

Tracking Federal Regulatory Initiatives

Regulatory Affairs

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Food and Drug Regulations, amendment

The Health Protection Branch of Health Canada has given notice of its intention to:

- delete Minoxidil 2 percent topical solution from Schedule F of the Regulations. This would remove minoxidil topical solution in concentrations of 2 percent (20 mg of minoxidil per 1 millilitre of solution) or less from Schedule F, which lists drugs that are required under Federal legislation to be sold on prescription.
- delete Hereditary Androgenetic Alopecia from Schedule A to the *Food and Drugs Act*. This would exclude hereditary androgenetic alopecia (male pattern baldness) from Schedule A, which lists diseases, disorders or abnormal states for which, under subsection 3(1) of the Food and Drugs Act, treatments, preventatives or cures cannot be advertised or sold to the general public.

Minoxidil is indicated for the “Treatment of male pattern baldness”. The maximum daily dose of minoxidil 2 percent topical solution is limited to 2 mL.

Contacts: Karolyn Lui, Policy Division, Bureau of Policy and Coordination, Therapeutic Products Programme, Health Protection Building, Address Locator 0702B1, Tunney’s Pasture, Ottawa, Ontario, K1A 0L2. e-mail: karolyn_lui@hc-sc.gc.ca.

Food and Drugs Act
Published in Canada Gazette August 29, 1998

Proposed Regulations

for Pre-Publication in Part I, Canada Gazette

Statutory Authority

Federal Halocarbon Regulations

The proposed Regulations would impose restrictions on the use, installation, testing, release, and recovery of halocarbon by federal departments, boards or agencies. They apply to federal lands and federal undertakings under the authority of the Ministries to be listed in a schedule to the Regulations.

The proposed regulations set out requirements for installation, servicing, leak testing and recharging refrigeration or fire extinguisher systems using halocarbons, as well as for reporting to and obtaining permits from the Minister of the Environment.

Covered would be: Tetrachloromethane (carbon tetrachloride); 1,1,1-trichloroethane (methyl chloroform), not including 1,1,2-trichloroethane; Chlorofluorocarbons (CFC); Bromochlorodifluoromethane (Halon 1211); Bromotrifluoromethane (Halon 1301); Dibromotetrafluoroethane (Halon 2402); other Bromofluorocarbons; Hydrobromofluorocarbons (HBFC); Hydrochlorofluorocarbons (HCFC); Hydrofluorocarbons (HFC); and Perfluorocarbons (PFC).

Contacts: Arthur Stelzig, Head, Chemical Producers Section, National Office of Pollution Prevention, Department of the Environment, Ottawa, Ontario, K1A 0H3. Tel: 819-953-1131; Fax: 819-953-5595; e-mail: stelzig.arthur@ec.gc.ca. Arthur Sheffield, Chief, Regulatory and Economic Analysis Branch, Economic and Regulatory Affairs Directorate, Department of the Environment, Ottawa, Ontario, K1A 0H3. Tel: 819-953-1172; Fax: 819-997-2769; e-mail: sheffield.arthur@ec.gc.ca.

Canadian Environmental Protection Act, subsection 54(1)

Published in Canada Gazette August 29, 1998

Ozone-depleting Substances Regulations, 1998

The proposed Regulations would merge the *Ozone-depleting Substances Regulations*, covering ozone depleting substances (ODSs) and the *Ozone-depleting Substances Products Regulations*, covering products containing ODS. In so doing, the proposed regulations would control the import, manufacture, use, sale and export of ozone-depleting substances.

The proposed requirements are intended to further reduce ozone-depleting substance emissions, as follows:

- Ban HCFCs in uses where alternatives exist
- Limit HCFC uses to the replacement of ODSs
- Implement an HCFC reduction schedule similar to the United States
- Require permits to export products containing CFCs, methyl chloroform, halons and carbon tetrachloride to developing countries
- Ban the import of products containing CFCs, halons, methyl chloroform and carbon tetrachloride

HCFCs, which have ozone-depleting potentials 10 to 50 times lower than CFCs, are being used as transitional substances, but only until substitutes with no ozone depleting potential become available.

The current regulations require gradual reductions of the production and import of these substances, as shown in the following phase-out schedule:

- CFCs: 100 percent elimination beginning January 1, 1996
- Halons: 100 percent elimination beginning January 1, 1994
- Carbon Tetrachloride: 100 percent elimination beginning January 1, 1995
- Methyl Chloroform: 100 percent elimination beginning January 1, 1996
- HBFCs: 100 percent elimination beginning January 1, 1996
- Methyl Bromide: Freeze at base level beginning January 1, 1995; 25 percent reduction beginning January 1, 1998

Canadian Environmental Protection Act, section 32 & 34

Published in Canada Gazette August 29, 1998

Proposed Regulations

for Pre-Publication in Part I, Canada Gazette

Statutory Authority

- HCFCs: Freeze at base level beginning January 1, 1996; 35 percent reduction beginning January 1, 2004; 65 percent reduction beginning January 1, 2010; 90 percent reduction beginning January 1, 2015; 100 percent elimination beginning January 1, 2020.

