

# Tracking Federal Regulatory Initiatives

# Regulatory Affairs

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**Immigration Regulations, 1978, amendment**

The proposed amendments establish a redesigned Immigrant Investment Program to replace the current Program on April 1, 1999. All provinces and territories will be eligible to participate in the redesigned Program.

The proposed Regulations would result in a simpler Program:

- Investors will deposit \$500,000 at a single federal window (i.e. Citizenship and Immigration Canada, or CIC), which will act as agent for approved provincial funds. CIC will subsequently distribute the money among the funds.
- The funds will invest their allocations to create or continue employment in order to develop their economies without the current federally imposed restrictions.
- After five years, the funds will repay CIC, and CIC will repay investors.
- Participating provinces will enter into agreements whereby they will ultimately be responsible for their own fund's repayment to investors.

The major changes in the regulations are:

- the tier system is eliminated and the investment is increased to \$500,000 for all investors regardless of the province of investment. Guaranteed investments (Tier III) are also eliminated.

*Immigration Act*, subsection 114(1)

Published in Canada Gazette December 19, 1998

# Proposed Regulations

for Pre-Publication in Part I, Canada Gazette

Statutory Authority

- an investor's required minimum net worth (accumulated through their own endeavours) is increased to \$1,000,000 (currently \$500,000 or \$700,000 for Tier III investments).
- a single federal window to accept investors' money is created. Prior to visa issuance, all immigrant investors will pay \$500,000 to the Receiver General for Canada. CIC will prepare and deliver to the investor a debt obligation in the amount of \$500,000, repayable (without interest) 30 days after the expiry of the allocation period. The allocation period will commence on the first business day of the second month following the month the investor lands in Canada. The security is not refundable after landing;
- investments are subsequently allocated to approved provincial funds. More specifically, after the investor's landing in Canada, CIC will allocate immigrant investment to provincial funds according to an allocation formula: 50 percent divided equally among approved funds and 50 percent distributed according to provincial gross domestic product. Investors will be informed of the share of their investment allocated to each province via the debt obligation prepared and delivered to them by CIC.
- detailed federal rules regarding uses of investors' money are eliminated;
- the federal selection process is applied exclusively to those who invest in the federal program; and
- the Quebec selection process is applied exclusively to those who invest in the Quebec program.

The regulations require CIC to act as agent on behalf of provincial funds and make changes to the "investor" definition. The extensive regulations governing the current Program are repealed but continue to apply to previously approved businesses and funds.

The \$500,000 may be refunded to the investor before landing if:

- (i) the investor is refused an immigrant visa (within 60 days of the decision);
- (ii) the application for an immigrant visa is withdrawn (within 60 days of the investor advising the visa office); and
- (iii) neither the investor nor dependents use any immigrant visas issued as a consequence of the investment (within 60 days of all such immigrant visas being returned to the visa office).

The current regulations regarding an "investor in a province" (meaning a province that has signed an immigration agreement with the federal government respecting the selection of immigrants pursuant to subsection 108(2) of the *Immigration Act*) are unchanged. An investment by an investor in a province continues to be subject to the rules established by the province. Quebec is the only province with such an agreement.

Investors must now invest in the federal Program in order to be selected federally. Previously, investors could invest in the Quebec Program and be selected federally. This regulatory amendment would harmonize federal requirements with Quebec's regulations, which require all investors assessed under its requirements to invest exclusively in its program.

Quebec has agreed to harmonize its regulations in terms of the increased investment amount of \$500,000 and the investor net worth of \$1 million.

## Proposed Regulations

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

#### Statutory Authority

To simplify the regulations and minimize the confusion between the current Program and the redesigned Program, regulations applicable only to the current Program are repealed. The regulations provide that the repealed regulations still apply to businesses and funds approved prior to April 1, 1999. Some of these businesses and funds will operate for at least five more years until investors' hold periods expire.

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

## Exempt from Pre-Publication and Approved

#### Statutory Authority

### **Special Appointment Regulations, No. 1998-17 (SOR/99-6, OIC 1998-2221)**

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:

- Yves Bastien as a Commissioner for Aquaculture Development.

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

### **Order - Amending Schedule I to the Yukon Surface Rights Board Act (SOR/99-14, OIC 1998-2266)**

This amendment adds the Tr'ondëk Hwëch'in land claim and self-government agreement to Parts I and III of Schedule I of the *Yukon Surface Rights Board Act*, to facilitate the resolution of any disputes that may occur for the Tr'ondëk Hwëch'in relating to issues of right of access.

Contact: Lee Grigas, Policy Analyst (Yukon), Comprehensive Claims, Department of Indian Affairs and Northern Development, 10 Wellington Street, Ottawa, Ontario, K1A 0H4. Tel: 819-953-2433; Fax: 819-953-3109.

*Yukon Surface Rights Board Act*, section 79

To be published in Canada Gazette January 6, 1999

### **Maximum Amount for Agreements with Government Order (SOR/99-15, OIC 1998-2267)**

This Order prescribe a maximum amount of \$15,000,000 for agreements between the Interim Commissioner of Nunavut and governments.

According to the Indian Affairs and Northern Development Department, providing the Interim Commissioner with additional authority to enter into these agreements will contribute to the timely and efficient conclusion of intergovernmental agreements needed to accommodate the creation of Nunavut. This will result in cost savings for the federal government related to the review and processing of individual agreements for Governor in Council approval.

Contact: Gilles Binda, Senior Policy Advisor, Nunavut Secretariat, Department of Indian Affairs and Northern Development, Les Terrasses de la Chaudière, 10 Wellington Street, Ottawa, Ontario, K1A 0H4. Tel: 819-953-8069.

*Nunavut Act*, paragraph 73(2.1)(b)

To be published in Canada Gazette January 6, 1999

## Exempt from Pre-Publication and Approved

### Statutory Authority

#### **Income Tax Regulations, amendment (SOR/99-17, OIC 1998-2270)**

The amendments to the Regulations are all of a housekeeping nature.

