

# Tracking Federal Regulatory Initiatives

# Regulatory Affairs

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## Exempt from Pre-Publication and Approved

### Statutory Authority

**Immigration Regulations, 1978, amendment (SOR/98-591, OIC 1998-2179); Immigration Act Fees Regulations, amendment (SOR/98-592, OIC 1998-2180)**

*Immigration Act*, paragraphs 114(1)(a.4) to (a.6) and (jj)

The amendments extends the Immigrant Investor Program until March 31, 1999, until a new replacement program can be designed and implemented.

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More specifically, these amendments extend the cessation date to March 31, 1999. The amendments to the *Immigration Regulations* permit the Minister of Citizenship and Immigration Canada to approve government-administered venture capital funds with offering periods ending not later than March 31, 1999. The changes to the *Immigration Fees Regulations* eliminate fees that are now charged to approve new funds and extend the offering periods of existing funds.

The changes to Immigration Regulations, 1978 are as follows:

“1. The *Immigration Regulations, 1978* are amended by replacing the expression “December 31, 1998” with the expression “March 31, 1999” in the following provisions:

- (a) subparagraph 6.12(5)(a.1)(ii);

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- (b) paragraph 6.13(3) (b); and
- (c) subparagraph 6.14(1)(b)(ii).”

The changes to the *Immigration Act Fees Regulations* are as follows:

“1. The heading before item 12 and items 12 and 13 of the schedule to the Immigration Act Fees Regulations are repealed.”

The amendments come into effect December 10, 1998.

Contact: Don Myatt, Director, Business Immigration Division, Citizenship and Immigration Canada, 7th Floor, Journal Tower North, 300 Slater Street, Ottawa, Ontario, K1A 1L1. Tel: 613-957-0001; Fax: 613-941-9014.

## **Calculation of Default Contribution Rates Regulations (SOR/98-593, OIC 1998-2181)**

The Regulation sets out the technical specification to be used by the Chief Actuary for calculating the default rate for Canada Pension Plan contributions at each legislatively-required three-year review.

The Canada Pension Plan legislation requires the Minister of Finance and provincial ministers to review the financial state of the Canada Pension Plan every three years. At each review, they may make recommendations as to whether or not benefits or contribution rates or both should be changed.

At each review, the Chief Actuary is required to publish a so-called “default contribution rate” in the actuarial report for that review. In the event that no agreement can be reached among governments and the default contribution rate is greater than the contribution rate in the schedule to the Act for the last year of the review, then half of the difference in the two rates is added to the contribution rate and benefits will not be adjusted to reflect changes in the consumer price index until the next review.

Under the Regulations, the calculation of the default contribution rate shall begin in 2003.

More specifically,

“1. The definitions in this section apply in these Regulations.

“Act” means the Canada Pension Plan.

“assets of the Canada Pension Plan” means the sum of the balance in the Canada Pension Plan Account and the investments of the Canada Pension Plan Investment Board.

“default contribution rate” means the contribution rate determined for a review period in accordance with sections 2 and 3 that is to be specified in the report referred to in paragraph 115(1.1)(c) of the Act.

“ratio of assets to expenditures” for a year means the assets of the Canada Pension Plan at the end of the year divided by the payments charged to the Canada Pension Plan Account under subsection 110(3) of the Act with respect to the following year.

“review period” means a three year period beginning with 1998 and with every third year thereafter.

### **CALCULATION OF DEFAULT CONTRIBUTION RATE**

2. (1) The default contribution rate for a review period is the smallest multiple of 0.01 percentage point that, when multiplied by projected total contributory salaries and wages and contributory self-employed earnings, as set out in sections 8, 9, and 10 of the Act, for each year after that review period yields projected contributions for the year that, when added to projected revenues of the Canada Pension Plan Account and projected investment income of the Canada Pension Plan Investment Board, less

*Canada Pension Plan*, paragraphs 101(1)(d.1) and 115(1.1)(c)

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projected payments under subsection 108(3) of the Act for the year, produces a projected ratio of assets to expenditures in the 60th year after the third year of the review period that is not less than the projected ratio of assets to expenditures in the 10th year after the third year of the review period.