Contacts: Bernard Madé, Commercial Chemicals Evaluation Branch, Toxic Pollution Prevention Directorate, Department of the Environment, Ottawa, Ontario, K1A 0H3. Tel: 819-994-3249; e-mail: bernard.made@ec.gc.ca. Arthur Sheffield, Chief, Regulatory and Economic Analysis Branch, Economic and Regulatory Affairs Directorate, Department of the Environment, Ottawa, Ontario, K1A 0H3. Tel: 819-953-1172; Fax: 819-997-2769; e-mail: sheffield.arthur@ec.gc.ca.

Exempt from Pre-Publication and Approved

Statutory Authority

Health of Animals Regulations, amendment (SOR/98-415, OIC 1998-1443)

Health of Animals Act,
subsection 64(1)

This amendment responds to a continuing outbreak of pullorum disease on Vancouver Island by dividing British Columbia (B.C.) into two eradication areas—Vancouver Island and the rest of B.C.

To be published in Canada Gazette September 16, 1998

All of the infected birds have been found on Vancouver Island and the disease has not been identified elsewhere in the province.

The regulation will allow the The Canadian Food Inspection Agency (CFIA) to concentrate its resources in the high-risk area, and minimize the impact of the outbreak by allowing the movement of poultry to continue normally in the part of the province where no infector is known to exist.

Canada declared itself free of pullorum disease and fowl typhoid in 1982. Surveillance of the national commercial flock confirms that Canada continues to be free of the disease in commercial poultry.

The regulation comes into effect August 26, 1998.

Contact: Dr. P. Shadbolt, Animal Health and Production Division, Canadian Food Inspection Agency, Ottawa, Ontario. Tel: 613-225-2342, ext. 4604; Fax: 613-228-6620.

Masked Name Regulations, amendment (SOR/98-416, OIC 1998-1444)

Canadian Environmental Protection Act, subsection 32(1)

The amendment corrects problems identified by the Standing Joint Committee for the Scrutiny of Regulations. These problems are related to an inconsistency of terms between French and English versions of the Regulations.

The regulation comes into effect August 26, 1998.

To be published in Canada Gazette September 16, 1998

Contact: Arthur Sheffield Team Leader, Options Analysis Division, Regulatory and Economic Issues, Policy and Communications, Environment Canada, Les Terrasses de la Chaudière, 10 Wellington Street, 22nd Floor, Hull, Quebec, K1A 0H3. Tel: 819-953-1172; Fax: 819-997-2769; e-mail: arthur.sheffield@ec.gc.ca.

Income Tax Regulations (Section 6200), amendment (SOR/98-418, OIC 1998-1449)

Income Tax Act, section 221

The amendment to Section 6200 of the Regulations is designed to ensure that a security acquired by a taxpayer from a non-arm's length person is not a "prescribed security" where that person is subject to the rules in subsection 39(4) of the *Income Tax Act* before the acquisition by the taxpayer.

To be published in Canada Gazette September 16, 1998

Exempt from Pre-Publication and Approved

Statutory Authority

This is a relieving amendment and is consistent with the objective of paragraph 6200(c).

These amendments were made in consultation with a taxpayer whose entitlement to an election under subsection 39(4) of the Act was in doubt because its shares were “prescribed shares” under paragraph 6200(c) of the Regulations.

The regulation comes into effect August 26, 1998.

Contact: Simon Thompson, Tax Legislation Division, Department of Finance, L'Esplanade Laurier, 140 O'Connor Street, Ottawa, Ontario, K1A 0G5. Tel: 613-992-0049.

Imports of Certain Textile and Apparel Goods from Chile Customs Duty Remission Order (SOR/98-419, OIC 1998-1455); Imports of Certain Textile and Apparel Goods from Mexico or the United States Customs Duty Remission Order (SOR/98-420, OIC 1998-1456)

Customs Tariff, section 115

To be published in Canada Gazette September 16, 1998

The two Orders, required as a result of the implementation of the simplified *Customs Tariff* on January 1, 1998, maintain Canada's obligations under the North American Free Trade Agreement (NAFTA) and the Canada-Chile Free Trade Agreement (CCFTA) with respect to the extension of NAFTA and CCFTA rates of duty to certain quantities of non-originating textile or apparel products (tariff preference levels - TPL's).

Prior to the implementation of the simplified *Customs Tariff*, these TPL's were extended under the *Textile and Apparel Extension of Benefit Order* and the *CCFTA Textile and Apparel Extension of Benefit Order* pursuant to subsection 25.2(7) and section 25.6, respectively, of the former *Customs Tariff*. However, due to certain technical changes to these enabling authorities in the simplified *Customs Tariff*, it is necessary to introduce these new remission Orders rather than amend the previous Orders.

The new Orders introduce minor technical and administrative changes required to ensure consistency with the simplified Customs Tariff; they do not introduce any policy changes.

The Orders come into effect August 26, 1998.

Contact: Dean Steadman, International Trade Policy Division, Department of Finance, Ottawa, Ontario, K1A 0G5. Tel: 613-947-4508.

Potatoes for Chip Manufacture Remission Order, 1998 (SOR/98-421, OIC 1998-1457)

Customs Tariff, section 115

To be published in Canada Gazette September 16, 1998

This remission, first introduced in 1972, reimburses some of the additional costs incurred by the potato chip manufacturers for the years 1996 and 1997.

This remission of duties assists potato chip producers in maintaining production capacity and market share during periods of shortage of raw inputs. Duties remitted in this Order amount to \$103,475.47.

