

Introducing ...

Voluntary *Coders*



A Guide for
Their Development
and Use

Industry Canada
Library - Queen

OCT 22 2012

Industrie Canada
Bibliothèque - Queen



Government
of Canada

Gouvernement
du Canada

Canada



Is a voluntary code the answer?

What is a voluntary code?

They might be called codes of conduct, codes of practice, voluntary initiatives, guidelines or non-regulatory agreements. Whatever the name, they are non-legislatively required commitments voluntarily made by companies, associations and other organizations to influence or control behaviour, for the benefit of both themselves and their communities.

Why use a voluntary code?

Voluntary codes can address the needs of consumers, workers, and citizens while helping companies be more competitive. A supplement to, and in some cases a substitute for, regulations, voluntary codes can be inexpensive, effective and flexible market instruments. However, voluntary codes on their own may be insufficient when the consequences of non-compliance are serious (for example, when there is a risk of harm to health, safety or the environment).

When are voluntary codes used?

Voluntary codes are currently in use for a range of activities, including environmental protection, health and safety, labour standards, human rights, advertising and public standards of decency. Voluntary codes directed specifically at consumers may address such concerns as quality, price and choice.

Are there drawbacks?

It is important for those developing a new code to carefully consider the market, legal, and strategic implications at the design stage, so that it will work in the interests of business, consumers, government, and other parties concerned. Poorly designed and implemented codes may lead to a loss of credibility for participating organizations, and can affect market and public image. Failure to comply with the terms of a code can also result in regulatory or civil liability. Codes that are anti-competitive may contravene the *Competition Act*.

To provide guidance on these and other questions about voluntary codes, Industry Canada's Office of Consumer Affairs (OCA) and Treasury Board Secretariat's Regulatory Affairs Division have published *Voluntary Codes: A Guide for Their Development and Use*. The Guide was developed by a multi-stakeholder group under the leadership of OCA. It is available on-line at <http://strategis.ic.gc.ca/volcodes>. It is also available in hard copy from:

Distribution Services
Communications Branch
Industry Canada
205D, West Tower
235 Queen Street
Ottawa ON K1A 0H5

Tel.: (613) 947-7466
Fax: (613) 954-6436

INDUSTRY CANADA / INDUSTRIE CANADA



209674

© Her Majesty the Queen in Right of Canada
(Industry Canada) 1998

Cat. No. C2-350/1998
ISBN 0-662-63558-2
51953B

