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Consumer and  
Corporate Affairs  
Canada

Consommation et  
Affaires commerciales  
Canada

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*Year-end*  
*March 31, 1992*

*Annual Report*  
*Report Annuel*



Canada



Consumer and  
Corporate Affairs Canada

Hon. Pierre Blais  
Minister

Consommation et  
Affaires commerciales Canada

L'hon. Pierre Blais  
Ministre

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Ministre  
de la Consommation et  
des Affaires commerciales



Minister  
of Consumer  
and Corporate Affairs

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Annual Report  
Department of Consumer and Corporate Affairs  
For the fiscal year ended March 31, 1992  
Submitted under the provisions of the  
Department of Consumer and Corporate Affairs Act

To His Excellency the Right Honourable Ramon John Hnatyshyn  
P.C., C.C., C.M.M., C.D., Q.C.,  
Governor-General and Commander-in-Chief of Canada

May it Please Your Excellency:

The undersigned has the honour to present to Your  
Excellency the Annual Report of the Department of Consumer  
and Corporate Affairs for the fiscal year ended March 31,  
1992.

A handwritten signature in cursive script that reads 'Pierre Blais'.

Pierre Blais  
Minister of Consumer  
and Corporate Affairs





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The continuing mission of Consumer and Corporate Affairs Canada (CCAC) is to promote the fair and efficient operation of the marketplace in Canada. To fulfill this broad mandate, CCAC:

- establishes and administers rules and guidelines for business conduct;
- makes sure information is accurate so that consumers can make informed choices;
- maintains and encourages competition among businesses;
- establishes, administers and enforces standards for trade in commodities and services;
- provides protection from product-related hazards; and
- encourages the disclosure and diffusion of technological information.

## Overview

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Clearly, Consumer and Corporate Affairs Canada has a challenging mandate; its very name reflects the diversity of its activities. It shapes, administers and enforces the rules of the Canadian marketplace. And as this country's marketplace becomes increasingly integrated into the world market, these laws must keep pace with other countries' to make certain Canada remains competitive and prosperous.

The Department accomplishes its mandate through the work of some 2 500 employees in four bureaus, who operate out of Headquarters in the National Capital Region, five regional offices and 43 district and area offices.

Here are some highlights of activities during 1991-92.

**Bureau of Competition Policy:** The *Merger Enforcement Guidelines* and the *Misleading Advertising Guidelines* were released during the fiscal year. Consultations took place with respect to enforcement guidelines on predatory pricing and price discrimination. As well, the *Guiding Principles for Environmental Labelling and Advertising* were jointly prepared and published with the Consumer Affairs Bureau. Record levels of fines were paid for a conspiracy case, totalling more than \$6 million. A record fine of \$500 000 was also levied against an individual, in a misleading advertising case. Valuable jurisprudence was gained through the conclusion of a number of cases before the Competition Tribunal. More than 200 merger transactions were examined. The Director and members of the Bureau actively contributed to the work of the Organization for Economic Cooperation and Development (OECD) Committee on Competition Law and Policy.

**Bureau of Consumer Affairs:** The development of the Consumer Policy Framework to establish policies to protect consumers in a changing marketplace continued. Two guides — one for consumers and one for industry and inspectors — on nutritional labelling were produced. Almost 20 000 inspections of consumer products were carried out, 17 687 advertisements were reviewed, 2.7 million meters were verified and 166 900 weighing and measuring devices were inspected. The second National Consumer Week was held and the KidsCare program on child safety continued.

**Bureau of Corporate Affairs and Legislative Policy:** Work progressed on the amendments to the *Bankruptcy Act*, which were introduced in Parliament. The Intellectual Property Review Branch worked extensively to promote Canada's interests at the GATT and the North American Free Trade Agreement negotiations. The Intellectual Property

Directorate began preparation for its conversion to a Special Operating Agency. Work continued on the multi-year project to automate the operations of the Patent Office, with the goal of making patent information in electronic form accessible throughout Canada. Almost 26 500 applications for patents were received and almost 23 500 trade-mark applications were filed. About 27 250 requests for incorporation and amendment under various statutes were processed and a comprehensive database of federal corporations was maintained. The Lobbyists Registration Branch processed 7 591 registration forms.

**Bureau of Corporate Policy and Strategy Planning:** Preparation began for the departmental regulatory review. Strategic research focused on the North American Free Trade Agreement and the Prosperity Initiative. About 2 600 000 information items were sent out by the Publications Centre of the Communications Branch. Personnel developed a new Performance Feedback and Review Policy, computer-assisted language training was introduced, and the Departmental Assignment Program continued to help employees gain new work experience.

March 31, 1992

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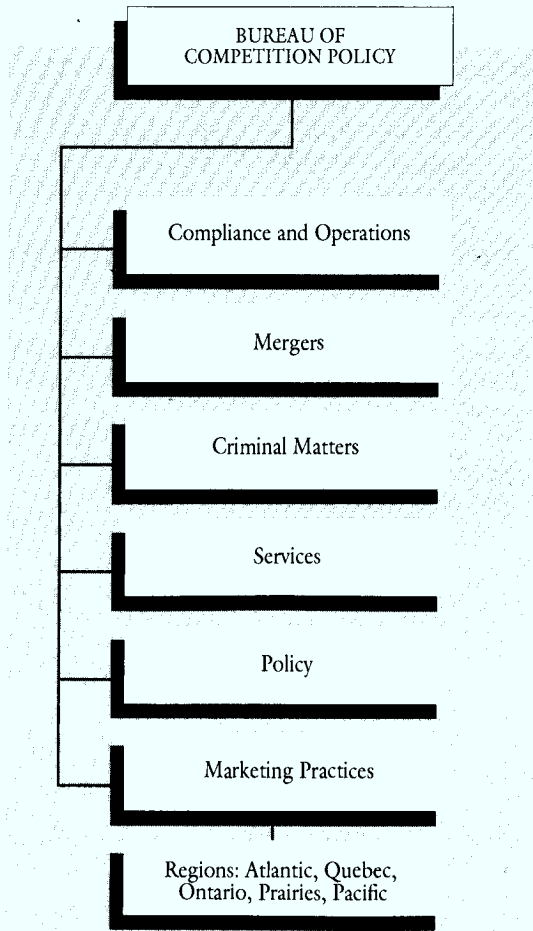
**Officers**  
\*\*\*\*\*  
**of the**  
\*\*\*\*\*  
**Department**  
\*\*\*\*\*

<b>Minister of Consumer and Corporate Affairs</b> Parliamentary Secretary	The Honourable Pierre Blais Dorothy Dobbie
<b>Deputy Minister</b> Director, Executive Services	Nancy Hughes Anthony Don Stephenson
<b>Bureau of Competition Policy</b> Director of Investigation and Research	Howard Wetston, Q.C.
<b>Bureau of Consumer Affairs</b> Assistant Deputy Minister	David B. Watters
<b>Bureau of Corporate Affairs and Legislative Policy</b> Assistant Deputy Minister	Morris Rosenberg
<b>Bureau of Corporate Policy and Strategic Planning</b> Assistant Deputy Minister	Kathy O'Hara
<b>Finance and Administration Directorate</b> Director General	Brent DiBartolo
<b>Legal Services Branch</b> Senior General Counsel	Jean-Marc Raymond
<b>Office of the Assistant Deputy Registrar General of Canada</b> Assistant Deputy Registrar General	Georges Tsai



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**Bureau of  
Competition  
Policy**  
\*\*\*\*\*



Budget: \$24 913 000

Expenditures: \$24 071 000

Revenue: \$7 600 000

Person-Years: 248

Director of Investigation and Research:  
Howard Wetston, Q.C. (997-3301)

Senior Deputy Director of Investigation and  
Research: George Addy (994-1860)

The Bureau of Competition Policy enforces rules that govern and promote policies that improve the efficiency and fairness of a competitive and dynamic Canadian marketplace. Its chief instrument in carrying out these functions is the *Competition Act*.

The Bureau conducts examinations and inquiries into possible contraventions of the *Competition Act*. These could range from combinations in restraint of trade such as price fixing, to misleading advertising. The head of the Bureau, the Director of Investigation and Research, may refer the results of inquiries into prohibited practices to the Attorney General of Canada, who determines if charges should be laid.

In addition, certain transactions and trade practices are reviewable under the Act. Mergers, abuses of dominant position, delivered pricing and refusal to deal are among the reviewable matters in respect of which the Director may apply to the Competition Tribunal for a remedial order.

The Director is also authorized to make representations before federal and provincial boards, commissions or other tribunals. His aim in this instance is to bring to light considerations in respect of competition which are relevant to matters before such boards.

The Bureau organization is as follows:

- A Mergers Branch, consisting of two divisions and a prenotification unit, with responsibility for merger review. This branch is headed by the Senior Deputy Director of Investigation and Research.
- A Civil Matters Branch and a Criminal Matters Branch, responsible for administering the reviewable and criminal sections of the Act, respectively. The Civil Matters Branch is also responsible for the Director's representations before boards, commissions and other tribunals. Each branch is headed by a Deputy Director of Investigation and Research. The two branches were formed in September 1991 as a result of a reorganization of the former Services Branch and the former Resources and Manufacturing Branch.
- A Marketing Practices Branch with a network of field offices, responsible for the administration of the misleading advertising and deceptive marketing practices provisions of the *Competition Act*. This branch is headed by the Deputy Director of Investigation and Research (Marketing Practices).

- A Policy Directorate consisting of two branches. Since 1988, the Regulatory Affairs Branch has been responsible for intervention before provincial and federal regulatory boards and for policy advice related to regulated industries. As part of a larger Bureau reorganization, the lead role on regulatory interventions was reintegrated within the enforcement branches, to better deal with the shifting boundaries of regulated and competitive markets in several sectors. The Economics and International Affairs Branch is responsible for economic analysis in support of enforcement activities, advice on government policies, legislation affecting competition and the Bureau's contribution to international work in the field of competition policy. This Directorate is headed by the Deputy Director of Investigation and Research (Economics and Regulatory Affairs).
- A Compliance and Operations Directorate consisting of two branches. The Compliance and Coordination Branch is responsible for developing and co-ordinating policies concerning the application of the *Competition Act*, compliance strategy initiatives, technical enforcement support and the public information program. The Management Policy and Services Branch is responsible for informatics, planning and operational review, as well as for providing administration services to the Bureau. This Directorate is headed by the Director General (Compliance and Operations).
- Field staff reporting to the Compliance and Coordination Branch and located in Vancouver. They undertake enforcement work for the Mergers, Criminal Matters and Civil Matters Branches.

The Director has adopted a compliance-oriented approach to the enforcement and administration of the Act. As part of this approach, the Director has enhanced existing programs for providing information to the public, has encouraged voluntary compliance with the law and frequently has made use of alternative case resolution instruments.

During 1991-92 the Director and senior officials of the Bureau spoke to more than 93 interested groups across Canada, explaining the provisions of the *Competition Act* and how they are enforced. Work continued on two information bulletins, the *Predatory Pricing Enforcement Guidelines* and the *Price Discrimination Enforcement Guidelines*, both to be released in 1992.

The Director has also encouraged the use of the advisory opinion service, which enables business people to submit their plans to the Director for an opinion on whether their proposals would contravene competition law. Finally, the Director made use of alternative case resolution instruments such as undertakings in appropriate merger matters and consent prohibition orders in appropriate cases falling under the criminal provisions of the Act.

#### **Merger Review**

During the year, the Director of Investigation and Research commenced the examination of 195 merger transactions (only those examinations requiring an expenditure of more than two person-days are enumerated), and continued his examination of 39 matters commenced in the previous year. Of these mergers examined during the year, the vast majority (183) were assessed as posing no issue under the Act. Five were concluded subject to monitoring procedures, one was abandoned and one transaction was the subject of contested proceedings.

It should also be noted that the aforementioned 195 examinations includes 76 prenotifications and 98 examinations involving requests for advance ruling certificates.

Efforts undertaken within the Bureau to refine the means of quickly identifying cases which raise competition issues have greatly improved the timeliness of the Bureau's assessment process. One significant factor in reducing the time spent on reviews was the publication of the *Merger Enforcement Guidelines* (MEGs) in April 1991. Submissions received by the Bureau since the MEG's publication show that their primary objective of providing guidance has been achieved.

**Offences under the *Competition Act***

With respect to cases before the courts in competition matters other than marketing practices, 22 cases were outstanding from previous years, and 10 new cases arose during the year. Of the five proceedings concluded during the year, one conviction was upheld, two guilty pleas were accepted, one resulted in an acquittal and one resulted in an order of prohibition. Of the cases concluded, \$340 000 in fines were imposed. Nine proceedings were still before the courts at the end of the year. In an important case, five firms and two corporate executives pleaded guilty to conspiring to fix the price of compressed gas sold in Canada, and were fined a total of \$6 150 000. This represents the highest total fines for any charge under Canadian competition law.

**Misleading Advertising and Deceptive Marketing Practices**

In 1991-92, there were 44 new prosecutions relating to misleading advertising and deceptive marketing practices before the courts. Of the new and ongoing prosecutions, 43 resulted in convictions, 44 ended in non-convictions with respect to some of the accused, and one resulted in the imposition of an order of prohibition without conviction. Fines totalled \$1 353 400. A total of six cases were under appeal at the end of the fiscal year. In addition, the Director accepted 24 undertakings of corrective measures from advertisers during this year.

To enhance public awareness, the Competition Bureau publishes the *Misleading Advertising Bulletin*, which reports convictions and related matters. With a circulation of almost 15 000 in both French and English, the *Bulletin* reaches a wide cross-section of the Canadian public. Last year also saw the publication of updated and revised *Misleading Advertising Guidelines* to provide the business community with a concise and accessible set of guidelines.

During the year, the *Guiding Principles for Environmental Labelling and Advertising* were developed jointly by the Bureau of Competition Policy and the Bureau of Consumer Affairs. The Competition Bureau also planned the introduction in Parliament of legislation regarding multi-level marketing plans and pyramid selling schemes, with

a view to simplifying the law and prohibiting certain deceptive practices not covered by the current legislation.

**Representations to Regulatory Boards**

During the year the Director made representations to federal and provincial regulatory boards, commissions and other tribunals. The most substantial representation by the Director in 1991-92 was to the Canadian Radio-television and Telecommunications Commission (CRTC) hearings on long-distance telephone competition. The Director's involvement included the presentation of direct evidence and the cross-examination of other parties, followed by submission of a final argument in July 1991. In that submission, the Director emphasized the benefits of introducing competition in the provision of long-distance services, particularly in terms of price and service innovation. The Director also emphasized the desirability of the further liberalization of the rules governing resale and sharing.

