

**Statement by State Senator Carl Johnson (R-Meredith),
Co-Chair of the General Court's NH-Canadian Trade Council
Before
The Senate Committee on Foreign Relations,
Subcommittee on International Operations and Terrorism
Regarding
The Western Hemisphere Travel Initiative (WHTI)**

May 31, 2006
Concord, New Hampshire

Good morning. My name is Carl Johnson and I am currently serving my sixth term as State Senator for New Hampshire's Second District. Prior to the Senate I had the privilege to serve as a state representative for two terms and was also a small business owner here in New Hampshire.

I would like to begin by thanking Senator Sununu, in his capacity as Chairman of the Senate Foreign Relations Subcommittee on International Operations and Terrorism for holding this hearing and providing me with the opportunity to testify regarding this very important issue. I agree with the Senator's position that the Western Hemisphere Travel Initiative could unintentionally harm travel, trade and economic activity between New Hampshire, Northern New England, and Canada and therefore I look forward to today's hearing and the ideas that emerge.

As a member of the state legislature, a former business owner and longtime resident of New Hampshire, I recognize the importance of improving the security along the northern border while maintaining the seamless trading practices that greatly benefit both nation's economies. In the wake of the 2001 terrorist attacks, there was an outcry, and justifiably so, for an in-depth examination of the security along the U.S.-Canadian border and the appropriate steps that needed to be taken to enhance the security for both U.S. and Canadian citizens.

I also recognize and appreciate the motivation behind the drafting and passing of the Western Hemisphere Travel Initiative as part of the Intelligence Reform and Terrorism Protection Act of 2004. I know Senator Sununu played a key role in drafting that historic legislation from start to finish, and he and his colleagues in Congress understood, as I do, that if terrorists are able to hit us again, our economy would sustain a dramatic blow from which we would take years to recover. To that end, I believe that along with modernization infrastructure and making better use of technology to secure our northern border, steps must be taken to ensure that those who enter our country are who they say they are, and are doing so for legitimate purposes.

However, we must ensure that any initiatives aimed at securing our borders do not place any unnecessary impediments or restrictions on travel or trade between the U.S. and Canada. As a resident of Meredith, a town in New Hampshire's beautiful Lakes Region whose economy relies directly on tourism dollars, I have witnessed first hand exactly

how important Canadian tourism dollars are to New Hampshire. Any program or initiative regarding border security, well-intentioned as it may be, that could eliminate “spur of the moment” travel from Canada to the U.S., or create an undesirable experience at the border crossing could prove to be disastrous for the state’s countless tourism-sector businesses.

Canadians spent \$53 million during their 328,700 documented trips to the Granite State last year. Over the past five years, tourism between New Hampshire and Canada has steadily increased. For example, Canadians who hiked the White Mountains or explored the Appalachian Trail more than doubled since 2002 amounting to over 730,000 visits in 2005. Those visitors spent \$48 million in the Granite State, a 33% increase from 2004.

And as other witnesses have noted here today, a healthy Canadian economy benefits businesses in New Hampshire and across the United States. In fact, Canada’s proximity and reliance on U.S. small businesses for many imported goods and services has made it New Hampshire’s largest trading partner. In 2005, our state exported \$567 million - or almost one-fourth of New Hampshire’s total exports last year – in goods and services to Canada. New Hampshire’s second largest importer of NH goods and services partner, the Netherlands, represented less than half of that amount (\$216 million).

As the figures have cited make very clear, a flawed implementation of WHTI will impact virtually all businesses in all sectors of the state’s economy, and therefore affect almost every resident. While WHTI is not scheduled to be fully implemented until 2008, a recent report prepared by the Conference Board of Canada for the Canadian Tourism Commission determined that if the pending passport requirement was enacted in July of 2005, by 2008 3.5 million fewer Canadians would have traveled into the U.S. resulting in a loss of \$788 million in potential tourism revenue.

That is why, as Co-Chairman of the New Hampshire-Canadian Trade Council, which was established in response to the U.S.-Canada Free Trade Agreement of 1988, I supported a resolution to urge the United States government to delay the implementation of the WHTI until such time that less onerous documentation requirements or passport substitutes can be considered. I was glad to see that Senator Sununu, and New Hampshire’s other U.S. Senator, Judd Gregg, supported an amendment to delay WHTI land-based crossing implementation by seventeen months, to June 1, 2009. That amendment was part of the Immigration reform bill that passed the U.S. Senate last week.

Maintaining the free flow of travelers and commerce that currently takes place between the United States and Canada is of paramount importance to both the country’s and New Hampshire’s economy. In their report, the 9-11 Commission stated that “The border and immigration system of the United States must remain a visible manifestation of our belief in freedom, democracy, global economic growth, and the rule of law,” and I believe that any regulations placed on travel between the two countries must be done with these principles in mind.