Traveller Processing Program in the Highway and Rail Modes of Transportation Evaluation Study

May, 2013

Program Evaluation Division Internal Audit and Program Evaluation Directorate
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Executive Summary

Background

The Canada Border Services Agency’s (CBSA) mandate is to facilitate the movement of legitimate travellers and goods and to detect and interdict those travellers and goods that pose a threat to Canada. The CBSA fulfills this mandate by providing integrated border services that support national security, public safety and economic prosperity priorities.

The objective of the Agency’s Traveller Processing Program is to efficiently administer and enforce the regulatory requirements of customs, immigration, food, plant and animal, and other Acts of Parliament and their associated regulations, while facilitating the entry of admissible people and their personal goods. The Customs Act\(^1\) and the Immigration and Refugee Protection Act (IRPA)\(^2\) stipulate that at the time of entry into Canada, persons are required to report to the CBSA and to answer truthfully any questions asked by a BSO, as well as provide all relevant information and documents as required. Travellers are also required, under the Customs Act\(^3\), to report all goods and to answer truthfully all questions relating to those goods.\(^4\)

In Fiscal Year (FY) 2012-2013, the CBSA spent $405 million to deliver the Admissibility Determination Program in the highway and rail modes of transportation.\(^5\)

The purpose of the evaluation was to assess the relevance, performance and economy of program activities in accordance with the Treasury Board Secretariat Policy on Evaluation. The CBSA Program Evaluation Division carried out the evaluation research between January and August 2012.

This evaluation was conducted in accordance with the Treasury Board Secretariat Standard on Evaluation for the Government of Canada. The data collected from various methodologies, using both quantitative and qualitative methods, was triangulated or cross-corroborated to develop the findings. The recommendations presented are based on these findings.

Summary of Findings

Relevance

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\(^1\) Source: Under section 11 of the Customs Act.
\(^2\) Source: Under sections 16 and 18 of the IRPA.
\(^3\) Source: Under section 12 and pursuant to section 13 of the Customs Act.
\(^4\) Source: People Processing Manual, Primary Processing, Primary Questioning and Immigration Referrals, Part 2, Chapter 1, May 13, 2011.
\(^5\) The costs include salary, operations and maintenance (O&M), capital and EBP costs. The exact percentage split between the traveller and commercial streams will be made available from Comptrollership in FY 2014-2015.
The relevance of the Traveller Processing Program is confirmed in legislation, as section 5 of the \textit{Canada Border Services Agency Act} gives the CBSA sole responsibility for providing integrated border services that support national security priorities and facilitate the flow of legitimate persons and goods, including food, plants and animals, which meet all requirements under the program legislation.\textsuperscript{6} The CBSA’s role in the processing of highway and rail travellers on behalf of the Government of Canada and the conduct of program related activities\textsuperscript{7} are aligned with Government of Canada and CBSA priorities.

Land travellers account for approximately 71\% of the total number of travellers entering Canada (approximately 93 million annually). As with other modes of transportation, there has been an increase in returning residents relative to non-residents, which rose between FY 2008-2009 and FY 2011-2012 by 15.7\%. The CBSA continues to identify and intercept inadmissible people and goods, also supporting a continued need for traveller processing at ports of entry (POEs). Between fiscal years FY 2007-2008 and FY 2011-2012, CBSA averaged per year some 67,000 immigration enforcement actions and 53,000 customs enforcement actions in the land mode of transportation.\textsuperscript{8} Approximately $165 million in duties, taxes and other revenues were collected from land travellers in FY 2011-2012.\textsuperscript{9}

\textbf{Performance}

\textit{Adequacy of Policies and Procedures for Processing Land Travellers}

Overall, legislation, policies, procedures and guidelines provide the direction needed for the processing of travellers entering Canada through land POEs via private conveyances. The legislative and regulatory framework in place clearly sets out the obligations of the travellers which facilitates the consistent processing of travellers. No issues with the current policies and SOPs, nor their interpretation and application were identified during the evaluation as it pertains to travellers arriving in private conveyances. Some gaps were noted in the program policies and guidelines specific to the clearance of buses and trains.

The People Processing Manual instructs POEs equipped with a designated bus processing area to have drivers and passengers disembark the bus and proceed to a secure, controlled CBSA area where they will present themselves and their luggage to a border services officer (BSO) for primary inspection.\textsuperscript{10} POEs with a designated bus processing area may not carry out a full offload of all buses, mainly due to the large volume of buses arriving within the same time frame. Consequently, buses are only offloaded when POE management deems there to be a high or unknown risk associated with the conveyance and its travellers. Onboard clearances are conducted of other types of bus conveyances such as charter and/or special event buses.

\textsuperscript{6} Program legislation includes the \textit{Customs Act} and \textit{Immigration and Refugee Protection Act} (IRPA), among others. The purpose of the \textit{Customs Act} is to ensure the collection of duties, control the movement of people and goods into and out of Canada. IRPA provides the CBSA with authority to conduct examinations at ports of entry and for enforcement of the Act, including arrest, detention and removal; the establishment of policies regarding enforcement of the Act and inadmissibility.

\textsuperscript{7} Traveller processing activities include processing of travellers at the primary inspection line (PIL), secondary processing of travellers and their goods (e.g. collection of duties and taxes, importations of personal goods, immigration processing), examination of travellers and conveyances, and conducting enforcement actions when necessary.

\textsuperscript{8} The average was calculated using enforcement action data pulled from CMRS over a five year period, FY 2007-2008 to FY 2011-2012.

\textsuperscript{9} Source: Consolidated Management Reporting System.

\textsuperscript{10} Source: People Processing Manual Part 2: Chapter 7: Ferry and/or Tour Boat Operations, paragraphs 44 to 48, June 30, 2009.
Passengers processed onboard are not queried against the Agency’s databases, which increases the risk of inadmissible people and their goods entering the country.11 [*]

In the rail mode of transportation, two out of the four designated rail passenger sites have the facilities to offload passengers to conduct primary processing of the travellers. No specific direction is provided in the People Processing Manual regarding the processing of rail passengers, at an offload facility or onboard a train.12 [*]

The Agency has implemented a number of initiatives to ensure that POEs are delivering services in both official languages. While the number of complaints received that were related to official languages for the Agency as a whole in FY 2012-2013 was 29,13 there is lack of clarity as to what constitutes an appropriate level of bilingual capacity at any given time, at any given POE. For example, is it necessary for a given POE to provide a bilingual Primary Inspection Line (PIL) on a 24/7 basis or is it sufficient for that POE to provide access (e.g., by phone) to bilingual services during off-hours when volumes are lower?

**Border Risk Management and Traveller Interdiction**

Overall, the Traveller Processing Program mitigates risks and interdicts people and their goods arriving at land POEs who contravene the Acts that the CBSA enforces. Where BSOs have the ability to query travellers across multiple CBSA databases,14 interdiction is more consistent (e.g. in terms of enforcement actions and interception of intelligence lookouts).15 The issues noted that impact the Agency’s ability to mitigate risk include [*] the inability to acquit all referrals from PIL to the secondary examination area and the variations in the scanning of documents through the Integrated Primary Inspection Line system (IPIL).

The volume of personal seizures is the highest among those travellers arriving by automobile as opposed to bus or train since the majority of land travellers enter Canada by automobiles. Over the past five years, 96.7% of personal seizures under the *Customs Act*16 resulted from travellers in automobiles and other conveyances, while 2.9% resulted from bus passengers and 0.4% resulted from rail passengers. However, the ratio of seizures to travellers has been consistent across conveyance, at three seizures per 100 travellers. This would indicate that proportionally, the risk of inadmissible personal goods entering the country is the same, regardless of the conveyance in which the traveller arrived.

**Land Traveller Compliance**

The majority of land travellers are compliant with Canadian laws and the overall level of traveller compliance in highway has remained relatively consistent from FY 2006-2007 to FY 2011 In the 2012-2013 Service Improvement Plan for Frontline Service Delivery, the potential for the use of mobile handheld computer to process passengers in the rail and bus modes of transportation was identified in order to enhance risk-based screening and increase efficiencies in client processing.

12 While there is a section concerning rail examination in the CBBA Enforcement Manual, it refers specifically to the examination of rail cargo.

13 Source: Canada Border Services Agency, Report on 2012-2013 Official Languages Complaints at CBSA.

14 Databases include FOSS, ICES, CPIC, and IMS.


16 Due to the fact that immigration enforcement data for highway and rail modes are amalgamated in FOSS under the land mode, it was not possible to determine immigration enforcement actions by conveyance and conduct a comparable analysis.
2010-2011. The Agency conducts yearly traveller compliance stints at various POEs on both residents and non-residents. The yearly traveller compliance stints at land POEs show that the rate of compliance of returning residents has not changed much over the four-year period (96.4% in FY 2007-2008 and 95.4% in FY 2011-2012). The compliance rate for non-residents for those same years has remained relatively consistent and in FY 2011-2012 was equal to that for residents at 95.4%. In FY 2010-2011, close to 30% of contraventions for returning residents and 44% for non-residents were alcohol-related.\textsuperscript{17}

Information Sharing and Collaboration with Stakeholders

To facilitate the immigration and customs processing in both countries, Canada and the U.S. have signed agreements that enable them to work together and share information, where appropriate and when necessary.\textsuperscript{18} Bi-national port committees, solidified as part of the Beyond the Border Action Plan,\textsuperscript{19} have served to formalize communications between the CBSA and U.S. Customs and Border Protection (CBP) regional managers.

