

### Import Levy Order

Following several revisions, a draft of the import levy was sent to Justice Canada's jurilinguist on July 30, 2021 for a final review. Viewed through a legal lens, the jurilinguist ensures that both the French and English versions of the order are correctly translated.

When the review is completed, the pork agency's Board of Directors will be asked to approve a final version. It will then be submitted to Justice Canada for "blue stamping". Blue-stamp is the name given to the stamp placed on draft regulations (levy order) by the Regulations Section of the Department of Justice. The stamp signifies that the draft regulation has been examined by Justice Canada as required by the Statutory Instrument Act.

Farm Products Council of Canada (FPCC) will then consider the levy order, business plan and budget. Once FPCC approval is obtained, the pork agency will send the package to the Privy Council Office (PCO) for registration and publishing in the Canada Gazette.

- It may take until October 8th to complete the process:
  - July 30, 2021: Draft levy order resubmitted to Justice Canada jurilinguist.
  - August 27, 2021: PPRA Board approves the Levy order and FPCC sends it to be blue-stamped by Justice Canada.
  - September 17, 2021: The FPCC approves the levy order, first year budget and estimate of levy revenue.
  - September 24: FPCC returns the approved documents (including blue-stamped levy order) to the PPRA for the chair's signature. The PPRA sends the signed documents to the PCO.
  - October 8, 2021: PCO arranges for the levy order to be published in Canada Gazette Part II. The order comes into effect upon registration.

If a federal election is called, the government will enter a "caretaker mode." During the caretaker period the Government will confine itself to necessary public business. It will also avoid binding future governments to the extent possible.

Following the election of a new government there is typically a delay until normal operations are resumed. This provides the government with time to clarify its priorities. Given this, registration of the import levy could be delayed until early 2022.

### **Pork Import Levy Collection Agreement with Beef Agency Concluded**

The Pork Import Levy Collection Agreement with the Beef Agency outlines the role the Beef Agency will play in the collection of the levy on behalf of the PPRA as well as the terms of their compensation and duration of the contract.

The agreement has been signed by Melinda German, General Manager of the Beef Checkoff Agency and Scott Dingwell, Chair of the Pork Promotion-Research Agency.

### **Provincial Agreements**

Each provincial pork association is established under provincial legislation. Each association has authority under its provincial regulations similar to the PPRA's federal authority under the Farm Products Agency Act.

Like the PPRA, provincial pork organizations spend funds to promote the marketing and production of pigs and pork products and promote research activities related to those farm products.

The Pork Promotion Research Agreement is a formal agreement between each individual provincial pork organization and the PPRA. It defines the formal relationship (roles and responsibilities) between the provincial association and the pork agency.

The agreements ensure the PPRA has the information required to demonstrate that Canada has met its national treatment obligations under the World Trade Organization agreement. "National Treatment" refers to the requirement that import products are not treated differently than domestic products.

Adrienne Waller, PPRA's legal counsel, has finalized the draft agreements and sent them to each organization for approval. The intent is to have this file completed by September 1, 2021.

### **GST Beef and Pork Joint Ruling Application**

The request to the Canada Revenue Agency (CRA) for a ruling regarding the applicability of the goods and services/harmonized sales tax to the import levy has been finalized.

Scott Dingwell arranged for the joint beef and pork application to be submitted through the Halifax CRA office on July 28, 2021. The optimistic timeline for a decision is approximately eight weeks.

### **Importers Communication Package**

Effective communication with importers is a key to the Agency's success. Therefore, an importers communication package is being developed to ensure that importers have a full understanding of the Agency's purpose, legitimacy, and operations.

A draft of the package has been shared with the Beef Agency as well as some members of the import community for comment.

One issue raised was the need to understand where the import levy funds will be spent. The PPRA Board will be considering this issue over the September - December period. The Board is expected to meet with Canada Pork and Swine Innovation Porc in September.

A webinar targeting the import community will be scheduled for September. The intent is to begin a dialogue with the import community about the agency and its objectives.