

Tracking Federal Regulatory Initiatives

Regulatory Affairs

VOL. 3, No. 28

July 31, 1997

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Migratory Birds Regulations, Annual Amendments (SOR/97-364, OIC 1997-1020)

The amendment modifies Schedule I of the Regulations to establish hunting season dates for 1997, the number of migratory game birds that may be taken or possessed during those dates, and to re-define certain hunting districts.

Declining numbers of migrant Atlantic Population Canada Geese are being protected by a closed season in parts of Quebec and southeastern Ontario. Experimental early and late goose seasons are being expanded in parts of southern Ontario, Quebec and British Columbia to take advantage of the rapidly growing populations of temperate breeding Canada Geese. Restrictive regulations already in place for Southern James Bay Population Canada Geese are being maintained. Additional white geese (Snow and Ross) in the daily bag are being permitted in Quebec and in the western provinces where those populations have increased steadily.

Because most western duck populations have responded well to favourable climatic variables in recent years, and are at or near their populations goals, restrictions are being removed where possible. Moderate restrictions remain in place for northern pintails which are still below the population goal.

Migratory Birds Convention Act, 1994, section 12

EC/97

To be published in Canada Gazette August 6, 1997

Exempt from Pre-Publication and Approved

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In eastern Canada restrictions remain in place for scoters and black ducks. New evidence suggesting that common eiders are declining is being addressed by early closing of the hunting season in Newfoundland.

By the opening of the 1997 hunting season, the possession and use of any shot other than non-toxic shot for migratory game bird hunting will be prohibited in Canada, except for the hunting of three species of migratory upland game birds (woodcock, band-tailed pigeons and mourning doves). Non-toxic shot is defined as steel shot, tungsten-iron shot, bismuth shot, or tungsten-polymer shot. This prohibition is being instituted in response to mounting scientific evidence of the harmful effects of lead on wildlife.

Contacts: Lisa Quiring, Regulatory Analyst, Program, Analysis and Coordination Division, Canadian Wildlife Service, Environment Canada, Ottawa, Ontario, K1A 0H3. Tel: 819-997-1272. Stephen Wendt, Chief, Migratory Birds Conservation Division, Canadian Wildlife Service, Environment Canada, Ottawa, Ontario, K1A 0H3. Tel: 819-953-1422.

Income Tax Regulations (Parts XI and LXXXII and Schedule II), amendments (SOR/97-377, OIC 1997-1033)

These amendments to the Income Tax Regulations concern changes to accelerated capital cost allowances in respect of pollution abatement equipment (Classes 24 and 27) and certain energy conservation equipment (Class 34 and new Class 43.1). Most of these changes emanate from the budget of February 22, 1994, and were released in draft form on September 27, 1994 (Finance Canada Press Release 94-084).

More specifically, these amendments:

- restrict the accelerated CCA rate for pollution abatement equipment described in Classes 24 and 27 to such equipment acquired before 1999;
- terminate all additions to Class 34 effective for property acquired after February 21, 1994, subject to transitional relief for property that was under construction by or on behalf of the taxpayer before February 22, 1994 and property acquired by the taxpayer pursuant to a written agreement of purchase and sale entered into by the taxpayer before February 22, 1994;
- provide a 30% declining balance CCA rate for all acquisitions after February 21, 1994 of certain types of energy conservation equipment used in Canada, generally, to generate electricity (new Class 43.1);
- extend the 30% declining balance CCA rate to the following types of property acquired for use in Canada after February 21, 1994 (new Class 43.1);
 - enhanced combined cycle equipment at compressor stations located on a natural gas pipeline,
 - photovoltaic equipment and geothermal energy equipment, used primarily for the purpose of generating electricity;
 - equipment used primarily for the purpose of collecting landfill gas from an eligible landfill site or digester gas from an eligible sewage treatment facility.
- amend Class 8 to clarify that it does not apply to property included in Class 1. Class 1 was amended as a consequence of the 1987 tax reform to apply to certain property previously included in Class 2 to which Class 8 also cannot apply.

Income Tax Act, section 221

FIN/96-31-M; FIN/96-35-L

To be published in Canada Gazette August 20, 1997

Exempt from Pre-Publication and Approved

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- revise paragraph (b) of Class 43 (30% CCA rate) to eliminate an election in respect of property used to process foreign ore in Canada and included in Class 41. Given that such property is not eligible for the additional capital cost allowance that applies to Class 41 property (25% CCA rate), there is no reason to elect to include property in Class 41.
- amend subsection 1100(26) of the Regulations to include corporations whose principal business is manufacturing or processing or mining in the list of taxpayers exempted from the application of subsection 1100(24) of the Regulations. Subsection 1100(24) limits the amount that may be deducted in respect of specified energy property to the amount of a taxpayer's income from specified energy property. Subsection 1100(24) prevents taxpayers to whom it applies from sheltering income from other sources using the accelerated capital cost allowance available for specified energy property. This change emanates from the budget of March 6, 1996.

The budget of February 1994 estimated that the amendments enacting new class 43.1 would result in additional revenues of \$80 million during the period encompassing fiscal period 1994-95 to fiscal period 1996-97. The budget of March 1996 estimated that the amendments to the specified energy property rules would have no revenue impact in fiscal period 1996-97, and would reduce revenue raised through business taxation by \$5 million during fiscal period 1997-98 and \$10 million during 1998-99.

Contact: Kerry Harnish, Tax Legislation Division, Department of Finance, 140 O'Connor Street, 17th Floor, East Tower Ottawa, Canada, K1A 0G5. Tel: 613-992-4385.

Technical Amendments Order (Customs Tariff), No. 8 (SOR/97-378, OIC 1997-1034; Technical Amendments Remission Order (SOR/97-379, OIC 1997-1035)

The *Technical Amendments Order (Customs Tariff), No. 8* amends Schedules I and II of the *Customs Tariff*. The amendments correct minor technical errors (i.e. numerical or typographical errors) identified by the Department of Finance and the Department of National Revenue. In addition, the Order would re-instate the Australia/New Zealand treatment associated with six tariff items since these were inadvertently deleted effective January 1, 1997.

The *Technical Amendments Remission Order* grants the remission of customs duties on certain tariff items which are amended in the *Technical Amendments Order (Customs Tariff), No. 8* in order to meet Canada's international obligations. Specifically, the Australia/New Zealand rates are amended retroactive to Jan. 1, 1997 and the tariff treatment for video camera lenses is being made retroactive to Jan. 1, 1996.

Contact: Deborah Hoeg, International Trade Policy Division, Department of Finance, Ottawa, Ontario, K1A 0G5. Tel: 613-996-7099.

