

Tracking Federal Regulatory Initiatives

Regulatory Affairs

VOL. 4, No. 14

May 5, 1998

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Proposed Regulations	Statutory Authority
for Pre-Publication in Part I, Canada Gazette	

<p>Environmental Assessment Review Panel Service Charges Order</p> <p>This proposed Order will allow the Minister of the Environment to prescribe fees to recover the direct, standard costs that can be determined in advance of the use of environmental review panels provided by the federal Environmental Assessment Agency.</p> <p>Charges to be recovered under the proposed Order would include all charges for services, including per diem fees for the review panel members, travel costs and other operating costs attributable to a review panel.</p> <p>The Schedule to the proposed Order sets out the rates to be charged. For example, a panel chair would be charged at the rate of \$650 per day, a panel member at \$500 per day.</p> <p>The cost recovery Order is not applicable when the only trigger for conducting a review under the Act is federal funding of the project, when the government is the project proponent, or when a provincial government is the project proponent, (except for provincial Crown Corporations). In addition, these Regulations will not apply to Aboriginal land claim processes or to existing EA review panels.</p>	<p><i>Financial Administration Act, paragraph 19(1)(b)</i></p> <p>Published in Canada Gazette May 2, 1998</p>
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Proposed Regulations

for Pre-Publication in Part I, Canada Gazette

Statutory Authority

The Agency's cost recovery system for review panels should be implemented by the end of the 1997-98 fiscal year.

Contact: John Arseneau, Director, Policy Analysis, Canadian Environmental Assessment Agency, 200 Sacré-Coeur Boulevard, 14th Floor, Hull, Quebec K1A 0H3. Tel: 819-994-5043.

Wildlife Area Regulations, amendment

This proposed amendment to the Regulations would allow for an additional 512 hunters to participate in the controlled hunt at the Cap Tourmente National Wildlife Area (NWA), which is the most significant migratory stopover in North America for Greater Snow Geese.

The self-guided hunting permit, previously valid for two people (a hunter and one guest), would be valid for four people (a hunter and three guests). A new daily hunt also would be introduced, to take place in October and November.

To accommodate the increased number of hunters who will participate in the hunt at the NWA, the overall number of permits for the guided and self-guided hunt already carried out will be slightly reduced.

In addition, in order for the hunt at Cap Tourmente to remain self-financing, this amendment will increase the registration fees and the price of the guided and self-guided hunting permits. The cost of a permit for the guided hunt will increase from \$278.60 to \$292.11, \$299.94 and \$308.63, respectively, for 1998, 1999, and 2000 and the years beyond.

The self-guided hunting permit (which, as noted above, will now be valid for four hunters instead of two) will increase from \$179.75 to \$321.67, \$329.49 and \$339.06, respectively, for 1998, 1999, and 2000 and the years beyond.

This amendment also would introduce a permit for the new daily hunt. This permit will be valid for a hunter and one guest for a period of one full day, and will be issued through a telephone reservation service. The cost of a permit for a daily hunt will be \$82.59, \$86.94 and \$91.29, respectively, for 1998, 1999, and 2000 and the years beyond.

The non-refundable application fee that must accompany each application form, which was \$6.07 in 1996, will increase to \$6.52. However, to ensure accessibility of the hunt to as many individuals as possible, this fee will remain at the rate of \$6.52 for 1998, 1999, and 2000 and the years beyond.

The amendment also would eliminate applicants' obligation to submit application forms on or before the last Wednesday of May of the year for which a permit is requested. In future, applicants will be required to submit their application forms before an annually published date.

Finally, the amendment will list all rates (application fee and cost of the various permits) in a new Schedule to the *Wildlife Area Regulations*.

Contact: Terry Mueller, Regulatory Analyst, Program Analysis and Coordination, Canadian Wildlife Service, Environment Canada, Ottawa, Ontario K1A 0H3. Tel: 819-997-1272, or Serge Labonté, Manager, Cap Tourmente National Wildlife Area, Saint-Joachim, Quebec G0A 3X0. Tel: 418-827-3776.

