

Declining Canadian Tourism is Harming American Businesses in States Along the U.S.-Canada Border

Since taking office, President Trump has <u>proposed</u> annexing Canada, <u>imposed</u> several rounds of tariffs on Canadian goods (including an additional 10 percent tariff <u>recently</u> imposed on all Canadian imports to retaliate against a TV commercial he did not like), and <u>repeatedly broken</u> off trade talks. This has disrupted diplomatic, economic, and trade relations between the United States and Canada – which in turn has hurt U.S. businesses that depend on visitors from Canada. In 2024, Canadian tourism <u>contributed</u> \$20.5 billion to the U.S. economy and supported 140,000 American jobs. The negative impacts of President Trump's tariff policies have been particularly <u>stark</u> in states along the U.S.-Canada border, which have many businesses that rely on short-term visits by Canadians.

"When our neighbors stay away, our margins disappear and in groceries those margins are vanishingly small to begin with. The friction at the border is no longer just a headline; it is an empty parking lot and a threat to our livelihood," said Kyle Daley, owner of Soloman's Store in West Stewartstown, NH.

"Being only eight miles from the border, normally Canadians make up anywhere from 15-25 percent of visitors. Now, I can probably count the number of Canadian visitors on one hand. I'm just trying to plug along and keep my nose above the waterline," said Elizabeth Guerin, owner of Fiddleheads in Colebrook, NH.

"These are more than numbers; they represent missed revenue for local businesses, reduced hotel demand, and fewer dollars supporting jobs and investment in our community," said Shirley Hughes, president and CEO of Visit Fargo-Moorhead in Fargo, ND and Moorhead, MN.

Through data and new testimonials shared directly with the Joint Economic Committee – Minority, this report details reductions in Canadian tourism and the impact on local businesses in every state that borders Canada.

Every State Along the U.S.-Canada Border is Facing Declines in Tourism and Rising Economic Pressures

From January to October 2025, the number of passenger vehicles crossing the U.S.-Canada border <u>declined</u> by nearly 20 percent compared to the same time period in 2024, with some

states seeing declines as large as 27 percent. Businesses throughout the region are also reporting fewer tourists, more vacancies, and lower sales.

Alaska

- Border crossings for passenger vehicles from Canada into Alaska were <u>down</u> more than 10 percent for the first ten months of this year compared to 2024.
- Border towns like Haines have seen a <u>drop</u> in Canadian visitors. Ticket sales for one of their major summer events were down 20 percent.
- Visit Anchorage the city's visitors bureau reports that hotel stays in May were down five percent.
- Other businesses in Alaska including Expeditions Alaska, which organizes backpacking and other outdoor trips – have reported <u>softening</u> in Canadian visits and spending. The owner directly attributes these trends to Trump Administration policies:
 - "It's just a sort of a general sentiment that the current administration seems to be pushing or messaging toward the rest of the world. It just seems adversarial, and people don't want to come spend their money with adversaries," <u>said</u> Carl Donohue, owner of Expeditions Alaska in Anchorage, AK.

<u>Idaho</u>

- Border crossings for passenger vehicles from Canada into Idaho were <u>down</u> more than 27 percent for the first ten months of this year, compared to the same period in 2024.
- Bi-national tourism nonprofit International Selkirk Loop, which promotes tourism in the Selkirk Mountains located in Idaho, Washington, and the Canadian province of British Columbia, wrote federal lawmakers in both countries <u>warning</u> of the economic risks to the region, given that it is heavily reliant on cross-border visitors.
- Businesses like Jake's Landing a gas stop and grocery store in the border town of Porthill that serves almost exclusively Canadian customers – say that visits are <u>down</u> 25 percent:
 - "During COVID we almost went bankrupt, and the effects have lingered... We got about 50 percent of our customers back last summer, but now we're back down to 25 percent. We can't pay the bills if this continues. I don't even know how to explain how tough these last five years have been," <u>said</u> Lars Jacobson, owner of Jake's Landing in Porthill, ID.

<u>Maine</u>

- Border crossings for passenger vehicles from Canada into Maine were <u>down</u> approximately 25 percent for the first ten months of this year compared to 2024.
- In July, Maine's CAT Ferry, which runs between Bar Harbor and Nova Scotia, <u>reported</u> a
 nearly 20 percent decrease in business during the summer of 2025.

- The Maine Turnpike <u>reports</u> that traffic from Canada is down by 45 percent for cashpaying customers, and by about 20 percent for Maine E-ZPass holders from Canada.
- Maine businesses report fewer Canadians in towns that usually see significant tourism.
 - o "It's like 50 per cent (drop-off) because not too many Canadians...The worst year we've had. We've never had a year like that, even worse than COVID," <u>said</u> Moshe Agam, business owner in Old Orchard Beach, ME.
- Ogunquit Playhouse, a regional theatre in Maine, shared with the Joint Economic
 Committee Minority that it saw a 44 percent decrease in Canadian visitors during this year's season which ran from May to October compared to 2024.

