



March 21, 2009 Perhaps Health Canada should review UFFI ban

Over the last 18 months, approximately 700 older homes in Ontario have been insulated with a product containing urea formaldehyde foam insulation, or UFFI.

The problem is that the use of UFFI has been illegal in Canada since it was banned in December 1980 under the Hazardous Products Act.

Once Health Canada became aware of the recent problem, it issued an advisory informing consumers that RetroFoam of Canada Inc. imported and illegally sold a urea formaldehydebased thermal insulation under the name RetroFoam.

Health Canada also issued a "cease and desist" letter to RetroFoam of Canada Incorporated, the Canadian importer of the insulation, to stop all importation and sale of the product in Canada. Health Canada also instructed Enerliv, the Canadian distributor of RetroFoam, to stop all sale, advertisement and further installations of the product and to call back any unused product.

In addition, RetroFoam, RetroFoam of Canada Inc., and Enerliv were placed on Canada Border Service Agency's automated system target list to prevent any future importation of this product. As a result of Health Canada's actions, RetroFoam is no longer available for sale or installation in Canada.

RetroFoam of Canada Inc. is responsible for ensuring that the products they import, sell or advertise meet the requirements of the Hazardous Products Act and its regulations. Health Canada issued a statement saying it is currently reviewing its legal options.

Urea formaldehyde insulation is prohibited in Canada because it may release formaldehyde gas into indoor air. Health Canada is taking further regulatory action to protect the health and safety of homeowners who have had RetroFoam installed in their homes by supporting them in having their indoor air quality tested.

Health Canada will be communicating directly with homeowners to provide further details on how they can obtain government support for having their indoor air quality tested.

Meanwhile, the Windsor, Ont., law firm of Sutts, Strosberg LLP, is planning a class action against the distributors of the insulation. At issue in the case is not whether RetroFoam is safe, but whether its now sullied reputation will drive down the price of people's homes. UFFI insulation in a home may stigmatize the house and drive down its value even if there is no evidence that the product is dangerous.

The planned litigation lays blame with Enerliv, RetroFoam Canada and the federal Department of Natural Resources. The law firm says the government issued an implied endorsement of RetroFoam when the product met the criteria for its Eco-Energy program, which offers homeowners rebates for improving a house's energy efficiency.

None of the allegations has yet been proven in court.

Sutts, Strosberg has set up a website, retrofoamclassaction.com, for people to register to be part of the suit.

RetroFoam Canada has set up its own information website at retrofoamcanada.com.

The real problem with UFFI is that there is no scientific evidence that its presence in a house is dangerous. In a detailed study published on carsondunlop.com, veteran home inspector Alan Carson of Carson, Dunlop & Associates Ltd., and John Caverly, of Building Inspection Consultants & Associates, conclude that urea formaldehyde foam insulation has not been shown to be a health concern.

"We believe that those who have urea formaldehyde foam insulation in their homes should enjoy their houses, and sleep well at night," the report says. "UFFI is simply not the problem it was once feared to be."

In 1995, a test case against UFFI manufacturers reached the Quebec Court of Appeal after a marathon eight-year trial. In a massive 216,000-word judgment, the court ruled there was no basis for fear of health risks and no justification for removing UFFI. Maybe it's time for Health Canada to review its ban on this insulation.

Bob Aaron is a Toronto real estate lawyer. www.aaron.ca ©Aaron & Aaron. All Rights Reserved.