

INTRODUCTION

The Government agrees with the recommendations to continue modernizing Canada's border through the use of digital and non-digital tools, increase awareness regarding the removal of COVID-19 public health measures and the mandatory use of ArriveCan, consider hiring additional Border Services Officers at ports of entry to reduce delays and improve processing times, and filling vacancies in Destination Canada's board of directors as soon as possible. The Government acknowledges the recommendation to consider the provision of federal financial support to international bridge authorities, commissions, and duty-free stores if the border between Canada and the United States is closed in the future for any length of time.

GOVERNMENT RESPONSE TO RECOMMENDATIONS

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 border, 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 Government agrees with this recommendation.

The Government is continuing with its efforts to modernize Canada's border through the introduction of digital self-service processing tools and moving toward digital visa and digital immigration permits while increasing capacity to enhance the efficiency of public health processing at the border.

Traveller Modernization

The CBSA has proposed amendments to the *Customs Act*, via the Bill C-47 that would enable its Traveller Modernization initiative. Traveller Modernization seeks to expedite border processing through innovative and digital tools, while maintaining the safety and security of Canada. It proposes a transition from the CBSA's current service delivery model to a digital self-service model with many transactions being accessible on a voluntary basis before an incoming traveller reaches a port of entry, or designated reporting site. The proposed amendments would allow the CBSA to deliver more efficient services by accelerating the flow of legitimate travel and reducing congestion at the border.

The CBSA began modernizing Canada's border in September 2021 with the introduction of the Advance CBSA Declaration. This is an optional feature that is available for travellers who want to save time at certain Canadian international airports by providing their customs and immigration declaration to the CBSA in advance of arriving to Canada. It is currently available at 10 international airports in Canada and, in the coming months, will be introduced at select land ports of entry. Additionally, as part of the Traveller Modernization initiative, new border-related features will become available in ArriveCAN – in all modes of travel – to change the border experience for the better. Since use of Advance CBSA Declaration will remain voluntary, persons who are unable or reticent to use digital tools will continue to have the option of being processed in-person by a Border Services Officer.

The Traveller Modernization initiative, once fully deployed, also seeks to allow the CBSA to better leverage its human resources and focus greater attention on higher risk travellers and enforcement activities. By offering digital self-service processing tools, resources that are currently allocated to administrative, manual, and paper-based tasks could be focused on other Agency priorities such as intelligence and enforcement activities. This strategy will assist the Agency to ensure that it has adequate resourcing levels to address congestion at ports of entry during peak travel periods.

The CBSA remains committed to working closely with stakeholders as part of a comprehensive engagement strategy as it implements the Traveller Modernization initiative through 2030. The Agency will build upon its successful consultations with air industry partners (i.e., airport authorities and commercial air carriers) during deployment of Advance CBSA Declaration. For over two (2) years, the CBSA closely consulted these stakeholders to minimize delays and apply lessons learned to address confusion and maximize benefits of the new tools.

In the coming months and years, consultations will be conducted with bridge authorities, other travel industry partners, and the travelling public as the CBSA deploys Traveller Modernization to minimize disruptions, delays, and confusion at Canada's border. These consultations, which are expected to commence in summer 2023, will allow for open and constructive information exchange, potential collaboration and efforts to mitigate potential concerns prior to its execution.

Improvements for Visitors and Canadians via Digital Platform Modernization

Immigration, Refugees and Citizenship Canada (IRCC) is also pursuing efforts to modernize Canada's border by advancing key components of its vision to improve how visitors come to Canada - including moving toward digital visa and digital immigration permits - as part of its ongoing Digital Platform Modernization (DPM) initiative. IRCC has committed to consulting key stakeholders on this work, including co-designing digital visas with air industry stakeholders to leverage industry expertise and ensure a successful transition. It is also working closely with the CBSA and Transport Canada (TC) to help advance digital solutions for travellers carrying Canadian travel documents that will streamline their travel experience, and to ensure there is a unified Government of Canada vision for the future of travel. By engaging with these partners, IRCC seeks to deliver its modernization initiatives in a way that will minimize delays at Canadian ports of entry, with a particular focus on airports in the near term.

Increased capacity to enhance public health processing

CBSA officers are designated under the *Quarantine Act* as Public Health Screening Officers and continue to conduct the initial health screening and assessment of every traveller, including asking health related screening questions. The Public Health Agency of Canada continues to maintain capacity to administer the *Quarantine Act* for travellers referred by CBSA to PHAC for a more detailed health assessment, and to provide quarantine services for 26 communicable diseases listed in the *Quarantine Act*. PHAC maintains a 24/7 virtual capacity for all ports of entry across Canada and limited in-person presence at priority airports to address referrals from CBSA officers.