More specifically:

- various provisions are amended to remove the references to the *Unemployment Insurance Act* and replace them with either a reference to the *Employment Insurance Act* or to both Acts;
- subsection 100(5) is amended to reflect the current dollar amounts which are contained in the *Income Tax Act*;
- contributions to a retirement compensation arrangement received as a result of a transfer pursuant to subsection 207.6(7) of the Act will not be subject to withholdings;
- paragraph 600(1)(b.1) is repealed since this provision contained a sunset clause which has since expired;
- paragraph (h) of the definition “remuneration” in subsection 100(1) and paragraph 200(2)(c) are amended to reflect changes to the taxability of certain amounts, which were contained in Bill C-28 (*Income Tax Amendments Act, 1997*);
- section 3300 is amended to decrease the prescribed rate to 40 per cent as a result of various changes to the components of the formula; and
- section 6301 is amended to remove the references to the Minister of National Health and Welfare since the Minister of National Revenue has sole responsibility in this area. This legislative change was also enacted in Bill C-28.

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

*Income Tax Act*, section 221

To be published in Canada Gazette January 6, 1999

#### **Income Tax Regulations, amendment (SOR/99-18, OIC 1998-2271)**

Part I of the Regulations is being amended to change the federal-provincial sharing fraction on source deductions to reflect the 1998 federal budget measure which eliminated the 3 per cent surtax for most individuals and the provincial tax rate changes contained in the 1998 budgets of the provinces of New Brunswick, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia.

Schedule I to the Regulations is also being amended. The Schedule provides the ranges of remuneration on which source deductions are made for the various pay periods. The amendments are as a result of the 1998 federal budget measures which eliminated the 3 per cent surtax for most individuals and created a supplementary tax credit for low income individuals.

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

*Income Tax Act*, section 221

To be published in Canada Gazette January 6, 1999

#### **Income Tax Regulations, amendment (SOR/99-19, OIC 1998-2272)**

These amendments modify the amount of income tax withholdings, if any, required to be remitted to Revenue Canada in case of RRSP withdrawals under the Home Buyers' Plan and the Lifelong Learning Plan.

More specifically, these amendments implement the 1998 federal budget proposed to allow individuals to make tax-free RRSP withdrawals for lifelong learning, within limits and subject to certain conditions.

*Income Tax Act*, section 221

To be published in Canada Gazette January 6, 1999

# Exempt from Pre-Publication and Approved

Statutory Authority

Part I of the Regulations, which provides the rules concerning the amounts to be withheld on account of tax by a person paying an amount of remuneration, are amended effective January 1, 1999, to ensure that a person can withdraw funds from their RRSP without having any tax withheld at source if certain conditions are met.

The amendments also modify provisions relating to RRSP withdrawals for the Home Buyers' Plan so that the federal budget changes to the Home Buyers' Plan, which is a plan where a home buyer can withdraw amounts from their RRSP on a tax-free basis within limits and under certain conditions.

The amendments also eliminate, among other things, the first-time homebuyers test for the Home Buyers' Plan in cases where the purpose of the withdrawal is to allow an individual to purchase a home for a disabled dependent relative or to enable a disabled individual to purchase a more accessible home.

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

## **Income Tax Regulations, amendment (SOR/99-20, OIC 1998-2273)**

These amendments require that tax information returns be filed with the Minister in an electronic format, for persons who file more than 500 information returns for a year.

Only the larger businesses and the services bureaus (those filing on behalf of others) are affected, since they would in all likelihood be already capable of filing electronically. Smaller businesses still will have the option to file electronically or in paper format.

While there may be a small start-up cost for some of these businesses, this will be offset by the incentives that the department will continue to offer.

Part II of the Regulations provides the reporting rules when certain payments are made. The returns required to be filed are for payments such as employment income paid to employees and payments made by financial institutions for investment income. Presently, the information returns required to be filed with the Minister are done in either a paper format, or more recently, in an electronic format.

The specific amendment is as follows:

"1. The Income Tax Regulations are amended by adding the following after section 205:

### Electronic Filing

205.1 A person who is required to make an information return under this Part, or who files an information return on behalf of a person who is required to make an information return under this Part, shall file the information return with the Minister in an electronic format if more than 500 such returns are to be filed for the calendar year.

2. Section 1 applies in respect of returns required to be filed for the 1999 and subsequent calendar years."

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

*Income Tax Act*, section 221

To be published in *Canada Gazette* January 6, 1999

# Exempt from Pre-Publication and Approved

## Statutory Authority

### **Income Tax Regulations, amendment (SOR/99-21, OIC 1998-2274)**

These amendments implement the 1998 budget proposal to require the filing of information returns in respect of contract payments made by federal government departments and agencies as well as federal Crown corporations.

The budget proposal requires that Federal government departments and agencies will begin issuing information slip's for contract payments made after 1997, as will federal Crown corporations for contract payments made after 1998.

These regulations implement that budget measure. Generally, any federal body that pays or credits an amount to a person in respect of goods or services provided to the federal body will be required to file an information return in prescribed form (T4A) in respect of the payment, unless otherwise excluded from the requirement. Subsection 237(3) of the regulation removes certain payments from the reporting requirement. The exclusions are generally in respect of payments where reporting is required under another provision of the regulations (for example where the recipient is an employee of the federal body) and in cases where public policy dictates that it is in the best interest not to require reporting (for example where payments are made under the Witness Protection Plan).

The information returns are required to be filed with the Minister of National Revenue before the end of February of the year following the payment, beginning in February 1999 in respect of amounts paid in 1998 by federal departments and agencies, and beginning in February 2000 in respect of amounts paid in 1999 by federal Crown corporations.

More specifically:

“1. (1) The Income Tax Regulations are amended by adding the following after section 236:

Contract for goods and services

237. (1) The definitions in this subsection apply in this section.

“federal body” means a department, within the meaning of section 2 of the Financial Administration Act. (organisme federal)

“payee” means a person or partnership to whom an amount is paid or credited in respect of goods for sale or lease, or services rendered, by or on behalf of the person or the partnership. (beneficiaire)

(2) A federal body that pays or credits an amount to a payee shall file an information return in prescribed form in respect of the amount on or before March 31 in each year in respect of the preceding calendar year.

(3) Subsection (2) does not apply in respect of an amount

(a) all or substantially all of which is paid or credited in the year in respect of goods for sale or lease by the payee;

(b) to which section 153 or 212 of the Act applies;

(c) that is not required to be included in computing the income of the payee, if the payee is an employee of the federal body;

(d) that is paid or credited in respect of services rendered outside Canada by a payee who was not resident in Canada during the period in which the services were rendered; or

(e) that is paid or credited in respect of a program administered under the Witness Protection Program Act or any other similar program.

