

Tracking Federal Regulatory Initiatives

Regulatory Affairs

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Circulate to:	HIGHLIGHTS
1.	Proposed Regulations
2.	Restrictions on imports of beef products and the feeding of ruminant-derived products to ruminants proposed, to protect against "Mad Cow" disease. . . 1-2
3.	Changes in salmon gill nets for west coast fishery proposed. 3-4
4.	Three of five new tobacco regulations under Bill C-71 proposed 4-6
	Ministerial Orders, approved
5.	Pension protection for certain HRDC employees leaving federal PS under labour market development devolution to provinces approved. 6

Proposed Regulations for Pre-Publication in Part I, Canada Gazette	Statutory Authority & Regulatory Plan Listing
<p>Ruminant Ingredient Feed Ban (I.D. No. 96024)</p> <p>This proposed regulatory amendment, designed to protect Canadians from bovine spongiform encephalopathy (BSE), prohibits anyone from feeding to ruminant animals, material that originated from a ruminant (cattle, sheep, goats, deer, bison, llamas, etc.) or a mink.</p> <p>This regulatory amendment would require that imported cooked, canned meat and cooked, canned meat by-products originate from countries that are free of BSE, or when standards are agreed to, that they have been treated to destroy the disease agent.</p> <p>More specifically, the importation of canned bovine (beef) meat products would be prohibited from the U.K., Ireland, France, Portugal, and Switzerland. During the past two years, only a small volume of such product has been imported into Canada with a value of approximately \$340,000.00.</p> <p>The amendment also would ban the use of ingredients of ruminant and mink origin, with the exception of milk, blood, gelatin, rendered fats and their products (the exempted products pose no known risk for the transmission of BSE).</p>	<p><i>Health of Animals Act, S. C. 1 990, c. 21</i></p> <p>Not included in Regulatory Plan</p> <p>To be published in Canada Gazette March 29, 1997</p>

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Proposed Regulations

for Pre-Publication in Part I, Canada Gazette

Statutory Authority
&
Regulatory Plan Listing

The amendment also revokes section 41.1(1)(b). This means that canned meat will no longer be exempted from the import requirements of the Health of Animals Regulations. Canned meat will not be allowed to enter Canada from countries that are not recognized as being free of bovine spongiform encephalopathy (BSE).

The regulation requires renderers, feed manufacturers, and importers to state on the labels of livestock and poultry feed whether it contains material of ruminant origin and whether it can be fed to ruminants. It includes specific requirements for rendering plant operators and importers of rendered material, as well as those involved in the manufacture, importation and sale of livestock feed and feed ingredients.

More specifically, the proposed amendment requires rendering plants in Canada to operate under the conditions of a permit issued under the Health of Animals Regulations and stipulates that labels must identify if rendered products contain prohibited material from ruminants or mink. Similar controls are placed on the importation of rendered material.

Manufacturers must state on the labels of livestock and poultry feed whether or not it contains material of ruminant origin. Renderers and feed manufacturers will also be required to keep records of both the content of feeds and the purchasers.

Specific regulatory requirements are outlined for rendering plant operators and importers of rendered material as well as those involved in the manufacture, importation, and sale of livestock feed and feed ingredients.

The Government intends to discuss, at a later date, the issue of cost recovery fee relating to the above regulatory activities.

The incorporation of rendered ruminant protein from BSE-infected cattle into cattle feed is considered the means by which the BSE epidemic spread in the United Kingdom (U.K.). The export of infected cattle feed from the U.K. to Europe is also thought to have been responsible for the introduction of BSE to other European countries such as Switzerland, which has reported 225 cases, none of which are in imported cattle.

The proposals are in response to steps being taken by Canada's major trading partners implementing similar legislation, in particular the issue of a proposed rule by the U.S. Food and Drug Administration on January 3, 1997. This rule proposes to ban the feeding of animal protein derived from ruminant and mink tissues to ruminants and could be implemented by spring 1997. The Government is concerned that if Canada does not have similar legislation in place, major trade disruptions in the movement of commodities of ruminant origin could result.

The U.S. accounts for virtually all Canadian exports of slaughter animals and beef. Exports to the rest of the world, mostly high-quality beef, averaged only about 6,000 tonnes over this period. Canada's imports of low-quality beef used mainly in manufacturing originated in Oceania (96,000 tonnes). High-quality beef imported into eastern Canada came largely from the U.S. (85,000 tonnes). On average, Canadian imports of beef have been slightly higher than its beef exports. The expansion in slaughter capacity in Alberta is expected to further reduce exports of slaughter animals and substantially increase exports of beef.

