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# **Standing Committee on Public Safety and National Security**

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**EVIDENCE**

**Monday, November 1, 2010**

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**Chair**

**Mr. Kevin Sorenson**



## Standing Committee on Public Safety and National Security

Monday, November 1, 2010

• (1530)

[English]

**The Chair (Mr. Kevin Sorenson (Crowfoot, CPC)):** Good afternoon, everyone. This is meeting number 37 of the Standing Committee on Public Safety and National Security, November 1, 2010.

Today we're studying changes to the services offered by the Canada Border Services Agency. In our first hour we will have as witnesses the Canada Border Services Agency, with Stephen Rigby, president; Cathy Munroe, vice-president of the programs branch; and Sylvain St-Laurent, the vice-president of the comptrollership branch. We welcome you here. We're very pleased you're able to come and give us a briefing on this issue.

I understand that Mr. Rigby has an opening statement. We would invite him to do that. I'm not certain if he's appeared before this committee before. Then following the statements we'll allow members to have a couple of rounds of questions.

**Mr. Stephen Rigby (President, Canada Border Services Agency):** Thank you, Mr. Chair. I have indeed appeared before this committee.

My thanks to you and to the members of the committee for the invitation this afternoon. As always, I appreciate the opportunity to speak about the Canada Border Services Agency and the delivery of its mandate in this tight fiscal period.

As you well know, the CBSA provides integrated border services across the functions of customs; enforcement of immigration and refugee policy; and food, plant, and animal inspection. Simply stated, our responsibility is to guarantee the optimum facilitation of legitimate travellers and trade while providing security across the border in its entirety.

Last year we processed over 85 million travellers and 26 million commercial shipments. We seized some \$2.36 billion worth of illegal drugs and removed over 14,000 persons who were inadmissible to Canada. We collected over \$13.5 billion in duties and \$16 billion in value-added taxes.

The CBSA is very much a people-based organization, which means our expenditure is largely salary-based. As such, any budget change will have an effect on staff, and we are acutely aware of this as we allocate funds.

Additionally, like other public and private sector organizations, we are faced with the reality of tighter budgets and the requirement to align scarce resources in a responsible and cost-effective way. I

believe we are meeting this requirement through tight fiscal management and the pursuit of a sound strategic agenda.

[Translation]

In this context, I appreciate that parliamentarians are interested in the conscientious management of tax dollars. During difficult economic times, Canadians expect government agencies to be even more watchful, and to ensure that every tax dollar is producing results.

I want to assure members of the Committee that we share this view. The CBSA is committed to cost-effective delivery of border services based on a close and continuous assessment of our programs and operations.

[English]

In 2009 the CBSA was the subject of a strategic review, as required by the Government of Canada. Through this process we identified ways to better meet our mandate and ensure full alignment of our priorities with those of the government. In compliance with the terms and conditions of strategic review, we carefully and comprehensively looked at all our programs, and this led to cost savings of some \$58.4 million, which were accepted by the government. These reductions covered lower-priority items across the full range of our programs. We also took particular care to minimize unnecessary impact on our front-line operations.

That said, there were expenditures on the front lines that we concluded were reasonable candidates for reallocation. These particular recommendations put forward as a result of the review were also sensitive to both the realities in our field operations and the demand to exercise a national mandate for border services.

Still, making these sorts of choices is never easy, but I can assure this committee that these decisions were taken according to the principles of sound fiscal management and with the expectation that they will result in improved service to all Canadians across the country.

As a result of these cost-saving measures, certain ports of entry will have their hours reduced, while nine low-volume inland customs offices will have their commercial operations consolidated to another nearby service point.

Obviously, particular discussion and attention is attached to the three planned port closures at Jamieson's Line and Franklin Centre, both located in Quebec, and Big Beaver in Saskatchewan.

[Translation]

In this case, the intersection of considered factors, particularly cost, traffic volumes, the proximity of other available service locations and risk profiles, resulted in these expenditures being assigned a relatively low priority within the range of program expenditures made by the CBSA. While these decisions were difficult, the Agency's overall service and enforcement priorities in those areas will not be diminished. The security risks and threats associated with these ports of entry and service points are considered low, while the costs of maintaining operations at current levels are, in proportional terms, high.

• (1535)

[English]

I can also say that the actual closure of these ports will be done in consultation with community interests. We will also proceed in consultation with our counterparts in the United States. In these discussions we will pay particular attention to the installation of arrangements for the passage of emergency vehicles as a key factor in serving Canadians.

Mr. Chair and committee members, by way of conclusion, I would like to emphasize that the CBSA is an agency that undertakes its responsibilities seriously and with a view to serving the nation as a whole. As a responsible agency, we have to deal with the reality before us, and that reality means making difficult decisions and hard choices. The decisions we take as an agency are granted with a steadfast and unwavering commitment to provide the highest-quality border services, which protect our country and facilitate trade in a fiscally responsible and principled manner.

I look forward to your questions, and thank you.

**The Chair:** Thank you, Mr. Rigby.

We'll move into the first round of questions. It's a seven-minute round.

We'll start with Mr. Kania.

**Mr. Andrew Kania (Brampton West, Lib.):** Mr. Rigby, looking at your presentation, the first thing I note is that you make reference to the strategic review required by the Government of Canada in 2009, and on page 4 you say, "[i]n compliance with the terms and conditions of Strategic Review".

Do you have something you could provide to us to set out exactly what the terms and conditions of this strategic review were?

**Mr. Stephen Rigby:** The terms and conditions, quite simply put, sir, require every department and agency to identify 5% of their low-priority programs as part of a consideration, every fourth year, the government makes. There are other rules about the actual conduct of these reviews. They are governed and provided by the Treasury Board of Canada.

**Mr. Andrew Kania:** Is there something in writing you could provide to us in terms of exactly what is set out in the terms and conditions for each review?

**Mr. Stephen Rigby:** The best source for the terms and conditions of the strategic review would be the Treasury Board Secretariat, but I

can certainly undertake to work with them to provide the committee with something, yes.

**Mr. Andrew Kania:** Thank you.

In terms of reviewing this, were you told by the government to cut a certain percentage of your expenditures?

**Mr. Stephen Rigby:** What happens under strategic review, Mr. Kania, is that all departments and agencies are asked to identify their lowest 5% of priorities and to present those for consideration to the Treasury Board.

**Mr. Andrew Kania:** So that we're clear and Canadians understand, in essence, then, the government tells you to find 5% to cut.

**Mr. Stephen Rigby:** No, that's not my understanding. The government asks us to identify our lowest 5% of priorities. The Treasury Board and the ministers of cabinet make decisions on whether they would like to take those proposals or take some other decisions surrounding them.

**Mr. Andrew Kania:** So in this particular case, you were required to identify 5% that could be cut.

**Mr. Stephen Rigby:** It would be 5% that could potentially be reallocated within government expenditures.

**Mr. Andrew Kania:** In this case, you identified, based on your report, certain border crossings that would be closed and other certain ones that would have hours reduced.

**Mr. Stephen Rigby:** What we did, Mr. Kania, was look at all of our programs. The requirement of program review means a comprehensive review of all the programs of the department or agency undergoing the review. Obviously, when we look at all of our programs, that will mean, of necessity, looking both at headquarters and at the front line and at the different aspects of border administration we pursue.

**Mr. Andrew Kania:** Based on what you just indicated, it's the government, and in particular the Treasury Board, that made the decision to cut these particular border crossings and to reduce the hours. It wasn't your decision. It was their decision. Is that accurate?

**Mr. Stephen Rigby:** What's accurate to say is that I'm required to propose 5% of my lowest-priority programs, as is every other department that undergoes a strategic review each year.

**Mr. Andrew Kania:** Right, but you don't make that final decision. It's the government that makes the final decision, correct?

• (1540)

**Mr. Stephen Rigby:** The government takes a position on what it wants to accept or reject in terms of the propositions or the recommendations put forward by departments and agencies.

**Mr. Andrew Kania:** So in essence, it's not your decision to do it. They have to approve your recommendations, correct?

**Mr. Stephen Rigby:** The Treasury Board looks at the recommendations and decides what they want to accept or not accept.

**Mr. Andrew Kania:** I can take that as a yes. They make the decision, correct?

**Mr. Stephen Rigby:** Yes.

**Mr. Andrew Kania:** Thank you.

On page 4, at the bottom, you say that “it will result in improved service to all Canadians, across the country”.

I'd like you to describe how closing these border posts and reducing the hours will result in improved service to all Canadians across the country, as indicated in your report.

**Mr. Stephen Rigby:** It's a question, sir, of looking at the cost-effectiveness of all of the locations where we have either service delivery or representatives. It's my belief that, looking forward, giving the opportunity to the government to reallocate resources from locations where there's simply cost-ineffectiveness, in terms of the number of vehicles and the number of cars or trucks that may be going through on a given day relative to the expenditures that are being made, gives us the ability to focus our programmatic activities on areas where the risk is perhaps higher and the volumes are higher.

**Mr. Andrew Kania:** In terms of the locations that are being closed, and the locations that are having their hours reduced, can you be very specific and go through them and tell us how it will result in improved service to Canadians who live in those areas?

**Mr. Stephen Rigby:** Certainly in terms of Canadians who live in those areas, there's probably a perspective, an appropriate perspective, that in those very precise small towns and areas, their service will be reduced. But I think overall my obligation as the head of the border agency is to look at the total amount of expenditures I make and to ensure that across the range of points of service I run and the range of ports of entry, money is being invested in the ones that are cost efficient, that have high volumes, that have an appropriate risk, that don't have ports of entry that are reasonably close by, etc.

**Mr. Andrew Kania:** But you did not make these recommendations independently of the strategic review. You made these recommendations because you were required to provide recommendations for 5% of your budget. Correct?

**Mr. Stephen Rigby:** Obviously, I made these recommendations in the context of the strategic review that the departments and agencies are required to present every fourth year. That said, we are constantly looking at opportunities to ensure that our resources are allocated to the highest return, the highest risk, the highest points of volume throughputs across the border, in airports, at the land border, and marine ports.

**Mr. Andrew Kania:** Ms. Mendes has a question.

**Mrs. Alexandra Mendes (Brossard—La Prairie, Lib.):** *Merci beaucoup.* Thank you very much, Mr. Chair.

[Translation]

On page 6 of your brief, you say that you will be consulting your counterparts in the United States. I would like to know whether those consultations have already begun, what they will consist of, what is being reported to you by U.S. authorities and whether they believe these closures—incidentally, two of the three closures are in Quebec—will compromise security at the border?

[English]

**The Chair:** Thank you, Ms. Mendes.

Mr. Rigby.

[Translation]

**Mr. Stephen Rigby:** We are currently holding discussions with our U.S. counterparts. There is certainly a level of

[English]

sensitivity around these discussions, so you'll forgive me if I'm a little bit circumspect.

I think, obviously, as we are looking at where we might take port closures in discussions with our American friends, we are always going to look for opportunities where we can balance federal presence from the American side with our side. But that said, there are a number of locations across the 49th parallel where either our hours are not in perfect balance or where our points of service are not in perfect balance.