The Order comes into effect August 26, 1998.

Contact: Paul Robichaud, International Trade Policy Division, Department of Finance, Ottawa, Ontario, K1A 0G5. Tel: 613-992-2510.

Exempt from Pre-Publication and Approved

Statutory Authority

Order Amending the Schedule to the Customs Tariff, 1998-3 (SOR/98-422, OIC 1998-1458)

The amended Order introduces a number of tariff reductions on imported manufacturing inputs.

The estimate of revenue foregone to the Government as a result of this Order is approximately \$2,135,500.

Some parts of the Order come into effect July 27, 1998, others on August 26, 1998. Contact: Paul Robichaud, International Trade Policy Division, Department of Finance, Ottawa, Ontario, K1A 0G5. Tel: 613-992-2510.

Customs Tariff, section 115

To be published in Canada Gazette September 16, 1998

Employment Insurance Regulations, amendment (SOR/98-424, OIC 1998-1465)

The amendment repeals subsection 12(1.1) of the *Employment Insurance Regulations*, effective August 26, 1998.

An earlier amendment to paragraph 12(1)(a) of the Regulations included weeks of income support under The Atlantic Groundfish Strategy (TAGS) as labour force attachment, other than support for early retirement for self-employed and other fishers and plant workers. It applied to benefit periods established between July 6, 1997 and August 29, 1998.

In effect, this amendment revokes the August 29, 1998 expiry date and allows for the maximum application of the provision. Claimants who have received TAGS benefits in the year preceding their qualifying period, other than support for early retirement for self-employed and other fishers and plant workers, can benefit from the application of TAGS as labour force attachment for up to two years after the conclusion of TAGS on August 29, 1998.

It is estimated that removing the expiry date to allow for the maximum application of the provision for TAGS as labour force attachment could benefit up to 1,400 clients at a cost of \$30 million over 5 years. Costs will be absorbed by Part I of the EI program.

Contact: Sue Fowler, Senior Policy Advisor, Insurance Policy, Human Resources Development Canada, 140 Promenade du Portage, Hull, Quebec, K1A 0J9. Tel: 819-997-8628; Fax: 819-953-9381.

Employment Insurance Act, paragraphs 7(4)(c) and 54(z.4)

To be published in Canada Gazette September 16, 1998

Order Amending Schedule II to the Yukon First Nations Self-Government Act (SOR/98-425, OIC 1998-1469)

This order in council brings into effect the Tr'ondëk Hwëch'in Final Agreement pursuant to subsection 5(1) of the Act, and the Tr'ondëk Hwëch'in Self-Government Agreement pursuant to subsection 5(2) of the *Yukon First Nations Self-Government Act*.

The Order comes into force on September 15, 1998.

Contraventions Regulations, amendment (SOR/98-426, OIC 1998-1472)

This amendment adds new contraventions to two existing parts of the *Contraventions Regulations*. Offences created under the *Wildlife Area Regulations* and the *Migratory Birds Regulations* are thus designated as contraventions.

The Order comes into force on August 26, 1998.

Contact: Michel Gagnon, Director, Contraventions Project, Department of Justice, 284 Wellington St., Ottawa, Ontario, K1A 0H8. Tel: 613-998-5669; Fax: 613-998-1175.

Yukon First Nations Self-Government Act, subsection 5(2)

To be published in Canada Gazette September 16, 1998

Contraventions Act, section 8

To be published in Canada Gazette September 16, 1998

Exempt from Pre-Publication and Approved

Statutory Authority

Canada Occupational Safety and Health Regulations, amendment (SOR/98-427, OIC 1998-1473)

These amendments correct typographical errors, correct inconsistencies between the French and English texts, provide additional clarity and improve the existing wording, and address concerns raised by the Standing Joint Committee on the Scrutiny of Regulations.

The amendment comes into force on August 26, 1998.

Contact: Stephen A. Mitrow, Program Consultant, Human Resources Development Canada, Labour Branch, Ottawa, Ontario, K1A 0J2. Tel: 819-953-0240 Fax: 819-953-4830.

Order Respecting The Remission of the Customs Duties Paid in Respect of a Conveyor System, Oven Panels and Pumps Imported into Canada by Canadian Liquid Blasting Systems Inc. (SOR/98-428, OIC 1998-1481)

This Order remits to Canadian Liquid Blasting Systems Inc. the amount of customs duties that the company had to absorb because the Department erred by not approving a machinery remission application when it was received in 1993.

The amount of the remission is \$117,522.07, equivalent to the customs duties paid under the *Customs Tariff* in respect of a conveyor system, oven panels and pumps imported into Canada during 1990.

The Order comes into effect August 26, 1998.

Contact: Catharine Tait, Secretary, Interdepartmental Remission Committee, Department of National Revenue, 6th Floor, Connaught Building, 555 MacKenzie Avenue, Ottawa, Ontario, K1A 0L5. Tel: 613-952-7915.

Canada Mining Regulations, amendment (SOR/98-433, OIC 1998-1511)

The amendment repeals Subsection 65(3) of the Regulations, eliminating the existing 36-month royalty holiday for new mines.

Subsection 65(3) provides that a mine shall not be required to pay royalties for the first 36 months after the date upon which the mine commences production.

The change is being done in advance of the conclusion of a wide-ranging review of the mineral leasing and royalty provisions of the *Canada Mining Regulations* for the Northwest Territories and the new Nunavut Territory.

