

Tracking Federal Regulatory Initiatives

Regulatory Affairs

VOL. 4, No. 3

February 11, 1998

Circulate to:	HIGHLIGHTS
1.	Proposed Regulations
2.	Increase in levy for Orderly Payment of Debts proposed 1
3.	“Wireless transmission system” to be defined for copyright purposes 3
4.	Collection of additional information on rail grain handling proposed 3-4
5.	Pre-Published and Approved
	New Federal Court Rules approved. 6-7

Proposed Regulations for Pre-Publication in Part I, Canada Gazette	Statutory Authority & Regulatory Plan Listing
<p>Orderly Payment of Debts Regulations, amendment</p> <p>The proposed amendment would amend section 30 of the Regulations in order to increase to 15% from 10% the levy used to cover the costs associated with administering the consolidation of debt payments to a creditor by an individual under Part X of the <i>Bankruptcy and Insolvency Act</i>.</p> <p>The levy is deducted by the court clerk from each payment that is made to a registered creditor in respect of a claim by the creditor under a court-establish consolidation order. The provinces who administer the orderly payment of debts programs requested the increase because the current 10% levy is insufficient to cover program costs.</p> <p>The amended regulations are proposed to come into effect on April 30, 1998 and would apply to each payment made to a creditor on or after that date.</p> <p>Contact: Karina Fauteux, Office of the Superintendent of Bankruptcy, Industry Canada, Jean Edmonds Towers, South Tower, 365 Laurier Avenue West, Ottawa, Ontario, K1A 0C8. Tel: 613-941-5762; Fax: 613-941-2692; e-mail: fauteux.karina@ic.gc.ca.</p>	<p><i>Bankruptcy and Insolvency Act</i>, paragraph 240(b)</p> <p>IC/97-1-F</p> <p>Published in Canada Gazette February 7, 1998</p>

Regulatory Affairs is published weekly when Cabinet meets by J-K Carruthers Limited
 © 1998 J-K Carruthers Limited All Rights Reserved. Visit our Web Pages at www.carruthers.com.

Proposed Regulations

for Pre-Publication in Part I, Canada Gazette

Statutory Authority & Regulatory Plan Listing

Bankruptcy and Insolvency Rules, amendment

The new and amended rules, which come into effect on April 30, 1998, are designed to eliminate obsolete provisions and to reflect changes stemming from *An Act to Amend the Bankruptcy and Insolvency Act, the Companies' Creditors Arrangement Act*, and the *Income Tax Act* (C-12) which came into effect September 30, 1997.

Some of the changes include:

- new rules 6 and 7 to permit certain documents to be filed electronically;
- new rule 59, which conveys the circumstances in which a goods and services tax credit payment is exempted from seizure by a trustee;
- new rule 105, which deals with the mediation process;
- new rule 118, which requires that any person opposing the discharge of a bankrupt under the Act must file that opposition with the court, together with any applicable fee provided by the tariff;
- standardization of time periods under the Rules;
- increase fees for trustees for performing a summary administration bankruptcy (rule 128);
- raise the ceiling of realizable assets in summary administration from \$5,000 to \$10,000 (new rule 130);
- increase fees payable to both trustees and administrators of consumer proposals under the Bankruptcy Act (rule 129).

Contact: Karina Fauteux, Office of the Superintendent of Bankruptcy, Industry Canada, Jean Edmonds Towers, South Tower, 365 Laurier Avenue West, Ottawa, Ontario, K1A 0C8. Tel: 613-941-5762; Fax: 613-941-2692; e-mail: fauteux.karina@ic.gc.ca.

Bankruptcy and Insolvency Act, subsection 209(1)

IC/96-1-L; IC/96-3-L;
CACC/93-26-L

Published in Canada
Gazette February 7, 1998

Food and Drug Regulations (Schedule 1087), amendment

The proposed amendment would establish Maximum Residue Limits (MRLs) for fluazuron in the fat of cattle at 7.0 parts per million (ppm) and in meat by-products of cattle at 0.5 ppm.

Residues of fluazuron, a tick development inhibitor used to control the cattle tick *Boophilus microplus* which is present in Australia and other tropical areas, will be covered under the general tolerance of 0.1 ppm specified in subsection B.15.002(1) of the Regulations.

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

Food and Drugs Act, subsection 30(1)

HCan/R-33-I

Published in Canada
Gazette February 7, 1998

Food and Drug Regulations (Schedule 1096), amendment

The proposed amendment would provide for the use of glycerol ester of wood rosin as a density adjusting agent in citrus-flavoured and spruce-flavoured beverages at a maximum level of 100 parts per million (ppm).