So as we go forward, we're going to discuss longer-term plans whereby the presence on both sides of the border can be kept in the best alignment appropriate to each individual location. We also discuss the range of things in terms of alternate points of service and whether in the long run it might be appropriate to recommend to both governments whether or not there are ways that we can use technology better in some of these locations or whether or not we can look at joint facilities or other questions like these. These are purely at the discussion stage at this point, and we're not in a position to make any recommendations.

• (1545)

**The Chair:** Thank you, Mr. Rigby.

Madame Mourani.

[Translation]

**Mrs. Maria Mourani (Ahuntsic, BQ):** Thank you, Mr. Chairman.

I would like to thank you for being here today. I intend to pursue the same line of questioning, Mr. Rigby. You say that you are consulting your U.S. counterparts. But I have letters from U.S. municipalities saying that they want to keep these service locations open and that they do not seem to have been consulted.

For example, a petition was filed today with more than 5,000 signatures on it with respect to the Franklin border crossing, for example, and it states that neither local communities nor communities on the U.S. side were consulted about this. Furthermore, I have letters here, including one from the New York State Assembly, stating that it is essential that the Franklin Centre and Jamieson's Line ports of entry remain open.

There is something here that I don't understand. If you did consult people, it would appear that they are not happy with the decision.

**Mr. Stephen Rigby:** Just to clarify, we are currently in discussions with our government counterparts.

[English]

I'm in discussions with my counterparts in CBP, customs and border protection. I did not mean to imply in my previous answer that I'm in discussions with other levels of government or necessarily, at this moment, in discussions with local, municipal entities. My discussion is to see the way in which we are going to approach this and the way in which the federal presence on the American side and the Canadian side can be balanced in the long term.

I recognize that there are concerns. I recognize that there are quite reasonable and predictable and expected concerns by local residents on both sides of the border. I didn't mean to suggest that I am right at this very moment in discussions with local authorities.

[Translation]

**Mrs. Maria Mourani:** As I understand it, these ports of entry will be shut down in April of 2011. Is that what is going to happen, or is it possible the decision will be changed?

[English]

**Mr. Stephen Rigby:** At this time, we have no expectation that the decision will change. Certainly, we will have considerable discussions about the manner in which these closures will take place. There will be discussions with local authorities on both sides of the border and with our American counterparts.

As I said in my remarks, one area of real concern to us is to make sure that the roads on which these ports of entry exist today remain open to emergency vehicles and that the closures are handled in a sensible and sensitive way from that perspective.

[Translation]

**Mrs. Maria Mourani:** I have to admit that I'm having trouble understanding this. Earlier, you were saying that you analyzed the risks and the threats, which were deemed to be low with respect to security. You also said that the cost would be high.

So, perhaps you could explain why, on the American side, they are currently investing millions of dollars in infrastructure along the border, such as at Franklin Centre and Jamieson's Line. Why do they consider security to be critical, when you are telling me that threat is minimal? The Americans are constantly telling us that the Canadian border is a sieve, and yet you are saying that we should shut down ports of entry and that this will have no impact on security?

So, in your opinion, will the drug, gun and human traffickers be going through ports of entry that are serviced, or will they prefer the border crossings which are not staffed?

**Mr. Stephen Rigby:** First of all, I cannot answer questions with respect to the decisions made by my U.S. counterparts.

[English]

I can't tell you, and they have not shared with me the rationale or the reasoning why they are choosing to make certain capital investments. It would be inappropriate for me to comment on that.

From a security point of view, I can say this. We conduct security threat risk assessments across the border at all ports of entry. For these particular ports, in relative terms, the threat and risk profile is relatively low. If a port of entry is closed, any suspicious or

threatening traffic that might have gone through it will go to the adjacent ports.

They're not going to start travelling, I don't think, overland through farmers' fields and what have you. They're going to go to the next port of entry 15 or 20 kilometres down the road. We believe we have the capacity there to enhance and adjust our enforcement activities to handle any of the threats that might have been going through the ports that we are about to close.

• (1550)

[Translation]

**Mrs. Maria Mourani:** In any case, Mr. Rigby, I'm afraid that I very much doubt that. In my opinion, even with the measures that are currently in place, Canada's border is still somewhat of a sieve. You know perfectly well that 80% of the guns in this country come from the United States and cross the border freely, just as the drugs do. You are perfectly aware of that.

You also referred to border crossings where the service hours would be cut back, such as Morse's Line, which will be open from 8:00 a.m. until 4:00 p.m. Am I mistaken about that? No, I'm not.

If the border crossings are going to be open from 8:00 a.m. until 4:00 p.m., do you think that traffickers will be crossing the border between those times? Do you think that's appropriate? In terms of our security, is it logical for a border to be shut down overnight? Does that seem logical to you?

[English]

**Mr. Stephen Rigby:** Well, what I find logical, Madam Mourani, is that all the crossings that we run are open relative to the traffic flows that come across them. So where we see traffic flows that are perhaps lower in the evening, yes, I think it's a reasonable decision.

[Translation]

**Mrs. Maria Mourani:** Unless I'm mistaken, Mr. Rigby, you are saying that they will remain open based on traffic flows, and not for security reasons. That is right, is it not? They will remain open based on the number of people going through, but not for security reasons. No consideration is being given to the fact that there is a security issue. You just want to know whether there are cars going through or not, and how many cars are going through, correct? That's right, isn't it?

[English]

**Mr. Stephen Rigby:** I can assure you that quite the contrary is true. The security of Canadians is always foremost in our minds, but it is a weighted balance, and it is not the only factor that we look at in terms of balancing the security and facilitative aspects of our mandate.

**The Chair:** Thank you, Mr. Rigby.

Mr. Davies.

**Mr. Don Davies (Vancouver Kingsway, NDP):** To all the witnesses, thanks for coming.

Mr. Rigby, did the CBSA review include all of the border and customs offices in Canada or only some of them?

**Mr. Stephen Rigby:** We looked at all of our programs, Mr. Davies, not just the front-line offices, but 100% of our program expenditures.

**Mr. Don Davies:** Okay. And I think you've touched on this a bit, but I will make sure I am following it. In terms of the selection criteria that you may have used to close or reduce hours in border offices, would you have looked at the number of crossings a day—I guess commercial and personal—and the overall security importance?

**Mr. Stephen Rigby:** We would look at a combination of factors. I think it's fair to say the primary factors that we would have looked at are flows, as you say, personal and security. We would look at the costs of sustaining the port. We would look at the risk profile. We would look at the relative proximity of other ports and the infrastructure for handling the diversion of traffic from a port closure to another location.

**Mr. Don Davies:** Our analyst put together some material for us. I don't know if you have this or have looked at it.

I'm not an expert in this, so I'm just going by these numbers. The three land border offices for closure—Jamieson, Franklin, and Big Beaver—have an average of 12 travellers, 56 travellers, and, in Big Beaver, an average of five travellers. Those are for shutdown. One of the border offices that you've determined to stay open but just reduce the hours is Kenora. That has the lowest amount. It has an average of four travellers who pass through each day. Now it doesn't say anything about the commercial traffic, so I'm not sure if that's a factor.

To someone who is looking at this, you would think, why are we keeping open something with four travellers passing through a day and closing others that have, by my bad math, three and twelve times the amount of travellers going through?

**Mr. Stephen Rigby:** As I say, there's never a single factor that goes into these things, so certainly, yes, there are ports of entry that would have volumes close to the Big Beaver location that we proposed for closure. But there will be other factors that we have taken into account.

Cathy, I don't know if you can comment on this.

• (1555)

**Mr. Don Davies:** Can I just focus on Kenora, if you know? Can you help me out as to why Kenora, with four travellers passing in a day—

**Mr. Stephen Rigby:** In Kenora's case, the nearest point of service is over 200 kilometres away—

**Mr. Don Davies:** Okay. That might have been the reason.

**Mr. Stephen Rigby:** —so that might have been the reason. There would have been considerable difficulty in terms of proximity to another location.

**Ms. Cathy Munroe (Vice-President, Programs Branch, Canada Border Services Agency):** If I might, as well, one of the criteria that we would look at is the type of port of entry. So, for example, when we talk about the three ports that we were talking about earlier, they're land border sites. Kenora is a small airport. So in terms of how we service and provide service in those locations, it's

possible that there is a call-out for certain hours of the day or certain days of the week.

**Mr. Don Davies:** I see.

Now I just want to focus on security a little bit. Would I be correct that the number of border offices that we have and where they're placed would play some role in public safety, as a general proposition?

**Mr. Stephen Rigby:** Where they are placed is often a result of either geography or history. Some of these things have been there for decades and decades. Certainly the level of attention we give them and the kinds of services and the kinds of enforcement capabilities that we would put in a location would certainly be a function of the enforcement profile there: the types of traffic that would go through, the hours they would go through, and the sorts of things that we've seen historically.

**Mr. Don Davies:** Again, not being a security expert, I would think, as a matter of logic, that Canadians would be safer if we had more border offices rather than fewer. Would that play any role in public safety? Or, if I'm missing something, can you explain to me how that would not have a role in public safety?

**Mr. Stephen Rigby:** I think there are always two aspects.

First is the facilitative service aspect we provide, and that is the ability of Canadians or visitors to Canada to get into Canada in a reasonably easy way. Any time a border location is present and providing that service, there is an enforcement question.

I'm not sure I would agree with the hypothesis that simply having more border locations would provide better security. I think the sorts of enforcement and facilitation we have at our locations, combined with the kinds of efforts my colleagues in the RCMP make on locations near the border and the enforcement profiles we have there.... All of that, in combination across the full range of the thousands and thousands of miles of border we administer, would go to the level of security that Canadians enjoy.

**Mr. Don Davies:** When you close a border office, it increases the distance between border offices. Does that decision have any impact on the ability to patrol the border between those border offices?

**Mr. Stephen Rigby:** Obviously, it stretches the distance between ports that are open, and that would represent a different sort of workload, perhaps an additional workload for my friends in the RCMP. As far as the three ports we're closing, the distances are relatively modest, and I don't think they would represent a significant or detrimental addition to the efforts of the RCMP.

**Mr. Don Davies:** I have a question on something that came from B.C. I don't expect you to know about it, but I would like you to get back to us on it. It has to do with closing the Pacific Region Recourse Division. I understand they've written to you, Mr. Rigby. You probably haven't seen this. It says: "We would like to point out that there was never any consultation" regarding "the viability and impact of moving this Recourse work outside of the Pacific Region." They feel it's "not effective and efficient. The amount of work is steady and not decreasing." They say that transferring the work to Toronto or Montreal will "only increase the workload" there, and there's "no cost saving to the CBSA by eliminating the Recourse office in Vancouver". They say they process "the greatest number of prohibited weapons disputes", so moving that work to Toronto or Montreal will increase costs.

Do you have any information I could share with them? Can you get back to me if you don't?