Contact: Dr. G. Clarke, Meat and Poultry Products Division, Food Production and Inspection Branch, Agriculture and AgriFood Canada, 59 Camelot Court, Nepean, Ontario, K1A 0Y9. Tel: 613-952-8000.

Proposed Regulations

for Pre-Publication in Part I, Canada Gazette

Statutory Authority & Regulatory Plan Listing

Pacific Fishery Regulations, 1993, amendment

The proposed amendment would revoke the regulation requiring a minimum of 30 strands, each of which was equal in diameter, in the twine of a salmon gill net.

Instead, it would regulate the type of twine permitted in these nets as a condition of the salmon fishing licence. The advantage of this alternative regulatory instrument is that it will allow the most appropriate type of net to be prescribed for the different salmon fishing areas. Further, this amendment will permit fishers to have the appropriate gill net on board a commercial salmon fishing vessel at any time.

Currently there are five distinct area licences for fishing for salmon by gill net gear: Salmon Area C (waters off the Central and North Coast of British Columbia); Salmon Area D (Johnstone Strait and waters off the West Coast of Vancouver Island); Salmon Area E (Fraser River and Juan de Fuca Strait); the Stikine River; and the Taku River, (both rivers in Northern British Columbia).

For the 1997 fishing season, gill nets with a minimum of 6 strands, of which each strand is a minimum of 0.20 mm in diameter, would be permitted in the waters of the Taku and Stikine Rivers and in those waters approaching the Skeena River (management areas 1, 3, 4 and 5 and Subarea 101-7) which comprise a portion of Salmon Area C. This type of gill net is known in the industry as the "Alaska twist". Gill nets with 30 or more equal diameter strands in the twine would also continue to be permitted in these waters.

The remainder of Salmon Area C and Salmon Area E will most likely be restricted to using the type of twine used in previous years. Discussions are currently being held to decide whether or not "Alaska twist" mesh will be permitted in a portion of Salmon Area D.

In previous years, sockeye salmon openings were restricted at times to allow the proper escapement of other species. This resulted in excess sockeye entering the Skeena River and the Taku and Stikine Rivers in many years. Extensive studies in 1996 on the Skeena River found the 6-strand net to be more selective in catching sockeye salmon, the target species, and in allowing steelhead, a species the Department is trying to protect, to escape to the river to spawn. This is an important finding as there has been a continuing inability to catch the desired amount of sockeye by commercial gill nets in the Stikine and Taku Rivers and in the approach waters to the Skeena River due to mixing of sockeye and steelhead in these fishing areas.

One of the benefits of area licensing in the salmon fishery is that it allows for management schemes for local areas to be developed in consultation with fishers in that area and set out in their licence conditions.

There will be no cost to fishers who decide to continue using the 30 strand net as these nets will still be permitted. Commercial fishers who chose to use the new nets will have to buy new web, at a cost of approximately \$1,500. However, as fishers normally replace their nets every couple of years, this is not an unusual expense. This cost will be partially offset by an increase in sockeye harvest with these nets.

This net also increases the incidental catch of coho, which is not desirable in the approach waters to the Skeena River. This impact will be mitigated through a combination of the timing of openings and other strategies.

During the 1996 fishing season tests were conducted on various types of gill nets to determine the most effective combination of twine, net depth, and weedline length. The "Alaska twist" gill net was found to be most effective in terms of its selectivity for sockeye and conservation of steelhead trout.

*Fisheries Act, R.S., c.
F14, s. 43*

HCan/R-33-I

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Proposed Regulations

for Pre-Publication in Part I, Canada Gazette

Statutory Authority
&
Regulatory Plan Listing

A majority of Salmon Area C fishers who responded to a survey conducted in December 1996 favoured the option of being permitted to use this type of net in the approach waters to the Skeena River.

Fishers on the Stikine River and on the Taku River have for a number of years and again recently in discussions with the Department, expressed the wish to use monofilament netting to aid selectivity and the cost efficiency of their operations.

Consultations have not been completed with commercial fishers in all of the other Salmon Areas. It is expected that with the possible exception of a portion of Salmon Area D (Johnstone Strait) the 30 strand gill net will be prescribed in the licence conditions for these other areas. However, should these fishers and the Department find it advantageous to also use gill nets of a different construction in these areas, this amendment will provide the flexibility to do so.