At present, there is no provision under the Regulations for such use; however, the proposed use is permitted in the United States and the European Union.

Contact: Director, Bureau of Food Regulatory, International & Interagency Affairs, Health Canada, A.L.: 0702C, Ottawa, Ontario, K1A 0L2. Tel: 613-957-1828; Fax: 613-941-3537.

Food and Drugs Act, subsection 30(1)

HCan/R-33-I

Published in Canada
Gazette February 7, 1998

Proposed Regulations

for Pre-Publication in Part I, Canada Gazette

Statutory Authority & Regulatory Plan Listing

Radiocommunication Regulations, amendment

The proposed amendments would correct several omissions and inconsistencies in the Regulations, which were approved in November, 1996.

More specifically:

- subsection 22(2) is being modified to eliminate a contradiction with subsection 21(4), which correctly reflects current government policy. Subsection 21(4) requires that equipment must meet applicable standards in order to be certified by the Minister. The change in subsection 22(2) will require that equipment which has been modified must be tested in accordance with section 24, to ensure that it meets applicable standards before being certified by the Minister.
- subsection 24(5) is being modified to ensure that importers as well as manufacturers are covered throughout section 24; in the current regulations, importers were inadvertently left out of subsection 24(5), creating a number of undesirable effects.

Contact: Angela Briginshaw, 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: briginshaw.angela@ic.gc.ca.

Regulations Defining “wireless transmission system” for the Purposes of section 68.1 of the Copyright Act

The proposed regulations will define the term “wireless transmission system” so that it is clear who would benefit from a special and transitional royalty rate intended to reduce the financial impact on the radio broadcasting industry of the introduction of a new tariff.

A clear and precision definition of this term will speed up the tariff approval procedure at the Copyright Board. The term is important to define in the context of neighboring rights.

More specifically, “For the purposes of section 68.1 of the *Copyright Act*, “wireless transmission system” means a system operated by a terrestrial radio station that transmits in analog or digital mode a signal containing performers’ performances of musical works or sound recordings embodying the performers’ performances, in analog or digital form, whether in the A.M. or F.M. frequency band or in any other range assigned by the Minister under section 5 of the *Radiocommunication Act*, without artificial guide for free reception by the public.”

Contact: Suzie Beaulieu, Legal Policy Analyst, Intellectual Property Policy Directorate, Industry Canada, 5th Floor West, 235 Queen Street, Ottawa, Ontario, K1A 0H5. Tel: 613-952-2377, Michelle L. Boudreau, Policy Analyst, Copyright Policy and Economic Planning, Department of Canadian Heritage, 4th Floor, Room 112, 15 Eddy Street, Hull, Quebec, K1A 0M5. Tel: 819-997-5990.

Carriers and Transportation Undertakings Information Regulations, amendment

The proposed amendments would require railways moving grain and companies operating elevators receiving and handling western grain to provide additional financial information to the Minister of Transport, for policy and regulatory purposes.

More specifically, railways will be required to provide additional financial information to determine railway efficiency gains and the level of sharing of such gains with grain shippers. This would include additional railway operational information to determine railcar cycle time.

Radiocommunication Act, section 6

Not included in Regulatory Plan

Published in Canada Gazette February 7, 1998

Copyright Act, subsection 68.1(5)

Not included in Regulatory Plan

Published in Canada Gazette February 7, 1998

Canadian Transportation Act, subsection 50(1)

TC/97-1-L

Published in Canada Gazette February 7, 1998

Proposed Regulations for Pre-Publication in Part I, Canada Gazette

Statutory Authority
&
Regulatory Plan Listing

Companies operating elevators receiving and handling western grain (grain handling undertakings) would be required to provide operational and financial information to determine handling costs and revenues at primary elevators in western Canada and at terminal, transfer and process elevators.

The additional information to be collected would be used for a 1999 review of the grain transportation and handling systems. The information collected under the Regulations would be kept confidential.

Contact: Jed Cochrane, Chief, Railway Freight, Rail Policy and Programs Directorate, Policy Group, Transport Canada, Ottawa, Ontario, K1A 0N5. Tel: 613-998-1888.