Prohibition of Entry on Certain Lands in the Yukon Order (1977 - No. 3, Dawson First Nation, Y.T.) (SOR/97-380, OIC 1997-1036); Order Respecting the Withdrawal from Disposal of Certain Lands in the Yukon Territory (Dawson First Nation, Y.T.) (SI/97-93, OIC 1997-1063)

The Orders repeal the existing Prohibition of Entry on Certain Lands Order, No. 6 of 1995, made by Order in Council P.C. 1995-712 of May 2, 1995 and substitutes a new Order. The changes follow the selection of new lands by the Dawson First Nation.

Customs Tariff, section 12.1; *Customs Tariff*, section 101

FIN/97-15; FIN/97-13

To be published in Canada Gazette August 20, 1997

Yukon Placer Mining Act, section 98; *Yukon Quartz Mining Act*, section 14.1

INAC/R-1-I

To be published in Canada Gazette August 20, 1997

Exempt from Pre-Publication and Approved

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The new Prohibition of Entry on Certain Lands Order will be effective on the date it comes into force and will end on December 31, 2001.

Contact: Ian Sneddon, Chief, Land Management Division, Department of Indian Affairs and Northern Development, Les Terrasses de la Chaudière, 10 Wellington Street, Ottawa, Ontario, K1A 0H4; Tel: 819-997-9090; Fax: 819-953-2590.

Statutory Instruments Regulations (Miscellaneous Program), amendment (SOR/97-381, OIC 1997-1037)

This amendment repeals a provision that exempted standing orders made by the Commissioner of the Royal Canadian Mounted Police from the registration requirements of the *Statutory Instruments Act*. As a result of the amendment, all future Commissioner's standing orders will be subject to the examination, registration and publication requirements of that Act.

The amendment is being made in response to concerns raised by the Standing Joint Committee for the Scrutiny of Regulations. It has been determined that Commissioner's standing orders are no longer so numerous as to warrant continued exemption from the above-noted requirements.

Contact: Jacques Desjardins, General Counsel, Regulations Section, Department of Justice, 222 Queen Street, Ottawa, Ontario, K1A 0H8. Tel: 613-957-0087; Fax: 613-941-1193.

Application of Provincial Laws Regulations, amendment (SOR/97-382, OIC 1997-1038)

This amendment deems all contraventions in respect of any unlawful parking, standing or stopping of a vehicle on a federal property to have been committed in a municipality designated by regulations under Part II of the *Provincial Offences Act of Ontario*. It provides for further modifications to that statute to allay concerns of possible terminological ambiguities and eliminates an inconsistency in the French version.

While federal properties are spread throughout Ontario, the bulk of contraventions relating to parking are committed at federal airports, on federal properties situated in the National Capital Region and on National Defence bases.

The Contraventions Act, passed in October 1992, provides for the establishment of a contravention scheme as an alternative procedure to the Criminal Code process. In response to provincial and territorial concerns about being faced with a new set of procedures that would differ from their respective offence schemes, and in order to avoid unnecessary duplication, Parliament amended the Act in May 1996.

Counsel for the Attorney General of Ontario and the City of Ottawa were consulted extensively during the development of this amendment to the regulations.

Contact: Michel Gagnon, Director, Contraventions Project, Department of Justice, 344 Wellington Street, Ottawa, Ontario, K1A 0H8. Tel: 613-998-5669; Fax: 613-998-1175.

Insurable Earnings and Collection of Premium Regulations, amendment (SOR/97-383, OIC 1997-1039)

The amendments to section 3 of the Regulations provide the ranges of insurable earnings used in preparing the tables to reflect the revised premium rate for 1997 as established by the *Employment Insurance Act*. For employees, there will be a decrease in premiums due to a reduction in the premium rate from \$2.95 to \$2.90 per \$100 of insurable earnings.

Statutory Instruments Act

Not included in Regulatory Plan

To be published in Canada Gazette August 20, 1997

Contraventions Act

JUS/97-2-I

To be published in Canada Gazette August 20, 1997

Employment Insurance Act, sections 82 and 108

RC/R-22-L

To be published in Canada Gazette August 20, 1997

Exempt from Pre-Publication and Approved

Statutory Authority & Regulatory Plan Listing

The changes will permit employers to determine the amounts of employee premiums required to be remitted to Revenue Canada in accordance with the tables prepared under the rules.

Contact: Richard Montroy, Legislative Policy Division, Revenue Canada, 875 Heron Road, Ottawa, Ontario, K1A 0L5. Tel: 613-952-6479.

Canada Pension Plan Regulations (1997 tables), amendment (SOR/97-384, OIC 1997-1040)

These amendments change the amount of the employee's contribution required under the Canada Pension Plan for a specific pay period.

They prescribe an "employee's maximum contribution" for 1997 to be \$944.78 due to the increases in the employees' contribution rate from 2.8% to 2.925% for 1997, and the year's maximum pensionable earnings from \$35,400 to \$35,800. The revisions to the employee's basic exemption are required by section 20 of the Plan which sets an exemption of 10% of the year's maximum pensionable earnings.

Employers are required to match employee contributions, and affected self-employed persons are required to contribute \$1,889.55 in 1997 as compared with \$1,786.40 for 1996.

In addition, the amounts in Schedule I to the Regulations are revised to reflect the 1997 increases in the employees' contribution rate to 2.925% and in the year's maximum pensionable earnings to \$35,800. Annual increases in the employees' contribution rate are provided for in the schedule to subsection 11.1(2) of the Plan.

Contact: Richard Montroy, Legislative Policy Division, Revenue Canada, 875 Heron Road, Ottawa, Ontario, K1A 0L5. Tel: 613-952-6479.

Income Tax Regulations (1997 tables), amendment (SOR/97-385, OIC 1997-1041)

Schedule VIII to the *Income Tax Regulations* lists universities outside Canada, the student body of which ordinarily includes students from Canada. Donations to these universities qualify as charitable donations for income tax purposes. These amendments add to that list the names of additional universities which have been found to qualify and deletes those that no longer qualify.

The amendments will permit corporate taxpayers who make donations to the universities added to the list by the amendments to deduct the donations in calculating their taxable income. Donations by an individual will be eligible for a tax credit which will reduce the individual's tax liability.

Contact: Richard Montroy, Legislative Policy Division, Revenue Canada, 875 Heron Road, Ottawa, Ontario, K1A 0L5. Tel: 613-952-6479.

Certain Department of Transport Regulations (Miscellaneous Program), No. 1, amendment (SOR/97-386, OIC 1997-1042)

This amendments involve non-substantive changes to the regulations listed below; they also deal with issues raised by the Standing Joint Committee for the Scrutiny of Regulations (SJC).