Michigan

- Border crossings for passenger vehicles from Canada into Michigan were <u>down</u> nearly 11 percent for the first ten months of this year compared to 2024.
- Tourism Economics estimates that Detroit will see a 17.3 percent decrease in international overnight visitor arrivals in 2025 compared to 2024 with the drop almost exclusively driven (92.1 percent) by a decline in Canadian travelers.
- On average, Canadian visitors <u>spend</u> more than \$360 million in Michigan annually, accounting for about 10 percent of the state's total annual tourist revenue.
- Blue Water Area Convention and Visitor Bureau shared with the Joint Economic Committee – Minority that some hotels in the region that track where guests are from have reported, on average, a more than one-third decline in hotel bookings by Canadian guests since the beginning of the year.
- Hotels and restaurants have <u>reported</u> a drop in visitors. The El Moore Lodge manager for example, <u>reported</u> about a 15 percent drop in Canadian travel compared to the year prior.
 - "None of these small businesses asked for this. You know, we're just sort of rolling with the punches. Everyone's seeing a slow down. Everyone's getting the emails saying 'we're sorry, but we're not spending our money here right now," <u>said</u> Michel Soucisse, manager at El Moore in Detroit, MI.

Minnesota

- Border crossings for passenger vehicles from Canada into Minnesota were <u>down</u> nearly 19 percent for the first ten months of this year compared to 2024.
- Tourism Economics estimates that Minneapolis will see a 14.5 percent decrease in international overnight visitor arrivals in 2025 compared to 2024 with the drop being almost exclusively driven (88.3 percent) by a decline in Canadian travelers.
- Cook County Chamber of Commerce, which collects its own data on border crossings, reported about a 30 percent decrease in passenger vehicles traveling to the United States from Canada in May compared to 2024.

- Hotels in northwestern Minnesota including some along the Canadian border experienced a 3.7 percent <u>drop</u> in bookings during the spring and summer, while those in northeastern Minnesota saw a 1.1 percent drop.
- During the spring and summer, 51 percent of tourism businesses surveyed by Explore
 Minnesota reported a <u>decline</u> in business activity compared to the year prior. Additionally,
 as of September, 70 percent of tourism businesses surveyed reported a somewhat or
 significant decrease in Canadian business relative to 2024.
- Many businesses that sit right on the border rely <u>heavily</u> on Canadian visitors 25 percent of Cook County's Java Moose coffeehouse visitors come from Canada – putting them at risk.
 - "[My Canadian neighbors are emailing me] just saying, 'Hey, we're not coming down right now' ... 'We're just gonna wait some things out.' And they're very kind about it. They're very respectful to us and to our business, and they know that it's not, and we know also, that it's not personally us or the North Shore," said Sarah Jorgenson-Hallberg, owner of Java Moose in Grand Marias, MN.
- A travel and tourism group covering both Moorhead, Minnesota and Fargo, North Dakota emphasized the consequences of declining tourism to the Joint Economic Committee – Minority.
 - "At the Pembina Port of Entry, arrivals through September this year totaled 289,671, compared to 457,054 in the same period last year, a 36.6% year-over-year decrease. That downward trend continued throughout the third quarter, with crossings down 35.3% in September, 44.4% in August, and 37.7% in July. The broader picture reflects a similar challenge. Combined Minnesota and North Dakota border entries decreased from 2.5 million to 2 million over the same timeframe, a 19% drop. These are more than numbers; they represent missed revenue for local businesses, reduced hotel demand, and fewer dollars supporting jobs and investment in our community," said Shirley Hughes, president and CEO of Visit Fargo-Moorhead in Fargo, ND and Moorhead, MN.

Montana

- Border crossings for passenger vehicles from Canada into Montana were <u>down</u> more than
 19 percent for the first ten months of this year compared to 2024.
- In 2024, Canadian tourists <u>made up</u> nearly 80 percent of all international visitors to Montana and contributed over \$170 million to Montana's economy.
- Some businesses <u>reported</u> a 25 percent decrease in Canadian travel and a 44 percent decrease in Canadian credit card spending compared to 2024.
 - Discover Kalispell, a tourist marketing organization, <u>reported</u> numerous Canadian reservation cancellations. One hotel reported a reservation canceled by a Canadian sports team, which included 70 rooms and a 200-person dinner, a \$38,000 revenue loss. "We need signals from both governments that cross border friendships and our

economic partners matter, and without that no amount of marketing is going to help that right now," <u>said</u> Diane Medler, executive director of Discover Kalispell in Kalispell, MT.

