

Tracking Federal Regulatory Initiatives

Regulatory Affairs

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June 30, 1998

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Proposed Regulations for Pre-Publication in Part I, Canada Gazette	Statutory Authority
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<p>AECB Cost Recovery Fees Regulations, 1996, amendment</p> <p>The purpose of this amendment is to increase AECB licence fees to generate \$5.5-million of additional revenue annually, to cover an estimated \$6.5-million in higher operating costs for the Agency during 1998-99 and subsequent fiscal years.</p> <p>In order to maintain the same level of recovery of AECB's costs, a 17 percent fee increase is being proposed for all licence fees, with two exceptions.</p> <p>The two exceptions are the fees for a heavy water plant operating licence and all fees for accelerator facility licences and assessments.</p> <p>The heavy water plant fee and accelerator fees are not being increased as projected revenue based on the AECB Cost Recovery Fees Regulations, 1996 for these groups is sufficient to cover the cost increase.</p> <p>The AECB is seeking reactions to the proposal over the next 60 days.</p> <p>The proposed Regulations would come into force on January 1, 1999.</p> <p>Contact: Michel Dupéré, Director of Finance, Atomic Energy Control Board, P.O. Box 1046, Station B, 280 Slater Street, Ottawa, Ontario, K1P 5S9,. Tel: 613-995-8273.</p>	<p><i>Atomic Energy Control Act, section 9</i></p> <p>Published in Canada Gazette June 27, 1998</p>
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Proposed Regulations

for Pre-Publication in Part I, Canada Gazette

Statutory Authority

Letter Mail Regulations, amendment

The proposed amendment to the Regulations would increase by 1 cent the postal charge under the basic letter rate and standard business letters weighing up to 30 g., effective January 1, 1999; this would increase the postal charge to \$0.46, for an increase of 2.2 percent.

The proposal would increase the basic domestic oversized letter rate by 2 cents, to \$0.92 (an increase of 2.2 percent) for domestic oversized letter weighing 1 to 100 g.

All other domestic letter rates would be increased by an average of 2.1 per cent.

As examples, non-coded mail weighing 30 g or less would be 59 cents and more than 30 g but not more than 50 g would be 84 cents. Oversized mail weighing more than 100 g but not more than 200 g would cost \$1.50 and weighing more than 200 g but not more than 500 g would cost \$2.

Technical amendments would also be made to the Non-mailable Matter Regulations and the Undeliverable and Redirected Mail Regulations to accommodate other changes, in response to changes to the *Bankruptcy and Insolvency Act* and the recent enactment of the *Controlled Drugs and Substances Act*.

These would be the first rate increase since August 1, 1995.

Contact: Susan McCluskey-Ilkmen, Corporate Secretariat, Canada Post Corporation, 2701 Riverside Drive, Suite N1150, Ottawa, Ontario, K1A 0B1. Tel: 613-734-7973; Fax: 613-734-3331.

Canada Post Corporation Act, section 9

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Regulations Amending Certain Regulations Made under the Canada Post Corporation Act (Miscellaneous Program), amendment

The proposed amendments to these Regulations are of a technical nature and correct minor errors in format, syntax, spelling and punctuation; correct typographical errors, anomalies and renumbering; correct inconsistencies between the English and French versions of the Regulations; and correct minor drafting deficiencies.

The proposed amendments include changes in response to observations received from the Standing Joint Committee for the Scrutiny of Regulations: *International Letter-post Items Regulations*, Subparagraph 20(b)(ii) of the French version of the Regulations is modified to make it consistent with the English version.

The affected regulations are: Armed Forces Postal Regulations (paragraph 9(2)(a)); Special Services And Fees Regulations (Schedule VII); Undeliverable And Redirected Mail Regulations (section 2, 14 and 18); Mail Receptacles Regulations (subparagraph 2(5)(d)(i) of Schedule I to the French version and paragraph 2(b) of Schedule VI to the French version); Postage Meter Regulations (section 14 of the French version and subsection 19(2) of the French version); International Letter-post Items Regulations (paragraphs 7.1(1)(a) and (b) of the French version; paragraph 7.1(2)(a) of the French version; paragraph 7.1(3)(b); subparagraph 20(b)(ii) of the French version).