Canada Wildlife Act, section 12

Published in Canada Gazette May 2, 1998

Proposed Regulations

for Pre-Publication in Part I, Canada Gazette

Statutory Authority

Order Modifying the Laws Governing the Nunavut First Elections

The purpose of this order would be to prescribe the modifications required to the *Northwest Territories Elections Act*, in order to conduct the first elections to the Legislative Assembly of Nunavut.

The modifications would make the laws for the first election more Nunavut-specific. These modifications pertain to the issuance and return of the writs, residency requirements, languages on the ballot papers, use of electoral information, contributions to candidates and a number of housekeeping changes.

The amendment also would eliminate applicants' obligation to submit application forms on or before the last Wednesday of May of the year for which a permit is requested. In future, applicants will be required to submit their application forms before an annually published date.

Contact: Gilles Binda, Senior Policy Advisor, Nunavut Secretariat, Department of Indian Affairs and Northern Development, Les Terrasses de la Chaudière, 10 Wellington Street, Ottawa, Ontario K1A 0H4. Tel: 819-953-8069.

Nunavut Act, subsection 76.02(1) and *An Act to amend the Nunavut Act and the Constitution Act, 1867*, section 16

Published in Canada Gazette May 2, 1998

Regulations Prescribing Cinematographic Works for the Purposes of Section 17 of the Copyright Act

These Regulations prescribe the types of cinematographic works in which this right to remuneration is available.

These Regulations also provide that the right to remuneration is available only if the contract governing the embodiment of the performer's performance has been concluded on or after the date on which these Regulations come into force.

A recent amendment of the *Copyright Act* provides for new rights for performers. Among these is a right to remuneration in respect of cinematographic works embodying their performances.

More specifically, subsection 17(2) provides that where there is an agreement between the performer and the producer of the cinematographic work, governing the embodiment of the performance in the work and which includes a right to remuneration for the reproduction or other uses of the work, the performer may collect the residuals or remuneration from the other party (the producer), a subsequent assignee or any other person who subsequently owns a copyright in the work, and who exploits the work either through its reproduction, its performance in public or its broadcast to the public. Subsection 17(3) limits the application of this right by providing that it may only be exercised when the performer's performance is embodied in a prescribed cinematographic work.

Contact: Suzie Beaulieu, Legal Policy Analyst, Intellectual Property Policy Directorate, Industry Canada, 235 Queen Street, 5th Floor West, Ottawa, Ontario K1A 0H5. Tel: 613-952-2377, or Michelle L. Boudreau, Policy Analyst, Copyright Policy and Economic Planning, Department of Canadian Heritage, 15 Eddy Street, 4th Floor, Hull, Quebec K1A 0M5. Tel: 819-997-5990.

Copyright Act, subsections 17(3) and 62(1)

Published in Canada Gazette May 2, 1998

Exempt from Pre-Publication and Approved

Statutory Authority

National Parks Fishing Regulations, amendment (SOR/98-268, OIC 1998-701)

National Parks Act, sub-section 7(1)

The amendments adjust open seasons, catch limits and waters closed to angling in order to protect fish stocks from overfishing and to restrict angling in certain waters while fish are spawning

To be published in Canada Gazette May 13, 1998

The amendments also add application provisions will take into account agreements made with Aboriginal groups in certain new park areas of northern Canada. These regulations will not apply to the beneficiaries of the Inuvialuit Final Agreement, the Nunavut Land Claims Agreement, the Vuntut Gwitchen First Nation Final Agreement and the Champagne and Aishihik First Nations Final Agreement. These agreements have been given the force of law and give constitutional protection to the traditional harvesting rights of the beneficiaries. The established national parks and national park reserves covered by these agreements include Kluane, Vuntut and Ivvavik national parks, and Auyuittuq and Ellesmere Island national park reserves.