(2) The definition “federal body” in subsection 237(1) of the Regulations, as enacted by subsection (1), is replaced by the following:

*Income Tax Act*, section 221

To be published in Canada Gazette January 6, 1999

# Exempt from Pre-Publication and Approved

Statutory Authority

“federal body” means a department or a Crown corporation, within the meaning of section 2 of the Financial Administration Act. (organisme federal)

## APPLICATION

2. (1) Subsection 1(1) applies to amounts paid or credited after 1997.

(2) Subsection 1(2) applies to amounts paid or credited after 1998.”

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

## Income Tax Regulations, amendment (SOR/99-22, OIC 1998-2275)

The amendments implement a 1997 federal budget (Bill C-28) proposal to allow a Registered Education Savings Plan (RESP) subscriber to receive accumulated income from the RESP in certain circumstances.

The amendments:

- require withholdings on payments from a RESP, other than those exempted under the regulations;
- in cases where a person receiving a payment is subject to tax under Part X.5 of the *Income Tax Act*, an additional 20% will be withheld on account of that tax;
- payors making payments under a RESP will be required to file information returns (T4As) as they currently do for other payments; and
- make a consequential amendment to paragraph 202(2)(j) of the Regulations as a result of the change made to paragraph 212(1)(r) of the Act.

More specifically:

“1. The definition “remuneration” in subsection 100(1) of the *Income Tax Regulations*” is amended by striking out the word “or” at the end of paragraph (l), by adding the word “or” at the end of paragraph (m) and by adding the following after paragraph (m):

(n) a payment out of a registered education savings plan other than

(i) a refund of payments,

(ii) an educational assistance payment, or

(iii) an amount, up to \$50,000, of an accumulated income payment that is made to a subscriber, as defined in subsection 204.94(1) of the Act, or if there is no subscriber at that time, that is made to a person that has been a spouse of an individual who was a subscriber, if

(A) that amount is transferred to an RRSP in which the annuitant is either the recipient of the payment or the recipient's spouse, and

(B) it is reasonable for the person making the payment to believe that the amount is deductible for the year by the recipient of the payment within the limits provided for in subsection 146(5) or (5.1) of the Act;

2. (1) Subsection 103(6) of the Regulations is amended by striking out the word “or” at the end of paragraph (e), by adding the word “or” at the end of paragraph (f) and by adding the following after paragraph (f):

(g) a payment described in paragraph (n) of the definition “remuneration” in subsection 100(1).

(2) Section 103 of the Regulations is amended by adding the following after subsection (7):

*Income Tax Act*, section 221

To be published in Canada Gazette January 6, 1999

## Exempt from Pre-Publication and Approved

### Statutory Authority

(8) Every person making a payment described in paragraph (n) of the definition “remuneration” in subsection 100(1) shall withhold an amount equal to 20% of that payment on account of the tax payable under Part X.5 of the Act, in addition to any other amount required to be withheld under Part I of these Regulations.

3. Subsection 200(2) of the Regulations is amended by striking out the word “or” at the end of paragraph (h), by adding the word “or” at the end of paragraph (i) and by adding the following after paragraph (i):

(j) a payment out of a registered education savings plan, other than a refund of payments,

4. Paragraph 202(2)(j) of the Regulations is replaced by the following:

(j) a payment that is or that would be, if paragraph 212(1)(r) of the Act were read without reference to subparagraph 212(1)(r)(ii), a payment described in that paragraph in respect of a registered education savings plan,

5. Subsection 204(3) of the Regulations is amended by striking out the word “or” at the end of paragraph (c), by adding the word “or” at the end of paragraph (d) and by adding the following after paragraph (d):

(e) governed by a registered education savings plan.

#### APPLICATION

6. Sections 1 to 5 apply to the 1998 and subsequent taxation years.”

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

### **Canada Pension Plan Regulations, amendment (SOR/99-23, OIC 1998-2276)**

The amendments ensure that employment of persons casually employed in connection with a census enumeration will not be excepted from pensionable employment.

The change will make some 12,000 election workers subject to Canada Pension Plan contributions.

Previously, such employment was not considered pensionable employment unless the person was regularly employed by an employer and worked a minimum of 25 days. Such employment will now be considered as pensionable employment from the start of employment.

Employment of persons in connection with a referendum or election to public office will now be considered to be pensionable employment once the person has worked 35 hours. Previously, such employment was not considered to be pensionable employment until after the person had worked 25 days.

These amendments, as well as other technical amendments, are parallel the wording found in the recent changes made to the Employment Insurance Regulations.

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

### **Canadian Wheat Board Regulations, amendment (SOR/99-24, OIC 1998-2278)**

The amendment establishes a higher initial payment for the base grades of designated barley (an increase of \$10 per metric tonne) for the 1998-99 crop year.

Contact: Craig Fulton, Commerce Officer, Grains and Oilseeds Division, International Markets Bureau, Market and Industry Services Branch, Agriculture and Agri-Food Canada, 930 Carling Avenue, Ottawa, Ontario, K1A 0C5. Tel: 613-759-7698; Fax: 613-759-7476.

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

To be published in *Canada Gazette* January 6, 1999

*Canadian Wheat Board Act,* subparagraph 32(1)(b)(i), subsection 47(2) and section 61

To be published in *Canada Gazette* January 6, 1999

## Exempt from Pre-Publication and Approved

### Statutory Authority

#### **Investment Canada Regulations, amendment (SOR/99-29, OIC 1998-2290)**

The amendment adds the definition of “transportation service” to the *Investment Canada Regulations*.

More specifically:

“1. The Investment Canada Regulations are amended by adding the following after section 2.1:

2.2 For the purposes of paragraph 14.1(5)(c) of the Act, “transportation service” means a Canadian business directly or indirectly engaged in the carriage of passengers or goods from one place to another by any means, including, without limiting the generality of the foregoing, carriage by air, by rail, by water, by land and by pipeline.

2. These Regulations come into force on December 16, 1998.”

While transportation services are currently exempt from certain provisions of the Act, the Standing Joint Committee for the Scrutiny of Regulations felt that a definition should be included in the Regulations.

Contact: Ted Zahavich, Senior Investment Officer, Investment Review Division, P.O. Box 2800, Station D, Ottawa, Ontario, K1P 6A5. Tel: 613-954-1875; Fax: 613-996-2515.

*Investment Canada Act*, paragraph 14.1(5)(c), section 14.2 and paragraph 35(1)(a)

To be published in Canada Gazette January 6, 1999

#### **Interest and Administrative Charges Regulations, amendment (SOR/99-30, OIC 1998-2312)**

The amendments make changes to the way in which the government charges interest on loans and overdue accounts.

