

Beyond the Big Border

Evaluating factors that influence small business trade at the Canada–U.S. border

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The North American Free Trade Agreement (NAFTA), which created one of the world's largest free trade zones, celebrated its twentieth anniversary on January 1st, 2014. Historically, trade relations between Canada and the United States have experienced the highs and lows of balancing border security and trade facilitation. On the ground, Canada's small- and medium-sized enterprises (SMEs) continue to adapt to the changes in trade policies and regulations. This report is a follow-up to our 2010 report, *Trade without Borders*, on cross-border issues for Canadian SMEs. A lot has happened since then, including a new bilateral commitment to easing and securing the border. CFIB's new findings reveal both good and bad trends on the services provided to small business at both sides of the border, i.e. by the Canada Border Services Agency (CBSA) and U.S. Customs and Border Protection (CBP). Overall, these agencies must continue to improve and modernize their mandate as service-oriented departments and better facilitate the legitimate trade of goods and services by the powerhouses of both the Canadian and U.S. economies—SMEs.

Introduction

Canada and the United States share the world's longest border, stretching 8,891 kilometers across land and water. This proximity also accounts for the world's largest bilateral trade relationship. In 2014, bilateral trade of goods and services totaled just over C\$800 billion dollars, equivalent to C\$2 billion crossing the border

daily or C\$1.4 million every minute.¹ This volume of trade, which supports one in every seven Canadian jobs,² is critical to the growth and sustainability of both economies.

In Canada, SMEs drive the economy, employing approximately 10 million Canadians or 90 per cent of the total private labour force.³ Despite their size, SMEs are the big players for trade in and out of Canada. In fact, about 90 per cent of Canadian exporters are small businesses.⁴ Not surprisingly, the overwhelming majority of SMEs choose the U.S. as their primary exporting or importing partner.

In 2008, CFIB conducted a survey of Canadian SMEs on their cross-border activities and experiences. Based on this data, CFIB released a report in 2010, titled *Trade without Borders*, which outlined the obstacles SMEs face when conducting trade and offered recommendations for policymakers to improve the experience of SMEs at the border. Since then, trade between both countries has undergone significant change. In 2011, Canada and the U.S. announced *Beyond the Border: A Shared Vision for Perimeter Security and Economic Competitiveness*, a joint initiative covering four priority areas of border collaboration. One of the priority areas is aimed directly at benefiting SMEs: ‘Trade Facilitation, Economic Growth and Jobs’. Specifically, the initiative announced “new measures to facilitate movement and trade across the border while reducing the administrative burden for business.”⁵

This initiative was a warm welcome as both countries recognized the need to balance border security and trade facilitation. However, the real test is making sure Canadian SMEs feel real change on the ground. For that reason, CFIB conducted a survey in 2015 to better understand the current experience of SMEs at the border. This data forms the foundation of this report and will provide:

Methodology

This report is based on the findings of the *CFIB Borders Survey*, conducted online from March 31 – April 27, 2015.

A total of 8,629 responses were received from small business owners across Canada. Results are statistically accurate to ± 1.1 percentage points, 19 times out of 20.

Please note that percentages shown in figures 5 to 9 and figures 11 to 15 have been rebased to exclude responses of ‘Don’t know/Not applicable’, i.e. they represent the responses of all members who gave a rating. See Appendix for full survey results.

¹ Foreign Affairs, Trade and Development Canada, *Canada’s Trade Facts* (United States, 2014). Accessed May 27, 2015: http://w03.international.gc.ca/Commerce_International/Commerce_Country-Pays.aspx?lang=eng. See also Government of Canada, *Beyond the Border Implementation Report*, March 2015. Accessed May 27, 2015: <http://actionplan.gc.ca/en/content/beyond-border-implementation-report-march-2015>.

² Government of Canada, *Bilateral Relations: Canada-U.S. Trade and Investment*, 2011. Accessed July 29, 2015: <http://actionplan.gc.ca/en/page/bbg-tpf/bilateral-relations-canada-U.S.-trade-and-investment>

³ Industry Canada, *Key Small Business Statistics*, August 2013. Accessed June 3, 2015: http://www.ic.gc.ca/eic/site/061.nsf/eng/h_02800.html

⁴ Industry Canada, *Summary of the Survey on Financing and Growth of Small and Medium Enterprises, 2011*, February 2013. Accessed June 3, 2015: <http://www.ic.gc.ca/eic/site/061.nsf/eng/02776.html>

⁵ Government of Canada, *Beyond the Border Action Plan*, 2011. Accessed June 13, 2015: <http://actionplan.gc.ca/en/page/bbg-tpf/beyond-border-action-plan>

- ▶ The current views of Canadian SMEs on programs and services at the Canada-U.S. border;
- ▶ Where possible, data will be compared to our 2008 findings for comparative analysis; and
- ▶ Recommendations to further improve cross-border trade for SMEs.

As SMEs play a major role in Canada and the U.S., cross-border trade is and will continue to be a priority for both countries. These findings will be an important reminder to border officials to design policy and programs with SMEs in mind.

Border Costs and Small Business

Barriers to cross-border trade are almost exclusively reduced to one factor: costs. In fact, small businesses face an abundance of costs, including border tolls, brokerage fees, duties, inspection fees, storage fees, tariffs and taxes. The costs imposed at the border are the

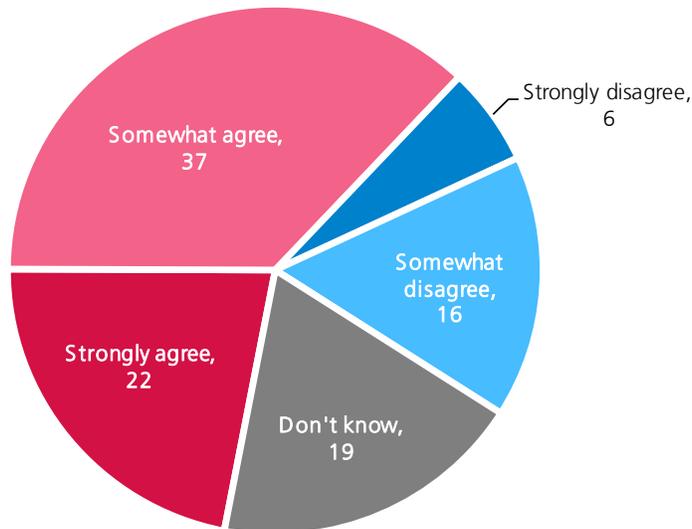


"The cost of importing fees at the border is staggering and is killing our small business. We can't afford thousands of dollars per month in fees to bring goods across the border."

- Cosmetics retailer, Alberta

same for large firms and small firms yet they have a disproportionately negative impact on smaller firms. This is most obvious for SMEs who import small, low-value shipments and may at times pay more in border fees than what their product is worth. For a business in this situation, it does not make financial sense to trade. On top of this, overall costs include more than just tangible fees. The intangible costs associated with excessive paperwork, delays, and lack of information or consistency all add up for small business. Over half of SMEs (59 per cent) that import from or export to the U.S. either strongly or somewhat agree that border costs were much higher than they had expected (see Figure 1).

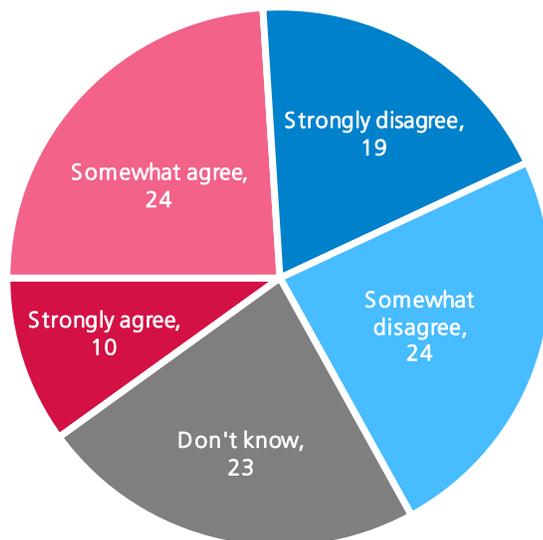
Figure 1:

The costs were much higher than I had expected (% response)

Source: CFIB, *Borders Survey*, March-April 2015, n = 4,168.

Even more troubling is that over one third of SMEs that trade with the U.S. stated that they would not have traded across the border if they had known about the costs (see Figure 2). Given this significant number, one wonders how many other SMEs may have given up on trade because of the border costs. The border agencies should review the current fee structure and conduct a comprehensive review of all fees to determine their purpose and impact on small businesses. At the very least, border costs should become more transparent so that present and future entrepreneurs have a better sense of what to expect in terms of the overall expenses associated with trade.