In June 1991, a submission was made on behalf of the Director before the Nova Scotia Law Amendments Committee concerning the removal of regulatory barriers in the petroleum industry. Effective July 1991, the Nova Scotia government removed price and entry restrictions in that province.

Also in June 1991, the Director made further representations to the Royal Commission on Passenger Transportation established to inquire into and report upon a national integrated inter-city passenger transportation system to meet the future needs of Canadians.

In March 1992, the CRTC issued Telecom Decision CRTC 92-1, effectively bringing to a close the Directory Data Base proceeding, which was begun in 1988. The issue was whether Bell Canada's subscriber listings database would continue to be provided on an exclusive basis to a Bell affiliate, Tele-Direct (Publications) Inc., or would instead be made at least partially available in machine readable form on a general, tariffed basis. The Director intervened in this matter and argued for the proposed tariffed access on the grounds that this database is, for all practical purposes, non-duplicatable and, furthermore, it represents a vital

input for would-be participants in a variety of information-based businesses, such as telephone directory advertising. The CRTC ruled that certain elements of the non-residential subscriber data file will be made available pursuant to a tariff, which was to take effect in July 1992.

### Applications to the Competition Tribunal

#### *Mergers*

During the fiscal year, the Competition Tribunal issued its decision regarding the application filed by the Director with respect to the acquisition of certain meat rendering operations of Canada Packers Inc. by Maple Leaf Mills Limited. At year-end, a decision was still awaited with respect to the Director's application regarding a number of acquisitions made by Southam Inc. in the British Columbia lower mainland. Finally, the matter concerning the acquisition by Alex Couture Inc. of two Montreal-based waste rendering firms was, at year end, before the Supreme Court of Canada. These matters are summarized below.

#### *Maple Leaf Mills Limited/Canada Packers Inc.*

On July 4, 1990, Hillsdown Holdings (Canada) Inc. (Hillsdown), through its subsidiary Maple Leaf Mills Limited (Maple Leaf), acquired 56 percent of the common shares of Canada Packers Inc. Hillsdown acquired, among other things, the Orenco rendering facility in Dundas, Ontario while Maple Leaf already controlled existing rendering operations at Moorefield, Ontario. In February 1991, the Director filed an application with the Competition Tribunal seeking an order under section 92 of the *Competition Act* that Hillsdown divest of Orenco as he believed that the acquisition of Orenco resulted in a substantial lessening of competition in the Ontario market for the provision of rendering services. The hearing was held in Ottawa from November 25 to December 18, 1991. On March 8, 1992, the Tribunal issued its decision to refuse to grant the order requested by the Director. The Tribunal was not convinced that a substantial lessening of competition would result from the merger.

#### *Southam Inc./Lower Mainland Publishing Ltd.*

The Director challenged the acquisition by Southam Inc. (Southam) of *The Vancouver Courier*, the *North Shore News* and the *Real Estate Weekly*. Southam filed an application in the

Federal Court of Canada, Trial Division, challenging the constitutionality of the *Competition Act* and the *Competition Tribunal Act*. Southam also sought a stay of the tribunal proceedings but its motion was dismissed. In April, the Tribunal issued an order regarding confidentiality of documents, and in June, the Tribunal issued an order regarding the use of material obtained on discovery. Both of these decisions were appealed by the Director. The Director sought and obtained leave to amend his notice of application so as to more clearly deal with the issue of multi-market newspaper retail advertising services. Hearings on the merits of the Director's application commenced on September 4, 1991 and were adjourned on October 25. Hearings resumed on January 13, 1992 and concluded on January 24. At year-end a decision was still awaited.

#### *Alex Couture Inc., Sanimal Industries Inc./Lomex Inc., Paul & Eddy Inc.*

At year-end, because of outstanding constitutional issues, the Competition Tribunal had not yet heard the Director's application concerning Alex Couture Inc.'s (Couture) purchase of the Montreal waste rendering firms, Lomex Inc. and Paul & Eddy Inc. Couture is owned by Sanimal Industries Inc. In September 1991, the Quebec Court of Appeal overturned the decisions of the Quebec Superior Court, which had ruled that certain provisions of the *Competition Act* pertaining to mergers and the Competition Tribunal were unconstitutional. The Court of Appeal found that subparagraphs 92(1)(e)(i), 92(1)(f)(i) and 92(1)(f)(ii) of the Act did not adversely affect the freedom of association guaranteed in subsection 2(d) of the *Canadian Charter of Rights and Freedoms* and also found that the creation and composition of the Competition Tribunal provided sufficient guarantees of independence and impartiality in accordance with subsection 11(d) of the Charter. The Appeal Court upheld the trial judgment with respect to two questions: that the *Competition Act* is *intra vires* Parliament under its trade and commerce powers, and that the activities carried out by Couture were not regulated by the province in a manner which gave rise to the regulated conduct defence. In November 1991,



Couture filed an application with the Supreme Court of Canada for leave to appeal the decisions of the Court of Appeal. As of March 1992, the Supreme Court had not yet decided whether it would hear the appeal.

The following developments occurred in relation to two consent orders issued in the previous year:

- On February 6, 1990, the Competition Tribunal issued a consent order which required Imperial Oil Limited (Imperial) to divest certain assets and imposed numerous other conditions. For example, the company had to supply a specific volume of gasoline to independent petroleum dealers in Ontario and Quebec for up to 10 years. During the year, Imperial exceeded its supply obligations and divested a substantial number of the assets required by the order. Extensions were given in some cases to enable Imperial to complete negotiations with prospective purchasers of seven company-owned outlets.
- Last year it was reported that one of the intervenors at the Imperial Oil/Texaco hearings, Barron Hunter Hargrave Strategic Resources Inc. (Barron), had filed an appeal against the Tribunal order in the Federal Court of Appeal. This appeal contended that the Tribunal erred when it ruled that its jurisdiction was limited to matters in the Draft Consent Order (DCO) brought before it by the Director which prevented the introduction of evidence on matters not covered by the DCO, such as the upstream sector of the Canadian petroleum industry. The appellant also argued that the notice given in respect of the DCO violated the principles of natural justice. Barron had asked the Court to set aside the consent order and re-open the proceedings before the Tribunal, or alternatively, to require Imperial to divest all Texaco Canada assets or shares with the underlying assets intact. The Court heard the appeal on March 10, 1992 and rendered its decision the same day. The Court dismissed Barron's appeal with costs.

### Other Reviewable Matters

In March 1991, the Director filed an application with the Tribunal alleging that Laidlaw Waste Systems Ltd. (Laidlaw) had engaged in abuse of dominant position in the provision of certain waste removal services in specific markets on Vancouver Island, British Columbia. Hearings before the Tribunal commenced on October 28, 1991 and the Tribunal rendered its decision in January 1992. An order was subsequently issued by the Tribunal in February 1992 prohibiting Laidlaw from acquiring additional competitors in the three relevant geographic markets for a period of three years. The Tribunal further ordered Laidlaw to reduce the term of its service agreement and prohibited Laidlaw from including an exclusivity requirement in its service agreements and from enforcing certain objectionable clauses which may be included in its existing customer service agreements. Laidlaw was further required to remove such objectionable clauses in its future contracts and to provide its customers with a written explanation of the difference between old and new agreements prior to their execution.

Other matters relating to Tribunal decisions made in previous years:

- Appeals were filed and are ongoing in both the NutraSweet Company (NutraSweet) and Xerox Canada Inc. (Xerox) cases. In NutraSweet, the appeal related to both the decision to issue an order and the issue of whether the manner in which the Tribunal is constituted affords sufficient safeguards of judicial independence and impartiality. No grounds of appeal had been identified in Xerox at the end of the fiscal year. The appeal in NutraSweet was expected to be heard in late spring 1992.
- In February 1990, contempt proceedings were initiated before the Tribunal for alleged violations of the terms of a supply order issued against Chrysler Canada Ltd. (Chrysler) in 1989. On July 10, 1990, the Federal Court of Appeal ruled that the Tribunal had no power to punish for contempt committed *ex facie curiae* or outside the presence of the Tribunal. The Attorney General can, however, bring criminal contempt proceedings if a Tribunal ruling is breached. The Attorney General



sought leave to appeal the decision on the contempt issue in the Supreme Court of Canada. The Supreme Court heard the matter on January 31, 1992. The Supreme Court's decision was being awaited at the end of the fiscal year.

In September 1991, the Federal Court of Appeal rejected Chrysler's appeal of the October 1989 decision of the Competition Tribunal. On November 14, 1991, Chrysler filed an application to the Supreme Court of Canada challenging the order of the Competition Tribunal and the judgement of the Federal Court of Appeal on definitional grounds and in the interpretation of the Act. Also, Chrysler argued that the Competition Tribunal interpreted section 75 in a manner that rendered it *ultra vires* the Parliament of Canada. Chrysler argued that section 75 is a matter of contractual relationship, a subject matter within the exclusive property and civil right jurisdiction of the provinces within section 92(13) of the *Constitution Act*. The decision of the Supreme Court of Canada on leave to appeal was awaited at the end of the fiscal year.

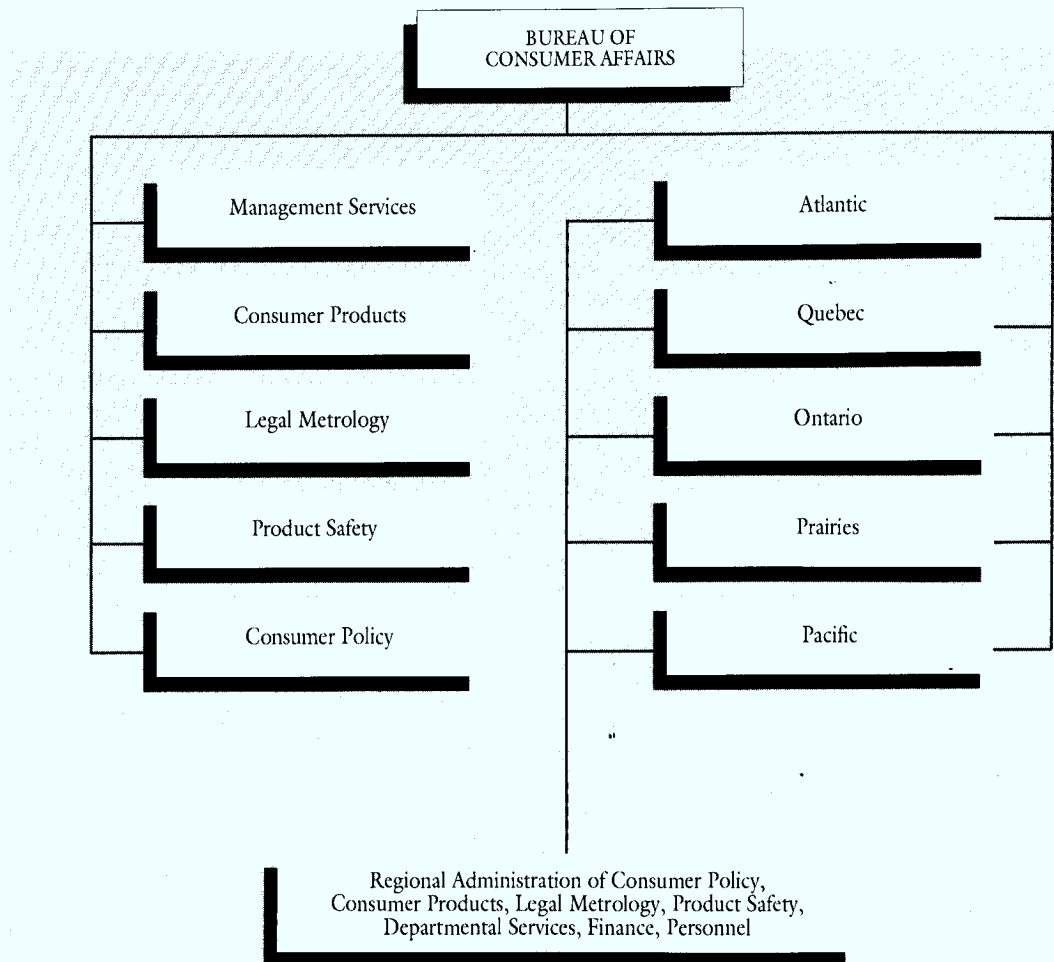
#### **Other Activities**

During the year officers in the Competition Bureau contributed to a number of inter-departmental initiatives focused on the Canadian marketplace. These included continuing analysis of the relationship between competitive rivalry in the domestic market and the international competitiveness of Canadian firms, and of the implications of the changing nature of international business for Canadian marketplace laws and policies. The Director and members of the Bureau also contributed actively to the work of the Organization for Economic Cooperation and Development (OECD) Committee on Competition Law and Policy, leading a successful initiative to focus the Committee's work more effectively on issues of international harmonization and linkages with trade and investment policies.

More detailed information on the Bureau's activities may be found in the Annual Report published by the Director of Investigation and Research.

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**Bureau of  
Consumer  
Affairs**  
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Budget: \$68 018 000

Expenditures: \$64 703 000

Revenue: \$10 479 000

Person-Years: 968

Assistant Deputy Minister: David B. Watters  
(997-2862)

The mission of the Bureau of Consumer Affairs is to protect, assist and advocate consumer interests and promote fairness in the marketplace. In consultation with other government departments and agencies and the private and voluntary sectors, it establishes and enforces regulations and administers a number of voluntary programs aimed at protecting the interests of consumers in

the Canadian marketplace. At the same time, the activities of the Bureau ensure that products are identified through accurate information, that fair competition exists and that goods are measured accurately for sale.

The Bureau also ensures that inherently dangerous products are identified, and that appropriate measures are taken regarding products that could cause injury or death. Through inspection, trader education, and enforcement, the Bureau oversees marketplace practices and takes corrective action where the interests of both business people and consumers could be jeopardized.

## Consumer Products

Director: Katharine Gourlie (953-3187)

The Consumer Products Branch identifies, controls and prevents product misrepresentation in the marketplace, and ascertains that accurate information is available to help consumers in their choice of products. It is therefore concerned with the packaging, labelling, quality, quantity, composition and advertising of a wide range of consumer goods.

The Branch administers the *Consumer Packaging and Labelling Act*, the *Textile Labelling Act*, the *Precious Metals Marking Act*, and the *National Trade-mark and True Labelling Act*. It also shares responsibility with other federal departments for administering the *Food and Drugs Act*, the *Fish Inspection Act*, the *Canada Agricultural Products Act* and, with all provinces except Quebec, for administering 21 statutes concerning the grading and sale of agricultural and fishery products. As well, the Branch administers such voluntary programs as Care Labelling of Textiles, and Canada Standard Size (CSS) Garment Sizing.

Substantial progress was made during the year in the area of regulatory review, with the start of several new initiatives and the completion of a number of amendments to regulations under various acts administered by the Branch.

Broader consultation in the preparation and implementation of regulatory change was also encouraged and an increased emphasis was placed on the development of voluntary compliance programs and standards.

Canada's *Guiding Principles for Environmental Labelling and Advertising*, published in May 1991, addresses the need of consumers to be provided with clear and factual information about the environmental impacts of the products they purchase and brings some order and structure to the myriad of descriptors, logos and vignettes used to describe or imply environmental features of consumer goods. These guidelines were developed within the context of the *Consumer Packaging and Labelling Act* and the *Competition Act*, both of which contain broad prohibitions against false and misleading representations. Recognizing that this is a rapidly evolving issue,

consultations aimed at updating and revising the *Guiding Principles* began during 1991-92.

Throughout the year, a number of regulatory reform initiatives were advanced under the *Textile Labelling Act* and the *Consumer Packaging and Labelling Act*. These amendments reflect the priority attention directed to ensuring that regulatory programs are consistent with technological and marketplace changes.

Interdepartmental and industry consultation to ensure the effective co-ordination of programs, and the improvement of service to the public also received considerable attention throughout 1991-92. A number of procedures were streamlined and automated. Inspection staff were provided with state-of-the-art equipment, such as portable computers, as part of the net quantity verification program.

A "Nutrition Labelling Handbook" for inspectors and industry was issued in 1991-92 to provide comprehensive and concise guidance and information on food labelling requirements and format concerning all aspects of Canadian nutrition labelling and claims.

A consumer "Guide to Nutrition Labelling" was published in partnership with industry sponsors. This guide, with a first printing of one million copies, informs Canadians as to the meaning and use of nutrition information on food labels.

A joint CCAC/industry working committee formed in 1991 to study various options regarding the Department's food advertising preclearance activities completed its work. Consensus was reached that the review process could be devolved to the private sector, where ads will be reviewed to ensure regulatory compliance on a cost-recovery basis.

An "Analytical Services Agreement" between Consumer and Corporate Affairs Canada and Health and Welfare Canada was finalized during the year. The agreement clarifies respective interdepartmental tasks and responsibilities in regard to food sampling and analysis activities and the functioning of compliance programs.

Several meetings of the Joint Canada/U.S.A. Technical Working Group on Packaging and

Labelling of Agricultural, Food, Beverage and Certain Related Goods for Human Consumption were held during the year. The Working Group is charged under article 708 of the Canada-U.S. Free Trade Agreement to work towards the harmonization or equivalency of technical regulatory requirements in this sector. It has been concentrating on U.S. nutrition labelling initiatives and has undertaken considerable consultation with Canadian industry and consumer groups on this issue. Canada was also represented in the work of a number of international fora including the Codex Alimentarius Commission and its associated committees and the Organization for Economic Cooperation and Development (OECD) Consumer Policy Committee.

The Merchandise Standards Division continued to participate as voting and information members of standards organizations such as the Canadian General Standards Board, the American Society for Testing and Materials, and the International Organization for Standardization. The Division contributed to the development, revision and review of a number of test methods and product standards.

During 1991-92, 19 563 inspections were carried out by field staff at the manufacturing, retail, import and wholesale trade levels; 17 687 advertisements were reviewed; and 100 870 complaints and enquiries from industry and consumers were handled.

### Legal Metrology

Director: Richard Knapp (952-0652)

The Legal Metrology Branch regulates measurement standards and measuring devices for commercial trade through the administration of the *Weights and Measures Act* and the *Electricity and Gas Inspection Act*. The Branch establishes specifications for, and approves, weighing and measuring devices, electricity meters and natural gas meters used in trade. It defines units of measure and calibrates and maintains a system of standards of measurement for mass, volume, length, time, natural gas and electricity. It also undertakes to minimize inaccurate measurement and to ensure equity in the trade of commodities and services through a national inspection program. During 1991-92, 205 electricity and gas devices and 368 weighing and measuring devices were approved for use in trade, and 1 700 inspection standards were calibrated and certified at the Headquarters' laboratory.

The Director of Legal Metrology is the Canadian voting representative to the Organisation internationale de la métrologie légale (OIML). This organization has 50 member states and includes all of Canada's major trading partners. The objective of the OIML is to harmonize trade legislation and regulations related to measuring instruments and measured goods and services. During the year, Canada registered votes on four draft international recommendations and submitted comments on two. Five international recommendations were formally published and sent to member nations and Canada became a member of a technical committee on Direct Mass Flow Measurement. There were 111 requests for OIML information during the year and 161 documents were distributed to industry and government.

The Director attended the annual meeting of the International Committee (CIML) in Paris in October, and a meeting of the Presidential Council in Paris in February. At both these meetings proposals for restructuring the OIML and the resulting procedures for the development of technical work were discussed. In addition, the Legal Metrology Branch is leading an international committee responsible for developing a

communication protocol for electronic metering devices for natural gas. Representatives from industry groups and government foresee results of this initiative as a significant opportunity to standardize technical interaction with many types of automatic meters.

The Department continued to encourage electricity and gas utilities and meter manufacturers to seek accreditation to verify their own meters under the provisions of the *Electricity and Gas Inspection Act*. Accreditation is granted in a phased approach starting with the least complex meters, if an applicant meets established national standards of quality assurance. Accreditation is voluntary and organizations are subject to periodic surveillance audits. As of the end of the fiscal year, the three major meter manufacturers, two electric utilities and five gas utilities had been accredited to inspect household meters.

Specifications for Vehicle Scales and Propane Dispenser Specifications were established during 1991-92. New legislation and the introduction of new technology and measurement methodologies required the delivery of comprehensive national training programs designed to ensure consistent interpretation and application of regulations and specifications.

Weights and Measures continued to implement a pilot selective device inspection program in nine Weights and Measures districts. Utilizing periodic inspection data, program direction was determined using a system of economic indicators. These indicators were introduced on a trial basis in the pilot districts to assess the potential impact on priority setting and the implications of measuring program effectiveness in terms of inequity detected and corrected, rather than in changes in compliance rates.

Canadian Weights and Measures officials continued to work closely with U.S. counterparts in an effort to establish uniform weights and measures requirements and to reduce redundant work by sharing assignments on specific issues of mutual interest. In concert with the U.S. Office of Weights and Measures, a review of regulations, specifications and test procedures was initiated in 1991-92. Work also proceeded on a number of

joint Canada/U.S. projects including the development of draft mass flow meter specifications, the establishment of proposed suitability of equipment criteria for various weighing and measuring systems and the development of draft guidelines for metrological software.

### Regional Operations

**Electricity and Gas:** Using statistical sampling, field staff verified 2.7 million meters at utilities and manufacturers. As well, 670 000 meters were verified by various accredited meter verifiers. Some 212 000 meters were found to be out of tolerance, and corrective action was taken. On-site inspections of 6 200 commercial and industrial metering installations were conducted, revealing \$9.8 million worth of measurement inequities. These inequities were corrected and provided a basis for negotiation between the parties for a rebate or adjustment. Approximately 15 300 complaints and enquiries were handled. Of these, about 10 260 dispute investigations and meter tests were carried out to resolve differences between buyers and sellers of both energy forms.

**Weights and Measures:** Regional personnel conducted some 167 000 device inspections to verify accuracy and compliance with the legislation. Of these, approximately 20 percent were found to be out of tolerance and corrective action was taken and 1 200 devices were seized for serious non-compliance. Approximately 13 000 devices were adjusted by the owners, their representatives or an inspector at the time of inspection and the remaining 20 000 were rejected. Approximately 46 000 mass and volume standards used in inspection work were calibrated and certified. Inspectors also visited 5 200 establishments to sample and inspect packages of various commodities for net quantity verification.



## Product Safety

Director: Jean Gariépy (997-1670)

The Product Safety Sub-activity administers and enforces the *Hazardous Products Act* (HPA) and has the sole responsibility for the safety of all products not covered by other legislation. This includes the Workplace Hazardous Materials Information System (WHMIS), which deals with the industrial sector of the marketplace. Product safety problems are addressed by developing and enforcing regulations, carrying out public awareness programs and promoting voluntary industry programs.

The Sub-activity consists of a team made up of: headquarters' staff who are responsible for analyzing product-related injuries and developing strategies to address them; regional staff who enforce the HPA and Regulations and participate in information activities; and laboratory staff who provide technical advice essential to the development of test procedures and test products for compliance. During 1991-92, field staff made more than 7 500 inspections, focusing on pacifiers, glazed ceramics, paints, lighters, tents, baby gates, toys and hazardous household chemicals.

Information programs to promote consumer awareness and reduce the number of accidents, particularly among children and seniors, continued to be a high priority for the Sub-activity.

KidsCare is a program with the objective of raising the awareness of parents, caregivers and children to the hazards related to consumer products. In order to reach schools and daycare centres, a video entitled "Safety at home with Radar" was launched in June 1991. Radar, the KidsCare mascot dog, teaches about the hazards found in the home.

The second KidsCare Week was launched in Montreal in September. During that week, the majority of events were held on a regional basis to better reflect the needs and priorities of each region. Themes included: household chemicals, crib safety, burns and trampoline injuries.

A KidsCare Home was again open for four weeks in October in London, Ontario. A Toy Safety Campaign was held in November and December.

More than a million information bulletins were distributed by national store chains and during Santa Claus parades.

During 1991-92, Product Safety worked closely with the juvenile products industry and other interested parties to develop new regulations for all carriages and strollers. These new regulations, which will eliminate and replace the existing regulations, were assigned to reduce the high number of accidents associated with these products.

An agreement-in-principle was reached with the Canadian and American associations of juvenile products manufacturers to establish voluntary safety standards for non-regulated products such as high chairs. Under the negotiated joint certification program, a seal of approval of the two associations will be affixed to the product indicating that it has been tested and that it complies with the requirements specified in the standards of the American Society for Testing and Materials (ASTM).

Consultations were initiated in 1991-92 with the Canadian blind and drapery industry to establish a voluntary labelling program aimed at advising the public of the potential strangulation hazard that blind and drapery cords pose to young children.

The risk to pre-school children of playing with lighters continued to be investigated, and strategies for reducing that risk were evaluated. Product modification to increase the child-resistance of lighters, similar to the concept used for medicine containers, was identified as the most promising strategy. Staff worked with a lighter industry task group to develop test methods and criteria to evaluate child-resistance of lighters with a view to introducing these requirements.

In keeping with the objective of a pro-active approach to safety, the problem of accidents among senior citizens was addressed. Within the accident prevention program for older consumers, the working group on the promotion of the safe design of consumer products continued its activities to ensure that the product needs of seniors were met. The group expanded its membership, which consists of representatives from seniors' organizations, product innovation

centres, standards writing bodies, industrial design associations, consumer groups and federal and provincial ministries.

The Canadian Seniors Packaging Advisory Council was established to address packaging and labelling concerns of older consumers. The Council consists of representatives from the packaging industry, the chemical industry, senior's organizations, as well as representatives of the Product Safety Branch.

The formation of these groups reflects the partnership approach to addressing safety problems in a non-regulatory fashion.

The kit for seniors containing safety information continued to be distributed. This information, along with general safety information, was conveyed through information booths, mall displays, safety films and pamphlets.

The federal requirements of the Workplace Hazardous Materials Information System (WHMIS) included a provision that the exclusion of products from the program will be subject to review by Parliamentary committee. In support of this activity, tripartite exclusion review sectorial committees were established involving representatives of industry, labour, and federal, provincial and territorial governments. The resulting "Report to Parliamentary Committee on the Exclusions to the Workplace Hazardous Materials Information System" was prepared to assist Parliament in its work and was tabled in House of Commons.

The WHMIS Current Issues Committee continued as the forum for provincial and territorial governments, industry and labour to develop consensus on modifications to the program.

Major progress was made on the review of the Consumer Chemicals and Containers Regulations during 1991-92. These regulations require precautionary labelling and child-resistant packaging on certain consumer chemical products that have been specifically added to the *Hazardous Products Act*. However, many chemical products that are equally hazardous are not covered by these regulations. The primary purpose of the review is to develop regulations that are generic in

nature so that any household chemical product exhibiting hazardous characteristics would be subject to the requirements of the regulations.

### Consumer Policy

Director: Meredith Filshie (953-6711)

The Consumer Policy Branch is responsible for the research, development and advocacy of policies to protect and promote the interests of Canadian consumers. Effective consumer-oriented policies support marketplace ground rules, thus ensuring specific levels of safety and security as well as marketplace integrity at the least cost to the economy. Consumer policies and programs are an essential component in making the market system function fairly and efficiently to ensure prosperity for all Canadians.

In 1991-92, the Consumer Policy Branch was formed through the amalgamation of the Consumer Policy and Services Branch and the Consumer Policy Framework Secretariat. To increase the focus on consumer policy development and advocacy activities, this reorganization also included the transfer of responsibility for administering the *Tax Rebate Discounting Act* to the Management Services Branch of the Bureau.

A key initiative in 1991-92 was the work carried out by the Consumer Policy Framework Secretariat, and later by the Consumer Policy Branch, in examining the changing roles for consumers, business and governments in the marketplace. This effort involved in-depth research, background studies and consultations with the principal stakeholders in the marketplace. The objective of this initiative was to develop a portrait of the Canadian marketplace that highlights the demand side of the economic equation, and creates a point of reference from which all Canadians can contribute to the development of more effective consumer-oriented policies.

For the former Consumer Policy and Services Branch, 1991-92 began with a focus on activities surrounding the 1991 National Consumer Week. Held in April 1991, the theme was "Team Up for A Stronger Marketplace." It emphasized how important it is for consumers, business, educators,

governments and local groups to work together to keep the marketplace fair and to help consumers to become aware of their rights and responsibilities.

During the year, the Consumer Policy and Services Branch, and then the Consumer Policy Branch, conducted policy research to address several key areas of concern for Canadian consumers. In the financial sector, the Branch advanced the consumer position with respect to concerns about privacy in financial services and a variety of issues involving credit cards, and through participation in the development of a voluntary code of conduct for debit card transactions. Policy research activities in the consumer interest were also conducted in areas such as telemarketing, privacy in database marketing, and access to government decision making.

The Branch provided the consumer perspective in the development of policies in several inter-departmental endeavors. It provided consumer-oriented policy advice on issues related to cross-border shopping and to the national Task Force on Prosperity. In addition, the Branch provided federal representation to the annual meeting of the Federal/Provincial Task Force on Consumer Education and Plain Language.

Recognizing that the growing interdependence of national economies, known as globalization, has profound implications for Canadian consumers in the domestic marketplace, the Branch continued to emphasize international issues in 1991-92. In this regard, the Branch co-ordinated Consumer Bureau responses to issues of concern in the North American Free Trade Agreement negotiations and continued to monitor issues related to the General Agreement on Tariffs and Trade negotiations. As in the past, the Branch also played a major role in support of ministerial and departmental efforts to promote the interests of Canadian consumers during the spring and fall OECD meetings.

As a complement to policy development and advocacy activities, the Branch continued to administer a grants and contributions program to assist non-profit consumer and voluntary organizations in addressing marketplace issues. During the year, 12 organizations received financial assistance to carry out 27 projects to

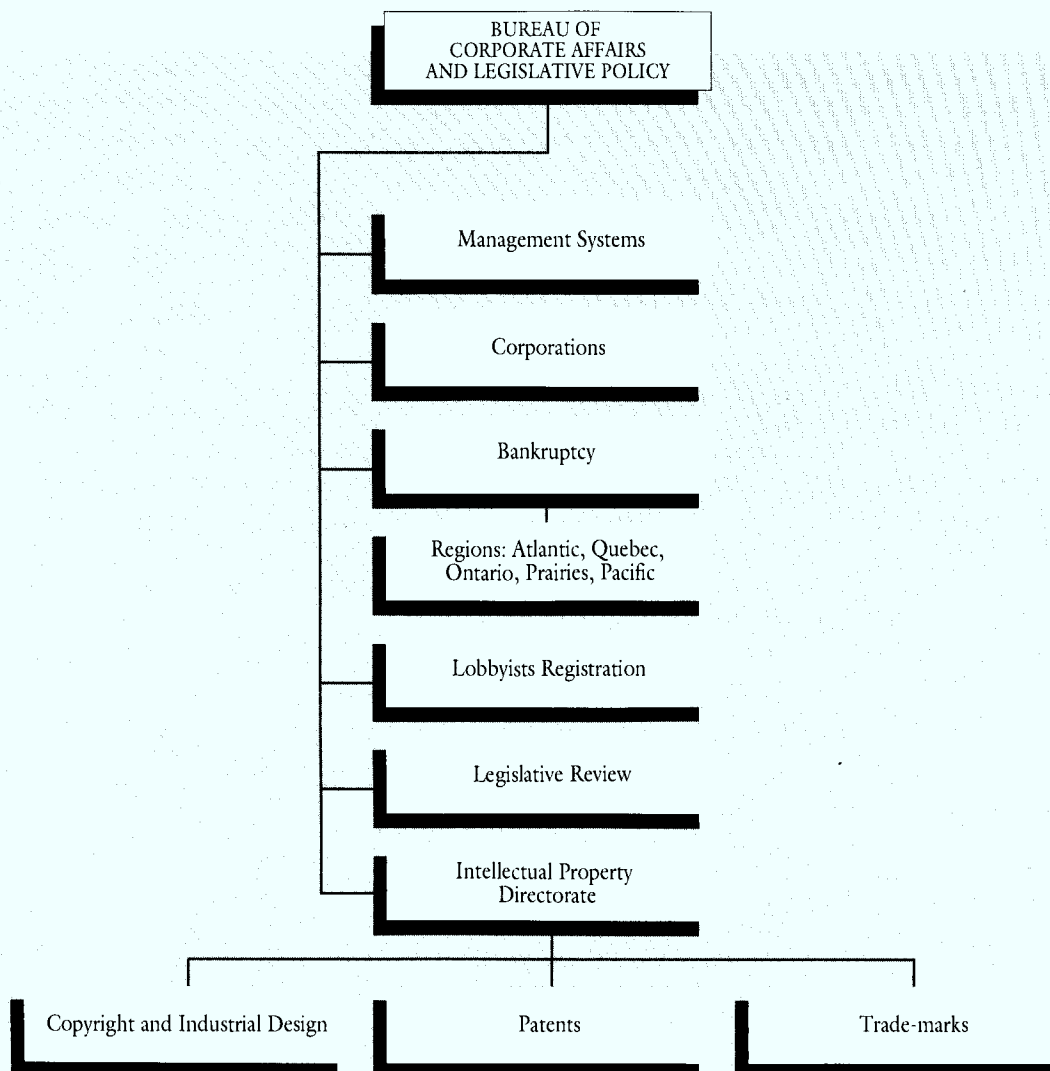
address consumer issues. A list of the organizations which received funding and of the issues that were addressed is available on request.

### **Management Services - TRDA**

The responsibility for the *Tax Rebate Discounting Act* (TRDA) was transferred from the Consumer Policy Branch to the Management Services Branch on January 1, 1992. The Branch has been tasked with making the TRDA more efficient by streamlining the paper process and by enhancing the informatics system.

In 1991, almost 1.2 million Canadians sold their tax returns to discounters, with a total value estimated at over one billion dollars.

Bureau of  
\*\*\*\*\*  
Corporate  
\*\*\*\*\*  
Affairs and  
\*\*\*\*\*  
Legislative  
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Policy  
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Budget: \$59 399 000

Expenditures: \$46 540 000

Revenue: \$61 232 000

Person-Years: 622

Assistant Deputy Minister: Morris Rosenberg  
(953-6701)

The policy and legislation developed and administered by the Bureau of Corporate Affairs and Legislative Policy make up a substantial part of

the regulatory framework for the business community in Canada. Legislation administered by the Bureau includes the *Bankruptcy Act*, the *Canada Corporations Act*, the *Canada Business Corporations Act*, the *Lobbyists Registration Act* and acts governing patents, copyright, trade-marks, timber marks, public servant inventions, integrated circuits and industrial designs. Together, they help ensure the orderly conduct of business across the country to encourage economic development, international competitiveness, creativity, innovation and the exploitation of technology.

The Bureau includes the Legislative Review Directorate, the Bankruptcy Branch, the Corporations Directorate, the Lobbyists Registration Branch and the Intellectual Property Directorate, which comprises the Patent Office, the Trade-marks Office and the Copyright and Industrial Design Office.

#### **Intellectual Property**

Commissioner of Patents, Registrar of Trade-marks and Executive Director:

Mart Leesti (997-1057)

Intellectual property laws provide economic incentives that encourage the creation, dissemination and exploitation of new ideas. The Intellectual Property Directorate (IPD) is responsible for granting or registering equitable exclusive intellectual and industrial property rights and ensuring that information acquired, in exchange for such rights, is made available in Canada.

It had been announced in the February 1991 federal budget that the Directorate would be converted to a Special Operating Agency. During the year, the Directorate worked towards defining the increased flexibilities required to operate in a business-like fashion and meet the needs of its clients.

The Directorate publishes and distributes a series of booklets which briefly describe the intellectual property laws that it administers.

Under the Public Education Program (PEP), Canadians are made aware of the various intellectual property programs in Canada, as well as how the foreign counterparts of these programs can be used by Canadians. The PEP is delivered through seminars and presentations on intellectual property themes and subjects in all regions of the country, as well as through participation in trade shows and exhibitions.

To assist the Intellectual Property Directorate in the distribution of publications, the delivery of the PEP and the dissemination of the technical information found in patent documents, the Directorate uses its network of intermediary organizations. The network includes provincial research organizations, innovation centres, universities, federal and provincial research institutions, and offices of Industry, Science and Technology Canada. In 1991-92, the number of intermediaries increased to 68. In addition, three Intellectual Property Advisors located in Montreal, Toronto and Vancouver provided assistance to those seeking information in the Quebec, Ontario and Pacific regions.

During the year, the Department's Intellectual Property Advisory Committee (IPAC) and its subgroups addressed a number of issues directly related to the operations of the Directorate, such as the development of the proposed amendments to be included in the Intellectual Property Improvement Bill.

The Directorate participated in and contributed to international and foreign intellectual property initiatives in areas of importance to the operations and administration of the Directorate. Patent officials continued their participation at the World Intellectual Property Organization (WIPO) Committee of Experts meetings on the Harmonization of Certain Provisions in Laws for the Protection of Inventions and attended Part I of the Diplomatic Conference on the draft Patent Law Harmonization Treaty, in The Hague, Netherlands in June 1991.

The Directorate actively contributed to the work of the WIPO Permanent Committee on Industrial Property Information (PCIPI), which is responsible for updating and developing standards in the industrial property field. The work of the PCIPI relating to international standards on the storage and exchange of patent information in electronic form is of particular importance to the Directorate, in view of the multi-year project to automate the operations of the Patent Office.

The Directorate accepted an official from the People's Republic of China for training in patent documentation procedures. The year-long training ended in December 1991 and was funded



by the World University Services of Canada (WUSC). In addition, industrial property training was provided to two officials from Honduras and Cyprus.

Officials from industrial property offices in other countries, such as Japan and China, visited the Directorate to discuss Canadian industrial property law, practice and operations.

The Directorate, through WIPO, provides assistance to countries in the African Regional Industrial Property Organization (ARIPO) for the preliminary search and examination of patent applications in accordance with the Harare Protocol. During the year, 10 search and examination reports were prepared and forwarded to WIPO.

#### Patents

Acting Director, Patent Examination:  
Kim Omae (997-2331)

The Patent Office is responsible for processing patent applications and encouraging Canadians to exploit the technological information contained in patents. In order to be granted, a patent application must contain subject matter which is novel, has utility, and involves inventive ingenuity in accordance with requirements of the *Patent Act*, the Patent Rules, and relevant Canadian jurisprudence. An inventor currently seeking protection can expect to obtain exclusive rights to make, use and sell an invention for up to 20 years from the date of filing of a patent application.

The *Patent Office Record*, published weekly, provides information on granted Canadian patents and on patent applications that have been laid open to public inspection. All applications filed pursuant to the amended *Patent Act* (i.e. filed after October 1, 1989) are laid open to public inspection 18 months after the filing date or the priority date, as the case may be. The Patent Office also maintains a public search room and library that contains leading-edge technical information from around the world.

Individuals are encouraged to personally search the patent documents that are available through the search room — patent search fields are provided upon request for particular subject

matters of interest. Under the Patent Information Exploitation (PIE) program, technical information searches of domestic and foreign patent documents are carried out for intermediary organizations. Members of the public wishing to obtain the results of a technical information search are referred to an accredited intermediary organization.

Requests for Patent Information	1990-91	1991-92
Assistance in defining patent search field	3 710	3 887
Technology searches for organizations	1 273	1 319
Requests for reference material	56 025 *	59 507 *
	154 512 **	158 981 **

\* Includes reference requests for laid-open applications and Canadian patents only.

\*\* Includes all reference requests from the library (e.g. foreign patents, Canadian patents, requests for materials from archives).

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Transactions of the Patent Office	1990-91	1991-92
Applications for patent	24 052	26 423
After October 1, 1989	23 594	21 793
PCT applications	458	4 630
Applications reported	24 933	37 140
Applications allowed	17 754	18 755
Applications forfeited	838	783
Applications abandoned	6 457	7 269
Applications restored under section 75 after failure to pay final fee	100	148
Applications reinstated under section 32 after abandonment for failure to reply to an official action	132	130
Requests for examination*	4 977	7 326
Patents issued	14 947	16 248
Patents reissued**	16	11
Patents issued under the <i>Public Servants Inventions Act</i> **	40	42
Assignments recorded	26 399	20 192
Maintenance fee payments received	—	20 805
Applications abandoned for non-payment of maintenance fee (new Act)	—	1 996
Patents abandoned for non-payment of maintenance fee (old Act)	—	895
Applications reinstated for payment of maintenance fee (new Act)	—	95
Patents reinstated for payment of maintenance fee (old Act)	—	67

\* Under the revised *Patent Act* that came into force on October 1, 1989.

\*\* Included in Patents issued.

Patent Agents Register	1990-91	1991-92
Canadian resident agents	335	343
Canadian firms	83	86
Non-residents	993	975
<b>Total</b>	<b>1 411</b>	<b>1 404</b>

### Compulsory Licences

The Commissioner of Patents is empowered under sections 39(3) and 39(4) of the *Patent Act* to grant compulsory licences for patents for food or medicine, and under sections 65 to 70 to order patentees to grant licences to prospective licensees when patent rights have been abused.

The activities for the past two fiscal years under these sections of the Act are summarized in the following table.

	1990-91	1991-92
<b>Section 39(3) (Food)</b>		
Applications received	0	0
Licences granted	0	0
Applications withdrawn	7	0
Applications pending	0	0
<b>Section 39(4) (Medicine)</b>		
Applications received	28	103
Licences granted	12	31
Licences refused	7	2
Applications withdrawn	5	7
Applications pending	60	123
<b>Sections 65-70 (Abuse)</b>		
Applications received	0	0
Licences granted	0	0
Licences refused	0	0
Applications withdrawn	1	0
Applications pending	4	4

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**Compensation for Government Use of Inventions**

Under sections 19 and 20, the Commissioner of Patents rules on compensation levels due to inventors for government use of their patented inventions. Licensing and compensation decisions by the Commissioner during the past two fiscal years are summarized below.

Compensation	1990-91	1991-92
Applications received	0	0
Applications withdrawn	0	0
Applications decided	0	0
Applications pending	1	1

**Patent Appeal Board**

Chairman: Frank Adams (953-9090)

The Patent Appeal Board reviews final rejections of applications for the grant of patents and for the registration of industrial designs, resolves conflicts between patent applicants whose claims cover the same invention, and oversees the re-examination of patents. The Board may hold formal hearings as part of the review procedure. The Board's operations during the past two fiscal years are summarized below.

**Final Rejections**

Patents	1990-91	1991-92
Rejections referred to the Board	18	15
Rejections affirmed	6	4
Rejections modified	2	3
Rejections reversed	1	2
Disposal without formal decision	3	3
Hearings held	1	9
Appeals before the Board	14	17

Decisions published in the  
*Patent Office Record*

full	0	1
part	7	0

**Final Rejections**

Industrial Designs	1990-91	1991-92
Rejections affirmed	5	5
Rejections reversed	0	2
Hearings held	4	3

**Conflicts**

Section 43	1990-91	1991-92
Conflicts referred to the Board	5	8
Conflicts disposed	5	9
Conflicts before the Board	4	3

**Re-examination**

Section 48.1	1990-91	1991-92
Requests filed	4	1
Requests disposed	0	0
Requests with re-examination boards	4	3

**Patent Cooperation Treaty (PCT)**

Director: Pierre Trépanier (997-1947)

As of January 9, 1990, Canadian applicants can file PCT international applications in Canada. This filing is equivalent to a national filing in each of the member states designated by the applicant. Similarly, Canada can be designated by applicants who file in any of the other 49 member states.

PCT filings have exceeded expectations both in Canada and abroad. In 1991, 462 international applications were filed in the Canadian Receiving Office. As well, Canada was designated in 15 738 international applications. Of those applications, 9 214 elected Canada under Chapter II of the Treaty. During 1991-92, 4 630 international applications entered the national phase in Canada.

**Automated Systems**

Director: Ray Taylor (997-2186)

During 1991, the Canadian Patent Office (CPO) completed the Requirements Specifications Stage of its multi-year patent automation project. On January 30, 1991, Requests for Proposals (RFPs) were issued to the market under a competitive tendering process in order to obtain a prime contractor to provide and implement a turnkey system solution to meet the CPO's requirements by March 1996.

The winning bidder was required to supply directly, or in concert with sub-contractors, hardware, software, facilities management, backfile conversion, training and the integration of the system as a coherent solution. On May 13, 1991, five proposals were received which were subject to a comprehensive evaluation by a review team. The first step was to determine preliminary compliance with the mandatory and rateable criteria established in the RFP. Bidders found to be compliant were invited to proceed to the next step, which encompassed system modelling, component testing and reference site visits. As a result of this process, and following a pre-acquisition test, one bidder was found to be fully compliant with the requirements.

Towards the end of the 1991-92 fiscal year, contract negotiations with the winning bidder began and it was expected that a multi-million dollar prime contract would be awarded early in the 1992-93 fiscal year.

**Copyright and Industrial Design**

Director: Linda Steingarten (997-1657)

The Copyright and Industrial Design Branch administers the *Copyright Act*, the *Industrial Design Act*, the *Timber Marking Act*, and their regulations.

Copyright exists immediately upon the creation of every original literary, artistic, dramatic or musical work and extends normally for the life of the creator or author, plus 50 years thereafter.

The outward appearance of an article of manufacture may be registered as an industrial design. Registration of a new design under the *Industrial Design Act* gives the registered owner sole rights to use the design in Canada for a period of five years, renewable for one further period of five years.

The *Timber Marking Act* provides for the registration of marks to identify the ownership of timber floated down inland waterways in Ontario, New Brunswick and Quebec. During the year there were no registrations of timber marks, reflecting the technological change of this industry.

Following the passage by Parliament of the *Integrated Circuit Topography Act*, the Department continued the process of preparing regulations.

The following table summarizes the transactions of the Copyright and Industrial Design Branch during the past two fiscal years.

Transactions of the Copyright and Industrial Design Branch	1990-91	1991-92
<b>Copyright</b>		
Applications received	9 216	8 675
Copyrights registered	8 069	8 135
Assignments recorded	439	455
Number of copyrights affected by assignments	464	565
Applications abandoned	425	290

### Industrial Designs

Applications received	2 712	2 361
Designs registered	2 445	2 089
Registrations renewed	916	968
Assignments recorded	490	297
Number of designs affected by assignments	611	336
Applications abandoned	352	262

### Timber Marks

Applications received	0	0
Assignments recorded	0	0
Marks registered	0	0

### Oral and Written Inquiries

Copyright	20 531	17 251
Industrial Designs	5 311	5 766

### Trade-marks

Director, Trade-mark Examination:  
 Barbara Bova (997-2423)

The Trade-marks Office determines which trade-marks are entitled to exclusive use by owners, and maintains the Trade-marks Register and associated records of trade-marks to encourage the disclosure of trade-marks information and ensure public awareness.

A newly registered trade-mark remains on the register for an initial period of 15 years, and may be renewed for additional 15-year periods indefinitely. If a trade-mark is licensed, the owner should have the licensee recorded as a registered user against the trade-mark registration in order to protect the validity of the mark. This is accomplished by filing an application with the Trade-marks Office.

Trade-marks applications are advertised in the weekly *Trade-marks Journal* to enable persons to oppose any marks that they feel may interfere with their existing rights. The Office maintains a search room for the public to refer to the registers and indexes of registered marks and users.

### Trade-marks Opposition Board

Chairman: Gary Partington (994-4794)

The Trade-marks Opposition Board comprises a chairman and three members, each of whom has delegated authority from the Registrar of Trade-marks to conduct hearings and render decisions in one or more of the following adversarial proceedings arising under the *Trade-marks Act*: (1) oppositions to trade-marks applications (section 38); (2) section 45 proceedings; and (3) contested registered user cancellation proceedings (section 50(10)).

The following table summarizes the transactions of the Trade-marks Office over the past two fiscal years.

Transactions of the Trade-marks Office	1990-91	1991-92
Trade-mark applications filed	23 831	23 418
Trade-mark applications advertised	20 676	21 950
Trade-mark registrations	15 125	14 087
Registered user applications filed	13 250	10 173
Number of trade-marks governed by registered user applications (registered and pending)	32 382	30 316
Registered users registered	25 921	26 059
Registered users registrations modified	1 448	2 829
Registered user registrations cancelled	6 110	5 311
Transfer applications filed	18 560	19 550
Transfers registered	20 883	18 750

(continued)





Trade-mark registrations renewed	4 110	5 740
Trade-mark registrations expunged	4 864	3 200
Amendments entered on the register	38 817	33 010
Copies prepared	142 121	152 422
Duly registered trade-mark agents	1 488	1 451
Oppositions filed	1 529	1 140

### Statistical Supplement

Patents, trade-marks, copyright and industrial designs are important economic instruments to be harmonized with other essential elements of Canada's long-range economic policies and objectives. Studies of the costs, trends and users of intellectual property are therefore undertaken regularly by the Directorate. During the last two years the following statistical information was compiled.

Patents Granted	1990-91	1991-92
To individuals	1 740	1 865
To companies	13 094	14 355
To individuals and companies jointly	64	28
To inventors or their legal representatives	1 686	1 734
To assignees	13 094	13 958
To assignees and inventors jointly	150	556
One inventor claimed	6 457	7 626
Two or more inventors claimed	8 301	8 622
In French	460	566

### Residence of Inventors for Patents Granted

#### Canada

	1990-91	1991-92
Alberta	104	138
British Columbia	119	122
Manitoba	37	38
New Brunswick	7	6
Newfoundland	1	3
Nova Scotia	13	13
Ontario	535	640
Prince Edward Island	3	2
Quebec	236	200
Saskatchewan	37	34
The Yukon and Northwest Territories	1	0
<b>Total</b>	<b>1 093</b>	<b>1 196</b>

#### Foreign Countries

	1990-91	1991-92
Argentina	0	1
Australia	154	158
Austria	76	78
Bahamas	0	4
Belgium	105	120
Bermuda	0	1
Brazil	9	11
Bulgaria	6	1
Chile	3	1
China	9	5
Czechoslovakia	6	8
Denmark	59	47
Egypt	2	1
Finland	115	116
France	798	886
Gabon, Republic of	0	1
Germany, Democratic Republic of and Federal Republic of	1 152	1 182
Greece	0	6
Hong Kong	6	3
Hungary	44	25

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Iceland	5	0
India	2	4
Iran	0	1
Iraq	2	0
Ireland	16	16
Israel	48	49
Italy	262	304
Japan	1 902	2 125
Korea, Democratic People's Republic of	6	0
Korea, Republic of	4	20
Liechtenstein	7	2
Lebanon	0	1
Luxembourg	13	15
Malaysia	0	1
Mexico	1	6
Monaco	2	1
Morocco	0	1
Netherlands	266	245
New Zealand	13	18
Norway	44	42
Philippines	1	1
Poland	2	2
Portugal	1	1
Romania	1	0
Singapore	2	5
South Africa, Republic of	28	30
Soviet Union (includes all former Republics)	28	37
Spain	16	23
Sweden	229	237
Switzerland	311	338
Taiwan	29	34
United Kingdom	721	716
United States of America	7 332	8 112
Venezuela	12	5
Yugoslavia	1	6
<b>Total, Foreign</b>	<b>13 851</b>	<b>15 052</b>
<b>Grand total</b> (including Canada)	<b>14 944</b>	<b>16 248</b>

**Residence of Inventors for  
Applications Filed**

	1990-91	1991-92
<b>Canada</b>		
Alberta	233	314
British Columbia	227	246
Manitoba	64	79
New Brunswick	14	23
Newfoundland	22	10
Nova Scotia	17	15
Ontario	1 004	1 149
Prince Edward Island	3	4
Quebec	500	594
Saskatchewan	64	88
The Yukon and Northwest Territories	3	4
<b>Total*</b>	<b>2 151</b>	<b>2 526</b>

\* This number includes Patent Cooperation Treaty applications.

<b>Foreign Countries</b>	1990-91	1991-92
Albania	2	0
Argentina	4	14
Australia	129	97
Austria	144	149
Bahamas	2	2
Bangladesh	0	1
Barbados	1	0
Belgium	174	162
Bermuda	1	0
Brazil	20	21
Bulgaria	3	3
Burundi	1	3
Chile	3	2
China, People's Republic of	27	28
Colombia	3	1
Costa Rica	1	0
Cuba	0	4
Cyprus	0	1
Czechoslovakia	11	8
Denmark	48	54

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Ecuador	1	0
Egypt	0	1
Finland	149	145
France	1 541	1 615
Germany, Democratic Republic of and Federal Republic of	1 972	2 082
Greece	4	4
Guatemala	1	0
Hong Kong	8	24
Hungary	33	38
Iceland	2	6
India	14	17
Indonesia	0	2
Iran	0	1
Ireland	29	18
Israel	72	80
Italy	485	550
Japan	3 455	4 121
Jordan	1	0
Korea, Democratic People's Republic of	1	0
Korea, Republic of	51	58
Liechtenstein	2	5
Luxembourg	19	22
Malawi	0	2
Malaysia	3	2
Mexico	7	16
Monaco	2	2
Netherlands	410	361
New Zealand	29	26
Norway	37	27
Pakistan	0	1
Poland	4	4
Portugal	5	0
Romania	0	1
Singapore	6	3
South Africa, Republic of	62	78
Soviet Union (includes all former Republics)	28	21

Spain	69	89
Sri Lanka	1	0
Sweden	176	188
Switzerland	539	637

Taiwan	118	121
Tunisia	1	1
Turkey	2	2

United Arab Emirates	1	1
United Kingdom	1 028	1 031
United States of America	10 898	11 851

Venezuela	7	22
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Yugoslavia	14	12
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Zimbabwe	0	1
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Indeterminate	40	58
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<b>Total, Foreign</b>	<b>21 901</b>	<b>23 897</b>
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<b>Grand total (including Canada)</b>	<b>24 052</b>	<b>26 423</b>
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<b>Receipts and Expenditures</b>	<b>1990-91 (\$ Actual)</b>	<b>1991-92 (\$ Actual)</b>
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**Patents**

Revenue	25 224 101	28 587 536
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Expenditures*	15 490 438	17 640 000
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**Trade-marks**

Revenue	13 585 422	12 920 138
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Expenditures	5 103 955	5 530 000
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**Copyright, Industrial  
Designs and Timber Marks\*\***

Revenue	1 060 265	1 075 112
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Expenditures	787 714	927 000
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\* Excludes capital project for patent automation.

\*\* Revenues include receipt of copyright fine payments.  
Expenditures include copyright legal fees.

## Corporations

Acting Director General:

Elaine Collins (997-1058)

The Corporations Directorate administers the *Canada Corporations Act*, the *Canada Business Corporations Act*, the *Boards of Trade Act* (Chambers of Commerce), the *Canada Cooperative Associations Act*, the *Trade Unions Act* and the *Pension Fund Societies Act*. It also issues documents under the *Railway Act*.

The Directorate is composed of the Incorporation and Disclosure Services Branch and the Compliance Branch.

The Incorporation and Disclosure Services Branch is responsible for *Canada Business Corporations Act* incorporations, amendments, information and certification services, dissolutions, statutory filings and publication activities.

The Compliance Branch assumes responsibility for the conduct of complex studies and analysis of corporate practices, take-overs, arrangement proposals and other such transactions; investigations of complaints against federally incorporated corporations; review of applications for exemption from statutory requirements; review of applications from corporations, organizations and individuals in accordance with other Acts, i.e. *Boards of Trade Act*, *Canada Cooperative Associations Act*, etc., and allegations of corporate name confusion.

Except for financial intermediaries, all federal business corporations are incorporated under the *Canada Business Corporations Act*, which came into effect on December 15, 1975.

Part II of the *Canada Corporations Act* applies to the establishment and functioning of all federal charitable and membership associations.

The Directorate maintains a comprehensive database of information on federal corporations, 190 622 of which were active at the end of the fiscal year. During 1991-92, the Directorate incorporated 8 878 corporations pursuant to the *Canada Business Corporations Act*. In total, the Directorate processed 27 244 requests for incorporation or amendment pursuant to this same act and other relevant statutes.

The Directorate investigated 24 complaints involving federal companies and received 158 892 statutory filings in compliance with the legislation and accompanying regulations. It also responded to 79 087 enquiries and provided 28 357 copies of documents. A total of 50 160 certified copies and certificates of compliance were prepared and 585 applications for exemption from certain statutory requirements were reviewed.

The Directorate also undertakes the review of amendments to the by-laws of non-profit corporations, and amendments to the articles of incorporation under the *Canada Cooperative Associations Act* and the *Boards of Trade Act*, as well as of revival applications under the *Canada Business Corporations Act*.

### Documents Issued (excluding rejected applications)

	1990-91	1991-92
<b>Canada Corporations Act</b>		
Letters patents granted Part II	589	704
Supplementary letters patents granted	147	184
Certificates of acceptance for surrender of charter	33	39
<b>Canada Business Corporations Act</b>		
Certificates of incorporation	9 196	8 878
Certificates of discontinuance (export)	279	293
Certificates of amalgamation	567	554
Certificates of amendment	5 807	5 544
Certificates of dissolution	2 504	2 656
Certificates of import continuance	305	257
<b>Boards of Trade Act</b>		
Boards of trade registered	16	9
<b>Canada Cooperative Associations Act</b>		
Certificates of incorporation	1	2

Documents Processed	1990-91	1991-92
<b>Canada Corporations Act</b>		
<b>Canada Business Corporations Act</b>		
Annual summaries and returns submitted*	114 516	110 131
Prospectuses	151	203
Insider reports	9 546	9 046
Proxy information circulars	578	558
Takeover bids	49	37
Financial statements submitted	5 623	5 821
Complaints	45	24
Exemption orders	660	585

\* Includes annual returns submitted under the *Boards of Trade Act*.

### Bankruptcy

Superintendent: George Redling (997-1210)

The Bankruptcy Branch is the administrative designation for the Office of the Superintendent of Bankruptcy, who is responsible for the operation of the head office and 14 additional offices across Canada, with a total staff of 126.

The Superintendent of Bankruptcy plays an important role in promoting confidence in the integrity of Canada's credit system through the regulation of the insolvency process, licensing of trustees-in-bankruptcy, investigation of possible offences under the *Bankruptcy Act* and/or the Criminal Code, and distribution of information on insolvency matters.

Regulation of the insolvency process was carried out under the Supervision of Estate Administration (SEA), Creditor Services and Debtor Services programs. Through the SEA program, the Branch closely monitored the propriety of the bankruptcy process and saw that corrective action was taken when necessary.

A high standard of professional conduct on the part of trustees-in-bankruptcy and other insolvency-related professionals was promoted through the Creditor Services Program, designed to maximize dividends to creditors. In 1991-92, trustees paid out \$110 233 694 in dividends to unsecured creditors.

During the year, 50 new trustee licences were granted. The Bankruptcy Branch supervised 693 individual trustees and 140 corporate trustees. The Branch's National Auditing Group conducted 60 cyclical audits of trustees and four special audits. Another 35 cyclical audits and 10 special audits were still in progress at year-end.

The availability of bankruptcy services was dealt with through the Bankruptcy Assistance Program, which ensures easier access to relief under the *Bankruptcy Act* for individuals anywhere in Canada who are unable to pay trustees' fees.

The Branch continued monitoring provincial administration of Part X of the *Bankruptcy Act*, which authorizes the issuance of Consolidation Orders to enable individuals to pay their debts over a three-year period without creditor harassment and wage garnishment. Part X of the Act was in force in British Columbia, Alberta, Saskatchewan, Manitoba, Nova Scotia and Prince Edward Island. During 1991, 2 363 Consolidation Orders were made by the courts of these provinces, with a total of \$9.6 million being distributed to registered creditors.

The accompanying charts show the relative levels of consumer and business bankruptcies during fiscal year 1991-92.



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**Bankruptcies and Proposals**

Province	Number	Assets \$	Liabilities \$	Deficiency \$
Newfoundland	830	20 418 313	40 786 311	20 367 998
Nova Scotia	2 970	94 711 344	176 797 514	82 086 170
Prince Edward Island	78	5 738 308	26 083 305	20 344 997
New Brunswick	757	45 616 659	88 064 141	42 447 482
Quebec	23 662	1 948 138 985	4 270 138 789	2 321 999 804
Ontario	32 126	1 747 011 265	4 498 597 969	2 751 586 704
Manitoba	3 005	162 384 013	274 220 193	111 836 180
Saskatchewan	2 183	105 007 164	186 780 315	81 773 151
Alberta	7 125	297 474 898	594 132 571	296 657 673
British Columbia	6 038	264 195 064	639 247 238	375 052 174
Northwest Territories	19	794 624	1 282 233	487 609
The Yukon	8	30 312	158 145	127 833
<b>Canada</b>	<b>78 801</b>	<b>4 691 520 949</b>	<b>10 796 288 724</b>	<b>6 104 767 775</b>

**Business Bankruptcies**

Province	Number	Assets \$	Liabilities \$	Deficiency \$
Newfoundland	160	11 781 830	26 020 083	14 238 253
Nova Scotia	741	44 194 024	112 087 490	67 893 466
Prince Edward Island	31	4 987 938	24 674 665	19 686 727
New Brunswick	253	31 611 605	65 870 759	34 259 154
Quebec	5 330	1 207 675 481	3 071 858 229	1 864 182 748
Ontario	3 673	666 280 469	2 272 114 222	1 605 833 753
Manitoba	403	86 179 080	176 020 625	89 841 545
Saskatchewan	543	47 389 376	110 564 833	63 175 457
Alberta	1 267	128 150 433	379 773 620	251 623 187
British Columbia	1 228	111 057 219	369 245 726	258 188 507
Northwest Territories	4	262 716	736 681	473 965
The Yukon	1	1 001	47 824	46 823
<b>Canada</b>	<b>13 634</b>	<b>2 339 571 172</b>	<b>6 609 014 757</b>	<b>4 269 443 585</b>

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**Consumer Bankruptcies**

Province	Number	Assets \$	Liabilities \$	Deficiency \$
Newfoundland	670	8 636 483	14 766 228	6 129 745
Nova Scotia	2 217	32 475 596	53 327 387	20 851 791
Prince Edward Island	47	750 370	1 408 640	658 270
New Brunswick	495	8 613 354	14 247 713	5 634 359
Quebec	18 139	341 185 527	780 919 843	439 734 316
Ontario	27 657	963 529 867	2 022 677 626	1 059 147 759
Manitoba	2 578	71 672 165	91 701 756	20 029 591
Saskatchewan	1 636	56 725 801	71 372 403	14 646 602
Alberta	5 843	166 906 680	196 456 236	29 549 556
British Columbia	4 757	39 772 983	163 045 924	123 272 941
Northwest Territories	14	531 908	545 552	13 644
The Yukon	7	29 311	110 321	81 010
<b>Canada</b>	<b>64 060</b>	<b>1 690 830 045</b>	<b>3 410 579 629</b>	<b>1 719 749 584</b>

**Proposals**

Province	Number	Assets \$	Liabilities \$	Deficiency \$
Newfoundland	0	0	0	0
Nova Scotia	12	18 041 724	11 382 637	- 6 659 087
Prince Edward Island	0	0	0	0
New Brunswick	9	5 391 700	7 945 669	2 553 969
Quebec	193	399 277 977	417 360 717	18 082 740
Ontario	796	117 200 929	203 806 121	86 605 192
Manitoba	24	4 532 768	6 497 812	1 965 044
Saskatchewan	4	891 987	4 843 079	3 951 092
Alberta	15	2 417 785	17 902 715	15 484 930
British Columbia	53	113 364 862	106 955 588	- 6 409 274
Northwest Territories	1	N.A.	N.A.	N.A.
The Yukon	0	0	0	0
<b>Canada</b>	<b>1 107</b>	<b>661 119 732</b>	<b>776 694 338</b>	<b>115 574 606</b>

**Lobbyists Registration**

Director: Corinne MacLaurin (953-7145)

The Lobbyists Registration Branch is responsible for the administration of the *Lobbyists Registration Act*, which was proclaimed on September 30, 1989. The function of this activity is to register paid lobbyists and to maintain a Registry which is open to public inspection.

The public can easily search the computerized registry system, a combination of database and optical image technologies, to produce reports on lobbyists and their clients. The Branch maintains the Registry, processes returns, and provides copies and other services on a fee basis. Guidance is provided to lobbyists on whether their activities are registrable.

During the year, the Branch produced the first interpretation bulletin for lobbyists and a revised information fact sheet, and worked toward extending access to the Registry electronically.

**Registrations**

By the end of the fiscal year, a total of 7 591 registration forms had been processed. The following table provides summary information on these returns:

Lobbyists	Tier I	790
	Tier II	1 961
	TOTAL	2 751
Registrations processed	Tier I	1 438
	Tier II	2 277
	Amendments	3 876
	TOTAL	7 591
Enquiries:		1 068

**Legislative Review**

Director General: David Tobin (953-6743)

The Legislative Review Directorate is responsible for research and analysis leading to policy development as well as to legislative and regulatory review and reform in the corporate and intellectual property areas; for increasing the effectiveness of departmental input into governmental policy formulation (national and international) and for supporting and reinforcing departmental programs through the development of policy framework. In carrying out its responsibilities, the Directorate consults widely with private sector stakeholders.

The Directorate consists of two branches: the Consumer and Corporate Review Branch and the Intellectual Property Review Branch.

**Consumer and Corporate Review**

Director: Jacques Hains (953-6766)

The Branch is responsible for the review and revision of departmental statutes in the consumer and corporate areas. It conducts legal and economic analysis leading to policy development, assesses new approaches to legislative design and reform, and provides legislative and policy support in order to modernize departmental framework laws. Specifically, during 1991-92 the Branch continued work on the reform of the *Bankruptcy Act*, provided support on the proposed new *Bankruptcy Act* in Parliament and continued a legislative and policy review of the *Canada Business Corporations Act*.

To complement its policy and legislative development capabilities, the Branch conducted research into regulatory techniques and the global environment in consumer and corporate law and practice, and consulted widely in the design of legislative proposals. In addition, the Branch provided expertise and advice to advance initiatives with other departments in areas of shared jurisdiction.

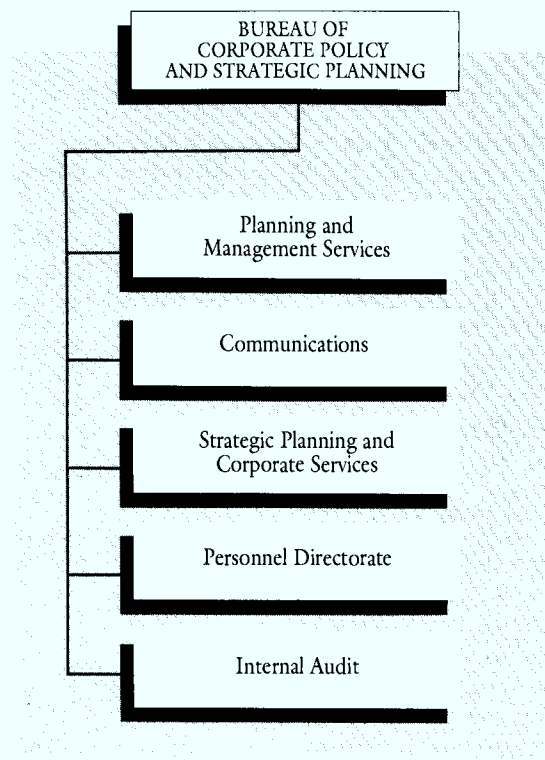
**Intellectual Property Review**

Director: Christine Blain (953-7845)

The Branch supported policy development initiatives in the areas of integrated circuits and Phase II of the *Copyright Act* revision, and for an Intellectual Property Improvement Bill including amendments to the patent, trade-marks, industrial design, and copyright acts. Other policy issues under review included the patenting of biotechnology, and industrial design legislation revision. The Branch acted as the Secretariat to the Intellectual Property Advisory Committee (IPAC), chaired by the Deputy Minister, to provide broadly-based advice to the Government on intellectual property issues in Canada.

Internationally, the Branch provided extensive support and policy positions for Canada's multilateral trade negotiators in respect of trade-related intellectual property matters at the GATT, and in the trade negotiations with the United States and Mexico with respect to the North American Free Trade Agreement. It also participated in meetings and conferences of organizations, such as the World Intellectual Property Organization, to discuss and develop draft treaties on international intellectual property issues, including harmonization of patent and trade-mark laws.

## Bureau of Corporate Policy and Strategic Planning



Budget: \$10 334 000

Expenditures: \$9 776 000

Revenue: \$0

Person-Years: 134

Assistant Deputy Minister: Kathy O'Hara  
(953-8633)

The Bureau is responsible for providing advice to the Department on its strategic objectives, direction and priorities; for analyzing international and national economic issues and the Canadian marketplace; for co-ordinating federal/provincial relations; for ensuring that an effective, integrated strategic planning process is in place; for co-ordinating policy initiatives that involve more than one bureau; and for preparing a strategic plan for the Department. Corporate Policy and Strategic Planning also provides services to the Department in communications, internal audit and program evaluation, as well as a full range of personnel services.

### Communications

Director: Toby Fyfe (997-2858)

In support of CCAC's mission, the Communications Branch develops communications strategies for the Department and the Minister's Office. As part of each program or policy initiative, the Branch conducts ongoing analysis of public opinion and the positions of stakeholders, develops messages to meet the information needs of identified target publics and recommends effective methods of delivering those messages.

Additional Branch responsibilities include a daily media clipping service, an ongoing analysis of media treatment of departmental issues and the development of internal planning documents and summaries assessing the public mood in Canada regarding significant political, economic, social and environmental issues and trends. The Branch produced a variety of communications products, ranging from *Rapport*, the Department's internal newspaper, to speeches, bulletins, publications and audio-visual materials. The Publications Centre sent out almost 2 600 000 copies of brochures, speeches and other publications during the year.

During 1991-92, communications programs to assist consumers in making informed choices in the marketplace focused on child safety, seniors' safety, credit card interest rates, and consumer bankruptcy.

Communications support was provided to the Consumer Bureau for the organization of the second National Consumer Week in April 1991, which was highlighted by an exhibition of legal metrology artifacts at the Canadian Museum of Civilization, and for the ongoing work of the Consumer Policy Framework review.

The Communications Branch was involved with the Competition Bureau in a number of high-profile cases. It participated in government-wide communications efforts with respect to the trucking industry, the film industry, Telesat privatization, cross-border shopping and the Prosperity Initiative.

The Branch provided advice and editorial, printing and distribution services to the Competition Bureau for the release of the first Canadian *Merger Enforcement Guidelines* under the *Competition Act*.



regarding the merger review process. The document provides guidance to business, legal counsel and Canadians on the manner in which the Bureau of Competition Policy reviews a merger's impact on competition in the marketplace. The draft *Predatory Pricing Enforcement Guidelines* were circulated for consultation. Communications advice and support was provided to the Director of Investigation and Research with respect to his announcements on cases affecting the following industries: flour, compressed gas, meat rendering, electrical parts, and entertainment.

The Branch was actively involved as part of an interdepartmental team co-ordinating communications activities in relation to multilateral trade negotiations, notably the North American Free Trade Agreement and the GATT.

Communications services were provided to increase the Canadian public's awareness of the importance of intellectual property to Canada's economy and international competitiveness. As part of this awareness program, the Branch co-ordinated the production of two publications — *A Guide to Patents* and an introductory brochure, "Intellectual Property: What it Means to You."

The Branch provided communications advice and support for the tabling of amendments to the *Bankruptcy Act* and the subsequent debate in the House of Commons and Committee.

Extensive communications support also contributed to the continuing activities of KidsCare, the national awareness program on child safety related to consumer products.

The Communications Branch was given the lead communications role of co-ordinating the federal government's response to the urea formaldehyde foam insulation (UFFI) judgement handed down on December 13, 1991. This responsibility required co-ordination with other departments and central agencies regarding products and services for ministers and spokespersons. Reference Canada and other external resources were used as required.

## Strategic Planning and Corporate Services

Director: Barbara Blais (953-6735)

The Branch provides strategic research and policy advice on current and emerging issues, as well as services to the Department in the areas of program evaluation, strategic planning, co-ordination of Ministerial briefings and federal/provincial/territorial activities.