More specifically, the following three amendments to the regulations are approved:

- the method of calculating the “average bank rate” is changed from using the “simple arithmetic mean” to the “weighted arithmetic average” of the bank rates established during the month before the month in respect of which interest is being calculated. The revised wording is more mathematically precise and ensures that the rate used under these regulations is equivalent to the rate which the government uses when calculating interest on late payments to its own suppliers. It was the intent of the original regulations that these two rates be equivalent. The rate is calculated and published monthly by Public Works and Government Services Canada;
- sections 5, 6 and 7 are amended to clarify that interest is to be charged from the due date to the day before the day on which payment is received, inclusive. This technical amendment will make it clear that interest is not to be charged for the day on which a payment is received; and
- sub-section 7(2) is amended to exempt outstanding concessionary loans made to international organizations and sovereign states for the purpose of developmental assistance. Concessionary loans are those which bear no interest or a rate of interest that is three or more percentage points below the average cost of borrowing of the Government of Canada on the day the loan agreement is entered into. This subsection already exempts concessionary loans made to sovereign states covered under a multilateral debt relief agreement. The government feels that concessionary loans for international developmental assistance should fall into the same category as that of debt relief, as both are intended to improve the conditions of the recipient country and its citizens.

*Financial Administration Act*, subsection 155.1(6)

To be published in Canada Gazette January 6, 1999

## Exempt from Pre-Publication and Approved

Statutory Authority

The amendments come into effect December 16, 1998.

Contact: Bruce Hirst, Project Manager, Financial Authorities and Planning, Financial Management Policy Sector, Treasury Board Secretariat, L'Esplanade Laurier, 8th Floor West Tower, Ottawa, Ontario, K1A 1E4. Tel: 613-957-7168; Fax: 613-952-9613.

## Pre-Published and Approved No comments or changes

Statutory Authority

### **Canada Business Corporations Regulations, amendment (SOR/99-16, OIC 1998-2268)**

*Canada Business Corporations Act, section 261*

The amendments make a number of changes in connection with Canada Business Corporations Act (CBCA) filings.

To be published in Canada Gazette January 6, 1999

More specifically, the changes:

- allow the CBCA Annual Return (Form 22) to be filed with Revenue Canada together with the corporation's corporate income tax return;
- allow information about jurisdictions in which a corporation is carrying on business to be collected on Form 22 (Annual Return) or on the combined annual return and corporate income tax return.
- establish that information common to both Form 22 and the T2 Corporation Income Tax Return will now be provided once, on a revised T2 form. Information which is exclusive to the CBCA Form 22 (Annual Return) will be collected on a new schedule to the T2 Corporation Income Tax Return.
- permit a corporation to file Form 3 (Notice of Change of Registered Office) and Form 6 (Notice of Change of Directors) together with the T2 Corporation Income Tax Return. The information required by Form 3 has been added as Part 4 to the schedule that may be used in place of Form 22 (Annual Return). The information required by Form 6 will be provided by way of a separate schedule.

This optional method of filing the CBCA annual return will commence on January 1, 1999. The current method of filing Form 22, Form 3 and Form 6 with the Director will still be available, providing corporations with a choice of using either method of filing.

To avoid any confusion for corporations on where they are to file their 1998 annual return, a provision has been added to the regulations to clarify that all 1998 annual returns must be filed within 60 days of a corporation's anniversary date of incorporation with the Corporations Directorate. For 1999 and subsequent annual returns, the corporation will have the option of filing them with Revenue Canada.

The date for filing the CBCA filing has been changed to within 6 months of the corporation's taxation year end. A new definition is added to section 2 of the CBCA Regulations to define the term "taxation year end".

Three new subsections are added to the CBCA Regulations. Subsection 4(1.1) lists the new Revenue Canada schedules, although the actual formats are not being added to the CBCA Regulations.

Subsection 4(1.2) deems receipt by Revenue Canada of any of the new forms to be the date and time of receipt of the information on the combined Form 22 (Annual Return) and T2 Corporation Income Tax Return and associated schedules by the Director.

## Pre-Published and Approved No comments or changes

Statutory Authority

Subsection 4(1.3) deems a signature by an authorized signing officer on the combined Form 22 (Annual Return) and T2 Corporation Income Tax Return to be a signature on the schedules for the purposes of the CBCA.

Some minor changes were made to Form 22 (Annual Return). Item 3 now asks for the taxation year end, instead of the financial year end. According to the new definition of taxation year end, the financial year end and the taxation year end are the same date. Item 4 which asked for the anniversary date of incorporation, continuance or amalgamation is being removed and the subsequent items are being renumbered. Item 4 can be removed since the anniversary date is no longer required.

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

On June 27, 1998, the proposed regulatory amendments were published in Part I of the Canada Gazette. No substantive comments were received. After prepublication, a new provision was added to the regulations to clarify a corporation's obligations with respect to its 1998 annual return where it is not filed at the time the regulations come into force.

These Regulations come into force on January 1, 1999.

Contact: Cheryl Ringor, Corporations Directorate, Department of Industry, 9th Floor, Jean Edmonds Tower South, 365 Laurier Ave. West, Ottawa, Ontario, K1A 0C8. Tel: 613-941-5729; Fax: 613-941-5781; e-mail: ringor.cheryl@ic.gc.ca.

### **Assessment of Financial Institutions Regulations, amendment (SOR/99-27, OIC 1998-2288)**

The amendments increase the minimum assessment for cooperative credit associations (Coops), life insurance companies and property and casualty insurance companies to \$5,000 in fiscal year 1998/1999 and to \$10,000 in fiscal 1999/2000, up from the current \$1,000.

For the fiscal 1996/1997 assessment year, 130 of the 221 property and casualty insurance companies paid less than the proposed \$10,000 minimum assessment, with 72 of those paying only the current minimum assessment of \$1,000. On the life insurance companies side, 65 of the 123 companies would be affected by the proposed increase. Currently, only 39 life insurance companies pay the \$1,000 minimum assessment. Only one of the seven COOPs, which currently pays an assessment of approximately \$7,000, would be affected by the proposed increase to \$10,000.

The minimum assessment for fraternal benefit societies is also increased from the current \$100 to \$500 in fiscal year 1998/1999 and to \$1,000 for fiscal year 1999/2000.