**Mr. Stephen Rigby:** I have to apologize, Mr. Davies. I'm not immediately familiar with that issue.

Cathy, are you familiar with it.

**Ms. Cathy Munroe:** I can only speak generally to the trend over the past few years in the number of cases of recourse that have gone to that particular office, and the decrease. Recourse isn't specifically dependent on a certain location, so certain economies were looked at in the review in being able to combine expertise and workloads. But I can't comment right now on all the specific items you have addressed.

• (1600)

**Mr. Stephen Rigby:** We'll get back to you.

**The Chair:** Thank you very much, Mr. Davies.

Before we go to the government side, I have one question I would like to ask for reference.

How many border crossings are there in Quebec?

**Mr. Stephen Rigby:** There are 33.

**The Chair:** How many of those are 24-hour border crossings?

**Mr. Stephen Rigby:** That's a good question. I don't know off the top of my head, but I will get that for you.

**The Chair:** Do you think there are 10, 15, or five?

**Mr. Stephen Rigby:** I would be speculating....

**The Chair:** Are the majority of people coming across just individuals in vehicles, travellers, or is there very strong business, trucking....

**Mr. Stephen Rigby:** No, there is a blend. At a big location like Lacolle you will get a very significant commercial throughput. At some of the smaller crossings I think it's fair to say that the commercial throughput is much less but not nil. It varies from crossing to crossing, depending on whether it's a main highway arterial or there's close proximity to commercial entities on either side of the border.

**The Chair:** Do you know how many 24-hour border crossings there are in Alberta?

**Mr. Stephen Rigby:** I don't know, off the top of my head.

**The Chair:** I believe there's one, at Coutts.

Are you familiar with the Wild Horse crossing in southern Alberta?

I'm just going to put on the record—and I will take this from government time—the amount of traffic that goes from the United States up to Fort McMurray. It goes all down Highway 2 and through my constituency on Highway 36. Although it may be good for all the businesses along 36, it's important that we have another 24-hour crossing. There are hundreds and hundreds of kilometres before you come to another border crossing, and we're talking about closing some of them. If it's 15 or 20 kilometres to the next one, I guess I wonder why in Alberta we only have one 24-hour border crossing.

That's maybe for another time.

Take that off government time.

We'll go to Mr. Gourde.

[Translation]

**Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC):** Thank you, Mr. Chairman. I'd also like to thank our witnesses for being with here.

In terms of low traffic flows and difficult decisions, what criteria do you use? Is the calculation based on annual crossings?

[English]

**Mr. Stephen Rigby:** Do you mean in terms of examining crossings and whether they remain open?

[Translation]

**Mr. Jacques Gourde:** It was mentioned that there are low traffic volumes at certain ports of entry, meaning that there are few vehicles going through on a daily basis. How far back do your statistics go—one year, two years or five years?

[English]

**Mr. Stephen Rigby:** We have statistics that probably go back two to three years. We certainly keep them on trends in volume and border wait times.

[Translation]

**Mr. Jacques Gourde:** As a general rule, I suppose we are talking about border crossings where is it pretty much the same people going through at regular hours. When you decided which ports of entry would be shut down, did you consider the distance to the next closest service location where people would be able to cross the border?

**Mr. Stephen Rigby:** We considered approximately four key factors because making our decision.

[English]

When we looked at the ports of entry we're talking about here, compared to Mr. Davies' example of Kenora, if the nearest port is 10 to 15 kilometres away, that's a much different consideration than one that's 50 or 100 kilometres away. The ability of local residents to use a closer port would go into our consideration, to a certain extent.

[Translation]

**Mr. Jacques Gourde:** As regards the border crossings you intend to close in Quebec, how far away are the next closest service locations?



[English]

**Mr. Stephen Rigby:** In the case of Jamieson's Line, it's about 10 kilometres; in the case of Franklin Centre, it's 16 kilometres; and in the case of Big Beaver, it is about 60 kilometres.

• (1605)

[Translation]

**Mr. Jacques Gourde:** Sixteen kilometers, you say. Is that as the bird flies or taking the closest road?

[English]

**Mr. Stephen Rigby:** That would be by the closest roads.

[Translation]

**Mr. Jacques Gourde:** These decisions will certainly have repercussions. Indeed, the money saved will be used to improve the closest port of entry by introducing new technology. What kind of savings are we talking about?

[English]

**Mr. Stephen Rigby:** On the three points of entry we're debating here, I believe the total savings will be about \$1.25 million.

[Translation]

**Mr. Jacques Gourde:** Is that the amount for the three ports of entry?

[English]

**Mr. Stephen Rigby:** Yes.

[Translation]

**Mr. Jacques Gourde:** Thank you.

This process as a whole will mean that all ports of entry outside Quebec will be making money. You mentioned an amount of \$1.5 million.

Is that for the process as a whole or only for the province of Quebec?

[English]

**Mr. Stephen Rigby:** That's just for the three ports: two in Quebec and one in Saskatchewan. If you're talking about the entire process, in excess of \$58 million will be returned annually to the government for reallocation for higher-priority expenditures.

[Translation]

**Mr. Jacques Gourde:** Will there be job losses as a result of this process?

[English]

**Mr. Stephen Rigby:** There are certainly jobs that will be affected by the closure of the ports. We are hopeful, and it will be my priority, that within the ambits of the attrition—the turnover that CBSA deals with each year—we will be able to offer alternate employment to all of the employees who are affected.

[Translation]

**Mr. Jacques Gourde:** Thank you.

[English]

**The Chair:** Thank you very much.

Mr. Tonks.

**Mr. Alan Tonks (York South—Weston, Lib.):** Thank you, Mr. Chairman.

I don't sit on this committee, but it did occur to me that there is obviously a net value both to the regional economy at the vicinity of the border crossing and an additional value to the Canadian economy in terms of that transport of goods and services, and whatever.

I notice that you placed as your two criteria, to protect our country and facilitate trade. It would seem to me that the 5,000 people, plus the mayor, who's going to be coming and talking to this committee, would be looking at the impact on the regional economy in terms of the kinds of jobs the port of entry provides.

When you are doing your analysis of those particular locations right across the country, how much does the trade factor in? Do you also look at your nearest port in terms of absorbing and capturing that value-added? Do you report, through the Auditor General or your particular report, and re-evaluate that decision during the course of your five-year strategic plan or whatever it is?

**Mr. Stephen Rigby:** Thank you for the question.

Obviously we are always looking at the throughput through all of our ports. We're always looking at the size of the facility, the amount of commercial traffic that goes through, the individual traffic that goes through, and our ability to respond to the pressures at each individual location. Comparisons between, say, Franklin Centre and the Ambassador Bridge in Windsor are obviously very difficult to make.

If you are looking at the trade implications of a particular small location, it's very difficult for us to quantify that. Obviously there are local firms who are going to have to drive a little further perhaps in terms of moving their traffic through the border. There will be a marginal cost to them. We recognize that.

But in terms of my ability to have a discussion about what my true lowest-priority issues are, there would be no comparison between smaller ports in terms of cost-efficiency, and a larger port, where just the sheer volume in terms of the capacity of my officers to handle commercial throughput is going to be much different.

That's not the only criterion, though. I want to stress this over and over again. We look at a whole range of factors, which in the aggregate add up to certain conclusions that we would make.

• (1610)

**Mr. Alan Tonks:** Mr. Chairman, do I have one more minute?

Just on the last part of the question, you now retrospectively see the concern that's raised through communities and so on that would perhaps want to make a case that might question the criteria that were used.

I do understand that you're allocated a reduction package that you have to contribute to through the overall departmental spectrum, but is there part of your policy that says we've made this decision, we had to make it, but we're going to review it in five years or whatever? Is that in the process?

**Mr. Stephen Rigby:** It's not ultimately my decision to open and close a port. It's not something I can unilaterally do. But I can assure you that if volumes begin to change, if they shift across the entirety of our operations, we're constantly watching that. If we close a port, we can't watch for changes in volumes that aren't there anymore, but we would watch for volume changes in the adjacent ports where we are redirecting traffic. We would have continuing discussions with our American colleagues in the normal course of watching the volume flow across the border. So the answer would be yes.

**The Chair:** Thank you very much, Mr. Tonks.

Ms. Mendes, very quickly.

[Translation]

**Mrs. Alexandra Mendes:** Thank you very much, Mr. Chairman.

There is currently a plan to shut down two ports of entry in Quebec, whereas a government bill is currently under review in the House. What I would like to know is how we can combat human trafficking at the same time that we are shutting down two border crossings. I cannot see how those two goals can be reconciled.

[English]

**Mr. Stephen Rigby:** I don't necessarily reconcile them in comparative terms.

The human smuggling bill looks at the sorts of flows that we have seen in terms of mass migration, which is largely mass marine migration. The sort of irregular migration that we see across the land border tends to be much, much lower. It tends to manifest itself in terms of people coming in often in regular fashion on a regular visa of one sort or another that then lapses, and they present themselves for refugee status at one of our inland offices. So it's a different kind of migration.

So the kinds of efforts that are being pursued in terms of large-scale irregular migration I would say predominantly manifest themselves in the marine mode, as we're seeing in the case of the *Sun Sea* and the *Ocean Lady*, and to a lesser extent in the air mode, where we can have, as we saw in the Mexican example, somewhat large-scale irregular migration through air prior to the imposition of the visa. But it's not nearly as much in the land border.

**The Chair:** Thank you, Mr. Rigby.

Mr. Norlock and Mr. McColeman, very quickly, and I'm going to go back to Mr. Gaudet today.

**Mr. Rick Norlock (Northumberland—Quinte West, CPC):** Thank you very much, Mr. Rigby. Thank you to all of the witnesses for coming today.

Mr. Rigby, when you talked about the question of security, that you make sure that you take security into account, would you also be referring to CBSA's relationship to IBETs, the integrated border enforcement teams? And am I right in telling folks that you are part of that team not only with the RCMP but also U.S. Customs and Border Protection, the U.S. Bureau of Citizenship and Immigration Services, and the U.S. Coast Guard? Are they all part of that organization? Did you talk to them about Canada's security and your ability to keep Canadians secure when you made this decision?

**Mr. Stephen Rigby:** Certainly we are a member of the IBETs partnership, yes. Certainly we are in constant dialogue with U.S.

CBP and U.S. ICE, and with a number of other American border and national security organizations as well.

At the same time, I think I can safely say that we have constant outreach with a number of industry stakeholders with whom we talk about threat and risk profiles, the sorts of things that they are seeing from a trade chain security point of view. So all of these things go into our constant dialogue and our constant efforts to refresh the security and risk profile across the border as a whole.

**Mr. Rick Norlock:** Thank you.

**Mr. Phil McColeman (Brant, CPC):** Thank you, Mr. Chair.

And thank you for being here today.

I won't repeat the actual numbers that my colleague across the way went over. Obviously the statistics tell the whole story here in my mind that these are underused border crossings, if in a 24-hour period we have the kinds of numbers we're talking about.