Efficiency and Economy

The performance at the five high-risk POEs\textsuperscript{20} indicates that the Traveller Processing Program in the highway mode of transportation has become more efficient over the last five years. While traveller volumes at the five high-risk POEs increased by 11.2% from FY 2009-2010 to FY 2011-2012, active BSO positions\textsuperscript{21} at the same POEs increased by 8.2%. The result is that a given BSO processed more travellers in FY 2011-2012 when compared to FY 2009-2010. Of note is that in FY 2011-2012, on average, border wait time standards continued to be met 95.1% of the time at these POEs, indicating that the CBSA is meeting its facilitation objective. The total revenue collected at the five high-risk POEs from FY 2008-2009 to FY 2011-2012 has increased by 10.6%, while for other POEs the figures vary. The primary revenue collected through traveller processing is the payment of duties and taxes owing on goods purchased while outside of Canada. Currently, many POE facilities do not have the capacity to handle the volume of mandatory referrals for payments of duties and taxes during peak periods. The need to facilitate travellers and ensure border wait time standards are being met may contribute to the variations in revenue collection. Regional and POE management suggested that the automation or the movement of the collection of duty and taxes away from the POE plaza would eliminate the bottlenecks at the POE and free up resources for more high-risk primary and secondary activities.\textsuperscript{22} In addition, this could enhance the program outcome of

\textsuperscript{17} Source: Canada Border Services Agency, Compliance Measurement Program Executive Summary 2010-2011.
\textsuperscript{18} For example, the Statement of Mutual Understanding between the Department of Citizenship and Immigration Canada, the United States Immigration and Naturalization Service and the United States Department of State to share information specified border issues and the Agreement between Canada and the United States of America Regarding Mutual Assistance and Co-operation between Their Customs Administrations.
\textsuperscript{19} The Beyond the Border Action Plan provides the framework for future collaborative efforts between the two countries. It demonstrates a shared responsibility to enhance security while expediting legitimate flows of people and goods to enhance economic competitiveness. Source: The 2012 Department of Homeland Security (DHS) Northern Border Strategy.
\textsuperscript{20} The five high-risk POEs are Peace Bridge, Ambassador Bridge, Blue Water Bridge, Pacific Highway and Lacolle Route 15.
\textsuperscript{21} Source: HR Branch extract from CAS. The number of positions is as of the date the extract was done and is the total number of full- and part-time FB-03 positions that were active at the time of data extract. Active positions are those positions for which a salary is being paid and, therefore, does not include positions in which the incumbent is on any type of Leave Without Pay (LWOP).
\textsuperscript{22} The Vision for Border Management identifies that in the future state, the CBSA could allow for payment of duties and taxes prior to arriving at the border through self-payment options. Vision for Border Management, September 13, 2012. Although many of the initiatives have been
Travellers and their goods are in compliance with Canadian laws, as duty and taxes not collected as a result of the use of the Waiver Policy, could be collected in an alternative manner that would not impact POE operations. Such an initiative is consistent with the CBSA Vision for Border Management.

Overall, regions reported overtime (OT) costs in FY 2012-2013 of $21.4 million to deliver traveller processing in the highway mode of transportation. This represents a slight increase from the $20 million reported in FY 2011-2012.23 The actual hours charged to OT increased by 6.0% going from 396,216 hours in FY 2011-2012 to 419,998 hours in FY 2012-2013. BSOs’ use of non-discretionary leave (NDL)24 increased by 5.7% at the five high-risk POEs between FY 2010-2011 and FY 2011-2012.

Recommendations, Management Response and Action Plan

In light of these findings and to enhance the CBSA’s ability to mitigate identified risks through timely, efficient and effective traveller processing (Recommendations 1 and 2), ensure accurate and consistent interpretation and application of relevant legislation, policies and procedures (Recommendation 3) and ensure that travellers and their goods are in compliance with Canadian laws (Recommendation 4), it is recommended that:

Recommendation 1: The Programs Branch, in consultation with Operations Branch, update and communicate the national policy for the clearance of bus passengers/drivers and conveyance, and develop and communicate a national policy for the clearance of rail passengers/crew and conveyance.

Management Response

Programs and Operations Branches agree with the recommendation. Programs Branch, in consultation with Operations Branch, will develop a national policy for the clearance of rail/bus passengers, crew and conveyances for publication and distribution nationally by May 2013.

Consistent with the commitments made under the Beyond the Border Action Plan for Enhanced Entry Document Requirements, and Entry/Exit, the CBSA is also moving towards a 100% document scanning policy. This will have a significant impact on bus and rail clearance. The national policy and operational bulletin for the clearance of rail/bus passengers, crew and conveyances will support the 100% document scanning policy objective.

Management Action Plan

| Programs Branch, in consultation with Operations Branch, to update a National Bus and Rail Passenger Processing Policy and to draft an operational bulletin that includes passengers and conveyances | October 2012 |

approved, or are in the process of approval, the Vision document outlines future possibilities for border management that are speculative in nature, and therefore may not necessarily reflect the Government of Canada and CBSA policies.

23 Source: Comptrollership Branch reported data extracted from CAS by Cost Centre and Activity Type, April 24, 2013.

24 Non-Discretionary Leave includes sick leave and family-related leave.
provide the updated National Bus and Rail Passenger Processing Policy and draft operational bulletin to other CBSA stakeholders for their review and input.

| Review input/comments provided by other CBSA stakeholders. | January 2013 |
| Provide the National Bus and Rail Passenger Processing Policy and operational bulletin to other CBSA stakeholders for their review and input. | April 2013 |
| Review/evaluate input/comments received, incorporate changes, and finalize policy and operational bulletin. | April 2013 |
| Publish and disseminate the policy and operational bulletin. | May 2013 |

Recommendation 2: The Programs Branch, in consultation with Operations Branch, conducts [*] assessment of traveller processing in the bus mode of transportation.

**Management Response**
Programs and Operations Branches agree with the recommendation to conduct [*] assessment of traveller processing in the bus mode of transportation. Programs Branch will determine the scope and methodology for [*] in consultation with Operations Branch, and will carry out the assessment by September 2013.

**Management Action Plan**

| Programs Branch, in consultation with Operations Branch, to determine scope of assessment of traveller processing in the bus mode of transportation. | October 2012 |
| Information gathering for the traveller processing in the bus mode of transportation — research and consultation (both NHQ and regional) in preparation for the site visits [*]. | September 2013 |
| Consultation [*]. | June 2013 |
| [*] | September 2013 |

Recommendation 3: The Operations Branch, in consultation with the Human Resources Branch, clarifies the level of bilingual service and capacity required across POEs to ensure consistency in meeting official language service requirements, and identifies strategies to meet these requirements when resources are not available.

**Management Response**
Operations Branch agrees with the recommendation and the importance of clarifying the bilingual service levels required in the regions to offer nationally consistent client service. Operations Branch, in consultation with Human Resources Branch and Programs Branch, will develop a strategy and action plan in order to meet bilingual requirements when resources are not available. The action plan is scheduled to be in place by July 2013.

<table>
<thead>
<tr>
<th>Management Action Plan</th>
<th>Completion date</th>
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<tbody>
<tr>
<td>Operations Branch, in consultation with the Human Resources Branch, will clarify the level of bilingual service and capacity required at each of the major POEs to ensure consistency in meeting official language service requirements.</td>
<td>May 2013</td>
</tr>
<tr>
<td>Operations Branch will conduct consultations to identify strategies to meet bilingual requirements when resources are not available — (both NHQ and regional).</td>
<td>May 2013</td>
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<tr>
<td>Operations Branch will draft action plan.</td>
<td>June 2013</td>
</tr>
<tr>
<td>Operations Branch will share draft action plan with NHQ and regional management for comments, evaluate comments and incorporate changes.</td>
<td>June 2013</td>
</tr>
<tr>
<td>Operations Branch will provide strategy/action plan to regions.</td>
<td>July 2013</td>
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</table>

Recommendation 4: The Programs Branch, in consultation with Operations Branch, develop and examine options for moving duty and tax collection away from POE plazas.

