

Estimating Economic Impacts of Border Wait Times

*in the
San Diego-Baja California Region*



June 10, 2005

Study Objectives

- Assess economic impacts of waits at the San Diego Region-Baja California ports of entry
 - Crossborder personal travel
 - Crossborder freight movements
- Ability to test changes in wait times
- Tool for improved policy analysis and decision making

Study Framework

- 3,603 surveys of border crossers at San Ysidro, Otay Mesa, and Tecate
- Estimated incremental impacts for both sides of the border
- Panel of experts and stakeholders provided oversight

Economic Impact of Wait Times: San Diego Region

At today's level of waits (45' average)

- More than 8 million trips lost
- \$1.28 billion potential revenues lost
- 3 million potential working hours and \$42 million in wages lost
- Output Loss: Between \$2 billion and \$2.5 billion (total economic impact)
- Job Loss: Between 28,000 and 35,000 jobs

Economic Impact of Wait Times: Baja California

At today's level of waits (45' average)

- More than 2 million trips lost
- \$120 million potential revenues lost
- More than 500,000 potential working hours and \$10 million in wages lost
- Output Loss: Between \$100 million and \$230 million (total economic impact)
- Job Loss: Between 800 and 1,900 jobs

Combined Regional Economic Impacts

(San Diego County & Baja California)

Impact Category	Total Annual Impact
Output (millions of U.S. dollars)	-\$2,428
Labor Income (millions of U.S. dollars)	-\$1,018
Employment (FTE jobs)	-32,821

Mean Expected Outcomes

What happens if wait times increase by 15 minutes?

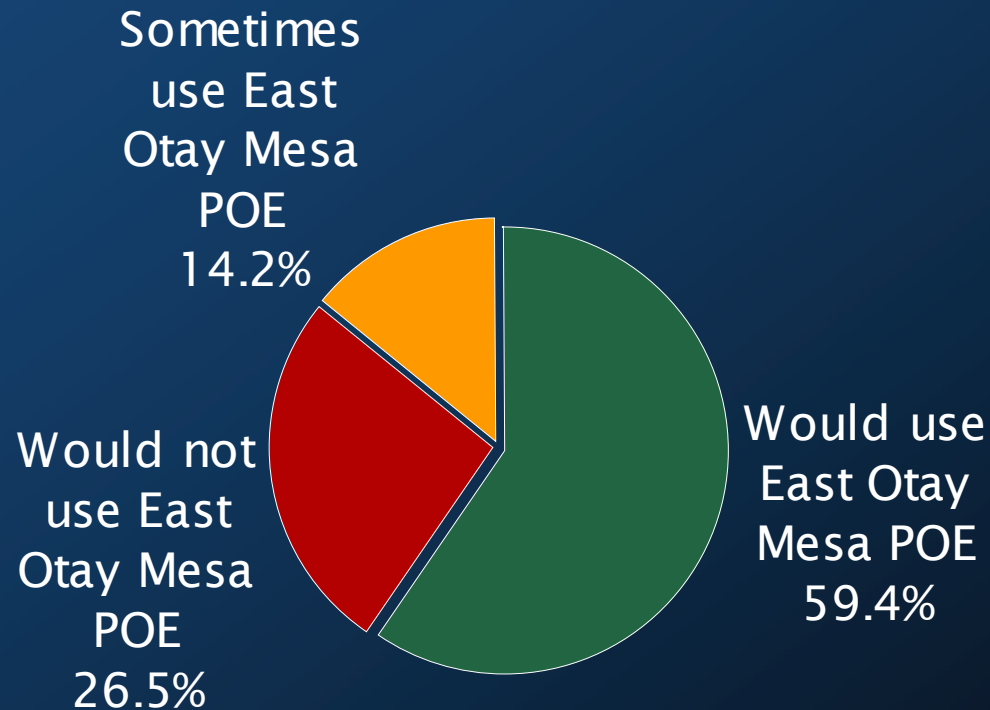
➤ Additional annual impacts on both sides of the border:

- \$1 billion loss in output
(Total \$3.4 billion)
- 13,400 jobs lost
(Total 46,200 jobs)

Conclusions

- Impacts from current wait times affect both sides of the border
 - \$2.4 billion loss in output
 - 32,800 jobs lost
- A 15-minute increase in waits would result in additional combined losses:
 - \$1 billion loss in output
(Total \$3.4 billion)
 - 13,400 jobs lost
(Total 46,200 jobs)
- Findings provide much needed data for policy makers

Willingness to Pay \$3 at Proposed East Otay Mesa POE



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