More specifically:

- Under the *General Pilotage Regulations*, changes the incorrect reference in subsection 4(1) of the regulations to paragraph 22(1)(b) of the *Pilotage Act*. (editorial)

Canada Pension Plan, subsection 21(1) and section 40

RC/R-19-L

To be published in *Canada Gazette* August 20, 1997

Canada Pension Plan, subsection 21(1) and section 40

RC/R-19-L

To be published in *Canada Gazette* August 20, 1997

Aeronautics Act, Canada Shipping Act, Hamilton Harbour Commissioners Act, Department of Transport Act, Pilotage Act

Not included in Regulatory Plan

To be published in *Canada Gazette* Aug. 20, 1997

Exempt from Pre-Publication and Approved

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- Under the *Ships Registration Forms Regulations*, as a result of the transfer of the Canadian Coast Guard to the Department of Fisheries and Oceans, the forms have been replaced to reflect Marine Safety, Department of Transport, to incorporate the new design for the Canadian Coat of Arms and to deal with issues raised by the SJC.
- Under the *Fort Resolution Airport Zoning Regulations*, corrects a discrepancy between the French and English versions of paragraph (b) of Part II of the Schedule by adding the word “associé” (SJC)
- Under the *Crew Accommodation Regulations*, adds subsection 13(1.1) and amends the table by deleting the words “per inspection” from the heading in Column III to clarify the intention of the fees charged relative to the hours worked. (SJC)
- Under the *Dangerous Bulk Materials Regulations*, adds subsection 11(2.1) and amends the table by deleting the words “per inspection” from the heading in Column III to clarify the intention of the fees charged relative to the hours worked. (SJC)
- Under the *Dangerous Goods Shipping Regulations*, adds subsection 19(2.1) and amends the table by deleting the words “per inspection” from the heading in Column III to clarify the intention of the fees charged relative to the hours worked. (SJC)
- Under the *Hamilton Harbour Cargo Rates Tariff By-Law*, corrects an error in the French version of paragraph 4 (1) (a); (editorial); amends paragraphs 4(1)(b) and 5(1) (b) by adding the words “or secure all such rates to the satisfaction of the Corporation” (SJC); and amends subsection 7 (2) by adding the words “in writing” before “within seven days” and by replacing the words “report and manifest referred to in section 5” with “manifest or report referred to in paragraph 5(1)(a)” (SJC).

Contact: Sherill Besser, Senior Counsel, Transport Canada, 344 Slater Street, Ottawa, Ontario, K1A 0N5. Tel: 613-993-4554.

Canadian Wheat Board Regulations, amendment (SOR/97-361, OIC 1997-987)

The amendment establishes a higher initial payment for the base grades of wheat (an increase of \$10 per metric tonne), amber durum wheat (an increase of \$30) and designated barley (an increase of \$25 per metric tonne) for the 1996-97 crop year.

If producers deliver to the pool accounts 18.8 million tonnes of wheat, 4.1 million tonnes of amber durum wheat and 2.3 million tonnes of designated barley during the 1996-97 crop year, the initial payment adjustments would represent about \$350 million in additional grain receipts for wheat and barley producers.

Contact: Craig Fulton, Commerce Office, Grains and Oilseeds Division, International and Industry Services Branch, Agriculture and Agri-Food Canada, Sir John Carling Building, 930 Carling Avenue, Ottawa, Ontario, K1A 0C5. Tel: 613-759-7698; Fax: 613-759-7499.

Boat Restriction Regulations, amendment (SOR/97-393, OIC 1997-1081)

These amendments are required to allow boating on two lakes in Quebec and to correct or clarify other provisions. The Quebec lakes were inadvertently included with a schedule of lakes upon which boating is prohibited. The other amendments are of a minor, housekeeping nature.

Contact: Jean Pontbriand, Office of Boating Safety, Canadian Coast Guard, 9th floor, 344 Slater Street, Ottawa, Ontario, K1A 0N7. Tel: 613-998-1433; Fax: 613-996-8902.

Canadian Wheat Board Act, sections 32, 47 and 61; *Canadian Wheat Board Regulations*, section 9

Not included in Regulatory Plan

To be published in Canada Gazette August 6, 1997

Canada Shipping Act, subsections 562(2) - (4)

F&O/R-3-L

To be published in Canada Gazette August 20, 1997

Exempt from Pre-Publication and Approved

Statutory Authority & Regulatory Plan Listing

Protection of the Income of Milk Producers Regulations (1996) (OIC 1997-1088)

The regulations established a phase-out of the dairy subsidy over five years, as announced in the March 1996 federal budget.

More specifically, the regulation provides for the authority by which to establish the rate according to following schedule:

- August 1, 1996 to January 31, 1998, \$1.05525 per kg of butterfat;
- February 1, 1998 to January 31, 1999, \$0.84420 per kg of butterfat;
- February 1, 1999 to January 31, 2000, \$0.63315 per kg of butterfat;
- February 1, 2000 to January 31, 2001, \$0.42210 per kg of butterfat;
- February 1, 2001 to January 31, 2002, \$0.21105 per kg of butterfat.

The regulation shifts the subsidy reduction schedule back by six months, something that both producers and processors agreed to. They indicated that it is much easier to pass on price changes in February than in August. This delay would also create needed price stability in the dairy sector until early 1999.

Postponing the schedule is estimated to cost the department \$15.6 million toward the end of the five year phase-out of the subsidy.

The most recent regulations for the dairy program were made under SOR/96-295. Contact: Léo Curtin, Marketing Policy Division, Policy Branch, Agriculture and Agri-Food Canada, Sir John Carling Building, 930 Carling Avenue, Room 621, Ottawa, Ontario, K1A 0C5. Tel: 613-759-7362; Fax: 613-759-7239.

Farm Income Protection Act

Agr/96/R-13-I

To be published in Canada Gazette August 20, 1997

Pre-Published and Approved No comments or changes

Statutory Authority & Regulatory Plan Listing

Pacific Fishery Regulations, amendment (SOR/97-365, OIC 1997-1021)

This amendment revokes the regulation which required a minimum of 30 strands, each of which was equal in diameter, in the twine of a salmon gill net. In future, the type of twine permitted in these nets will be regulated as a condition of the salmon fishing licence. This approach will allow the most appropriate type of net to be prescribed for the different salmon fishing areas.

The amendment also 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, will 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 will also continue to be permitted in these waters.

Fisheries Act, R.S., c. F-14, s. 43

Not included in Regulatory Plan

To be published in Canada Gazette August 20, 1997

Pre-Published and Approved No comments or changes

Statutory Authority & Regulatory Plan Listing

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.

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 \$1500.

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.

Food and Drug Regulations, amendment (Schedule 1033) (SOR/97-366, OIC 1997-1022)

The amendment establishes a Maximum Residue Limit (MRL) for propyzamide, including its metabolites, in lettuce at 1.0 parts per million (ppm).

Propyzamide is an herbicide used in the control of a wide range of grasses and broad leaf weeds. It is currently registered under the *Pest Control Products Act* for use in Canada on apples, blueberries, forage crops and grasses, pears and strawberries. Residues in these crops are covered by the general limit of 0.1 ppm as specified in subsection B.15.002(1) of the Regulations.

This amendment was published in Canada Gazette, Part I on November 30, 1996. No comments were received.