Exempt from Pre-Publication and Approved

Statutory Authority
&
Regulatory Plan Listing

Customs Tariff (CARIBCAN), amendment (SOR/98-104, OIC 1998-123)

Customs Tariff, section 42

This Order extends the duty-free provisions of the CARIBCAN tariff arrangement to the following products:

Not included in Regulatory Plan

- goods of the Harmonized System heading no. 42.02 - travel goods, handbags and similar containers (other than leather luggage of tariff items nos. 4202.11.00 or 4202.91.90 which are already included under CARIBCAN);
- goods of heading no. 46.02 - certain basketwork and wickerwork (other than tariff item nos. 4602.10.92, 4602.90.10 and 4602.90.90 which are already included under CARIBCAN);
- goods of tariff item no. 2710.00.91 (certain lubricating oils packaged for retail sale); 2905.11.00 (methanol); 3403.11.10 and 3403.19.10 (certain lubricating oils); and
- goods of tariff item 4203.10.00 (certain articles of apparel of leather or composition leather).

To be published in Canada Gazette February 18, 1998

The 18 countries or dependent territories that are eligible to receive the duty-free benefits accorded under CARIBCAN are: Anguilla, Antigua-Barbuda, The Bahamas, Barbados, Belize, Bermuda, the British Virgin Islands, the Cayman Islands, Dominica, Grenada, Guyana, Jamaica, Montserrat, St. Christopher and Nevis, St. Lucia, St. Vincent and the Grenadines, Trinidad and Tobago, and the Turks and Caicos Islands. Total imports entering Canada under the CARIBCAN tariff preference from these countries amounted to \$25 million in 1996.

Contact: Joanne Pindera-Rafuse, International Trade Policy Division, Department of Finance, Ottawa, Ontario, K1A 0G5. Tel: 613-996-5887.

Patented Medicines Regulations, 1994 (Miscellaneous Program), amendment (SOR/98-105, OIC 1998-124)

Patent Act, subsection 101(1)

All of the amendments to these regulations are of a technical nature. They correct minor errors in format and syntax; correct inconsistencies between the English and French versions; and make minor non-substantive clarification.

Not included in Regulatory Plan

Changes are made to section 2, subsections 3(3) and 4(4) and paragraph 4(1)(e).

The changes come into force February 5, 1998.

To be published in Canada Gazette February 18, 1998

Contact: Sylvie Dupont-Kirby, Secretary, Patented Medicine Prices Review Board, 333 Laurier Avenue West, Standard Life Centre, Suite 1400, Ottawa, Ontario, K1P 1C1. Tel: 613-954-8299; Fax: 613-952-7626.

Exempt from Pre-Publication and Approved

Statutory Authority & Regulatory Plan Listing

Food and Drug Regulations (Schedule No. 1047), amendment (SOR/98-107, OIC 1998-127)

This amendment establishes Maximum Residue Limits (MRLs) for trimethylsulfo-nium (TMS) cation of glyphosate in wheat at 3.0 ppm and in kidney and liver of cattle, goats, hogs, poultry and sheep at 0.5 ppm. Any residues of TMS cation in other foods will be covered by the general limit of 0.1 ppm specified in subsection B.15.002(1) of the Regulations.

Glyphosate is registered under the *Pest Control Products Act* as a herbicide for control of annual and perennial weeds on a number of crops. Maximum Residue Limits (MRLs) for glyphosate residues have been established under the Regulations for barley, oats, wheat, soybeans, peas, lentils, beans and flax.

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

Food and Drugs Act, sub-section 30(1)

HCan/R-33-I

To be published in Canada Gazette February 18, 1998

Order Prohibiting Entry on Certain Lands in the Yukon Territory (1998-No. 1, Klondike Valley, Y.T.) (SOR/98-108, OIC 1998-132)

This Order prohibits the staking of new mining claims or the prospecting for precious metals on these lands along the Klondike Valley for two years, beginning on the date of registration (February 5, 1998) and ending on January 1, 2000.

This will allow time for the Department of Indian Affairs and Northern Development and the Yukon Territorial Government to develop and implement a joint policy to resolve the matter of applicants for placer claims under the *Yukon Placer Mining Act* obtaining a placer claim for the sole purpose of constructing a residence.

This land was part of the original 1898 Klondike gold rush, which has for the most part, been mined out. Approximately 82 placer claim holders are now suspected of holding placer claims for other than the sole purpose of mining. Over the years these claim holders have used the protection of the *Yukon Placer Mining Act* to stake a claim for the sole purpose of constructing their principal residence. These individuals have no other tenure in the land.

Order in Council P.C. 1996-212 dated February 20, 1996, provided protection against the staking of placer claims in the Klondike Valley; the Order expired on January 1, 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.