<table>
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<tr>
<th>Management Response</th>
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<tr>
<td>Agreed. Programs Branch and Operations Branch support the recommendation.</td>
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<table>
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<tr>
<th>Management Action Plan</th>
<th>Completion Date</th>
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<tbody>
<tr>
<td>Programs Branch, in consultation with Operations Branch, to examine options and feasibility of moving duty and tax collection away from POE plazas.</td>
<td>June 2013</td>
</tr>
<tr>
<td>Information gathering – all source research and consultation (both NHQ and regional).</td>
<td>June 2013</td>
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1. Introduction and Context

The Canada Border Services Agency (CBSA) is responsible for providing integrated border services that support national security and public safety priorities and facilitate the free flow of legitimate persons and goods. The objective of the Agency’s Traveller Processing Program is to administer the regulatory requirements of customs, immigration, food, plant and animal (FPA), and other Acts of Parliament and their associated regulations; facilitate the entry of people and their personal goods that are admissible to Canada; and collect revenue owing on personal goods being imported by travellers.\(^{25}\) The Traveller Processing Program – Highway and Rail is administered by Agency staff at over 100 designated ports of entry (POEs) across Canada, including three major rail centres.\(^{26}\)

In fiscal year (FY) 2011-2012, 98,651,213 travellers entered Canada in all modes of transportation. Of those, 69,940,051 were processed at highway and rail POEs, representing 70.9% of the total number of travellers for that FY. This is a 7.2% increase in travellers from FY 2010-2011.\(^{27}\) Overall, the five high-risk POEs accounted for 28.0% of the travellers arriving at highway POEs in FY 2011-2012.

In Fiscal Year 2012-2013, the CBSA spent $405 million to deliver the Admissibility Determination Program in the highway and rail modes of transportation.\(^{28}\)

Evaluation Purpose and Scope

An evaluation of the CBSA’s Traveller Processing Program in the highway and rail modes of transportation was identified as a priority in the CBSA Five-Year Evaluation Plan (2011-2017) and approved by the Executive Evaluation Committee (EEC) in May 2012.

The evaluation examined the relevance, performance and economy of activities in accordance with the Treasury Board Secretariat Policy on Evaluation. The CBSA’s Program Evaluation Division (PED) carried out the evaluation research between January and July 2012. The research methodology is provided in Appendix C.

In consultation with key CBSA stakeholders, a logic model was developed, around which a project plan for the traveller processing activities was drafted. The logic model presented is a visual representation that links what the Traveller Processing Program in the air mode of transportation does (activities) with what the program produces (outputs) and what the program intends to achieve (outcomes) (Exhibit 1). It also was the basis for developing the evaluation framework that provided a roadmap for conducting this evaluation.

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\(^{26}\) Vancouver Amtrak Station, Niagara Falls Station and Cantic Station.

\(^{27}\) Source: Consolidated Management Reporting System (CMRS), Canada Border Services Agency, 009-Passenger Operations, June 6, 2012.

\(^{28}\) The costs include salary, operations and maintenance (O&M), capital and Employee Benefits Plan costs. The exact percentage split between the traveller and commercial streams will be made available from Comptrollership in FY 2014-2015.
A number of supporting functions or functions interact with that of the Traveller Processing Program, but cut across several other program areas. Several were excluded from this evaluation as they would be better covered under other evaluations as per the CBSA Five-Year Evaluation Plan. The scope of this evaluation is summarized in Exhibit 2.

### Exhibit 2: Scope of the Evaluation

<table>
<thead>
<tr>
<th>Included in the Evaluation</th>
<th>Excluded from the Evaluation</th>
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<tbody>
<tr>
<td>Primary and secondary processing of travellers in the highway and rail modes of transportation, including drivers of commercial passenger conveyances and passenger rail crew.</td>
<td>Primary and Secondary processing of commercial motor vehicle drivers and commercial rail crew.</td>
</tr>
<tr>
<td>Tools, systems, facilities and other related products (e.g. policies, Standard Operating Procedures (SOPs), etc.) that contribute to highway and rail traveller processing.</td>
<td>Trusted Traveller Programs.</td>
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The evaluation questions are provided in Exhibit 3.
### Exhibit 3: Evaluation Questions

<table>
<thead>
<tr>
<th>Evaluation Issue</th>
<th>Evaluation Questions</th>
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<tbody>
<tr>
<td><strong>Is there a continued and ongoing need for the program?</strong></td>
<td></td>
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<tr>
<td>Relevance</td>
<td>Is the Traveller Processing Program aligned with Government of Canada roles, responsibilities and priorities and with CBSA priorities?</td>
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<td></td>
<td>Is there a continued need for the Traveller Processing Program in the highway and rail modes of transportation?</td>
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<td><strong>Are the activities achieving the expected results?</strong></td>
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<tr>
<td>Performance - Achievement of Expected Outcomes</td>
<td>Do current applicable legislation, policies, procedures and guidelines provide the direction needed to meet program outcomes?</td>
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<td>Does the Traveller Processing Program mitigate risks and effectively interdict people and their goods who contravene the Acts that the CBSA enforces?</td>
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<td>To what extent are highway and rail travellers compliant with Canadian laws?</td>
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<td>Does the Traveller Processing Program support information sharing and collaboration with OGDs and other stakeholders to ensure a mutual understanding of operational issues and key priorities?</td>
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<td><strong>Demonstration of Efficiency and Economy</strong></td>
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<tr>
<td>Efficiency and Economy</td>
<td>Is the Traveller Processing Program delivered efficiently and cost-effectively?</td>
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#### Evaluation Research Limitations

A number of data limitations were identified that impacted the evaluation’s ability to determine if or the extent to which the program was achieving the following outcomes:

**Ability to measure program efficiency and effectiveness**
- Traveller processing activities are carried out as part of Admissibility Determination (Program Activity Architecture 1.3). Financial information for this activity is available by mode only and not split between the commercial and traveller streams. Consequently, it was not possible to examine trends, changes in expenditures over time or resource utilization against results achieved for the program in order to make a full determination of program efficiency. Financial information of each of the traveller and commercial streams, by mode, will be available in FY 2014-2015.

**Identified risks are mitigated through timely, efficient and effective traveller processing**
- There is no standard acquittal process for referrals in the land mode; therefore, it is not possible to provide assurance that all travellers directed to secondary examination are actually examined.
- The current systems do not track mandatory, selective and random referrals to secondary examination and their respective resultants. As it is not possible to trace a resultant back to type of referral, it was not possible to make a full determination of the effectiveness of the referral process (e.g. do different results depend on the type of referral?).
- Level of effort against activity types is available; however, there are data integrity issues in that it appears that much of the primary and secondary examination activity is charged against the activity type for primary inspection. In addition, there is no standard range for level of effort for these activities, therefore, it was not possible to analyze performance against standards or compare results across POEs.
• Detailed financial data were only available for one fiscal year, FY 2011-2012, and consequently no analysis was possible on trends, changes in expenditures over time or resource utilization against results achieved for the program as a whole.

Travellers/goods are in compliance with Canadian Laws

• While conveyances that come across the land border are tracked by type (car, truck, bus), conveyance examinations are reported in aggregate form and cannot be broken down by the type of conveyance. Therefore, it was not possible to determine if compliance varies by conveyance type.
• Examinations are recorded manually and entered into the G11 system by type (i.e. customs, immigration, agriculture, health and OGDs). However, IPIL automatically tracks referrals as “customs” and “immigration” and, as a result, many referrals are improperly categorized. As a consequence, the type and level of analysis that could be conducted on referrals and resulting examinations and/or enforcement actions is severely limited.
• Immigration data for highway and rail modes are amalgamated in Field Operations Support System (FOSS), making it impossible to attribute immigration results to a mode of transportation (i.e. highway or rail vs. land) or to any particular highway or rail POE.
• There are no FPA enforcement or processing data available as the FPA unit is only beginning to track some statistics, and only at major airports.

2. Key Findings - Relevance

Is the Traveller Processing Program aligned with Government of Canada roles, responsibilities and priorities and with CBSA Priorities?

The role of the federal government in the processing of travellers is confirmed in legislation, and traveller processing activities are aligned with Government of Canada and CBSA strategic priorities and outcomes.

The Agency’s mandate for providing integrated border services that support national security and public safety priorities while facilitating the free flow of admissible persons and goods is clearly established in the Canada Border Services Agency Act. In addition, both the Customs Act and the Immigration and Refugee Protection Act (IRPA) stipulate that at the time of entry into Canada, persons are required to report to the CBSA and to answer truthfully any questions asked by border services officers (BSOs), as well as provide all required information and documents.

29 The Program Sub Sub Activity, fund centres, and activity codes have changed year over year.
30 Traveller processing activities include processing of travellers at the primary inspection line (PIL), secondary processing of travellers and their goods (e.g. collection of duties and taxes, importations of personal goods, immigration processing), examination of travellers and conveyances, and conducting enforcement actions when necessary.
31 Source: Section 5 of the Canada Border Services Agency Act.
32 Source: Section 11 of the Customs Act.
33 Source: Sections 16 and 18 of the IRPA.
The CBSA is a key federal government organization that contributes significantly to the Government of Canada's priorities of promoting the economic prosperity of the country and enhancing the well-being of Canadians. It ensures that the border remains open to legitimate people and their goods, thereby supporting the tourism and business sectors. BSOs conducting traveller processing activities are the first line of defence against inadmissible persons such as those that are a threat to national security and their activities support the federal outcome of “a safe and secure Canada.” According to the 2011 Speech from the Throne, “The Government of Canada has no more fundamental duty than to protect the personal safety of [its] citizens and defend against threats to national security”.

