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STRATEGIC OVERVIEW

1985/86 - 1988/89



Consumer and
Corporate Affairs
Canada

Consommation
et Corporations
Canada



STRATEGIC OVERVIEW

1985/86 - 1988/89

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Ministre

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et Corporations Canada

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Minister

Consumer and
Corporate Affairs Canada

House of Commons
Ottawa
K1A 0A6

May 16, 1984

The Honourable Donald Johnston, P.C., M.P.
Minister of State for Economic
and Regional Development
Jackson Building
122 Bank Street
Ottawa, Ontario
K1A 1E7

My dear Colleague:

Attached please find the 1984 Strategic Overview for the Department of Consumer and Corporate Affairs. My Department has reviewed its role, mandate and priorities in the context of anticipated changes in social, economic, and political activities over the planning period, and in the context of the resulting challenges for consumers and businesses.

In determining the Department's directions in the planning period 1985/86 to 1988/89, CCAC recognizes that its activities must reflect the Government's determination to facilitate the building of a strong and growing economy, to ease the pain of economic transition for individual Canadians and to work in partnership with the private sector.

Accordingly, the Department's emphasis over the planning period will be to contribute to the promotion of an efficient and dynamic economy, to encourage the adoption and development of new technology, and to enhance the effectiveness of the consumer protection and advocacy role. To ensure that these goals can be accomplished effectively, CCAC will intensify its efforts to improve management practices, and will continue to pursue a program of legislative and regulatory reform.

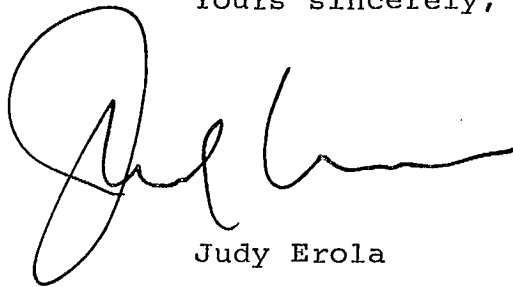
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Canada



To ensure better input to the Department's efforts in the above areas, the Department intends to enhance its consultative and liaison capability. This will also enable CCAC to better influence others in considering consumer and "efficiency of marketplace" concerns.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Judy Erola', with a large, stylized initial 'J'.

Judy Erola

Attach.

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LEGISLATIVE PLANS AND PRIORITIES

I. SUMMARY OF RESPONSES

Consumer and Corporate Affairs Canada is mandated to promote equity, efficiency, openness and competition in Canada's market system, to promote and protect the interests of consumers, and to fulfill the functions of Registrar General of Canada.

We have reviewed our mandate, role and priorities both in the context of anticipated changes in social, economic, and political activities over the planning period, and in the context of the resulting challenges for consumers and businesses.

The Department identifies the principal developments facing it in the medium term to be the changing economic structure, the changing environment for Canadian consumers, evolving international concerns, and developments in the federal government's priorities. CCAC recognizes that its activities must reflect the Government's determination to facilitate the building of a strong and growing economy, to ease the pain of economic transition for individual Canadians and to work in partnership with the private sector.

The current policy responses, including those of the Restrictive Trade Practices Commission and the Standards Council, are:

1. Legislative and regulatory reform - to continue the reform of legislation and simplification of regulations within the Minister's authority, so as to facilitate economic development by promoting competitiveness, by facilitating structural changes and by encouraging self-regulation in the marketplace;
2. Promoting an efficient and dynamic economy through reform of competition policy, promotion of the principles of competition policy and protection of Canada's interest in matters of international competition policy;
3. Encouraging the adoption and development of new technology through revision of specific provisions of the Patent Act and regulations, so as to facilitate the provision of information regarding existing technologies;

4. Enhancing the effectiveness of the consumer protection and advocacy role - to continue the current emphasis on improving communication, advice and advocacy, particularly through the development of consultation and liaison with other departments, provincial governments, the private sector, and voluntary sector organizations representing the consumer interest. To continue the encouragement of voluntary compliance, along with more effective enforcement and advocacy in areas with significant problems;
5. Enhancing the consultative and liaison process - to permit the Department to better anticipate significant developments in the business and consumer environment, to develop policies and programs with better client inputs, and to better influence other departments to consider consumer interests and competition requirements to promote marketplace efficiency; and
6. Improving management practices for enhanced effectiveness - to ensure that the desired goals and priorities of the Department can be accomplished efficiently and effectively.