*Office of the Superintendent of Financial Institutions Act, paragraph 23(3)*

To be published in Canada Gazette January 6, 1999

## Pre-Published and Approved No comments or changes

Statutory Authority

Fifteen of the fraternal benefit societies pay the minimum \$100 assessment and 22 of the 27 fraternal benefit societies would be affected by an increase to \$1,000.

Contact: Jack Heyes, Chairman, User Pay Task Force, Office of the Superintendent of Financial Institutions, 121 King Street W, P.O. Box 39, Toronto, Ontario, M5H 3T9. Tel: 416-973-8529; Fax: 416-973-8966.

### **Service Charges (Office of the Superintendent of Financial Institutions) Regulations (SOR/99-28, OIC 1998-2290)**

*Office of the Superintendent of Financial Institutions Act, section 23.1*

The amendments permit the implementation of a user pay regime and prescribe user fees for some of the more significant activities of the Office of Superintendent of Financial Institutions (OSFI).

To be published in Canada Gazette January 6, 1999

Based on the recommendations of a task force on a modified user pay system, OSFI has recommended a number of changes regarding how it recovers its costs from federally regulated financial institutions (FRFIs). This will result in institutions and non-regulated third parties that place greater demands on OSFI's resources paying a higher proportion of OSFI's annual operating costs via direct user fees.

The user pay fees were determined based on in-house analyses of time spent on activities that lend themselves to fees for service and having regard, where possible, to fees charged by other regulatory agencies for similar services. The adoption of such an approach will modify OSFI's current practice of recovering its annual operational costs from institutions or private pension plans solely from formula-based annual assessments.

The first phase of the new fee regime, scheduled for implementation on January 1, 1999, will introduce the fees for certain user pay activities, including the processing of applications or requests that are relatively straightforward in nature and, for administrative simplicity, are to be paid up front at the time the requests or applications are filed with OSFI.

For complex user pay activities, such as applications involving large mergers or incorporation, OSFI will seek to enter into a separate contractual cost recovery arrangement with the institution or third party making the application. As a result of consultations, OSFI has agreed that prior to the filing of such an application, the appropriate cost structure (flat fee or hourly rate) would be agreed to in advance by OSFI and the applicant.

As part of Phase II, OSFI will implement fees for a broader range of user pay services for FRFIs and third parties, as well as similar user fees for services undertaken in respect of private pension plans. OSFI will also conduct a full review of the current assessment methodologies used to allocate its annual supervisory costs to FRFIs and pension plans. OSFI will also contemplate the introduction of user fees or assessment surcharges to enable it to recover additional supervisory costs associated with enhanced supervision directly from "problem institutions".

OSFI expects to recover, in the long-term, between 20 and 25 percent (\$8 to \$10 million per annum based on 1997/98 experience) of its annual supervisory costs borne by FRFIs.

Any fee revenue collected from institutions in a given industry will be deducted from OSFI's annual supervisory costs allocated to that industry. The residual balance of the supervisory costs will continue to be recovered from institutions in each industry using a formula-based annual assessment.

## Pre-Published and Approved No comments or changes

Statutory Authority

The Regulations come into effect January 1, 1999.

Contact: Jack Heyes, Chairman, User Pay Task Force, Office of the Superintendent of Financial Institutions, 121 King Street W, P.O. Box 39, Toronto, Ontario, M5H 3T9. Tel: 416-973-8529; Fax: 416-973-8966.

## Pre-Published and Approved With comments or changes

Statutory Authority

### **Ozone-depleting Substances Regulations, 1998 (SOR/99-7, OIC 1998-2251)**

*Canadian Environmental Protection Act, sections 22 and 34*

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

To be published in Canada Gazette January 6, 1999

The new 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;
- 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.

The Regulations also include requirements to further reduce emissions of other ODSs:

- require permits to export products containing CFCs, methyl chloroform, halons and carbon tetrachloride to developing countries.

## Pre-Published and Approved With comments or changes

Statutory Authority

- ban the import of products containing CFCs, halons, methyl chloroform and carbon tetrachloride: since developing countries can continue to manufacture CFCs, halons and carbon tetrachloride until 2010, and methyl chloroform until 2015, and these countries could export products containing these substances to Canada. The intent of this requirement is to eliminate that possibility.
- ban the import of recycled CFCs, halons, methyl chloroform and carbon tetrachloride for domestic uses.

The proposals were republished in the Canada Gazette, Part I on August 29, 1998. Some changes in the final regulations resulted from comments received.

For example, a mechanism was added to allow the movement of halons for critical uses in other countries; as well, a few exemptions to the prohibitions on aerosol uses of HCFCs were added, along with adjustments to the date of entry into force of the prohibitions to ensure orderly transition to alternatives.

The *Chlorofluorocarbon Regulations, 1989*, the *Ozone-depleting Substances Regulations*, and the *Ozone-depleting Substances Products Regulations* are repealed.

These Regulations come into effect on January 1, 1999.

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.

### **Pacific Fishery Regulations, 1993, amendment (SOR/99-8, OIC 1998-2253)**

*Fisheries Act*, sections 8 and 43

The amendment adjusts an earlier fee schedule for commercial geoduck, sablefish and halibut fishing licences.

The previous fees for these licences came into effect on January 1, 1996. The original intention had been to base the fees on 5 percent of the quota holding, using 1990/93 average prices. However, fees were set initially at a lower level in recognition of the contributions that these fisheries had already made towards fisheries management costs.

This amendment uses a formula in place of the flat 5 percent formula previously used in the Pacific. The formula calculates fees on 3 percent for the first \$50,000 in quota holdings, using 1990/93 average prices, and 5 percent for the amount over \$50,000.

This formula is designed to reduce the disincentive for a fleet sector to adopt the individual quota system, and to be fairer to fleet sectors with smaller quota holdings.

The licence fee increase for geoduck, sablefish and halibut is consistent on a national basis.

These amendments affect 48 sablefish, 55 geoduck and 435 halibut fishers. On average, the 1999 licence fee for a geoduck licence will be \$8,240 and for a sablefish licence, \$17,678, compared to \$3,532 and \$9,843, respectively, in 1998.

Some 232 fishers will be paying more for a licence while 203 fishers will be paying less for a licence. As result of this redistribution, the average increase to licence fees for halibut fishers will be 4 percent (\$220).

The new fees are expected to generate additional revenues of about \$733,000 in 1999, assuming 1998 total allowable catch levels.