**Is there a continued need for the Traveller Processing Program in highway and rail modes of transportation?**

There is a current and continued need for a CBSA presence at POEs to process travellers and drivers/crew of conveyances such as buses and trains.

Of the total number of travellers in any given year, approximately 71% are processed at land POEs. Within the land mode of transportation, approximately 85% of all travellers enter by automobile, 9.3% by truck (e.g. commercial drivers), 0.4% by rail, and 3.0% by bus, 1.2% by other conveyances (e.g. RVs), and 1% as pedestrians. While the latest recession contributed to an overall 7% decline in border traffic in FY 2009-2010, POEs have seen a recent increase with traveller volumes entering Canada at highway POEs increasing by 16.0% in FY 2011-2012 in comparison to numbers for FY 2009-2010.

The CBSA continues to identify and intercept inadmissible people and goods, supporting a continued need for traveller processing at POEs.

Travellers entering Canada by highway and rail represented 70.9% of the total number of travellers arriving in Canada in FY 2011-2012, representing a 7.2% increase from FY 2010-2011. Increasing traveller volumes bring with them increasing demand for border clearance services that support national security and public safety priorities and facilitate the free flow of legitimate persons and goods.

From FY 2007-2008 to FY 2011-2012, the CBSA averaged approximately 67,000 immigration enforcement actions and 53,000 customs enforcement actions per year (Exhibit 4).
Exhibit 4: Customs and Immigration Processes and Enforcement Actions in the Land Mode of Transportation, FY 2007-2008 to FY 2011-2012

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<td><strong>Customs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enforcement Actions</td>
<td>60,743</td>
<td>57,630</td>
<td>51,286</td>
<td>50,930</td>
<td>45,651</td>
</tr>
<tr>
<td><strong>Immigration</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notices of Arrest</td>
<td>394</td>
<td>532</td>
<td>384</td>
<td>336</td>
<td>404</td>
</tr>
<tr>
<td>Allowed to Leaves</td>
<td>55,180</td>
<td>52,124</td>
<td>55,557</td>
<td>47,292</td>
<td>45,620</td>
</tr>
<tr>
<td>Direct Backs</td>
<td>401</td>
<td>392</td>
<td>520</td>
<td>457</td>
<td>564</td>
</tr>
<tr>
<td>44 Reports</td>
<td>12,953</td>
<td>17,021</td>
<td>17,758</td>
<td>11,648</td>
<td>9,878</td>
</tr>
</tbody>
</table>

Source: Developed by PED based on CMRS and FOSS data.

3. Key Findings – Performance

Do current applicable legislation, policies and procedures provide the direction needed to meet program outcomes?

Overall policies, procedures and guidelines provide the direction needed for BSOs to process travellers entering Canada through land POEs in private conveyances.

Large highway POEs have the infrastructure, tools and systems required to process travellers arriving in private conveyances as prescribed by the relevant policies. Large POEs are set up to provide these travellers with a similar experience. The legislative and regulatory framework in place clearly sets out the obligations of the travellers which facilitates the consistent processing of travellers. No issues with the current policies and SOPs, nor their interpretation and application were identified during the evaluation as it pertains to travellers arriving in private conveyances.

SOPs do not provide guidance specific to bus and rail processing, resulting in some inconsistency in program delivery.

The interview conducted by the BSO at PIL has two primary objectives: the first is to ensure that the traveller is admissible to Canada, and the second is to ensure that a "customs point of finality" has been reached. POEs that experience heavy volumes of bus traffic are challenged to ensure that this direction is followed uniformly when it comes to these conveyances and their passengers and drivers.

The People Processing Manual instructs POEs equipped with a designated bus processing area to have drivers and passengers disembark the bus and proceed directly into a secure,

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41 Customs enforcement actions include contraband seizures, drug seizures, prohibited goods, hate propaganda and child pornography.
42 Section R41 of the Immigration and Refugee Protection Regulations (IRPR) authorizes an officer under exceptional circumstances to direct a foreign national seeking to enter Canada from the U.S. to return back temporarily to the U.S., if: no officer is available to complete an examination, the Minister’s delegate is not available to consider a report on inadmissibility; or an admissibility hearing cannot be held.
controlled CBSA area where they will present themselves and their luggage to a BSO at PIL.44 However, even those POEs with a designated bus processing area do not carry out a full offload of all bus conveyances when large volumes of buses arrive over the same time frame. Consequently, buses are only offloaded where there is a high or unknown risk (e.g. Greyhound buses or shuttle buses such as the Detroit-Windsor Tunnel Bus) and BSOs conduct onboard clearance of bus conveyances such as charter and/or special event buses. Passengers processed onboard are not queried against the Agency’s databases raising the possibility that inadmissible people are entering the country.45

The People Processing Manual further instructs POEs not equipped with a designated bus processing area to determine the type of clearance based on the risk associated with the conveyance and passengers. However, [*], there is limited information available to POE staff to inform their determination of risks associated with a given conveyance and its passengers. POE management makes those determinations based on local knowledge and assessment of the type of conveyance and traveller.

Even those POEs with a designated processing area have limited space and tools to conduct baggage examination. As well, when onboard clearance is conducted the baggage is rarely examined. In addition, drivers of commercial passenger buses do not undergo the mandatory primary processing on a regular basis. The lack of consistent processing practices was echoed in the Transport Canada-led Cross-Border Passenger Bus Study,46 where it was suggested that the CBSA’s policies and procedures be standardized so that scheduled and chartered buses are processed in a routine manner.

In the rail mode of transportation, two out of the three designated rail passenger sites open year round47 have the facilities to offload passengers to conduct primary processing of travellers. No specific direction is provided in the People Processing Manual regarding the processing of rail passengers, at an offload facility or onboard a train.48 According to the NBRA, trains are attractive to criminals because while passengers may be examined, the conveyance itself is rarely inspected and offers ample opportunity to conceal drugs and other contraband in modified secret compartments, or in natural voids within the conveyance.49

The CBSA Enforcement Manual does not provide any additional guidelines on the examination of buses and rail passenger conveyances; nor does it outline health and safety risks for conveyance examination activities. As health and safety50 is currently an issue for bus

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45 In the 2012-2013 Service Improvement Plan for Frontline Service Delivery, the potential for the use of a mobile handheld computer to process passengers in the rail and bus modes of transportation was identified to enhance risk-based screening and increase efficiencies in client processing.
47 There are four designated rail stations that conducted passenger clearances with three open year round: Vancouver Amtrak, Niagara Falls and Cantic Station.
48 While there is a section concerning rail examination in the CBSA Enforcement Manual, it refers specifically to the examination of rail cargo.
50 On January 10, 2012, management within Operations Branch HQ disseminated an Operation Bulletin titled “Interim Bus Passenger Clearance Procedures” in response to a work refusal that occurred at the POE of Emerson regarding BSO health and safety in the clearance of bus passengers on January 9, 2012. Human Resources and Skills Development Canada made a ruling stating that it is dangerous for BSOs to process buses in the manner requested by their employer, by boarding buses alone and travelling down the aisle to the rear of the bus collecting declaration cards and verifying identification. The Interim Bus Passenger Clearance Procedures state that, “For the interim, and until further notice, when BSOs choose to board the bus to provide clearance for the travellers, there must be a minimum of two BSOs present.
processing, additional instruction and amplification would be beneficial to ensure consistency in program delivery.

In light of these findings and to ensure accurate and consistent interpretation and application of relevant legislation, policies and procedures, and enhance the CBSA’s ability to mitigate identified risks through timely, efficient and effective traveller processing — both expected outcomes of the program — it is recommended that:

**Recommendation 1:** The Programs Branch, in consultation with Operations Branch, updates and communicates the national policy for the clearance of bus passengers/drivers and conveyance, and develops and communicates a national policy for the clearance of rail passengers/crew and conveyance.

**Recommendation 2:** The Programs Branch, in consultation with Operations Branch, conducts [*] assessment of traveller processing in the bus mode of transportation.

The direction provided by The Port of Entry (POE) Vision to ensure all BSOs are able to perform basic primary and secondary processing for each of the three business lines has led to improved BSO PIL questioning and referral abilities, thereby contributing to the free-flow of legitimate travellers and the interdiction of inadmissible people and goods. However, challenges remain with development and retention of specialized knowledge in key areas.

In 2006, the CBSA implemented the POE Vision to ensure that all BSOs working at PIL were trained to effectively question travellers regarding the three business lines: immigration, customs and food, plant and animal (FPA). The Vision articulated the need to fully cross-train legacy officers in the other lines of business to allow them to conduct the full range of basic primary and secondary activities. It went on further to say that there would be more detailed training for those BSOs specializing in a given line of business. This initiative has led to improvements to primary questioning and referral abilities of BSOs, specifically, that BSOs are able to make better immigration referrals after receiving the immigration course.

BSOs and managers alike agreed that while cross-training is beneficial, people with deep expertise in legacy programs are still needed. The POE vision was never intended to eliminate subject matter experts, and always intended for the development of expertise to continue.

