



April 7, 2009

**Tariffs and Market Access Section (Containers),
International Trade Policy Division, Department of Finance,
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By e-mail to: tariff-tarif@fin.gc.ca (email).

Subject: Response to the *proposed changes to the treatment of temporarily imported cargo containers under the Customs Tariff.*

The Canadian International Freight Forwarders Association (CIFFA) represents some 225 Regular Member freight forwarding firms from the largest of global multi-nationals to small and medium sized Canadian companies. As a vital component of Canada's global supply chain, CIFFA member companies facilitate the movement of goods around the world. We provide a vital link in Canada's global supply chains, enhancing trade capabilities and assisting importers and exporters— retail, commercial, and industrial in the delivery of competitive solutions.

Based on the background information provided by the government of Canada, the information contained in the Canadian Customs Tariff, specifically tariff subheading 9801.10 in the Schedule to the Customs Tariff that relates to containers and the provisions respecting the domestic use of temporarily imported cargo containers for purposes of customs duties and the goods and services tax / harmonized sales tax (GST/HST), the Canadian International Freight Forwarders is in agreement with the legislative changes being considered. In the interest of improving the efficiency of Canada's transportation network and facilitating trade, CIFFA supports rapid adoption of the change.

CIFFA believes that this proposed change will better align our Canadian transportation network with that of our neighbour – the United States. These changes would also comply with the International Maritime organization agreement that Canada signed allowing empty containers to remain at least 90 days instead of the maximum 30 days currently permitted.

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It is also CIFFA's belief that these proposed changes would alleviate or even remove additional costs of 'exporting empty containers' to meet the existing 30 day timeframes. The proposed change will considerably reduce the costs associated with managing empty container inventories, movement of empties and loading up vessels with these empty containers simply to meet the existing 30 day requirement for exportation; costs that are most certainly borne ultimately by Canadian exporters. The proposed changes will also make it more enticing and financially feasible for carriers to position containers inland – i.e. in Western Canada and so better service this important market.

CIFFA recommends that the proposed changes be adopted. The container carriers and the transportation industry as a whole will be better served with the changes as outlined in the *Canada Gazette, Part I*, published February 7, 2009

Sincerely yours,
CIFFA



H. Ruth Snowden
Executive Director

HRS/lh