Contact: Susan McCluskey-Ilkmen, Corporate Secretariat, Canada Post Corporation, 2701 Riverside Drive, Suite N1150, Ottawa, Ontario, K1A 0B1. Tel: 613-734-7973; Fax: 613-734-3331.

Canada Post Corporation Act, subsection 19(1)

Published in Canada Gazette June 27, 1998

Proposed Regulations

for Pre-Publication in Part I, Canada Gazette

Statutory Authority

Special Services and Fees Regulations, amendment

The proposed amendments would amalgamate the three existing domestic registered services into one and eliminate the Money Packets and domestic Security Registered offerings, effective January 1, 1999.

More specifically, the existing Registered Mail (commercial and retail) and Certified Mail would be replaced by a single domestic Registered Service which has simplified features, options and pricing. All Registered items will be processed in a separate processing stream (as would international and U.S. registered mail).

The new domestic Registered service will offer legal proof of mailing, legal proof of delivery, automated delivery confirmation for bar-coded items, and a basic service indemnity of \$100. Customers will also have the option of purchasing a hard copy "printout" of the delivery information for \$5.00. This printout is competitively priced to offset the cost of providing the service, and will replace the current manual Acknowledgment of Receipt Card. A "Hold for Pick Up" option will be offered free of charge.

Amendments to the Regulations include:

- a \$0.85 increase to \$4.00 (27 percent) on the price of the new Registered service for delivery in Canada;
- revoking the rate for Acknowledgment of Receipt for domestic= registered items at the time of posting;
- revoking Money Packets.

Contact: Susan McCluskey-Ilkmen, Corporate Secretariat, Canada Post Corporation, 2701 Riverside Drive, Suite N1150, Ottawa, Ontario, K1A 0B1. Tel: 613-734-7973; Fax: 613-734-3331.

Canada Post Corporation Act, subsection 19(1)

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Immigration Regulations, 1978, amendment

The proposed amendments would introduce a minimum age, 16 years, for spouses accompanying immigrants to Canada.

This age will be added to the definition of "accompanying dependant". The same minimum age will apply as well to spouses sponsored as immigrants by Canadian citizens and permanent residents.

Spouses less than this minimum age would be excluded from the Family Class prescribed in the Regulations.

These changes are designed to prevent the immigration of married couples in which one member is less than 16 years old and of people less than 16 years old who are married to Canadian citizens or permanent residents eligible to sponsor their spouses as immigrants.

In preventing the immigration of married people less than 16 years old, Citizenship and Immigration Canada (CIC) is not altering its policy and practice of recognizing the validity of marriages (except polygamous marriages) that were legal where they took place. Requiring accompanying dependant spouses to be at least 16 years old and excluding spouses less than 16 years old from the Family Class is designed simply to prevent the immigration of spouses less than 16 years old. If after attaining this age, applicants accompany or are sponsored by their spouses, their age at marriage is only relevant if it affects the legality of the marriage where it occurred.

An administrative alternative was rejected because it would fail to satisfy the Quebec government's desire to prevent the immigration of spouses under 16 years old.

Immigration Act, section 114

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Proposed Regulations

for Pre-Publication in Part I, Canada Gazette

Statutory Authority

Like other provinces, Quebec only allows marriage with parental consent if the parties are both at least 16 years old. The Immigration Department felt that this higher age requirement, based on the provincial legislation governing the solemnization of marriages, would be a more suitable model for the amendments because it recognizes marriage as a relationship that is not strictly sexual.

Quebec had its own proposal to prohibit sponsorship of spouses under 16 year old. Quebec agreed to refrain from implementing its proposal when it emerged that CIC was considering a similar measure. Officials from Quebec have contributed to CIC's policy development. Quebec is in favour of a regulatory option.