The Agency has implemented a number of initiatives to ensure that POEs are delivering services in both official languages. Various interpretations of what is meant by adequate bilingual service at a given POE have led to variations in bilingual coverage across the country.

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53 A more detailed level of examination, such as secondary inspections for higher risk goods and people, processing a refugee claim or mode-specific inspections (e.g. vessel rummaging, aircraft search, commercial) will require a particular level of specialization. Source: IBID.
54 The CBSA training priorities for 2008-2011 identified the goal of building and maintaining program expertise and understanding across the Agency to ensure effective delivery of programs and services.
The Official Languages Act sets out criteria to identify Government of Canada offices or facilities that must offer services in both official languages. These include offices or facilities where there is significant demand for services in both official languages, and where the nature of the office or facility makes it reasonable to provide services in both languages.\(^5^5\) Regional and POE management expressed the view that meeting bilingual requirements at POEs continues to be a challenge. There is little to no information available to them on what constitutes an appropriate level of bilingual capacity at any given time, at any given POE. For example, is it necessary for a given POE to provide a bilingual PIL on a 24/7 basis or is it sufficient for that POE to provide access to bilingual services\(^5^6\) during off-hours when volumes are lower?

An analysis of the data provided by the five high-risk POEs examined in the POE comparisons for FY 2009-2010 to FY 2011-2012 indicates that POEs are making strides in increasing the percentage of bilingual officers on strength. The number of official languages complaints received by the CBSA, either made directly to the CBSA or through the Office of the Commissioner of Official Languages, is small in relation to the traveller volumes.\(^5^7\) For example, in FY 2012-2013 three official languages complaints were received related to the five high-risk POEs. This is a decrease from the five received in FY 2010-2011.\(^5^8\)

Furthermore, management has put in place a variety of initiatives to meet the demands. HRB has developed a *Three-year Official Languages Action Plan 2011-2014* that identifies a number of strategies aimed at increasing and maintaining bilingual capacity across the POEs. A number of regional initiatives have been developed as well. For example, many regions have developed an Action Plan specifically to address this issue, are delivering language training to existing BSOs aimed at enhancing their language profile, and the recruitment of bilingual recruits is being pursued at the national level.

In light of these findings and to ensure accurate and consistent interpretation and application of relevant legislation, policies and procedures — another expected outcome of the program — it is recommended that:

**Recommendation 3:** The Operations Branch, in consultation with the Human Resources Branch, clarifies the level of bilingual service and capacity required across POEs to ensure consistency in meeting official language service requirements, and identifies strategies to meet these requirements when resources are not available.

**How effective is the Traveller Processing Program in mitigating risks and interdicting people and goods that are inadmissible?**

The Traveller Processing Program in the highway and rail modes of transportation continues to mitigate the risks associated with travellers entering Canada by highway and rail. While the volume of personal seizures is the highest for those travelling by automobile, the ratio of


\(^5^6\) Access could be through a range of options such as having a bilingual BSO available in the secondary office area or having a bilingual BSO at another POE available via telephone.

\(^5^7\) Source: Report on 2012-2013 Official Languages Complaints at the CBSA obtained through the Official Languages office at the CBSA.

\(^5^8\) Source: CBSA Official Languages office.
seizures to travellers is consistent across conveyances, at three seizures per 100 travellers processed.

Over that five-year period, BSOs obtained an average of approximately 67,000 immigration enforcement actions and 53,000 customs enforcement actions in the land mode of transportation. While the number of examinations conducted in FY 2007-2008 increased by 2.3% in FY 2011-2012, the total number of enforcement actions, both customs and immigration, decreased by 21.2% over the same period of time.

The number of general commodity seizures has declined since FY 2007-2008 and has levelled off over the last three FYs (Exhibit 5a). The top seven types of commodity seizures follow a similar pattern as the total commodity seizures. The value of seizures saw significant peaks in FY 2007-2008 and FY 2009-2010, followed by a large drop-off in FY 2010-2011 and FY 2011-2012 (Exhibit 5b). The peaks in the value of seizures can be attributed, in part, to large cocaine seizures in those years.

![Exhibit 5a: Number of General Commodity Seizures in the Land Mode of Transportation, FY 2007-2008 to FY 2011-2012](image)

![Exhibit 5b: Value of General Commodity Seizures in the Land Mode of Transportation, FY 2007-2008 to FY 2011-2012](image)

The ratio of personal seizures to travellers across the land mode of transportation is the same irrespective of how the traveller arrives at the land border, at three seizures per 100 travellers processed (Exhibit 6). This indicates that the risk associated with a traveller carrying inadmissible goods is the same, irrespective of the conveyance.

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59 The average was calculated using enforcement action data pulled from CMRS over a five-year period, FY 2007-2008 to FY 2011-2012.
60 The top seven commodities are based on a combination of identified number of seizures and dollar value of seizures. Three of the commodities are also identified as top national risks in the National Border Risk Assessment 2012-2013.
61 The majority of those seizures, while recorded as a personal seizure, are attributed to commercial truck drivers who were referred for secondary examination as a result of PIL commercial processing. Source: ICES data pulled in June and July 2012.
62 The top seven commodity seizures are alcohol, drugs, clothing and footwear, motor vehicles & trailers, tobacco products, vehicle parts & accessories and prohibited weapons.
63 Due to immigration enforcement data for highway and rail modes of transportation being amalgamated in FOSS under the land mode of transportation, it was not possible to determine immigration enforcement actions by conveyance and conduct a comparable analysis.
Exhibit 6: Ratio of Personal Seizures to Travellers by Conveyance in the Land Mode of Transportation  
FY 2007-2008 to FY 2011-2012

<table>
<thead>
<tr>
<th>Conveyance</th>
<th>Average Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automobile &amp; Other Conveyances</td>
<td>3/100</td>
</tr>
<tr>
<td>Bus</td>
<td>3/100</td>
</tr>
<tr>
<td>Train</td>
<td>3/100</td>
</tr>
</tbody>
</table>

Source: Developed by PED based on data pulled from CMRS and ICES.

Over the past five years, 96.7% of personal seizures under the *Customs Act* result from passengers in automobiles and other conveyances, while 2.9% resulted from bus passengers and 0.4% resulted from rail passengers.

In the rail mode of transportation the ratio of seizures to travellers for passengers arriving from the U.S. varies across the POEs.

The ratio of personal seizures to travellers at Vancouver Amtrak is high in comparison to those at Niagara Falls and Cantic Station. In FY 2011-2012, for example, Vancouver’s Main Street Station had a higher traveller to seizure ratio than the other two POEs (Exhibit 7). Approximately 62% of seizures that took place at Vancouver’s Amtrak Station resulted from canine indications that occurred prior to the passenger arriving at PIL while the remaining 38% resulted from BSO selective referrals. Conversely, 66.7% of the seizures at Niagara Falls and Cantic Stations resulted from BSO selective referral. At Niagara Falls the remaining 33.3% of the seizures resulted from targets and blitzes whereas at Cantic the remaining 33.3% of the seizures resulted from lookouts.

Exhibit 7: The Ratio of Seizures to Travellers in the Rail Mode of Transportation  
FY 2011-2012

<table>
<thead>
<tr>
<th>FY 2011-2012</th>
<th>Vancouver Amtrak</th>
<th>Niagara Falls</th>
<th>Cantic Station</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travellers</td>
<td>77,299</td>
<td>24,464</td>
<td>44,978</td>
</tr>
<tr>
<td>Number of Personal Seizures</td>
<td>45</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>Personal seizures per 100 travellers</td>
<td>6/100</td>
<td>2/100</td>
<td>1/100</td>
</tr>
</tbody>
</table>

Source: Developed by PED based on data from CMRS and ICES.

The introduction of IPIL into the land mode of transportation has had a positive impact on the percentage of resultant examinations.

Where BSOs have the ability to query travellers across multiple CBSA databases, interdiction is more consistent (e.g. in terms of enforcement actions and interception of intelligence lookouts). A comparison of the results achieved by six POEs with IPIL and six POEs that do

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64 Due to immigration enforcement data for highway and rail modes being amalgamated in FOSS under the land mode, it was not possible to determine immigration enforcement actions by conveyance and conduct a comparable analysis.
65 Databases include FOSS, ICES, CPIC, and IMS.
not have IPIL shows that, on average, those POEs with IPIL are achieving an average of 1.1% more resultant customs examinations than those without system access (Exhibit 8).

**Exhibit 8: Percentage of Resultant Examinations at Automated vs. Non-Automated POEs**

<table>
<thead>
<tr>
<th>Average % of Resultant Customs Examinations</th>
<th>FY 2009-2010</th>
<th>FY 2010-2011</th>
<th>FY 2011-2012</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>POEs with IPIL Highway</td>
<td>3.3%</td>
<td>3.3%</td>
<td>2.9%</td>
<td>3.2%</td>
</tr>
<tr>
<td>POEs without IPIL Highway</td>
<td>2.2%</td>
<td>1.9%</td>
<td>2.3%</td>
<td>2.1%</td>
</tr>
<tr>
<td>Difference</td>
<td>1.1%</td>
<td>1.4%</td>
<td>0.6%</td>
<td>1.1%</td>
</tr>
</tbody>
</table>

Source: Developed by PED based on data from CMRS.