The amendment comes into effect August 26, 1998.

Contact: Robert Lauer, Chief, Financial Analysis and Royalty Administration, Mineral Resources, Department of Indian Affairs and Northern Development, Les Terrasses de la Chaudière, Ottawa, Ontario, K1A 0H4. Tel: 819-994-6772.

Order Adding a Toxic Substance to Schedules I and II to the Canadian Environmental Protection Act (SOR/98-434, OIC 1998-1514); Prohibition of Certain Toxic Substances Regulations, amendment (SOR/98-435, OIC 1998-1515)

The amendment prohibits the manufacturing, use, processing, offer for sale, sale and importation into Canada of (4-Chlorophenyl) cyclopropylmethanone, O-[(4-nitrophenyl)methyl]oxime, which is considered to be a toxic substance.

The Order adds to Schedules I and II of the Act (4-Chlorophenyl) cyclopropylmethanone, O-[(4-nitrophenyl)methyl]oxime, effective August 26, 1998.

Canada Labour Code, sections 125, 125.1, 126 and 157

To be published in Canada Gazette September 16, 1998

Customs Tariff, section 115

To be published in Canada Gazette September 16, 1998

Territorial Lands Act, sections 8 and 12

To be published in Canada Gazette September 16, 1998

Canadian Environmental Protection Act, subsections 33(1) and 41(1), section 34

To be published in Canada Gazette September 16, 1998

Exempt from Pre-Publication and Approved

Statutory Authority

Contact: Nathalie Tremblay, Commercial Chemicals Evaluation Branch, Pollution Prevention Directorate, Environmental Protection Service, Department of the Environment, Ottawa, Ontario, K1A 0H5. Tel: 819-953-4122. Arthur Sheffield, Chief, Regulatory and Economic Analysis Branch, Economic and Regulatory Affairs Directorate, Department of the Environment, Ottawa, Ontario, K1A 0H3. Tel: 819-953-1172; Fax: 819-997-2769; e-mail: sheffield.arthur@ ec.gc.ca.

Order Authorizing Federal Employees to Acquire Interests in Certain Lands in the Northwest Territories (Order No.2, 1998) (SOR/98-438, OIC 1998-1520)

Territorial Lands Act, paragraph 29(1)(a)

The Order authorizes Norman Lee McCowan, of the Town of Hay River in the Northwest Territories, Resource Management Officer, an employee of the Department of Indian Affairs and Northern Development, to lease, for a hunting and fishing cabin, the whole of a unsurveyed parcel of land of approximately 0.54 hectares located near km. 4.4, Highway No. 1, in the Northwest Territories.

To be published in Canada Gazette September 16, 1998

Contact: Chris Cuddy, Chief, Land & Water Management Division, Department of Indian Affairs and Northern Development, Les Terrasses de la Chaudière, 10 Wellington Street, Ottawa, Ontario, K1A 0H4. Tel: 819-994-7483; Fax: 819-953-2590.

Games of Chance (GST) Regulations (SOR/98-440, OIC 1998-1551)

Excise Tax Act, subsection 188(5) and section 277

The amendments set out modified rules to determine the manner in which the provincial gaming authorities determine their net GST/HST remittances.

The amendments also add to the list of prescribed provincial gaming authorities a number of new authorities. The list is also updated to reflect restructuring that has occurred in some provinces in terms of the entities that are conducting the various gaming activities.

To be published in Canada Gazette September 16, 1998

Section 4 is amended to update cross-references as a result of previously enacted changes to the *Excise Tax Act*.

A new Part III of the Regulations sets out the rules for determining the net tax of prescribed registrants. Under the Act, provincial gaming authorities account for the GST/HST on gaming products (such as lottery tickets) on behalf of retailers and wholesalers. The net tax formula set out in the Regulations allows provincial gaming authorities a deduction for prizes paid out in those games since the "value-added" by the gaming authority is represented by the difference between gross revenues and prizes.

Provincial gaming authorities are allowed an additional special credit in lieu of claiming input tax credits on inputs related to gaming. The effect of the special credit is to reduce the effective tax rate on gaming activities conducted by the provincial gaming authorities to a rate that is significantly lower than if the normal GST/HST rules applied to these authorities.

The amended Regulations also include separate rules for determining the net tax of the Interprovincial Lottery Corporation (ILC) which conducts games of chance and supplies services for the benefit of its member provincial gaming authorities. Since all of the net proceeds from these games are shared among the members who also share in ILC's costs, the Regulations treat each member as supplying those rights to participate in the games that are attributable to that members share of the net proceeds from the games.

Exempt from Pre-Publication and Approved

Statutory Authority

The ILC is entitled to claim input tax credits and must account for tax on its supplies of services according to the general rules of the Act. However, the Regulations provide that the portion of the charge by ILC to each member that is attributable to ILC's expenses on wages and salaries, provincial retail sales tax and GST/HST exempt or tax-free purchases is excluded from the calculation of ILC's and the members net tax remittances. This parallels what would be the tax treatment of these expenses if they were incurred directly by the member provincial gaming authorities.

The Regulations provide a similar rule for purposes of determining the net tax of a provincial gaming authority and a wholly-owned subsidiary from which it leases head office space.

