its estimates of the proportion of travellers to Canada who had used ArriveCAN as of 15 June 2022: between 75% and 80%.

<u>Mayor Diodati</u>, the <u>Canadian Chamber of Commerce</u>, the <u>Frontier Duty Free Association</u>, the <u>National Airlines Council of Canada</u> and the <u>Tourism Industry Association of Canada</u> mentioned that certain groups of travellers to Canada are unable to access and use ArriveCAN. Focusing on seniors, who were characterized as perhaps not as "tech savvy as younger kids," <u>Mayor Diodati</u> stressed that some have been unable to use the digital tool to enter Canada because they lack a smartphone or a computer. <u>Mayor Diodati</u> also drew attention to being "inundated" with phone calls from seniors who "do not have mastery of digital technology" and who felt "targeted" and "discriminated against" by the requirement to use ArriveCAN. The <u>Frontier Duty Free Association</u> observed that a number of "motorcoaches full of seniors" from the United States did not enter Canada because most of them lacked access to a smartphone.

Regarding language challenges encountered in using ArriveCAN, the <u>Tourism Industry</u> <u>Association of Canada</u> emphasized that "having only one version of the tool is not helpful given the multiple languages" spoken by international travellers to Canada. The <u>Canadian Chamber of Commerce</u> asserted that travellers who do not speak English or French as their first language experienced difficulties submitting the required information. Likewise, in a brief submitted to the Committee, the <u>National Airlines</u> <u>Council of Canada</u> concurred that language barriers could affect the ability of certain travellers to use ArriveCAN.

From a technological perspective, <u>Mayor Diodati</u> and the <u>Tourism Industry Association of</u> <u>Canada</u> discussed several ArriveCAN issues, including "glitches" and other software errors. Mayor Diodati also pointed out that not all travellers who cross the Canada–U.S. border have roaming on their smartphones or have access to an Internet connection at the border that would enable them to use the digital tool. However, the <u>Vancouver</u> <u>Airport Authority</u> indicated that some U.S. hotels and other locations provide wireless Internet connections that enable certain travellers to use ArriveCAN. The <u>Vancouver</u> <u>Airport Authority</u> also underscored that travellers who are "tech savvy" can assist family members and other travellers who "aren't as tech savvy."

The <u>Frontier Duty Free Association</u> and <u>Osella Technologies Inc.</u> noted that employees of certain Canadian firms helped some travellers use ArriveCAN. The Frontier Duty Free Association described "anecdotes from across Canada of our [duty-free] store owners and their staff being [information technology] experts" when trying to help travellers who did not know how to use the digital tool. Similarly, the <u>Customs and Immigration</u> <u>Union</u> cited the work carried out by Canada Border Services Agency officers, who "now largely work as [information technology] consultants" in helping travellers to use ArriveCAN. The Customs and Immigration Union compared the country's land borders to "parking lots," with these officers "helping people complete the [ArriveCAN] app."

In a brief submitted to the Committee, the <u>Buffalo and Fort Erie Public Bridge Authority</u> characterized the mandatory use of ArriveCAN as "a disincentive [and an inconvenience] to discretionary travel," including for those who have access to a smartphone. Furthermore, the <u>Canadian Chamber of Commerce</u> stated that its chambers in communities on the Canadian side of the Canada–U.S. border believe that ArriveCAN's "data requirements" affect U.S. "day trip" travellers to those communities because the digital tool requires the traveller to submit a Canadian address. Similarly, the <u>Frontier</u> <u>Duty Free Association</u> highlighted cross-border shoppers' lack of such an address.

Claiming that some travellers viewed the requirement to use ArriveCAN as a "hassle" and "time-consuming," <u>Tourism Windsor Essex Pelee Island</u> expressed support for the Tourism Industry Association of Ontario's request that the mandatory use of the digital tool be ended, although the <u>Tourism Industry Association of Canada</u> supports ArriveCAN as a "voluntary tool" that will help to modernize Canada's border processes.

McMaster University's <u>Dr. Zain Chagla</u>—who appeared as an individual—commented that the mandatory use of ArriveCAN was "predicated on the need for certain travel measures" at the beginning of the pandemic to prevent and control the spread of the virus. However, <u>Dr. Zain Chagla</u> questioned the continued mandatory use of the digital tool in spring 2022, when some public health measures were lifted and most COVID-19 cases in Canada were associated with domestic transmission of the virus.