Figure 2:

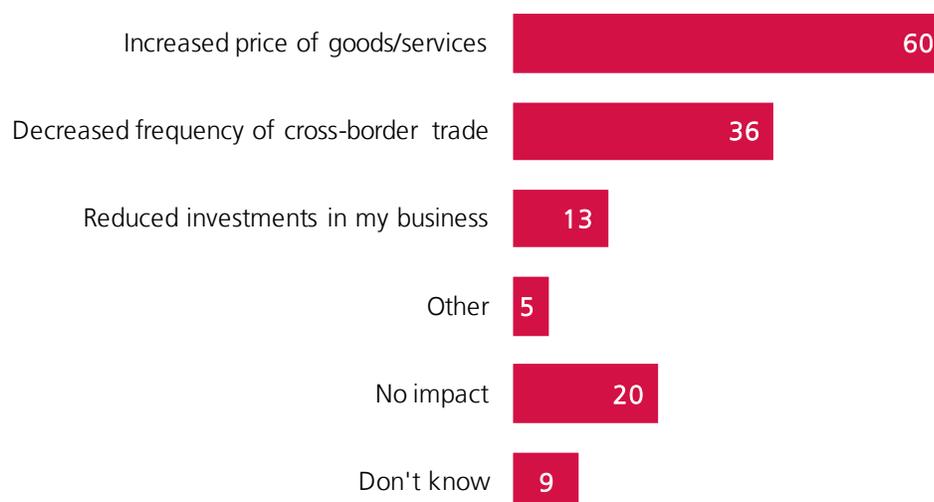
If I had known about the costs, I would not have imported from/exported to the U.S. (% response)

Source: CFIB, *Borders Survey*, March-April 2015, n = 4,086.

Border costs and fees affect more than just Canadian SMEs; they have real consequences for the Canadian economy and consumers (see Figure 3). Approximately 60 per cent of Canadian SMEs that trade with the U.S. said that border costs resulted in higher prices for their goods or services. The numerous types of border costs on Canadian importers may be one explanatory factor for price differences between Canada and the U.S. The second biggest impact of border costs is decreasing the frequency of cross-border trade. Over one third of SMEs said that border costs have decreased the frequency of their cross-border trade which means that many may not be expanding their business/markets as quickly or as extensively as they would like, which in turn, impacts the growth of our economy.

Figure 3:

What are the impacts of the costs associated with importing from/exporting to the U.S. (e.g. inspection fees, administrative burden) on your business? (% response)



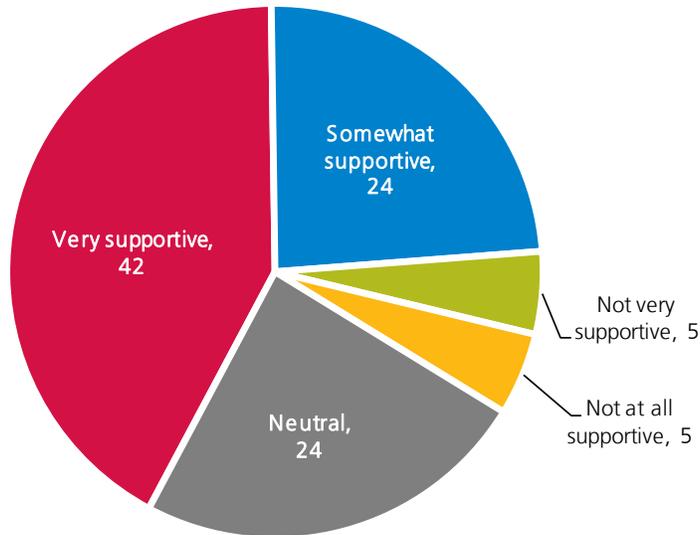
Source: CFIB, *Borders Survey*, March-April 2015, n = 4,146.

The data highlight an alarming reality in free trade between Canada and the U.S.: government regulation, paper burden and cost, not simply market forces, likely have a significant influence on SME trade and pricing. More costs likely mean less trade, resulting in fewer choices and higher prices for Canadian consumers.

While border fees are not expected to be eliminated, the CBSA should be committed to continuing to find ways to lower the impact of border costs on SMEs. One approach to consider might be to charge a flat fee paid by all businesses that import from the U.S. at the time of crossing the border. The fee would be lower than current inspection fees and inspection fees would be eliminated. The majority (66 per cent) of Canadian SMEs that import from the U.S. support such a concept (see Figure 4). As a result, the CBSA should evaluate the feasibility of having a flat, low-cost, border fee to help bring some consistency and predictability of costs to cross-border trade.

Figure 4:

Please indicate your level of support for the following potential CBSA initiative: Flat border-crossing fee (a fee paid by all businesses that import from the U.S. at the time of crossing the border; the fee would be lower than current inspection fees and inspection fees would be eliminated) (% response)



Source: CFIB, *Borders Survey*, March-April 2015, n = 3,633 (importers only).

Rating the Canada Border Services Agency

While many view border agencies as security-oriented organizations, they often forget that these agencies are also service-oriented, with a mandate to facilitate trade between Canada and the U.S. To assess this mandate, CFIB asked its members a series of questions related to their experience on both sides of the border.

The Canada Border Services Agency (CBSA) was created in 2003 as an integrated body of personnel from the former Canada Customs and Revenue Agency. Currently, the CBSA enforces more than 90 acts, regulations, and international agreements; manages 117 land-border crossings; and provides services at around 1,200 locations across Canada.⁶ Part of their mandate is to “facilitate the free flow of persons and goods.”⁷ Fulfilling this duty successfully is critical for SMEs to thrive in cross-border trade.

“The CBSA agent has no vested interest in your business but still can affect the way your business operates and the amount of financial expenditure one must incur.”

- Agriculture, Alberta

⁶ CBSA, *What We Do*, 2012. Accessed July 30, 2015: <http://cbsa.gc.ca/agency-agence/what-quoi-eng.html>

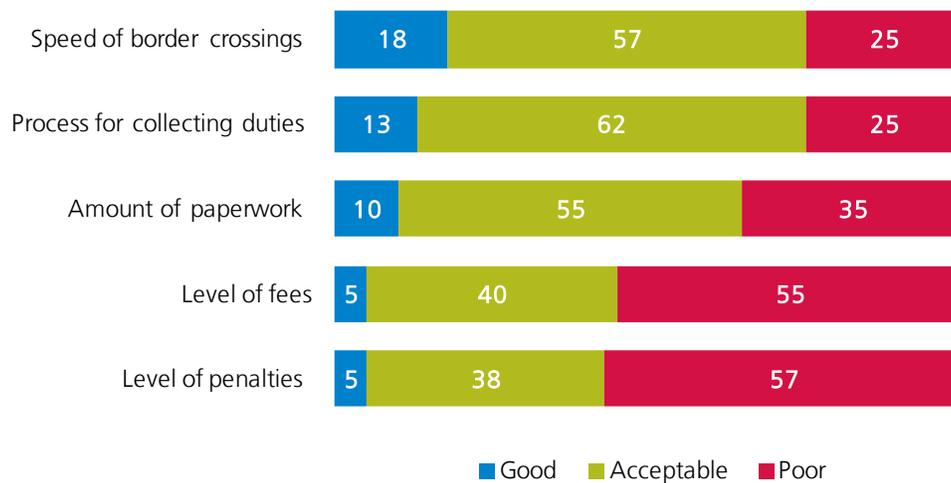
⁷ CBSA, *Who We Are*, 2011. Accessed July 15, 2015: <http://cbsa.gc.ca/agency-agence/who-qui-eng.html>

Aspects of Canadian Customs and Border Crossings

CFIB asked our members to rate the core responsibilities of the CBSA, including administrative duties, fees, and speed (see Figure 5). These measures reflect how the CBSA, as an organization, is performing from a small business perspective. Out of the members who gave a rating, most found speed, duty collection and paperwork to be ‘acceptable’, but each measure had a higher ‘poor’ rating than ‘good’ rating. Even the best rated aspect, speed of border crossings, had only 18 per cent of respondents give a ‘good’ rating, compared to 25 per cent who cited the aspect as ‘poor’. The worst rated aspects of importing from the U.S. through the CBSA were the level of penalties (57 per cent ‘poor’) and level of fees (55 per cent ‘poor’).

Figure 5:

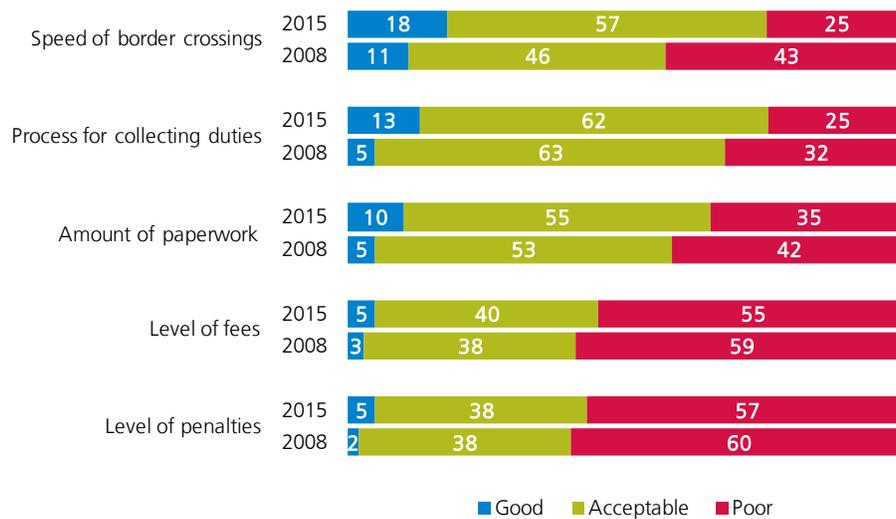
When importing into Canada, how do you rate the following aspects of Canadian customs and border crossings? (% response)



Source: CFIB, *Borders Survey*, March-April 2015. The number of responses ranges from 1,602 to 3,428. The data has been rebased. See survey for full results.