Contact: David Einarson, Area Chief, Fisheries Management, North Coast Division, Department of Fisheries and Oceans, 109-417 2nd Ave. West, Prince Rupert, British Columbia, V8J 1G8. Tel.: 250-627-3426; Fax: 250-627-3498.

Insurance Business (Cooperative Credit Associations) Regulations

The proposed regulations would delineate the relationships that cooperative credit associations maintain with entities or individuals that engage in or carry on the business of insurance, and the relationship that they maintain with insurance companies, insurance agents and insurance brokers.

They would also define the insurance-related activities in which cooperative credit associations may engage (i.e., the administration of a group insurance policy for its employees), the manner in which they may promote insurance, and the use and distribution of protected types of information.

The regulations would be similar to the *Insurance Business Regulations* promulgated on May 21, 1992 with respect to banks and trust and loan companies.

The intent is to ensure that all federally regulated deposit-taking institutions are treated alike with regards to their insurance-related activities.

The *Insurance Business (Cooperative Credit Associations) Regulations* were previously prepublished in the Canada Gazette, Part I, on May 27, 1995 along with the *Credit Information (Insurance Companies) Regulations*.

Contact: Charles P. Johnston, Legislation Officer, Legislation and Precedents Division, Office of the Superintendent of Financial Institutions, 255 Albert Street, Ottawa, Ontario, K1A 0H2. Tel: 613-990-7472; Fax: 613-998-6716.

The Tobacco (Access) Regulations; The Tobacco (Labelling and Reporting) Regulations; & The Tobacco (Seizure and Restoration) Regulations

These Regulations are three of five Regulations that are expected to be made under the *Tobacco Act*. Regulations dealing with promotional matters will follow after consultations with stakeholders have been completed. Regulations dealing with the content of tobacco products and their emissions will be considered as toxicological and social science knowledge about tobacco products and their use develops.

A shortened pre-publication period of 15 days is being proposed.

The *Tobacco Act*, currently before Parliament as Bill C-71, will replace the *Tobacco Sales to Young Persons Act*, R. S.C., 1985, c. T-12.4, which came into force on March 25, 1993.

Cooperative Credit Associations Act, subsections 381(1) and (3)

OSFI/92-1-M

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Tobacco Act, S.C. 1997, c. XX, s. 17

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Proposed Regulations

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Statutory Authority
&
Regulatory Plan Listing

The Act, like the TSYPA, makes it a criminal offense to sell tobacco products to young persons (18 years of age or less) and requires retailers of tobacco products to post signs that inform the public that furnishing tobacco products to young persons is prohibited by law.

The *Tobacco (Access) Regulations* continue the provisions respecting the place, manner, form and content of the signs that are currently set out at section 5 of the *Tobacco Sales to Young Persons Regulations* and the exemption from those requirements for retailers in provinces with legislation that prohibits sales of tobacco to young person and requires signs to that effect to be posted in retail premises selling tobacco products. They also set out the documentation that may be used to verify age for the purposes of subsection 8(2) of the *Tobacco Act* and exempt duty-free shop operators from section 11 of the Act.

The Regulations permit duty-free shops to continue to use self-service displays of cartons of tobacco products, exempting duty-free shops from section 11 of the Act, thereby maintaining the status quo for that industry; they set out the particulars of the documentation that will sustain a defence to the prohibition against furnishing a tobacco product to a young person. The latter provision adds certainty to the due diligence defence to section 8 of the Act.

The *Labelling and Reporting Regulations* reinstate the requirements for health messages and the toxic constituent information on packages of tobacco products as they existed on the date of the decision of the Supreme Court of Canada. In addition, in accordance with the guidance of the Court, they specify the name of the body (Health Canada) to which health messages on the packages of tobacco products may be attributed and the form and manner of that attribution, should the manufacturer choose to attribute the health messages. The Regulations also continue the reporting obligations currently set out at sections 17 to 20 of the *Tobacco Product Control Regulations*.

On September 21, 1995, the Supreme Court of Canada ruled that some sections of the *Tobacco Products Control Act* infringed the Canadian Charter of Rights and Freedoms and declared them inoperative. The inoperative sections included subsection 9(1), which requires the health messages and the toxic constituent information.