In July 2009, in an effort to enhance the effectiveness of the IPIL, the Land Border Systems Review suggested that a strategy be established to provide limited criminal record information based on a hit/no hit scenario, in the same fashion that the information from the Integrated Customs Enforcement System (ICES) and Field Operations Support System (FOSS) is displayed in the IPIL Air application. This would provide BSOs with additional information to assist in the release/refer decision-making process.

The People Processing Manual does not prescribe mandatory scanning of all traveller documents through IPIL when processing travellers at PIL. The result is that at some POEs, 100% of documents are scanned, while at other POEs, only documents of non-residents are scanned. In addition, it was reported that BSOs scan fewer travel documents to move traffic more quickly when faced with potential increases in border wait times. In the bus environment, not all passenger documents are scanned in IPIL, including at POEs that have processing areas and IPIL. When travel documents are not scanned, travellers are not being queried through the Agency’s key enforcement databases, and therefore, related risks are not being mitigated to the extent possible.

One of the initiatives under the Beyond the Border Action Plan will see Canada and the U.S. sharing entry/exit information. In this scenario, an individual’s record of entry into one country will be used to establish the individual’s exit record from the other country. This will require 100% scanning of documents at the POE. Information provided through this initiative could be used to verify residency requirements for Permanent Residents and time spent outside Canada by Canadian citizens claiming exemption on duties and taxes.

Challenges remain in the ability of POEs to acquit travellers referred to the secondary examination area from PIL.

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67 The POEs used for this calculation were a sample of 12 POEs, six automated and six non-automated from the Atlantic and Quebec regions.
69 ICES and FOSS.
70 A Beyond the Border Action Plan Initiative, Entry-Exit Information Systems (co-lead with Citizenship and Immigration Canada), is to establish and coordinate entry and exit information systems.
The 2007 OAG report “Keeping the Border Open and Secure”\(^{71}\) identified a number of issues related to the tracking and acquittal of travellers referred to secondary. The report recommended that the CBSA put measures in place to allow for the electronic tracking and acquittal of referrals from PIL to secondary examination. It went on to indicate that the recording of the results of the referral and subsequent examination would enable the CBSA to improve its ability to identify and examine high-risk people and goods. The referral and acquittal process in the land mode of transportation remains relatively unchanged. Typically, a BSO referring a traveller for secondary inspection gives the traveller a slip of paper to hand to the BSOs conducting the secondary examinations. However, at many locations there is no clear line of vision between PIL and the secondary inspection points.\(^{72}\) To mitigate this situation, BSOs call in their referrals to the secondary area or sound an alarm if they see that the vehicle is not proceeding to the secondary examination area.

The Land Border Service Improvement Working Group is developing a strategy for “closing the loop” at the land border. However, it has been noted that without a great deal of work and financial investment, the Secondary Processing (SP) and Passage History (PH) components found in IPIL Air cannot be integrated into the IPIL Highway System.\(^{73}\) The proposed strategy, however, will not address the recording of referrals with the results of the subsequent examination, as noted in the data limitations section of this report.

Voluntary Advance Passenger Information (API) is being provided by some commercial passenger carriers. POEs that choose to use API to pre-screen passengers or crew/drivers have noted challenges with the information provided.

IRPA regulations state that commercial transporters must provide advance passenger information for each person carried.\(^{74}\)\(^{[*]}\)

Passenger lists are received by fax when trains depart from U.S. points of origin; however, these lists often do not contain sufficient information (e.g. gender, date of birth, country of citizenship) to facilitate targeting activities.\(^{75}\) This creates challenges in identifying high-risk people and goods for examination ahead of time.\(^{76}\) Using API on passengers and crew/drivers from commercial passenger carriers has the potential to allow for improved pre-border risk


\(^{72}\) On occasion, referred travellers drive straight through without reporting for secondary inspection. In 2006, the Agency documented 1,104 port runners and failures to report at its land borders.

\(^{73}\) The Programmatic Assessment identified differences in functionality between air and highway modes of transportation as an issue.

\(^{74}\) Immigration and Refugee Protection Regulations: Advance passenger information 269. (1) On the request of an officer, a commercial transporter must provide on departure of their commercial vehicle from the last point of embarkation before arriving in Canada the following information in writing on each person carried:

- Their surname, first name and initial or initials of any middle names;
- Their date of birth;
- The country that issued them a passport or travel document or, if they do not have a passport or travel document, their citizenship or nationality;
- Their gender;
- Their passport number or, if they do not have a passport, the number on the travel document that identifies them; and
- Their reservation record locator or file number.

\(^{75}\) In addition, point of departure information is not provided so the CBSA must deduce the Canada-bound travellers by comparing the original manifest with an additional list that is faxed from the last U.S. station.

\(^{76}\) Source: Canada Border Services Agency, 2012-2013 National Border Risk Assessment.
assessment in the land mode, and could better facilitate lawful travellers, and aid BSOs in interdiction of inadmissible people and their goods.

**To what extent are travellers in the land mode of transportation compliant with Canadian laws?**

The overall level of traveller compliance in highway has remained relatively consistent from FY 2006-2007 to FY 2010-2011.\(^{77}\)

The Agency conducts yearly traveller compliance stints at various POEs on both residents and non-residents. The stints show that the rate of compliance of returning residents has been relatively constant over the five-year period going from 96.4% in FY 2007-2008 to 95.4% in FY 2011-2012. The compliance rate for non-residents for those same years has remained relatively consistent and in FY 2011-2012 was equal to that for residents at 95.4%. In FY 2010-2011, close to 30% of contraventions for returning residents and 44% for non-residents related to alcohol, suggesting that travellers may not be aware of the restrictions that apply to the amount of alcohol that can be brought into Canada under their personal exemption limits.\(^{78}\)

**Does the Traveller Processing Program support information sharing and collaboration with OGDs and other stakeholders to ensure a mutual understanding of operational issues and key priorities?**

Overall, the Traveller Processing Program is supporting collaboration and partnerships with the U.S.

Regional managers reported that the Canada –U.S. working relationship is strong and that the CBSA and U.S. CBP leverage resources where possible. To facilitate the immigration and customs processing in both countries, Canada and the U.S. have signed agreements that enable them to work together and share information, where appropriate and when necessary.\(^{79}\) Bi-national port committees solidified as part of the Beyond the Border Action Plan\(^{80}\) have served to formalize communications between CBSA and U.S. CBP regional managers.

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\(^{77}\) There are essentially two potential ways to determine the extent to which travellers are compliant with Canadian laws from the perspective of traveller processing. The first is to examine the results of random referrals from PIL and the second is to analyze the results of compliance stints. As noted in the data limitations section of the report, it is not possible to track a given referral to a specific resultant and, therefore, it is not possible to use random referrals and their resultants as a means to determine compliance rates for travellers.

\(^{78}\) Source: Canada Border Services Agency, Compliance Measurement Program Executive Summary 2010-2011.

\(^{79}\) For example, the Statement of Mutual Understanding between the Department of Citizenship and Immigration Canada, the United States Immigration and Naturalization Service and the United States Department of State to share information on specified border issues and the Agreement between Canada and the United States of America Regarding Mutual Assistance and Co-operation between Their Customs Administrations.

\(^{80}\) The Beyond the Border Action Plan provides the framework for future collaborative efforts between the two countries. It demonstrates a shared responsibility to enhance security while expediting legitimate flows of people and goods to enhance economic competitiveness. Source: The 2012 Department of Homeland Security (DHS) Northern Border Strategy.
4. Demonstration of Efficiency and Economy

Is the Traveller Processing Program in the highway and rail modes of transportation delivered efficiently and cost-effectively?

Overall traveller volumes at the five high-risk POEs increased by 11.2% from FY 2009-2010 to FY 2011-2012, while BSO active positions at the same POEs increased by 8.2%. The result is that a given BSO processed more travellers in FY 2011-2012 when compared to FY 2009-2010.

In Fiscal Year 2012-2013, the CBSA spent $405 million to deliver the Admissibility Determination Program in the highway and rail modes of transportation. Overall, regions reported an OT cost in FY 2012-2013 of $21.4 million to deliver traveller processing in the highway mode of transportation. This represents a slight increase from the $20 million reported in FY 2011-2012. The actual hours charged to OT increased by 6.0% going from 396,216 hours in FY 2011-2012 to 419,998 hours in FY 2012-2013.

Based on the limited data sets from the five high-risk POEs it was determined that the number of activities carried out by BSOs in secondary processing increased by 3.1% from FY 2009-2010 to FY 2011-2012. Over this same time period, the traveller-to-BSO ratios increased by 2.8% (Exhibit 9).