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

INAC/R-I-I

To be published in Canada Gazette February 18, 1998

Canadian Wheat Board Regulations, amendment (SOR/98-109, OIC 1998-140)

The amendment establishes a higher initial payment for the base grade of amber durum wheat (an increase of \$15 per metric tonne) for the 1997-98 crop year.

If producers deliver to the pool account 3.9 million tonnes of amber durum wheat during the 1997-98 crop year, then this initial payment adjustment would represent about \$59 million in additional grain receipts for wheat producers.

The amendment comes into effect February 10, 1998.

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

Canadian Wheat Board Act, sections 32 and 61

Not included in Regulatory Plan

To be published in Canada Gazette February 18, 1998

Exempt from Pre-Publication and Approved

Statutory Authority & Regulatory Plan Listing

Certain Taxpayers Remission Order, 1997-5 (SI/98-31, OIC 1998-126)

The Order remits income tax, including any interest, payable by 33 taxpayers; in one case, the remission is approved on the condition that the taxpayer (John H. Blakely) not undertake any objection or appeal.

The Order also remits income tax payable relating to an RRSP contribution and, in another case, of amounts payable pursuant to statute-barred assessments of tax under subsection 207.1(5) of the *Income Tax Act*, on the condition a written request be made to the Minister of National Revenue before 2000.

Financial Administration Act, subsection 23(2)
Not included in Regulatory Plan

To be published in Canada Gazette February 18, 1998

Special Appointment Regulations, No. 1998-1 (SOR/98-101, OIC 1998-109)

The regulation 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:

- Louise Fréchette as Special Advisor to the Minister of Foreign Affairs.
- 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)

Not included in Federal Regulatory Plan
To be published in Canada Gazette February 18, 1998

Pre-Published and Approved With comments or changes

Statutory Authority & Regulatory Plan Listing

Federal Court Rules, 1998 (SOR/98-106, OIC 1998-125)

The new rules, totally rewritten introduce a full case management system for all proceedings before the Federal Court. The new rules would also harmonize the Federal Court's rules with those of provincial superior courts.

Unlike the current rules, the new rules transfer control over the time taken to prepare a case for disposition from the litigants and counsel to the courts through the introduction of fixed time limits for closing pleadings (within 180 days of commencement), completing examinations for discovery and requisitioning a pre-trial settlement conference (within 360 days of commencement), conducting pre-trials (within 30 days of requisition), and fixing a trial date (no later than 90 days after the conclusion of the pre-trial conference).

The new rules introduce a simplified procedure for actions for monetary relief of not more than \$50,000. Case management judges will closely monitor the progress of cases and, if required, fix timetables for completing steps in the proceedings. The Court would introduce alternate dispute resolution services for litigants.

Among the many features of the Rules are:

- to promote settlement of cases the Court will offer "alternate" dispute resolution services (primarily mediation, early neutral evaluation and mini-trials) to litigants.
- there will be a "Simplified Procedure" governing actions for monetary relief not exceeding \$50,000.00. The jurisdiction of the prothonotaries will be extended to permit them to preside at the trial of such cases.
- examinations for discovery are to be completed and a pre-trial conference requisitioned within 360 days of commencement. If settlement cannot be reached at the pre-trial conference, the judge will fix a date for trial at the earliest practicable date after the pre-trial conference.

Federal Court Act, subsection 46(1)

Not included in Regulatory Plan

To be published in Canada Gazette February 18, 1998

Pre-Published and Approved With comments or changes

Statutory Authority
&
Regulatory Plan Listing

- applications and appeals in both Divisions of the Court must be perfected and a requisition for a hearing date submitted within 180 days of commencement.
- dates fixed for hearings are to be no later than 90 days after the requisition.
- the Court will monitor the progress of cases and order a status review of any proceeding which fails to meet its “major milestones”. Status reviews will be conducted by assigned case management judges, who will fix timetables for the completion of those steps required to bring the cases to a final disposition.
- parties who believe that the time limits fixed by the Rules are unsuitable (either too short or too long) for their proceeding may request that it be specially managed by a case management judge, who will fix a timetable appropriate to the individual proceeding.
- the Federal Court Immigration Rules, 1993, made by the Chief Justice pursuant to section 84 of the *Immigration Act*, continue to govern proceedings referred to in that Act.

The draft rules were prepublished in the Canada Gazette, Part I, on Sept. 20, 1997.