I just want to commend you, actually, in this time of fiscal restraint and austerity, for taking the view to recommend that we do change and restructure things to be more efficient. I think this is what Canadians expect of us, actually, to look at underused resources and to reallocate where it makes sense and where these border crossings are in proximity to other close border crossings that can be utilized.

I've met you at a conference involving border security issues, Mr. Rigby, and I know that at that conference there were a lot of commercial traffic issues that were brought up by various business interests on both sides of the border. I'm wondering, in your deliberations in terms of their needs, the needs that would affect both the U.S. and the Canadian economies, how they have weighed in to your decisions or your recommendations here.

• (1615)

**Mr. Stephen Rigby:** In terms of how we weighed our analysis in the context of the entire strategic review, the discussions that we have on an ongoing basis with industry, with stakeholders, with people who run bridges, with the tunnel operator in Windsor—all of these discussions, all of these predictions are taken into account on an ongoing basis.

Certainly they formed part of the deliberation, part of the analysis that went into the formulation of our recommendations, in terms of front-line infrastructure. I cannot tell you absolutely that we had specific advice in terms of the three small ports that we're looking at, but in terms of the constant balancing that we're looking at of human resource investments at different locations, those sorts of deliberations are ongoing and constant.

**Mr. Phil McColeman:** I have a last comment, Mr. Chair, if you'll allow me.

The \$58.4 million in overall savings to be reallocated is something that I think is hugely commendable to your organization.

**Mr. Stephen Rigby:** Thank you very much.

**The Chair:** Thank you, Mr. McColeman.

Mr. Gaudet.

[Translation]

**Mr. Roger Gaudet (Montcalm, BQ):** Thank you, Mr. Chairman.

Your motto is “Protection, Service, Integrity”. I would like to try and understand the system. What is your current budget?

[English]

**Mr. Stephen Rigby:** It's approximately \$1.5 billion or thereabouts.

[Translation]

**Mr. Roger Gaudet:** There is something I don't understand. On the U.S. side, in Churubusco, repairs and construction work are underway. On the Canadian side, you are preparing to shut down the border crossing. Are you sure you have discussed this with your U.S. counterparts? I am not so sure.

If you say you have discussed it with them, then there is a big problem, sir. If they are making repairs while we, on our side, are planning to shut down the port, then there really is a major problem. We will be locking the doors just as they are putting up a building.

[English]

**Mr. Stephen Rigby:** Well, sir, I can assure you that I am in constant communication with my U.S. colleagues. I can also assure you that the commissioner of CBP has a budget that is substantially greater than mine in terms of his ability to bring assets to bear on the 49th parallel.

That said, I am completely confident in the ability of the CBSA to provide good, secure service to Canadians on the 49th parallel. But I cannot comment, and it would be inappropriate of me to comment, on the budget decisions that are made by my counterpart.

**The Chair:** Are you done? I'll give you another one, Mr. Gaudet.

[Translation]

**Mr. Roger Gaudet:** I have one other brief question.

Have you measured the economic impact of closing these three border crossings—maybe not the one that has an average of only four travellers per month, but the other two—in Quebec? I think that's quite important.

Have you measured the economic impact of this?

[English]

**Mr. Stephen Rigby:** It's very difficult to measure precisely what the economic impact would be. We certainly looked at the number of commercial releases, which, for example, in the case of Franklin Centre, averaged, for the last period we looked at, around two and a half per day. So it is relatively low in terms of total commercial throughput.

[Translation]

**Mr. Roger Gaudet:** I agree with you.

However, if the Franklin Centre land border office shuts down, they will go somewhere else. They may go to the U.S. side. That may be what you would like to see happen. But I see this as a major

problem. In light of your motto, “Protection, Service, Integrity”, I have to say I have a major problem with that, Mr. Rigby.

I have no further questions.

• (1620)

[English]

**The Chair:** Thank you very much, Mr. Gaudet.

Thank you, Mr. Rigby, Ms. Munroe, and Monsieur St-Laurent for coming here today. You have given us a little bit of background on this issue.

We have other guests who are waiting to give some testimony, so we will suspend for approximately one minute. We'll allow our guests to take leave and invite our next guests to come to the table.

• (1620)

\_\_\_\_\_ (Pause) \_\_\_\_\_

• (1620)

**The Chair:** All right. We'll call this meeting back to order.

We're going to continue our study of changes to the services offered by the Canada Border Services Agency. With us in this final hour today we have, from the Plattsburgh-North Country Chamber of Commerce, Garry Douglas, president and chief executive officer; from Leahy Orchards Inc., Barry Orr, the border customs compliance manager; from the Customs and Immigration Union, Ron Moran, national president, and Jean-Pierre Fortin, first national vice-president; and from the Drummondville Economic Development Society, Martin Dupont, chief administrative officer. Finally, appearing as an individual we have Réal Pelletier, mayor of the city of Saint-Armand.

I understand that each of you has an opening statement. Maybe we could begin with Mr. Douglas. Are you prepared to begin?

**Mr. Garry Douglas (President and Chief Executive Officer, Plattsburgh-North Country Chamber of Commerce):** Thank you. I appreciate this opportunity. I also serve as the co-leader of the Quebec-New York Corridor Coalition, which is a broad public partnership of government and business interests in Quebec and New York with a shared interest in the border.

I'm going to take things to a higher level because I know my colleagues here are going to address some of the very specific impacts on the ground in the affected region. I think everybody here agrees there is probably nothing more important to the U.S. and Canada economically, socially, and in many other respects than our connection at the border between our two countries and our two peoples.

The accords and agreements of the last several years have established very firmly a commitment in principle by both countries to recognize that it is a shared border, not two borders that sit alongside each other separately, and that the decisions need to be collegial, joint, and bilateral. I'm the first to admit that the U.S. has messed up on that front many times. The western hemisphere travel initiative of last year is certainly an example of that—an example of unilateralism and all of us having to get with the program because unilaterally one government made such a decision. However, the principle remains, and we're always, all of us in the field, trying to drag our government, as many of my colleagues in Canada do, to come back to that principle of bilateralism and collegiality in all decisions on the border, whenever one government or the other strays from that and goes into a mode of unilateralism.

In the Quebec–New York region, we have had enormous success in working with the U.S. government in particular to make the border work as efficiently as it can. We obtained \$109 million from the U.S. Congress for the remarkable new U.S. commercial and passenger car facilities at Champlain, New York, which has now made it the premier U.S.–Canadian border crossing. We have zero truck delays at Champlain, thanks to the immensity of the investment the U.S. government made there in recognition of the importance of the border in the New York–Quebec area. We doubled CBP staffing across most of the border, but particularly at Champlain, at a time when Canada seems to be stuck in place. We heard a word that troubled me greatly in the remarks that were just made, that you're not looking at moving personnel around, but eliminating CBSA personnel through attrition, while the U.S. has doubled its personnel to help make the border work.

We have deployed all new technologies and accelerated clearance programs, and we have a very collaborative relationship with CBP in terms of trying to reduce dwell times at Lacolle and the other border crossings, even through creative approaches. For example, we have finally deployed a French-speaking training program for U.S. CBP personnel assigned at Champlain to help reduce dwell time by making conversations and interactions easier and faster; we have just built the remarkable facilities at Massena; and we have updated facilities across the northern New York border crossings, such as at Rouses Point, where two entirely new booths and new roadways have recently been constructed—and on and on. The commitment, with a lot of ground support, has been tremendous across the New York part of the New York–Quebec and the New York–Ontario border in northern New York.

As one who has worked passionately to give Canada premier gateways in our region, I feel qualified to say, even as an outsider from the other side of that border, that I remain underwhelmed by Canada's commitment to the border, and particularly underwhelmed by its commitment to the border at New York with Quebec. It doesn't begin to rise to equity with the priority status that clearly the U.S. government has assigned to that same region for purposes of social and commercial interaction, and that's profoundly sad. To hear, as I said, that we not only are not seeing the Canadian government commit to steadily building its resources and commitment at the border, but instead to cutting the very personnel levels that already are woefully inadequate and woefully behind the U.S. commitment is indeed troubling.

How is all this relevant to Franklin Centre? I believe the action of announcing these three intended closures next spring raises very legitimate concerns for this committee in terms of a fresh outbreak of unilateralism, which is bad, is negative, and is destructive to the relationship on all levels in terms of trying to operate a shared border. There needs to be a pause to think about that. We expect Canada to be better than the U.S., frankly, when it comes to avoiding acts of unilateralism. Please don't mimic the bad behaviour of our government in some cases at the border. Show them once again how to lead in the fact that these should be bilateral decisions. This was not a bilateral decision in any way, shape, or form.

Our member of Congress in our area, William Owens, is a member of the U.S. home and security committee, your counterpart in the U.S. Congress. He was blindsided by this. We were all blindsided by this—blindsided all the more because just before that, it announced the awarding of contracts for \$6.8 million worth of new facilities at one of the border crossings that unilaterally Canada decided wasn't needed anymore, a stunningly bad example of unilateralism.

• (1625)

It raises legitimate questions about the adequacy of Canada's commitment to resources, particularly staffing levels to its border with New York in Quebec. You ought not to be cutting border personnel, ladies and gentlemen; you need to be increasing it in order to make sure the border works effectively. At the end of the day, a border is a service operation and services are conducted by people.

**The Chair:** Excuse me. We've gone about 12 minutes. Can I ask how much longer?

• (1630)

**Mr. Garry Douglas:** One minute.

There are tough decisions to be made on budgeting on both sides. There's no question about that. We fought those fights in northern New York, serving Canada extremely well.

It is profoundly sad, I suggest, that we make our connection points at the U.S.–Canadian border a subject only to be decided by the bean counters. There is something historically and profoundly sad to close a 200-year connection between any of these communities, and it ought not be a decision by a treasury board adding up dollars and cents.

**The Chair:** Thank you very much, Mr. Douglas.

Mr. Orr.

**Mr. Barry Orr (Border Customs Compliance Manager, Leahy Orchards Inc.):** Thank you very much, Mr. Chairman and members of the committee, for inviting me.

I'm the border customs compliance manager for Leahy Orchards in Franklin Centre. On or about July 16, 2010, the president of Leahy Orchards, Mr. Leahy, received a copy of a letter that was sent to Suzanne Yelle Blair, the mayor of Franklin, advising that the border crossing in Franklin would be closed in April 2011. Shortly afterward, Mr. Leahy sent a communiqué to Claire Jacques, the district manager of the CBSA, Montérégie, and we got a response back that the decision on the closure of the border at Franklin Centre had been made due to budget considerations and that it was more or less a *fait accompli*. It was done without any consultation, negotiations, or anything.

We are the largest employer, with approximately 230 to 250 employees, in the Haut St.-Laurent. We're the largest employer, and 50% of our production of apple sauce, apple products, and baby food goes to the United States. We process about 175 million pounds of apples and fruit a year. We also are the largest importer of fresh fruit and packaging supplies from the United States in the Haut St.-Laurent region. Taking these facts into consideration, Leahy Orchards would be the largest federal taxpayer in the Haut St.-Laurent region.