Contact: Claudine Gagnon, Strategic Planning, Sales Tax Division, Tax Policy Branch, Department of Finance, 140 O'Connor Street, Ottawa, Ontario, K1A 0G5. Tel: 613-992-6397. Donna Harding, Governments Unit, GST Rulings and Interpretations Directorate, Revenue Canada, 8th Floor, Place Vanier "C", 25 McArthur Avenue, Vanier, Ontario, K1A 0L5. Tel: 613-954-3551.

Order Amending the Schedule to the Transfer of Offenders Act (SOR/98-441, OIC 1998-1552)

The amendment adds a number of countries to the schedule to the *Transfer of Offenders Act*: Brazil, Morocco, Estonia, Georgia, Israel, Liechtenstein, Latvia, Lithuania, Romania, Costa Rica and Venezuela.

Contact: Bill Wilson, Corrections Directorate, Department of the Solicitor General, 11F - 340 Laurier Avenue West, Ottawa, Ontario, K1A 0P8. Tel: 613-991-2812.

Transfer of Offenders Act, section 23

To be published in Canada Gazette September 16, 1998

Canadian Aviation Regulations (Part III), amendment (SOR/98-442, OIC 1998-1553)

The amendments modify *Canadian Aviation Regulations* (CARs) CAR 303.04 (Hours of Operation of an Aircraft Firefighting Service) to ensure there is an aircraft fire-fighting service on-site for aeroplanes designed to carry 20 or more passengers, at the 28 Canadian airports that are designated under the CAR Part III, Subpart 303 (Aircraft Firefighting at Airports and Aerodromes) to have fire-fighting services.

The changes also include editorial changes to CAR 303.02 (Application) and to CAR 303.20 (2) (Transitional Provisions), to accommodate the additional paragraphs and consequent renumbering in 303.04 as, a result of this amendment. Also, CAR 303.20 (Transitional Provisions) has been revised to bring the amendment to 303.04 into force upon publication.

The changes follow the accident at Fredericton Airport.

Contact: Chief, Regulatory Affairs, AARBH, Transport Canada Safety and Security, Place de Ville, Tower "C", Ottawa, Ontario, K1A 0N8. Tel: 613-993-7284; Fax: 613-990-1198.

Aeronautics Act, section 4.9

To be published in Canada Gazette September 16, 1998

Pre-Published and Approved No comments or changes

Statutory Authority

Migratory Birds Regulations, amendment (SOR/98-417, OIC 1998-1445)

This amendment makes several minor adjustments to the definition of non-toxic shot, and adds additional approved shot types to the regulation.

The current Regulations ban the possession and use of lead shot for hunting most migratory game birds in Canada. The ban became effective as of September 1, 1997 in areas within 200 metres of any watercourse or water body, and will be applicable in all parts of Canada by September 1, 1999.

In the amendment, tungsten-polymer shot will be renamed tungsten-matrix shot to indicate more clearly that tungsten-matrix contains a mixture of several components, and to distinguish it from other types of non-toxic shot for users and industry. Tungsten-matrix shot will mean shotgun pellets consisting of at least 86% by weight of tungsten, not more than 5% by weight of nickel, not more than 3% by weight of iron, not more than 5% by weight of ethylene methacrylic acid copolymer, and not containing more than 1% by weight each of any other element or compound.

This amendment will add two additional non-toxic shot types to the regulation, tin shot and tungsten-polymer shot, which were recently approved by the Canadian Wildlife Service, Environment Canada, as non-toxic. Tin shot will mean shotgun pellets containing at least 98% by weight of tin, and not containing more than 1% by weight each of any other element. Tungsten-polymer shot will mean shotgun pellets containing at least 93% by weight of tungsten, not more than 7% by weight of Nylon 6 or Nylon 11, and not containing more than 1% by weight each of any other element or compound.

A very minor adjustment in the definition of all other lead shot alternatives identified in the regulation will be made to ensure consistency.

As a result of this amendment, non-toxic shot will be defined as bismuth shot, steel shot, tin shot, tungsten-iron shot, tungsten-matrix shot or tungsten-polymer shot.

The regulation comes into effect August 26, 1998.

Contact: Stephen Wendt, Chief, Migratory Birds Conservation, Canadian Wildlife Service, Environment Canada, Ottawa, Ontario, K1A 0H3. Tel: 819-953-1422. Terry Mueller, Regulatory Analyst, Program Analysis and Coordination, Canadian Wildlife Service, Environment Canada, Ottawa, Ontario, K1A 0H3. Tel: 819-997-8508.

Wildlife Area Regulations, amendment (SOR/98-431, OIC 1998-1496)

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

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

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

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

Migratory Birds Convention Act, 1994, section 12

To be published in Canada Gazette September 16, 1998

Canada Wildlife Act, section 12

To be published in Canada Gazette September 16, 1998

Pre-Published and Approved No comments or changes

Statutory Authority

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

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

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

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

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

The Regulations come into force August 26, 1998.

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

Assets (Foreign Companies) Regulations, amendment (SOR/98-436, OIC 1998-1516)

As a result of the promulgation of Bill C-82, section 666 of the *Insurance Companies Act* was deleted and accordingly foreign insurance companies can no longer determine their level of assets maintenance based on that section. Therefore, assets maintenance will be determined in accordance with accounting principles referred to in subsection 331(4) of the *Insurance Companies Act*.