Exhibit 9: Total Traveller Volumes and Total Active BSO Positions for Five High-Risk POEs, FY 2009-2010 to FY 2011-2012

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Traveller Volume</td>
<td>17,471,894</td>
<td>18,444,484</td>
<td>19,435,352</td>
<td>11.2%</td>
</tr>
<tr>
<td>Total Active BSO positions</td>
<td>451</td>
<td>494</td>
<td>488</td>
<td>8.2%</td>
</tr>
<tr>
<td>Average Traveller/BSO Ratio</td>
<td>38,740</td>
<td>37,337</td>
<td>39,827</td>
<td>2.8%</td>
</tr>
</tbody>
</table>

Source: Regionally Reported data and CMRS 009- Traveller Operations, data extracted August 2012, HR Branch data extracted from CAS.

An examination of the usage of Non-Discretionary Leave (NDL) showed that there has been a 5.7% increase in the number of NDL hours used by BSOs at the five high-risk POEs between FY 2010-2011 and FY 2011-2012.

An examination of five high-risk POEs from FY 2009-2010 to FY 2011-2012 revealed that the number of travellers and active BSO positions increased, contributing to the POEs successfully

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81 The costs include salary, operations and maintenance (O&M), capital and EBP costs. The exact percentage split between the traveller and commercial streams will be made available from Comptrollership in FY 2014-2015.
82 Source: Comptrollership reported data extracted from CAS by Cost Centre and activity type April 24, 2013.
83 The five high-risk POEs used in the comparison were Ambassador Bridge, Peace bridge, Blue Water Bridge, Pacific Highway and Lacolle Route 15.
84 Source: HR Branch extract from CAS. Active positions are those positions for which a salary is being paid and, therefore, does not include positions in which the incumbent is on any type of LWOP.
85 This is calculated by dividing the number of travellers at each of the five high-risk POEs by the number of active full- and part-time BSO positions.
86 NDL includes sick leave and family-related leave.
meeting the Border Wait Time (BWT) standard, and indicating that the CBSA is meeting its facilitation objective.

Overall, border wait times have been met consistently over 95% of the time at the five high-risk POEs. This has been achieved even as traveller volumes increased by 11.2% in FY 2011-2012 in comparison to volumes experienced in FY 2009-2010. At the same time, overall active BSO positions at the five high-risk POEs increased by 8.2% going from 451 in FY 2009-2010 to 488 in FY 2011-2012.

There has been an increase of 10.6% in total revenue collected at the five high-risk POEs from FY 2008-2009 to FY 2011-2012, mainly explained by the 15.7% increase in returning resident volumes over the same time period.87

The primary revenue collected through traveller processing is the payment of duties and taxes collected on goods purchased while outside of Canada. Approximately $165 million in duties and taxes were collected from land travellers in FY 2011-2012.88 It can be reasonably expected that as the number of returning residents increases there will be an increase in the revenue collected from duties and taxes owing on goods purchased outside Canada. However, some POEs experienced a decrease in revenues collected, even as they experienced an increase in returning resident volumes. In examining five high-risk POEs, it was found that there is wide variation in the amount of revenue collected proportional to the percentage of returning residents. The evaluation was not able to attribute the changes in revenue collection to a single factor; however, variations in the application of the waiver policy may contribute to POE differences.

The Agency’s Waiver Policy89 outlines how the policy should be used and allows POE management discretion in how it is applied. Consequently, there are variations in the application of the policy, by region and by POE. Often POE facilities do not have the capacity to handle the volume of mandatory referrals for payments of duties and taxes during peak periods, when the pressure to meet border wait time service standards is greater. As a result, POE management exercises the flexibility afforded it in the waiver policy.

The need to facilitate travellers and ensure BWT standards are being met may contribute to the variations in revenue collection. POE management suggested that the automation or the movement of the collection of duty and taxes away from the POE plaza would eliminate the bottlenecks in the POE plaza and free up resources for more high-risk primary and secondary examination activities. In addition, the duty and taxes not collected as a result of the use of the

87 The dollar reached a record high in March 2011, resulting in more Canadians choosing to purchase lower priced commodities south of the border. Source: CBSA Q1 FY 2011-2012 Quarterly Performance Report.
88 Source: Canada Border Services Agency, Consolidated Management Reporting System.
89 The policy states that “Casual goods imported by an individual may be released without assessment by CBSA when the federal duties and GST/HST owing as well as the provincial alcohol mark-ups or fees and provincial tobacco taxes do not exceed CAN$3 [and] amounts higher than $3 may be waived by border services officers only in cases where the volume of collections would result unacceptable delays; when interdiction activities are in progress or for other reasons determined by local management”. Source: People Processing Manual, Part 5: Accounting for Casual Importations, Chapter 11: Waiver Policy, January 18, 2008. This policy originated from a Revenue Canada Memorandum from May 21, 1999.
Waiver Policy could be collected in an alternative manner that would not impact POE operations. Such an initiative is consistent with the CBSA Vision for Border Management.  

In light of these findings and to ensure that travellers and their goods are in compliance with Canadian laws — an expected outcome of the program — it is recommended that:

**Recommendation 4: The Programs Branch, in consultation with Operations Branch, develops and examines options for moving duty and tax collection away from POE plazas.**

5. Conclusion

The findings of this evaluation are generally positive, indicating that the Traveller Processing Program in the highway and rail modes of transportation has been effective in achieving its core objectives. The program plays an important role in facilitating the movement of legitimate travellers and goods and detecting and interdicting those travellers and goods that pose a threat to Canada.

A more detailed and fulsome discussion of the key findings, recommendations, and management response and action plan resulting from this evaluation can be found in the Executive Summary.

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90 The Vision for Border Management identifies that in the future state, CBSA could allow for payment of duties and taxes prior to arriving at the border through self-payment options. Vision for Border Management, September 13, 2012. Although many of the initiatives have been approved, or are in the process of approval, the Vision document outlines future possibilities for border management that are speculative in nature, and therefore may not necessarily reflect the Government of Canada and CBSA policies.
# Appendix A – Acronyms and Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation/Acronym</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td>AIRS</td>
<td>Automated Import Reference System</td>
</tr>
<tr>
<td>API</td>
<td>Advance Passenger Information</td>
</tr>
<tr>
<td>BSO</td>
<td>Border Services Officer</td>
</tr>
<tr>
<td>BtB</td>
<td>Beyond the Border</td>
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<tr>
<td>CBSA</td>
<td>Canada Border Services Agency</td>
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<tr>
<td>CIC</td>
<td>Citizenship and Immigration Canada</td>
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<tr>
<td>CMRS</td>
<td>Consolidated Management Reporting System</td>
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<tr>
<td>CPIC</td>
<td>Canadian Police Information Centre System</td>
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<tr>
<td>DHS</td>
<td>Department of Homeland Security</td>
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<tr>
<td>EEC</td>
<td>Executive Evaluation Committee</td>
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<tr>
<td>FY</td>
<td>Fiscal Year</td>
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<tr>
<td>FOSS</td>
<td>Field Operations Support System</td>
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<tr>
<td>FTE</td>
<td>Full-Time Equivalent</td>
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<tr>
<td>IAPED</td>
<td>Internal Audit and Program Evaluation Directorate</td>
</tr>
<tr>
<td>ICES</td>
<td>Integrated Customs Enforcement System</td>
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<tr>
<td>IO</td>
<td>Intelligence Officer</td>
</tr>
<tr>
<td>IPIL</td>
<td>Integrated Primary Inspection Line</td>
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<tr>
<td>IRPA</td>
<td><em>Immigration and Refugee Protection Act</em></td>
</tr>
<tr>
<td>NBRA</td>
<td>National Border Risk Assessment</td>
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<tr>
<td>NHQ</td>
<td>National Headquarters</td>
</tr>
<tr>
<td>OAG</td>
<td>Office of the Auditor General</td>
</tr>
<tr>
<td>OGD</td>
<td>Other Government Departments</td>
</tr>
<tr>
<td>O&amp;M</td>
<td>Operations &amp; Maintenance</td>
</tr>
<tr>
<td>ORS</td>
<td>Occurrence Reporting System</td>
</tr>
<tr>
<td>PED</td>
<td>Program Evaluation Division</td>
</tr>
<tr>
<td>PH</td>
<td>Passage History</td>
</tr>
<tr>
<td>PIL</td>
<td>Primary Inspection Line</td>
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<tr>
<td>POE</td>
<td>Port of Entry</td>
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<tr>
<td>RAM</td>
<td>Resource Allocation Model</td>
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<tr>
<td>SOP</td>
<td>Standard Operating Procedure</td>
</tr>
<tr>
<td>SP</td>
<td>Secondary Processing</td>
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</table>
Appendix B – Program Overview

Overview of the CBSA’s Traveller Processing Program in the Highway and Rail Modes of Transportation

The objective of the Agency’s Traveller Processing Program is to efficiently administer the regulatory requirements of customs, immigration, food, plant and animal, and other Acts of Parliament and their associated regulations; facilitate entry of people and their personal goods that are admissible to Canada; and collect revenue owing on personal goods being imported by travellers.91

The Customs Act92 and the Immigration and Refugee Protection Act (IRPA)93 stipulate that at the time of entry into Canada, persons are required to report to the CBSA and to answer truthfully any questions asked by a BSO, as well as provide all relevant information and documents as required. Travellers are also required, under the Customs Act,94 to report all goods and to answer truthfully all questions relating to those goods.