To be published in Canada Gazette January 6, 1999

## Pre-Published and Approved With comments or changes

Statutory Authority

The proposal was prepublished in the Canada Gazette on November 14, 1998. According to the Fisheries and Oceans Department, the only comments received have been from halibut fishers who specifically object to the progressive fee structure, which they view as placing an unfair burden on the larger quota holders. Also, they feel it does not address the contributions they are currently making toward the co-management of their fishery. Of the three groups of fishers affected by the proposed change in licence fees, Pacific halibut fishers will be affected the least.

The amendment comes into effect December 16, 1998.

Contact: Russell Mylchreest, Program Planning and Economics Branch, Department of Fisheries and Oceans, 555 West Hastings Street, Room 400, Vancouver, British Columbia, V6B 5G3. Tel: 604-666-3869.

### **Income Tax Regulations, amendment (SOR/99-9, OIC 1998-2256)**

Most of these amendments implement measures relating to retirement savings announced in the 1995, 1996 and 1997 federal budgets. The remaining amendments are minor modifications to the existing regulatory framework.

Part LXXXIII of the Income Tax Regulations provides rules for calculating pension adjustments (PAs), past service pension adjustments (PSPAs) and other prescribed amounts, which reduce an individual's RRSP deduction room. The amounts are a measure of the benefits provided to an individual under registered pension plans (RPPs), deferred profit sharing plans (DPSPs) and certain unregistered retirement arrangements.

Part LXXXIV sets out the reporting requirements for RPPs, DPSPs and certain unregistered retirement arrangements.

Part LXXXV sets out conditions that must be satisfied in order for a pension plan to be registered under the Income Tax Act.

Most of the amendments to Parts LXXXIII to LXXXV relate to retirement savings measures announced in the 1995, 1996 and 1997 federal budgets. The remaining amendments are technical refinements to the existing regulatory framework and are made in response to specific concerns raised by pension plan administrators, pension consultants and Revenue Canada. For the most part, these technical changes are relieving in nature.

The amendments to Parts LXXXIII and LXXXIV deal primarily with the introduction of the pension adjustment reversal (PAR) and the associated reduction in the PA offset from \$1,000 to \$600. PAR restores RRSP deduction room for individuals who receive termination benefits from an RPP or DPSP that are less than the RRSP room given up over the years because of their participation in the RPP or DPSP. The lower PA offset reduces the annual RRSP deduction room of members of defined benefit RPPs by \$400. These amendments, which relate to retirement savings measures announced in the 1997 federal budget, were released in draft form in June 1998. Several changes were made to the draft amendments as a result of consultations with the pension industry. These were announced in October 1998.

Most of the amendments to Part LXXXV relate to retirement savings measures that were announced in the 1995 and 1996 federal budgets. Some of these amendments were released in draft form in July 1995. Others were released in draft form in February 1997. The draft amendments were also incorporated into the June 1998 release.

*Income Tax Act*, subsection 147.1(18) and section 221

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## Pre-Published and Approved With comments or changes

Statutory Authority

The most significant amendments include: reduce, from 71 to 69, the age at which an individual's pension must begin under an RPP; defer until 2005 the indexing of the \$1,722 defined benefit limit; and allow an individual to transfer a single amount from a defined benefit RPP to a registered retirement income fund after turning 72 years of age.

The proposals were prepublished in the Canada Gazette, Part I on November 7, 1998.

As a result of comments received, Part LXXXIV has been amended to accommodate employer PAR reporting for DPSPs.

Contact: Catherine Cloutier, Tax Legislation Division, Department of Finance, L'Esplanade Laurier, 140 O'Connor Street, Ottawa, Ontario, K1A 0G5. Tel: 613-996-0598.

### **Yukon Quartz Mining Land Use Regulations (SOR/99-10, OIC 1998-2261); Yukon Placer Mining Land Use Regulations (SOR/99-11, OIC 1998-2262)**

*Yukon Quartz Mining Act*, section 12; *Yukon Placer Mining Act*, section 116

The two new Regulations establish the rules for initiating and carrying out environmental reviews of mining projects under the *Yukon Quartz Mining Act* and the *Yukon Placer Mining Act*. The *Yukon Quartz Mining Land Use Regulations* (YQMLURs) and the *Yukon Placer Mining Land Use Regulations* (YPMLURs) describe, in detail, how the environmental management regime work and the responsibilities and obligations of both the Yukon mining industry and government administrators.

To be published in Canada Gazette January 6, 1999

The new regulations follow amendments to the two mining Acts which were introduced in Parliament on March 4, 1996, as Bill C-6, to create the authority to regulate exploration and mining activities in the Yukon. The legislation, which received Royal Assent on November 28, 1996, provides an approval process for all mining projects which may have a significant environmental impact.

The YQMLURs and Part II of the *Yukon Quartz Mining Act* apply to lands under mineral claim held by entry or lease under that Act. The YPMLURs and Part II of the *Yukon Placer Mining Act* apply to claims or land on which a lease has been granted. The extent of regulating land use operations is based on the level of activity and resulting environmental impact of individual projects. These levels are classified as Classes I, II, III, and IV with threshold activities which identify the Class of any exploration program.

The threshold or criteria used are similar to the *Territorial Land Use Regulations* used on lands other than mineral claims. Class I includes only those activities below the first threshold. Class I activities require no approval, but must comply with prescribed operating conditions set out in the regulations. Class II activities require prior notification and approval by a federal authority. Class III activities require the advance submission and approval of a detailed operating plan. Class IV activities require an operating plan and require public notification and, in some cases, public consultation.

The thresholds for the Classes relate to specific activities which are normally conducted during mineral exploration such as the number of persons in a campsite, the number of cubic metres of trenching, the number of square metres of stripping, the number of kilometres of road construction, vehicle weights and the number of kilometres travelled and the capacity of fuel storage facilities. Exceeding any threshold for a Class moves the activity into a higher Class with more stringent approval requirements.

## Pre-Published and Approved With comments or changes

Statutory Authority

In addition to requiring operators on mining claims to meet minimum operating conditions related to their land use activities during exploration and mining, operators will have to pay a fee for a Class II Notification, a Class III or IV operating plan, an amendment to an operating plan, and for an assignment of such an operating plan. The legislation provides for the posting of security to ensure mitigation of adverse environmental effects of their activities and provides for operators to compensate the government for necessary expenditures to undertake the mitigation where the operator is unable to do so. The cost will now be borne by the mining industry.