The amendment to the Regulations will reflect the change made to the *Insurance Companies Act*.

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

Radiocommunication Regulations, amendment (SOR/98-437, OIC 1998-1517)

The amendments make minor modifications to correct errors in the original Regulations.

The changes are as follows:

- subsection 22(2) is amended to ensure that when equipment has been modified in such a way as to affect any parameter specified in the standard under which it was certified, this equipment is no longer considered to be certified and is to be tested in accordance with section 24 of the Regulations. Once the modified equipment has been tested and the results of these tests demonstrate that the modified equipment complies with the applicable standards, the Minister may issue a certificate in accordance with subsection 21(4).

Insurance Companies Act,
section 610

To be published in Canada
Gazette September 16,
1998

Radiocommunication Act,
section 6

To be published in Canada
Gazette September 16,
1998

Pre-Published and Approved No comments or changes

Statutory Authority

- subsection 24(5) is changed to add the word “importer”, which was accidentally omitted when the Regulations were published.

Contact: Marie R. Lefebvre, A/Manager, National and International Regulations, Radiocommunications and Broadcasting Regulatory Branch, Industry Canada, 300 Slater Street, Ottawa, Ontario, K1A 0C8. Tel: 613-998-2927; Fax: 613-993-4433; e-mail: lefebvre.marie@ic.gc.ca.

Pre-Published and Approved With comments or changes

Statutory Authority

Regulations Respecting the Election of Directors of the Canadian Wheat Board (SOR/98-414, OIC 1998-1374)

Canadian Wheat Board Act, section 306

The regulations set out the rules for the election of the directors of the Canadian Wheat Board to implement changes made under *An Act to amend the Canadian Wheat Board Act*.

To be published in Canada Gazette September 16, 1998

The first directors must be elected and assume office by no later than Dec. 31, 1998.

Under those changes, a 15-member Board of Directors, including a chairperson and a president, will be set up to direct and manage the affairs of the Canadian Wheat Board (CWB). This new management structure will replace the current structure which consists of not fewer than three and not more than five commissioners appointed by the Governor in Council and 10 directors are to be elected by producers.

The regulations deal with the various aspects of the election of the producer directors, including eligibility of prospective candidates, geographic distribution of members, staggering of terms, voter qualifications, the number of signatures which should be required on nomination papers, spending limits for candidates and third parties, and the electoral districts.

The proposed regulations were prepublished in the Canada Gazette Part I on July 25, 1998.

Contact: Donald Adnam, Deputy Director, International Markets Analysis, Grains and Oilseeds Division, Market and Industry Services Branch, Agriculture and Agri-Food Canada, Sir John Carling Building, Ottawa, Ontario K1A 0C5, (613) 759-7640; and David Byer, Legal Counsel, Justice Canada, Agriculture and Agri-Food Canada, Sir John Carling Building, Ottawa, Ontario K1A 0C5, (613) 759-7880.

Food and Drug Regulations, amendment (SOR/98-423, OIC 1998-1461)

Food and Drugs Act, section 30

The amendment revokes Division 10 of the Food and Drug Regulations, thereby eliminating the assignment of a numbered certificate of registration for some 1,300 general public (GP) or proprietary medical products.

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Drugs regulated by Division 10 are intended for self-medication to relieve the symptoms of minor self-limiting ailments. These are considered to be low risk products.

Division 10 of the Regulations was introduced in the mid 1970s to regulate the sale of general public or proprietary medicines for sale to the public outside of pharmacies. At that time, it was determined that special attention should be given to the safety of the ingredients in these products.

Pre-Published and Approved With comments or changes

Statutory Authority

Under these regulations, an application for a GP number must be accompanied by additional information which may include: details of the plant and equipment used in manufacturing; reports of investigations conducted to determine the toxicity of the drug; and substantial evidence of the effectiveness of the drug under the conditions of use recommended by the manufacturer. Based on the established low risk associated with GP products, the need for manufacturers to submit this additional information is no longer supportable and Division 10 of the Food and Drug Regulations is now considered unnecessarily restrictive.

The revocation of Division 10 provides uniform premarket evaluation for all low risk drug products, including these proprietary medicines. This should result in a reduced regulatory and administrative burden for manufacturers of GP products. The manufacturers of over 1,300 marketed products registered under GP numbers would be directly affected by this deregulatory initiative.

The proposals were prepublished in the Canada Gazette, Part I, on May 16, 1998.

As a result, several changes were made to the proposed amendments, including:

- permitting drug products to be labelled with GP numbers until October 1, 2000. This reduces the financial impact on the manufacturer, and enables industry to deplete current label supplies.
- allowing the Therapeutic Products Programme to issue GP numbers for submissions accepted for review, prior to the effective date of the regulation if so requested by the manufacturer.

Provincial authorities have agreed to amend provincial legislation to accommodate the revocation of Division 10 and hence the GP numbering system at the federal level; some provinces use the GP numbering system to establish where particular medicinal preparations can be sold in retail outlets.

Despite section 4 of these Regulations and subject to section C.10.005 of the Food and Drug Regulations as that section read immediately before the coming into force of these Regulations, the Director may, until September 30, 1998, issue a numbered certificate of registration, if (a) the manufacturer expressly requests that a numbered certificate of registration be issued for the drug; and (b) its application was accepted by the Director for review before the coming into force of these Regulations.