### B. Ease or Difficulty of Entering Canada Using ArriveCAN

Canada Border Services Agency <u>officials</u> contended that the mandatory use of ArriveCAN facilitated entry into Canada while protecting the health and safety of both travellers and Canada Border Services Agency officers. Likewise, Public Health Agency of Canada <u>officials</u> maintained that the mandatory use of the digital tool "speeds up" the processing of travellers at the Canada–U.S border, and said that "reviewing a traveller's information entered properly in [the] ArriveCAN app takes less than 45 seconds."

Acknowledging that the processing times for travellers entering Canada at the Ambassador Bridge or the Peace Bridge have doubled since the start of the pandemic, Canada Border Services Agency <u>officials</u> also argued that the delays experienced at those two ports of entry "would actually be far longer" without the mandatory use of ArriveCAN. Furthermore, the <u>officials</u> asserted that the delays experienced with processing travellers at certain Canadian ports of entry are "about [travellers meeting] obligations under the orders in council issued by the Public Health Agency [of Canada] requiring that [they] be vaccinated," and the time spent by Canada Border Services Agency officers in verifying those travellers' health and travel information.

Commenting on the impact of the mandatory use of ArriveCAN on commercial trucks entering Canada at the Ambassador Bridge, Canada Border Services Agency <u>officials</u> noted that—as of 15 June 2022—the processing times for these trucks were the same as prior to the pandemic.

However, with a general focus on crossing the Canada–U.S. border, the <u>Customs and</u> <u>Immigration Union</u> stressed that the mandatory use of the digital tool caused processing times for all travellers to Canada to "skyrocket." The <u>Customs and Immigration Union</u> also observed that, as of 15 June 2022, Canada Border Services Agency officers processed 30 vehicles per hour at a Canadian port of entry, a decrease from 60 vehicles per hour in the years preceding the pandemic. The <u>Tourism Industry Association of</u> <u>Canada</u> referred to the mandatory use of ArriveCAN as a "hindrance to travel," causing "significant delays upon arrival in Canada."

With a focus on the impacts of the mandatory use of ArriveCAN on processing times at the Rainbow Bridge, <u>Mayor Diodati</u> mentioned that the digital tool caused delays to be "four times [as long as] they should be ... ." The <u>Niagara Falls Bridge Commission</u>'s brief submitted to the Committee mentioned a lack of awareness among certain travellers about the mandatory use of ArriveCAN to enter Canada was a factor that contributed to processing delays. The brief also indicated that the mandatory use of ArriveCAN and the implementation of other pandemic-related border measures reduced the number of vehicles entering and exiting Canada, with the estimated 138,400 auto crossings in

June 2022 at the Commission's three bridges—the Lewiston–Queenston Bridge, the Rainbow Bridge and the Whirlpool Bridge—representing a decline from about 260,500 such crossings in June 2019.

According to the <u>Niagara Falls Bridge Commission</u>'s brief submitted to the Committee, the increase in processing times due to the mandatory use of ArriveCAN and other pandemic-related border measures, combined with the Canada Border Services Agency's decision to reduce the number of lanes at the Rainbow Bridge, led wait times at the Rainbow Bridge to rise. The brief indicated that the wait times rose from about 29.6 minutes during the 2019 Victoria Day weekend to approximately 126.7 minutes during that weekend in 2022, with an increase from 55.3 minutes to 161.7 minutes when the 2019 Memorial Day weekend is compared to that weekend in 2022.

The <u>National Airlines Council of Canada</u>'s brief underscored that, following the requirement to use ArriveCAN, processing times for travellers at Canadian ports of entry were "about five times as long as they were before ArriveCAN was in place." The brief also suggested that the mandatory use of the digital tool, "compounded with the resource issues at airports and the resumption of more frequent travel," contributed to "significant bottlenecks" and delays in processing air travellers.

The <u>Canadian Airports Council</u> said that the optional Advance CBSA Declaration within ArriveCAN, which allows travellers arriving at certain Canadian airports to submit their customs and immigration information through the digital tool, can reduce the processing times for such travellers by more than 50%. The <u>Vancouver Airport Authority</u> provided a similar estimate of the reduced time needed to process air travellers who use the optional declaration.