The definition "accompanying dependant" in subsection 2(1) of the Immigration Regulations, 1978 1 is replaced by the following:

"accompanying dependant", with respect to a person, means a dependant of that person to whom a visa is issued at the time a visa is issued to that person for the purpose of enabling the dependant to accompany or follow that person to Canada and, if the dependant is the spouse of that person, who is at least 16 years of age at the time the visa is issued; (personne à charge qui l'accompagne)

2. Section 4 of the Regulations is amended by adding the following after subsection (3):

(3.1) The family class does not include a spouse who is less than 16 years of age.

Contact: Dominique Collinge, Acting Director General, Selection Branch, Citizenship and Immigration Canada, Jean Edmonds Tower North, 7th Floor, 300 Slater Street, Ottawa, Ontario, K1A 1L1. Tel: 613-954-1147; Fax: 613-941-9323.

Canada Student Financial Assistance Regulations, amendment

The proposed amendments would implement changes to the student loans under the Canadian Opportunities Strategy announced in 1998 Federal Budget.

The changes include:

- effective August 1, 1998, making available a new Canada Study Grant of up to \$3,000 per year (or more in limited instances) to full-time and part-time students with assessed need above \$275 per week. Students with one or two dependants, will be eligible for \$40 per week and students with three or more dependants will be eligible for \$60 per week.
- increasing the maximum amount of that grant from \$3,000 to \$5,000 for Canada Study Grant for students with a permanent disability.
- providing flexibility for provinces to award Canada Study Grants to more students in need. The existing three formulae that specify the total amount that can be awarded to students within each grant category are being replaced with a single formula. The single formula fixes overall spending for all four Canada Study Grants without restricting the number of grants within each category.
- making available 30 months of Interest Relief to borrowers over the entire period of repayment, rather than being limited to the first five years of repayment.
- in special cases, providing for the extension of Interest Relief, beyond 30 months, to borrowers who still experience difficulty in repaying their loans during the critical five years following the end of studies. To qualify, the borrower's repayment period will be lengthened to 15 years, thereby lowering the required monthly instalments. If, after the extension of the repayment period, the borrower remains in financial hardship, Interest Relief will be extended for as long as the borrower qualifies, until the end of the fifth year of repayment.

Canada Student Financial Assistance Act, section 17

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Proposed Regulations

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Statutory Authority

- adding a new provision to provide for Debt Reduction in Repayment (DRR). This initiative will help borrowers who continue to experience financial hardship in re-paying their loans, five or more years after leaving studies. Borrowers will be eligible for a one-time reduction of the principal amount owing on their loan so that repayment is more affordable. To qualify, five years must have passed since the end of studies, and the borrower must have exhausted all available Interest Relief. The maximum amount of this assistance is \$10,000 or 50 percent of the loan principal, whichever is less, at the time of the application.
- adding a formula for calculating the amount of the reduction, taking into consideration the borrower's loan amount, family income and ability to make the reduced instalments.
- delaying until August 1, 1999 a provision specifying the circumstances under which a loan may be denied to a first time applicant, to allow governments and lenders to develop the necessary procedures and systems changes.

The amendments, with the exception of section 2 (restrictions on financial assistance), would come into effect August 1, 1998; with section 2 coming into effect August 1, 1999.

Contact: Kalpana Prasad, Policy Analyst, Canada Student Loans Program Policy, Learning and Literacy Directorate, Human Resources Development Canada, 25 Eddy Street, 10th Floor, Hull, Quebec, K1A 0M5. Tel: 819-953-9733; Fax: 819-953-8147.

Canada Business Corporations Regulations, amendment

The proposed amendments would amend the Regulations to allow Form 22 (Annual Return), which each corporation is required to send to the Director appointed under the *Canada Business Corporations Act* ("CBCA"), to be filed with Revenue Canada together with the corporation's corporate income tax return.

Also proposed is an amendment to allow information about jurisdictions in which a corporation is carrying on business to be collected on Form 22 (Annual Return) or on the combined annual return and corporate income tax return.

With respect to the combined annual return and corporate income tax return, information which is currently common to both Form 22 and the T2 Corporation Income Tax Return would be provided once, on the revised T2 form. Information which is exclusive to CBCA Form 22 (Annual Return) would be collected on a new schedule to the T2 Corporation Income Tax Return. Revenue Canada would forward the relevant information to the director appointed under the CBCA.

