

# Tracking Federal Regulatory Initiatives

# Regulatory Affairs

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**Onshore Pipeline Regulations, 1998**

The proposed Regulations would revoke the *Onshore Pipeline Regulations* and replace them with these new Regulations.

The new Regulations would change the earlier provisions to reflect pipeline safety and environmental issues arising from accident investigations; revise technical standards, to reflect evolving regulatory enforcement responsibilities; provide an increased emphasis on operations and maintenance activities balanced by a reduced requirement to submit design and construction documents to the Board for approval; place increased emphasis on the use of an audit approach by both pipeline companies and the Board; be less prescriptive and more performance based; reduce significantly the extent of detail of the submission requirements; and eliminate any technical requirements which are presently covered by accepted industry standards.

The new Regulations make reference in section 5 to accepted industry standards issued by the Canadian Standards Association for most of the technical requirements for pipelines. In cases where there is no widely accepted standard, companies are required to submit, for Board approval, their detailed practices and procedures.

*National Energy Board Act*, subsection 48(2)

Published in Canada Gazette January 16, 1999

# Proposed Regulations

## for Pre-Publication in Part I, Canada Gazette

### Statutory Authority

The proposed regulations will come into effect on the day they are approved by the federal cabinet.

Contact: Jim Anderson, Regulatory Development Team, National Energy Board, 444 Seventh Avenue SW, Calgary, Alberta, T2P 0X8. Tel: 403-299-3682; Fax: 403-292-5876.

### **Pacific Pilotage Tariff Regulations, amendment**

The proposed amendment would approve an increase in the port-to-port charges to reflect the actual costs associated in providing this pilotage service.

The amendment also would implement a pilot boat replacement charge, with revenues to be deposited in a contingency fund towards the future replacement of pilotage boats.

The increase in port-to-port charges will produce an estimated additional \$110,000 in revenue annually. The proposed pilot boat replacement charge will generate an estimated \$200,000 per annum.

Contact: D. B. McLennan, Chairman, Pacific Pilotage Authority, 1199 West Hastings Street, Suite 300, Vancouver, British Columbia, V6E 4G9. Tel: 604-666-6771; Fax: 604-666-1647.

*Pilotage Act*, subsection 34(1)

Published in Canada Gazette January 23, 1999

## Exempt from Pre-Publication and Approved

### Statutory Authority

### **Issuance Of Certificates Regulations, amendment (SOR/99-57, OIC 1999-15)**

These amendments to the Regulations are consequential to changes made to the *Export and Import Permits Act* respecting issuance of a certificate for exportation of goods, including apparel goods, textile made-up goods, textiles and yarns, to a NAFTA country.

These amendments are required to conform correctly to the appropriate section of the *Export and Import Permits Act*, and as such, replace reference to section 9.01 with reference to section 9.1(a) of the *Export and Import Permits Act*.

More specifically:

- section 1 of the Regulations and the subtitle before it are repealed.
- the definition "Canada" in section 2 of the Regulations is repealed.
- the portion of section 3 of the Regulations before paragraph (a) is replaced by the following: "3. The following considerations shall be taken into account by the Minister in the issuance of a certificate under paragraph 9.1(a) of the *Export and Import Permits Act*".

Contact: Deputy Director, Trade Controls Policy Division, Export and Import Controls Bureau, Department of Foreign Affairs and International Trade, P.O. Box 481, Station "A", Ottawa, Ontario, K1N 9K6. Tel: 613-996-3711; Fax: 613-995-5137.

*Export and Import Permits Act*, paragraph 12(c.1)

To be published in Canada Gazette February 3, 1999

### **Rolls Royce Turbine Remission Order (SOR/99-58, OIC 1999-16)**

The Order remits the customs duties on two 27,210 kw gas turbines imported by Rolls Royce for use in the manufacture of compressor sets.

Some \$1.3 million in customs duties are foregone as a result of this Order.

Contact: Megan Clifford, International Trade Policy Division, Department of Finance, Ottawa, Ontario, K1A 0G5. Tel: 613-992-6890.