II. OUTLOOK FOR CCAC 1985-1989

Canada's economic recovery will be sustained by real GNP growth for the balance of the decade, according to most economic forecasts. Such growth will be appreciably lower than the post-war average rate and not all Canadians will share in its benefits. Throughout the medium term there will be continued high levels of unemployment, especially among Canadian youth and in the primary and construction industries. It is important to recognize the high degree of uncertainty in the environment and the threats to the recovery, which are high interest rates, weak investment growth and recession in Canada's trading partners.

In the aftermath of double-digit inflation and the recession, Canada has not recovered to the same extent as other OECD economies. Economic pressures for improvements in Canada's competitiveness will continue both for improving current production processes and for introduction of new products. This will result in accelerated rates of technological change and will mean rapid expansion of such industries as microelectronics. Strong pressures will be felt by many industries to adjust to the emerging market realities.

The adjustments will be exemplified by the continued trends toward mergers and high rates of bankruptcies. The developing market structure will be dominated on the one hand by large firms through increased merger activity and the increased formation of capital-intensive, high-technology firms. On the other hand, there will be vibrant small firms in highly specialized market niches (both in manufacturing and service industries). As these adjustments develop there will be increased pressure for measures to facilitate business conduct by reduction of any uncalled for regulatory burden. Simultaneously, an increase in anti-competitive behaviour is also likely as threatened industries exert various pressures to survive, including calls for greater protection from foreign competition, especially when there is a possible failure to deregulate effectively.

For consumers, the complexities of life will continue to increase with technological advances. More sophisticated consumer units, or households, will increasingly resemble businesses, saving, investing and generally managing their affairs in a more active, business-oriented fashion, aided by emerging informatics disciplines and technologies. The consequences for less sophisticated consumers could also be very dramatic. This suggests new situations, developments

and markets. Adaptation to structural change is affecting households, families, individuals and consumers as much as businesses. In fact, the distinction between household management and small business will likely become increasingly blurred in the emerging information age.

The transition to the changed economic structure will not only be difficult for many businesses but will also be painful for a significant number of individual Canadians. Problems with labour adaptability will persist throughout the planning period. New categories of unemployed will be evident, not only among new entrants to the work force but also among Canadians in the middle of their working lives. The debate will continue over the development of effective training and education for workers in transition. While individual efforts to adapt and public initiative to facilitate structural change are underway, there will be growth in the kinds and numbers of vulnerable households (and thus, vulnerable consumers).

Recently established trends in the pattern of consumer activism are likely to persist during the planning period. Established advocacy organizations have developed into more effective, sophisticated lobbyists. Some studies suggest that they may, therefore, have distanced themselves from grass roots participation. Meanwhile, community level activism has declined and single issue advocacy groups have gained more prominence. As a result, seemingly less important consumer issues might not be represented, and hence it is conceivable that emerging consumer problems could remain below the threshold of general public awareness for longer periods of time.

Despite the federal government's commitment to easing the pain of economic transition for vulnerable Canadians, the safety net provided is unlikely to expand until competitive, enduring businesses are sustained or created to offset firms in declining industries.

In this climate of economic, political and social change, the thrust of government policy will continue towards building a viable economy through partnership with private sector initiatives. The government's intention to take a less interventionist stance will not change in the medium term. Policy development will continue to emphasize the role of government as facilitator of economic change, and especially its efforts to improve national productivity. Clearly, the emphasis will be to rely even more on the business sector as the agent of recovery and continued growth.

The federal government will maintain its own commitment to internal rationalization, and the current resource restraint in government will persist throughout the planning period.

With respect to legal matters, uncertainties such as those surrounding challenges to the Metric Program, and the power of search and seizure pursuant to the Combines Investigation Act, based on provision of the Charter of Rights and Freedoms, are likely to continue until the Charter is clearly delineated through several Supreme Court decisions.

III. ISSUES FOR CCAC

1. CHANGING ECONOMIC STRUCTURE

The changing structure of the Canadian economy is expected to dominate developments over the planning period. CCAC's mandate to promote equity, efficiency, openness and competition in the market system while promoting and protecting the interests of consumers suggests that the Department can make a contribution towards facilitation of the necessary changes in the Canadian economy.

A major challenge for CCAC is to strive, wherever possible, to propose legislative and program amendments which will contribute to improvements in Canadian productivity. A parallel challenge is to promote a more competitive structure and behaviour in the marketplace, whilst maintaining orderly conduct of trade as new markets develop (for instance, in measurement of fuels in new applications). Specifically, the issues for the Department are to facilitate technology transfer; to facilitate the establishment of evolving market structures; and to encourage and support positive competitive forces wherever possible.