The amendments to the Regulations would also permit a corporation to file Form 3 (Notice of Change of Registered Office) and Form 6 (Notice of Change of Directors) together with the T2 Corporation Income Tax Return. The information required by Form 3 has been added as Part 4 to the schedule that may be used in place of Form 22 (Annual Return). The information required by Form 6 would be provided by way of a separate schedule.

It is anticipated that this optional method of filing the CBCA annual return would be allowed as of October 1998.

The current method of filing Form 22, Form 3 and Form 6 with the Director would still be available, providing corporations with a choice of using either method of filing.

Canada Business Corporations Act, subsections 261(1) and 263(1)

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Proposed Regulations

for Pre-Publication in Part I, Canada Gazette

Statutory Authority

To permit this combination of CBCA Form 22 (Annual Return), Form 3 (Notice of Change of Registered Office) and Form 6 (Notice of Change of Directors) with Revenue Canada's T2 Corporation Income Tax Return, a number of changes must be made to the Regulations.

The most substantive change is to subsection 4(3) which establishes the date for sending the annual return to the Director. Currently, the annual return must be sent to the Director within 60 days after the anniversary date of incorporation of the corporation. For all corporations, whether they file Form 22 (Annual Return) with the Director or file the equivalent schedule with Revenue Canada, the date for filing will be changed to within six months of the corporation's taxation year end. This corresponds to the date for filing the T2 Corporation Income Tax Return.

A new definition would be added to section 2 of the Regulations to define the term "taxation year end".

Three new subsections would be added to the Regulations. Subsection 4(1.1) lists the new Revenue Canada schedules, although the actual formats are not being added to the Regulations. Subsection 4(1.2) deems receipt by Revenue Canada of any of the new forms to be the date and time of receipt of the information on the combined Form 22 (Annual Return) and T2 Corporation Income Tax Return and associated schedules by the Director. Subsection 4(1.3) deems a signature by an authorized signing officer on the combined Form 22 (Annual Return) and T2 Corporation Income Tax Return to be a signature on the schedules for the purposes of the CBCA.

As a consequence of these regulatory amendments, some minor changes would be made to Form 22 (Annual Return):

Item 3 would now ask for the taxation year end, instead of the financial year end. According to the new definition of taxation year end, the financial year end and the taxation year end are the same date.

Item 4 would be removed since the anniversary date is no longer required; subsequent items would be renumbered.

With respect to the proposed amendments related to the jurisdictions in which a corporation is carrying on business, it is proposed that this information would be collected in either Form 22 (Annual Return) or the combined annual return and the T2 Corporation Income Tax Return. This change anticipates successful conclusion of current intergovernmental discussions on extra-provincial registration and reporting requirements. This information can only be shared with other Canadian jurisdictions once these discussions have been successfully concluded and technology is in place to allow for efficient sharing of the information. The intent is to relieve corporations registering to operate in one or more Canadian jurisdictions of the need to submit information already on file with their incorporating jurisdiction. The change will enable the Director to facilitate the operation of CBCA corporations across the country by transmitting to other jurisdictions, as appropriate, the information provided.

Contact: Elaine Collins, Corporations Directorate, Department of Industry, Jean Edmonds Tower South, 9th Floor, 365 Laurier Avenue West, Ottawa, Ontario, K1A 0C8. Tel: 613-941-8118; Fax: 613-941-0999; e-mail: collins.elaine@ic.gc.ca.

Proposed Regulations

for Pre-Publication in Part I, Canada Gazette

Statutory Authority

Regulations Amending Certain Regulations Made under the Motor Vehicle Safety Act (Miscellaneous Program)

Motor Vehicle Safety Act, sections 5, 10 and 11

The proposals would make non-substantive changes to the three Regulations in order to deal with issues raised by the Standing Joint Committee for the Scrutiny of Regulations (SJC).

