

Extension of Hours at the Port of Wild Horse

Issue

Alberta is Canada's second most robust provincial economy with the highest GDP per capita and an economy driven by its ability to export products and services. As a result, transportation and logistics plays a critical role in our economy, as it supports a variety of industries across the province. Yet, with one of the best transportation systems in Canada, we still have only one full-service commercial port of entry between Alberta and the U.S. There is a need for better access and hours at our border to facilitate efficient trade between Canada and the US.

Background

Canada and the U.S. enjoy one of the most prosperous relationships in the world, with a staggering volume of bilateral trade totaling \$1.2 trillion in 2019¹ as well as close to 400,000 people crossing our shared borders each day.

In particular, Montana and Canada continue a profitable trading relationship with bilateral trade flows totaling \$4.68 billion USD in 2018². Moreover, Canada continues to be Montana's most important customer with total Montana exports to Canada at \$680 million USD in 2018 while total Montana imports from Canada totaled \$4 billion USD. From 2011-2015 Alberta's exports to Montana have averaged \$2.52 billion annually with exports to Montana in 2015 totaling \$2.02 billion. These exports consist of primarily oil and natural gas, fertilizers, food wastes and cereals³.

While 75 percent of Alberta's exports to the U.S. were carried by pipeline, 11 percent was carried by truck, representing a value of \$8.67 billion. Almost 78 percent of all exports to the U.S. were destined for the central, northeast and southeast parts of the country. In the same year, 42 percent or \$7.54 billion worth of imports from the U.S. were carried by truck. Almost 76 percent of this total originated from the central, northeast and southeast U.S.

With the fewest number of highway/land border crossings within Canada, Alberta is also currently the only province bordering the U.S. to have one 24-hour border crossing, situated in Coutts, Alberta.

	24-Hour Crossings	Total Crossings	Population (2019)
British Columbia	8	19	5,071,000
Alberta	1	6	4,371,000
Saskatchewan	2	12	1,178,000
Manitoba	3	16	1,373,100
Ontario	13	14	14,659,000
Quebec	21	30	8,522,000
New Brunswick	12	18	780,000

¹ <https://www.international.gc.ca/economist-economiste/performance/monthly-mensuel.aspx?lang=eng>

² https://www.tradecommissioner.gc.ca/tcs-sdc/united-states-of-america-etats-unis-amerique/business_fact_sheets-fiches_documentaires_affaires.aspx?lang=eng#montana

³ <http://open.alberta.ca/dataset/9269de23-6d7a-448e-867e-293b4b0568e1/resource/7bd5fe74-c023-4388-99e0-17bde9e5c6db/download/2016-Montana-Alberta-Relations-August-2016.pdf>

Wild Horse is a critical link in the Eastern Alberta/Eastern Montana trade corridor with ramifications that extend as far north as the Fort McMurray oil sands and as far south as tidewater in Mexico. However, it is also a principal choke point, a constraint on north-south traffic and trade, because of limited hours of service and a critical lack of facilities and infrastructure.

Presently, between May 15 and September 30, Wild Horse is open for travelers from 8:00AM to 9:00PM (13 hours/day). Between October 1 and May 14 the hours are 8:00AM to 5:00PM (9 hours/day). For commercial traffic the hours are 8:00AM to 5:00PM Monday to Friday, year-round.

In addition to the limited hours, another barrier to Wild Horse is also the lack of an Electronic Data Interchange (EDI), which facilitates the electronic transmission and interchange of cargo, release and accounting data issued by customs brokers. Wild Horse is set up as an automated port of entry, but has not yet been activated in this mode. Fibre-optic cable service is also available at Wild Horse, which may or may not be in use.

Despite these setbacks, in 2012, Wild Horse was the third busiest border crossing in the region in terms of average annual daily traffic – behind Coutts/Sweetgrass and Raymond/Regway. It accounted for two-way daily traffic of 160 vehicles compared to Coutts/Sweetgrass at 1,790 vehicles and Raymond/Regway at 290 vehicles⁴²⁷. By 2019, personal vehicle traffic for the Port of Wild Horse has halved.⁵ While all Albertan border crossings have decreased as a result of the economic downturn, the drastic downward trend may be a result of irregular hours and poor facilities.