### C. Modern Canadian Borders

Canada Border Services Agency <u>officials</u> noted the 2021 federal budget's announcement about certain initiatives aimed at modernizing Canada's border processes. The officials pointed out that the implementation of ArriveCAN facilitated the introduction and use of "various technologies" that are part of ongoing federal modernization efforts.

The <u>Canadian Airports Council</u> and the <u>Vancouver Airport Authority</u> expressed support for federal efforts to modernize border processes, including through the optional Advance CBSA Declaration within ArriveCAN. The <u>Vancouver Airport Authority</u> characterized this optional declaration as the "next evolutionary step in Canada's customs and border processing modernization." However, <u>Mayor Diodati</u> described it as "not helpful at land border crossings," which is where most travellers enter Canada. HOUSE OF COMMONS CHAMBRE DES COMMUNES CANADA

> The <u>Greater Toronto Airports Authority</u>'s brief submitted to the Committee confirmed that, starting on 28 June 2022, the optional Advance CBSA Declaration within ArriveCAN was made available for air travellers arriving at Toronto Pearson International Airport and Vancouver International Airport. The brief also highlighted that, in a one-week period, the proportion of air travellers arriving at Toronto Pearson International Airport who had used the optional declaration increased from 2% to 23%.

> Referring to ArriveCAN as "one element in improving [the] processing" of travellers at Canadian airports, the <u>Canadian Airports Council</u> called for the *Customs Act* to be modernized and—like in Europe—for facial recognition and biometrics to be used more often at airports. The <u>Canadian Airports Council</u> commented that digital tools "must be the cornerstone of the future of air travel" involving commercial airports, and said that ArriveCAN "can be part of the solution" to modernizing Canada's border processes. The <u>Vancouver Airport Authority</u> suggested that those involved in efforts to modernize such processes should "continue to work collaboratively with the entire air sector on that journey of innovation and modernization." Moreover, the <u>Greater Toronto Airports</u> <u>Authority</u>'s brief urged the Government of Canada to continue using digital tools—such as ArriveCAN—to "create a seamless and efficient future for travel."

The <u>Customs and Immigration Union</u> expressed concern that the implementation of ArriveCAN as one tool to modernize Canada's border processes "follows the same pattern of overreliance on automated technologies that we have seen before with the primary inspection kiosk ... in airports." Adding that such automated technologies contribute "to a decrease in border security, weakening the integrity of [Canada's] borders," the <u>Customs and Immigration Union</u> expressed its support for measures that would modernize Canada's border processes if the result is not a reduction in the number of Canada Border Services Agency officers at ports of entry.

The <u>Canadian Chamber of Commerce</u> highlighted that modernizing Canada's border processes is "vital," and underscored that the "ArriveCAN experience has proven difficult at the border for our members and businesses across the country." Moreover, the Canadian Chamber of Commerce emphasized the need to "reorient" ArriveCAN to concentrate on "streamlining customs procedures."

### ECONOMIC IMPACTS OF ARRIVECAN AND OTHER BORDER MEASURES ON CERTAIN SECTORS

In their comments to the Committee, witnesses drew attention to the economic impacts that pandemic-related border measures—some of which were taken by countries unilaterally, bilaterally or multilaterally to prevent the spread of the COVID-19 virus

across their borders—had on certain sectors. Their particular focus was the impacts of the mandatory use of ArriveCAN on Canada's tourism and automation sectors.

Discussing the tourism sector, the <u>Tourism Industry Association of Canada</u> pointed out that the mandatory use of ArriveCAN negatively affected the number of international travellers to Canada. In the <u>Tourism Industry Association of Canada</u>'s view, all border restrictions had a "massive impact" on the post-pandemic recovery of the country's tourism sector and "put Canada behind … many other countries in the world" in "regaining [its] travel and tourism portfolio."