Under the amendments, the rivers and streams of Mount Revelstoke and Glacier National Parks are closed to angling. In Mount Revelstoke and Glacier National Parks, the rivers and streams are not very productive in terms of fish populations as they are swift flowing and are subject to heavy silt deposits periodically. Also, the main species in these rivers and streams is bull trout which is threatened and has a catch limit of zero in these parks. For these reasons, it has been decided to close those waters.

Finally, the amendments make a variety of housekeeping corrections.

Contact: Sharon Budd, Project Manager, Regulatory Development, National Parks, Department of Canadian Heritage, 25 Eddy Street, 4th Floor Hull, Quebec K1A 0M5. Tel: 819-994-2698; Fax: 819-994-5140.

Canada Business Corporations Regulations, amendment (Exemption Fees in Schedule II) (SOR/98-269, OIC 1998-704)

Canada Business Corporations Act, section 261

This amendment to the fees in Schedule II of the Regulations revokes the current fee of \$25 for an exemption application under subsections 2(8), 10(2), 82(3), 151(1), 171(2) or 187(11) and the \$100 fee for an exemption application under section 156, and replace both with a fee of \$250.

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The amount of the fee is being increased to reflect the actual cost of processing the exemption application.

Item 4 of schedule II of the Regulations now provides for the payment of a \$25 fee when an application for exemption under 2(8), 10(2), 82(8), 151(1), 171(2) or 187(11) and a \$100 fee for an exemption application under section 156 of the Canada Business Corporations Act ("CBCA") is filed with the Director appointed under the CBCA.

The subsections of the CBCA being changed are:

- 2(8), permitting the Director to determine that a security of a corporation is not part of a distribution to the public, provided no shareholder of the corporation is prejudiced;
- 10(2), an exemption for a corporation continued under the CBCA from the requirements that the name of the corporation include "Limited", "Limitée", "Incorporated", "Incorporée", "Corporation", "Société par actions de régime fédéral" or its corresponding abbreviation;
- 82(3), permitting the Director to exempt trust indentures from the requirements applying to these indentures under the CBCA;

Exempt from Pre-Publication and Approved

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- 151(l), an exemption from all or part of the proxy solicitation requirements;
- 156, an exemption from all or part of the requirements for financial statements;
- 171(2), an exemption from the requirement that the corporation have an audit committee; and
- 187(11), an exemption to permit a corporation continued under the CBCA to continue to refer to its shares as having a nominal or par value.

Contact: Marc Leblanc, Corporations Directorate, Department of Industry, 9th Floor, Jean Edmonds Tower South, 365 Laurier Ave. West, Ottawa, Ontario, K1A 0C8. Tel: 613-941-5720. Fax: 613-941-5781.

Immigration Regulations, 1978, amendment (SOR/98-270, OIC 1998-708); Humanitarian Designated Classes Regulations, amendment (SOR/98-271, OIC 1998-709)

Immigration Act, subsections 114(1) and (10)

The amendments to the *Humanitarian Designated Classes Regulations* extend the “sunset” date of the Regulations until December 31, 1998, and amend the Schedule of countries to which the Source Country Class may be applied. As well, a definition of Source Country is included in the Regulations. Parallel changes are being made to the *Immigration Regulations, 1978*.

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Colombia, Liberia, and Cambodia are being added to the Source Country Class Schedule; Bosnia-Herzegovina, Croatia, Guatemala, El Salvador and Sudan will continue to be included in the Schedule.

The changes also clarify the wording of that section of the HDC Regulations (subsection 4(4)) which relates to the application of dependency criteria to the children of members of the Humanitarian Designated Classes. The current wording does not specify that the provisions should apply to dependent sons and dependent daughters but not to spouses. Changes to this subsection are designed to ensure that the application of selection criteria is consistent with the definitions of dependent son and dependent daughter as found in subsection 2(l) of the *Immigration Regulations, 1978*, as was the original policy intent.