(2) For the review period 1998 to 2000

(a) contributions for the years up to and including 2002 shall be projected by multiplying projected total contributory salaries and wages and contributory self-employed earnings by the contribution rate for self-employed persons set out in the schedule to the Act for those years, and

(b) the calculation of the default contribution rate shall begin in 2003.

(3) For the review period 2001 to 2003 and for subsequent review periods, contributions for the years up to and including the third year of the review period shall be projected by multiplying projected total contributory salaries and wages and contributory self-employed earnings by the contribution rate for self-employed persons set out in the schedule to the Act for the years up to and including the third year of the review period.

## ROUNDING OF AMOUNTS

3. Where a contribution rate determined under section 2 is not a multiple of 0.1%, it shall be rounded to the nearest multiple of 0.1% or, if equidistant from two consecutive multiples of 0.1%, to the higher of those multiples.

## COMING INTO FORCE

4. In accordance with subsections 114(4) and 115(1.3) of the Act, these Regulations come into force on a day to be fixed by order of the Governor in Council.”

Contact: George Marshall, Social Policy Division, Department of Finance, 15E, L'Esplanade Laurier, 140 O'Connor Street, Ottawa, Ontario, K1A 0G5. Tel: 613-992-7329.

## Qualifications for Designations as Analysts Regulations (SOR/98-594, OIC 1998-2182)

These Regulations stipulate the qualifications of persons that may be designated by the Minister of Health as analysts for the purposes of the *Controlled Drugs and Substances Act* and regulations and ensure that only qualified individuals are designated as analysts.

More specifically:

### “QUALIFICATIONS

1. The Minister may, pursuant to section 44 of the *Controlled Drugs and Substances Act*, designate a person as an analyst if the person has the following qualifications:

(a) a degree in a science related to the work to be carried out, awarded by

(i) a Canadian university, or

(ii) a foreign university recognized by a Canadian university or professional association; or

(b) a combination, sufficient to perform the duties of the position, of

(i) practical experience in the area of responsibility, and

(ii) formal education in a science related to the work to be carried out or other training related to that work.”

The Regulations come into effect December 10, 1998.

*Controlled Drugs and Substances Act*, paragraph 55(1)(o)

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### Statutory Authority

Contact: Julie Gervais, Policy Division, Bureau of Policy and Coordination, Therapeutic Products Programme, Health Protection Building, Address Locator 0702B1, Tunney's Pasture, Ottawa, Ontario, K1A 0L2. Tel: 613-952-3601, Fax: (613) 941-6458; E-mail: julie\_gervais@hc-sc.gc.ca.

### **Special Appointment Regulations, No. 1998-16 (SOR/99-2, OIC 1998-2219)**

The regulations makes the following appointment and exempts the appointment from the application of the Public Service Employment Act, except sections 32, 33 and 34, while the appointee is in the position:

- Janet R. Smith as Special Advisor to the Secretary of the Treasury Board.

Contact: Senior Personnel Management, Privy Council Office, Postal Station B Building, Ottawa, Ontario K1A 0A3. Tel: 613-957-5288

*Public Service Employment Act*, subsection 37(1)

To be published in Canada Gazette January 6, 1999

## Pre-Published and Approved No comments or changes

### Statutory Authority

### **Humanitarian Designated Classes Regulations, amendment (SOR/98-596, OIC 1998-2189)**

The amendments extend the "sunset" date for the Regulations to December 31, 1999, and bring the Source Country Schedule up to date considering present world conditions.

Cambodia has been removed from the Source Country list since it no longer meets all the criteria for inclusion, namely the requirement that general conditions in the country be such that applicants would likely meet the definition of the class. The amended Schedule now includes Bosnia-Herzegovina, Colombia, Croatia, El Salvador, Guatemala, Liberia and Sudan.

No new countries are being added to the list for 1999.

The changes follow a recently completed review of conditions in more than 30 countries. While conflict and human rights violations exist in a number of other countries at the present time, only the seven countries on the Source Country Schedule meet all of the requirements for inclusion in the Source Country Class.

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

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

To be published in Canada Gazette December 23, 1999

## Pre-Published and Approved With comments or changes

### Statutory Authority

### **Motor Vehicle Safety Regulations (Trailer Cargo Anchoring Devices), amendment (SOR/98-595, OIC 1998-2187)**

The amendments add section 905, "Trailer Cargo Anchoring Devices", to the Regulations, and incorporate by reference an accompanying test method called Test Method 905 - Trailer Cargo Anchoring Devices (August 1998).