According to <u>Mayor Diodati</u>, the mandatory use of ArriveCAN was "the problem" underlying the decline in tourism in Canadian communities located along the border with the United States. <u>Mayor Diodati</u> described the long-term effect of the mandatory use of ArriveCAN as "devastating," and noted that 50% of the city's tourism revenue is typically due to spending by U.S. travellers. Citing the example of the "hugely impactful" effects of the mandatory use of the digital tool on the Niagara Parks Commission, <u>Mayor Diodati</u> underscored that two-thirds of the Commission's revenue is "international," with "a significant amount" of that revenue deriving from U.S. travellers. <u>Mayor Diodati</u> added that, as of 4 October 2022, the number of U.S. travellers to Canada so far in 2022 was approximately one-half of its pre-pandemic level, with border measures—including ArriveCAN—being responsible for this decrease.

Also with a focus on U.S. travellers to Canada, <u>Destination Northern Ontario</u> remarked that the mandatory use of ArriveCAN and the "cumulative impacts" of other federal border restrictions are "deterring visits" by such travellers, leading to a "huge loss of revenues" for its operators. As well, Destination Northern Ontario commented that its "northern Ontario experience is repeated in other regions in Canada."

The <u>Tourism Industry Association of Canada</u> stated that the mandatory use of ArriveCAN and its requirements had a "massive effect" on Canada's tourism sector, resulting in "a drop of 50% or more in the number of Americans coming into the country." <u>Tourism</u> <u>Windsor Essex Pelee Island</u> observed that ending the mandatory use of the digital tool is needed to encourage U.S. travellers to return to Canada "in a more streamlined manner without any complications or delays at the border." In Tourism Windsor Essex Pelee Island's opinion, one key consideration in supporting the recovery of Canada's tourism sector is "bringing back [its] most valued geographic market": the United States.

Concerning duty-free stores, the <u>Frontier Duty Free Association</u> considered the mandatory use of ArriveCAN to be a "deterrent" for U.S. travellers visiting its store in Fort Erie. According to the Frontier Duty Free Association, while 40 motorcoaches would typically enter Canada at Fort Erie during the United States' long weekend in July, two

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> motorcoaches did so during that weekend in July 2022. In the <u>Frontier Duty Free</u> <u>Association</u>'s view, ArriveCAN "didn't take into account how border communities work and how people come across and shop." The <u>Frontier Duty Free Association</u> also said that the mandatory use of the digital tool negatively affected the post-pandemic recovery of duty-free firms. The <u>Niagara Falls Bridge Commission</u>'s brief indicated that the mandatory use of ArriveCAN "decreased the volume of [cross-border] auto traffic," which had a "devastating impact" on Canada's tourism sector and such firms as dutyfree stores.

Supporting the Government of Canada's decision to end the mandatory use of ArriveCAN, <u>Osella Technologies Inc.</u> remarked that 80% of its business—automated assembly design—is sourced from the United States. Osella Technologies Inc. characterized its attempts to gain customers as "very challenging" during the period when travellers were required to use the digital tool.

<u>Osella Technologies Inc.</u> underscored that, as a new business, it would benefit from U.S. customers seeing its facilities and meeting its staff. As well, <u>Osella Technologies Inc.</u> mentioned that it was not considered for several million dollars' worth of contracts because U.S. customers wishing to visit its facility and view its capabilities were either unable or unwilling to do so because of the mandatory use of ArriveCAN.

Furthermore, <u>Osella Technologies Inc.</u> cautioned that domestic firms could lose customers to U.S. firms or foreign firms outside of North America if visits by U.S. customers to Canadian facilities are not facilitated. <u>Osella Technologies Inc.</u> speculated that the mandatory use of ArriveCAN had negative effects "across multiple industries across multiple regions throughout Canada," and affected "anybody dealing with a U.S. customer base."

# PROPOSED GOVERNMENT ACTIONS AND IDEAS FOR ECONOMIC RECOVERY

The Committee's witnesses identified certain government actions that could support Canada's sectors negatively affected by border measures, including the mandatory use of ArriveCAN. They also provided various other ideas for these sectors' economic recovery.

<u>Mayor Diodati</u> maintained that the federal and provincial governments should collaborate to "help [the City of Niagara Falls] fund a campaign to get the word out" that Canada has removed "unnecessary requirements at [its] borders and once again [is] open for business." In <u>Mayor Diodati</u>'s view, "a major advertising campaign" targeting the U.S. and international markets is needed. <u>Mayor Diodati</u> pointed out that "a lot of negativity" in the U.S. media and through word of mouth about Canada's border processes resulted in many U.S. travellers deciding to "bypass Canada with their leisure dollars," adding that the city's "bigger concern going forward is the long-term residual effect" of such negativity.

