



Border policy stifles Windsor tourism

By Lindsey Rivait

Photos By Sean Dolan

With the Western Hemisphere Travel Initiative (WHTI) firmly in place, U.S. and Canadian citizens are reconsidering making the trip across the border.

The WHTI came about thanks to the Intelligence Reform and Terrorism Prevention Act (IRTPA) of 2004. This legislation requires all travellers to present one of six WHTI-compliant documents when travelling to the U.S. from within the Western Hemisphere in order to strengthen border security and make travel easier for legal U.S. and foreign individuals.

Full implementation of WHTI began on June 1, 2009. Now Canadians wishing to cross the border require a passport, an enhanced driver's license, or a FAST or NEXUS card. U.S. citizens wishing to come to Canada will need a passport, passport card, state enhanced driver's license, or a NEXUS or FAST card, and a SENTRI card for Mexico.

By enforcing standardized documentation, the U.S. Department of Homeland Security is able to identify a traveller quickly. According to reports from U.S. Customs and Border Protection, the

Northern border shows 98 per cent compliance, which has been steady since the summer. "We're seeing that travellers are complying with the law and they have their travel documents. There are certain areas, especially the southern border, that we're still working on getting all compliant. In terms of compliance nationwide and at the Northern border, we are doing pretty well," said Joanne Ferreira, Public Affairs Officer, Department of Homeland Security, U.S. Customs and Border Protection.

Warnings are still being given out to those without the proper documents. Those who do not have the proper travel documents will face a delay at the border while CBP officers confirm identity and citizenship.

The new regulations do make things run more smoothly for customs, says Ferreira. "Before there were no set documents, and, especially with the land environment, it was just verbal declaration, saying 'I'm a U.S. citizen,' or 'I'm a Canadian citizen,'" said Ferreira. "We had over 8,000 documents that our officers had to look into to confirm identity and citizenship and they were pre-

sented at the border. With this new requirement, we narrow that to six," she continued.

Those who travel frequently across the border and who are low risk travellers are encouraged to apply for a NEXUS card, which ensures quicker border crossings. "It's a joint program with Canada, so Canadian citizens can also apply," said Ferreira. An enhanced driver's license, passport, or passport card would also be good choices. "It depends on what best suits your needs or what your travel plans are or your travel habits in the northern border are. If you fly a lot, then of course you're going to need the U.S. passport, there's no other document by air. But by land or sea, you have other options," Ferreira continued.

Not everyone on board

Many are not impressed with how WHTI has been handled, however, especially in regard to passport education. Brian Masse, MP Windsor West, has been focusing on getting a pilot project in the area to encourage Americans to get their passports in order to increase their travel over to Canada. "With WHTI now implemented, Americans are now reducing their travel and visitation to Canada and they've also shown that it's a significant barrier for them to go out and get it. We need to change the culture over there," Masse said.

Masse believes the WHTI has had a negative impact on relations between the U.S. and Canada, citing less people coming over for tourism and shopping. He would like to see an advocacy or advertising campaign in an attempt to increase American passport acquisitions and demonstrate the benefits of obtaining a passport and visiting Canada. While Masse has found interested parties in the tourism industry, he says the government has yet to take any action on their suggestions.

The NDPs are actively campaigning to reduce passport costs for seniors and provide free passports to veterans. Masse campaigned to institute a 10-year passport, like the U.S. and the U.K. have, instead of the five-year passport we have now. "I was campaigning for years and we were glad the government accepted the recommendation for a 10-year passport," said Masse. "We should have a 10 year passport for sure."

Masse doesn't believe WHTI is the security enhancement we need. "I don't think it provides the types of solutions that have been advocated for its implementation. It was actually done so in a way that many American politicians didn't realize that Canada would be sucked into this type of program."

Awareness about these documents and their acquisition is crucial for the survival of cross-border tourism and business. "There needs to be an active engagement to measure and try to push for the acquisition of passports, otherwise we're going to see significant changes in our border cultures," Masse said.

With the Ambassador Bridge and the Detroit-Windsor Tunnel as the first and second busiest international border crossings in North America, respectively, Windsor has been hit hard by WHTI repercussions.

The lack of American shoppers coming to Windsor has hurt local retailers. According to a National Tourism Indicators report from Statistics Canada, international visitor spending was down 5.7 per cent in the first quarter of 2009. This decline was the most drastic since the 2003 SARS episode.

The same report states that while international visitors spent \$2.3 billion in Canada during the first quarter of 2009, spending is down nine per cent from the previous year. Trips taken to Canada by those from other countries were also down. This means transportation, accommodation, and other areas like groceries and souvenirs were down by at least 10 per cent as well.

We measure our success by yours.



Tom O'Brien
Partner



Loris Macor
Partner



Dennis Staudt
Partner



Giancarlo Di Maio
Partner



Paul Charko
Associate Partner



Gaspare Barresi
Associate Partner

Every day, we go to work to help our clients succeed. In uncertain times, it is more important than ever for you to have a solid strategy in place that offers growth and expansion.

Whether you're a start-up or an established player, we can assemble a team of audit, tax and business advisory professionals to help you find the success you're looking for.

Please contact us for more information.

245 Ouellette Avenue, Suite 300
Windsor ON
N9A 7J4

(519) 985 8900

www.pwc.com/ca

PRICEWATERHOUSECOOPERS

© 2010 PricewaterhouseCoopers LLP. All rights reserved. "PricewaterhouseCoopers" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership, or, as the context requires, the PricewaterhouseCoopers global network or other member firms of the network, each of which is a separate legal entity.