*Customs Tariff*, section 115

To be published in Canada Gazette February 3, 1999

## Exempt from Pre-Publication and Approved

### Statutory Authority

#### **Harvest Services (1996) Ltd. Remission Order (SOR/99-59, OIC 1999-17)**

The Order reimburses anti-dumping duties of approximately twenty thousand dollars (\$20,000) collected on imports of certain cold-rolled secondary steel sheet from the United States by Harvest Services (1995) Ltd., Craik, Saskatchewan, for the period commencing on April 1, 1997 and ending June 30, 1997.

Imports by Harvest Services of the subject goods during the period April-June 1997 were made subject to the higher duty level as a result of the failure of the U.S. supplier to cooperate with Revenue Canada's normal value review. Harvest Services, as an infrequent importer, was not aware of the change in duty levels.

The amount of remission represents the difference between the anti-dumping duties paid at the higher rate and the estimated duties that would have been paid at the lower rate, less an adjustment for duty drawback received on the export of goods by Harvest containing the imported steel sheet.

Contact: Robert G. Cairns, International Trade Policy Division, Department of Finance, Ottawa, Ontario, K1A 0G5. Tel: 613-992-0654.

*Customs Tariff*, section 115

To be published in Canada Gazette February 3, 1999

#### **Canada Pension Plan Regulations, amendment (SOR/99-60, OIC 1999-22)**

The amendments establish the year's maximum contribution for 1999, which is \$1,186.50 due to the increase in the contribution rate from 3.2 per cent to 3.5 per cent for 1999, and increase in the year's maximum pensionable earnings from \$36,900 to \$37,400.

The amendments also revised the amounts in Schedule I to the Regulations to reflect these changes.

As a consequence, the maximum annual employee contribution for 1999 will be \$1,186.50, as compared with the 1998 amount of \$1,068.80. Employers are required to match employee contributions, and affected self-employed persons are required to contribute \$2,373.00 in 1999 as compared with \$2,137.60 for 1998.

The amendments also exclude from pensionable employment persons who are members of agencies, boards, commissions or committees by appointment of Her Majesty in right of British Columbia or of an agent of Her Majesty in right of that province, who are paid fees or other remuneration on a per diem basis. The result is that such employment does not earn pension benefits under the Plan, nor are Plan contributions required by the employee or the employer. This change was requested by the British Columbia government.

Contact: Richard Montroy, Legislative Policy Division, Revenue Canada, 123 Slater Street, Ottawa, Ontario K1A 0L5 Tel: 613-952-6479

*Canada Pension Plan*, paragraph 7(2)(f), subsection 21(1) and section 40

To be published in Canada Gazette February 3, 1999

#### **National Energy Board Export and Import Reporting Regulations, amendment (SOR/99-61, OIC 1999-23)**

The amendment to these regulations correct non-substantive problems identified by the National Energy Board.

They correct an inaccuracy contained within the description of "order" in section 2 of the Regulations. The reference to "National Energy Board Part VI Regulations, 1995" is corrected to read "National Energy Board Act Part VI (Oil and Gas) Regulations". This change has been requested by the Standing Joint Committee for the Scrutiny of Regulations.

*National Energy Board Act*, subsection 129(1)

To be published in Canada Gazette February 3, 1999

## Exempt from Pre-Publication and Approved

### Statutory Authority

Contact: P. Noonan, Counsel, National Energy Board, 444 - 7th Avenue S.W., Calgary, Alberta, T2P 0X8. Tel: 403-299-3552; Fax: 403-292-5503; e-mail: pnoonan@neb.gc.ca

### **Visiting Forces (Part IX of the Excise Tax Act) Remission Order, amendment (SI/99-6, OIC 1999-52)**

*Financial Administration Act*, subsection 23(2)

The amendment decreases the claim period for remission in respect of tax paid on supplies made on or after the date of this Order, from four years to two to correspond with an amendment to section 261 of the *Excise Tax Act* made by S.C. 1997, c. 10, s. 71(1), which provides comparable authority for tax relief in other circumstances.