To determine whether the CBSA has improved, it is necessary to look at both ends of the rating spectrum to see if ‘good’ ratings increase and ‘poor’ ratings decrease. Compared to CFIB data from 2008, the CBSA has improved in speed, process for collecting duties and paperwork (see Figure 6). Most noticeable is the rating for speed of border crossings, with a seven percentage point increase for ‘good’ and an 18 percentage point decrease for ‘poor’. However, survey results show no real improvement for fees or penalties. This shows that CBSA’s commitment to efficient borders is starting to make a difference for SMEs on the ground, but there is room for further improvement. The fact that a majority of SMEs that import from the U.S. and gave a rating continue to rate all aspects as either ‘acceptable’ or ‘poor’ is a sign that good experiences at the border are still hard to come by. Finding ways to improve these areas will ensure that the CBSA will receive better ratings in the future.

Figure 6:

CBSA Aspects, 2008 vs. 2015 (% response)

Sources: CFIB, *Borders Survey*, March-April 2015, the number of responses ranges from 1,602 to 3,428; and CFIB, *Borders Survey*, January 2008, n = 3,285.

CBSA Customer Service

Interacting with the CBSA, whether through departmental resources or front-line staff, is a key factor for small business owners engaging in cross-border trade. These interactions can influence the amount of trade an SME will conduct. To get a better sense of their experiences, CFIB

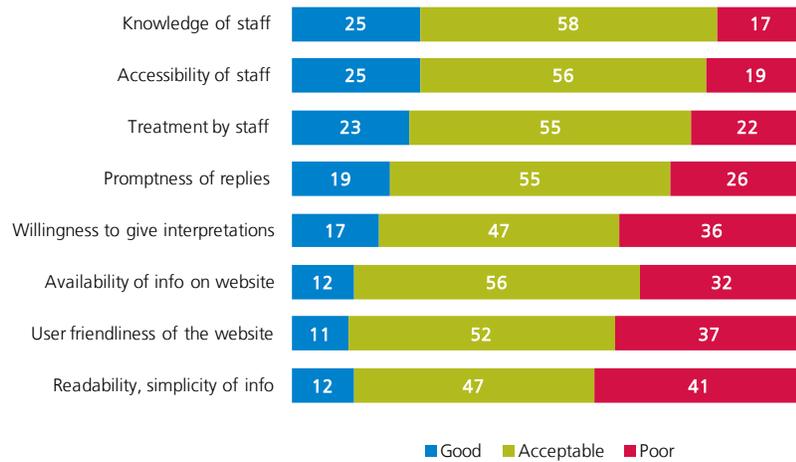
"Be prepared to be given different answers by staff on different days to the same question, creating mass confusion at the border and resulting in paperwork needing to be redone."

- Retail, British Columbia

asked its members to rate the level of customer service they received from the CBSA. Overall, CBSA services were generally 'acceptable' to most respondents who gave a rating (see Figure 7). For SMEs dealing face-to-face with CBSA staff, the 'good' ratings of knowledge (25 per cent), accessibility (25 per cent), and treatment by staff (23 per cent) outweighed the 'poor' responses. All other measures, however, received higher 'poor' ratings. The level of poor service for readability and simplicity of information (41 per cent), user friendliness of website (37 per cent) and availability of information on website (32 per cent) demonstrates that CBSA has a way to go before their information is regarded as accessible or understandable among smaller businesses.

Figure 7:

When importing into Canada, how do you rate the service of the CBSA on each of the following customer service measures? (% response)

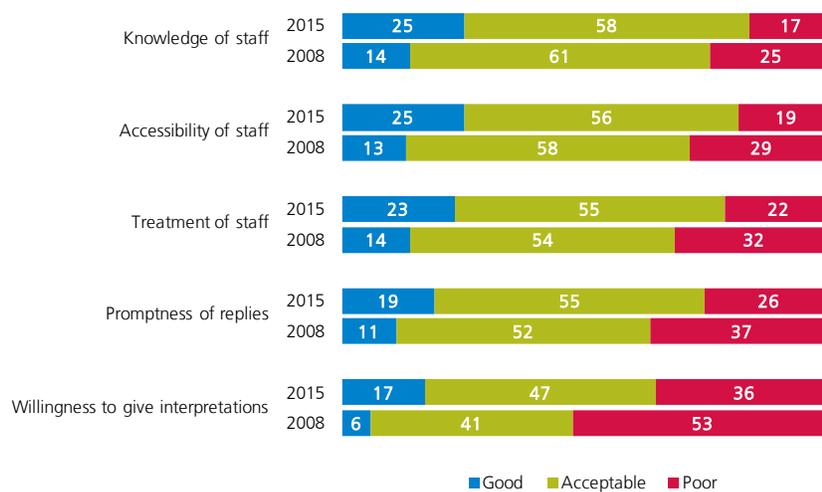


Source: CFIB, *Borders Survey*, March-April 2015, the number of responses ranges from 1,944 to 2,458. The data has been rebased. See survey for full results.

Compared to 2008, CBSA once again shows improvement in almost all areas of customer service that are staff related (see Figure 8). The most improved services are accessibility, knowledge and treatment boosting their ‘good’ rating by 12, 11, and nine percentage points respectively. From this, the biggest improvement at both ends of the rating spectrum is the willingness to give interpretations, seeing an 11 percentage point jump in ‘good’ ratings and a 17 percentage point decline in ‘poor’ ratings. All of these staff-related improvements speak to the CBSA’s efforts to ensure that front-line border officials are properly trained and accessible to SMEs. The CBSA should make certain that these services continue to improve in years to come.

Figure 8:

CBSA Customer Service, Staff-Related, 2008 vs. 2015 (% response)



Sources: CFIB, *Borders Survey*, March-April 2015, the number of responses ranges from 1,944 to 2,458; CFIB, *Borders Survey*, January 2008, n = 3,285.

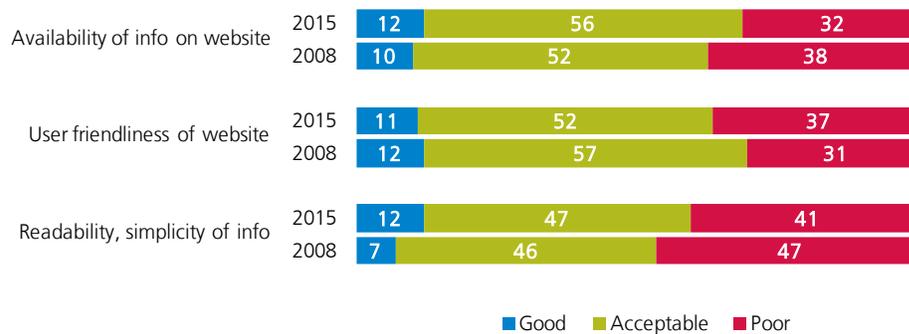
Unlike staff-related services, information-related services such as availability and readability/simplicity of information show more modest improvements since 2008 (see Figure 9). In fact, one service area, the user friendliness of the CBSA website, has worsened, seeing a six percentage point increase in ‘poor’ ratings. Given the advances in technology over the last several years, as well as the increase in internet use by Canadians, including small business owners, the CBSA website has become an even more important tool for SMEs inquiring about cross-border trade. The CBSA must ensure that its website is more user friendly for SMEs, especially first-time importers or exporters.

“Most CBSA web sites are hard to navigate through for an individual who does not use them frequently.”

- Automotive repair, Manitoba

Figure 9:

CBSA Customer Service, Information-Related, 2008 vs. 2015 (% response)



Sources: CFIB, *Borders Survey*, March-April 2015, the number of responses ranges from 1,944 to 2,458; CFIB, *Borders Survey*, January 2008, n = 3,285.

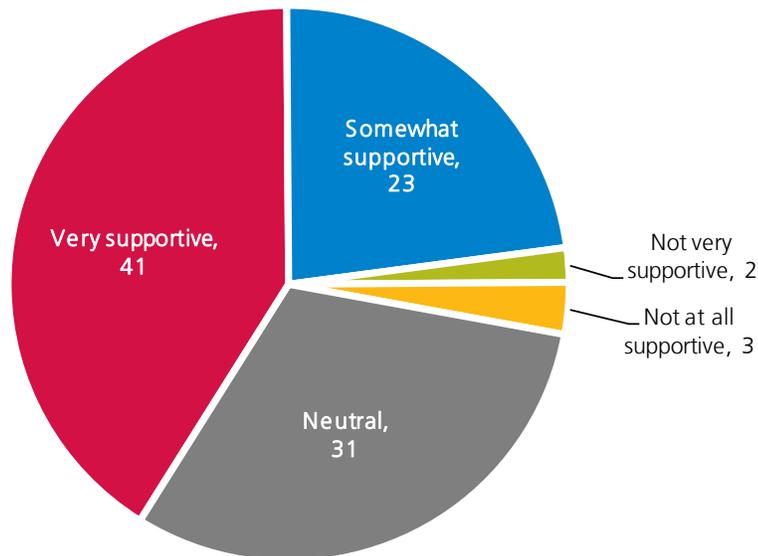
Improvements to the website are crucial as a website visit may be the first point of contact for SMEs to access information. Unfortunately, the CBSA website currently contains only general guidelines for importing and exporting, with no specific focus on SMEs. What is even more troubling is that the CBSA seems to have gone backwards as the website had previously housed a ‘Small and Medium Enterprise Centre’; however, this no longer exists.

