



2018FIN478609

OCT 26 2018

The Honourable Kevin Sorenson, P.C., M.P.
Chair
Standing Committee on Public Accounts
House of Commons
Ottawa, ON K1A 0A6

Dear Mr. Sorenson:

I am writing to respond to a recommendation implicating the Department of Finance in the 34th Report of the Standing Committee on Public Accounts (PACP), entitled: *Report 2, Customs Duties, from the 2017 Spring Reports of the Auditor General of Canada – Part I*, tabled on December 13, 2017.

In the report, the Committee recommends:

- a) *That, by 30 September 2018, the Canada Border Services Agency present to the House of Commons Standing Committee on Public Accounts an interim report providing an update on the consultations about making import licences renewable and requiring a deposit when at-risk goods are imported; and*
- b) *That, if no changes are made in these areas, by 30 October 2018, the Department of Finance Canada present to the House of Commons Standing Committee on Public Accounts a report outlining the reasons for this decision.*

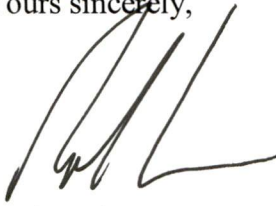
It is our understanding that the Canada Border Services Agency (CBSA) has issued its response to the PACP on part a) of this recommendation. As noted in the CBSA's

response, the Department of Finance has received views from the CBSA on making import licences renewable and potential options to strengthen financial controls.

As the Duties Relief Program is legislated under the *Customs Tariff*, we will continue to work with the CBSA as potential options are being considered and next steps are determined, noting that any resulting administrative or enforcement changes would be made under the *Customs Act*, which is under the purview of the Minister of Public Safety and Emergency Preparedness.

I would like to once again thank the Committee members for their work in preparing this report.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Paul Rochon', written in a cursive style.

Paul Rochon