To be published in Canada Gazette February 3, 1999

More specifically:

“1. Paragraph 4(a) of the *Visiting Forces (Part IX of the Excise Tax Act) Remission Order* is replaced by the following:

(a) in respect of a supply other than a supply made by the Department of National Defence or the Canadian Commercial Corporation, the visiting force submits a claim in writing to the Minister of National Revenue

(i) where the claim is in respect of a supply made on or after the date of the coming into force of this subparagraph, within two years after the date on which the supply is made, and

(ii) in any other case, within four years after the date on which the supply is made;”

## Pre-Published and Approved No comments or changes

### Statutory Authority

### **Minority Investment (Trust and Loan Companies) Regulations, amendment (SOR/99-62, OIC 1999-25); Minority Investment (Insurance Companies) Regulations, amendment (SOR/99-63, OIC 1999-26); Minority Investment (Cooperative Credit Associations) Regulations, amendment (SOR/99-64, OIC 1999-27); Minority Investment (Banks) Regulations, amendment (SOR/99-65, OIC 1999-28)**

*Bank Act*, section 474

To be published in Canada Gazette February 3, 1999

The amendments rectify an omission in earlier amendments, as well as make few minor technical changes requested by the Standing Joint Committee for the Scrutiny of Regulations.

On July 28, 1997, the Government promulgated revised Minority Investment Regulations, which enhanced the ability of federally regulated financial institutions (FRFIs) to make less than controlling investments in permitted entities. The revised Regulations enhanced the ability of financial institutions to form alliances, enter new markets, and compete more effectively in Canada and abroad.

The promulgation of Bill C-82, among other things, extended the list of permitted entities to include multi-activity type entities. However, the authority to make less than controlling investments in multi-activity type entities was omitted from the revised *Minority Investment Regulations*. As a result, the Government is amending the July 28, 1997, *Minority Investment Regulations* to rectify this situation.

The Regulations amending the *Minority Investment Regulations* also include a few minor technical changes which were requested by the Standing Joint Committee for the Scrutiny of Regulations.

## Pre-Published and Approved No comments or changes

Statutory Authority

Contact: Charles P. Johnston, Regulations 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.

## Pre-Published and Approved With comments or changes

Statutory Authority

### **Boating Restriction Regulations, amendment (SOR/99-52, OIC 1999-10); Competency of Operators of Pleasure Yachts Regulations; (SOR/99-53, OIC 1999-11)**

*Canada Shipping Act,*  
section 562

To be published in Can-  
ada Gazette February 3,  
1999

The two related initiatives deal with operator proficiency and age-related restrictions in the use of power-driven pleasure craft. The first consists of amendments to the *Boating Restrictions Regulations* to add age and power restrictions for operators of power-driven pleasure craft. The second creates a new regulation, the *Competency of Operators of Pleasure Craft Regulations* to establish proficiency requirements that operators of power-driven pleasure craft must meet; these latter new requirements will be phased in over a period of ten years.

As of September 15, 1999, in order to operate a pleasure craft fitted with a motor, such persons will have to have proof of competency, such as a Pleasure Craft Operator Card or Rental Boat Safety Checklist. The next group will be all other persons operating pleasure craft under 4m in length, with the date of application for this group being September 15, 2002. All operators of power-driven pleasure craft of any size fitted with a motor will be subject to the requirements starting September 15, 2009.

The Regulations do not apply to aboriginal groups or any other individuals who use a boat for the requirements of their daily life including subsistence fishing. In order to remove any possible ambiguity, both sets of Regulations now specifically state that their application is limited to pleasure craft used for recreational purposes.

As a result of public comments following prepublication of the Regulations in the Canada Gazette on June 13, 1998, several changes to the Regulations were made.

Concern was expressed about the progressive implementation of the competency requirements in three stages over a 10-year transitional period. While some comments were concerned that the transition was too short, many others considered it too long and suggested immediate implementation. The three stage 10-year transitional period was retained, however, the start of the first stage of the transition was adjusted to start on September 15, 1999. This will permit more adequate preparation time for all stakeholders as well as the delivery of an extensive nation-wide communication and public awareness program. The first group that will be required to obtain proof of competency will be those persons born after April 1, 1983, that is, under 16 years of age at the time of the entry into force of the regulations.

The exemption for persons aged 55 and over at the time of entry into force of the Regulations that had been originally proposed has been eliminated in the final Regulations. The reasons for the change included concerns about Charter of Rights problems. In addition, substantial opposition was raised against the exemption as it was not felt to make a positive contribution towards improved boating safety.

# Pre-Published and Approved

## With comments or changes

Statutory Authority

The initial provisions come into effect April 1, 1999.