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Changes to the *Motor Vehicle Safety Regulations* would:

- replace the expressions “clé”, “clé de contact” and “contact d’allumage” in the French version of the definition “dispositif de stationnement” and in the provisions referred to in section 4 of the Schedule with “commutateur d’allumage”, to make the terminology consistent throughout the French version of the Regulations.
- amend subsection 10(1) to prescribe the form and manner that a company shall use to maintain records in writing or in a readable electronic or optical form, to show that vehicles that it manufactures or imports conform to applicable standards. The amendment also clarifies that a record need not be kept for each individual vehicle.
- amend subsection 15(2) to set 60 days as the precise period within which a company who has issued a notice of defect, shall submit to the Minister a report referred to in the Act.

Changes to the *Motor Vehicle Tire Safety Regulations, 1995* would:

- amend subsection 11(1) to prescribe the form and manner that a company shall use to maintain records in writing or in a readable electronic or optical form, to show that tires that it manufactures or imports conform to applicable standards. The amendment also clarifies that a record need not be kept for each individual tire.
- amend subsection 15(2) to set 30 days as the precise period within which a company who has issued a notice of defect, shall submit to the Minister a report referred to in the Act.

Changes to the *Motor Vehicle Restraint Systems and Booster Cushions Safety Regulations* would:

- amends subsection 14(1) to prescribe the form and manner that a company shall use to maintain records in writing or in a readable electronic or optical form, to show that restraint systems or booster cushions that it manufactures or imports conform to applicable standards. The amendment also clarifies that a record need not be kept for each individual restraint system or booster cushion.
- amends subsection 18(2) to set 30 days as the precise period within which a company who has issued a notice of defect, shall submit to the Minister a report referred to in the Act.

Contact: John Neufeld, Automotive Safety Engineer, Standards and Regulations, Transport Canada, Place de Ville, Tower C, 8th Floor, Ottawa, Ontario, K1A 0N5. Tel: 613-998-1959.

Ministerial Orders Approved

Statutory Authority

Specifications Relating to Non-automatic Weighing Devices (1998) (SI/98-81); Order Respecting Certain Weights and Measures Specifications (1998) (SI/98-82)

The two Orders, previously approved January 5, 1998 and published in the Canada Gazette Part II on February 4, 1998 (SI/98-26 and SI/98-27), are being reapproved and republished in order to correct the date upon which they come into effect.

The original orders were to come into effect November 1, 1997 but were not registered until January 5, 1998. Lacking the power to authorize retroactive application of these regulations, the Orders are being republished in order to have them come into effect on June 15, 1998.

As with the earlier Orders, these two Orders update the standards for weighing and measuring devices to make them more appropriate to new technology and more compatible with standards applied by Canada's major trading partners.

The updated specifications for non-automatic weighing devices will permit the enforcement of standards that reflect the modern technology used in the design and operation of non-automatic weighing devices and that are more compatible with international standards, especially those applied by the United States.

The establishment of the new Specifications make some sections of the Regulations and existing Ministerial Specifications redundant or contradictory; these sections of the legislation are revised or revoked.

Contact: Curtis Cook, Program Officer, Measurement Canada, Department of Industry, 11 Holland Avenue, Tower A, 5th Floor, Suite 513, Ottawa, Ontario, K1A 0C9. Tel: 613-952-0646; Fax: 613-952-1736.

Weights and Measures Act, paragraph 10(1)(i);
Weights and Measures Regulations, sections 13 and 27

To be published in Canada Gazette July 8, 1998

Manufacturers in Bond Departmental Regulations, amendment (SOR/98-354)

This amendment require for bonded manufacturers to provide data on the monthly return concerning any surplus inventory of spirits and the quantity of any spirits disposed of. It also enables the Department to track imported alcohol and treat importations in the same manner as domestically manufactured alcohol.

In addition, the amendment clarifies that there is no longer a requirement for the provision of an annual statement of inventory, and that adjustments are to be reflected in the monthly statements by bonded manufacturers.

The amendments come into effect June 26, 1998.

Contact: Bill Anderson, Excise Duties and Taxes Directorate, Revenue Canada, Vanier Towers, Tower "C", Ottawa, Ontario, K1A 0L5. Tel: 613-957-7593; Fax: 613-954-2226.

Excise Act, subsection 32(2) and sections 127.1 and 186

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