



PRESS RELEASE

CANADIAN INTERNATIONAL TRADE TRIBUNAL ISSUES DETERMINATION IN PROCUREMENT COMPLAINT BY CANADIAN NORTH

Ottawa, Ontario, February 6, 2007 - The Canadian International Trade Tribunal issued a determination following its inquiry into a complaint by Canadian North Inc. (Canadian North), of Yellowknife, Northwest Territories, concerning a procurement by the Department of Indian Affairs and Northern Development (DIAND). The Tribunal found that evaluation criteria not disclosed in the tender documents were used in the evaluation of proposals and, therefore, determined that the complaint was valid.

Accordingly, the Tribunal recommended that DIAND commence a new procurement for the conveyance of food mail as expeditiously as possible. The Tribunal also recommended that Canadian North be compensated by an amount equal to 60 percent of the profit that it would reasonably have earned from the date on which the current contract was entered into by Canada Post Corporation (Canada Post) and Bradley Air Services (First Air). If no new contract is entered into, Canadian North should be compensated in the amount of 60 percent of its reasonable lost profits for the duration of the contract between Canada Post and First Air.

The solicitation was for air transportation in relation to the execution of the Food Mail Program in Canada's North. Food Mail is a Government of Canada program that pays part of the cost of shipping nutritious perishable food and other essential items by air to isolated northern communities. DIAND manages the program and provides funding to Canada Post to cover part of the cost of transporting eligible items pursuant to an agreement between the two organizations. Canada Post contracts for air carrier services to carry out the program in accordance with the agreement.

The Tribunal is an independent quasi-judicial body that reports to Parliament through the Minister of Finance. It hears cases on dumped and subsidized imports, safeguard complaints, complaints about federal government procurement and appeals of customs and excise tax rulings. When requested by the federal government, the Tribunal also provides advice on other economic, trade and tariff matters.

For more information, contact:

Hélène Nadeau
Secretary

Telephone: 613-949-2309

E-mail: secretary@citt-tcce.gc.ca