Contact: Head, Food Residue Exposure Assessment Section, Pest Management Regulatory Agency, Health Canada, A.L. 6605E1, 2250 Riverside Drive, Ottawa, Ontario, K1A 0K9. Tel: 613-736-3520; Fax: 613-736-3505.

Ship-source Oil Pollution Fund Regulations (SOR/97-367, OIC 1997-1023)

This amendment reinstates a requirement for persons receiving contributing oil to complete an information return reporting such oil shipped in bulk as cargo of a ship from a place in Canada or from a Canadian offshore oil installation to a terminal or port in Canada.

This requirement was inadvertently repealed from the Regulations in SOR/95-37 (published in the Canada Gazette, Part II, on August 9, 1995). At that time, rather than simply adding a new required item as paragraph 3(1)(c), as is now being done, the new item was instead made as paragraph 3(1)(a) and resulted in the repeal of the requirement in the old subsection 3(1)(a).

As well, correction has been made to French wording in two sections of the Regulations.

The proposed amendment was prepublished in the Canada Gazette, Part I on March 1, 1997. No comments were received.

Contact: F.A.S Millar, Office of the Administrator, Ship-source Oil Pollution Fund, 90 Elgin Street, 8th Floor, Ottawa, Ontario K1A 0N5. Tel: 613-990-5420; Fax: 613-990-5423. D. Dagenais, Marine Regulatory Coordinator and Analyst, (AMBCA), Marine Safety Directorate, Safety and Security Group, Transport Canada, Ottawa, Ontario K1A 0N7. Tel: 613-990-3092; Fax: 613-991-5670.

Food and Drugs Act, c. F-27, subsection 30(1)

Not included in Regulatory Plan

To be published in Canada Gazette August 20, 1997

Canada Shipping Act, section 719

Not included in Regulatory Plan

To be published in Canada Gazette August 20, 1997

Pre-Published and Approved With comments or changes

Statutory Authority & Regulatory Plan Listing

Ruminant Ingredient Feed Ban (I.D. No. 96024) (SOR/97-362, OIC 1997-1018)

Health of Animals Act, S. C. 1 990, c. 21

This amendment, designed to protect Canadians from bovine spongiform encephalopathy (BSE), prohibits anyone from feeding to ruminant animals, mammalian material with the exception of material from swine and equines.

Not included in Regulatory Plan

The amendment also requires 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.

To be published in Canada Gazette August 6, 1997

More specifically, the importation of canned bovine (beef) meat products is 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.

The amendment also bans 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). 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.

Pre-Published and Approved With comments or changes

Statutory Authority
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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.

The proposed regulations were prepublished in the Canada Gazette, Part I on March 29, 1997 (see *Regulatory Affairs*, Vol. 3, No. 11, pp. 1-2, March 29, 1997).

As a result of a change in the U.S. final rule and comments from industry, the proposed regulation was amended to extend the feeding ban to mammalian material with the exception of swine and equines. Porcine and equines have been exempted from the definition of prohibited material because neither species has been documented to be affected by a naturally occurring Transmissible Spongiform Encephalopathy (TSE). Dedicated slaughtering facilities do exist for these two species making it possible to produce rendered material that is purely sourced.

The Canadian Food Inspection Agency received many comments pertaining to the wording of the labeling required on both ruminant and non-ruminant livestock feeds. Industry expressed a strong desire not to have 'negative' labeling. A common concern was that the word 'ruminant' would not be understood by everyone. After further discussions with representatives of the rendering and feed manufacturing industries the Agency removed the requirement to label feed or rendered material which does not contain prohibited material.

A new requirement (subsection 170) has been added to the regulation requiring prevention of contamination of animal feed for ruminants with prohibited material during mixing and storage.

The Agency was asked to clarify the implementation of requirements relating to labelling, record keeping requirements and permit issuance. The Feed manufacturing and Rendering industries will be permitted to modify labels by means of stickers or other methods provided the additional information provided is legible and indelible. Stickers will be allowed to apply the required labelling. Feed mills will be required to maintain records of direct distribution and sales. Records of further distribution and sales are the responsibility of the recipient of the first transaction and so on. The system for issuance of permits for rendering operations will take into consideration any existing systems, duplication will be avoided where-ever possible.

Contact: Dr. G. Clarke, Meat and Poultry Products Division, Canadian Food Inspection Agency, 59 Camelot Court, Nepean, Ontario, K1A 0Y9. Tel: 613-225-2342.

Livestock and Poultry Carcass Grading Regulations, amendment (Beef standards; 96014) (SOR/97-368, OIC 1997-1024)

The amendment updates the national grade standards for beef carcasses graded in Canada.

*Canada Agricultural
Products Act*
1997 - Future Initiatives
To be published in Can-
ada Gazette August 20,
1997

Pre-Published and Approved With comments or changes

Statutory Authority
&
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More specifically, the amendment:

- establishes a Canada Prime grade;
- provides the option to knife-rib carcasses on both sides; and
- provides the option for grading to be performed at a federally registered processing establishment.

The new Canada Prime grade, which differs from the Canada AAA grade in that the required marbling level is at least “slightly abundant” or more, is equivalent to the USDA Prime grade. All other grading criteria are the same as for the Canada A/AA/AAA grades. The new Canada Prime grade will respond primarily to the needs of the export market and the hotel, restaurant and institutional (HRI) sector (and help reduce the need for imports of Prime grade beef from the U.S.).

Packers will have the option of having those carcasses eligible for the Canada Prime grade, grade-stamped with the new grade name or as Canada AAA.

Knife-ribbing is the cutting of the carcass side between the twelfth and thirteenth ribs to expose the ribeye muscle so that it can be evaluated by the grader for colour, marbling and fat thickness. In Canada, the Regulations specify that the left side of the carcass is to be knife-ribbed. In the United States, however, packers are allowed to knife-rib both carcass sides so that the grader may select the side which results in the highest grade. This amendment achieves the same effect by requiring that the left side continue to be knife-ribbed, as well as permitting packers the option of also knife-ribbing the right side so that the grader may evaluate both sides and determine the final grade based on the best side.

At present, beef carcasses must be graded in the establishment where the animals were slaughtered. The establishment may be registered under either the federal or a provincial meat inspection service. In certain cases such as where there is inadequate cooler space at the slaughter establishment, it would be more convenient to perform the grading at the establishment where the carcasses are subsequently processed. This amendment allows beef carcasses from cattle slaughtered in federally-registered establishments to be graded either at the establishment of slaughter or in a federally-registered processing establishment. Grading in provincially-registered establishments will continue to be at the establishment of slaughter.