The <u>Tourism Industry Association of Canada</u> agreed that Canada needs a major advertising campaign concentrating on the U.S. and international markets. To support Canada's tourism sector in "try[ing] to overcome what has been a barrier to Americans" entering the country, the Tourism Industry Association of Canada said that Destination Canada, as well as provincial and territorial tourism marketing agencies, should mention—in their campaigns targeting the United States—that Canada has removed unnecessary border measures. The <u>Tourism Industry Association of Canada</u> suggested that Destination Canada should be allocated additional funds to "re-engage the U.S. traveller" and "regain the confidence" of the U.S. market.

With a focus on the recovery of its sector and Canada's tourism sector from the impacts of the mandatory use of ArriveCAN and other border measures, <u>Osella Technologies Inc.</u> stressed that campaigning with U.S. customers must be undertaken by both itself and the Government of Canada

According to the <u>Niagara Falls Bridge Commission</u>, the decision about the mandatory use of ArriveCAN was taken unilaterally by the Government of Canada. In the Niagara Falls Bridge Commission's opinion, such a decision should have been informed by workshops and discussions with all relevant stakeholders. As well, the <u>Customs and Immigration</u> <u>Union</u> noted a lack of consultation concerning the digital tool, emphasizing that Canada Border Services Agency officers were "not consulted when ArriveCAN was first made a requirement," and nor were they asked for advice about "how [the digital tool] should be laid out ... [or about] what's going to happen once it's made optional ... ." However, the <u>Frontier Duty Free Association</u> indicated that it had met "several times" with the Minister of Public Safety and with the Minister of Transport's office.

### THE COMMITTEE'S THOUGHTS AND RECOMMENDATIONS

Pandemic-related public health measures affected people, sectors and communities worldwide. In Canada, border measures implemented to help prevent and control the spread of the COVID-19 virus limited the movement of people and goods across the country's borders. The result was negative impacts on certain sectors, especially tourism, and on travel by specific groups, such as seniors. The Committee notes that modernizing



Canada's borders, including through greater use of digital tools, could facilitate the movement of people and goods.

Border-related processes, as well as associated digital and non-digital tools, should be easy to use, work together in a complementary manner to ensure the safety and security of Canadians, and be developed and implemented—or changed—only after adequate consultations with relevant stakeholders and complete testing. The Committee is mindful of the range of challenges faced by ArriveCAN users. Arguably, any positive outcomes associated with a particular border process or tool—including ArriveCAN should be weighed against any negative consequences. Concerning ArriveCAN, the Committee learned about difficulties encountered in using the digital tool, revenue and job losses in the tourism and some other sectors, and some damage to Canada's status as a world-class travel destination. That said, the Committee also heard about the digital tool's contribution to mitigating COVID-19–related public health risks associated with international travel to Canada.

In the context of the foregoing, the Committee recommends:

#### **Recommendation 1**

That the Government of Canada ensure the safety and security of Canadians by continuing with its ongoing efforts designed to modernize Canada's borders, including through the use of appropriate digital and non-digital tools, and through the provision of adequate human and other resources. These efforts should be informed by consultations with relevant stakeholders, during which particular attention should be paid to concerns about the potential for significant disruptions, confusion or delays at Canadian ports of entry. The focus should be airports and land crossings, including international bridges.

The United States is Canada's largest trading partner, and travel services are an important aspect of that bilateral trade. The Committee is aware that decisions taken since the start of the pandemic, such as the mandatory use of ArriveCAN, have affected certain domestic sectors and border communities, many of which are economically reliant on the United States. As of 13 February 2023, certain U.S. public health measures—such as vaccination requirements for non-U.S. residents—continued to have a negative effect on the ability of some travellers to enter the United States from Canada. Collaborative efforts are needed to increase awareness—in Canada and elsewhere, but especially in the United States—about the removal of pandemic-related public health measures, as they occur.

