

## DONATION, ABANDONMENT OR DESTRUCTION

(3) *Note 100, Part II, Para. 3, Sub-para (b)*

This sub-paragraph states that property which upon physical inspection is judged to be of a type or in a condition which would make economical disposal by CADC impractical may be rejected and returned to the United States Reporting Agency which may dispose of such property by abandonment, donation or sale under conditions to be agreed upon by CADC and the U.S. Reporting Agency or may make other disposition not conflicting with Canadian public interest.

The application of this sub-paragraph is applied by CADC under agreement with the U.S. Reporting Agencies in the following manner:

- (a) Whenever excess property is accepted but cannot be disposed of by CADC by sale or otherwise, then the property is returned to the U.S. Reporting Agencies for disposal by destruction, abandonment, sale or donation, subject to (c) below.
- (b) Whenever CADC rejects declared excess property then the U.S. Reporting Agency will be authorized to dispose of such property in the same manner as (a) above.
- (c) When the U.S. Reporting Agencies can dispose of returned or rejected property (referred to in (a) and (b) above by sale or donation then such property will be re-declared to CADC and accepted. CADC will then effect sale or donation of the excess property in accordance with the terms of Note 100.
- (d) When CADC rejects or returns declared excess property the report is endorsed as follows:

"Rejected for Disposal by Sales action by CADC owing to isolated location. May be returned to the U.S.A., moved to an accessible disposal location in Canada, totally destroyed and buried or drowned at the discretion of the U.S. Declaring Agency, but not abandoned at Canadian Sites. Donations are not permitted unless first being cleared through Canadian Customs".

CADC is required under Note 100 to dispose of U.S. property in Canada regardless of condition and when declarations are received for equipment or materials that have been either used or stored without protection from the elements for a period from ten to fifteen years or more, the majority of such property has been reduced to a scrap condition and sold as such. A great deal of equipment and material has been reported at isolated locations from which the cost of transportation to salvage or scrap markets by a purchaser exceeds any indicated resale value. In these instances CADC authorizes the U.S. Reporting Agency to destroy, bury or drown the property but only in very few instances is abandonment approved. The reason abandonment is seldom approved is due to the undesirability of permitting U.S. Reporting Agencies to create dumps of abandoned U.S. property on Canadian territory that has not been entered into Canada under Canadian customs regulations.