Following prepublication in Part I of the Canada Gazette on February 15, 1997 (see *Regulatory Affairs*, Vol. 3, No. 6, p. 3, February 22, 1997), only two submissions were received, one from the Canadian Meat Council and one from the Canadian Beef Grading Agency. Both submissions supported the Canada Prime grade and both requested that the necessary changes to accommodate the industry resolution regarding Canada Choice be made prior to final publication. In light of the strong support to allow containers of Canada AAA beef destined for the export trade to be identified as either Canada AAA or Canada Choice, the appropriate changes to section 13 of the Regulations were made.

Contact: Richard Robinson, Chief, Livestock Identification and Legislation, Meat and Poultry Products Division, Canadian Food Inspection Agency, Nepean, Ontario, K1A 0Y9. Tel: 613-952-8000; Fax: 998-0958.

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Dairy Products Regulations, amendment (Light Cheese; 95927) (SOR/97-369, OIC 1997-1025)

These amendments revoke a provision of the *Dairy Products Regulations* that required the word “style” to be shown on labels of light cheese after the variety name, i.e. “Light Cheddar Cheese” instead of “Light Cheddar Style Cheese”. This requirement was introduced into the Regulations in 1994 to facilitate the marketing of “light” versions of popular varieties of cheese which were being promoted by dairy processors. It was felt at the time that consumers would benefit from this type of labelling to differentiate between the traditional named cheese varieties and their “light” versions at a time when numerous new lifestyle products commonly labelled “light” or “lite” were coming onto the market.

Food products labelled as “light” or “lite” are required to have at least a 25% reduction in the component claimed to be less than that in the regular form of the food. In the case of light cheese, there is at least a 25% reduction in fat content.

The National Dairy Council, on behalf of Canadian dairy processors, proposed the revocation of the requirement in order to simplify light cheese labelling and eliminate the misconception the term “style” may give consumers.

Dairy Farmers of Canada does not support the labelling change. However, the department consulted the Consumers Association of Canada (CAC) on November 30, 1995, and the CAC indicated that the term “style” did not really help the consumer to make an informed choice and supported its revocation. The government decided to proceed with the change.

Contact: Don Crosby, Chief of Legislation, Dairy, Fruit and Vegetable Division, Food Production and Inspection Branch, Canadian Food Inspection Agency, 59 Camelot Drive, Nepean, Ontario K1A 0Y9. Tel: 613-952-8000, ext. 4724; Fax: 613-993-8511; e-mail: dcrosby@em.agr.ca.

Livestock and Poultry Carcass Grading Regulations, amendment (Veal standards; 95009) (SOR/97-370, OIC 1997-1026)

Based on the recommendations of an Industry/Government Veal Grading Committee, the following amendments are being made to the veal standards in the Regulations:

- to amend the definition of “veal” to increase the maximum weight from 150 to 190 kg (hide-off), or 165 to 205 kg (hide on);
- to introduce a maximum carcass weight of 167 kg (hide off) or 182 kg (hide-on) for graded veal carcasses;
- to maintain the current mandatory carcass marking requirements for graded carcasses weighing less than 150 kg (hide-off) or 165 kg (hide-on), and permit optional carcass grade stamping for the heavier graded carcasses; and
- to modify slightly the carcass muscling requirements for the Canada A and Canada B grades by deleting the shoulder assessment.

The change allows the Ontario veal industry to market heavier graded veal carcasses; under the previous regulations, all carcasses over 150 kg must be labelled as beef.

The proposed regulations were republished in the Canada Gazette, Part I, on February 3, 1996. As a result, several changes have been reflected in the final approved regulations.

*Canada Agricultural
Products Act*

1997 - Future Initiatives

To be published in Canada Gazette August 20, 1997

*Canada Agricultural
Products Act, R.S., c. 20
(4th Supp.)*

Agr/96-6-L

To be published in Canada Gazette August 20, 1997

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For example, a sunset date of January 1, 2001 has been established for the maximum weight in the definition of veal. Another change is the removal of the option to grade stamp veal carcasses between 165 and 182 kg (hide-on). The maximum grade stamping weight remains at 165 kg which is the status quo. As well, the maximum hide-off weight in the definition of veal has been reduced from 190 to 180 kg and from 167 to 165 kg for graded veal carcasses.

Contact: Richard Robinson, Chief, Livestock Identification and Legislation, Meat and Poultry Products Division, Canadian Food Inspection Agency, 59 Camelot Drive, Nepean, Ontario K1A 0Y9. Tel: 613-952-8000, ext. 4724; Fax: 613-998-0958.

Immigration Appeal Division Rules, amendment (SOR/97-363, OIC 1997-1019)

Immigration Act, subsection 65(1)

These amendments address a number of procedural shortcomings, and contain a number of minor clarifications and simplifications, as well as certain style and terminology changes.

IRB/94-2-L

Included are changes to the Rules designed to make them more comprehensive. Examples include:

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- the Appeal Division is to be notified when parties are going to raise constitutional questions [Rule 27.1]
- the circumstances in which a person is deemed to be counsel of record for a party, other than the Minister, have been set out; counsel ceases to be counsel of record when the party notifies the Appeal Division, pursuant to Rule 36, that that particular counsel no longer represents the party; in all other cases, counsel of record must apply to the Appeal Division, together with an affidavit setting out the grounds, in order to be removed as counsel of record [Rule 30.1]
- the Immigration Appeal Division (IAD) may now order that service be dispensed with, if the Appeal Division has made reasonable efforts to locate the party [Rule 35(4.1)]
- the addition of a specific reference in the hearings role to the Appeal Division's holding of hearings via electronic means, such as videoconferencing [Rule 25]
- for both the time limits role and the general role regarding non-compliance, the Appeal Division may make an order on its own motion as well as on the application of a party [Rules 38, 40]
- counsel is to advise the Appeal Division when a designated representative may be necessary [Rule 11.1]
- service of documents by courier is added [Rule 35(1)]

Other examples of changes designed to streamline the process include:

- the Rules now require that the material that is disclosed is also to be filed at the registry; this allows decision-makers to be more fully prepared in advance of a hearing [Rules 18,19]
- with regard to both the appeal of a removal order or conditional removal order made by an adjudicator, the Rules provide for service of the notice of appeal on the adjudicator at the conclusion of the inquiry, or filing at the Adjudication Division registry; this is a change from the previous role which required filing at the Appeal Division registry; it is easier for a person to serve or file a notice of appeal at the Adjudication Division registry; it also improves efficiency as the notice of appeal is filed where the documentation is already located, which reduces delays in the preparation of a record [Rule 6]