Our production facility is approximately three kilometres from the Franklin port crossing. Rerouting truck deliveries and fresh apples from the United States would cost upwards of \$100,000 a year for extra fuel and wages.

I personally cross the border once or twice on a daily basis for my daily functions. This represents, for me alone, \$6,000 a year. Mr. Rigby said it is 16 kilometres, but it's 16 kilometres to get to the port and to come back to the office. So that 16 kilometres is not 16 kilometres; it's 32 kilometres every day. In the past four weeks I have personally delivered over 200 B-3s, which are customs clearances, for 200 loads of apples in the port of Franklin Centre. Those are commercial, of course.

From speaking on a daily basis to the officers on duty on the U.S. and Canadian sides, I don't know where he got his figures. I really don't know, because there are at least 60 commercial vehicles alone that cross the border. I personally know of C.K. Blair, Havelock, Tannahill, Kingsway, Morrison, Faubert Feeds, and Jean Vincent. These are all commercial loads on a daily and weekly basis that cross at the Franklin Centre border. The number of these commercial vehicles averages at least 60 a week.

Local residents from Franklin, Saint-Antoine-Abbé, Ormstown, Valleyfield, Vaudreuil, Pincourt, and Montreal West Island all use this port going back. A lot of the residents on the west island and the officers have talked to me personally, and they feel that there are more and more on a weekly basis, because there is a set of residents who come in from camping grounds in the United States at Ellensburg, Plattsburgh, Malone, and whatever. This is the closest port for people to get back to Canada, back to Quebec. It is closer than going through the large port with the big waits at Saint-Bernard-de-Lacolle and then going to Montreal and crossing the bridge. I was talking to one fellow and he saves approximately 26 miles every trip.

There's also, in the immediate area, another commercial business called Lac des Pins, which is one of the biggest camping resorts in Canada, and a lot of their campers use the local port of Franklin Centre.

Of course, there is the Franklin Centre fire department and the mutual aid services. Mr. Rigby mentioned this. Due to the lack of water and equipment in the rural areas, there is this program. I myself was a fireman for 15 years, and I know that this mutual aid service between the United States and Canada works. It's one of the best programs I've ever been involved with in my life.

I also have information that there is a petition with over 5,000 signatures from the area, which I guess you're going to be getting at a later time, that is going to be presented to this committee.

● (1635)

I personally have been crossing the border for over 50 years in an area of 75 to 100 kilometres along this border in Quebec on a daily or weekly basis. I've seen with my own eyes how the Churubusco, New York, counterpart, on the U.S. side from Franklin, operates, and I've talked to the officers on the site at customs, and they have said that it's impossible for their customs port to operate without the Canadian one working side by side. For rejections, such as, for example, issues of security and refusals, if you refuse a car, truck, or commercial vehicles, which happens—vehicles do arrive at this port, and it's not a commercial port—it would be almost impossible for them to turn the vehicle around back to Canada, unless it's escorted by the state troopers or the border patrol. And they would have to escort them to another port.

I'll hurry up as much as possible; I'm getting to the end.

In conclusion, Leahy Orchards is also a member, and Mr. Douglas knows this, of the Quebec-New York Corridor Coalition. Canada is to maintain and administer their stringent security programs.

The success of Leahy Orchards in the past 25 years has been built on the cooperation of both governments and local ports being open in order to facilitate the facilities in Franklin Centre. I must say that Leahy was quite upset to hear about the closure of the port, especially because of the increased cost impact it is going to have on our business. I'm sure they haven't looked at the other businesses in the area: apples, maple syrup, and all the other businesses. Tourism especially is going to be affected. I travel these roads every day and I see U.S. plates on the cars, in these yards. If they have to go 25 or 30 kilometres out of their way to get to the local merchants, they're not going to be going there.

We believe in budget guidelines, especially in these economic hard times, and in budgets needing to be maintained, but not at a cost to the taxpayers and local businesses. We are sure that CBSA should re-verify its statistics.

Also, in conclusion, we would like to stress that the Franklin Centre port of entry is a vital service to the success of Leahy Orchards. We ask CBSA to reconsider its decision on the closure of this port.

Thank you.

**The Chair:** Thank you very much, Mr. Orr. It's just been suggested to me that you're very good at presenting. It would have been great if you had brought one of those apple pies....

**Voices:** Oh, oh!

**The Chair:** Anyway, Mr. Moran, welcome.

**Mr. Ron Moran (National President, Customs and Immigration Union):** Thank you very much, Mr. Chair. Members of the committee, thank you for having us.

As has been highlighted already, the Canada Border Services Agency has announced that as part of its strategic review in Quebec, it intends to close two land border ports of entry, reduce the hours at three others, and further to close four inland points of service in that particular province. The CBSA further intends to close a land border point of entry in Saskatchewan, as well as an inland point of entry—that's the port of Kenora that we were discussing earlier—as well as five inland points of service in the province of Ontario, the express purpose being strictly cost-cutting, having now described these closures as being the agency's lowest priorities.

There's a further element to the agency's reductions, which is highlighted in our brief. There are primarily four things that stick out: reducing local intelligence-gathering capacity by centralizing targeting activities; ending the Canadian involvement in the international container security initiative, meaning abandoning Canada's only pre-arrival examination capacity; abandoning CBSA's role in the federal tobacco control strategy by redirecting the funds earmarked for assessing the effectiveness of reducing tobacco smuggling; and fourth, ending funding for joint Canada-U.S. flights—those are joint charters—that would usually unfold for individuals determined to be a threat to national security, or high-risk criminals, or uncooperative deportees. This in fact would be redirecting money initially earmarked as part of the public safety and anti-terrorism initiative.

The CBSA has, at least to this point, provided no non-operational alternatives to these direct reductions in service, so our brief endeavours to do just that.

• (1640)

[Translation]

I would just like to point out that the French version of our brief has not yet been proofread or corrected to ensure that the English and French correspond. I would just ask you to take that into account. A revised version will be published on our website by the middle of the week. We only received the French version this morning, but out of respect for Francophone Committee members, we did want to provide the translation.

In our brief, we have listed the offices affected by closures and estimated what these closures represent in terms of savings. For Franklin Centre, Quebec, the maximum savings are estimated to be \$500,000. For Jamieson's Line, the savings would amount to \$350,000, and for Big Beaver, Saskatchewan, \$450,000. We also explained how we did our calculations and arrived at these results. For those offices where reduced hours of operation are being proposed, we are talking about maximum savings of \$300,000 for Morse's Line, \$300,000 as well for East Pinnacle, and \$600,000 for Glen Sutton.

With respect to inland points of service in Quebec—I referred to this earlier—we will only mention those with respect to which we have information. There is one in Drummondville, where maximum potential savings would amount to \$230,000. The same applies to

the Granby office which, it should be pointed out, serves the Bromont airport. Therefore, the entire CANPASS Air Program would be compromised as a result of the Granby office being shut down. Furthermore, there would be considerable additional expense if it were decided that this airport should be served by other land border offices.

With respect to the Kenora office, in Ontario, the information we have collected, primarily from the Agency's website, shows that, even though it is a seasonal office, according to the website, it is open throughout the year. In actual fact, it seems it is only open from May 1 to October 31. According to our calculations, the maximum savings would be considerably less than what is indicated.

There is also a list of other affected offices on page 6 of our brief, except that the Agency has thus far providing no details. We are therefore unable to estimate the potential savings.

Based on what we know, the maximum savings would be approximately \$3.4 million, and it is important to bear in mind that savings in Kenora would be less than the current calculation.

[English]

Canada's unilateral intention to close ports of entry and to reduce its presence at other such locations is in complete contrast with the long-standing Canada-U.S. collaborative border security approach, which until now, and particularly since 2006, has been just that: collaborative. The approach used also seems to undermine the joint border security approach reflected in such joint initiatives as "shiprider", as well as particularly the joint border security study just recently announced by the public safety minister—that was in June of this year.

Understandably, U.S. officials have reacted to this unilateral CBSA action in blunt terms, including suggesting that it violates the 2002 U.S.-Canada Smart Border Accord.

CBSA's proposal to withdraw from the international container security initiative is a disturbing abandonment of the accepted joint strategy of pushing our borders out to proactively identify items of risk before they arrive in North America. We therefore urge the committee to probe, certainly in that area and the other areas that we've listed in our brief.

[Translation]

There is no doubt that reducing an already very thin customs and immigration presence at the border will clearly promote what is known as port-running—in other words, people who do not report at a border crossing—as well as other illegal entries.

[English]

It is extremely important to note that the RCMP's recent Canada-U.S. integrated border enforcement team threat assessment—that's the IBET threat assessment for 2009 on border security issues—reportedly identified an alarming increase in northbound illegal smuggling activities between land border points of entry since 2007. The report specifically identifies a dramatic increase in northbound people-smuggling into Canada, which for the first time since 2007 is greater than such activities running southbound into the United States. We have material supporting that as an appendix to this brief.

•(1645)

[Translation]

So, Quebec has been identified as an area that is particularly affected, because of the number of unguarded roads in Quebec, which is already very high. That is what the IBET report says. However, what the government is proposing today will in fact increase the number of unguarded roads.

I would like to quickly summarize the remaining points. We have prepared a summary of alternative solutions. By changing its implementation of the arming initiative, the Agency could save at least \$2 million. Our brief sets out our proposals in that regard.

There is also the fact that, as a result of arming and ending work-alone initiatives, there has been a phenomenal increase in the number of frontline supervisors. As my colleague was telling me this morning, they literally don't know where to hide them anymore. There are superintendents working in offices where, previously, a single officer at a time was assigned. There are now two officers, as a result of work-alone being eliminated, as well as two superintendents, because of shift rotation.

Therefore, in Quebec alone, we estimate that savings could amount to \$1 million by bringing frontline supervision back down to a level that reflects reality. We also have details in that regard.

[English]

Under unspecified contract expenses incurred by CBSA, a review of the "Management Consulting", "Unspecified", "Information Technology Consulting", "Other Business and Professional Services", and "Welfare" contracts issued by CBSA for just the last fiscal year show spending of over \$30 million. Similar CBSA contract spending in these vague areas for the first quarter of fiscal year 2010-11 is approximately \$12 million.

We urge the committee to look into whether there would not be areas where the agency would be able to make cuts without having a direct impact on the service that is being delivered.

We will now entertain questions.

**The Chair:** Thank you, Mr. Moran.

We have others making presentations.

That was part of that; you were together? Okay.

Mr. Dupont, you have statements as well?

[Translation]

**Mr. Martin Dupont (Chief Administrative Officer, Drummondville Economic Development Society):** Ladies and gentlemen, distinguished Committee members, good afternoon.

Allow me to introduce myself. My name is Martin Dupont, and I am Executive Director and Industrial Commissioner with the Drummondville Economic Development Authority. The Canada Border Service Agency's announcement that a number of regional offices, including one in Drummondville, would shut down starting on April 1, 2011 has met with strong opposition in our community. Today I am tabling with the Committee a document that deals with the need to preserve this tool for economic development in the Centre-du-Québec region.

