



Pacific NorthWest Economic Region

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For Information Contact: Neil Parekh (206) 940-0023; <u>neil@pnwer.org</u> Barbara McLeod (867) 456-3913; barbara.mcleod@gov.yk.ca

For Interviews:

Hon. Jim Kenyon (867) 667-8628; <u>jim.kenyon@gov.yk.ca</u> (Vice President of PNWER) State Rep. Jeff Morris (360) 941-5678; <u>morris.jeff@leg.wa.gov</u> Matt Morrison (206) 399-4026; <u>matt@pnwer.org</u>

Zogby Poll Reveals Economic Impact of Passport Requirement

Whitehorse, YT (March 15, 2006) -- According to a survey conducted by Zogby International, approximately one-third of Americans who live near the border and Canadians are less likely to cross the border if they need a passport, are unlikely to purchase a new border ID card (much less pay more than \$25), and are split over whether or not requiring travelers to show passports at the border would keep terrorists out of their respective countries.

In general, border crossing convenience and costs are among the top concerns for people who live in cities near the Canadian border. The Zogby poll confirmed what many have suspected all along: requiring a passport to cross the border will directly affect spontaneous travel and the region's economy. The results were released yesterday at the National Press Club in Washington, DC.

"From tourism to a simple weekend of fishing, there are major impacts resulting from these decisions. The North will see a huge economic and social impact. Ball tournaments, shopping, skiing, etcetera will all be affected," said Jim Kenyon, Yukon Minister for Economic Development and Vice-President of the Pacific Northwest Economic Region.

This requirement – the Western Hemisphere Travel Initiative (WHTI) – is part of the Intelligence Reform and Terrorism Prevention Act of 2004. It requires the Department of Homeland Security, in consultation with the Secretary of State, develop and implement a plan to require U.S. citizens and foreign nationals to present a passport, or other verifiable and secure document which can ensure a person's identity, upon seeking entrance into the United States. Statute requires the plan must be fully implemented by January 2008. Currently, Americans and Canadians need only show a valid driver's license to cross the border.

"You would think that it should take less to cross the border between the United States and Canada then it did to go from West Berlin to East Berlin during the height of the Cold War," said State Rep. Jeff Morris (D-Anacortes).

The impact on the regional economy will be felt far from the border. According to the Zogby poll, most Canadian respondents who visit America travel more than 100 miles from the border on their visits and are twice as likely as Americans to spend more than \$500 each visit. This has substantial implications beyond traditional border regions. Other studies have shown that Canadians spend more in states like Florida, California and Nevada, than they do along the border.

"If this passport requirement is implemented, it will bring private ferry service to its knees," said Darrell Bryan, CEO of the Seattle-based Victoria Clipper.

A report prepared by the Conference Board of Canada for the <u>Canadian Tourism Commission</u> in July 2005 predicted that current plans could result in 3.5 million fewer cross-border visits from Canada to the U.S. and 7 million fewer visits from the U.S. to Canada between now and the end of 2008. The cost to each nation's economy, according to the Commission, will be \$785 million in the United States and \$1.7 billion in Canada over that same time period.

"We're not convinced that this will increase security. We are convinced, however, that this will have a significant impact on the regional economy. What we need is a common-sense, bi-national approach," said Matt Morrison, Executive Director of the Pacific NorthWest Economic Region.

Most respondents do not believe that the new restrictions will protect America from terrorists and do not think there is a need for the new requirements.

<u>The Borders for Economic Security, Trade and Tourism (BESTT) Coalition</u> commissioned the Zogby poll and was formed by U.S. and Canadian chambers of commerce from along the northern border to address border issues raised after the attacks of 9/11.

<u>The Pacific NorthWest Economic Region (PNWER)</u> is a public/private non-profit created by statute in 1991 by the states of Alaska, Idaho, Oregon, Montana and Washington, the Canadian provinces of British Columbia and Alberta, and the Yukon Territory.