One issue for CCAC is to facilitate technology transfer, particularly the assimilation of foreign technology, by continuing to streamline the process of approving patent applications, and by improving the dissemination of information about new technological applications. CCAC can also co-operate with private and public sector research and development initiatives by providing patent information.

To facilitate the evolving market structure, the issue for CCAC is to reduce or remove regulations (such as periodic reporting requirements) which might hinder the rapid growth of businesses through merger or new incorporations, though without weakening competitive forces within the economy, or protection of consumers and small investors. The reorganization of firms facing bankruptcy, if facilitated, would permit continued investment and employment where possible, as well as a less disruptive distribution of assets. Small firms would also benefit from policies encouraging joint ventures, enabling them to take advantage of larger scale economies in R and D or capital investment.

The changing nature of firms through merger, bankruptcy and new incorporations will make major operational demands on CCAC's various bureaux. For instance, technological change is making it possible for the traditional structure of Canada's financial markets (trust, brokerage, banks, insurance) to merge and for new forms of competition to develop. The resolution of matters arising from these changes will address important competition policy issues and provide an opportunity for CCAC to play an active role in the promotion of market efficiency in this industry. Changes in financial markets will also require careful attention, with particular emphasis on the rights of consumers and the preservation of competitive conditions. Relevant laws must be reviewed to ensure that they are still appropriate in this changing business environment, and still provide unambiguous rules of the road.

2. CHANGING CONSUMER ENVIRONMENT

While acknowledging the current emphasis on business initiatives, CCAC must be sensitive to changes in the consumer environment. The principal issues for the Department in this area are the growing complexity of consumer products and services, especially consumers' concerns for quality of life and value for money; the detection of emerging consumer concerns; and service to vulnerable consumers.

The increased determination of most consumers to extract value for money, and to manage their affairs in a more businesslike fashion, has created an increasing challenge for CCAC to improve consumers' capacity for self-reliance and self-protection. For instance, consumers are expected to demand from the Department continuing vigilance and information, so as to deal with increasingly complex products and services resulting from technological developments such as electronic funds transfer.

CCAC will face the challenge of growing consumer concern with hazardous products, both in homes and in the workplace. The chemical components of consumer products are increasingly important concerns, as the capability of detecting them is refined, and as new processes and materials appear at increasing rates. Protection of consumers from economic fraud and dangerous products is accomplished both by regulation and by keeping buyers and sellers informed. Consumers are also protected from restrictive business practices by enforcement of the Combines Investigation Act.

Canadian consumers would benefit from freer international trade by gaining access to a greater variety of products, and through increased competition for domestic firms. The issue for CCAC is to facilitate freer trade by promoting Canada's interests in matters of international competition and consumer policy, and by ensuring that its own policies and regulations are as simple and transparent as possible. This issue extends to product standards concerning physical specifications, labelling and other consumer information (for example, "Best before") which are also being reviewed to ensure that they are compatible with those of Canada's trading partners, and are not non-tariff barriers to trade. Such a review would also benefit businesses in export markets.

Another challenge for CCAC is to develop initiatives to refine its information gathering mechanisms in order to detect and analyze emerging consumer concerns at an early stage in their development. Consideration will have to be given to responding to consumer activism by strengthening the consumer movement through encouragement of new links between community groups and advocacy organizations, and through continued encouragement and funding of independent consumer self-help groups. Meanwhile, the Department will be called upon to consider improving consultation with both established advocacy organizations and emerging single-issue groups, seeking their views on, and providing early warning of the need for regulatory and legislative change.

Pressures on CCAC for increased service to vulnerable consumers will grow, the objective being to enable the marketplace to respond to their needs, and reduce their dependence on federal government programs.

3. CHANGING INTERNATIONAL CONCERNS

Innovations in legislation and policy-making by Canada's trading partners challenge CCAC to examine and perhaps adopt such innovations. Resolution of issues like copyright protection of computer software, costs of patented pharmaceuticals and infringement of trademark rights can involve major shifts in trade flows. Careful tracking of the effects of policy and program changes in other countries can also provide useful information for the development of policies and programs by CCAC.

The impact of changes in the Department's own regulations and programs on external trade must also be considered, both from the point of view of improving the variety and value of goods and services available to Canadian consumers, and of providing a favourable environment for Canadian businesses in export markets.