New Hampshire

- New Hampshire state officials reported a 30 percent <u>decrease</u> in Canadian visitors as of this summer.
- Retailers in the Mount Washington Valley region saw a significant <u>drop</u> in Canadian visitors, with one hotel owner in North Conway reporting 30 percent vacancies during some summer weekends that traditionally sell out.
- Mount Washington State Park has also <u>seen</u> a "noticeable decline in Canadian visitation," according to the park supervisor.
- During the first five months of 2025, reservations by Canadians at state-run campgrounds were <u>down</u> 71 percent compared to the same period the year prior. This trend also extends to <u>private</u> campgrounds like Wakeda.
 - o "It panned out pretty much as we expected ... We still had some of our Canadian friends with us, but it was a dramatic decrease over typical years," <u>said</u> Amanda Ellen, owner of Wakeda Campground in Exeter, NH.
- An estimated 75 to 80 percent <u>fewer</u> Canadians attended Laconia Motorcycle Week compared to previous years. The nine-day event typically contributes nearly \$100 million to New Hampshire's economy.
- Fiddleheads an artisan shop and gallery that has been in Colebrook for 18 years is also feeling the decline in Canadian tourists, sharing with the Joint Economic Committee – Minority:
 - "Being only eight miles from the border, normally Canadians make up anywhere from 15-25 percent of visitors. Now, I can probably count the number of Canadian visitors on one hand. I'm just trying to plug along and keep my nose above the waterline," said Elizabeth Guerin, owner of Fiddleheads in Colebrook, NH.
- Solomon's Store, a 103-year-old family-run grocery store in northern New Hampshire, shared with the Joint Economic Committee Minority that it had long relied on Canadian traffic until things began to change this summer:
 - o "We spoke with Canadian customers who told us point-blank that they were hesitant to cross due to the current political tension. The joy of the 'shopping day trip' has been replaced by anxiety over border enforcement and tariffs. Additionally, we are situated on the primary corridor for families traveling from Quebec to the Maine coast, and the usual parade of vacationers heading to Old Orchard Beach simply didn't show up this year. When our neighbors stay away, our margins disappear and in groceries those margins are vanishingly small to begin with. The friction at the border is no longer just a headline; it is an empty parking lot and a threat to our livelihood. We are all eager to see

normality and civility restored in our long productive relationship with our neighbors to the north," said Kyle Daley, owner of Soloman's Store in West Stewartstown, NH.

New York

- Border crossings for passenger vehicles from Canada into New York were <u>down</u> more than 17 percent for the first ten months of this year compared to 2024.
- Tourism Economics estimates that Buffalo will see a 14.8 percent decrease in international overnight visitor arrivals in 2025 compared to 2024 with the drop almost exclusively driven (79.2 percent) by a decline in Canadian travelers.
- In June, the North Country Chamber of Commerce, serving northern New York, <u>reported</u> that 83 percent of businesses experienced a decrease in Canadian customers with 35 percent reducing staffing levels to meet the decline. Seventy percent of businesses blamed the political climate and tariff policies for this drastic decrease.
- The Regional Office of Sustainable Tourism (ROOST), a destination marketing organization for Lake Placid and Essex County, Hamilton County, Saranac Lake, and Tupper Lake stated that hotel revenue was <u>down</u> 8 percent and restaurant sales were down 20 to 30 percent as of this summer.
 - "I think some of that is just general economic anxiety related to tariff threats, both [from] Americans and our Canadian visitors," <u>said</u> Dan Kelleher, CEO of ROOST in Lake Placid, NY.
- Typically, 70 percent of daily <u>golfers</u> at the Bluff Point Golf Resort located only 35 minutes from downtown Montreal are Canadian.
 - "It's been a dramatic drop. It's very rare that we see someone pull in to play golf that's coming from Canada," <u>said</u> Paul Dame, owner of Bluff Point Golf Resort in Plattsburgh, NY.
- A New York vineyard shared with the Joint Economic Committee Minority that its business is being affected.
 - "The drop in visits from Canadian tourists has had a noticeable impact on our bottom line. With Canadians making up about 10% of our business, fewer cross-border travelers mean fewer tastings, tours, and wine sales — a ripple effect that touches our entire operation, underscoring how important cross-border tourism is to our business model," said Scott Osborn, president and co-owner of Fox Run Vineyards in Penn Yan, NY.

North Dakota

- Border crossings for passenger vehicles from Canada into North Dakota were <u>down</u> more than 25 percent for the first ten months of this year compared to 2024.
- In 2018, Canadian tourists contributed \$120 million in sales to North Dakota's economy.
- The North Dakota Department of Commerce estimates that Canadian visitors spent roughly \$14.4 million less at North Dakota businesses in the first six months of this year compared to last year.