*Motor Vehicle Safety Act*, section 5 and subsection 11(1)

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## Pre-Published and Approved With comments or changes

Statutory Authority

Section 905 introduces requirements governing the minimum number and strength of the attachment points to which tie-down assemblies are affixed. It applies to trailers with a gross vehicle weight rating (GVWR) of 10 000 kg or more without permanent sides or a roof, such as flatbed, heavy hauler, industrial, lowbed, and drop-centre trailers. The intent of the Regulations is to ensure that all trailers manufactured after the effective date of this amendment are equipped with anchoring devices of sufficient number and strength to restrain their loads.

The Regulations specify a mathematical formula for calculating the minimum number of cargo anchoring devices that must be installed on trailers. This formula takes into account the cargo carrying capacity of the trailer, the working load limit of typical tie-down assemblies, and the forces generated by everyday on-road maneuvers.

The amendment also stipulate that every trailer cargo anchoring device must be able to withstand an upward vertical force of at least 67 000 N.

The effective date is September 1, 1999.

Contact: John Neufeld, Road Safety and Motor Vehicle Regulation Directorate, Department of Transport, 330 Sparks Street, Ottawa, Ontario, K1A 0N5. Tel: 613-998-1959; Fax: 613-990-2913; e-mail: neufelj@tc.gc.ca.

## Ministerial Orders Approved

Statutory Authority

### **Radio Regulations, 1986, amendment (SOR/98-597)**

The amendment makes changes relating to Canadian content which radio stations must include in their programming as part of their licence requirements.

More specifically, new definitions are added to section 2 of the Regulations, new language replaces the previous language in subsections 2.2(5) and (6).

New language is added to Subparagraph 8(1)(c)(iv) and subsection 14 of the French version is changed.

The amendments come into effect December 11, 1998.

*Broadcasting Act*, subsection 10(1)

To be published in Canada Gazette December 23, 1999

### **Radio Regulations, 1986, amendment (SOR/98-598)**

The amendment modifies the definition of common shares in subsection 11(1) of the Regulations and provides new language for paragraph 11(4)(d).

More specifically:

“AMENDMENTS

1. (1) The definition “common shares” in subsection 11(1) of the Radio Regulations, 1986 is replaced by the following:

“common shares” means the shares that represent the residual equity in the earnings of the corporation, and includes securities that are convertible into such shares at all times at the option of the holder and the preferred shares to which are attached rights to participate in the earnings of the corporation with no upper limit.

(2) Paragraph 11(4)(d) of the Regulations is replaced by the following:

(d) another A.M. or F.M. licensee that broadcasts in the same market and in the same language as the licensee, an associate of that other licensee or that other licensee together with its associate, who owns less than

*Broadcasting Act*, subsection 10(1)

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(i) 30% of the issued common shares of the licensee or of a person who has, directly or indirectly, effective control of the licensee, owning 30% or more but less than 40% of those shares, or

(ii) 40% of the issued common shares of the licensee or of a person who has, directly or indirectly, effective control of the licensee, owning 40% or more but less than 50% of those shares.”

The amendments come into effect December 11, 1998.

### **Air Services Charges Regulations, amendment (SOR/99-1)**

The amendment implements fee increases in 1999 for the remaining airports operated by the Department of Transport. It also implements annual increases up to the year 2003 for certain National Airports System (NAS) airports in order to complete implementation of the National Airports Policy (NAP) requirement that all airports achieve financial self-sufficiency.

Increases are approved for landing, general terminal and/or aircraft parking charges.

With this amendment, the Department is continuing with graduated user charge increases within a framework that gradually brings local revenues in line with local costs. This gradual approach to achieving financial self-sufficiency began with site-specific fee increases in 1996 and again in 1997 and 1998.

The Transport Department is proposing to extend beyond 1999/2000, the number of years over which increases at NAS airports are to be implemented.

The changes for nine NAS airports (Charlottetown, Fredericton, Halifax, Prince George, Québec International, Regina, St. John's [Torbay], Saint John and Saskatoon) are effective January 1, 1999. In addition, rates would be increased on January 1, 2000, at the same nine NAS airports.

