



## NEWS RELEASE

For Immediate Release

October 28, 2009

### **Government of Canada moves to eliminate vessel import duty**

The federal government has made a significant step towards elimination of the duty currently applied to commercial vessels imported into Canada under the Customs Tariff Act.

Published in Canada Gazette Part I on October 24, 2009, the Department of Finance proposes that a duty remission standing order be applied on all applications for duty remission for all tankers, bulkers, unloaders and cargo vessels greater than 129 meters in length that are imported into Canada on or after January 1, 2010.

Although the capacity has always existed for the Minister of Finance to grant remission on any imported vessel under Section 115 of the Customs Tariff Act, there has never been a formal policy framework on which to approve remission of duty for commercial bulk and cargo vessels. The government's intention in Saturday's announcement, therefore, is to obtain public input towards formulation of this policy standing order which would be exercised through the Minister's discretionary powers contained within Section 115. Public input will be accepted up until December 11, 2009.

"The Chamber of Marine Commerce has been very active on this file, particularly over the past six months," noted Chamber President Ray Johnston. Continuing, Johnston added, "The Chamber believes this is a very favourable step the government is taking and expects the proposed change will be well received by industry stakeholders."

The Chamber also pointed out that the Canada Gazette I represents the government's regulatory intentions and that actual policy or regulatory implementation only occurs once changes are published in Canada Gazette II, which would occur after December 11. The Chamber, therefore, encourages members to submit comments on this proposal between now and December 11 and would be happy to assist with content.

Submissions should be sent to the following address:

Vessels Remission, Tariffs and Market Access, International Trade Policy Division, Department of Finance, 140 O'Connor Street, 14th Floor, East Tower, Ottawa, Ontario K1A 0G5, 613-992-6761 (fax), [tariff-tarif@fin.gc.ca](mailto:tariff-tarif@fin.gc.ca) (email).

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