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- with regard to the appeal of a refusal to approve a sponsored application for landing, the Rules provide for the filing of the notice of appeal at the Appeal Division registry, with service thereof on the Minister by the registrar; this is a change from the previous rule which required service of the notice of appeal on an immigration officer. There is the addition of the requirement that the sponsor file with the notice of appeal, a copy of the notice of refusal, wherever practicable; this will reduce delays in the processing of appeals [Rule 10]
- an amendment provides for the filing of only one certified copy of the record at the registry, instead of the current three copies; this takes into account the fact that most appeals are now heard by single-member panels [Rules 7, 9, 11]
- the format of the change of venue rule has been changed to resemble that of the rule on postponements and adjournments: the Appeal Division, in determining whether to grant a change of venue, may take into consideration certain factors [Rule 12(2)]
- the rules for the provision of a certified true copy of the record, and the filing at the registry, specify time frames within which these acts must be carried out, which time frames can be modified upon application by a party [Rules 7, 9, 11]
- with regard to appeals of removal orders or conditional removal orders, or appeals by the Minister, an amendment clarifies that the record does not include any proceedings before an adjudicator which relate to detention, as these proceedings are not part of the appeal [Rules 7, 9]
- the rule regarding appeals from a refusal to approve a sponsored application for landing is clarified to show that the 30-day filing period does not begin to run until the sponsor has been informed of the reasons for the refusal in writing by the Minister [Rule 10(1)]
- the terminology in the summons rule has been changed to clarify that a Rule 26 application is not required [Rule 23]
- the rule regarding Notices to Appear is clarified to show that it does not apply to a conference or hearing that has been postponed [Rule 14(2.1)]
- the description of the material that is disclosed in advance of a hearing is simplified and enlarged; the party must disclose the number of witnesses they intend to call, and the reasons for which each witness will be called; the reply rule has been changed to clarify that it applies to replies to documentary evidence filed by the other party, in the form of other documentary evidence and not in the form of submissions [Rule 18]
- the rule setting out the material that is disclosed at a conference corresponds with the comparable rule for material that is disclosed in advance of a hearing [Rule 17]
- the description of the information that is included in an application is enlarged; the rule is also clarified to indicate that it only applies to those applications specifically referenced to in the rule [Rule 26]
- the general proof of service rule is repealed, and the motions rule is amended to require proof of service to be filed at the registry; the general proof of service rule was not being complied with, and in most cases, proof of service was not necessary; with this change,
- those situations where proof of service is required are clearly set out in the Rules [Rules 35(6),27(3)(b)]

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- the rules regarding motions to reinstate and motions to reopen are amended to include a requirement that a party, other than the Minister, if not represented by counsel, include in the motion the party's address and telephone number; the party may have moved since the final decision or withdrawal of the appeal, and may not have provided the Appeal Division with a current address [Rules 31, 32]
- the rule regarding an application for confidentiality is amended to allow for a non-party to apply to be made an intervenor in that application [Rule 20(2)]
- the rule regarding notification of the Appeal Division by a party of a change in the information regarding the party's counsel has been clarified, to indicate that a party is also required to notify the Appeal Division when a party ceases to be represented by counsel [Rule 36]

A suggestion was made by the Canadian Bar Association to specify that the 30-day filing period after the day on which a sponsor has been informed of the reasons for a refusal does not begin to run until the sponsor has been so notified in writing by the Minister [Rule 10(1)]. This suggestion has been incorporated into the final approved regulations. It was also agreed to delete the criterion of legitimate purpose in the rule regarding applications for a change of venue [Rule 12(2)].

Contact: Philip Palmer, General Counsel, Immigration and Refugee Board, 240 Bank Street, Ottawa, Ontario, K1A 0K1. Tel: 613-995-2815; Fax: 613-947-5629; E-mail: ppalmer@magi.com.

Minority Investment (Banks) Regulations (SOR/97-371, OIC 1997-1027); Minority Investment (Cooperative Credit Associations) Regulations (SOR/97-372, OIC 1997-1028); Minority Investment (Insurance Companies) Regulations (SOR/97-373, OIC 1997-1029); Minority Investment (Trust and Loan Companies) Regulations (SOR/97-374, OIC 1997-1030)

The Regulations are designed to enhance financial institutions' ability to make less-than-controlling investments in permitted entities (e.g., joint venture arrangements), making it easier to enter into alliances, enter new markets and compete more effectively.

As well, the Regulations will eliminate the limit on equity investments and increase the aggregate limit on investments, loans and guarantees to 50% of regulatory capital. This change will provide additional capacity for financial institutions to take advantage of new joint venture opportunities while retaining a prudential limit on such investments.

These investments would continue to be subject to regulatory approval and appropriate assurances to the Superintendent on access to information on the joint venture where necessary.

The government announced its intention to amend these regulations as part of the 1997 Review of the Financial Sector legislation.

Currently, federally regulated financial institutions (FRFIs) are required to have legal control of certain entities in which they are permitted to have a substantial investment. These entities include investments in Canadian and foreign financial institutions, financial leasing, factoring, specialized financing and financial holding corporations.

An exemption from the general requirement to control entities is provided by the *Minority Investment Regulations*.

Bank Act, Cooperative Credit Associations Act, Insurance Companies Act, Trust and Loan Companies Act

OSFI/97-1-L

To be published in Canada Gazette August 20, 1997

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The Regulations allow for such corporate joint venture equity investments under the following conditions:

- the FRFI controls the joint venture even though it does not have legal control,
- the investment is in a foreign financial institution and is regulated under the laws of the foreign jurisdiction,
- the FRFI's aggregate equity investments in all such joint ventures do not exceed 10% of its regulatory capital; and
- the total of the FRFI's equity investments plus all loans and guarantees extended to such joint ventures do not exceed 25% of its regulatory capital.

Contact: Normand Bergevin, Senior Officer, Legislation and Precedents Division, Office of the Superintendent of Financial Institutions, 255 Albert Street, Ottawa, Ontario, K1A 0H2. Tel: 613-990-5986; Fax: 613-998-6716.

Confederation Bridge Area Provincial (P.E.I.) Laws Application Regulations (SOR/97-375, OIC 1997-1031)

The regulations provide for the application of the laws of Prince Edward Island on and about the portion of the Confederation Bridge that is outside of any province.

While federal law, including the Criminal Code, applies to the Bridge because it is located within Canada, federal law is not sufficiently broad to deal with all types of situations.

The regulations provide a definition of the "Confederation Bridge Area".

The *Oceans Act* provides for Prince Edward Island court jurisdiction with respect to provincial laws extended by these Regulations.

Highway traffic rules and their policing are being dealt with by separate regulations under the *Government Property Traffic Act*.

Contact: Jason Reiskind, Counsel, Justice Canada, Ottawa, Ontario, K1A 0H8. Tel: 613-957-7464; Fax: 613-941-1971.

Motor Vehicle Safety Regulations, amendment (Vehicle Emissions, Sections 1100 to 1105) SOR/97-376, OIC 1997-1032)

This amendment to the *Motor Vehicle Safety Regulations* introduces more stringent emission standards for light-duty vehicles, light-duty trucks, heavy-duty vehicles and motorcycles.

The changes would harmonize Canadian emission standards with those applicable in the United States under the U.S. Environmental Protection Agency's (EPA) federal emissions program.