It is our understanding that the CBSA has launched the Single Window Initiative in March 2015. However, we believe that the current system is far too limited in its scope and should be expanded to include all government departments and agencies and be accessible to every Canadian importer, not just preapproved customs brokers. CFIB supports the timely implementation of a fully integrated single window initiative that is accessible to SMEs and provides comprehensive and understandable trade-related information and advice. In fact, a majority (64 per cent) of SMEs are either very or somewhat supportive of a single window website initiative, while only five per cent are either not very supportive or not at all supportive (see

Figure 10). At the very least, CBSA should develop a webpage dedicated to answering frequently asked questions of small businesses looking for information on cross-border trade.

Figure 10:

Please indicate your level of support for the following potential CBSA initiative – Single window (a dedicated CBSA website directed to small businesses looking for information on cross-border trade) (% response)



Source: CFIB, *Borders Survey*, March-April 2015, n = 6,019.

Rating U.S. Customs and Border Protection

While Canadian SMEs deal with CBSA on some exporting regulations, it is the U.S. Customs and Border Protection (CBP) that is responsible for clearing Canadian goods and services entering the U.S. As many SMEs rely on exports to sustain their businesses, their experience with the CBP is tied to growing their business, which translates to job creation and economic growth for both the Canadian and U.S. economy.

“From our experience it is way easier to import from the U.S. than to export to the U.S. The U.S. border has excessive paper work.”
- Specialty manufacturing, Québec

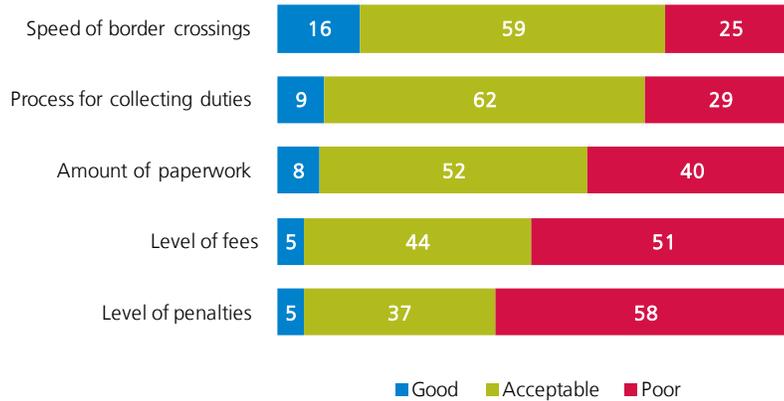
Aspects of U.S. Customs and Border Crossings

Compared to their Canadian counterparts, CBP performed worse on the amount of paperwork and slightly worse on the process for collecting duties. While many SMEs who gave a rating find these aspects to be ‘acceptable’, the proportion of those who selected ‘poor’ heavily outweighs those who selected ‘good’ on each measure (see Figure 11). The best rated aspect, speed of border crossings, was rated similarly for CBP and the CBSA, as did the level of penalties. Even so only 16 per cent of small business owners had a ‘good’ experience. Much like the CBSA, the level of fees (51

per cent ‘poor’) and the level of penalties (58 per cent ‘poor’) are the worst aspects for a Canadian SME crossing the border. In general, this is an indication that Canadian SME exporters still face heavy burdens when trying to get their products or services to the U.S. market.

Figure 11:

When exporting to the U.S., how do you rate the following aspects of the U.S. customs and border crossings? (% response)

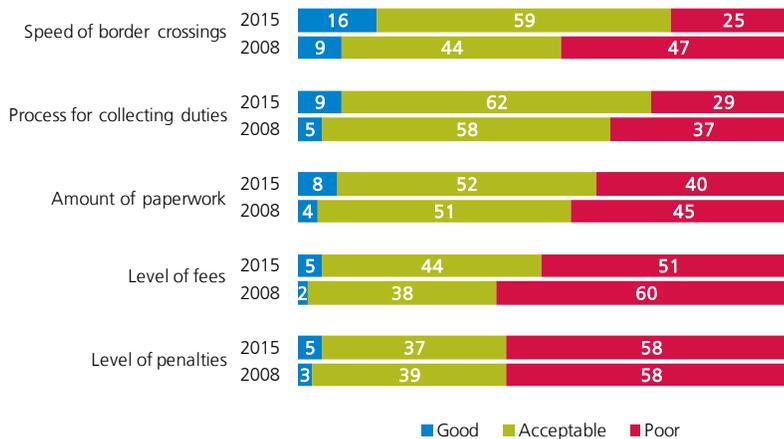


Sources: CFIB, *Borders Survey*, March-April 2015, the number of responses ranges 585 to 1,242. The data has been rebased. See survey for full results.

Since 2008, aspects have become more ‘acceptable’ to Canadian SMEs that rated the CBP, as there have been improvements in those reporting a ‘good’ experience (see Figure 12). Similar to the importing data, the speed of border crossings was the most improved aspect, with a seven percentage point rise in ‘good’ ratings and a 22 percentage point decline in ‘poor’ ratings. The level of penalties for SMEs, with a 58 per cent ‘poor’ rating, has remained the same. Despite this progress, it should be highlighted that all aspects still receive higher ‘poor’ ratings than ‘good’. More progress from the CBP, and less acceptance of the current status quo, is needed if Canadian and American SMEs are to prosper.

Figure 12:

CBP Aspects, 2008 vs. 2015 (% response)



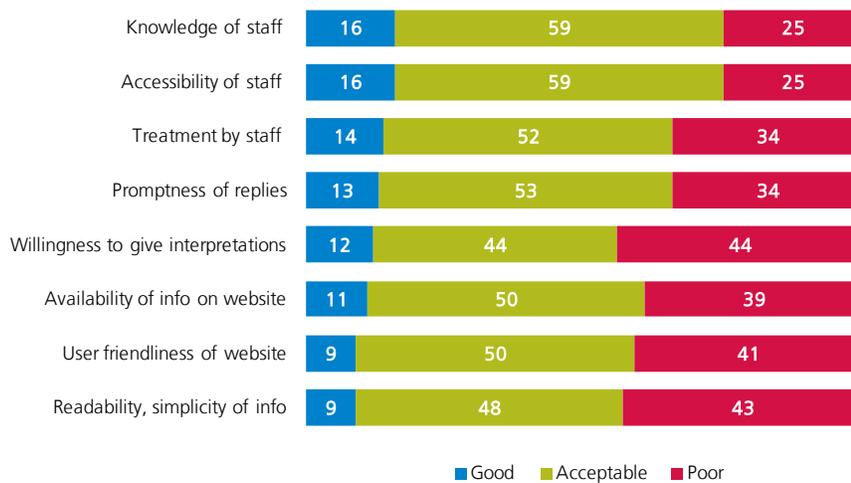
Sources: CFIB, *Borders Survey*, March-April 2015, the number of responses ranges 585 to 1,242; and CFIB, *Borders Survey*, January 2008, n = 3,285.

CBP Customer Service

With a perceived higher focus on border security, the CBP can be an intimidating agency to deal with as a small business. In fact, when it comes to customer service, CBP received worse ratings than the CBSA (see Figure 13). On all service levels, around half of Canadian SMEs that export to the U.S. and gave a rating considered their experience to be ‘acceptable’, with more respondents receiving ‘poor’ service than ‘good’. The worst services were CBP’s willingness to give interpretations (44 per cent ‘poor’), followed by readability and simplicity of information (43 per cent ‘poor’). These types of services are essential for small businesses trying to understand complex exporting rules and regulations, and there remains much room for improvement at the CBP.

Figure 13:

When exporting to the U.S., how do you rate the service of the CBP on each of the following customer service measures? (% response)

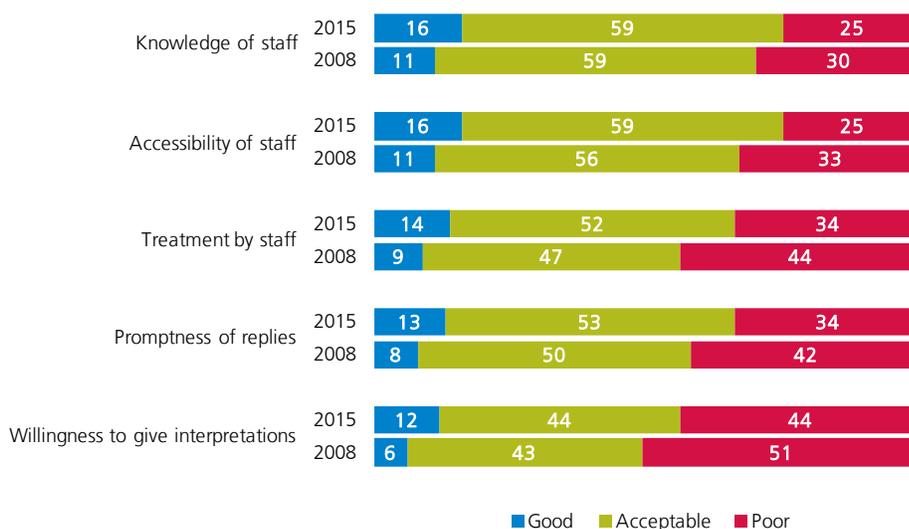


Source: CFIB, *Borders Survey*, March-April 2015, the number of responses ranges 712 to 918. The data has been rebased. See survey for full results.