Additional actions are also needed to support the economic recovery of Canada's tourism sector and to ensure that travellers to Canada have experiences that are

consistent with the country's reputation as a premier tourism and travel destination. The Committee acknowledges the pandemic-related support available for this and other sectors, including the Tourism Relief Fund, various incentives and grants for employees and employers, business loans and efforts by the federal regional development agencies. Moreover, the Committee believes that travellers should be able to enter Canada easily and quickly, and should have a visitor experience consistent with their expectations about the country's beauty, safety and welcoming nature.

For these reasons, the Committee recommends:

#### **Recommendation 2**

That the Government of Canada enhance its efforts designed to increase domestic and international awareness that Canada has removed COVID-19–related public health measures, including the mandatory use of ArriveCAN. These efforts should occur in collaboration with other governments and relevant stakeholders in Canada, and should also be focused on the U.S. market.

#### **Recommendation 3**

That the Government of Canada ensure that international bridge authorities and commissions, as well as duty-free stores in Canada, are eligible for federal financial support if the Government decides to close—for any length of time—the borders that Canada shares with the United States.

#### **Recommendation 4**

That the Government of Canada enhance safety and security, reduce delays and backlogs, and improve processing times at Canadian ports of entry through considering the recruitment of additional Canada Border Services Agency officers to serve at international bridges, maritime ports, airports and other ports of entry.

#### **Recommendation 5**

That the Government of Canada fill positions that are currently vacant on Destination Canada's board of directors. Recognizing that the summer 2023 tourism season will be the first season since summer 2019 without COVID-19–related public health measures, these vacancies should be filled as soon as possible.

## APPENDIX A LIST OF WITNESSES

The following table lists the witnesses who appeared before the committee at its meetings related to this report. Transcripts of all public meetings related to this report are available on the committee's <u>webpage for this study</u>.

Organizations and Individuals	Date	Meeting
Canada Border Services Agency	2022/06/15	24
Denis Vinette, Vice-President, Travellers Branch		
Canadian Chamber of Commerce	2022/06/15	24
Mark Agnew, Senior Vice-President, Policy and Government Relations		
Customs and Immigration Union	2022/06/15	24
Mark Weber, National President		
Destination Northern Ontario	2022/06/15	24
David MacLachlan, Executive Director		
Public Health Agency of Canada	2022/06/15	24
Marie-Hélène Lévesque, Director General, Centre for Compliance, Enforcement and Exemptions		
Tourism Industry Association of Canada	2022/06/15	24
Beth Potter, President and Chief Executive Officer		
Tourism Windsor Essex Pelee Island	2022/06/15	24
Lynnette Bain, Vice-President, Destination Development		
Customs and Immigration Union	2022/09/27	27
Mark Weber, National President		
Frontier Duty Free Association	2022/09/27	27
Barbara Barrett, Executive Director		
Niagara Falls Bridge Commission	2022/09/27	27
Kenneth N. Bieger, Chief Executive Officer		
Osella Technologies Inc.	2022/09/27	27
Douglas Lovegrove, President		

Organizations and Individuals	Date	Meeting
As an individual	2022/10/04	28
Zain Chagla		
Canadian Airports Council	2022/10/04	28
Monette Pasher, President		
City of Niagara Falls	2022/10/04	28
Jim Diodati, Mayor		
Tourism Industry Association of Canada	2022/10/04	28
Beth Potter, President and Chief Executive Officer		
Vancouver Airport Authority	2022/10/04	28
Trevor Boudreau, Manager, Government Relations		

## APPENDIX B LIST OF BRIEFS

The following is an alphabetical list of organizations and individuals who submitted briefs to the committee related to this report. For more information, please consult the committee's <u>webpage for this study</u>.

Buffalo and Fort Erie Public Bridge Authority Greater Toronto Airports Authority National Airlines Council of Canada Niagara Falls Bridge Commission

## **REQUEST FOR GOVERNMENT RESPONSE**

Pursuant to Standing Order 109, the committee requests that the government table a comprehensive response to this Report.

A copy of the relevant *Minutes of Proceedings* (Meetings Nos. 24, 27, 28, 41, 42, 43, 45, 46 and 51) is tabled.

Respectfully submitted,

Hon. Judy A. Sgro Chair