- North Dakota hotel occupancy from the first six months of 2025 was <u>down</u> 4.5 percent compared to the first six months of 2024. Visitors to Theodore Roosevelt National Park in North Dakota were also down in June of 2025 compared to June 2024.
- West Acres a large regional shopping attraction shared its experience with the Joint Economic Committee Minority.
 - "Canadian visitors have historically been an important part of West Acres' customer base, peaking at nearly 10% of our shoppers during the summer months and tapering off into the winter. Their per-visit spend tends to be higher than average, meaning that even modest declines in visitation can create a noticeable impact across our retail and restaurant tenants. Exchange rates have always influenced cross-border travel, but nothing like what we've seen in recent years. When trade policies or travel conditions become less favorable, those effects are felt locally, and particularly among the independent businesses that make up roughly one-third of our tenant mix. Canadian shoppers remain a valued part of our regional economy, and we're focused on what we can control providing a vibrant, welcoming experience that hopefully makes their visit worth the trip," said Alissa Adams, COO of West Acres in Fargo, ND.

Vermont

- Border crossings for passenger vehicles from Canada into Vermont were <u>down</u> more than 28 percent for the first ten months of this year compared to 2024.
- Canadians <u>make up</u> 5 percent of visitors to Vermont and contribute \$150 million to Vermont's economy each year.
- Between January and September of this year, credit card spending by Canadians in Vermont was <u>down</u> 49 percent compared to this time period in 2024.
- Steve Wright, President and General Manager of Jay Peak Resort, <u>testified</u> to the Senate Finance Committee in June that Canadians were canceling golf trips daily.
 - Mr. Wright updated the Joint Economic Committee Minority in December to say that the golf business ended up being 20 percent lower than normal during the 2025 season.
- Local businesses like Parker Pie, a pizza restaurant, <u>have reported</u> sales declining by as much as 20 percent, which they attribute to fewer Canadian tourists.
- Canadians have <u>only</u> accounted for 4 percent of the Old Stagecoach Inn's web traffic this year, after accounting for 27 percent in 2024. Owner Christa Bowdish shared with the Joint Economic Committee Minority that she's been forced to lay off employees and reduce hours to overcome the fact that this year has been "a belt-tightening year instead of the growth year [they] had planned."
 - "It's not just the tariffs. It's not something that will be solved as soon as we conclude trade negotiations. This is long-lasting damage to a relationship and emotional damage takes time to heal. While people aren't visiting Vermont, they'll be finding new places to

visit, making new memories, building new family traditions, and we will not recapture all of that," said Christa Bowdish, owner of the Old Stagecoach Inn in Waterbury, VT.

Washington

- Border crossings for passenger vehicles from Canada into Washington were <u>down</u> more than 24 percent for the first ten months of this year compared to 2024.
- Tourism Economics estimates that Seattle will see a 26.9 percent decrease in international overnight visitor arrivals in 2025 compared to 2024 with the drop being almost exclusively driven (99.1 percent) by a decline in Canadian travelers.
- Spokane saw 33 percent fewer visitors in March 2025 than in March 2024.
- Ridership between Vancouver and Seattle on the Seattle-based ferry service Clipper Navigation is <u>down</u> 30 percent so far this year. The company has been forced to lay off a quarter of its workforce as a result.
- Of the 60 businesses surveyed in Bellingham a city roughly 25 miles from the Canadian border – more than half <u>reported</u> losses due to a decline in cross-border travel. This is forcing business owners like Sasha Lysikov, owner of the children's boutique Minted Method, to cut hours for employees.
 - "I didn't want to just suddenly close on our customers without giving them a heads-up...
 We are really reliant on the Canadian traffic to come down here," <u>said</u> Sasha Lysikov, owner of Minted Method in Bellingham, WA.
- The Bellingham Chamber of Commerce stated that the city has experienced a <u>drop</u> in visits, overnight stays, and spending by Canadian travelers a downturn which has been devastating for many businesses.
 - On the importance of cross-border shopping for local businesses: "It's integrated into the business model, it's integrated into the customer base," <u>said</u> Guy Occhiogross, president of the Bellingham Chamber of Commerce in Bellingham, WA.
- The organizers of an annual seafood and maritime festival in Whatcom County,
 Washington noted to the Joint Economic Committee Minority that the area has seen a drastic decline in Canadian traffic.
 - "Since March of this year, we have not only seen Canadian traffic drop drastically, but we have also seen a drop in our number of attendees at our festival this year in late September. We knew that after March, we could not rely on our Canadian business because of fear at the border and lack of understanding of what is happening with tariffs and Canada drawing a strong line of promoting Canada first," said Kevin Coleman, executive director of SeaFeast in Bellingham, WA.