Despite section 2, a manufacturer may, until September 30, 2000, label a drug with the label that was in use on September 30, 1998.

The regulations come into force August 26, 1998.

Contact: Joan Korol, Policy Division, Bureau of Policy and Coordination, Therapeutic Products Programme, Health Protection Building, Locator 0702B1, Tunney's Pasture, Ottawa, Ontario, K1A 0L2. Tel: 613-957-1483; Fax: 613-941-6458; e-mail: joan_korol@hc-sc.gc.ca

Mackenzie Valley Land Use Regulations (SOR/98-429, OIC 1998-1493)

The regulations replace the *Territorial Land Use Regulations* (TLURs) in the Mackenzie Valley. The change establishes the land management regime pursuant to the Gwich'in Comprehensive Land Claim Agreement of April 22, 1992 and the Sahtu Dene and Metis Comprehensive Land Claim Agreement of September 6, 1993.

The Regulations set out:

- land use activities that require a permit on all lands within the Mackenzie Valley, excluding national parks;

Mackenzie Valley Resource Management Act, section 59, subsection 72(3) and sections 86 and 90

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- land uses that are prohibited without the express written authority of the Mackenzie Valley Land and Water Board or the inspector;
- procedures for applying for a permit;
- the process for issuing a permit;
- provisions relating to security deposits (with higher amounts than the maximum \$100,000 set out under the TLURs); and
- the fee schedule.

The regulations are modeled on the TLURs and are modified:

- to recognize the Board as the authority for regulating land use (with the Board replacing the Department of Indian Affairs and Northern Development);
- to expand regulation to settlement and other private fee simple lands; and
- to update the provision for security deposits.

The regulations also subject all development proposals in the Mackenzie Valley to environmental impact review.

The fee schedule would be consistent with the TLURs.

These Regulations come into force on the day on which Part 3 of the *Mackenzie Valley Resource Management Act* comes into force.

Contact: Will Dunlop, Director, Resource Policy and Transfers, Northern Affairs Program, Department of Indian Affairs and Northern Development, Les Terraces de la Chaudière, Ottawa, Ontario, K1A 0H4. Tel: 819-994-7468; Fax: 819-953-0335.

Territorial Land Use Regulations, amendment (SOR/98-430, OIC 1998-1494)

The amendment removes the applicability of the Regulations to the Mackenzie Valley in the Northwest Territories upon enactment of the *Mackenzie Valley Resource Management Act* (MVRMA) and the *Mackenzie Valley Land Use Regulations* (MVLUR).

The amendment comes into force on the day on which Part 3 of the *Mackenzie Valley Resource Management Act* comes into force.

Contact: Will Dunlop, Director, Resource Policy and Transfers, Northern Affairs Program, Department of Indian Affairs and Northern Development, Les Terraces de la Chaudière, Ottawa, Ontario, K1A 0H4. Tel: 819-994-7468; Fax: 819-953-0335.

Fees to be Paid in Respect of Medical Devices Regulations (SOR/98-432, OIC 1998-1509)

The Regulations revoke the current fees Regulations for medical devices and prescribe new client fees for:

- the service provided by the Therapeutic Products Program (TPP) for the examination of an application for a medical device licence,
- the right or privilege to import or sell a medical device in Canada conferred by granting a medical device licence to manufacturers of class II, III and IV medical devices, and
- the right or privilege to import or sell a medical device in Canada conferred by granting an establishment licence to importers and distributors of class I, II, III and IV medical devices and to manufacturers of class I medical devices who do not have a licensed Canadian importer or distributor.

Territorial Lands Act, paragraph 23(j)

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Financial Administration Act, section 4.9

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The Regulations establish fees for services based on the requirements set out in the new *Medical Devices Regulations* and replace the existing *Medical Devices Fees Regulations*.

The Regulation establish three types of fees:

- fees for examination of applications for medical device licences;
- annual medical device licensing fees; and
- establishment licensing fees.

The medical devices fees do not apply to devices which are:

- custom-made;
- imported or sold under the special access program (emergency use);
- imported or sold for investigational testing; or
- which fall into class I.

Since the Regulations were republished in the Canada Gazette, Part I on June 13, 1998, several changes have been made, including:

- fees will be introduced over 17 months, starting with the fees for examination of medical device licensing applications (September 1, 1998), followed by annual medical device licensing fees on November 1, 1999, and the establishment licenses fees on January 1, 2000.
- a reduced fee for the examination of a Class II medical device licence application, lowered from \$100 to \$50.

The Regulations come into effect September 1, 1998, except Section 12 (November 1, 1999) and Part 2 (January 1, 2000).

Contact: Nancy Shadeed or Julie Gervais, Policy Division, Bureau of Policy and Coordination, Therapeutic Products Program, Health Protection Building, Address Locator 0702B1, Tunney's Pasture, Ottawa, Ontario, K1A 0L2. Tel: 613-957-0372; Fax: 613-941-6458; e-mail: nancy_shadeed@hc-sc.gc.ca or julie_gervais@hc-sc.gc.ca.

Proceeds of Crime (Money Laundering) Regulations, amendment (SOR/98-439, OIC 1998-1550)

The amendments update the Regulations to reflect experience and changing money laundering practices.