Trips to Windsor specifically are also down. Statistics Canada reports that there were close to nine million Americans making same-day trips to Windsor in 2000, while only 1.5 million Americans made same-day Windsor trips in 2009.

U.S. visitors to the Devonshire Mall, located at 3100 Howard Ave., have been on a decline since 9/11. Devonshire Mall General Manager Doug Wolfe, also cites U.S. currency not being far off from Canadian currency and hassles at the border as other major reasons why he doesn't see many American customers. "The way it is, the dollars are so close together, there really is no advantage for U.S. shoppers to come over just based upon that. Then of course, there are all those other factors like border times and passports that make it very difficult for Americans to come over," Wolfe explained.

Bus trips to the mall have also declined substantially. Wolfe used to see a couple buses a day from the U.S. going back just five to six years ago. Now they might see one a month.

The hassle at the border makes it less likely for Americans to cross into Canada or even bother getting a passport to come into Canada to begin with. "For Canadians, we do what we have to do, and if passports are the new thing, we all get passports. The U.S. is different. They're not into that. They don't understand it, generally speaking, and they don't want to do it because it's a big hassle. If passports are the new ticket for crossing the border, then it's just another reason for U.S. customers not to come here," he continued.

Soon after the passport requirements came into effect, Kevin Lafontaine, former owner of The Reactor Nightclub, had to shut his doors. The Reactor had been open for 11 years.

Lafontaine, however, turned the situation around and opened The Manchester in the same location at 546 Ouellette Ave. on Nov. 1, 2009. He has since found success catering to an older Canadian crowd. This has worked out quite well for Lafontaine.

Lafontaine has seen a dramatic increase in customers with The

Manchester. Not only does the establishment cater solely to Canadians, they don't rely on any cross-border business at all. "If we do happen to get some touring Americans in, then I guess it's just gravy for us, but now our whole focus is getting Canadians back downtown and reclaiming our land," Lafontaine said.

Patrick Trihey, General Manager of Holiday Inn Windsor, located at 430 Ouellette Ave., says his hotel has seen a dramatic decline in occupancy since passports became a requirement, seeing a 75 per cent decrease in the leisure market and a 50 per cent drop overall.

Weekend stays have taken a big hit—previously, Trihey would get 80 to 100 per cent occupancy, but that's now down to 40 to 50 per cent. During the week, they see about 40 per cent occupancy.

Like The Manchester, the Holiday Inn now focuses on a Canadian market, concentrating their marketing dollars in the London and Toronto areas. "We're still working with the American market, but not as aggressively as we used to," Trihey added.

Overall Trihey believes the implementation of the WHTI has been too forceful, especially for border cities. "Being side by side with our sister country, I think that it's been too aggressive. All border cities have felt the impact of the passport. So many American travellers don't want to spend the money to get the access," Trihey explained.

On the other hand, Ann Mitchell, CAO Municipality of Pelee Island said that Pelee Island hasn't seen much of a difference in tourism, with their hunts being about the same and businesses reporting no difference. They are, however, trying to pull more people in from the U.S. by attending outdoors shows, one of which is in Michigan next year. "We think that, if in our booth, we have clear help for them on how to cross the border with their passports and with their guns when they're coming hunting, it'll make it a lot easier for them to come over," Mitchell said.

Mitchell agrees that awareness is imperative in retaining the U.S.



FREE Network Evaluation

- Are you secure with your backups?
- Are your printers/faxes/files being shared?
- Is your company data easily accessible?
- Are you protected from outside threats?



EXPERIENCE MATTERS
Ask for Vince
519.972.8900
 3181 Walker Rd, Unit #1
 Windsor, ON



T+
TISSOT
 SWISS WATCHES SINCE 1853

TISSOT WATCH EVENT
25-40% OFF

PRS 516 Chronograph Valjoux
 T1021.414.26.051.00

GOLD STAR
JEWELERS

25 Amy Croft Dr., Unit 14A, EC Row & Manning (519) 735-9002

market. "There probably isn't enough information out there. I think once people understand what they need to come over, it's not so daunting for them."

Whatever your travel plans, it is important to research the entry requirements of the countries you plan to travel to, to ensure you will not run into problems with your documentation abroad. The CBP has implemented a communications campaign in both Canada and the U.S. to educate travellers about these requirements. Information for U.S. citizens is available at www.getyouhome.gov and for Canadian citizens at www.knowyourborder.gov, providing document requirements based on the area you reside in and links to where you can apply for the documents that best suits your needs.



INTRODUCING
**THE
CASHBACK
GIC!**

Invest in a GIC at an incredible
interest rate of

3.75%^{*} on a
5 year
term

and receive an immediate one-time
BONUS of 75%
of the interest rate in cash!

THE CASHBACK BONUS IS YOURS...

Use it to purchase something you've always wanted. Consider it your contribution to stimulate our local economy.

or

Invest it back into your GIC and compound your interest.

**FOR EVERY \$5,000, RECEIVE AN IMMEDIATE
ONE-TIME CASHBACK BONUS OF \$140.63!**

IT'S TIME TO MAKE THE SWITCH!

To find out why so many of your friends and family are choosing WFCU, call **519-974-3100** or visit www.wfcu.ca

 **WFCU** | *Like a bank,
only better!*
WINDSOR FAMILY CREDIT UNION

*Rate based on a five year term. Minimum new investment of \$5,000. Rate subject to change without notice. Special Cashback Offer also available on a three year term at a rate of 2.40% with an immediate one-time bonus of 75% of the interest rate in cash. Terms and conditions apply.