Comparing the data with our 2008 results, CBP has seen its services remain largely ‘acceptable’, with strong improvements by CBP staff (see Figure 14). Similar to the CBSA, the difference between staff-related and information-related services demonstrates where more work needs to be done. The most improved service being treatment by staff, seeing a five percentage point jump in ‘good’ ratings and a ten percentage point reduction in ‘poor’ ratings. While these improvements are a good sign, CBP must work towards ensuring more Canadian SMEs that export to the U.S. report having good, rather than poor, experiences with staff.

Figure 14:

CBP Customer Service, Staff-Related, 2008 vs. 2015 (% response)

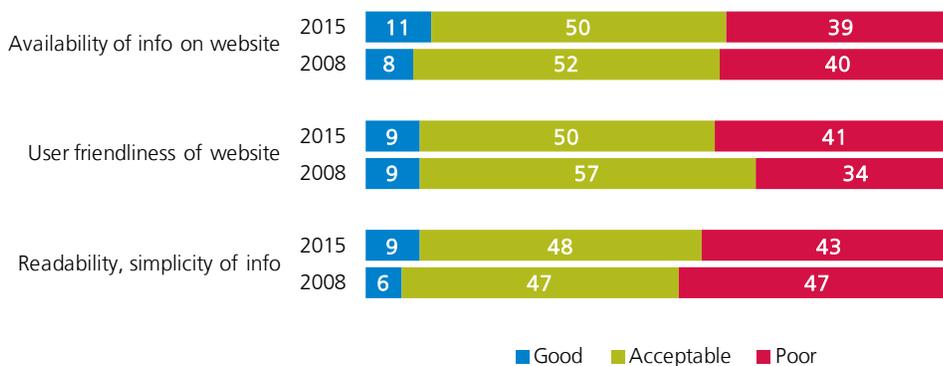


Sources: CFIB, *Borders Survey*, March-April 2015, the number of responses ranges 712 to 918; and CFIB, *Borders Survey*, January 2008, n = 3,285.

On information-related services, the CBP has only seen improvement over the last seven years in the category of readability of information (see Figure 15). The user friendliness of the CBP website has not improved at all and now receives more ‘poor’ ratings. Similar to the CBSA’s web presence, the lack of improvement to CBP’s website speaks to the recurring issue of both border agencies needing to update their information portals to better reflect the needs of SMEs involved in trade.

Figure 15:

CBP Customer Service, Information-Related, 2008 vs. 2015 (% response)



Sources: CFIB, *Borders Survey*, March-April 2015, the number of responses ranges 712 to 918; and CFIB, *Borders Survey*, January 2008, n = 3,285.

Cross-Border Trade Programs

There are a number of different programs administered by the CBSA and CBP aimed at helping speed up cross-border trade. These programs include:

- ▶ **Advance Commercial Information (ACI)** (e.g. eManifest) provides CBSA officers with electronic pre-arrival information for commercial goods.
- ▶ **CANPASS** expedites the border clearance process for frequent, low-risk, pre-approved travellers into Canada through air and marine modes.
- ▶ **Customs Self Assessment (CSA)** is a program administered by the CBSA that offers approved (mostly large) importers the benefits of a streamlined accounting and payment process for all imported goods.
- ▶ **Customs-Trade Partnership Against Terrorism (C-TPAT)** is a joint business-U.S. government program for importers in conjunction with supply chain partners (carriers, brokers, warehouse operators and manufacturers) to ensure the integrity of their security practices.
- ▶ **Free and Secure Trade (FAST)** is a jointly administered program and supports moving pre-approved eligible goods across the border quickly and verifying trade compliance away from the border.
- ▶ **NEXUS** is a jointly administered program and is designed to expedite the border clearance process for low-risk, pre-approved travellers (frequent flyers, designated crossing lanes).
- ▶ **Partners in Protection (PIP)** is a voluntary initiative administered by the Canadian government to help detect and prevent contraband smuggling.

Except for NEXUS, the majority of SMEs are unaware of these programs (see Figure 16). The most well known initiative is the NEXUS program, as the majority (58 per cent) of SMEs are aware of it and 45 per cent support it. This may be partly explained by the fact that information about NEXUS is

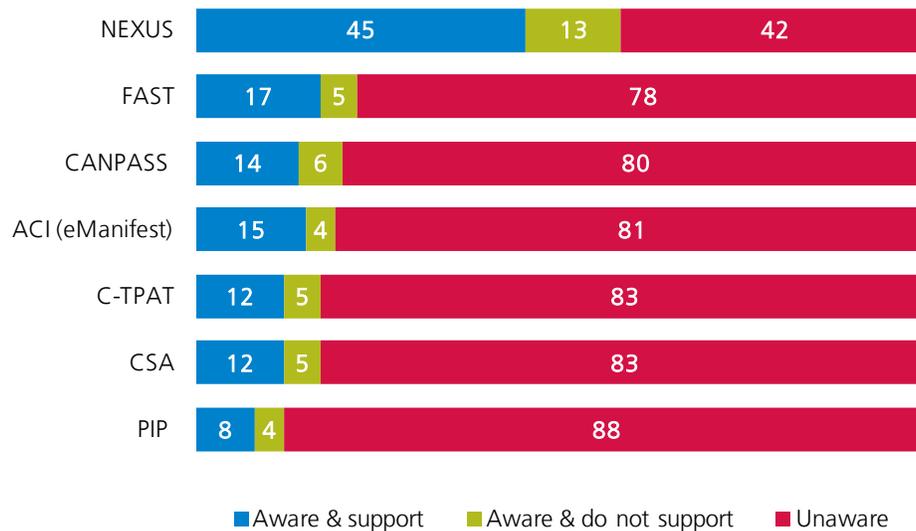
highly visible at border crossings with designated lanes. For all other trade-related programs, around 80 per cent of Canadian SMEs are unaware that they even exist. This lack of awareness most likely stems from the fact that these programs are often designed for larger commercial traders, involve excessive paperwork and a lengthy approval process, so even if SMEs knew about it, they would not likely sign up. Going forward, CBSA must do a better job of ensuring that their trade programs are relevant and easy to use for Canadian SMEs that trade with the U.S. and do a better job of promoting them to SMEs who may benefit from using them.

"I am virtually unaware of any special cross border programs and the red-tape is likely so large, that I would be unwilling to join."

**- Consulting,
New Brunswick**

Figure 16:

Please indicate your level of awareness and support for each of the following Canada-U.S. trade programs or initiatives (% response)



Source: CFIB, *Borders Survey*, March-April 2015, the number of responses ranges from 5,386 to 5,811.

Inspections

Some of the biggest barriers to cross-border trade include the cost, time, and inconsistency involved in the inspection of shipments. While SMEs understand that inspections are sometimes a necessary part of ensuring border security, they often become an unnecessary burden to SMEs conducting legitimate trade and inadvertently stifle the trade process. As such, CFIB asked a series of questions to gauge the perspective of SMEs on border inspections.

Frequency of Inspections

CFIB asked its importing members if their shipments had been flagged for inspection in the last three years (see Figure 17). Over one third (39 per cent) of survey respondents that import from the U.S. have had their shipments inspected at least once in the last three years.

Interestingly, in our 2008 survey, we asked our members that import from the U.S. if their shipments had ever been inspected, rather than within the last three years, and only 19 per cent reported ever being inspected by the CBSA.⁸ This suggests that the CBSA may be increasing its frequency of flagging shipments coming into Canada from the U.S.

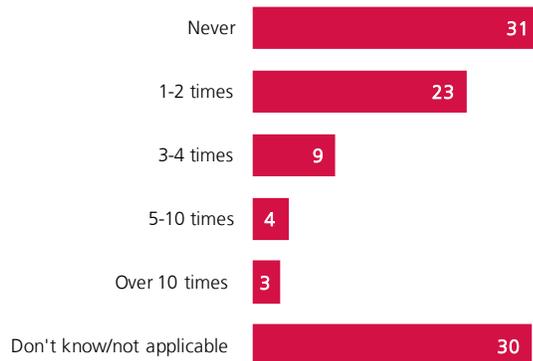
"Hope you get a friendly border officer inspector, since your experience will depend almost entirely on who you have to deal with."

- Agriculture, Manitoba

⁸ See CFIB, *Trade without Borders*, 2010, Figure 23.

Figure 17:

Approximately, how many times have the shipments that your business has imported from the U.S. been flagged for inspection by CBSA during the past 3 years? (% response)

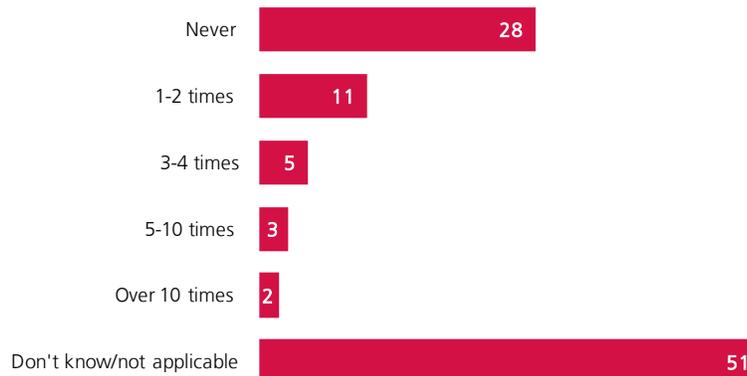


Source: CFIB, *Borders Survey*, March-April 2015, n = 4,266.

