



July 15, 2008

Ms. Greta Bossenmaier,
Executive Vice-President,
Canada Border Services Agency

By e-mail to: greta.bossenmaier@cbsa-asfc.gc.ca

Subject: CBSA Testing of Ocean Containers for Formaldehyde

Dear Ms. Bossenmaier:

The undersigned associations represent a concerned segment of the Canadian international trade community and we feel obligated to impress upon you the serious negative consequences of recent actions taken by the CBSA.

The introduction of testing for formaldehyde on containers identified for inspection by the CBSA on June 12, 2008 has caused, and continues to cause, serious harm to the entire importing and exporting community. There are several issues which we have identified as contributing to the problem.

1. The CBSA introduced this test for formaldehyde without notification to the community. No communications were sent to the importers, carriers, ports or international freight forwarders that the testing protocols were being changed.
2. There has been no communication as to the reason behind this increased testing, validation of 'positive test levels' or additional resources required to manage this increased testing.
3. There is no apparent reason for the Health Canada 'safe levels' of .15ppm. The containers which are testing positive have not been 'fumigated' at origin and do not bear 'fumigation' marks and so cannot have abnormally high levels of formaldehyde due to fumigation.
4. Increased testing and the new need for container ventilation have stressed examination facilities' capabilities by tying up equipment, creating massive backlogs and severely frustrating human resources.

Confusion and misinformation reign; due primarily to the uncertainty now introduced into the inbound flow of goods. Neither carrier, freight forwarder, customs broker, nor cartage company can provide accurate information to the importer as to when an identified container will be inspected (backlogs are now more than eight days in Halifax, ten days in Vancouver and fourteen days in Prince Rupert). Once a container is entered into the examination warehouse, because the 'test

positive' rate is so high – upwards of 95% in many inspection facilities, and because the CBSA is not adequately resourced to handle proper ventilation, we are experiencing additional delays of up to three weeks.

Canadian import capabilities are being severely compromised. Canadian importers are facing cancelled orders, back-to-school goods are not reaching the retail shelves on time, late project and construction materials are crating fines and delays, administration and tracking expenses are skyrocketing. Canadian export containers identified for inspection by the CBSA have also been delayed – in one instance by five sailing rotations -- severely compromising Canada's export capabilities.

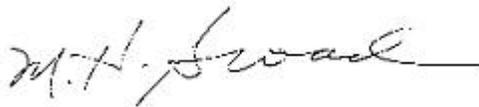
The impact of this testing for formaldehyde at the current 'safe levels' will have a dramatic, negative effect on the Canadian economy and on Canada's competitiveness. We respectfully ask the CBSA to review and rescind the decision to test for formaldehyde.

We ask you to address this issue with the greatest possible speed and with the highest level of authority.

Sincerely,



The Canadian International Freight Forwarders Association
Ms. H. Ruth Snowden, Executive Director



The Shipping Federation of Canada
Michael Broad, President



i e Canada, Canadian Association of Importers and Exporters
Ms. Mary Anderson, President

RS/mm