

## Report on Consumer-Related Measures and Standards (Chapter Eight) for 2008-2009

Chapter Eight calls upon the Parties 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 officials of each government, 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 2008/2009, progress under the Chapter included the following:

The CMC Identity Theft Working Group focussed principally on improving public awareness. The Working Group distributed its popular *Identity Theft Checklist* to interested parties. Tens of thousands of copies of the checklist have been distributed in recent years. Working Group members continued to participate in the Fraud Prevention Forum.

The CMC Consumer Credit Reporting Working Group is examining options and recommendations for the harmonization of consumer credit reporting legislation. The Working Group completed its analysis of the 2007 consultation, and considered a number of new issues. A second consultation was launched concerning retention periods for certain information and will close on May 29th, 2009.

The CMC Alternative Consumer Credit Market Working Group continued to carry out exchanges of information among jurisdictions to support the development of provincial payday lending laws, as well as research on lower-cost alternatives, and other options, for consumers who use high-cost credit products. Research was also begun on the issue of regulating internet lenders. Several provinces have passed legislation (Manitoba, Nova Scotia, British Columbia, Saskatchewan, Ontario and New Brunswick) concerning payday loans with a view to regulating certain business practices in the sector. Other jurisdictions have carried out public consultations for the development of measures to protect consumers of payday loans in their jurisdictions (Prince Edward Island and Alberta).

The CMC Consumer Awareness Working Group identified and established new objectives, and developed a one year work plan in January 2009. The objectives of the work plan are to: i) expand and sustain membership, ii) support CMC working groups, iii) assess information gaps, and iv) develop new information products. The Working Group also updated the *Canadian Consumer Handbook* for 2008-2009.

The CMC Enforcement Best Practices Research Group completed its survey of CMC member enforcement branches, and reviewed enforcement practices used in other law enforcement agencies (domestic and international). Based on the survey findings, the research team identified three key areas for further exploration: i) the use of administrative monetary penalties in consumer law; ii) memoranda of understanding and other formal and informal intra- and inter-agency enforcement agreements; and iii) investigation and inspection best practices.

Last year (March 2008), the federal Minister of Industry, with the concurrence of the Minister of Finance, proposed to provincial consumer Ministers an approach that would bring a conclusion to the dispute that arose in 2004 concerning the federal Cost of Borrowing (Banks) Regulations. The CMC Cost of Credit Disclosure Working Group continued its efforts to reach a conclusion on the dispute.