The new requirements become effective with the 1998 model year vehicles manufactured on or after September 1, 1997, with the exception of diesel-fuelled vehicles which apply to vehicles produced on or after January 1, 1998. Companies have the option of certifying 1998 model year vehicles built before the above dates to the new emission standards.

The amendments ensure that Canadian emission standards continued to be in harmony with the U.S. for subsequent model years.

Recognizing that motor vehicles continue to be a major source of Canada's air pollution, the Canadian Council of Ministers of the Environment (CCME) established the "Task Force on Cleaner Vehicles and Fuels" in November, 1994. As part of its mandate, the Task Force was asked to develop options and recommendations for national emission standards for motor vehicles.

Oceans Act

Not included in Regulatory Plan

To be published in Canada Gazette August 20, 1997

Motor Vehicle Safety Act, S.C., 1993, c. 16

TC/95-66-M

To be published in Canada Gazette August 20, 1997

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On Oct. 23, 1995, the CCME accepted the Task Force's recommendation that Transport Canada immediately update its vehicle emission regulations under the *Motor Vehicle Safety Act* (MVSA) to harmonize them with the U.S. federal standards under the U.S. Clean Air Act.

Current Canadian emission regulations apply only to light-duty vehicles, light-duty trucks, and heavy-duty vehicles that are fuelled with gasoline or diesel fuel. The amendment extends the applicability of the emission standards to include motorcycles and, in addition to gasoline and diesel fuel, to cover vehicles designed to operate on methanol, liquefied petroleum gas (LPG) and natural gas.

Under the changes, companies would continue to be required to certify that every vehicle complies with the emission standards as a condition of importation or of affixing the National Safety Mark. Each company is now responsible for ensuring that its vehicles, when properly maintained, comply with emission standards in-use throughout their defined useful lives. Generally, the in-use standards would be identical to the certification standards.

Under the amendment, exhaust emission standards for new light-duty vehicles are made more stringent and the period of use for which vehicles are required to comply with emission standards (i.e. useful life) is extended from five years or 80,467 km (50,000 miles) to 10 years or 160,934 km (100,000 mi), whichever occurs first. The amendment requires that light-duty vehicles meet a set of specified standards at five years or 80,467 km (50,000 mi) (the new "intermediate useful life") and a less stringent set of standards at the full useful life of ten years or 160,934 km (100,000 miles). This accounts for the normal deterioration in the performance of emission control systems with mileage accumulation or age.

The new standards are the same as those commonly referred to as the U.S. federal Tier I exhaust emission standards.

While the current THC standard is retained, a more stringent non-methane hydrocarbon (NMHC) standard is adopted. In the case of methanol-fuelled vehicles, limits are set for total hydrocarbon equivalent (THCE) and non-methane hydrocarbon equivalent (NMHCE) emissions. Gasoline-fuelled light-duty vehicles are also required to meet a new cold weather CO standard of 6.25 g/km (10.0 g/mi) measured at -7°C (20°F) at the intermediate useful life.

The emission standards for light-duty trucks are similar in nature to those adopted for light-duty vehicles. The intermediate useful life and the full useful life for light-duty trucks are identical to those described for light-duty vehicles.

For heavy light-duty trucks the intermediate useful life is also five years or 80,467 km (50,000 mi); the full useful life is 11 years or 193,121 km (120,000 mi). The emission limits for the light-duty truck classifications are similar to those for light-duty vehicles but are adjusted to account for the weight and duty cycle differences of the vehicle classes.

Prior to the amendment, motorcycles were not subject to emission regulations under the MVSA. However, in December of 1995, motorcycle manufacturers and the Minister of Transport signed an MOU which requires Canadian motorcycles to comply with U.S. federal emission standards beginning with the 1997 model year. The new standards adopted under the amendment are the same as those that have been agreed to under the terms of the MOU and require that exhaust emissions of THC and CO from motorcycles not exceed 5.0 g/km (8.0 g/mi) and 12 g/km (19 g/mi), respectively.

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While the same maximum emission levels apply to all motorcycles, the extent of the useful life depends on the motorcycle's engine displacement. Three classes of motorcycles are defined for this purpose.

The amendment phases-in more stringent evaporative hydrocarbon (total hydrocarbon equivalent in the case of methanol-fuelled vehicles) emission standards beginning with the 1998 model year for vehicles operating on gasoline, methanol, liquefied petroleum gas and natural gas. Vehicles that operate exclusively on diesel fuel are not subject to the new evaporative emission requirements. By the 1999 model year, all applicable light-duty vehicles, light-duty trucks, and heavy-duty vehicles are required to comply with these new evaporative emission requirements.

The amendment requires that every light-duty vehicle and light-duty truck be equipped with a diagnostic system to monitor emission control equipment for proper functioning. The system is required to incorporate a malfunction indicator light to automatically alert the vehicle's operator of the deterioration or malfunction of an emission-related component which causes the vehicle's emissions to increase beyond specified thresholds. Furthermore, the system is required to store fault codes in the vehicle's computer to assist service technicians in the proper diagnosis and repair of vehicles by identifying the likely cause of malfunction.

The amendment requires that, in the 1998 model year, companies begin equipping some Canadian light-duty vehicles with systems to capture emissions which occur during the vehicle refuelling process. In the 2000 model year, all light-duty vehicles sold in Canada will be required to meet the vehicle refuelling emission standards. The new standards require that hydrocarbon emissions from gasoline and diesel-fuelled vehicles not exceed 0.053 g/L (0.20 g/gal) of fuel dispensed when measured in accordance with the specified test method. The standard for methanol-fuelled vehicles is the same but is based on THCE emissions.

The amendment adopts the new Supplemental Federal Test Procedure (SFTP) emission standards and the corresponding test procedures adopted in the U.S. after the Canadian rules were republished in the Canada Gazette, Part I.

The amendment revokes the gasoline fuel tank inlet requirements originally intended to prevent misfuelling of vehicles designed to operate on unleaded gas with leaded gasoline, since both the U.S. and Canada have now banned the sale of leaded gasoline for on-road vehicle use.

Contact: Lui Hrobelsky, Road Safety and Motor Vehicle Regulation, Transport Canada, 344 Slater Street, Ottawa, Ontario, K1A 0N5. Tel: 613-998-2534; Fax: 613-998-4831.

Customs Duties Accelerated Reduction Order No. 9 (SOR/97-389, OIC 1997-1076)

This Order amends the Customs Tariff by providing for the accelerated elimination of the tariff on certain goods of United States and Mexican origin.

A notice was published in the Canada Gazette, Part I, on January 8, 1994, announcing the first round of the NAFTA accelerated tariff elimination process and setting out the procedures for submitting proposals for accelerating tariff elimination. On May 21, 1994 a consolidated list of requests being considered by the Canadian, United States, and Mexican governments was published in the Canada Gazette. On April 26, 1997, the Canadian government made public the results of the trilateral consultations which covered some 36 Canadian, 20 United States, and 42 Mexican tariff items. The agreed package includes both finished goods and products that are inputs used in domestic manufacturing.