Like several other socio-economic players in the region, we were surprised to hear this news. In my presentation today, I would like to begin by explaining the Agency services provided by the Drummondville office in our area and in the Centre-du-Québec region as a whole, discussing how important that Agency presence has been for several years now, and finally presenting arguments in support of maintaining such services in the Drummondville area.

Founded in 1984, the Drummondville Economic Development Authority aims to promote economic development in the RCM of Drummond. It is our responsibility to manage and develop the industrial parks, where more than 700 manufacturing businesses are located, as well as the Drummondville regional airport.

The Drummondville CBSA office serves three sufferance warehouses. One of them is located in Drummondville and is managed by carriers. It is a private warehouse. A second one, located in Victoriaville, is managed by the Cascades company. There is a third one in Richmond which is managed by Richmond Courtiers En Douanes Ltée. The idea behind a sufferance warehouse is to store merchandise that is still under bond. Because customs service is available in Drummondville, the response time is quite quick. As soon as a request is sent to the office, a customs official can immediately go on site so that goods can be delivered without any additional delays. Furthermore, a number of carriers in the Drummondville region—there are 72 of them—take advantage of local customs clearance, given that they are nearby and goods can then be delivered to a variety of different destinations elsewhere in Quebec and Canada. Closure of the customs office will therefore have a direct impact on these transportation companies that have located in the region precisely because of access to a regional sufferance warehouse.

There are also six bonded warehouses: Bourret Transport - Bourret Entrepotage, B.R. Logistique International, VC999, CDM PapiersDécors, Aliments Trans Gras Inc., and SMTCL Canada Inc. These private warehouses are used mainly to store raw materials in large quantities at today's prices, for four years. As the merchandise leaves the warehouse, it is cleared by customs. Having customs service close by provides many benefits to the region. There is no bonded warehouse in either Victoriaville or Richmond. The Drummond office therefore serves the Greater Centre-du-Québec Region, with its six bonded warehouses in various industrial parks.

A company by the name of VC999, which is a Swiss company, specifically decided to locate in our industrial area because there was a customs office nearby. It covers all of North America, developing its markets there. Finally, we have an S.O. type sufferance warehouse which is under the control of the customs office but is managed by Primewood Lumber. This type of warehouse is used to store low-risk goods. In this case, the material is lumber.

Customs services are also available at the Drummondville regional airport, as well as the one in Victoriaville. Indeed, our organization is also intending to complete a major development project there at a cost of \$9 million. Foreign companies located in our region naturally use the Drummondville airport; they use chartered planes. Passengers travelling on these chartered planes are cleared through customs in Drummondville. The airport also provides seaplane service. Seaplanes are chartered and are then able to land on the river. This is the only seaplane base between the United States and Northern Quebec. Naturally, many U.S. pilots land on the river, resupply and then go through customs.

In actual fact, the Drummondville office is far from being simply a point of service like the other local offices. In addition to contributing directly to the economic dynamism of the entire region, it provides the Centre-du-Québec area with an essential means of attracting large import and export businesses. Starting from the port of entry at the border, the Lacolle office, which is considered to be the largest border crossing, many carriers stop at the bonded warehouses in Drummondville before continuing on to Thetford Mines or other municipalities across Quebec. Most of them have their goods cleared through customs in Drummondville.

• (1650)

As well as the various reasons demonstrating the importance of maintaining customs services for businesses in the region, there are other factors that bear mentioning and which clearly show the need to keep the Drummondville customs office open.

First of all, this particular customs office was first established in the early 1900s, which marked the beginning of the industrial era in our city. This is proof of the long-term importance that has been placed on customs services there. If the Drummondville office were to close, in order to keep the same level of service, the operations previously carried out at the local office would now have to be provided elsewhere. There is therefore considerable risk that such a solution would not adequately respond to the needs expressed by businesses in the region. Finally, this would mean longer waiting periods and slower customer service for users. For the time being, customs officers can easily go on-site and carry out inspections at no cost. That way, shipment deliveries are not delayed. However, if the office is moved to another location, there will be far more delays for users.

Before closing, I would just like to say that we believe that it is important to relate the facts and statistics we have collected regarding the Canada Border Services Agency office in Drummondville.

According to our information, the local Drummondville office handles a high level of customer traffic which is continuing to grow. In 2009-10, customs declarations were filed for 5,600 transactions a year for sufferance warehouses, and 5,500 transactions per year for bonded warehouses. According to our estimates, Canada Border Services Agency revenues for the Drummondville office alone are between \$500,000 and \$700,000 per month, in the form of GST and customs duties.

Furthermore, due to globalization, there is an ever-growing number of SMEs and large companies that use customs services. As a result, a whole range of services would be affected by such a

change, and many businesses in the area—and throughout the Centre-du-Québec and Montérégie region, given that many companies there use the same customs office—would see their business impacted.

In addition, as a general rule, when an office handles over 5,000 customs declarations per year, that volume is deemed sufficient to justify assigning a customs officer. For purposes of comparison, in 2009-10, the Drummondville customs office handled a total of 11,000 customs declarations.

According to the announcement made by the Canada Border Services Agency, the goal of this restructuring is to transfer the commercial operations of nine inland customs offices with low throughput, including the one in Drummondville, to another service location nearby. In our case, it is inconceivable that the Drummondville office could be considered an inland customs office with low throughput, given its high level of use.

Finally, one question remains, which is that when the volumes handled by other nearby customs offices are compared to the situation in Drummondville, it is clear that the Drummondville office has the highest level of traffic compared to those in Granby and Sherbrooke.

In closing, the Drummondville Economic Development Authority, and the entire region are calling on the Canada Border Services Agency and the government of Canada to keep the Drummondville customs office open for the following reasons: first of all, offering customs services is an integral part of our economic development strategy; customs services are part of the tool kit of all the regional and local development organizations; the announcement of this closure has elicited a deep sense of dissatisfaction among business people in the region and profound concerns for our exporters and importers; finally, despite the availability of new technology, a human presence will always be required, especially for on-site verifications.

Therefore, considering that the Canada Border Services Agency has had an office in Drummondville since the early 1900s; considering that this decision will compromise the economic development of the Centre-du-Québec region and our ability to attract foreign subsidiaries; considering that we are one of the regions in Quebec experiencing the greatest economic growth; considering that many of our SMEs are importers and exporters; considering that the RCM of Drummond and the Centre-du-Québec region require customs services in order to support and grow the local economy in the region; considering that this customs office has a high level of traffic and that demand is continually on the rise; considering that government services should be provided where economic activity is occurring, and not the reverse, on behalf of businesses in the Centre-du-Québec region, we are calling on the Canada Border Services Agency to reconsider its decision to close the customs office in Drummondville, and asking the government of Canada to intervene and take action on this critical issue.



•(1655)

In closing, ladies and gentlemen members of the Committee, I would like to thank you for your attention during my presentation. I hope that my comments here have helped you to understand the importance of maintaining a Canada Border Services Agency office in the Drummondville area.

Thank you.

[English]

**The Chair:** Thank you very much, Mr. Dupont.

You have two seconds left, so obviously when we said 10 minutes, you kept it to 10, and we appreciate that.

Monsieur Pelletier.

[Translation]

**Mr. Réal Pelletier (Mayor, City of Saint-Armand, As an Individual):** Thank you very much for inviting me to appear today.

My colleagues and other stakeholders have provided quite a few figures, but there is an additional factor that should be considered: the human and social consequences. My presentation will focus less on numbers and be more comprehensive.

To begin with, I would like to talk about the social impact. In our case, quite a few families are living on both sides of the border. In Franklin, on the other side, there are just as many families with names like Bouchard, Pelletier and Rainville as there are on our side. They speak French on both sides of the border. And the same applies to English. There are relationships, and people have as many friends on one side as on the other.

There will also be an economic impact, particularly on jobs. Canadians cross the border to work in the United States, just as Americans come and work in Canada. We all agree that reduced hours will affect these jobs. A small border crossing facilitates local travel. People often talk about large ports of entry. As I see it, they operate more at the provincial level, whereas small border crossings basically provide local services, which stimulates our local economy and jobs.

On our side of the border, there is farming activity. A number of growers on the other side of the border buy a lot of feed from us. Here I'm referring to hay, grain, silage, and so on. The traffic going through our small border crossing is not identified as commercial traffic, but it occurs on a daily basis and it is very significant. There are also short stays. Cycling is something that is growing in popularity. We are even in the process of widening the bicycle path so that it will run through Franklin, around Lac Champlain and come back.

There is also a snowmobile track. At the same time, snowmobilers can only use it between 8:00 a.m. and noon, as opposed to 8:00 a.m. and 4:00 p.m. There are people going back and forth across the border. There is an arena in Highgate Springs and another one in Bedford. Young people on both sides are involved in sports. There are also restaurants on both sides of the border.

The Municipality of Saint-Armand includes Highway 235, which actually belongs to us. We are currently completing the third phase

of a project involving that highway in which local residents will have invested some \$500,000 in taxes by the time it's finished. In other words, we believe in the importance of that road for our local economy.

One very important point is mutual support. With Franklin County—and, based on what I've seen, that is the case all along the border—we have an agreement whereby, in order to have an adequate number of firefighters for major calls, we help out the Americans and they help us out. What does this have to do with our small border crossing? Well, on our side, volunteer firefighters are more available during the daytime, whereas on the other side, they are more available in the evening. We were saying earlier that a solution might have been found to ensure that volunteer firefighters could cross the border, but I still wonder how they will be able to do that. Often people use their own vehicle in order to go and assist the firefighters who are already on site. If they all used the truck, this could work, but the fact is that some always arrive on site later than the others. I don't see how we can possibly manage if there is no longer going to be anyone there.

On our side, there is a little less water availability close to the border. We have just completed the installation of a dry hydrant which will provide a water supply on both sides of the border. It is located on the border at Morse's Line.

Furthermore, gasoline and dangerous materials are shipped between Montreal and the United States exclusively via Highway 133 and U.S. 89. That border crossing would therefore be of strategic importance if there were to be an incident at the customs office or if the main office were closed. It is the only alternative route in the area.

•(1700)

I have been hearing people talk about distances of 15, 20, 25 or 30 kilometers, but no one has said anything about time. The fact is that we should not be calculating on the basis of the number of kilometers, but rather on the basis of the time needed. The additional distance may be 20 kilometers, but if you have to go through a main port of entry and wait for three hours, we are no longer talking about an extra 20 kilometers; we're talking about three hours of waiting time, which is not exactly the same thing. That also will affect our local economy, which depends on tourism, as well as the more vulnerable industries. If people are forced to wait that long, they simply won't come to our region.

Also, in our case, consideration should be given to new Highway 35, the Boston-Montreal connection which will be completed in 2015. As everyone knows, the Morse's Line port of entry serves to reduce some of the overflow, if you will. That crossing is used as a safety valve to speed up traffic flows, particularly in the local community.