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.

The Government agrees with this recommendation.

Leading up to and following its announcement that on October 1, 2022, all mandatory COVID-19 public health measures at the border would end and travellers would no longer have to submit their health information in ArriveCAN, the CBSA, together with PHAC, planned and implemented a proactive, sequenced, and targeted communications approach to ensure domestic and international audiences were aware of the evolving developments regarding ArriveCAN and the rationale for changes.

The Government promoted the now voluntary and optional use of ArriveCAN to international travellers and provided information on the benefits of its use. Advance CBSA Declaration launched online in September 2021 and travellers can use it by accessing a website. It was integrated into the ArriveCAN mobile application in June 2022. At that time, the digital collection of public health requirements was still mandatory in ArriveCAN.

Starting on October 1, 2022, when ArriveCAN became optional, the CBSA worked with internal and external stakeholders to educate travellers about the end of COVID-19 public health measures while promoting the optional use of Advance CBSA Declaration to expedite a traveller's border experience.

This approach included:

- A joint (PHAC/CBSA) news release, regular "travel tips", and a news release created in partnership with the Canadian Snowbirds Association which highlighted public health updates and tools to enable a smoother trip;
- Media availability across all of the CBSA's operational regions and key messages on the removal of COVID-19 public health requirements which provided information on the transition of ArriveCAN from mandatory to optional;
- The pursuit of a national approach to airport signage which was developed in collaboration with airport authorities. The signage removed all references to mandatory public health requirements and supported the voluntary use of Advance CBSA Declaration in ArriveCAN, and its availability at airports across Canada;
- Information on the CBSA's internet site was continually updated to educate and inform travellers of the changes to and the optional use of ArriveCAN;
- The use of social media such as Twitter, Instagram and Facebook (using posts and reels to promote travel tips and news releases for each airport where Advance CBSA Declaration became available to promote the travel and time saving advantages of using it);
- Promotional and educational videos were posted on social media (YouTube, Twitter, Facebook, and Instagram) to inform the public of the post- October 1, 2022, travel situation and to promote the new Advance CBSA Declaration feature in ArriveCAN. These videos played on individual airport screens in various locations and times;
- Updates on the CBSA's modernization tools were added to various products such as the Privy Council Office's weekly Service to Canadians document and Employment and Social Development's newsletter for seniors, and;
- Amplification of all these products by CBSA's regional operations, the U.S. Customs and Border Protection and airport authorities across the country.

Throughout the pandemic, HC and PHAC made ongoing efforts to deliver information concerning Canada's federal emergency COVID-19 border measures in a clear and timely fashion. This included using traditional methods of communication (such as press conferences and news releases) in addition to digital channels including social media and web, as well as ongoing work with stakeholders in the travel and tourism industry, and other government partners.

When the Government removed public health border measures on October 1, 2022, HC and PHAC communicated this through a press conference and news release and across HC and PHAC's digital platforms including social media channels, web content and email notifications to the public who signed up for the service.

Other government departments amplified the posts on their digital channels. These departments also provided all communications products to their stakeholders and relevant travel and tourism industry partners. For example, Global Affairs Canada distributed the information to their consulate offices in the United States and other countries.

The messaging included the facts that ArriveCAN was no longer mandatory and CBSA's focus was returning to facilitating the free flow of people and goods into Canada, and performing legislated duties as screening officers under the *Quarantine Act*.

On January 5, 2023, the Government put in place temporary pre-boarding testing requirements for travellers arriving from China, Hong Kong and Macao to Canada. However, travellers were not required to use ArriveCAN as part of those measures. The introduction of the pre-boarding testing measures, as well as their removal on March 17, 2023, were communicated through both traditional and digital means, and engagement with other government departments and partners, as outlined above.

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 border that Canada shares with the United States.

The Government acknowledges this recommendation. The closure of the border between the United States and Canada for non-essential travel is a decision that is not taken lightly. During the pandemic, the border was not closed in full. Essential workers, those who were travelling for non-discretionary reasons and those who were transporting food and medical supplies were permitted to cross the border. Should a future occurrence require the Government of Canada to revisit this policy, it will do so in collaboration with impacted stakeholders including the Government of the United States.