A 2016 survey of commercial trucking companies showed that extending the operating hours at Wild Horse to 9:00PM year-round and increase infrastructure improvements would cause carriers to divert traffic to Wild Horse at widely differing rates, ranging from five to 50 percent of current trips.⁶ Based on the results of the survey, the cost benefit ratio would be in excess of 2.0 with over \$1 million annual mileage savings.

A larger share of Alberta's commercial truck traffic with the U.S. would be more directly served by the Port of Wild Horse. Consequently, much of Alberta's commercial traffic moving to/from the central, southeast and northeast U.S. would achieve substantial cost savings by transiting at a de-constrained Wild Horse border crossing.

There have been designated funds by the Canadian government, with \$440 million slated for border facility improvements at 77 ports-of-entry across the country, \$114 million of which has been targeted to the prairie ports. The program includes the design of modular buildings of varying size for locations like Wild Horse, which will be installed over a period of years. The proposed Wild Horse improvements also include new staff housing, which will reduce the need for officers to commute quite as often from communities like Medicine Hat and will serve to keep the port open during inclement weather.

Supporting the need for improved levels of service at the Port of Wild Horse is the economic activity north and south of the border. The community-of-interest and shared commonalities between Alberta and Montana contribute significantly to the case for service improvements. Both jurisdictions are heavily invested in industries like agriculture, tourism and oil and gas, which foster cross-border trade in commodities, services and people. Additionally, there are two trade corridor initiatives that will help to nurture the success of an upgraded Wild Horse port-of-entry through advocacy for enhanced economic development and improved transportation infrastructure in the regions north and south of the border including both the Eastern Alberta Trade Corridor and the Ports to Plains Trade Corridor.

Potential benefits of an improved Wild Horse port include reduced mileage costs for commercial truckers, enhanced economic development in the Eastern Alberta Trade corridor, more moderate traffic growth at Coutts-Sweetgrass, more effective utilization of staff and facilities at Wild Horse, and a shift of traffic away

⁴ [HDR, Impact of Canadian Economic Development on Northern Montana Highways – Phase II, prepared for the State of Montana Department of Transportation, October 2014, p. xvii](#)

⁵ <https://explore.dot.gov/views/BorderCrossingData/Annual?:isGuestRedirectFromVizportal=y&:embed=y>

⁶ <http://www.palliseralberta.com/wp-content/uploads/Port-of-Wild-Horse-%E2%80%93-A-Business-Case-for-Service-Improvements-030817.pdf>

from the heavily used U.S. Highway 15/Alberta Highway 2 corridor to underutilized highways in eastern Alberta and eastern Montana, like Highways 41 and 232.

The expansion of the Wild Horse port to a 24-hour commercial port facility will increase connectivity of the regions by reducing travel time and uncertainty. It will lower costs for businesses in transportation- related sectors and to those who buy and sell goods and services from outside the region. We need to encourage the further development of north/south trade and remove delays, restrictions and limitations on crossing times and access. The congestion of truck exports and imports via the Coutts/Sweetgrass port could also be serviced by an upgrade to the Wild Horse port.

Investment leads to trade, as companies' activities increasingly become part of the global value chain, necessitating not only clear and open investment rules, but also ensuring that goods and services produced in our region can be transported easily to market. To be part of this chain, Canada and the United States must not only be open to these cross-border opportunities, but must also ensure the goods and services produced have easy access to markets in both countries as well as internationally.

It is in the best interest of Alberta and Canada to expand trade linkages with the United States through transportation crossings and corridors that link Canada to the United States to facilitate a growing trading market. A continued effort is needed to eliminate the obstacles that continue to prevent the expansion of the Wild Horse facility and promote this as access to a north-south trade corridor.

The Alberta Chambers of Commerce recommends the Government of Alberta work with the Government of Canada to:

1. Extend the existing hours of the Wild Horse Border crossing to 13 hours, 365 days a year in an effort to work towards the creation of a second 24-hour commercial port in Alberta.
2. Make the Wild Horse Border Crossing an automated Port of Entry with full Electronic Data Interchange (EDI) equivalency.
3. Accelerate dialogue with U.S. counterparts to provide support for their initiatives and ensure that the hours and services at Wild Horse consistently match the U.S.
4. Improve the structures and facilities on the Canadian port side to better serve present needs and eventually serve as the foundation of a full service commercial port.

The Alberta Chambers of Commerce recommends the Government of Alberta:

5. Evaluate needed upgrades to the highway corridors serving the port facility.