Customs Tariff, sections
12.1 and 62

FIN/97-6

To be published in Can-
ada Gazette August 20,
1997

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The agreement came into effect in all three countries July 1, 1997. In Canada the agreement is being implemented through this Order in Council amendment to the Customs Tariff, based on an Exchange of Letters with the other two governments.

Given the relatively low volume of trade affected under this exercise, the tariff reductions will amount to less than \$2 million of duties foregone in fiscal year 1997-1998.

Contact: Dean Beyea, International Trade Policy Division Department of Finance, Ottawa, Ontario, K1A 0G5. Tel: 613-992-8790.

Crewing Regulations (SOR/97-390, OIC 1997-1077); Non-Canadian Ships Safety Order, amendment (SI/97-96, OIC 1997-1080)

The new *Crewing Regulations* consolidate six Regulations (*Certification of Ships' Cooks Regulations, Part II; Master and Engineer Dual Capacity Regulations; Medical Examination of Seafarers Regulations; Nominal Horsepower Computing Method Regulations; Safe Manning Regulations; and Ships' Deck Watch Regulations*), respecting the crewing of Canadian commercial ships, drilling units, and foreign ships and units in Canadian waters.

The new regulations also expand an existing requirement for mandatory medical examinations for seafarers engaged on foreign-going voyages to all seafarers serving on ships 25 tons gross tonnage or over on all but limited voyages.

They establish an appeal board as a new method of case review in support of human rights violations and complaints.

They address concerns raised by the Standing Joint Committee for the Scrutiny of Regulations (SJC) relating to the delegated authority of the Engineer Examination Regulations.

The *Non-Canadian Ships Safety Order* is amended to address a concern raised by the SJC relating to the application of Canadian certificates on foreign ships.

Following consultations, a number of changes were made to the version of the regulations republished on March 23, 1996 and further refinements were made to the version republished again on February 22, 1997 in the Canada Gazette, Part I.

Contact: M.E. Jenkins, AMBC, Director, Marine Safety, Department of Transport, Canada Building, 344 Slater Street, Ottawa, Ontario, K1A 0N7. Tel: 613-998-0656; Fax: 613-991-5670.

Marine Certification Regulations (SOR/97-391, OIC 1997-1079)

The new Regulations consolidate all provisions presently found in five different sets of regulations, respecting the qualifications required for certificates to be issued to crew members of Canadian commercial vessels and drilling units, into one document. They include provisions made necessary in consequence of Canada's accession, on November 6, 1987, to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978 (STCW), as well as certain other changes to existing certification standards agreed to by the Canadian Marine Advisory Council (CMAC).

The changes stemming from STCW Convention provisions will require additional training of certain groups of seafarers; they were estimated to cost industry some \$23.5 million, spread over a five-year period. Much of this training has already been carried out.

Canada Shipping Act, paragraphs 110(1)(c), (j) and (k), section 112, paragraphs 338(1)(o) and 562.1(1)(b) and (c) and subsection 420(1)

TC/92-95-37; TC/92-95-38

To be published in Canada Gazette August 20, 1997

Canada Shipping Act, section 10

37-TC-95

To be published in Canada Gazette August 20, 1997

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Consequential to the *Radiocommunication Regulations* published in the Canada Gazette, Part II, on November 27, 1996, by the Department of Industry (SOR/96-484), the reference to the *Radiotelephone Operator's Restricted Certificate (Maritime)* was replaced by the *Restricted Operator Certificate with Maritime Qualifications*.

Contact: M.E. Jenkins, AMBC, Director, Marine Safety, Department of Transport, Canada Building, 344 Slater Street, Ottawa, Ontario, K1A 0N7. Tel: 613-998-0656; Fax: 613-991-5670.

Fish Health Protection Regulations (SOR/97-392, OIC 1997-1080)

The Regulations are being amended to allow local fish health officers to approve the importation of eggs or fish from a facility where a disease or disease agent of concern is present in both the source and receiving facilities.

Importation or inter-provincial shipment of live eggs or fish will be allowed if the shipment will not result in the introduction of a disease or disease agent not already known to occur in a province. The same principles will apply to importation of dead unviscerated fish.

In the absence of data, a local fish health officer may designate facilities or areas in a province free of selected pathogens, even though the pathogens have been detected in other parts of a province. Hence, local fish health officers may reject applications to import eggs or fish, from a facility that tested positive for a selected pathogen, into a facility or area designated free of the specific pathogen.

Under the current regulations, sources of salmonid eggs must be inspected for, and demonstrated free of, all diseases or disease agents set out in Schedule II. As a result of these amendments, local fish health officers would be able to approve the importation or inter-provincial transfer of disinfected salmonid eggs from sources that have only been inspected for viruses (i.e. the sources have no history of testing for bacteria and parasites set out in Schedule II). The reason for this change is that there is minimal risk that bacterial and parasite disease agents listed in Schedule II will be carried on the outer membrane (surface) of disinfected eggs.

Contact: Ms. Iola M. Price, Director, Aquaculture and Oceans Science Branch, Department of Fisheries and Oceans, Ottawa, Ontario, K1A 0E6. Tel: 613-990-0275; Fax: 613-954-0807.

Fisheries Act, R.S. 1985, c. F-14, s. 43

Not included in Regulatory Plan

To be published in Canada Gazette August 20, 1997

Ministerial Orders Approved

Statutory Authority & Regulatory Plan Listing

Airport Ground Transportation Regulations, repeal (SOR/97-387)

The amendment repeals the Regulations, effective July 28, 1997.

Contact: Anne Gravelle, Air Terminal, Lands and Industrial, Business Management, Programs and Divestiture, Department of Transport, Place de Ville, Tower C, Ottawa, Ontario, K1A 0N8. Tel: 613-998-5162; Fax: 613-990-8889.

Aeronautics Act, subsection 4.4(2) and *Ministerial Regulations Authorization Order*, section 2

Not included in Regulatory Plan

To be published in Canada Gazette August 20, 1997

Ministerial Orders Approved

Statutory Authority & Regulatory Plan Listing

Government Airport Concession Operation Regulations, revocation (SI/97-90)

The amendment revokes the designation made by the Minister of Transport on December 10, 1990 (SI/91-1), effective July 25, 1997.

Contact: Anne Gravelle, Air Terminal, Lands and Industrial, Business Management, Programs and Divestiture, Department of Transport, Place de Ville, Tower C, Ottawa, Ontario, K1A 0N8. Tel: 613-998-5162; Fax: 613-990-8889.

Government Airport Concessions Operations Regulations, section 4

Not included in Regulatory Plan

To be published in Canada Gazette August 20, 1997

Regulatory Affairs

ISSN 1201-0715



9 771201 071007
Editor: Mary Ferguson

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