Comments: Michel Berthiaume, AWEF, Small Vessel Partnerships Project, Rescue, Safety and Environmental Response, Canadian Coast Guard, Department of Fisheries and Oceans, 344 Slater Street, 9th Floor, Ottawa, Ontario, K1A 0N7. Tel: 613-990-2757; Fax: 613-991-3444.

### **Small Vessel Regulations, amendment (SOR/99-54, OIC 1999-12)**

The amendments offer recreational boaters choices with respect to the safety equipment they must carry, while at the same time eliminating the use of life-saving cushions as a substitute for lifejackets or personal flotation devices (PFDs).

The amendments introduce some new safety precautions, including requiring exhaust muffling systems on engines operating within five nautical miles of shore, extending the rules for water-skiing to barefoot skiing, tubing and surfboarding, and a prohibition against careless operation.

The amendments increase the fees for capacity plates (\$5 from \$2.50) and for conformity plates (\$5 from \$1).

Capacity plates are required for vessels less than 6 metres (compared to 5 metres) in length capable of being fitted with a motor or motors of 10 hp or more. All vessels capable of being fitted with a motor of any power would must have a conformity plate stating that it is constructed in accordance with applicable construction standards.

The amendments also require all boating accidents involving five or fewer fatalities, or injury requiring medical attention beyond first aid, or damage affecting the seaworthiness of the boat (estimated damage of \$2,500 or more) to be reported to local police authorities.

They also extend the powers of Enforcement Officers to require boat owners to provide personal identification on request and to allow the Enforcement Officers to examine the vessel and its equipment, ask pertinent questions and seek assistance from the owner or operator of a vessel.

As a result of public comments following prepublication of the proposed Regulations in the Canada Gazette Part I on November 29, 1997, several changes were made in the final version.

For example, the requirements for distress signalling equipment such as heliographs and proposed new distress signalling equipment (flashlights) to be carried on non-power-driven vessels up to 6 m in length have been deleted. The requirement for a towline, introduced in the original regulatory proposal, has also been removed.

To deal with concerns of the tourism sector, persons who ordinarily reside in a country other than Canada can use their own PFD, instead of a Canadian-approved PFD normally required to be carried on board Canadian vessels. Such devices must be of appropriate size and conform to the laws of the country where the person resides. This will address situations where, for example, United States citizens visit Canadian fishing lodges, most notably in Ontario and British Columbia, and bring with them the PFDs they normally use in their home state.

Contact: Edith Dussault, Senior Project Officer (Regulatory Development), Office of Boating Safety, Department of Fisheries and Oceans, Canada Building, 9th Floor, 344 Slater Street, Ottawa, Ontario, K1A 0N7. Tel: 613-990-6412.

Canada Shipping Act, sections 338, 405, 478 and 562

To be published in Canada Gazette February 3, 1999

# Ministerial Orders Approved

## Statutory Authority

### **Pari-Mutuel Betting Supervision Regulations, amendment (SOR/99-55)**

*Criminal Code*, subsection  
204(9)

To be published in Canada  
Gazette February 3, 1999

The amendments accommodate a new way of making bets at race tracks, using automated equipment that will process the bet without actually issuing a ticket.

If a ticket were automatically issued at the terminal, no change to the Regulations would be necessary. However, as a matter of technological choice, the race tracks intend to introduce automated equipment that will handle all relevant information electronically. To use the system, bettors will set up an account in advance and the bets will be deducted automatically from the account.

The Canadian Pari-Mutuel Agency has concluded that satisfactory safeguards could be introduced to offer the bettor an acceptable level of protection in a paperless transaction as contemplated by the race tracks. These safeguards are contained in this on-track account betting regulatory amendment.

This amendment was originally coupled with an amendment to allow the cancellation of bets under certain circumstances. A problem with the wording of this portion of the amendment and a delay in developing software to technologically implement bet cancellation, lead to the two amendments being separated.

The amendments come into effect January 15, 1999.

Contract: Judy Buyar, Manager, Industry & Government Relations, Canadian Pari-Mutuel Agency, Corporate Services Branch, Agriculture and Agri-Food Canada, 6 Antares Drive, Suite 12, Phase II, Nepean, Ontario, K2E 8A9. Tel: 613-946-1706; e-mail: jbuyar@em.agr.ca

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