The proposed Regulations were pre-published in Part I of the Canada Gazette on July 25, 1998. As a result of comments received, a commitment was made to stakeholders, to undertake a review of these regulations two years after their coming into force. No changes were incorporated in the regulations as a result of the comments received. However, changes were made to the regulations as recommended by the Department of Justice to ensure conformity with authorities derived from the Act.

These Regulations come into effect on December 16, 1998.

Contact: Bob Whittingham, Mining Advisor, Mining Legislation and Resource Management, Department of Indian Affairs and Northern Development, Les Terrasses de la Chaudière, 10 Wellington Street, Ottawa, Ontario, K1A 0H4. Tel: 819-994-6416.

### **Preliminary Screening Requirement Regulations (SOR/99-12, OIC 1998-2264); Exemption List Regulations (SOR/99-13, OIC 1998-2265)**

The Regulations implement a commitment by the federal government under the Gwich'in Comprehensive Land Claim Agreement and the Sahtu Dene and Metis Comprehensive Land Claim Agreement, signed respectively on April 22, 1992, and September 6, 1993, to establish an integrated land and water regulatory system in the Mackenzie Valley. This system includes an environmental assessment and review (EAR) process.

The regulations are necessary to implement the EAR process established by the *Mackenzie Valley Resource Management Act* (MVRMA).

The *Preliminary Screening Requirement Regulations* enumerate provisions of statutes and regulations which require a regulatory authority to conduct a preliminary screening before delivering a permit, licence or other authorization for a proposed development "an undertaking carried out on land or water" in the Mackenzie Valley.

The *Preliminary Screening Requirement Regulations* are divided into two schedules: Schedule 1 comprises a federal list of some 100 provisions of statutes and regulations; Schedule 2 covers some 20 provisions of statutes and regulations of the Northwest Territories.

The *Exemption List Regulations* exclude certain activities from a preliminary screening because they are considered not to have any significant adverse impact on the environment. Schedule 1 itemizes, in a general list, 39 activities; Schedule 2 covers nine activities within national parks, national park reserves and national historic site areas.

The two regulations have been modeled on, and work in a similar fashion to, the *Canadian Environmental Assessment Act (CEAA) Law List Regulations* and the *Exclusion List Regulations*.

Where a proponent requires a permit, licence or authorization identified in the *Preliminary Screening Requirement Regulations*, the regulatory authority conducts an examination unless the proposed development is exempted by the *Exemption List Regulations*.

*Mackenzie Valley Resource Management Act*, sections 124(1) and 143(1)(b)

To be published in Canada Gazette January 6, 1999

## Pre-Published and Approved With comments or changes

Statutory Authority

Where the federal or territorial government or the Gwich'in or Sahtu First Nation proposes a development not requiring a permit, licence or authorization, such as a wolf kill, the Government or the First Nation must undertake the same examination unless it determines its impact on the environment to be manifestly insignificant or it is an activity listed in the *Exemption List Regulations*.

The Government (federal, territorial or local), the Gwich'in or Sahtu First Nation or the Environmental Impact Review Board (the Review Board) has an overriding power to refer a development for an environmental assessment.

Differences between the *Mackenzie Valley Preliminary Screening Requirement Regulations* and the *CEAA Law List Regulations* are as follows:

- (a) update of statutes and regulations proclaimed since October 7, 1994, e.g. Canada Transportation Act, S.C., 1996;
- (b) removal of provisions of statutes and regulations that apply outside the Mackenzie Valley, e.g. the *Yukon Waters Act*, or that do not trigger the MVRMA, such as federal funding, granting of a right or transfer of lands that do not call for "a development", as defined in the MVRMA; and
- (c) inclusion of Northwest Territories statutes and regulations.

Differences between the Mackenzie Valley Exemption List Regulations and the CEAA Exclusion List Regulations are as follows:

- (a) removal from the exemption list of low-level activities considered highly sensitive to the North, e.g. a drainage structure;
- (b) removal of a CEAA threshold of an exempted activity which is considered to be captured by other thresholds and is duplication, for example the removal of the "30 metres distance" threshold where modifications to, or maintenance of, an existing building occur. It is felt that the threshold "no release of waste in a water body" is sufficient; and
- (c) addition of a threshold to an exempted activity where additional conditions are considered necessary; for example, an activity would be exempted only if it does not require a land use permit.

The mining industry supports, in principle, the legislation but is somewhat concerned about matters flowing from the land claims (e.g., the over-riding powers of First Nations, Government and the Review Board to refer a development otherwise exempted).

Mackenzie Valley First Nations who do not have land claims agreements oppose, in principle, the application of the legislation and the regulations to their regions without their consent. This opposition reflects First Nations' concerns that the application of this legislation and regulations will constrain the outcome of negotiations on assertion of treaty land entitlement, comprehensive land claim or self-government negotiations.

The Regulations were pre-published on July 25, 1998. In response to comments, an amendment has been made to the *Exemption List Regulations*, increasing the threshold for cutting wood activity in clearing a forest after a fire from 1,000 cubic metres to 5,000 cubic metres.

Contact: Will Dunlop, Department of Indian Affairs and Northern Development, Ottawa, Ontario, K1A 0H4. Tel: 819-994-7468; Fax: 819-953-0335. Jacques Deneault, Department of Indian Affairs and Northern Development, Ottawa, Ontario, K1A 0H4. Tel: 994-7462; Fax: 819-953-0335.

## Pre-Published and Approved With comments or changes

### Statutory Authority

#### **Energy Efficiency Regulations, amendment (SOR/99-25, OIC 1998-2280)**

*Energy Efficiency Act,*  
sections 20 and 25

The amendments introduce minimum energy efficiency standards for 15 energy-using products and increase the existing energy efficiency standards for 2 products. All of the 17 products covered by the amendment are already regulated in one or more provinces.

To be published in Canada Gazette January 6, 1999

The *Energy Efficiency Regulations* are part of the National Action Program on Climate Change. The measures established under this Program encourage the efficient use of energy on an economic basis. They contribute to the competitiveness of Canada's economy, while helping to achieve Canada's greenhouse gas limitation targets.

Carbon dioxide ("CO<sup>2</sup>"), a by-product of fossil fuel consumption, has been identified as the most significant greenhouse gas. Due to greater demand for fossil fuel because of expanding human activities involving energy use, emissions of CO<sup>2</sup> have increased. Because there is limited short-term prospect for switching from fossil fuels to alternative energy sources, the main approach to limiting CO<sup>2</sup> emissions resulting from fossil fuel consumption is to improve energy efficiency.