Inspections by CBP officers can severely drain resources from export-sensitive businesses. About one in five SMEs that exported to the U.S. reported having their shipment flagged for inspection at least once in the last three years (see Figure 18). In 2008, only 14 per cent of exporting SMEs indicated that their shipments had ever been inspected by CBP.⁹ This also suggests that CBP may be increasing its inspection frequency.

Figure 18:

Approximately, how many times have the shipments that your business has exported to the U.S. been flagged for inspection by CBP during the past 3 years? (% response)



Source: CFIB, *Borders Survey*, March-April 2015, n = 4,032.

Rating CBSA Inspectors

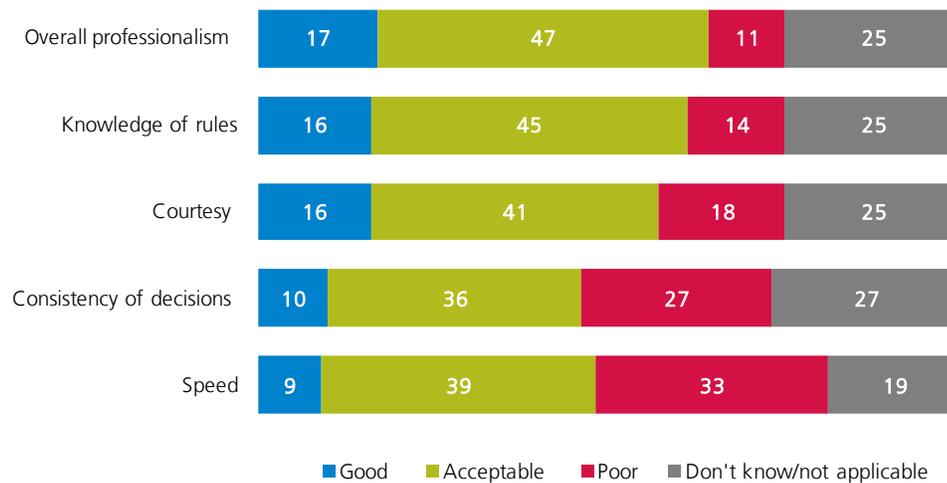
Once imports are flagged, the outcome of the inspection is largely controlled by CBSA officials. Their discretion determines the time and fees associated with releasing inspected goods. For Canadian SMEs involved in import inspections, their

⁹ See CFIB, *Trade without Borders*, 2010, Figure 23.

feedback on the customer service provided by CBSA inspectors suggests more improvement is needed (see Figure 19). As indicated in figure 19, about a quarter of respondents chose 'don't know/not applicable', which likely included business owners who were not present at the border during the inspection and thus are unable to rate the inspector.

Figure 19:

Rate the CBSA officer(s) conducting the inspection(s) on each of the following: (% response)



Source: CFIB, *Borders Survey*, March-April 2015, the number of responses ranges from 1,618 to 1,639.

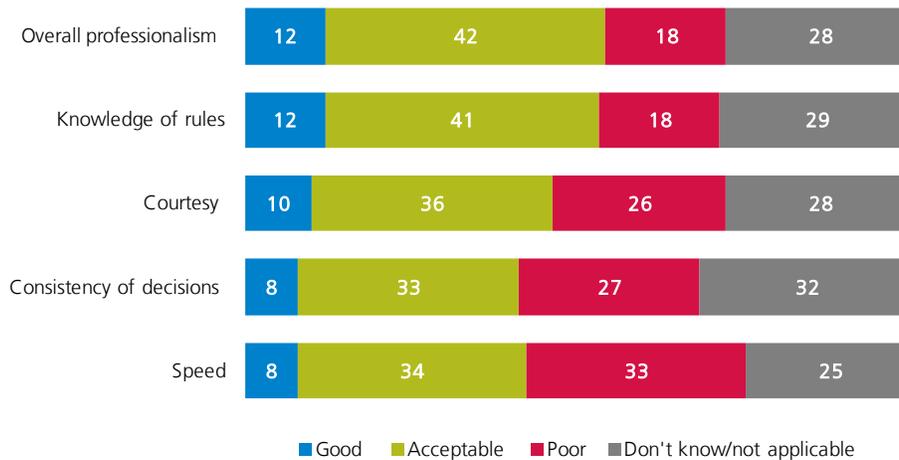
The lowest-rated services were speed (33 per cent 'poor') and consistency of decisions (27 per cent 'poor'). Prolonged inspections hurt businesses that are importing products which are perishable or otherwise sensitive to time constraints. Inconsistent decisions by CBSA officials further complicate the trade process by creating unnecessary uncertainty and confusion as to which procedures SMEs need to follow.

Rating CBP Inspectors

When exports are inspected, CBP agents receive similar ratings as their CBSA counterparts (see Figure 20). Again, the high proportion of 'don't know/not applicable' responses can be attributed to SMEs who may have had an inspection but were not present at the border.

Figure 20:

Rate the CBP officer(s) conducting the inspection(s) on each of the following: (% response)



Source: CFIB, *Borders Survey*, March-April 2015, the number of responses ranges from 1,026 to 1,040.

One difference worth noting is the rating on courtesy, with CBP inspectors being less courteous to Canadian SMEs that export to the U.S. during inspections. However, the worst-rated services are the same, with speed (33 per cent 'poor') and consistency of decisions (27 per cent 'poor') rated the lowest in both agencies. This data reiterates the fact that inspections must be completed in a timely manner with consistent results and standards for SMEs to understand their obligations and avoid future losses.

How Small Businesses Navigate the Border

Whether it is dealing with paperwork or participating in an inspection, small businesses often have little time or resources to personally conduct cross-border trade. Customs brokers fill this void and provide a valuable service to SMEs who frequently engage in cross-border trade. CFIB asked SMEs that trade with the U.S. if they used a brokerage service or other intermediaries and the results are telling (see Figure 21). Approximately 84 per cent of respondents use a brokerage service, which includes UPS, FedEx, and small, local brokerage firms.

"Get a customs broker. The CBSA agents I dealt with made it clear that they do NOT want businesses to clear shipments on their own. They feel it takes too much time and effort to educate us."

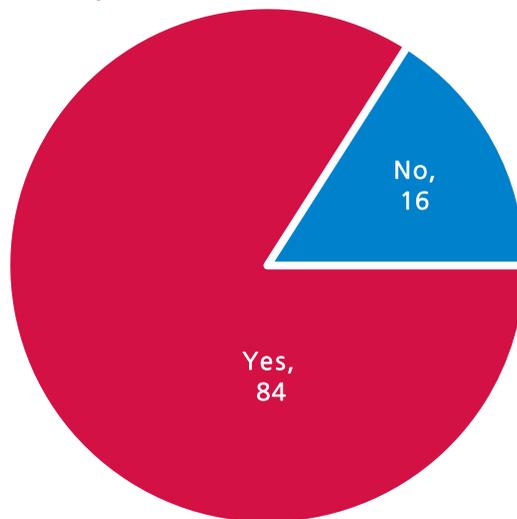
- Equipment Repair, Alberta

While customs brokers are a major asset for many Canadian SMEs importing from or exporting to the U.S., there are costs associated with hiring third-party brokers. Even with a broker, the liability still rests with importers; meaning that SMEs need to understand their responsibilities even if they hire someone else to administer their trade obligations. Additionally, for the 16 per cent of trading SMEs who do not use

brokers, as well as first-time importers and exporters, navigating the complexities of the border on their own is a challenging task.

Figure 21:

Do you use brokerage services or other intermediaries (e.g. UPS, FedEx, ZoomShipR) to facilitate your trade activities with the U.S.?
(% response)

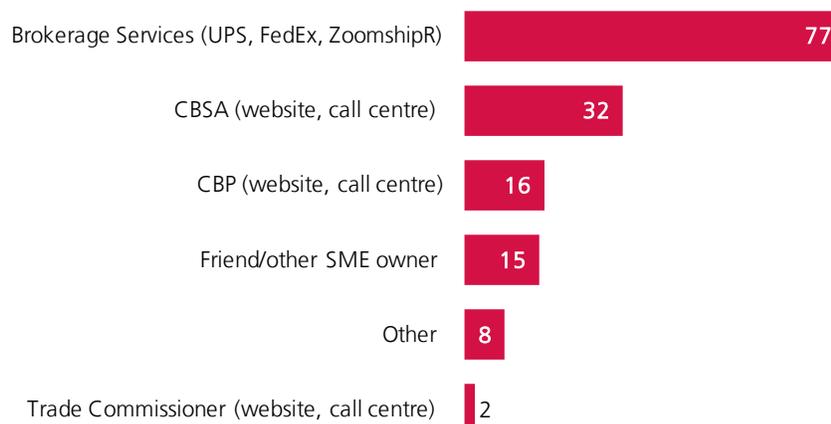


Source: CFIB, *Borders Survey*, March-April 2015, n = 4,153.

For Canadian SMEs that trade with the U.S., information is essential. From researching the basics of trading goods and services to determining the specific tariff classification for a product, small business owners must be able to access and understand trade-related information. CFIB asked SMEs where they go to obtain cross-border trade information (see Figure 22). Not surprisingly, the majority of Canadian SMEs that trade with the U.S. (77 per cent) use customs brokers to receive or explain trade-related information.