The Canadian Tourism Report can be found online at: <u>http://www.canadatourism.com/ctx/files/publication/data/en_ca/research/impact_of_the_whti/Impact_of_t</u> <u>he_WHTI_eng_web.pdf</u>

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Background:

In mid-February, 2006, Zogby International conducted telephone interviews of 1,214 likely U.S. voters in 11 border states (margin of error +/- 2.9%). Voters are substantially more likely than non-voters to possess passports, as the surveyed population suggests (around 40% are non-passport holders, compared to the general U.S. population, where nearly 80% are non-passport holders). The results include the state of Wisconsin, though it does not technically border Canada. At the same time, Zogby International conducted telephone interviews of 502 randomly selected, general population Canadians. Margin of error is +/- 4.5 percentage points. Zogby International's sampling and weighting procedures also have been validated through its political polling: more than 95% of the firm's polls have come within 1% of actual election-day outcomes.

Excerpts from the survey results

Beginning in 2008, travelers to and from Canada will be required to show a valid passport or other secure documentation to enter or re-enter the United States. Do you strongly support, somewhat support, somewhat oppose, or strongly oppose these new restrictions?

While they are evenly divided between being concerned, and not concerned about the safety of the border crossing, majorities of Americans (69%) and Canadians (76%) support improvements to documentation requirements for entering or re-entering their country. Later analysis shows, however, that they do not support currently proposed plans to implement these improvements.

Are you more likely or less likely to travel to U.S./Canada because of the need for a passport or other secure documentation or will it make no difference in your plans to travel to U.S./Canada?

More than 1/3 of American non-passport holders (34.5%) and nearly 1/3 of Canadian non-passport holders (29.2%) say they will be less likely to cross the border if they need a passport or other secure document to do so.

How familiar are you with any changes or restrictions on crossing the border into U.S./Canada?

Neither Americans nor Canadians are familiar with proposed documentation changes along the border. Of Americans, 87% say they are either not familiar (59%) or somewhat familiar (28%) with change in requirements. Of Canadians, 82% are say they are either not very (40%) or somewhat familiar (42%). Non-passport holders from both countries are least likely to be at all familiar.

How likely would you be to purchase a border ID card that would enable you to cross only at the U.S./Canada land border?

Majorities of both Americans (68%) and Canadians (54%) are unlikely to purchase a border ID card that would enable them to cross only at the U.S./Canada land border. Eighteen percent of Americans and nearly a quarter of Canadians (23%) are somewhat likely to purchase such cards. Just 19% of Canadians and less than half as many Americans (7%) are very likely to purchase one.

Looking just at those without a passport, less than 9% of Americans say they would be very likely to purchase a new ID card to cross the U.S./Canada border only. Of this group, 56% say they are not very likely to purchase such a document.

Canadian non-passport holders more often say they would be very likely to purchase a new ID card to cross the U.S./Canada border only, but the percentage remains less then 24%, with over 40% saying they are not very likely to do so.

How much are you willing to pay for a new border ID card that would enable you to cross only at the U.S./Canada land border?

Of American non-passport holders, 29.6% are willing to pay less than \$25 for a new ID card for border crossing, and 49% say they are not willing to pay anything. Of Canadian non-passport holders, 57% say they will pay between \$25 and \$50 for a new ID card, yet more than 30% say they are not willing to pay anything.

The new requirements will help keep terrorists out of the United States/Canada.

Americans are not clearly convinced that the new requirements will keep terrorists out of the country, 44% agree that the new regulations will help and 51% disagree. Canadians are more optimistic the move will keep terrorists out of their country—53% agree the regulations will help.

There is no need for a special border crossing ID – a passport or current driver's license is identification enough.

Of Americans 68% agree that there is no need for an alternative border ID card, and 70% of Canadians agree.

This is a necessary step in keeping America/Canada safe from terrorists.

56% of Americans disagree that this is a necessary step to keep America safe from terrorists.

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