Amendments to paragraphs 5(2)(a) and (b) of the *Humanitarian Designated Classes Regulations* bring these provisions, concerning the private sponsorship of HDC class members, into conformity with the Canada-Quebec Accord Relating to Immigration and Temporary Admission of Aliens (the Canada-Quebec Accord). The current provision does not distinguish between the requirements for sponsors who wish to sponsor in the province of Quebec and those who wish to sponsor in other provinces. The Canada-Quebec Accord gives the province the right to select immigrants destined to Quebec.

A housekeeping amendment will clarify that all members of a “Group of Five”, sponsoring a member of an HDC class, will be required to sign a single joint sponsorship undertaking rather than submitting separate individual undertakings. A similar amendment is being made to the *Immigration Regulations, 1978*.

The changes being made to the *Immigration Regulations, 1978* closely parallel those proposed to the HDC Regulations with respect to the selection and private sponsorship of members of those classes. The provisions in question govern the selection of Convention refugees seeking resettlement and the private sponsorship of such refugees. Again, the purpose of such changes is to clarify, rather than amend, current government policy or administrative practice.

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The amendments clarify the wording of subsection 7(4) of the *Immigration Regulations, 1978*, which relates to the application of selection criteria to dependent sons and dependent daughters of Convention refugees seeking resettlement. The same imprecision currently exists in these provisions as exists in the similar provisions in the HDC Regulations.

Other changes to paragraphs 7.1(2)(a) and (b) bring the provisions of the Regulations governing the private sponsorship of Convention refugees seeking resettlement into conformity with the Canada-Quebec Accord. The current provision does not distinguish between the requirements for sponsors who wish to sponsor in the province of Quebec and those who wish to sponsor in other provinces.

Contact: Rick Herringer, Director, Refugee Resettlement, Citizenship and Immigration Canada, Jean Edmonds Tower South, 17th Floor, 365 Laurier Avenue West, Ottawa, Ontario, K1A 1L1. Tel: 613-957-5854; Fax: 613-957-5836.

Regulations amending certain Regulations (Department of Industry) (SOR/98-274, OIC 1998-716)

These amendments are of a technical nature and do not reflect substantive changes to the regulations they modify; the changes correct minor errors in format, syntax, spelling, punctuation; correct typographical errors, archaisms, anomalies, renumbering; correct inconsistencies between the English and French versions, make minor non-substantive clarifications, and repeal spent regulations.

More specifically:

- the *Canada Business Corporations Regulations* are amended by repealing Form 17 (Articles of Dissolution) and replacing it with a new Form 17 (Articles of Dissolution). No new information is being collected on the new Form 17. Instead the new form should be clearer, simpler and easier to fill out properly. The objective is to reduce the number of forms completed improperly.
- the *Canada Business Corporations Regulations* are amended by repealing Form 3 (Notice of Registered Office or Notice of Change of Registered Office) and replacing it with a new Form 3 (Notice of Registered Office or Notice of Change of Registered Office). No new information is being collected on the new Form 3. Instead the new form should be clearer, simpler and easier to fill out properly. The objective is to reduce the number of forms completed improperly.
- the *Canada Business Corporations Regulations* are also amended by updating the reference to the federal personal information bank number from "CCA/P-PU-082" to "IC/PPU049". The bank number was changed when the Department of Consumer and Corporate Affairs was merged into the Department of Industry.
- the *Formal Document Regulations* under the *Seals Act* are amended to remove references to certain types of documents from the list of documents that have to be issued under the Great Seal of Canada. The objective is to streamline the Registrar General of Canada's duties and eliminate unnecessary registration or filing of documents with the Registrar.