The Court held that, while the government was clearly justified in requiring tobacco manufacturers to place health messages on the packaging of tobacco products, it must permit the manufacturers to attribute these messages to the government. Attribution, the Court said, is necessary to avoid requiring the manufacturers to make statements that they do not agree with or do not wish to make. The Act and these Regulations implement the ruling of the Supreme Court.

Manufacturers and importers can choose not to attribute the health messages at all or to delay adding the attribution set out in the Regulation until such time as they make other labelling changes, thereby substantially reducing their labelling and production costs.

These Regulations redraw the requirements respecting the content, position, configuration, size and prominence of the health messages that existed on September 21, 1995 and the reporting requirements to make them more user-friendly and to up-date the standards referred to within them to those that are actually in use in the tobacco industry. Only two change have been made to the requirements for toxic constituent information.

Proposed Regulations

for Pre-Publication in Part I, Canada Gazette

Statutory Authority & Regulatory Plan Listing

The mandatory title "Toxic Constituents (Average)/Substances toxiques (Moyenne)" is no longer required. This change reflects the use of the term "emission" in Bill C-71 rather than the term "toxic constituent" used in the *Tobacco Product Control Act*. Manufacturers are also given the choice between using the correct term "Monoxide de carbone" or the existing incorrect term "Oxyde de carbone". The old title and the old term for "Monoxide de Carbone", therefore, could continue to be used on packages of tobacco products but need no longer be used if the manufacturer so decides.

The *Seizure and Restoration Regulations* set out the information that must be provided to the Minister and the time and manner in which it is to be served on the Minister. They also require that the inspector give the owner or person in charge of the place from which a product or thing is seized a copy of these Regulations at the time of seizure, to ensure that a person from whom a tobacco products or other thing is seized is aware of restoration procedure under the Act.

Contact: Director, Office of Tobacco Control, Environmental Health Directorate, Health Protection Branch, 7th Floor, Brooke Claxton Building, Tunney's Pasture, Address Locator 0907D1, Ottawa, Ontario, K1A 0K9 Tel: 613-941-2423; Fax: 613-941-1551.

Atlantic Pilotage Authority Regulations, amendment; Atlantic Pilotage Tariff Regulations, 1996, amendment

The proposed amendments would add the Confederation Bridge to the list of compulsory pilotage areas of Prince Edward Island and would set the compulsory tariffs.

The compulsory tariff charge proposed is a "flat-charge" and would be approximately the same rate as the current non-compulsory rate.

Annual gross revenues are estimated to be \$60,000, resulting in net revenue of some \$40,000.

The regulations would come into effect June 1, 1997.

Contact: Captain R. A. McGuinness, Chairman, Atlantic Pilotage Authority, Purdy's Wharf, Tower 1, Suite 1402, 1959 Upper Water Street, Halifax, Nova Scotia, B3J 3N2. Tel: 902-426-2553; Fax: 902-426-4004.

Pilotage Act, subsection 20(3)

Not included in Regulatory Plan

Published in Canada Gazette March 22, 1997

Ministerial Orders Approved

Statutory Authority & Regulatory Plan Listing

Administration of Labour Market Development Services Divestiture Regulations (SOR/97-165)

The Regulations provides pension protection (only) to employees of Human Resources Development Canada who will be transferred to provincial governments and leave the federal Public Service pursuant to the devolution of labour market development services.

More specifically, service with the provincial governments can be used for Public Service Superannuation Act eligibility threshold purposes; the employees will also continue to have survivor benefit protection while they are employed with the new employer.

The regulations come into effect April 1, 1997.

Contact: Joanne Lee, Direction, Pensions Legislation Development Group, Pensions Division, L'Esplanade Laurier, West Tower, Ottawa, Ontario, K1A 0R5. Tel: 613-952-3233.

Public Service Superannuation Act, paragraph 42.1(1)(u); *Financial Administration Act*, paragraph 7(2)(a)

Not included in Regulatory Plan

To be published in Canada Gazette April 16, 1997

Ministerial Orders Approved

Statutory Authority & Regulatory Plan Listing

Ontario Hog Charges (Interprovincial and Export) Order, amendment (SOR/97-166)

The Order decreases the charge on producers of hogs in Ontario, for hogs that are produced in Ontario and marketed in interprovincial and export trade, from \$1.90 to \$1.81.

The Order also changes the "Office" in section 1 of the French version.

The regulations come into effect March 26, 1997.

Ontario Pork Producers' Marketing Order, sections 3 and 4

Not included in Regulatory Plan

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