The Traveller Processing Program is delivered by CBSA personnel at land95 ports of entry (POEs) across the country and is aimed at travellers seeking entry into Canada. In the highway and rail modes of transportation, the Traveller Processing Program is administered at 117 land border sites and four designated rail sites. The Southern Ontario, Pacific and Quebec regions report the largest volumes of travellers in both the highway and rail modes of transportation.

Border services officers (BSOs) conduct interviews of persons at the primary inspection line (PIL) and then make a decision to allow entry, or refer for further examination and/or processing. People and goods found to be in violation of the applicable legislation and/or regulations may be subject to a monetary penalty, seize and/or denied entry to Canada. Similar to BSOs in the highway mode of transportation, BSOs in the rail mode of transportation may conduct interviews of travellers (onboard or at PIL in a rail facility) seeking entry into Canada to determine admissibility and/or compliance. BSOs have a variety of tools and systems available to assist them in determining admissibility and/or processing travellers and their goods.

In the highway mode of transportation, traveller(s) arrive at PIL as pedestrians or in a conveyance. In the case of passenger buses (e.g. chartered buses, commercial passenger carriers), drivers and passengers disembark and present themselves to a BSO at PIL where facilities allow, or travellers are subject to an onboard inspection. In the rail mode of transportation, similar to buses, traveller(s) and crew exit the train and enter a rail processing facility or BSOs board the train to conduct primary processing. In the case of onboard inspection, the BSO only has the ability to verify travel documents and take declarations.

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92 Under section 11 of the Customs Act.
93 Under sections 16 and 18 of the IRPA.
94 Under section 12 and pursuant to section 13 of the Customs Act.
95 “Land” encompasses both highway and rail modes of transportation.
The BSO takes the traveller declaration and conducts relevant primary questioning. If the Integrated Primary Inspection Line (IPIL) Highway System is available, traveller information is queried through enforcement databases. If the traveller is found to be admissible and/or compliant with the Acts and regulations enforced by the CBSA, they are allowed entry into Canada. If the traveller declares goods that require the payment of duties and taxes or that require documentation, the BSO may refer the traveller to secondary. If the BSO determines that the traveller requires a permit or visa to enter the country, the traveller is referred to the immigration counter for processing.

If the BSO has concerns about the traveller and/or conveyance based on indicators such as database query results, answers to primary questioning or traveller behaviour, the BSO will refer the traveller to secondary examination. Depending on the reason for the referral, an examination of the person(s), conveyance and/or their goods is conducted. If the examination is non-resultant, and the traveller is found to be compliant, they are allowed entry into Canada. However, if during the secondary examination the traveller is found to have contravened the Customs Act or does not meet the requirements for entry under IRPA, necessary enforcement actions are taken. The BSO may also authorize a person to enter Canada for further processing, such as the processing of a study permit, or to attend an admissibility hearing.

**Governance, Roles and Responsibilities**

At the CBSA National Headquarters (NHQ), there are two areas responsible for the Traveller Processing Program:

- The Traveller Border Programs Division within the Border Programs Directorate of the Programs Branch develops, implements, maintains and monitors program performance to ensure compliance with policies, regulations, processes, procedures and legislation related to the movement of travellers and their goods into and out of Canada.
- The Port of Entry Operations Division within the Border Operations Directorate of the Operations Branch provides advice and operational support and guidance on the effective delivery of traveller processing and other programs. They also support the Land Border Service Improvement Working Group.

Regional personnel, under the direction of regional directors general, are responsible for the delivery of a variety of programs and services for people and goods, including land traveller processing services at 117 land border sites and four designated rail sites.

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* Databases include the Integrated Customs Enforcement System (ICES) and the Field Operations Support System (FOSS).
* Source: People Processing Manual, Primary Processing, Primary Questioning and Immigration Referrals, Part 2, Chapter 1, May 13, 2011.
Appendix C – Evaluation Methodology

The CBSA Program Evaluation Division in the Internal Audit and Program Evaluation Directorate conducted this evaluation at the same time as the evaluation of Traveller Processing Program in the air mode of transportation. Recognizing the potential overlap in terms of site visits and interviews, the study teams conducted these activities together, where feasible, to minimize the impact on NHQ and operations. The evaluation findings are based on the following lines of evidence:

Document & Literature Review

A review of documents was undertaken to confirm the relevance and legal authority for traveller processing and to determine if guidance and regulations are in line with expected outcomes. The evaluation team reviewed documents and literature provided by the program area and other CBSA areas. This document review provided the evaluation team with an understanding of the design, delivery and management of the Traveller Processing Program, as well as the linkages of the program with internal and external stakeholders. This review included legislation, regulations, policies (e.g. People Processing Manual, CBSA Enforcement Manual), procedures, training materials, Memoranda of Understanding, protocols, working group meeting minutes and terms of reference, organizational charts, risk assessments, functional table documents, programmatic assessments, relevant audit and evaluation study reports, quarterly performance reports and departmental performance reports.

A literature review of external documents from a number of sources was also conducted and included documentation from various industry associations such as the Canadian Tourism Association, as well as OGDs, such as Transport Canada to obtain perspectives and information on such things as traveller trends and actual and projected traveller volumes.

Analysis of Statistical and Financial Data

Descriptive and comparative analyses of statistical and financial data were conducted to assess the performance of the program and determine whether there are improvements to the efficiency and economy of program delivery. Data analyzed for this evaluation included information related to volumes, processing activities, examinations, enforcement actions as well as resource, budget and expenditure information.

Key Stakeholder Interviews

The evaluation team conducted individual and/or group interviews with key internal and external stakeholders to measure perceptions of the relevance, performance and economy of the Traveller Processing Program. The evaluation team also used interviews to gather views on the alignment of the Traveller Processing Program with CBSA and Government of Canada priorities. The team interviewed:

- Director generals and directors in HQ in the Operations, Programs, and Information, Science and Technology Branches;
• CBSA regional management involved in Traveller Processing Program; and
• Representatives from OGDs involved in Traveller Processing in highway and rail modes of transportation; including Citizenship and Immigration Canada (CIC), Canadian Food Inspection Agency (CFIA), Public Health Agency of Canada (PHAC).

Exhibit C-1: Interviews Conducted for the Evaluation.

<table>
<thead>
<tr>
<th>Interview Category</th>
<th>Number of one-on-one Interviews</th>
<th>Number of Group Interviews</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBSA HQ management and staff</td>
<td>14</td>
<td>9</td>
</tr>
<tr>
<td>CBSA Regional management and staff</td>
<td>24</td>
<td>25</td>
</tr>
<tr>
<td>OGDs and private sector stakeholders</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>41</td>
<td>34</td>
</tr>
</tbody>
</table>

Site Visits

Since the Traveller Processing Program is delivered in the Regions, at the POE, site visits were an essential methodology. Site visits took place in the Pacific, Southern Ontario and Quebec regions and were chosen based on the traffic volume and levels of risk as identified in the 2010 National Port Risk Assessment. Site visits enhanced the evaluation team’s understanding of how traveller processing works, how the program is managed and delivered in the field and how regional personnel coordinate with key partners and headquarters. Site visits also allowed regional staff and key stakeholders to provide their insights on what works well and what could be improved. These site visits served to compare and contrast how travellers in highway and rail modes of transportation are being processed across regions. Some personnel at other POEs in the highway and rail modes of transportation that were not visited were contacted by telephone to provide input into the study and/or validate initial findings from the site visit observations.

POE Comparisons

A detailed descriptive and comparative statistical analysis was conducted on a number of criteria, across five high-risk99 POEs100 to assist the evaluation team in identifying any variances in program management and delivery as well as results across POEs. The areas examined included:

• Proportion of revenue from duties and taxes collected vs. proportion of Canadian resident traveller volumes;
• Traveller volumes, staffing levels and border wait time performance;
• Workload of BSOs (activities conducted vs. available resources) and enforcement performance;

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99 Chosen based on rankings from the 2010 National Port Risk Assessment.
100 The five high-risk POEs examined were Peace Bridge, Ambassador Bridge, Blue Water Bridge, Pacific Highway and Lacolle Route 15.
• Ratio of BSOs allocated to PIL and secondary processing during peak and low periods;\textsuperscript{101}
• Ratios of conveyance referrals during peak and low periods;\textsuperscript{102} and
• Non-discretionary leave\textsuperscript{103} and overtime usage.

Data used for the POE Comparison included volumes, conveyance referrals, secondary processing activities, examinations, enforcement actions, resources, overtime and non-discretionary leave usage.

\textsuperscript{101} To determine ratios of officers on PIL vs. secondary processing, the evaluation team analyzed shift schedules from FY 2009-2010 to FY 2011-2012 (one week from each year, surrounding Victoria Day) and took an average for each year.

\textsuperscript{102} The evaluation team used the peak and low periods used for the shift schedule analysis and collected the conveyance passages and referrals to determine the referred-to-released ratios.

\textsuperscript{103} Non-discretionary leave includes sick leave (with or without pay), family-related leave and other leave entitlements that do not require management approval.