Finally, the Department will need to continue the attention paid to the appropriate coordination of policies between countries, whether in relation to relevant international conventions or treaties, to multilateral collaborative efforts, or to bilateral relationships of key importance. International developments in the field of competition and consumer laws are important, not only in their own right but as they relate to trade policies as well.

4. CHANGING GOVERNMENT ENVIRONMENT

Austerity and a less interventionist approach to managing the economy are expected to prevail throughout the planning period. Government will place more emphasis on the business sector as the agent of recovery and growth, while seeking the development of economic strength and security in all regions of Canada. While this shift of relative concern away from direct consumer interests may be managed easily in some areas, it could lead to significant strain and political pressures in others. This will call for careful identification and analysis of the relationships and interfaces between business and consumer interests in order to ensure appropriately accommodating policies, programs and regulations.

As the Government emphasizes the need for greater public participation in policy and program development, there will be greater need for the Department to focus its consultative and research effort more sharply. CCAC must also strengthen its capability for incisive analysis of current conditions, and for anticipating significant developments in the corporate and consumer environment which might warrant government action. The challenge for CCAC is to ensure that it contributes to the Government's wish to foster a more dynamic and competitive business climate.

There is an increased requirement within the government to integrate and rationalize various policies and programs. This calls for CCAC, on the one hand, to place more emphasis on consultation and coordinating its initiatives with other federal departments, provincial governments, the private sector and the voluntary sector. On the other hand, there is a greater need for CCAC to influence other departments to consider consumer and "efficiency of marketplace" interests in their related policy and program developments. This is particularly important in view of the government's increased emphasis on encouraging business initiatives. A related challenge for the Department is to advance the principles of its competition policy in policy development and regulatory activities at all levels of government, and in crown corporations.

Greater regulatory flexibility on the part of the Department in selected instances might reduce its own administrative costs, as well as the burden on those being regulated. Continued constraints on expenditure will challenge all government entities to rationalize existing resources and further improve productivity.

IV. DEPARTMENTAL POLICY RESPONSES AND INITIATIVES

The issues described above call for policy responses from CCAC by means of legislative and regulatory changes, program review and development, and some changes in departmental orientation. Six distinct responses have been identified.

1. LEGISLATIVE AND REGULATORY REFORM

Marketplace regulatory laws should provide the framework within which economic activity and development can take place without impediment. They should be in tune with modern practices and should have, if possible, a neutral effect on investment patterns. Many of the current laws are out of date. These obsolete laws may act as a drag on marketplace operations, and as a disincentive to investment. If laws are modernized, new opportunities for re-directing resources may arise, while private sector efficiency may be enhanced.

The Department will continue to pursue a program of legislative and regulatory reform in consultation with other federal departments, private sector and voluntary organizations, and the provincial governments. The aims are twofold:

- i) To reduce the burden on business (especially small businesses), by simplifying complex regulatory demands and by removing superfluous requirements. For instance, the rules governing bankruptcy and insolvency, business incorporation, patents, trademarks and copyright are subject to continuing review for potential simplification. The costs to those affected can also be reduced by providing timely and accurate information about the purpose and nature of the regulation.
- ii) To ensure that the regulatory framework provided by the Department is both effective and flexible, capable of adapting the rapid changes in the business environment, in consumers' interests and in complexity of products and services. In particular, the regulatory framework should be flexible enough to allow for a greater degree of voluntary compliance, especially in the areas of merger and conspiracy.

In pursuing the above objectives, the Department will undertake a well coordinated, orderly and analytical approach. All possible changes will be collected and rationally prioritized, seeking wherever possible specific rather than omnibus amendments. Legislative proposals will be measured explicitly against government and departmental priorities, related to their possible economic impacts, and related with the objectives and priorities of other relevant departments.

2. PROMOTION OF AN EFFICIENT AND DYNAMIC ECONOMY

The nature of the Department is such that many of its endeavours can contribute to enhancing economic activity; however, in the current planning period, particular focus will be on the reform of competition policy and enforcement of the new Combines Investigation Act, promotion of the principles of competition policy and the protection of Canada's interests in matters of international competition policy. The need for the regulatory review process to which the government is committed is increasingly taking on a sectoral focus. The Department will be required to actively participate in issue identification, analysis, policy development and regulatory hearings. Moreover a decrease in direct regulation of particular sectors and more reliance on the marketplace will create added dependence on competition law for ensuring that these sectors operate efficiently and competitively. In the international arena, the Department should be prepared to participate actively in the economic and commercial policy process, such as import policy, sectoral free trade, anti-dumping cases and FIRA. CCAC will also continue to co-operate with the United States and other countries in international applications of competition (or anti-trust) policy, and in jurisdictional conflicts.