Figure 22:

What are the main sources of information you consult when engaging in cross-border trade? (% response)



Source: CFIB, *Borders Survey*, March-April 2015, n = 4,019.

Approximately one third of SMEs who trade with the U.S. access the CBSA for information related to importing while 16 per cent connect with the CBP for information related to exporting.

However, it is worrisome that the worst-rated services for both the CBSA and CBP are: Availability of information on websites, user friendliness of websites, and simplicity of information. If Canadian SMEs are using these services and ranking them as the poorest, both agencies must make greater efforts to improve the information they provide.

Small Business Advice for New Importers and Exporters

While brokers and border agencies are common information sources, Canadian SMEs with cross-border experience are themselves full of information and advice for first-time importers or exporters. CFIB members were asked to provide one piece of advice to other SME owners who are considering the journey across the border and we received 76 pages of advice and comments. Below is a sampling of what they said.

"Have all your information prepared and ready at the time of dealing with the CBSA personnel. This includes your business number; copies of invoices; addresses of businesses that you are conducting your transactions with; and what the country of origin is for the products you are dealing with."

Automotive repair, British Columbia

"Make sure that you factor in all shipping charges, handling fees, duties, taxes and exchange rates into your product prior to ordering. It will save you time and grief."

Retail, Alberta

"Speak with customs in advance - write down what they tell you along with who you spoke with."

Agriculture, Saskatchewan

"Work with Customs Consultants to ensure optimization of any existing rulings, and apply for rulings on questionable items to prevent unnecessary duties being assessed."

Retail, Manitoba

"The Canadian Society of Customs Brokers (CSCB) offers learning modules as well as a Certified Customs Specialist designation program. CSCB has been invaluable to our business."

Motor vehicle equipment, Ontario

"If you don't have much to import get an importer's license and do it yourself. That is if you aren't too far from the border."

Retail gardening, Québec

"Be aware that the continual fluctuation in the dollar can drastically affect your business - either way."

Bookkeeping, New Brunswick

"Use a freight consolidator to reduce the number of shipments, which reduces fees and shipping costs."

Retail, Nova Scotia

"Do your homework!"

Art retailer, Prince Edward Island

Conclusion and Recommendations

While Canada continues to secure a greater number of international trade agreements, the truth remains that Canada and the U.S. are each other's greatest trading partner. Canadian SMEs are at the centre of cross-border trade and their experience at the border is critical to the health of our import and export markets. The CBSA and CBP deserve credit for making important progress on almost all measures of border services since our last report. We strongly encourage CBSA and CBP officials to continue their efforts of improving their customer service to make a difference for SMEs on the ground.

However, both border agencies have many areas in need of improvement. CFIB's survey data on border fees (the worst-rated border aspect), user friendliness of websites (the least improved service since 2008), border inspections (rated as slow and inconsistent), and awareness of trade programs (more than 80 per cent of SMEs are unaware of most of them) demonstrates that the CBSA and CBP must work harder to enhance the trade experience for SMEs. While we did not survey US-based SMEs, it would be highly unlikely that the results from them would be much different from SMEs in Canada, so any improvements would likely be welcomed by SMEs on both sides of the border.

CFIB has compiled a list of practical recommendations for the CBSA—and the CBP—to consider. The ongoing implementation of *Beyond the Border* deliverables, as well as our recommendations, will ensure that cross-border trade will ultimately be viewed as a positive experience for small businesses in Canada, and very likely by those in the U.S. as well.

1) Ensure that trade information is easily accessible and tailored to SMEs:

Our survey data indicate that both border agencies have failed to improve their information infrastructure, especially their websites. Easy access to trade information is vital in encouraging and facilitating trade for SMEs, particularly those conducting trade for the very first time. This area should be a top priority for both agencies moving forward.

1a) The CBSA should implement a fully integrated single-window initiative and provide access to all SMEs and/or at the very least re-introduce a SME-focused website or webpage directed at SMEs looking to import and export.

- ▶ The CBSA should ensure that a fully integrated single window initiative is implemented and accessible to all SMEs, not only preapproved brokers. Sixty-four per cent of survey respondents support this initiative to assist their small business with its trading needs.
- ▶ CBSA previously offered a small business section on its website. With its removal, trade information is no longer tailored to the particular needs of smaller companies. Our survey found that more than one-third of SMEs that trade with the U.S. go to the CBSA website to seek information and just as many,

if not more SMEs feel that the user-friendliness, readability and availability of information on the website remains 'poor'. As a result, the CBSA should re-introduce a previously existing SME-focused webpage for SMEs looking for information on importing and exporting.

1b) Update computer systems at border crossings to speed up the completion of trade documentation and compliance.

- ▶ Many SMEs commented that when filling out the required Canada Customs Coding Form (B3) electronically at the border, the computer systems are outdated and not user friendly. By updating these systems, the CBSA would create efficiencies and improve border wait times, while making it easier for smaller firms to self declare.

1c) Raise awareness of trade programs and ensure that they are relevant for SMEs.

- ▶ The NEXUS program has been a success for frequent cross-border travellers. However, NEXUS is intended for the movement of people rather than goods and services. A system that would recognize frequent border crossers involved in short stints of work would be welcome. It could be a type of C-TPAT for people, or a NEXUS card for commercial purposes, that would allow individuals involved in cross-border trade to be pre-screened and approved. This would ensure that delays at the border are minimal when crossing for trade purposes such as work linked to a specific project or product.
- ▶ Except for NEXUS, too many SMEs are unaware of other available programs. The CBSA should commit to reviewing all trade programs with an emphasis on making them attractive to SMEs.
- ▶ The CBSA has offered client outreach seminars and our members found them to be great knowledge-sharing events. These seminars should be offered during times that are more suitable for small business owners, including early mornings and evenings. The CBSA should also consider doing webinars that provide guidance and answer frequently asked questions on cross-border trade that SMEs can access at any time.

2) Reduce administrative burden and red tape on SMEs

Regulation and trade compliance enforced by the CBSA amount to a heavy burden on all SMEs conducting simple border transactions. In the past, border legislation and regulation has been designed to manage large scale trade by multinational companies. This has left SMEs to deal with an overwhelming amount of administrative burden and red tape.

2a) Ensure that organizational shifts from paper to electronic form actually reduce red tape and remain flexible for SMEs.

- ▶ When CBSA transitions its trade data programs to electronic form, Canadian SMEs are expected to comply. This often leads to added compliance costs and hefty fines for smaller firms unaware of the changes. The CBSA should commit to reducing compliance costs as much as possible; waiving fines for SMEs during

a fixed transition period and the first time they experience a transgression; and being flexible for those few SMEs who are more comfortable using paper forms.

2b) Continue to apply the one-for-one rule and small business lens to all CBSA regulation, and expand to include policies and legislation.

- ▶ The Government of Canada committed to reducing red tape across all departments when it implemented the *Red Tape Reduction Action Plan*. CFIB was pleased to see the CBSA apply the one-for-one rule and small business lens to its eManifest regulations in May 2015. With more than 90 pieces of legislation to enforce, and countless regulations, the CBSA should continue to assess the impact of all future legislation, regulations and policies they control on small business.
- ▶ CFIB's *Red Tape Report*¹⁰ called on the Government of Canada to expand the one-for-one rule and small business lens beyond just regulation to include all legislation, directives, policies and notices that lead to more administrative burden. The CBSA should lead this approach and voluntarily extend the one-for-one rule and small business lens to its policies and memoranda that have direct impacts on SMEs.

2c) Simplify how small businesses report their products or services.

- ▶ When our members report their goods or services to the CBSA, they encounter an almost endless customs tariff schedule and must itemize each import on separate lines. The CBSA should review and consolidate its tariff classifications and allow for SMEs to report their identical goods or services in bulk.

2d) Extend service standards to border inspectors and operations

- ▶ A major administrative burden for SMEs is the inconsistency when dealing with different border officials. The CBSA introduced new service standards in 2009 through the implementation of an Operational Service Improvement Plan (SIP) to create “a more dynamic, responsive and service-oriented organization.”¹¹ These service standards proved successful with regular border staff, who scored relatively well with SMEs.
- ▶ However, speed and consistency of border inspections have received poor ratings by SMEs. The CBSA should therefore ensure that all border inspectors have customer service standards that must be met, for example, reasonable timeframes for inspections. The CBSA should regularly review existing service standards and, when appropriate, implement new standards.
- ▶ In addition, the CBSA should publicly report on whether targets are being met and make detailed results more easily accessible to SMEs. This will increase accountability and transparency and help improve service standards across the Agency.

¹⁰ CFIB, *Canada's Red Tape Report*, 2013. Accessed August 4, 2015: <http://www.cfib-fcei.ca/cfib-documents/rr3282.pdf>

¹¹ Canada Border Services Agency, *Departmental Performance Report*, 2012-13. Accessed July 22, 2015: <http://www.cbsa-asfc.gc.ca/agency-agence/reports-rapports/dpr-rmr/2012-2013/report-rapport-eng.html>

3) Review all border fees to help SMEs thrive in a competitive economy

The cost of trading at the border is a big concern for SMEs. Over half of respondents stated that border fees were higher than they originally expected and one third indicated that they would not have imported or exported had they known the costs associated with cross-border trade. Many SMEs that trade already operate on tight margins and border fees, paperwork and delays can directly affect their bottom line.