There was some discussion of traffic flows earlier. I did a quick calculation to illustrate the current situation and put those numbers in perspective. At the main port of entry, there are a little more than one million cars coming through on a yearly basis, compared to a population of 6,000 in Quebec. At the small border crossing, some 26,000 travellers come through, compared to a population of 45,000 in the RCM of Brome-Missisquoi. Therefore, that small border crossing is serving 60% of the population, whereas the main port of entry is serving 18% of Quebecers. I don't know how you calculate something like that.

There are 1,000 residents in Saint-Armand which, according to the figures, could mean that all of them go to the United States every two weeks. And yet, I am being told that this border crossing is unimportant. That raises questions in my mind.

As I was saying earlier, there are families and friends, English and French traditions, and a bilingual population on both sides of the border. On May 17, I attended a summit at the Montreal Stock Exchange Tower, where officials from the States of New York, and Vermont and the Province of Quebec underscored the linguistic tradition of using both French and English, which has taken root over time and constitutes an important legacy. That was one of the highlights of the meeting.

Furthermore, it is well known that Vermont and Quebec try to support each other in terms of tourism, given that we are somewhat far from either Montreal or Sherbrooke. We are in between the two, in a way. Therefore, we really have to retain anything that is likely to support our local economy.

In closing, I would just like to say that we can always talk about numbers, but I consider the small border crossings to be local points of service, as opposed to the main border crossings which I see as provincial points of service. So, we have to avoid confusing the two by bringing forward disproportionate numbers.

I can present a petition that has been signed by 3,000 people living on both sides of the border, who are anxious to stress the importance of this border crossing. A meeting was held which was attended by officials from both Quebec and Vermont to discuss all the economic and social factors associated with that little border. I have also sent a letter to the U.S. Congress, which has been signed by Senators Leahy and Sanders, as well as Congressman Welch, regarding the importance of this border crossing.

I am here for one reason: to tell you that, for a small municipality like Saint-Armand, it is critical for our survival and our future that this border crossing remain open.

• (1705)

Thank you.

[English]

**The Chair:** Thank you very much, Mr. Pelletier.

Just before we go to the opposition side, as we have a little bit of time now, I want to encourage each party to submit their witnesses for Bill C-23B, which we'll be hearing on November 22 and 24, and December 8, and also witnesses for Bill C-17, which will be later on in December. We'd appreciate it if you could submit those witnesses

as soon as possible. I think Bill C-39 has also been reported to the committee. But that'll be after Christmas, I would imagine.

Mr. Kania.

**Mr. Andrew Kania:** Thank you, Mr. Chair.

Mr. Pelletier, has your petition been certified yet and presented in Parliament?

**Mr. Réal Pelletier:** I just brought them to the attention of the clerk. I just presented them, and he told me I could deposit them down here so you could have them later.

**Mr. Andrew Kania:** All I am going to say is I'm more than happy to seek to have it certified for you and present it in Parliament, which would require the government to respond to it within 45 days, so that everybody knows.

I'd like to start by welcoming our American guest, Mr. Douglas.

Mr. Douglas, you indicated that you were underwhelmed by the Conservative government's commitment to the border. I'd like to state, on behalf of the Liberal opposition, that we agree with you.

There are two quotes here that I'd like to ask you about. The first one is your quote dated August 22, 2010, in the *Press-Republican*, and it indicates:

"The failure of the Canadian government to coordinate with the U.S. government is absolutely mind boggling," he said. "You can't run a border that way. It's unacceptable. We hope our Canadian friends will rethink this decision."

Then there's a quote from U.S. Representative Bill Owens, on the same date: "Obviously, we hope Canada will reconsider that decision."

You're obviously working with Mr. Owens. Since you put these quotes in, have there been any consultations or contacts from the Conservative government in any way to try to work with you on these issues?

• (1710)

**Mr. Garry Douglas:** Not with me. I'm not certain what communications there may have been with Congressman Owens' office. A couple of days ago he indicated letters had been sent to the government, and he shared them with me, but no responses. So I'm not aware that there has been any response to date to his communications.

**Mr. Andrew Kania:** Since you have spoken with Mr. Owens, was he in any way consulted or was the American government consulted before this announcement was made with respect to these closings?

**Mr. Garry Douglas:** He was not. Obviously I can't verify whether or not there was some communication at some level with the U.S. Department of Homeland Security. If so, it certainly wasn't of a nature that triggered what would have been expected, to have some communication with a member of Congress, particularly a member of Congress who is a member of the oversight committee, to alert him to that fact.

I'm not aware that any of the parties on the ground—state, federal, or otherwise—were at all aware of this.

**Mr. Andrew Kania:** So according to what you currently know, this would be a unilateral decision on the part of the Canadian government to do this, as opposed to having some kind of coordination with our American friends?

**Mr. Garry Douglas:** Absolutely. That's confirmed by the fact that the U.S. government was apparently, during the same period of time that this decision was being made by CBSA and the Treasury Board, actually proceeding with contracting for major new facilities at the other side of the Franklin Centre crossing, which shows a totally different view of that particular border crossing and a totally divergent approach to the future of that crossing.

**Mr. Andrew Kania:** Did you say they were investing something like \$6.8 million into that?

**Mr. Garry Douglas:** Yes, \$6.8 million U.S. has been contracted to construct an entirely new U.S. facility at that crossing.

**Mr. Andrew Kania:** And at the same time the Canadian government is closing the corresponding crossing.

**Mr. Garry Douglas:** That's why the term "mind-boggling" came to mind.

**Mr. Andrew Kania:** Right. I find this confusing. I don't understand it, because there is a 2002 U.S.-Canada smart borders accord. In your view, would this not be a violation of that accord to simply unilaterally close this?

**Mr. Garry Douglas:** It certainly violates the spirit of it. Somewhere along the line, where this totally divergent approach to that particular crossing came, it certainly shows that we're not coordinating investments or decisions about border crossings.

**Mr. Andrew Kania:** How would the closing of this particular crossing, under the circumstances where the Americans are investing \$6.8 million in the same corresponding crossing, increase the security of Canadians or Americans?

**Mr. Garry Douglas:** I don't see that it does. In fact, I think there's a concern here that I would have on a policy matter. There's about to be a very new Congress in Washington, and I don't think Canada wants to create precedents where it's saying that it's okay to make unilateral decisions. Be careful of what may come over the next couple of years in counter-unilateral decisions about border crossings.

**Mr. Andrew Kania:** I have some questions for the other gentlemen.

I don't want to be too hard on Stephen Rigby, who is the head of the Canada Border Services Agency, because as you were sitting in the audience and you were listening, what he essentially said is he was forced to provide recommendations to cut 5% of the budget by the Conservative government, and the government made a political decision in terms of what to close. So that's not Mr. Rigby's fault.

But he did indicate here in his presentation that these closings "will result in improved service to all Canadians across the country".

So starting with Mr. Orr, can you tell us how in your area the closing will actually improve services to Canadians, including your company, who live in that area? How is it going to help you?

**Mr. Barry Orr:** It's definitely not going to help; in fact, it's going to hinder us.

It's going to be a big, big cost. As I mentioned in my speech, it's going to cost us a lot more money to divert to other ports. I don't have any figures because I'm only speaking for Leahy Orchards Inc., but I'm sure it's going to affect tourism in the Haut St-Laurent area. Many, many other companies are very, very concerned. Smaller companies, smaller orchards, producers, the UPA, maple syrup producers, and other growers who have local seasonal stands, are all very, very worried about this border crossing.

**Mr. Andrew Kania:** So it's going to hurt.

**Mr. Barry Orr:** It's going to hurt the whole economy of Franklin and all the surrounding areas, definitely.

**Mr. Andrew Kania:** Mr. Moran, the same question. I'm going to ask all of you the same question.

Once again the quote is "will result in improved service to all Canadians". Can you tell us individually...and I assume your answers will be that it's not going to help, that it's going to hurt all of you.

I don't understand why the government is doing this, to be blunt. Can you please describe exactly how you're going to be hurt by this, not helped?

**Mr. Ron Moran:** Before I do that, please allow me to apologize for not having introduced my colleague, whose name is Jean-Pierre Fortin. He is the first national vice-president of our organization.

I think I also neglected to introduce myself. I'm Ron Moran, and I'm the national president. We represent all front-line as well as inland customs and immigration investigators, intelligence-gathering, immigration inland removals, as well as hearings officers and the support staff.

• (1715)

**The Chair:** Mr. Moran, you have about 20 seconds.

**Mr. Ron Moran:** Oh, I'm sorry, sir.

If anything, it is not unreasonable to presume that reducing an already extremely thin presence of law enforcement on the border will only exacerbate an already reportedly important problem. It will basically download the problems that come with an increase in clandestine entries and smuggling into the country to other law enforcement agencies.

Having said that, we have very good access to the government. It became obvious in our lobbying with them that although this had been highlighted to them as...I'm still floored by the fact that it's categorized as the lowest priority. The impact on these municipalities and their way of life has been categorized as the lowest priority of the CBSA.

The government had obviously not been properly briefed on the historic consequences of having tried to close some of these municipalities. On the eve of an election, it's just mind-boggling that the CBSA would provide that type of advice to this government, or that any government might have created that itself.

It's certainly not our role to come to the defence of politicians. We underscore good moves; we underscore what we call bad moves. In fairness, in this case, it became obvious that the current government had not been properly briefed by the CBSA on the historic backlash of trying to close these types of ports. It's been tried numerous times, always with disastrous political results.

**The Chair:** Thank you, Mr. Moran.

Ms. Mourani.

[*Translation*]

**Mrs. Maria Mourani:** Thank you, Mr. Chairman.

Mr. Douglas, I have a question for you. When you and your elected colleagues in the United States found out that Canada would be closing certain ports of entry, did you communicate by letter, e-mail or telephone with the government to make it aware that you disagree with that decision? If so, did you receive an answer?

[*English*]

**Mr. Garry Douglas:** I didn't personally. I work through our member of Congress, Mr. Owens, whom I've mentioned. I know he has directed correspondence to the minister for public security, and he has also communicated through the Canadian embassy.

Again, as far as I know, as of a couple of days ago, there had been no formal response to his efforts.

[*Translation*]

**Mrs. Maria Mourani:** There was no answer; thank you.

Is it your opinion that taking this attitude and closing small border crossings will mean that the United States and Canada enjoy greater security? Do you really believe, as Mr. Rigby seemed to suggest, that the security threat associated with these ports of entry is low and that we don't need them?

[*English*]

**Mr. Garry Douglas:** I will articulate something our Congressman, Bill Owens, a member of the homeland security committee and somebody who is very attuned to these matters, has stated publicly and I believe in some of his correspondence, which is that there is a diminution of security when you close any border crossing. You are increasing the distance between locations with personnel, and not just personnel but the communications equipment and the other technologies that go with those facilities. That is why he is so intent on seeing construction continue on the new U.S. facilities at the Franklin Centre crossing. He sees that in addition to the other impacts, there is an enhancement of security value to having a newer facility and newer technology at that location.