3. ENCOURAGING THE ADOPTION AND DEVELOPMENT OF NEW TECHNOLOGY

Enhancement of technology transfer by better exploitation of the information in the Patent office continues to be a high priority for CCAC, as was indicated in the 1983 Strategic Overview. During the planning period, parliamentary approval will be actively solicited for amendments to the Patent Act. Consistent with this legislative change, a restructured patents program will be developed and implemented to facilitate the adoption of new technology,

especially the assimilation of foreign technology, by Canadian businesses. The introduction of the patents program will have three goals:

- to promote greater awareness and business-like use of patent information;
- to provide more useful access to patent information. including expert advice to clients in the use of patent information to solve current technical problems;
- to provide an additional source of technological intelligence in selective areas as a service to government agencies and to business.

4. ENHANCING THE EFFECTIVENESS OF THE CONSUMER PROTECTION AND ADVOCACY ROLE

The Department's goal in consumer protection and advocacy is that markets should respond to consumers' various needs without intervention by CCAC. The Department will seek to enhance its preventive role, to anticipate areas in which voluntary compliance can be strengthened, and to provide leadership in resolving marketplace problems through coordination of the efforts of businesses to regulate themselves. CCAC can facilitate the equitable operation of the marketplace by clarifying the purpose and nature of regulations to both consumers and traders. The Department is therefore developing strategies for business relations, intervention where warranted, consumer movements and vulnerable consumers, and is seeking more selective enforcement and directed advocacy where significant problems are perceived.

The changing consumer environment and the desire by the federal government to put more stress on business initiatives indicate that the interests of consumers should be more forcefully advocated, on appropriately selected issues, within the government. Thus the Department intends to develop and implement strategies which will enable it to better influence other federal departments to reflect consumers' needs in their policies and programs.

At the same time, and in view of the expected continuation of government restraint, CCAC will need to concentrate its resources in the most critical areas during the planning period.

5. ENHANCING THE CONSULTATIVE AND LIAISON PROCESS

The Department will continue to pursue effective communications with other federal departments, provincial governments and the private sector to enhance the effectiveness of federal policy-making and to improve service to the public. The Department intends to further improve its consultative efforts, so as to better anticipate significant developments in the corporate and consumer environments, to develop policies and programs with better client inputs, and to better influence other federal departments to consider consumer and "efficiency of marketplace" concerns. CCAC will continue to be sensitive to special issues, such as the needs of small businesses and regional issues when planning legislation and programs, and in establishing policies.

In considering policy changes or initiatives it is recognized that Canadians generally view competition in relation to specific issues, rather than in general terms. The Department's goal in this area is to promote greater public understanding of, and confidence in, the economic and social significance of an effective competition policy.

Improvement of consultation and liaison entails the sharpening of the Department's research goals within a well-defined framework and integration of the results into departmental planning systems, leading to a heightened awareness of emerging issues and trends in all areas of the Department's operations.

6. IMPROVING MANAGEMENT PRACTICES FOR ENHANCED EFFECTIVENESS

CCAC's 1983 Strategic Overview stressed the importance of productivity improvement. Continued restraint in Government makes it now an even greater challenge to further improve the Department's management practices, so as to provide for improved service in the face of growing demands.

Some new initiatives to improve productivity are already underway. The current intensified effort in developing a departmental policy and master plan to exploit informatics (office automation), is one example. The Bureau of Consumer Affairs and the OCG/TB Working Group on Productivity are currently discussing possibilities for joint efforts as part of the government's thrust for improved productivity.

During the planning period the Department will continue to pursue these efforts which are already in progress and seek new opportunities to improve effectiveness and cut costs. It will also make efforts to identify administrative burdens imposed by central agencies, and to make recommendations.

In pursuing productivity initiatives, the Department recognizes that improvement in management practices is inextricably linked to productivity improvement, and that resource reductions (especially across-the-board cuts) are not an effective tool in improving productivity. Two significant challenges facing the Department are:

- i) to maintain the level and quality of services in the face of growing demands; and
- ii) to ensure the maintenance of program effectiveness, notwithstanding the general pressures of restraint.

LEGISLATIVE PLANS AND PRIORITIES

The list of legislative proposals which follows is basically an update to proposals submitted with the Strategic Overview in March 1983. Reasons are given for each proposal and can be expanded.

Introduced

- Bankruptcy and Insolvency Act: The current legislation essentially dating back to 1949, fails to take account of the massive increase in consumer credit that has since occurred. An amending bill, the fifth to be introduced since 1975, was put before Parliament in April, 1980 but not passed. The Bill was reintroduced in January 1984.
- Combines Investigation Act: As outlined earlier, amendments dealing with such basic structural issues of competition policy as mergers and monopolistic practices are urgently required. A bill was introduced in April 1984.

In Preparation

- Copyright Act: New technological developments such as photocopying machines, computers, cable television, communications satellites, earth receiving stations and home audio and video recorders have allowed for new types of uses of copyrighted works which the current Act could not envisage when proclaimed in January, 1924. Cabinet approval has been obtained to proceed with revisions to the Act to foster a climate in which creativity can flourish for the benefit of all, and to permit Canadians to reap the full benefits of technological innovation. The revisions will also address the level of summary remedy provisions for certain types of copyright infringement which also have not changed since the Act came into force. It is expected that the Government's decisions on these issues will be published as a White Paper in the

spring of 1984, and that further Parliamentary and public discussion of the White Paper will assist in the preparation of draft legislation later in the year.

- . Patent Act: The existing legislation was revised in 1969 to allow for compulsory licensing to import pharmaceuticals. The revision contributed to lowering of drug prices and resulted in savings to provincial governments and consumers. However, multinational drug companies are opposed to this system while Canadian generic firms have experienced substantial growth as a result.

A major review of the implications of compulsory licensing in the pharmaceutical industry concluded that the provision constituted only one of several factors which were claimed to impede the growth of the industry in Canada. In addition, the potential impact on drug price raised concerns for consumers and the provinces. As a result, a comprehensive study will be conducted which will recommend a future course of action on a number of government policies including, but not limited to, compulsory licensing. The study will report in late 1984 and recommendations could be acted upon in early 1985.

Other amendments to the Patent Act are under study which would facilitate achievement of the patent information dissemination objectives.

- . Interest Act: Cabinet approval has been obtained for a number of amendments to current legislation. They are intended to revise the disclosure provisions of the Act to require more comprehensive disclosures, to permit the use of variable rate and index-linked mortgages, to repeal the existing prepayment provisions and substitute a maximum uniform prepayment formula. Comprehensive disclosure and prepayment rights apply to mortgages of \$150,000 or less. Sections 12 to 15 inclusive, dealing with interest on judgement debts in the four western provinces and territories where it is restricted to 5%, are to be repealed to permit provincial legislation in the area, as in the other 6 provinces. The Department, in conjunction with the Department of Finance, expects to complete proposed amendments to the Act in the first half of 1984.

- Tax Rebate Discounting Act: The Department has reviewed provisions of the Act, and has determined the legislative amendments necessary to modernize the statute.
- Trade Marks Act: Amendments to this legislation, last revised in 1952, were submitted in 1979. Given the length of time since they were last proposed, the Department intends to re-examine its approach. Revisions are required to take account of extensive changes in business practices and, in the process, to reduce litigation.
- Canada Business Corporations Act: Amendments are in preparation to improve the take-over bid and enforcement and investigation provisions of the current Act, and could be introduced in 1984-85. They are basically to fine-tune the current legislation.

To be Developed

- Canada Co-operative Associations Act: The department is reviewing provisions of the Act to determine if legislative amendments are necessary to modernize the statute.
- Industrial Design Act: This is the oldest of Canada's industrial property laws; it has not been revised in this century. Substantial weaknesses have emerged respecting the processing of applications for industrial design, the definition of those rights and their enforcement. The Department is editing a working paper on the law which is to be released during the planning period.
- Hazardous Products Act: In view of the experience gained in the administration of the Act since its promulgation in June, 1969, and in light of the findings of various studies, particularly relative to the ban on urea formaldehyde foam insulation, a review of the Act is being initiated. The review will also address the issue of hazardous products in international trade, both to examine the adequacy of existing provisions in protecting Canadian consumers from hazardous goods produced outside Canada, and to determine what obligations,

if any, Canada should accept in preventing the exportation of hazardous products to foreign countries (especially those which may be less able to regulate such products effectively).

A need for additional revisions to laws or regulations could develop as a result of ongoing reviews of particular policy issues within the Department, the continuing process of federal-provincial consultation, major technological changes involving new products or processes in the marketplace, and/or changes in the economic and political climate of the country. Thus some flexibility is called for in the planned legislative timetable envisaged above, as the Department can expect to confront further changes in requirements over the planning period.