

02/03 Sectoral Chapter Annual Reports

Consumer-Related measures and Standards (Chapter Eight)

Chapter Eight of the Agreement on Internal Trade (AIT) calls upon the federal, provincial and territorial (FPT) governments to report on and cooperate in, the enforcement of consumer protection measures. As part of that agreement, the Committee on Consumer Related Measures and Standards (CMC), composed of federal, provincial and territorial officials, undertook negotiations to reach agreement on specific commitments made under the AIT. This work was substantially completed in 1998. The CMC is tasked with monitoring the implementation and administration of these agreements.

The CMC is also responsible for identifying any substantive measures for inclusion in future negotiations, acting as a forum for discussions between the Parties on consumer-related measures, and undertaking dispute resolution.

In 2002/2003 the following steps were taken by the Parties:

- From April to June 2002, several P/T Consumer Ministers and the FPT Consumer Deputy Ministers Co-chairs wrote to the Federal Minister of Finance regarding federal regulations that contain provisions divergent from the **Agreement on Harmonization of Cost of Credit Disclosure Template**. In November, after receiving replies reiterating the federal position, P/T Consumer Deputy Ministers agreed to continue to move forward on implementation while considering support for Alberta's potential challenge under the AIT.
- In February of 2003, after seeking confirmation from the federal CMC representative that all steps under the Chapter 8 Consultation Process had been exhausted, the Alberta government sought the assistance of the Committee of Ministers Responsible for Consumer Affairs in mediating this dispute.
- As part of a multi-stakeholder working group, the CMC reviewed and approved the **Canadian Code of Practice for Consumer Protection in Electronic Commerce**, setting out good consumer protection behavior for on-line merchants. This Code will be presented to Ministers for endorsement in November 2003. (*the Ministerial meeting was subsequently moved to January 2004*)
- The **Internet Sales Contract Harmonization Template** was implemented in Saskatchewan in the Spring of 2002 (awaiting proclamation) and in Ontario (passed legislation in December 2002, to be implemented in July 2005).
- The CMC conducted a consultation with stakeholders on broad policy direction for consumer protection in the **Alternative Consumer Credit Market**, with reference to the *Criminal Code of Canada* and provincial/territorial regulatory regimes.

- Responding to the direction of Ministers in May 2001, the CMC began work on a proposed new **package of information for young adults** entering the marketplace for the first time. In addition, a fourth edition of the **Consumer Handbook** was prepared and launched on the Internet.
- As a result of resistance from stakeholders during the implementation phase of the **Harmonized List of Prohibited Debt Collection Practices**, the CMC working group on collection agencies reconvened, preparing a modified list for implementation (i.e. allowing one call to the debtor's place of work).
- "**Consumer Complaints Management - A Guide for Canadian Business**" was developed in conjunction with key consumer, academic and business stakeholders, and distributed in the spring of 2002.