

FDFA: Border business falls 45% in peak season



Source: Frontier Duty Free Association (FDFA)

Frontier Duty Free Association (FDFA) has released an economic report showing that sales during the peak summer season for US/Canada border stores plummeted by around 45% on average compared to pre-pandemic.

The export stores were shuttered for nearly two years and were down over 95% in sales during the full closure of the land border for over 18 months.

“The Covid-19 pandemic and the US/Canada border closure had a devastating impact on Canada’s land border duty free industry and recovery is stalled due to federal travel restrictions and the required use of the ArriveCan app,” FDFA says.

Like many border businesses and communities as a whole, land border duty free stores observed annual sales plummet to historically low levels that have not fully recovered even during the typically high summer season.

“When this pandemic began, our border businesses followed public health measures and federal recommendations. When Covid-19 was at its peak and border measures were effective at slowing transmission rates, we did our part to keep Canadians safe,” says FDFA Executive Director Barbara Barrett. “Now we have been left behind in the recovery effort as restrictions and the ArriveCan App are still barriers. And even worse, the federal government has ceased all of its support.”

FDFA argues that air travel has been allowed to resume in such high volume that the air infrastructure is struggling to process the number of travelers and unvaccinated travelers are clear to travel thousands of kilometers across Canada. Land borders, on the other hand, are regulated at the

expense of communities whose livelihood depends on the crossing of the Canada/US border.

“We are calling on the federal government to lift the barriers to recovery and unnecessary conditions like the ArriveCan app to cross borders. These measures are no longer meaningful or helpful and only serve to harm border communities and border community businesses. Recovery depends on the Canada/US border getting back to normal,” says FDFA.

“This is a matter of fairness,” says Barrett. “As long as these barriers to travel remain on our land border, we cannot recover and border businesses like ours and border communities will continue to struggle.”

FDFA has presented the federal government with a suggested recovery package in light of the fact that border traffic is being restricted on an ongoing basis.

Barrett adds, “Our retailers closed to protect Canadians and we deserve not to be left behind. These unnecessary border measures are killing a 40-year-old export sector and doing nothing to help keep Canadians safe.”

FDFA represents Canada’s 32 land border duty free shops.