

High Commission of Canada



Haut-commissariat du Canada

Commonwealth Avenue  
Canberra ACT 2600

26 February 2008

Mr. Gary Banks AO  
Chairman  
Pigmeat Safeguard Inquiry  
Productivity Commission  
Locked Bag 2  
Collins Street East  
Melbourne Vic 8003

Dear Mr. Banks:

This is further to the Productivity Commission's request for submissions following its December 20, 2007 accelerated report with respect to its pigmeat safeguard inquiry. Canada welcomes the Productivity Commission's preliminary finding as published in the accelerated report.

Canada wishes to take this opportunity to reiterate its view that, in line with the Commission's preliminary finding, increased imports are not the primary cause of serious injury to the Australian pigmeat industry and therefore, as expressed in Canada's formal submissions to the Commission, there is no basis for taking safeguard action against imports with respect to pigmeat.

It also remains Canada's view that the definition of "domestic industry" put forward in the Commission's accelerated report remains too broad. Imports of frozen de-boned pork falling under HS code 0203.29 are destined primarily for the Australian smallgoods sector. It is Canada's view that extending the definition of the domestic industry to include growers and feeders of live pigs, regardless of the level of industry integration, runs contrary to the principles of the *Agreement on Safeguards* and previous determinations in similar cases such as *US - Lamb*, given that growers and feeders of live pigs produce carcasses that are destined for other market segments. We would ask that the Commission carefully consider the implications of its definition of the "domestic industry" and circumscribe the definition in making its final determination.

Canada 

I hope this information may assist the Productivity Commission in preparing its final report on the pigmeat safeguards inquiry. Should you require further information, please do not hesitate to contact us again.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Michael Leir', with a stylized flourish at the end.

Michael Leir  
High Commissioner