The Government recognizes the impact of the COVID-19 pandemic on the tourism and hospitality industries. In this respect, it is noted that duty-free stores were generally eligible for various wage and rent subsidy programs offered by the Government of Canada over the course of the pandemic, including the Canada Emergency Wage Subsidy, Canada Emergency Rent Subsidy and Tourism and Hospitality Recovery Program, provided these businesses met the eligibility requirements. Public institutions were not eligible for the subsidies, including Crown corporations.

To help manage the impact of COVID-19, and the associated border closures restricting travel, the Government provided sector agnostic supports and tourism focussed supports.

Sector agnostic supports included:

- The Business Credit Availability Program, which was offered through the Business Development Bank of Canada and Export Development Canada, provided loans to small and medium-sized enterprises of up to \$6.25 million until December 31, 2021, and;
- The Canada Emergency Business Account which provided interest-free loans of \$40,000 to small businesses and not-for-profits, to help cover their operating costs during a period where revenues had been temporarily reduced.

Tourism focused supports included:

- The \$500 million Tourism Relief Fund, which was announced in Budget 2021, helped businesses adapt their products and services to meet public health requirements and improve their product/service offerings, with \$485 million in regional priorities funding administered by Canada's Regional Development Agencies, and \$15 million delivered by Innovation, Science and Economic Development Canada (ISED) to national tourism associations, and
- The Regional Relief and Recovery Fund, which was available from May 2020 to June 30, 2021, offered liquidity to firms unable to access other government programs, and provided \$456 million to the tourism sector.

The Government recognizes the critical role that international bridges and tunnels play in supporting economic growth, connecting communities, and providing essential services to Canadians.

The Government provides funding to support transportation-related infrastructure investments through a variety of programs, including the National Trade Corridors Fund (NTCF). The NTCF provides federal funding, in the form of contributions, for projects and activities that strengthen the efficiency and resilience of national trade corridors and supply chains, including those related to Northern infrastructures.

International bridge and tunnel owner/operators are eligible to apply for federal funding under the NTCF. However, operational and maintenance costs are ineligible expenditures under the NTCF. The NTCF would not provide emergency operational or maintenance funding in case of a border closure.

Since 2017, the NTCF has provided funding to three international bridges and tunnel projects with the Buffalo and Fort Erie Public Bridge Authority, representing a federal contribution of over \$2.4M. Projects include the implementation of license plate reader cameras, the installation of Radio Frequency Identification (RFID) readers, and upgrades to the toll system software and hardware, and signage.

For international crossings that rely on toll revenue to support operations, access to federal financial support might be required if the Government decided to close the Canada-U.S. border to non-essential travel, thereby affecting toll revenue.

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.

The Government agrees with this recommendation.

The CBSA is committed to ensuring the security and prosperity of Canada by managing the access of people and goods to and from Canada. Border Services Officers (BSO) play a key role in enabling the agency to deliver on its mandate.

Given the increase in demand for travel in the post-pandemic environment, the CBSA prioritized the recruitment of new BSO recruits to fill gaps caused by attrition, to respond to the increase in demand for service and to address other emerging issues. It also established a comprehensive recruitment program to recruit, train and develop future BSOs, focused on addressing workforce gaps, employment equity groups, bilingual applicants and to promote a diverse and inclusive workforce.

In addition, the CBSA actively hires Student Border Services Officers (SBSOs) to work alongside BSOs during peak periods to meet increased volumes at international airports, postal processing centres, and telephone reporting centres nationally.

The CBSA continuously plans for seasonal fluctuations at ports of entry across the country and aligns its resources accordingly.

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 Government agrees with this recommendation.

Destination Canada is a federally-owned Crown corporation. Its raison d'être is to sustain a vibrant and profitable Canadian tourism industry, market Canada as a desirable tourist destination, support a cooperative relationship between the private sector and the Governments of Canada, the provinces and territories with respect to Canadian tourism, and provide information about Canadian tourism to the private sector and to the Governments of Canada, the provinces and territories.

It is governed by a Board of Directors that provides strategic direction and oversight of its activities. Board membership includes nine directors appointed through a Governor-in-Council appointment process that is overseen by the Privy Council Office. Directors are appointed to terms of up to four years. The day-to-day management of the Crown corporation is carried out by an executive team that develops and executes business activities and financial management for the corporation, and is accountable to the Board of Directors.

Currently there are four directors whose terms have expired. At this time, there are no vacant positions on the Board, as the four directors with expired terms continue to serve on the Board until such a time as they resign or a new director is appointed in their place.

A Governor-in-Council appointment process has been launched to identify qualified candidates for the Minister to consider in addressing these and future director term expiries.