

FDFA: Embattled border stores have specific requests



Those Canadian land border stores that have managed to stay open at all during the past 16 months have lost over 95% of their sales, but are denied aid going to other tourist-related businesses

After almost 16 months of border closure, Canada's independently owned land border stores are at a breaking point, according to FDFA Executive Director Barbara Barrett, during a press conference today.

These stores, which are important to the local economies and important in keeping travelers' dollars in Canada, have paid the most enormous price of any industry during the pandemic, being kneecapped at every turn and with no recourse in most cases. Because of their unique designation, they have been prevented from any means of regaining income; for example, they cannot sell their goods on the domestic market. They cannot offer takeout. They are restricted from all means of recouping the tiniest of losses.

Sales are down between 95% and 100% at all of these stores across Canada, which operate almost entirely as tourist entities but are not being allowed any portion of the budgeted tourism relief fund.

The association that represents these stores, the FDFA, is requesting two clear measures from the government in order to help prevent these businesses from shuttering their doors forever — no mere threat.

FDFA Executive Director, Barbara Barrett stated: “Our border stores have been essential in building the economies of Canadian border communities and an integral part of the tourism export industry in Canada. Our industry cannot come back without specific relief measures. We are the hardest hit of the hardest hit businesses in Canada.”

She reminded those attending today’s press conference that, unlike airport duty free stores that have large multinational corporations behind them, these stores are independently owned and run, operating in small communities in Canada for which they provide necessary jobs.

“I don’t know what business can be closed for sixteen months and be expected to survive without additional support,” said Barrett. “We gladly did our part to help keep Canadians safe, but it is time now for the government to step up and help us get to the other side of this.”

FDFA is calling on the federal government to take three specific measures:

1. Relief Fund

As rules currently stand, land border stores are not eligible for any part of the Tourism Relief Fund. Land border duty-free stores have taken on significant debt to survive almost a year and a half with no sales and no end in sight. Out of the \$500 million Tourism Relief Fund, the Association is asking for a \$200,000/store grant program for each store, or a \$6.6 million program based on size and need.

2. Export Designation

These stores operate only as facilitators of exporting goods from Canada, as the stores exit directly into the US. However, they are subject to domestic policy, which puts them at a clear disadvantage to the US-based duty free retailers. “It is critical to the recovery and competitiveness of this vibrant Canadian industry that it be treated as EXPORT ONLY and given an Export Designation,” stated FDFA.

In addition, FDFA calls for the reopening of the land border. Cases have fallen drastically and continue to fall, and vaccination rates are climbing. While many American representatives have stated that they should open the border regardless of Canada’s stance, the federal governments continue to act in agreement. Barrett expects to hear by mid-July what the next phase of reopening might bring. Fingers crossed the governments put their money where their mouths are, so to speak, regarding vaccinations, and at least allow fully vaccinated individuals to cross freely.