In proposing the amendments, Natural Resources Canada analyzed the benefits of improving the energy efficiency of the following 15 products: dehumidifiers, ice-makers, oil-fired furnaces, oil-fired boilers, residential split-system heat pumps, packaged terminal heat pumps, packaged terminal air conditioners, large air conditioners, condensing units, gas-fired boilers, large heat pumps, three-phase split-system central air conditioners and heat pumps, three-phase single package central air conditioners and heat pumps.

Among the specific changes approved are the extension of efficiency requirements from standard clothes dryers to include compact dryers manufactured in Europe. As well, the December 31, 1993 restriction that currently applies to the test procedures for electric motors will be eliminated. The minimum efficiency of residential split system central air conditioners would be increased from 9 SEER to 10 SEER, since 9 SEER models are no longer available from North American manufacturers.

The proposed regulations were republished in the Canada Gazette, Part I on July 4, 1998. As a result of comments, Natural Resources Canada agreed to extend the effective date of the Amendment for gas- and oil-fired boilers from December 31, 1998 to June 30, 1998 because boiler manufacturers needed additional time to comply with the Verification Mark requirements in the Amendment. However, gas- and oil-fired boilers will be expected to comply with the other regulatory requirements regarding energy efficiency standards, reporting and information pertaining to imports as of December 31, 1998.

The regulations come into effect December 31, 1998

Contact: Valerie Whelan, Standards Office, Office of Energy Efficiency, Natural Resources Canada, 580 Booth Street, Ottawa, Ontario, K1A 0E4. Tel: (613) 947-1207; Fax: 613-947-0373; e-mail: vwhelelan@nrncan.gc.ca.

#### **Royal Canadian Mounted Police Regulations, 1988, amendment (SOR/99-26, OIC 1998-2283)**

*Royal Canadian Mounted Police Act,* subsection 21(1) and section 38

The amendments, designed to satisfy Charter concerns raised in a recent court case, will ease the current prohibition against members of the RCMP from engaging in any political activity. They create different requirements for separate categories of members, according to whether they are part of senior management, are peace officers or are not peace officers.

To be published in Canada Gazette January 6, 1999

## Pre-Published and Approved With comments or changes

Statutory Authority

In appropriate circumstances, some members will be allowed to engage in political activities provided that they do so while on leave of absence without pay. In certain circumstances, some members may be allowed to carry on political activities without having to take a leave of absence from the Force. In exceptional circumstances, some members may still face an absolute prohibition from engaging in a political activity.

The amendments require that a member who is elected to office must resign or retire from the Force before assuming the duties of the office. An exception to this requirement is made in the case of members who are not peace officers and qualify to campaign for office without having to take a leave without pay.

The amendments also create a special appeal process, to allow a more expeditious decision-making process than the Part III grievance process of the *RCMP Act*.

The proposals were prepublished in the Canada Gazette, Part I on October 31. As a result of concerns raised, several changes were made, including:

- re-wording of certain provisions to clarify that general lobbying activities are not intended to be covered by the present amendments;
- raising the standard that the appropriate officer must apply to deny an application for leave without pay; and
- some of the deadlines have been reviewed and shortened in order to further expedite the appeal process.

The amendments come into force on December 16, 1998.

Contact: Supt. James Newman, Office in Charge, Internal Affairs Branch, 250 Tremblay Road, Ottawa, Ontario, K1A 0R2. Tel: 613-993-2728; Fax: 613-952-0618.

## Ministerial Orders Approved

Statutory Authority

### Canadian Chicken Marketing Quota Regulations, 1990, amendment (SOR/99-31)

*Farm Products Agencies Act*, paragraph 22(1)(f)

This amendment establishes the periodic allocation, for the period from January 17, 1999 to March 13, 1999 for producers who market chicken in interprovincial or export trade.

To be published in Canada Gazette January 6, 1999

The new limits are as follows:

- production subject to federal and provincial quotas (in live weight, kilograms), for Ontario, 54,200,000; for Quebec, 45,985,322; for Nova Scotia, 5,682,250; for New Brunswick, 4,810,853; for Manitoba, 6,727,517; for P.E.I., 642,619; for Saskatchewan, 3,696,004; for Alberta, 15,704,121; and for Newfoundland, 2,515,039.
- production subject to periodic export quotas (in live weight, kilograms), for Ontario, 1,585,000 kg; Quebec, 4,222,700; Nova Scotia, 100,000; Manitoba, 474,000 and for Alberta, 1,092,000.

These Regulations come into force on January 17, 1999.

Contact: Canadian Chicken Marketing Agency, 377 Dalhousie Street, Ottawa, Ontario, K1N 9N8. Tel: 613-241-2800; Fax: 613-241-5999.

# Ministerial Orders Approved

## Statutory Authority

### **Canadian Chicken Marketing Levies Order, amendment (SOR/99-32)**

This amendment extends the expiry date of the Order to December 31, 1999.  
This Order comes into force on January 1, 1999.

*Farm Products Agencies Act*, paragraph 22(1)(f)

To be published in Canada Gazette January 6, 1999

### **Domestic Substances List, amendment (SOR/99-33); Domestic Substances List, amendment (SOR/99-34)**

The first amendment adds two substances (50883-96-0 and 127087-85-8) to Part I of the Domestic Substances List and deletes one substance (50883-96-0) from Part I of the Non-domestic Substances List, effective December 18, 1998.

The second amendment adds 12 substances to Part I of the Domestic Substances List, adds 11 substances to Part II of the Domestic Substances List and deletes eight substances from Part I of the Non-domestic Substances List, effective December 18, 1998.

Contacts: Martin Sirois, A/Head, New Substances Notification Section, New Substances Division, Commercial Chemicals Evaluation Branch, Department of the Environment, Hull, Quebec, K1A 0H3. Tel: 819-953-9348; Arthur Sheffield, A/Director, Regulatory and Economic Assessment, Regulatory Affairs and Program Integration Directorate, Department of the Environment, Hull, Quebec, K1A 0H3. Tel: 819-953-1172.

*Canadian Environmental Protection Act*, subsection 30(1)

To be published in Canada Gazette January 6, 1999

### **Canada Turkey Marketing Levies Order, amendment (SOR/99-35)**

The amendment replaces Section 6 of the Order with the following: "This Order ceases to have effect on December 31, 1999".

The amended Order came into force on December 21, 1998.

*Farm Products Agencies Act*, paragraph 22(1)(f);  
*Canadian Turkey Marketing Agency Proclamation*, section 10, Part II

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