

Annual Report 2006-2007

Chapter Eight (Consumer-Related Measures and Standards)

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 2006/2007 the following steps were taken by the Parties:

A **CMC Meeting** took place on April 20-21, 2006 in Ottawa.

- The CMC **Identity Theft** Working Group presented the findings of its September 2005 public consultations.
- CMC approved the establishment of the **Credit Reporting** Working Group and approved its Terms of Reference.
- The CMC **Alternative Consumer Credit Market** Working Group reported on research and analytical work done since June 2005.
- CMC approved the release of the **Canadian Consumer Handbook 2006** presented by the **Consumer Awareness** Working Group.
- The CMC **Cost of Credit Disclosure** Working Group reported on its efforts to reach a conclusion on the dispute that arose in 2004 concerning the federal *Cost of Borrowing (Banks) Regulations*.
- The CMC **Travel Services** Working Group continued to monitor issues relating to consumer protection in this sector.

The CMC and its working groups also held numerous conference calls over the reporting period, to advance joint projects and to exchange information.

A **Meeting of Deputy Ministers Responsible for Consumer Affairs** took place in Toronto on January 25-26, 2007.

- The CMC **Identity Theft** Working Group was directed to engage in consumer outreach and education in regard to awareness of ID theft when opportunities arise, including the upcoming Fraud Awareness Month. Also with regard to ID theft, Deputies agreed that it would be valuable to pursue a legislated approach to the implementation of fraud alerts on consumers' credit files.
- The **Credit Reporting** Working Group will proceed with a public consultation on harmonizing technical elements of consumer reporting rules in the spring of 2007.
- The CMC **Alternative Consumer Credit Market** Working Group will monitor the progress of Bill C-26: An Act to amend the Criminal Code (criminal interest rate), which relates to its work on payday lending. They will also examine consumer issues in pawnbroking as well as alternatives for consumers to high cost credit, and will develop a strategy for engaging traditional financial institutions in providing greater access to services.
- The CMC **Consumer Awareness** Working Group information modules entitled "Consumer Issues for Seniors" and "Consumer Issues for the Young" were approved. Both are available on the CMC website cmcweb.ca. The Working Group will further focus its work on vulnerable consumers.
- Deputy Ministers approved the release of the **Canadian Consumer Handbook 2007**, when updated.
- The CMC **Travel Services** Working Group reported on its analysis; the CMC will continue to monitor issues relating to consumer protection in this sector.
- CMC will also share experiences with and activities relating to **gift cards**, **mortgage fraud**, and laws on **payday lending** in their jurisdictions.
- A CMC research group will examine **best practices in consumer law enforcement**.