[*Translation*]

**Mrs. Maria Mourani:** Thank you, Mr. Douglas.

Mr. Dupont, what is your estimate of the duties collected at the Drummond office? You referred to 11,000 customs declarations. How many millions of dollars does that actually represent?

**Mr. Martin Dupont:** It represents between \$500,000 and \$700,000 a month.

**Mrs. Maria Mourani:** So, that means that closing an office in order to save \$230,000 a year will result in a loss of between \$500,000 and \$700,000 a month.

**Mr. Martin Dupont:** Yes, between \$500,000 and \$700,000 a month.

**Mrs. Maria Mourani:** Thank you, Mr. Dupont.

As you can see, this government is really good at number-crunching!

Mr. Pelletier, I very much enjoyed your testimony, because it talked about what people will be facing on a daily basis, in terms of the human and family dimensions, and also as regards young people's activities, firefighting and tourism.

Perhaps you could give me just one or two specific examples to show this government exactly what it will mean, in terms of people's everyday lives, if this small border crossing shuts down?

● (1720)

**Mr. Réal Pelletier:** One example would be the farmers. We know that the farm economy is already weak. Profits are very low. If that port of entry closes, the only place they will be able to cross, depending on what is left open, will be the Saint-Armand/Philipsburg port. The problem is that machinery is not allowed on a highway. No tractor has the right to drive on a highway. Therefore, farmers will not be able to use it either. They will have to go through Philipsburg with farm machinery, which is absolutely unthinkable. We are talking about a one-hour detour by car. On a tractor, that same detour would take three hours. It would cause the cost of silage or hay to rise to such an extent that they would be better off simply throwing it away. Farmers would no longer be able to sell it because they would not be cost-competitive as a result of such a long detour.

That is an example that affects the local farm economy. Farming represents 85% of economic activity in our region.

**Mrs. Maria Mourani:** Let us just suppose that the border crossing shuts down on April 11, 2011. What will the farmers do? Will they also shut down?

**Mr. Réal Pelletier:** They will have to dispose of their goods, give them away or do whatever they can. They will no longer have access.

It's important to understand that we have a customs administration and, given our circumstances, we do not want it to be a wall. Thus far, it has been a means of trade and exchange, a benefit—because we have two cultures and two economies.

But now we will be creating a dead end in my community. And that is just one example.

The second example relates to tourism. As you know, people get involved in all kinds of little activities. There are bed & breakfast inns, vineyards, major interpretation centres, a small general store and all kinds of small businesses of that nature. If a large business here in Ottawa sees its sales drop by \$5,000, it will still have sales of \$150,000. But in our area, if a business normally has sales of \$30,000, and that amount drops by \$5,000, that means the owner will either have to sell his business or look for work outside the region in order to survive. That's the kind of impact this will have on our small communities. People do all kinds of things in order to make a living.

Most of the people in my community earn about \$12 or \$15 an hour. Many are also earning minimum wage. That is the lifestyle they have chosen and they accept what goes along with that. On the other hand, it's not right to take even more away from them. We have to keep everything we have now, because we need it.

When I saw that number—\$300,000—I said to myself that we would lose jobs, that businesses would shut down and that we'd have to turn around and ask for government subsidies in order to save our farmers and our small businesses. But we don't need government subsidies; we can manage on our own. It isn't easy. We work 60 or 70 hours a week for peanuts, but we earn that money ourselves and we're proud of it. Even though I'm appearing today as a politician, I'm a wage earner.

Why rob Peter to pay Paul? That's what I don't understand.

[*English*]

**The Chair:** Thank you, Mr. Pelletier.

Mr. Bachand, you have thirty seconds.

**Mr. Claude Bachand (Saint-Jean, BQ):** Garry, I will read a letter, and I ask you what you think about the letter. I will be sending it to the congressmen and senators of Vermont and New York.

I am writing today to call your attention to a decision made by the Canadian Border Services Agency that will take effect on April 1, 2011.

The Agency has decided to close or reduce the service hours of a number of border crossings. This decision is unacceptable and shows no regard for security in Canada and the United States.

This decision will also reduce land crossings, no doubt affecting trade between the two countries.

I recognize the efforts you make with respect to border crossings. While you invest money and effort on your side, Canada is closing its border crossings.

This is a poor decision and we must prevent it from coming into effect. I have enclosed a letter that I would like you to send to the Hon. Vic Toews, Minister of Public Safety and minister responsible for the Canada Border Services Agency.

I am seeking your involvement as it will certainly have an impact on this issue. I have included some information on this issue but please contact me if you require further information.

• (1725)

**The Chair:** Thank you.

I've got to get Mr. Davies in here.

Thank you for your patience, Mr. Davies. Go ahead.

**Mr. Don Davies:** Thank you, Mr. Chairman.

I'm going to summarize what I heard. I heard this decision is bad for business, it's bad for service, it's bad for safety.

Does anybody here disagree with that? Is that a fair summary?

**Mr. Barry Orr:** That's a fair summary.

**Mr. Garry Douglas:** Yes.

**Mr. Don Davies:** Okay. It sounds like there was no consultation.

Were any of you gentlemen, business communities, mayors, consulted about this?

**Mr. Ron Moran:** Not at all.

**Mr. Barry Orr:** No.

**Mr. Garry Douglas:** No.

**Mr. Don Davies:** I want to focus a little bit on human smuggling.

Monsieur Moran, in your brief it says the decisions are contrary to the cross-border Canada-U.S. security strategy of the government and contradict the government's clear intentions in combatting such things as people-smuggling, which is confirmed as growing by empirical reporting from the RCMP.

Now, I'm going to summarize this and I'd like you to expand on that.

If I understand this correctly, you're telling us that people-smuggling, human-smuggling across the border, is increasing. There's empirical evidence of that from the RCMP, and in your testimony you feel that this decision to close borders will make human-smuggling a worse problem. Is that a fair summary of what you're telling us?

**Mr. Ron Moran:** First of all, we're just relaying information that's already been reported. The increase is not our take on it; it's a fact. But what we are saying is that it is not unreasonable, by any stretch of the imagination, to suggest that when you take an already very thin law enforcement presence on the border and you reduce it more...it is not unreasonable to suggest you will increase what's already increasing that much more, thereby downloading the very insubstantial, very minute savings that you produced, downloading costs to other law enforcement agencies inland that have to deal with those. That's an increase in smuggling not just in people, but in firearms and drugs—smuggling in general.

**Mr. Don Davies:** So would it be your testimony that smuggling in drugs and firearms and human beings will go up if we close borders?

**Mr. Ron Moran:** Yes. What I'm saying is that it is not at all unreasonable to suggest that this is exactly what will happen. It's already on the increase, and you're reducing a presence, an already thin presence.

**Mr. Don Davies:** Mr. Orr, you alluded to this—and this is from our analyst, so I can't really blame CBSA for this. In the figures we were given, in Franklin Centre, an average of 56 travellers and three commercial vehicles go through this office every day. If I heard your testimony correctly, it sounds to me like you would dispute that, that an average of three commercial vehicles go through that border every day.

**Mr. Barry Orr:** This period of the year, of course, is the apple season, and we do a lot of importation from western New York that goes through this border. But I'd say our organization imports through that border alone, on a yearly basis, in the area of 1,000 loads a year. It would be pretty easy to check this if you asked CBSA to go into their files—hopefully they're up to date—and just have them check their computer system and check how many B3s have been applied within a period of a year, from October to October, for Leahy Orchards.

**Mr. Don Davies:** It sounds like if you're doing a thousand a year—my math is a little bit off—that's about three a day, approximately—

**Mr. Barry Orr:** Well, three or four a day.

**Mr. Don Davies:** —with you alone.

**Mr. Barry Orr:** Right, just ours alone.

**Mr. Don Davies:** My last comment is to Mr. Douglas.

You commented that one of the fears of this could be an unexpected and undesirable outbreak of...the word used was "unilateralism". I'm wondering if you could expand on that and tell us what you are thinking when you say that. What do you think is the long-term possibility?

**Mr. Garry Douglas:** Well, we are always fighting—and this isn't any secret to all of you—decisions made in Washington at the border that are unilateral. It's something we always have to keep up with.

We know the dynamic in the U.S. is that most congressmen have no knowledge of the border, as opposed to most members of Parliament in Canada having a knowledge of the border. So we always have a struggle in that regard.

It certainly will not be helpful going forward, again, particularly with a new Congress about to face very tough budgeting decisions, saying, "Well, yeah, but they do the same thing. Look, they closed three border crossings. Why don't we close some border crossings?" It isn't going to be helpful in the conversation going forward for Canada to be seen with such a blatant example of unilateralism, particularly when, wait a minute, we said we were going to spend \$6.8 million and they want to close crossings. Maybe instead of investing in the border, we ought to close crossings.

• (1730)

**Mr. Don Davies:** How much time do I have, Mr. Chairman?

**The Chair:** You have two minutes.

**Mr. Don Davies:** One of the problems that I see, from my party's point of view, is when there is just a slashing across the board of 5%, that sounds good in theory, but when you drill into it, that presumes there's 5% to cut. It presumes that there's 5% of fat.

I mean, if you have 100 police officers in a detachment and you need 120 of them, and you're underserviced and they say, "Well, cut 5%, cut the 5% you need the least", they can do that. You can identify which five of the hundred you don't need, but it's still going to represent an unwarranted cut that's going to hurt service.

That's the analogy I have in my mind. Is that a fair analogy to what you're seeing here with CBSA officers being cut?

**Mr. Jean-Pierre Fortin (First National Vice-President, Customs and Immigration Union):** That certainly is fair. The problem we're also seeing is...and we did provide in our brief other places they could have looked at and they did not. By cutting immediately the services and the protection of the border, it's not a wise choice, according to us. There were tons of places.

My colleague here was just highlighting the fact that supervisors in very small operations...they didn't have a look at those. They're looking at cutting, number one, officers who are providing front-line services to the population and protecting this country. That doesn't make any sense to us.

On top of that, if you will allow me, it doesn't make any sense also in regard to...they've been providing weapons to our officers to defend themselves and to protect this country. They've also been increasing the level, so that the people who were working alone are now working with two officers. On the other hand, they're cutting offices. That doesn't make any sense to us, because they were actually giving us the sentiment that they were actively strengthening the border by being more efficient. Right now, on the other hand, they're opening up the border. It doesn't make any sense.

**Mr. Garry Douglas:** Could I add something to that, Chair?

That's the thing that surprised me most by the testimony I heard earlier from CBSA. I had assumed that part of the motivation of these closures was that the personnel were going to be re-assigned to maybe places like Lacolle, which is already woefully understaffed. I still would have said no. You just need more staffing. Don't rob Peter to pay Paul. But then I heard here today that they're not robbing Peter to pay Paul; they're just robbing Peter to rob Peter.

**The Chair:** Thank you very much, Mr. Davies.

Seeing the clock, we've already gone five minutes over. It sounds like I'm being questioned on unanimous consent....

We will adjourn. I want to thank you for coming. We very much appreciate your testimony today. Thank you.









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