



**Chapter 12**

**Shell Egg - Cost Recovery**

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**12.1 OBJECTIVE OF ACTIVITY**

Sharing costs with industry helps the CFIA meet its fiscal obligations by fairly charging clients who benefit from services provided under the shell egg inspection program. This approach is consistent with the Agency's goal of meeting budgetary allocations while maintaining a sound food inspection system. Charging industry for government services encourages clients to reexamine their service needs and limit their requests to essential services only.

**12.2 REFERENCES**

[Egg Regulations](#)

[Canadian Food Inspection Agency Fees Notice - Egg Fees](#)

[Overtime Inspection Services Fee Schedule](#)

[Egg Inspection Fee Schedule \(Internal\)](#)

[Fee-Schedule - Overtime Services \(Internal\)](#)

**12.3 REQUIRED FORMS**

Canadian Food Inspection Agency Invoice (CFIA/ACIA 0527) - Completed with Stand Alone Electronic Invoicing system (STEL)

**12.4 ACTIVITIES THAT INCUR COST RECOVERY FEES****12.4.1 INSPECTION OF REGISTERED EGG STATIONS**

The CFIA charges an annual fee for inspection services in registered egg stations. This fee covers the regular plant and product inspections conducted under the present system. The fee structure is based on the establishment's average weekly grading volume for the previous calendar year.

When an inspector is required to visit an egg station more often than the regular frequency (for example, to follow-up on a high wash water count, or to release a detained product), a re-inspection fee will usually apply (see Re-inspection Fee section below).

**12.4.2 IMPORT INSPECTION**

CFIA's Import Service Centres charge a fee for each import shipment of shell eggs. The fee differs for imported eggs destined for the table market and those destined for the processing industry as breaking stock. Invoicing for imports is done by the Import Service Centre.

**12.4.3 EXPORT INSPECTION**

Eggs that are to be exported out of Canada must be accompanied by a Certificate of Inspection, signed and issued by an inspector. The CFIA charges an hourly fee for the export inspection of eggs.

**12.4.4 REQUEST FOR INSPECTION AND CERTIFICATION**

The CFIA charges an hourly fee for the certification of eggs inspected on request. Time is calculated based on the actual time to the nearest quarter of an hour, not including travelling time.

**12.4.5 PRE-GRADE INSPECTION**

Where there is a request for a pre-grade inspection, the pre-grade inspection fee will be charged. Requests would normally be received following a failure during a regular inspection.

#### 12.4.6 PLANS AND SPECIFICATIONS (BLUEPRINT) REVIEW

There is an hourly fee for the CFIA review of blueprints submitted by individual operators to assess compliance with federal registration requirements. If several CFIA staff members examine a blueprint, only the time of the person who makes the final decision is charged. Time is calculated based on the actual time to the nearest quarter of an hour, not including traveling time.

#### 12.4.7 RE-INSPECTION FEE

The re-inspection fee is to be applied when CFIA inspectors are required to visit an egg station more often than regular frequency; spending extra time, over and above their regular work, to ensure that a contravention of the *Egg Regulations* has been corrected. Time is calculated based on the actual time to the nearest quarter of an hour, not including travelling time. Common examples of when a re-inspection fee may apply are:

- When there is a product release from detention, the time it takes to carry out the release and thus ensure that the contravention has been corrected, will be charged to the station. The inspector may be at the plant doing other duties or called back specifically to conduct the release, but in either case, the actual time for the release is to be charged.
- When a wash water follow-up is required, a standard 1 hour charge will be applied, since the time spent is over and above that required to conduct the regular duties for that inspection. This will allow time for the inspector to prepare the sample cups, take the samples, pack the samples for shipment to the lab and complete the necessary paperwork. Time may also be spent reviewing the plant's sanitation program for the egg washer, but unless it is very involved, this time would normally be included in the 1 hour charge.
- When an environmental follow-up is required at an egg station, the actual time taken to perform this follow-up is to be charged. This includes the time to select the sites, swab the sites, package the swabs for shipment to the lab and complete necessary paperwork.
- When an egg station falls into a "B" rating, the extra inspection time spent at the station as a result of this rating is to be charged.

#### 12.4.8 OVERTIME

When overtime is requested or required to perform an activity, an overtime fee will apply. Time is calculated based on the actual time to the nearest quarter of an hour, not including travelling time. There are occasions when inspectors are requested to be on stand-by. A flat rate is charged per 8 hour period. For information on overtime fees and codes, please see the Fees section below.

### 12.5 FEES

The authority to charge fees falls under the *Canadian Food Inspection Agency Act*. From time to time, the Agency may review fees and services with affected industry groups, for the charges identified in the [Egg Fees Notice](#). For inspection staff, the list of all cost recovery egg commodity codes and overtime codes with their associated fee rates are available at the following in the [Egg Inspection Fee Schedule](#) (internal) and the [Fee-Schedule - Overtime Services](#) (internal), respectively.

**12.6**      **INVOICING**

Invoicing is currently carried out using *Invoice* (CFIA/ACIA 0527). Inspectors are to complete this form using the Stand Alone Electronic Invoicing system (STEL). To access this program go to:

Start ⇒ All Programs ⇒ CFIA Applications ⇒ Stand Alone Electronic Invoicing (STEL)

New users may be required to submit a *Request for Systems Access* form (CFIA/ACIA 5190) through their supervisor in order to gain access to the system. This form can be found in Desktop eForms.

**12.7**      **METHODS OF PAYMENT**

All fees are subject to applicable taxes (HST in NB, NS, and NL; QST in Quebec; GST in all other provinces). Payment can be made in the form of cash, cheque, or credit card (Visa & MasterCard). Credit account privileges may be used if the client has an account in good standing; program regulations allow for payment to be put on account.

Where the annual fee for registered egg stations is more than \$300, 25 percent will be payable in April, with the balance payable in three equal instalments within the remainder of the Agency's fiscal year. Alternately, operators may opt to pay the total annual fee in April.

Annual fees of \$300 or less will be payable in full on receipt of an invoice in April; quarterly payments are not an option.

**12.8**      **NATIONAL ACCOUNTS RECEIVABLE CENTRE (NARC) REFERENCES**

The National Accounts Receivable Service Centre is responsible for:

1. Monitoring and control of invoicing and the related systems used by operational staff.
2. Granting of credit and the management of receivables for the agency's cost recovery initiatives.
3. Collection of outstanding debt and determination of allowances for doubtful accounts.
4. Management of a 1-800 line for external client inquiries regarding invoices issued under agency cost recovery initiatives.
5. Control of revenue collected and deposited at financial institutions.
6. Recovery of monies owed from other government departments.
7. Management of the Sales and Distributions and Accounts Receivable Modules in Saturn.
8. Development of Agency policies and procedures for revenue management.
9. Ongoing studies to improve the Revenue Management cycle.
10. Providing counsel in all areas of revenue management.
11. Preparation of reports for managers and central agencies.
12. Participation at central agency committees.