3a) Reduce the economic impact of border fees.

- ▶ A commitment by the *Beyond the Border* initiative is “greater public transparency and accountability to the application of border fees and charges.”¹² A government-commissioned report, *an economic impact assessment of border fees*, is expected to be completed shortly and the report should be available to the public. We are eager to see the results and hope it will provide greater transparency of border fees, be used to start addressing the impact of high border fee costs borne by smaller companies and the impact this has on their decision to conduct trade.

3b) Be consistent in charging duties and applying rules on imported products.

- ▶ The CBSA is often inconsistent when applying rules, duties and taxes on products being brought through the border by businesses versus those being brought in by individuals. SMEs need clarity and consistency when costing out their cross-border trade activities. To that effect, the CBSA must work to provide consistency when applying rules, duties and taxes on all types of travellers coming through the border with imported goods.

3c) Waive fees on small shipments that would otherwise exceed the value of the product or service.

- ▶ The math is simple: border fees should be proportional to the value of the goods or services being traded. Many CFIB members who import small, low-value shipments often pay more in border fees than what their product is worth. The CBSA has a Courier Low Value Shipment (CLVS) program that streamlines and expedites the customs process for shipments valued at C\$2,500 or less. However, the program does not allow small shipments to enter duty-free. The CBSA should consider waiving duties on small shipments that fall under the CLVS program (below \$2,500).

3d) Raise awareness of trade incentive and cost-recovery programs already in place and reduce the administrative burden required to apply.

- ▶ A number of our members commented that their businesses are often double-charged when they import parts for products that will eventually be exported back to the U.S. The CBSA does in fact have programs intended to reduce or recover excessive costs, but they largely remain unknown to Canadian SMEs. This is likely due to the fact that these programs are paper-heavy and time-consuming for a SME simply looking to recover their costs. The CBSA should commit to

¹² Government of Canada, *Beyond the Border Implementation Report*, March 2015. Accessed July 17, 2015: <http://actionplan.gc.ca/en/content/beyond-border-implementation-report-march-2015>

streamlining these programs, such as the “the duty deferral program”, to make them useful and less burdensome for SMEs. Doing so will allow Canadian SMEs to take advantage of these cost-saving measures.

4) Pursue better coordination and harmonization with all government departments involved in trade.

4a) Break down government silos and coordinate with other government departments that facilitate trade.

- ▶ The CBSA should work with other government departments, including the Canadian Trade Commissioner Service and Export Development Canada, in their efforts to boost Canadian trade.

4b) Continue to harmonize trade relations and regulations with the U.S. through *Beyond the Border* commitments.

- ▶ Many of the initiatives announced through *Beyond the Border* could, if properly implemented, significantly improve Canada-U.S. trade. The CBSA should measure and publicly report on an ongoing basis the steps it has taken to achieve the *Beyond the Border* action plan.

CFIB Borders Survey

As is our usual practice, your responses will remain strictly confidential and will be reported only in aggregate form.

To ensure that our scanner accurately records your answers, please mark clearly within the appropriate boxes.

1. Does your business export goods and/or services to the U.S.? (Select one answer only)

- Yes, goods only
- Yes, services only
- Yes, both goods and services
- No, I do not export to the U.S. (Go to Question 3)

2. How frequently does your business export goods and/or services to the U.S.? (Select one answer only)

- Daily
- Weekly
- Monthly
- One or several times a year

3. Does your business import goods and/or services from the U.S.? (Select one answer only)

- Yes, goods only
- Yes, services only
- Yes, both goods and services
- No, I do not import from the U.S. (Go to Question 7)

4. How frequently does your business import goods and/or services from the U.S.? (Select one answer only)

- Daily
- Weekly
- Monthly
- One or several times a year

5. When importing into Canada, how do you rate the service of the Canada Border Services Agency (CBSA) on each of the following customer service measures? (Select one for each line)

	Good	Acceptable	Poor	Don't know/Not applicable
Accessibility of staff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Knowledge of staff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Treatment by staff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Willingness of staff to provide interpretations/opinions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Promptness of replies to my questions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Readability, simplicity of information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Availability of information on CBSA website	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
User friendliness of CBSA website	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6. When importing into Canada, how do you rate the following aspects of Canadian customs and border crossings? (Select one for each line)

	Good	Acceptable	Poor	Don't know/Not applicable
Speed of border crossings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Amount of paperwork	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Process for collecting duties	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Level of fees (e.g. warehousing fees, off-hours inspections fees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Level of penalties (e.g. Administrative Monetary Penalty System)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7. (Skip if "No" to question 1) When exporting to the U.S., how do you rate the service of the U.S. Customs and Border Protection (CBP) on each of the following customer service measures? (Select one for each line)

	Good	Acceptable	Poor	Don't know/Not applicable
Accessibility of staff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Knowledge of staff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Treatment by staff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Willingness of staff to provide interpretations/opinions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Promptness of replies to my questions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Readability, simplicity of information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Availability of information on CBP website	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
User friendliness of CBP website	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. (Skip if "No" to question 1) When exporting to the U.S., how do you rate the following aspects of the U.S. customs and border crossings? (Select one for each line)

	Good	Acceptable	Poor	Don't know/Not applicable
Speed of border crossings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Amount of paperwork	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Process for collecting duties	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Level of fees (e.g. warehousing fees, off-hours inspections fees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Level of penalties	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

9. (Skip if "No" to question 1 and "No" to question 3) Approximately, how many times have the shipments that your business has imported from and/or exported to the U.S. been flagged for inspection at the border during the past 3 years? (Select one for each line)

	Never	1-2	3-4	5-10	More than 10	Don't know/Not applicable
Imports flagged for inspection by Canada Border Services Agency (CBSA)	<input type="checkbox"/>					
Exports flagged for inspection by Custom and Border Protection (CBP)	<input type="checkbox"/>					

10. (Skip if "No" to question 1 and "No" to question 3 or if "Never" or "Don't know" to question 9 imports) Please rate the Canada Border Service Agency (CBSA) officer(s) conducting the inspection(s) on each of the following. (Select one for each line)

	Good	Acceptable	Poor	Don't know/Not applicable
Overall professionalism	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Courtesy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Knowledge of rules and procedures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Speed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Consistency of decisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

11. (Skip if "No" to question 1 and "No" to question 3 or if "Never" or "Don't know" to question 9 exports) Please rate the U.S. Customs and Border Protection (CBP) officer(s) conducting the inspection(s) on each of the following. (Select one for each line)

	Good	Acceptable	Poor	Don't know/Not applicable
Overall professionalism	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Courtesy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Knowledge of rules and procedures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Speed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Consistency of decisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

12. (Skip if "No" to question 1 and "No" to question 3) Please indicate to what extent you agree or disagree with the following statements about the costs associated with importing from/exporting to the U.S. (e.g. inspection fees, administrative burden). (Select one for each line)

	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree	Don't know
The costs were much higher than I had expected	<input type="checkbox"/>				
If I had known about the costs, I would not have imported from/exported to the U.S.	<input type="checkbox"/>				

13. (Skip if "No" to question 1 and "No" to question 3) What are the impacts of the costs associated with importing from/exporting to the U.S. (e.g. inspection fees, administrative burden) on your business? (Select as many as apply)

- Decreased frequency of cross-border trade
- Reduced investments in my business
- Increased price of goods/services
- Other (Please specify) _____
- Don't know
- No impact

14. (Skip if "No" to question 1 and "No" to question 3) Do you use brokerage services or other intermediaries (e.g. UPS, FedEx, ZoomShipR) to facilitate your trade activities with the U.S.? (Select one answer only)

- Yes
- No

15. (Skip if "No" to question 1 and "No" to question 3) What are the main sources of information you consult when engaging in cross-border trade? (Select as many as apply)

- Canada Border Services Agency (i.e. website, call centre)
- U.S. Customs and Border Protection (i.e. website, call centre)
- Trade Commissioner (i.e. website, call centre)
- Brokerage services (e.g. UPS, FedEx, ZoomShipR)
- Friend/other small business owner
- Other (Please specify) _____

16. Please indicate your level of awareness and support for each of the following Canada-U.S. trade programs or initiatives. (Select one for each line)

	Aware and I support	Aware but I do not support	Unaware
CANPASS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Customs Self Assessment (CSA) program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Customs-Trade Partnership Against Terrorism (C-TPAT)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Free and Secure Trade (FAST) program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Nexus	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Partners in Protection (PIP)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Advance Commercial Information (ACI) (e.g. eManifest)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

17. Please indicate your level of support for the following potential CBSA initiatives. (Select one for each line)

	Very supportive	Somewhat supportive	Neutral	Not very supportive	Not at all supportive
Single window (a dedicated CBSA website directed to small businesses looking for information on cross-border trade)	<input type="checkbox"/>				
Flat border-crossing fee (a fee paid by all businesses that import from the U.S. at the time of crossing the border; the fee would be lower than current inspection fees and inspection fees would be eliminated)	<input type="checkbox"/>				

18. (Skip if "No" to question 1 and "No" to question 3) Would you be interested in providing further feedback at a CBSA consultation or roundtable? (Select one answer only)

- Yes
- No

19. (Skip if "No" to question 1 and "No" to question 3) If you could give one piece of advice to a business conducting cross-border trade for the first time, what would it be?

Comments: