



Mr. Peter Brain
President, Frontier Duty Free Association
116 Lisgar Street, Suite 402
Ottawa, Ontario
K2P0C2

Mr. Brain:

Thank you for your email of May 19, 2016, and for the attached letter prepared by your Executive Director, Ms. Laurie Karson, in which the Frontier Duty Free Association (FDFA) has provided information on further developments with regards to the Buffalo and Fort Erie Public Bridge Authority's Request for Proposal. As mentioned in previous correspondences, I appreciate the importance of this matter to the Duty Free Shop industry.

The Canada Border Services Agency confirms that the Minister of Public Safety and Emergency Preparedness (Minister) will appropriately exercise his authority pursuant to the *Customs Act* and the *Duty Free Shop Regulations*; however, it is important to note that policies are only one of the factors that the Minister must consider in exercising his discretion under the regulations and in rendering any decisions.

With regards to the FDFA's request to not cancel the licence immediately should the lease expire, the CBSA cannot fetter the Minister's discretion, conferred upon him by the *Duty Free Shop Regulations* at this time; however, the information that you have brought to our attention will be duly considered. The CBSA will continue to monitor this situation, consider all new information and take the appropriate course of action based on the facts at hand.

While the CBSA welcomes any new information that the FDFA would like to bring to our attention related to this matter, Mrs. Karson's letter fully articulated the concerns of Industry. Therefore, I do not believe that a further meeting is required at this time. As stated above, the CBSA will continue to monitor the developments and ensure the appropriate application of the related legislative and regulatory provisions.

Sincerely,

Martin Bolduc
Vice-President
Programs Branch

C.c.: Laurie D. Karson, Executive Director, Frontier Duty Free Association
Brent McRoberts, Director General, Trade & Anti-Dumping Programs Directorate