The Branch played a lead role in monitoring the policy proposals developed in other departments and in producing internal briefings to keep departmental managers up-to-date. Key issues in 1991-1992 included the North American Free Trade Agreement and the Prosperity Initiative.

The Branch is responsible for the Department's regulatory review process which was called for in the February 1992 federal budget. Key activities have included designing the process, chairing a departmental steering committee and a panel of stakeholders, preparing fact sheets on the regulations being reviewed, co-ordinating a consultation process and planning a conference for the fall of 1992.

A tabular report comparing charges for credit cards use was published quarterly.

The Branch continued to work with the other members of a working group (provinces, financial institutions, and retail and consumer groups) on the development of the Canadian code of practice for consumer debit card services.

The Branch took the lead in designing the Department's strategic planning activities and co-ordinated the production of the key planning documents and events. This led to the identification of four departmental objectives.

The Branch planned and co-ordinated a meeting of federal, provincial and territorial deputy ministers of consumer and corporate affairs.

Studies were completed that contributed to the review of the *Patent Act* amendments concerning pharmaceuticals. The evaluation of the compliance strategies related to the *Canada Business Corporations Act* entered its last stage. A new program evaluation work plan was approved by the Executive Committee and evaluation assessments were started for the programs named in the plan.

The Branch also prepared the Department's Annual Regulatory Plan.

**Personnel**

Director General: Marie Moylan (997-1300)

The Personnel Directorate provides advice, support and services to managers to enable them to manage the Department's human resources effectively. As well, it offers a complete personnel service to all employees.

During the year, initiatives were developed to meet the challenges of Public Service 2000. The Directorate introduced a Performance Feedback and Review Policy. The focus of this new policy is open and regular two-way communication between supervisors and employees. As well, one third of the Department's middle managers participated in a course about managing change. The Directorate also pursued its activities in the area of computer-assisted language training programs and tailor-made training programs to meet particular needs. Managers continued to receive training in other personnel management areas.

The Departmental Assignment Program offered opportunities for employees to gain new work experience while providing managers with a source of qualified staff. Forty-four assignments were authorized during the year.

The Directorate continued to provide advice and assistance to the satellite organizations established by legislation: the Procurement Review Board, the Copyright Board, the Competition Tribunal, the Patented Medicine Prices Review Board, the Hazardous Materials Information Review Commission and the GST Consumer Information Office.

**Internal Audit**

Internal Audits were completed in the areas of Purchase of Electronic Data Processing Equipment and Software; Prairie Region; Deregulation of Authority; Information Technology Plan — Consumer Bureau; Classification Simplification; Patent Automation; and Data and Imaging System for Corporations (DISCO). Internal audits were initiated in the areas of Automated Material Management Information Systems; Inventory Control; Repairs and Upkeep; Mail and Messenger Services; Forms Managements; and Part III of the Estimates.

## Services

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### Finance and Administration

Budget: \$12 902 000

Expenditures: \$12 175 000

Revenue: \$154 000

Person-Years: 168

Director General: Brent DiBartolo  
(997-1075)

Other senior staff as of March 31, 1992:

Director, Finance: Ronald Fauvel (997-1054)

Director, Corporate Information Technology  
Services: Samy Talbert (997-2914)

Director, Administrative Services:  
Daniel Gagnon (997-1050)

Acting Director, Information Management  
Services: Peter Bruce (994-4879)

The Finance and Administration Directorate is responsible for co-ordinating financial, administrative and informatics policy and services, including library services. It also co-ordinates corporate-level financial and operational planning and control functions.

The Directorate carries out some of the responsibilities of the Minister of Consumer and Corporate Affairs as Registrar General of Canada, including the issuance and registration of formal documents such as proclamations and commissions attesting to certain appointments.

In 1991-92, there were 17 634 commissions and documents issued pursuant to the Formal Documents Regulations, and 1 496 documents registered pursuant to other legislation.

### Departmental Secretariat

Budget: \$977 000

Expenditures: \$959 000

Revenue: \$0

Person-Years: 18

Director, Executive Services:  
Don Stephenson (997-2704)

The Departmental Secretariat provides support services to the Deputy Minister's Office and the Minister's Office. These services include ministerial correspondence, Parliamentary Relations, and the application of the *Access to Information Act* and the *Privacy Act*.

During 1991-92, the Secretariat processed 4 591 pieces of Ministerial correspondence, 4 902 pieces of Deputy Minister's correspondence, 18 reports to Parliament, 117 requests under the *Access to Information Act*, 23 requests under the *Privacy Act*, and 245 requests for information regarding urea formaldehyde foam insulation (UFFI).

The Secretariat also provides support to Executive Committee meetings, Ministerial meetings, and to other department-wide meetings throughout the year. The Director is a member of the Executive Committee.

**Legal Services**

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Budget: \$511 000

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Expenditures: \$487 000

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Revenue: \$0

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Person-years: 9

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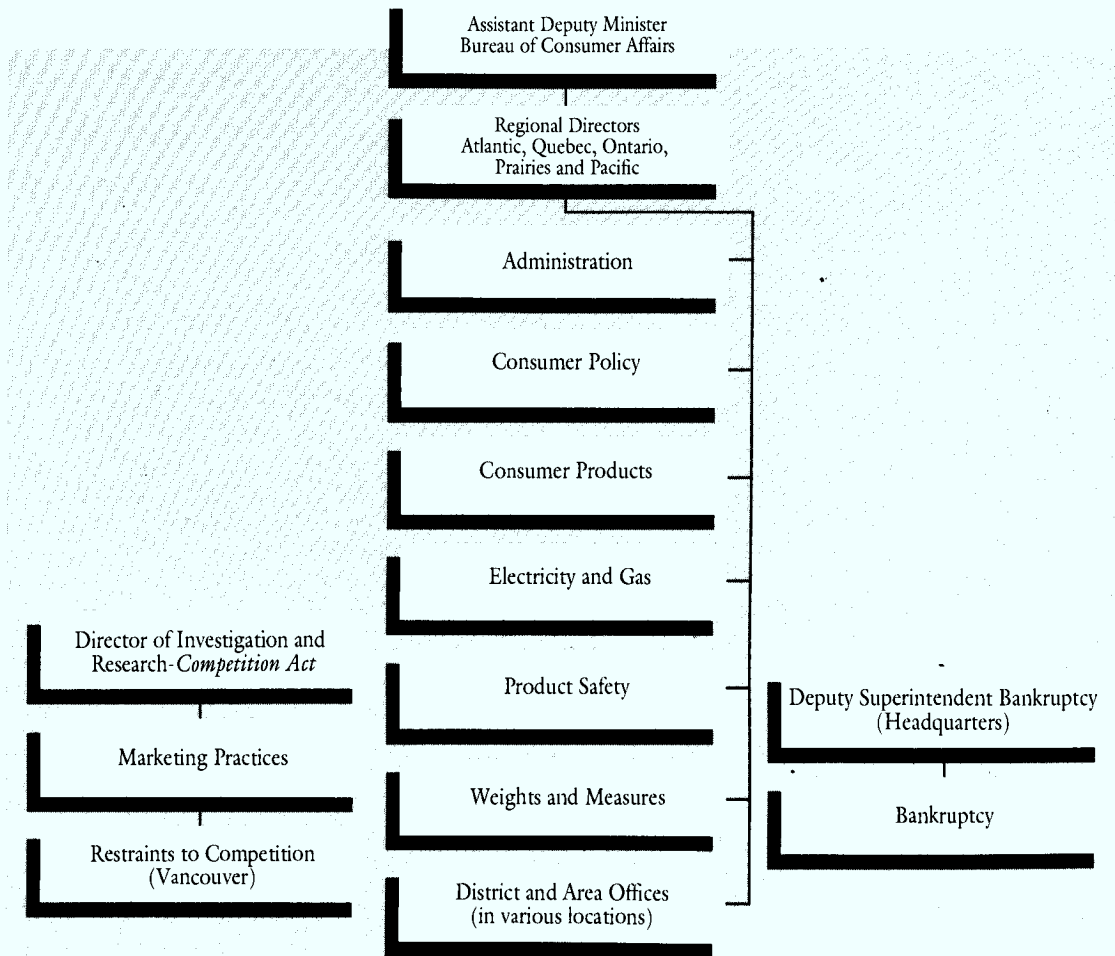
Senior General Counsel: Jean-Marc Raymond  
(997-3325).

The Legal Services Branch provides a variety of in-house legal services to the Department and its bureaus. In addition to the provision of general legal advice, the Branch provides specific advice and opinions relating to the application of statutes and regulations administered by the Department and the development, formulation and drafting of departmental legislation and regulations.

The Branch also provides litigation support services to the various bureaus of the Department, including the representation of the Department, its officers and the Attorney General of Canada before various civil, regulatory and criminal courts throughout Canada. The Senior General Counsel of the Branch is a member of the Executive Committee of the Department.



Regional  
\*\*\*\*\*  
Operations  
\*\*\*\*\*



Departmental services are provided through five regional offices and a number of district and area offices. Area and resident inspectors provide inspection services outside major urban centres and in remote locations. Represented in each region are all of Consumer Affairs' sub-activities — Weights and Measures, Electricity and Gas, Product Safety, Consumer Products and Consumer Policy — as well as the Bankruptcy Branch of the Bureau of Corporate Affairs and

Legislative Policy, and the Marketing Practices Branch of the Bureau of Competition Policy. Services relating to other *Competition Act* provisions are also provided in Vancouver. More than one third of the Department's personnel are located in the regions.



*The five Regional Directors, as of March 31, 1992, are:*

Atlantic: André Pilon (902) 426-6090
Quebec: Francine Sarrazin (514) 283-5559
Ontario: Zane Brown (416) 224-4020
Prairies: Bill Empke (204) 983-3151
Pacific: Jim Keon (604) 666-5050

Regional Directors represent the Department in each of the five regions and provide the administrative services for all departmental personnel in the field.

Regional personnel receive functional guidance from Headquarters and are responsible for the implementation of departmental programs.

During the year, Consumer Affairs inspectors visited more than 11 500 establishments to identify and correct fraudulent or misleading practices in the labelling and packaging of food and other products, and to ensure that dangerous products such as unsafe toys were removed or prevented from entering the marketplace. More than 166 900 weighing and measuring devices were inspected and some 2.7 million electricity and gas meters were verified to ensure they were measuring accurately.

Regional Bankruptcy Officers handled 78 801 bankruptcies and proposals, and Marketing Practices investigators dealt with the bulk of 407 completed examinations inquiries under the *Competition Act*, 14 557 complaints under the Act's misleading advertising provisions, and referred 55 new matters related to misleading advertising and deceptive marketing practices to the Attorney General of Canada for prosecution consideration.

Budget: \$1 751 000

Expenditures: \$1 634 000

Revenue: \$0

Person-Years: 20

Assistant Deputy Registrar General:  
Georges Tsai (995-6852)

On behalf of the Prime Minister, the Assistant Deputy Registrar General (ADRG) is charged with the administration of the Conflict of Interest and Post-Employment Code for Public Office Holders as it applies to Ministers of the Crown, Parliamentary Secretaries, Ministers' exempt staff and full-time Governor-in-Council appointees, and for trusts that are required to be established by public servants.

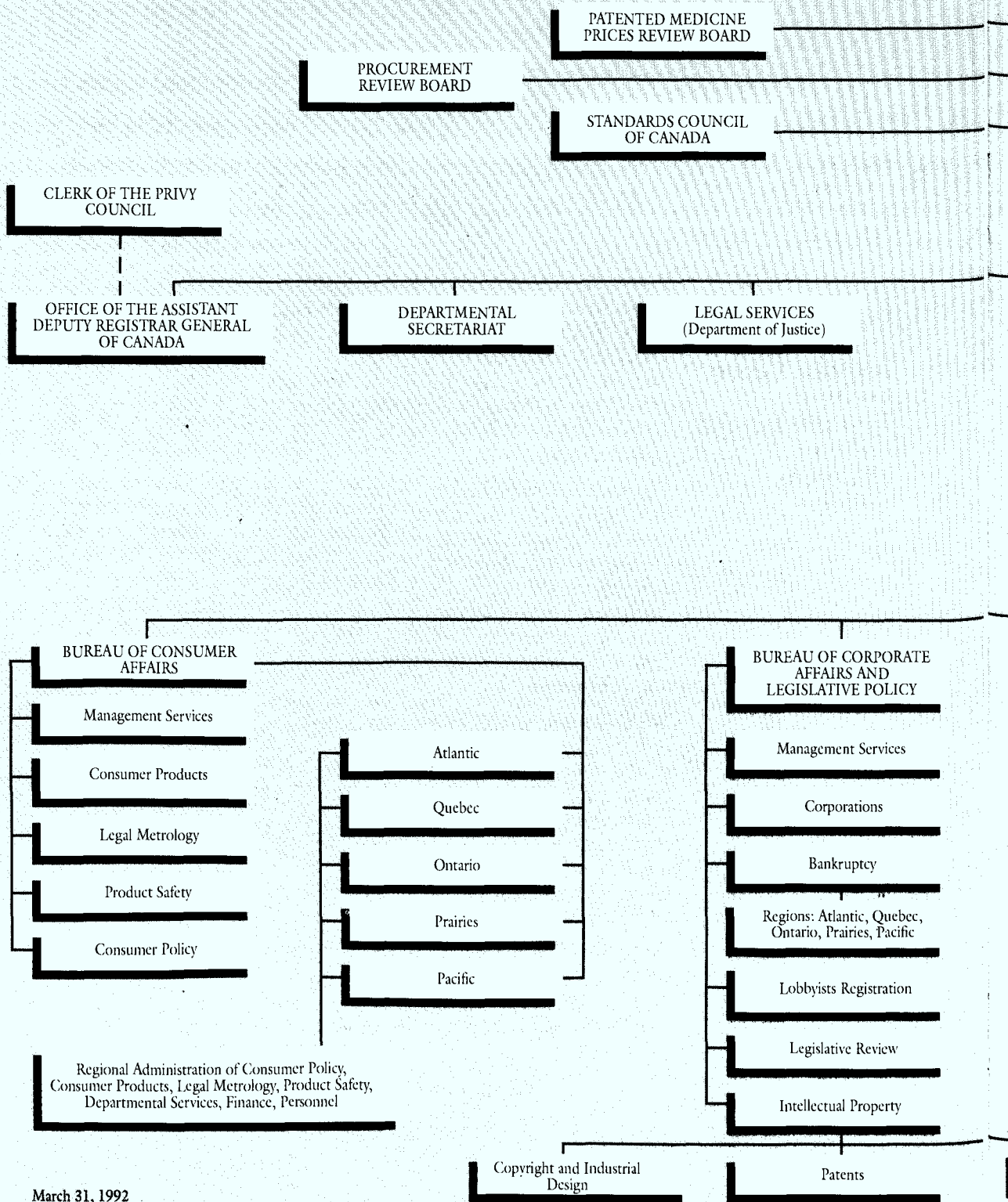
The Assistant Deputy Registrar General assists these public office holders in complying with the Code and in resolving compliance matters, and provides advice to Ministers in discharging their own responsibilities in this area. The ADRG also determines if trusts meet the requirements of the Code and recommends the reimbursement of certain costs of establishing, administering and dismantling trusts.

The Office of the ADRG maintains a registry containing information available to the public. It also provides assistance to Crown corporations, boards, commissions, and other tribunals regarding the establishment or improvement of their own internal policies in this area, as required. The Office also responds to requests for information and assistance from other federal organizations.

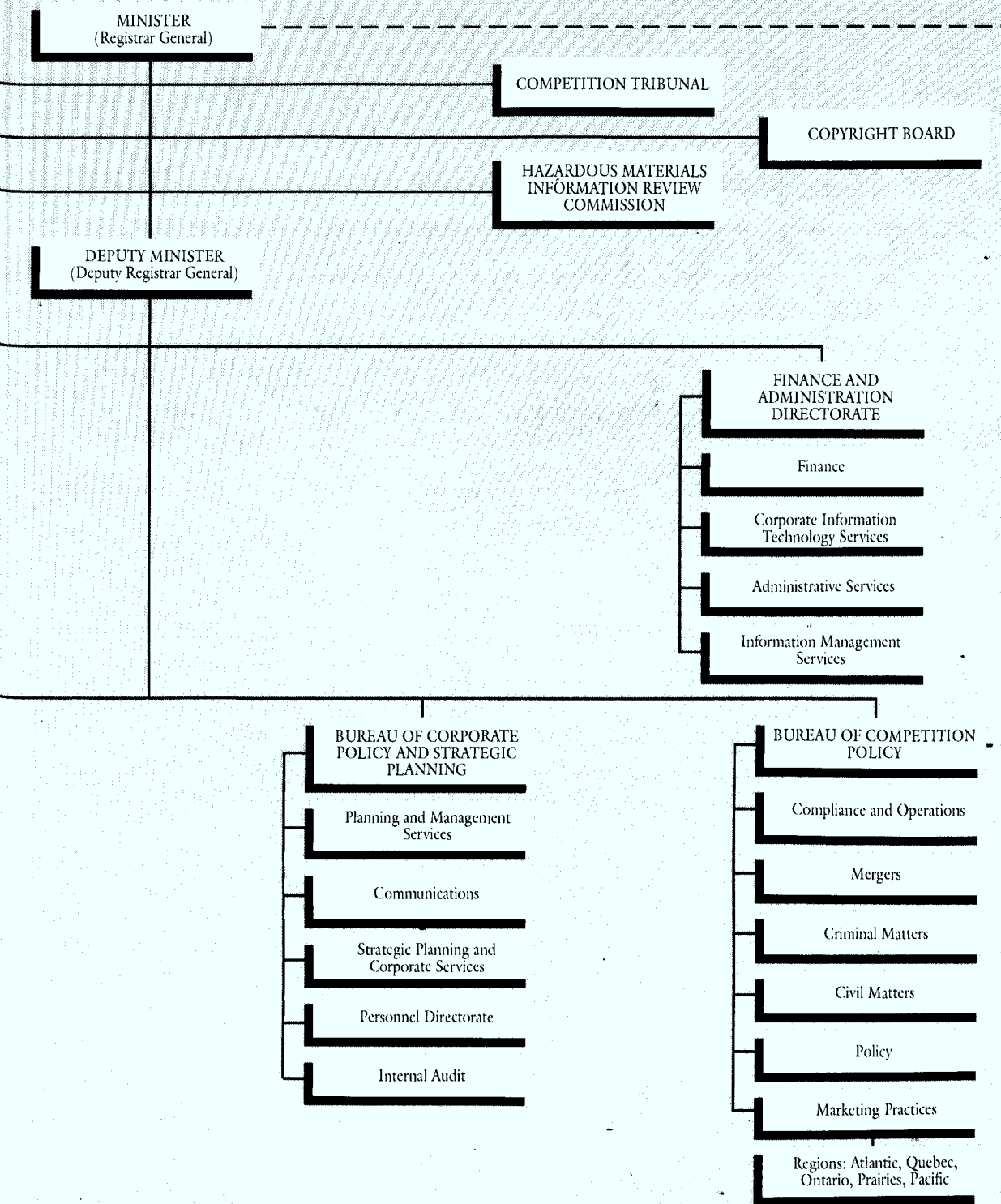
The Office of the ADRG also maintains a resource centre of print, film, videotape and other material related to Conflict of Interest and other ethical matters of concern to public office holders and to government.

Office of the  
\*\*\*\*\*  
Assistant Deputy  
\*\*\*\*\*  
Registrar General  
\*\*\*\*\*  
of Canada  
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Appendixes  
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March 31, 1992



Trade-marks





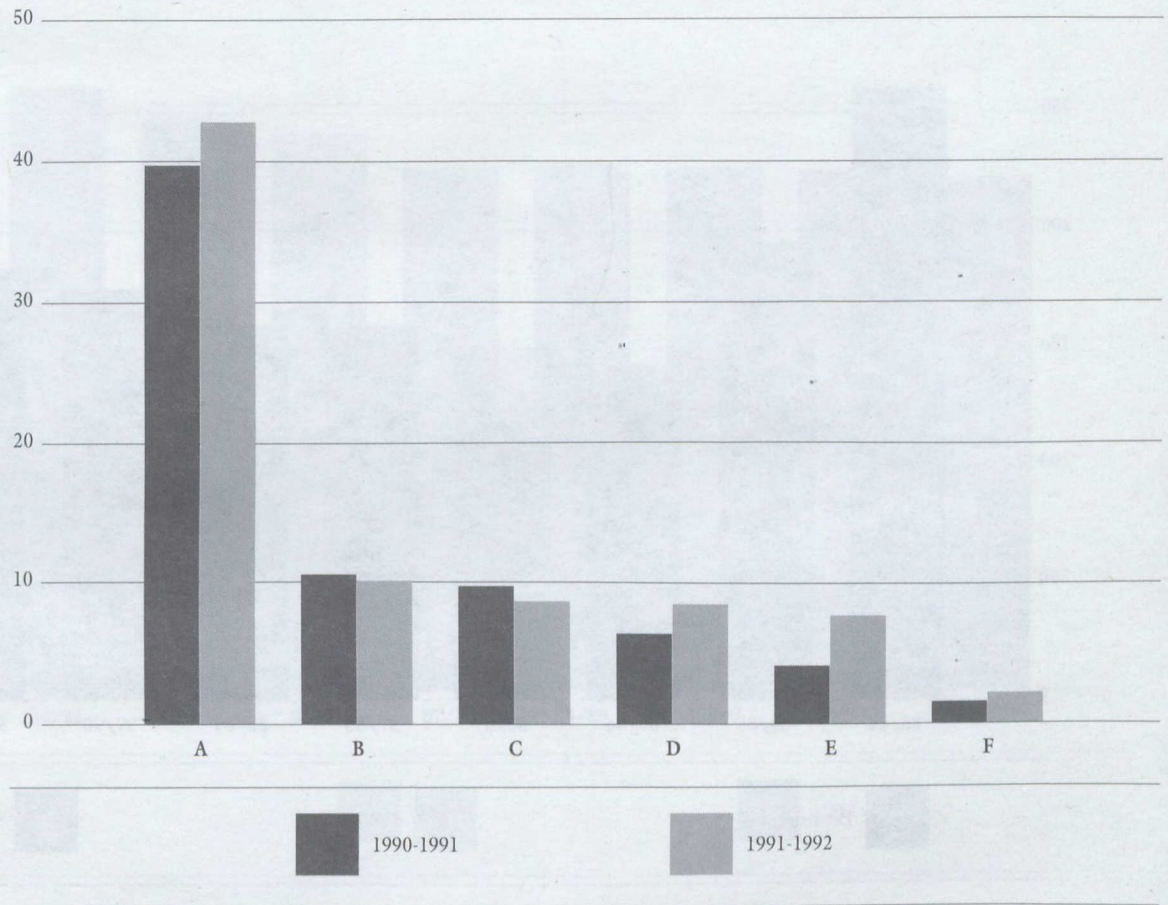
Location of Field Offices (April 1992)

	Pacific	Prairie	Ontario	Quebec	Atlantic
<div> <div>●</div> Regional and District Office </div> <div> <div>■</div> District Office </div> <div> <div>●</div> Area Office </div> <div> <div>◆</div> Resident Staff Only </div>	1 Vancouver 2 Victoria 3 Prince George 4 Penticton 5 Kelowna	1 Winnipeg 2 Regina 3 Saskatoon 4 Edmonton 5 Calgary 6 Brandon 7 Grande Prairie 8 Lethbridge 9 Swift Current	1 Toronto 2 Hamilton 3 Belleville 4 Ottawa 5 London 6 Sudbury 7 St. Catharines 8 Windsor 9 Thunder Bay 10 Kitchener 11 Peterborough 12 Brockville 13 North Bay 14 Chatham 15 Barrie 16 Mississauga 17 Sault Ste. Marie	1 Montreal 2 Québec 3 Trois Rivières 4 Sherbrooke 5 Hull 6 Rimouski 7 Chicoutimi 8 Thetford Mines 9 Rouyn-Noranda 10 Mirabel 11 St. Bruno 12 Rosemère	1 Halifax 2 Sydney 3 Fredericton 4 Saint John 5 Moncton 6 Charlottetown 7 St. John's 8 Kentville 9 Truro 10 Bathurst 11 Corner Brook



# Sources of Revenue

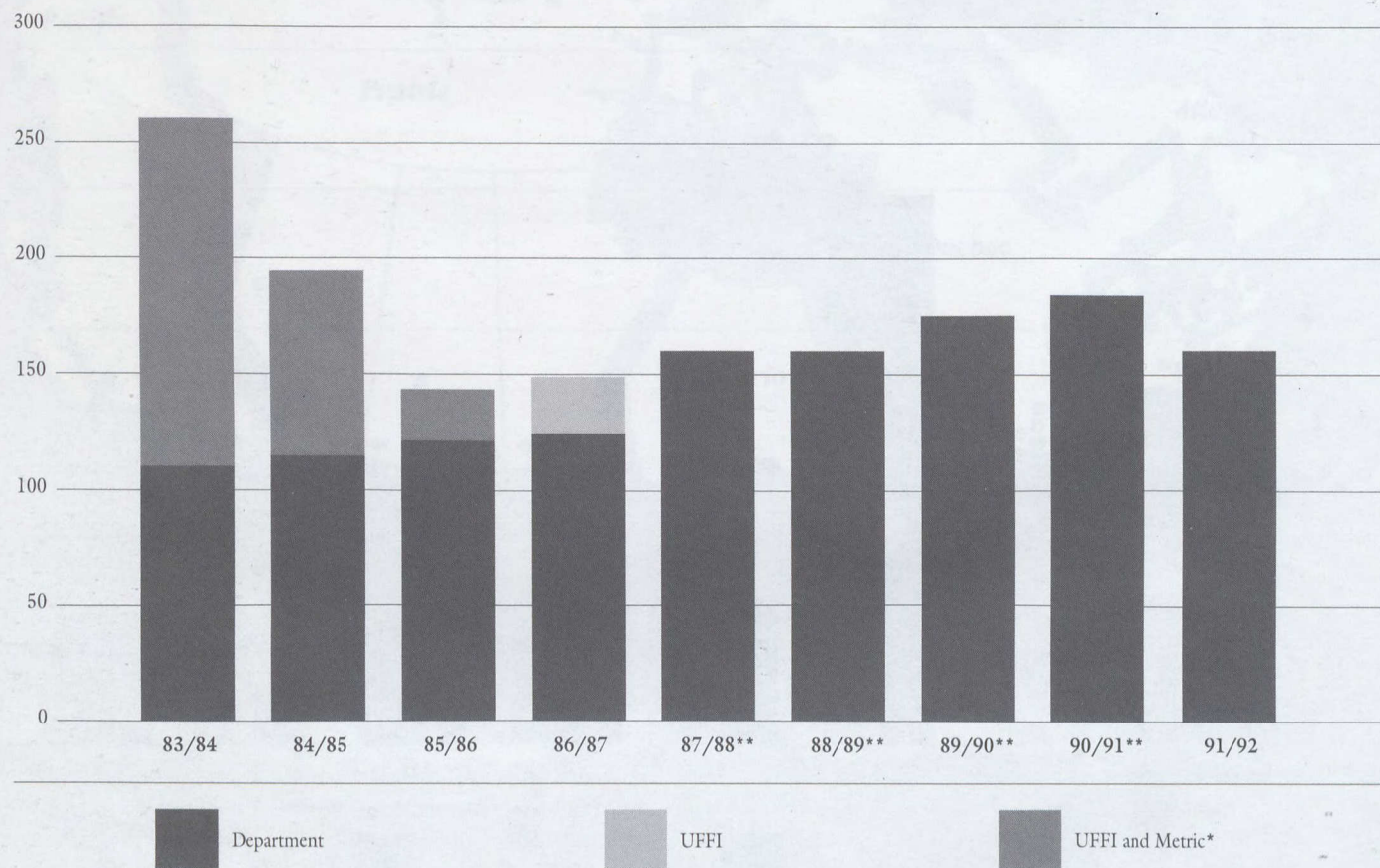
\$ Millions



- (A) Patent, Trade-mark, Copyright and Industrial Design Fees
- (B) Incorporation Fees
- (C) Electricity and Gas, Weights and Measures Inspection Fees
- (D) Levies under *Bankruptcy Act*
- (E) Fines under *Combines Investigation Act/Competition Act*
- (F) Other Income

# Expenditures

\$ Millions



\* Assistance Program for Urea Formaldehyde Foam Insulation Homeowners (UFFI) and former Metric Commission activities. (Note: the Metric Commission was disbanded on March 31, 1985, and the UFFI office on March 31, 1986.)

\*\* Includes transfer payments (\$25 million) to the provinces for the purposes of research and development relating to medicine.



Person-years



\* Assistance Program for Urea Formaldehyde Foam Insulation Homeowners (UFFI) and former Metric Commission activities. (Note: the Metric Commission was disbanded on March 31, 1985, and the UFFI office on March 31, 1986.)

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Consommer and Corporate Affairs Canada	Hon. Pierre Blais Minister

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