Contact: Cheryl Ringor, Corporations Directorate, Department of Industry, 9th Floor, Jean Edmonds Towers, South, 365 Laurier Ave. West, Ottawa, Ontario, K1A 0C8. Tel: 613-941-5720; Fax: 613-941-5781; e-mail: ringor.cheryl@ic.gc.ca

Canada Business Corporations Act, subsections 210(4), 211(4) and 261(1)(c); *Seals Act*, subsection 4(a)

To be published in Canada Gazette May 13, 1998

Pre-Published and Approved No comments or changes

Statutory Authority

Regulatory Capital (Insurance Companies) Regulations, amendment (SOR/98-272, OIC 1998-710)

The proposed amendments amend the basis on which property and casualty companies must determine the value of their assets as referred to in paragraph 3(1)(d) of the Regulations.

The previous basis, found in section 666 of the *Insurance Companies Act*, was deleted upon promulgation of Bill C-82.

The changes come into effect April 30, 1998.

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.

Insurance Companies Act, subsection 2(1) and section 703

To be published in Canada Gazette May 13, 1998

Canada Business Corporations Regulations, amendment (Insider trading, proxies, financial disclosure and take-over bids) (SOR/98-273, OIC 1998-711)

This amendment amends Parts III, IV, V and VIII of the *Canada Business Corporations Regulations* concerning insider trading, proxies and proxy solicitation, financial disclosure and take-over bids respectively.

Most of 60 amendments being proposed are technical in nature and non-controversial. In general, the proposed amendments are intended to eliminate unduly burdensome requirements, harmonize the Regulations with concurrent provincial securities legislation, and improve the level of disclosure required in these areas.

The changes were initiated following complaints from corporations incorporated under the *Canada Business Corporations Act* who are required to comply with CBCA regulations that are not consistent with provincial regulations and which do not seem to benefit shareholders.

The amendments specifically eliminate items of disclosure which are not in provincial regulation and which do not appear to be of material interest to shareholders.

The changes also adopt wording that is more consistent with provincial regulation, where warranted, as well as require additional items of disclosure of material interest currently in provincial legislation but lacking in the Regulations.

Furthermore, special consideration has been given to ensuring that certain disclosure items do not extend to private companies when the information is only of material interest to shareholders of a public company.

[For more details on the changes, see Regulatory Affairs, Vol. 3, No. 34, pp. 1 to 4.)]

Generally, the amendments propose to:

- eliminate items of disclosure which are not in provincial regulation and which do not appear to be of material interest to shareholders;
- adopt wording that is more consistent with provincial regulation, where warranted, as well as to require additional items of disclosure of material interest currently in provincial legislation but lacking in the Regulations; and
- ensure that certain disclosure items do not extend to private companies when the information is of material interest to shareholders of a public company.

More specifically, the amendments with respect to insider trading would:

- allow insiders to send insider reports using either Form 24 in Schedule I. 1 of the Regulations or the insider report form prescribed under any provincial securities laws.

Canada Business Corporations Act, section 261

To be published in Canada Gazette May 13, 1998

Pre-Published and Approved No comments or changes

Statutory Authority

- allow insiders of CBCA public corporations which have not distributed their securities in Canada to file U.S. insider reports. This will eliminate the cost of preparing additional insider reports (for reporting under the CBCA) or of applying for an exemption under subsection 127(8) of the CBCA.
- revoke paragraph 31.1 requiring corporations with 15 or more shareholders to advertise the fact that they propose to purchase or otherwise acquire their own shares. This requirement is not considered necessary given the fact that there are already adequate provisions under the stock exchange rules in this regard with respect to listed corporations. The proposal would eliminate altogether the expensive and unduly burdensome requirement of publishing a notice in the newspapers with respect to private corporations with 15 or more shareholders.

Contact: Marc Leblanc, Corporations Directorate, Department of Industry, 10th floor, Jean Edmonds Tower South, 365 Laurier Ave. West, Ottawa, Ontario. Tel: 613-941-5753; Fax: 613-941-5781.

Regulatory Affairs

ISSN 1201-0715

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