

AIT Annual Report 2010-2011

Consumer-Related Measures and Standards (Chapter Eight)

Chapter Eight calls upon the Parties to report on and cooperate with respect to 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 2010/2011, progress under the Chapter included the following:

The CMC Alternative Consumer Credit Market Working Group was wound up by CMC, having completed the research and policy analysis that it had set out to do. However, CMC agreed to continue to exchange information on developments in the alternative consumer credit market, on an ongoing but informal basis. Respecting payday lending regulation, the federal government revised its designation of Manitoba for the purposes of the criminal interest rate provisions of the *Criminal Code*, and that designation came into force when the province brought its regulatory regime into force, in October 2010. In addition, a draft designation of Saskatchewan, for the purposes of the same *Criminal Code* provisions, was pre-published in Part 1 of the *Canada Gazette*, on December 18, 2010, for a 30-day period of public comment.

The CMC Consumer/Credit Reporting Working Group submitted a draft list of provisions for proposed harmonization under Provincial/Territorial consumer reporting legislation to Deputy Ministers Responsible for Consumer Affairs, for their consideration.

A CMC Enforcement Best Practices Working Group continued its ongoing examination of consumer law enforcement best practices and how those practices may help CMC members improve compliance. In previous years, the Working Group had identified and researched areas they considered to hold the greatest potential for promoting increased compliance with consumer laws. One of those areas was the issue of Administrative Monetary Penalties (AMPs). As a first step in implementing a program of further in-depth research, the Working Group engaged a contractor to study the use of AMPs among CMC members and provide a preliminary report on best practices by March 31, 2011.

The CMC Consumer Awareness Working Group delivered on the objectives outlined in its 2010-2011 work plan, including launching, maintaining and marketing the interactive Canadian Consumer Handbook (Handbook); developing new CMC information products; developing a distribution strategy for the launch of the CMC "Build Your Buying Skills" information product; and supporting CMC working groups.

The CMC Household Moving Sector Research Group completed a report on consumer complaints in the sector. The report was presented to Deputy Ministers Responsible for Consumer Affairs in June 2010, for their information.

The final information report on the regulation of gift cards in Canada was approved by Deputy Ministers Responsible for Consumer Affairs in June 2010.

There are no updates to report from the previous year with respect to follow-up on the *2004 Report of the Article 1704 Panel* concerning a dispute by Alberta, Quebec, and British Columbia with Canada regarding the *Federal Bank Act, Cost of Borrowing (Banks) Regulation*.