Rates will also increase on January 1 of each of the following three years (2001, 2002, 2003) for Charlottetown, Fredericton, Prince George, Québec International and Saint John airports. Changes at the remaining airports are to be effective April 1, 1999.

In addition to landing, general terminal and aircraft parking fee increases mentioned above, the special landing charges applicable to international flights making refueling stops at Gander will increase to \$6.54 from \$6.11 on the first 30 000 000 kg in accumulated weight landed, to \$5.57 from \$5.14 on the next 14 800 000 kg in accumulated weight landed, and to \$5.18 from \$4.75 on any weight in excess of 44 800 000 kg in accumulated weight landed. This change would be effective April 1, 1999.

References to London airport are being removed from the Regulations as this airport has been transferred to local control and as such is no longer subject to these Regulations.

These changes will generate in the order of \$8.2 million in additional revenue on a full-year basis. Additional revenue of approximately \$6.4 million is expected in the year 2000, while approximately \$1.9 million in additional revenue is expected in each of the years 2001, 2002 and 2003.

The \$8.2 million increase in landing, general terminal and aircraft parking revenues represents an increase of approximately 19.65 percent over existing levels.

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

To be published in Canada Gazette January 6, 1999

# Ministerial Orders Approved

## Statutory Authority

The amendment was pre-published in the Canada Gazette Part I, on October 3, 1998.

Contacts: Dan Cogliati, Director, Cost Recovery, Department of Transport, Place de Ville, Tower C, 22nd Floor, Ottawa, Ontario, K1A 0N5. Tel: 613-993-5769; Fax: 613-991-4410.

### **Portions of the Department of Citizenship and Immigration Divestiture Regulations (SOR/99-3)**

The Regulations define the availability of pension benefits for employees transferring from the Department of Citizenship and Immigration to a new employer on or after July 1, 1999.

More specifically, the regulations provide that eligible individuals can access a lump sum benefit such as a return of contributions or a transfer value on ceasing to be employed in the Public Service. Individuals who do not exercise an option for a lump sum benefit will retain the protection of their pension accruals under the *Public Service Superannuation Act*, as of the date they cease to be employed in the Public Service and their service with the new employer will count for benefit eligibility purposes under that Act.

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

### **Blainville Motor Vehicle Test Centre Benefit Eligibility Protection Regulations (SOR/99-4)**

The Regulations allow the individuals who transferred from the Blainville Motor Vehicle Test Centre to a new employer on June 15, 1996 to retain the protection of their pension accruals.

More specifically, the regulations provide that eligible individuals can retain the protection of their pension accruals under the *Public Service Superannuation Act*, as of the date they ceased to be employed in the Public Service and their service with the new employer will count for benefit eligibility purposes under that Act. Eligible individuals will have one year from the coming into force of these Regulations to choose to have their pension accruals protected under the *Public Service Superannuation Act*.

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

### **Public Service Employment Regulations, 1993, amendment (SOR/99-5)**

The amendment involves three changes to the Regulations, two relating to the priority treatment of disabled employees and the third extending the period of priority rights for employees who have accepted a lower-level position while they were surplus employees or lay-offs.

The first amendment affects the priority that has been established for employees who become disabled and are no longer able to perform their duties. This priority is in effect for a period of two years, beginning on the date the employee is ready to return to work. In order for the priority to be activated the employee must be able to return to work within two years of becoming disabled. The amendment ensures that employees who become disabled will retain their right to a priority even if they cease to be employees within two years of becoming disabled.

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

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

To be published in Canada Gazette January 6, 1999

*Public Service Employment Act*, section 35

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# Ministerial Orders Approved

Statutory Authority

The second amendment affects the priority that has been established for members of the Canadian Armed Forces who become disabled as a result of an injury sustained in a special duty area. The amendment makes it clear that they will retain their right to a priority even if they cease to be members of the Canadian Armed Forces within two years of becoming disabled.

The third amendment affects the priority for employees who have accepted a lower-level position while they were surplus employees or lay-offs. The priority currently lasts for two years from the time the employee accepts the lower-level position. The Treasury Board Secretariat and almost all bargaining agents have jointly recommended to the Public Service Commission that the priority period be extended to three years. The Commission has agreed to do so in order to increase opportunities to return these employees to the level at which they have previously proven themselves to be competent.

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