More specifically, the proposed amendments:

- bring casinos under the regulations and to require casinos to maintain records in respect of customer accounts and large cash transactions (i.e., \$10,000 or more). Casinos would also be required to verify the identity of account holders and customers carrying out large cash transactions. expand the kinds of records that must be kept (e.g., names of persons on currency transaction tickets, recording the identification documents of clients), to exempt certain records from the requirement (e.g., internally created debit memos) and to allow certain records to be kept in electronic form.
- provide an exemption from having to verify the identity of certain persons who pose little risk in terms of money laundering. Verification of identity is no longer required where a person has reasonable grounds to believe that an account holder is the government of Canada or of a province, a Canadian educational institution or a Canadian hospital, a Canadian municipality or other public body performing a function of government in Canada; it is no longer be required where a person has reasonable grounds to believe that the account holder is a large publicly traded corporation, having a minimum net worth of \$75 million and whose shares are traded on a Canadian stock exchange.

*Proceeds of Crime
(Money Laundering) Act,
section 5*

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- allow, in recognition of developments in alternative financial service delivery, such as Internet banking, in relation to the opening of accounts, deposit-taking institutions to ascertain the identification of a client by confirming that a cheque drawn by the client on his or her account at a Canadian financial institution has cleared. The amendment provides flexibility for dealing with a situation where there is not any face-to-face contact between a financial institution and its client, while at the same time provide the assurance that the identification of that client in-person has been ascertained by another Canadian financial institution.

The Regulations come into force 30 days after the day they are published in the Canada Gazette, Part II. They are scheduled to be published September 16, 1998.

Contact: Richard Lalonde, Senior Project Leader, Financial Sector Division, Department of Finance, L'Esplanade Laurier, 140 O'Connor Street, 20th Floor, East Tower, Ottawa, Ontario, K1A 0G5. Tel: 613-995-1814.

Ministerial Orders Approved

Statutory Authority

Environmental Assessment Review Panel Service Charges Order (SOR/98-443)

Financial Administration Act, paragraph 19(1)(b)

The Order establishes cost-recovery fees for costs associated with environmental assessment review panels.

Examples of the fees include \$650/day for a panel chairperson, \$500/day for each panel member, travel costs at Treasury Board rates, simultaneous translation, sound systems and transcription services at government standing offer rates.

The Order does not apply to federal authorities that are project proponents or to projects in which the only involvement of federal authorities is the provision of funds for the project. This cost recovery Order is not applicable to provincial or territorial governments acting as project proponents, except in the case of provincial Crown Corporations. In addition, this Order will not apply to comprehensive land claims processes or band councils, as defined in accordance with the Indian Act, that are project proponents. Finally, at the time of coming into force this Order will not apply to existing review panels.

The Order comes into effect on August 26, 1998.

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

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Pension Plan Transfer Agreements Regulations (SOR/98-445)

Public Service Superannuation Act, paragraph 42.1 (1) (v.6); *Financial Administration Act*, paragraph 7(2)(a)

The Regulations specify that agreements can be entered into with employers having plans of a certain size that are registered under the income Tax Act. Where the amounts received from the eligible employer are insufficient purchase the entire period of service, the service will be credited on a proportionate basis, with the most recent service being "purchased".

The Regulations come into effect August 28, 1998.

Contact: Joan M. Arnold, Director, Pensions Legislation Development Group, Pensions Division, Treasury Board Secretariat, Ottawa, Ontario, K1A 0R5. Tel: 613-952-3119.

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Ministerial Orders Approved

Statutory Authority

Regulations Respecting Transitional Coverage in the Case of Divestiture of Service (SOR/98-446)

The Regulations establish the maximum period of transitional pension coverage under the *Public Service Superannuation Act* and the requirement that the new body pay the required employer pension contributions to the pension fund.

The Regulations specify a one-year maximum period of transitional pension coverage and establish the rate of contributions the new body must pay into the Superannuation Account.

The Regulations come into effect August 28, 1998.

Contact: Joan M. Arnold, Director, Pensions Legislation Development Group, Pensions Division, Treasury Board Secretariat, Ottawa, Ontario, K1A 0R5. Tel: 613-952-3119.

Public Service Superannuation Act, paragraph 42.1 (1) (v.5); *Financial Administration Act*, paragraph 7(2)(a)

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Regulations Defining "Advertising Revenues" (SOR/98-447)

The amendments prescribe the meaning of the term "advertising revenues" for the purposes of the Copyright Board approving tariffs with respect to the "neighbouring rights tariff".

In so doing, the Regulations define the rate base that will be used to determine which part of a wireless transmission system's revenues benefits from the \$100 special royalty rate specified in subparagraph 68.1(1)(a)(i) of the Act.

These Regulations determine clearly and precisely that part of a wireless transmission system's revenues which will benefit from the \$100 special royalty rate intended to reduce the financial impact on the radio broadcasting industry of the introduction of a new tariff.

Subsection 68.1(3) of the Act gives the Board the power to define, by regulation, the term "advertising revenues", while subsection 68.1(5) gives the Governor in Council the power to define, by regulation, the term "wireless transmission system".

The Regulations come into effect August 31, 1998.

Contact: Claude Majeau, Secretary, Copyright Board, 56 Sparks Street, Suite 800, Ottawa, Ontario, K1A 0C9. Tel: 613-952-8621; Fax: 613-952-8630.

Copyright Act, subsection 68.1(3)

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