Ministerial Orders Approved

Statutory Authority
&
Regulatory Plan Listing

Air Services Charges Regulations (SOR/98-110)

The amendments increase the international general terminal charges at Halifax International Airport by approximately 12.5%, instead of an earlier proposed increase of 29.01%; the changes also increase domestic general terminal charges by 29.01%, as originally proposed.

The increased charges reflect the decision to transfer the responsibility for on-site protective policing and security services at Canada’s international airports from the RCMP to local airport operators.

The increases are expected to generate increased revenues of \$1-million, compared to the estimated costs of providing protective security services of some \$1.20-million at Halifax International Airport. The impact of the increased charges is estimated at some \$0.40 per enplaned/deplaned passenger, down from the \$0.46 originally proposed.

The amendment was prepublished in the Canada Gazette Part I on November 1, 1997.

In other changes to the Regulations, references to Earlton and Sarnia airports have been removed from the regulations now that these airports are under local control. A typographical error in the English version of Section 9 of the Regulations has been corrected.

The changes come into effect March 1, 1998.

Contact: 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.

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

Not included in Regulatory Plan

To be published in Canada Gazette February 18, 1998

Ministerial Orders Approved

Statutory Authority & Regulatory Plan Listing

Exemption Order No. 1, 1997 (Sending Notices and Documents), amendment (SOR/98-102)

This change, effective January 30, 1998, replaces Part B (Provincial Legislation) of the schedule to the 1997 Order with the following:

“Securities Act, R.S.O. 1990, c. S-5 (Ontario); Securities Act, R.S.Q., c. V-1.1 (Quebec); Securities Act, R.S.N.S. 1989, c. 418 (Nova Scotia); Security Frauds Prevention Act, R.S.N.B. 1973, c. S-6 (New Brunswick); The Securities Act, R.S.M. 1988, c. S50 (Manitoba); Securities Act, R.S.B.C. 1996, c. 418 (British Columbia); Securities Act, R.S.P.E.I. 1988, c. S-3 (Prince Edward Island); The Securities Act, S.S. 1988, c. S-42.2 (Saskatchewan); Securities Act, S.A. 1981, c. S-6.1 (Alberta); Securities Act, R.S.N. 1990, c. S-13 (Newfoundland); Securities Act, R.S.Y. 1986, c. 158 (Yukon Territory); Securities Act, R.S.N.W.T. 1988, c. S-5 (Northwest Territories)”

Customs Tariff, section 138

Not included in Regulatory Plan

To be published in Canada Gazette February 18, 1998

Technical Amendments Order (Customs Tariff) 1998-2 (SOR/98-103)

This Order introduces several duty-free tariff provisions to continue certain tariff reductions on manufacturing inputs that could not be incorporated into Bill C-11.

The Order also corrects a number of clerical, typographical and transposition errors and omissions in the nomenclature and rate structure of the new Tariff (e.g. to align the French and English versions of the tariff). The Order restores certain tariff provisions related to “rules of origin” under international trade agreements.

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

Customs Tariff, section 138

Not included in Regulatory Plan

To be published in Canada Gazette February 18, 1998

Canadian Chicken Marketing Quota Regulations, 1990, amendment (SOR/98-100)

These amendments set periodic export quotas for the period April 12, 1997 through June 6, 1998 for producers who market chicken in interprovincial or export trade.

The new federal and provincial quotas, expressed as live weight in kilograms, are as follows: Ontario, 55,510,000; Quebec, 46,948,899; Nova Scotia, 6,156,902; New Brunswick, 4,564,415; Manitoba, 6,656,370; P.E.I., 606,803; Saskatchewan, 3,629,317; Alberta, 15,268,444; and Newfoundland, 2,129,400. The new quota on production subject to periodic export quotas is: Ontario, 3,645,500 kg; Quebec, 100,000; and Alberta, 633,600.

Farm Products Agencies Act, paragraph 22(1)(f); *Canadian Chicken Marketing Agency Proclamation*, subsection 6(1) of the Schedule

Not included in Regulatory Plan

To be published in Canada Gazette February 18, 1998

Regulatory Affairs

ISSN 1201-0715

© 1998 J-K Carruthers Ltd.



Editor: Mary Ferguson

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of the publisher.

Please send any questions or comments c/o the Editor, J-K Carruthers Ltd., R.R. #1, Perth, Ontario, K7H 3C3, Telephone (613) 267-3890, Fax (613) 267-6727. Visit our Web Pages at www.carruthers.com.