



Industry
Canada

Industrie
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Business Plan

2002-2003

**Office of
Consumer
Affairs**

Consumer
Connection



<http://consumer.ic.gc.ca>

Canadian
**CONSUMER
INFORMATION**
Gateway
<http://ConsumerInformation.ca>

Canada 

MANDATE

Promote the interests of Canadian consumers

The mandate of the Office of Consumer Affairs (OCA) derives from that of the Minister of Industry, under the *Department of Industry Act*, "to promote the interests and protection of Canadian consumers." The promotion and protection of the consumer interest is a key aspect of achieving Industry Canada's departmental strategic objective of a fair and efficient marketplace.

The Office of Consumer Affairs works in partnership with other federal, provincial, and territorial departments and agencies, international organizations and non-government organizations responsible for consumer protection to achieve its objectives. This document highlights some of the Office's major accomplishments during the term of its last business plan, and sets its course for 2002–2003.

THE CONSUMER ENVIRONMENT

Over the past 10 years, major changes in the marketplace have brought significant benefits to consumers—as well as new challenges. New technology, growing international trade and deregulation have provided many new products and have radically changed the ways in which goods and services are marketed. Consumers have seen a substantial increase in the number of products available, greater market responsiveness to perceived consumer needs, and far more consumer choice.

Consumers who are well informed and well off are in a position to experience significant improvements in their welfare, and to make the contemporary marketplace work to their advantage.

On the other hand, many Canadian families experienced little tangible improvement in their standard of living over the past decade, while their debt levels increased. For those consumers who are less well off, who have less time to devote to understanding a more complex and information-intensive marketplace, or who may be less well informed, the results have often been less choice, more uncertainty and more risk.

The longer-term challenge for the Office of Consumer Affairs will be to promote a better understanding of these changes in the Canadian marketplace and to help define how government can respond to them more effectively.

FIVE STRATEGIC GOALS

Through its activities with the public and private sectors, the Office of Consumer Affairs uses information and innovative policy instruments to complement and support consumer protection regulation. Over the next two years, the OCA will work to fulfill its mandate through the achievement of five *Strategic Goals*:

- Assist consumers in obtaining information on how to protect their interests in the marketplace,
- Influence the formulation of government policies to reflect consumer interests,
- Promote cooperation in the development of consumer policies across Canada,

- Assist consumer organizations to represent consumer interests effectively to government and the private sector, and,
- Work with the consumer movement and the private sector to develop new approaches to consumer protection.

MAJOR ACHIEVEMENTS AND ONGOING ACTIVITIES (1999–2002)

Consumer Information

- In 2000, the Office of Consumer Affairs launched the *Canadian Consumer Information Gateway*, an Internet portal designed to radically improve public access to consumer information. The Gateway provides fast, easy access to the consumer information of 40 federal and 250 provincial and territorial departments and agencies, as well as 150 non-profit organizations. In 2002, the OCA added a new service to the Gateway, the "Complaint Courier," to help consumers complain more effectively and efficiently.
- The OCA also launched a series of new Web-based **information products** designed to help consumers protect their interests when dealing with key aspects of

the changing marketplace. These products are located at "Consumer Connection" on Strategis, Industry Canada's business and consumer information Web site. They include information and interactive tools dealing with: privacy; shopping safely on-line; money management; avoiding fraud; and calculators to help lower the costs of credit cards, banking packages and mutual funds.

- Together with its provincial and territorial partners, the OCA released the *Canadian Consumer Handbook 2002* on CD-ROM, now available through public and academic libraries across the country, as well as on the Internet.
- The OCA developed *Consumer Complaints Management: A Guide for Canadian Business* (prepared for federal, provincial and territorial ministers) and associated case studies on market-based redress.

- The OCA continued to publish its *Consumer Quarterly*, both in hard copy and on "Consumer Connection." During the past year, the Consumer Quarterly released special issues on: helping young consumers surf the Internet shrewdly and safely; the work of federal, provincial and territorial ministers of consumer affairs; and consumers and standards.
- The OCA published *annual reports* on Financial Service Charges and periodic reports on Credit Card Rates.



Government Policies and Interjurisdictional Activities in the Consumer Interest

- Through the joint federal-provincial-territorial Consumer Measures Committee, the Office of Consumer Affairs helped to develop joint work plans to advance the consumer protection agenda in key areas: ***electronic commerce, consumer redress, disclosure of the cost of credit, rules governing the actions of collection agencies, and cooperative enforcement*** of consumer protection laws across the country.
- The OCA organized a ***forum of federal government offices that deal with consumer issues***. The goals were to help participants: better inform each other of their consumer protection priorities; gain a broader understanding of consumer issues in the present marketplace; define areas of mutual assistance; and enhance

their abilities to fulfil their consumer protection and information responsibilities.

- The Electronic Funds Transfer Working Group, chaired by the OCA, conducted an evaluation of operations related to the Canadian Code of Practice for Consumer Debit Card Services. The evaluation should be made public in the fall of 2002.
- The OCA chaired the Organisation for Economic Co-operation and Development (OECD) working party that developed the ***Guidelines for Consumer Protection in the Context of Electronic Commerce***. The OCA continues to work with the OECD consumer policy committee to promote implementation of the guidelines.

Working with Consumer Organizations

- Between 1999 and 2002, 60 organizations submitted 261 project proposals to the Office of Consumer Affairs' *Contributions Program for Non-Profit Consumer and Voluntary Organizations*. On average, 11 organizations receive funding under the Program each year. Projects addressed issues relating to financial services, consumer credit, electronic commerce, energy deregulation, sustainable consumption, auto retailing and repair, biotechnology, privacy, standards, and telecommunications. Seven development projects were also awarded to help organizations achieve greater financial self-sufficiency. In 2001–2002, the funding budget was increased from \$1,000,000 to \$1,690,000 annually.
- The Office of Consumer Affairs worked with consumer groups to

improve their capacity to influence the policy-making process. The OCA assessed their project reports and conducted bilateral meetings with each group to assist in their future research activity and representation of consumer interests.

Developing New Approaches to Consumer Protection

The Office of Consumer Affairs worked on many fronts with many partners to advance the consumer interest in a variety of areas, including:

- exploration of potential consumer issues and solutions in the field of *genetic privacy*,

- continuing work on the development of a voluntary labelling standard for *genetically modified food* products,
- development of a code of practice for *consumer protection in electronic commerce*,
- continuing work regarding *objectionable content* in various communications media,
- participation in a working group on ethics and public confidence relating to *biotechnology*,
- contribution to federal government responses to outside reports, such as those of the House Agriculture Committee, the Health Committee and the Canadian Biotechnology Advisory Committee, and,
- participation in the development of an international standard on complaints handling.

AWARDS AND RECOGNITION

Canadian Consumer Information Gateway

Technology in Government -
Distinction Awards 2001

Gold - Innovative Partnerships
and Alliances for Public
Service Delivery

Gold - Leadership - Annual
Achievement

Commonwealth Association
for Public Administration and
Management-International
Innovations Awards
Programme 2002, Finalist.

OUR FOCUS, 2002–2003

Assist Consumers in Obtaining Information on How to Protect Their Interests in the Marketplace

We will:

- On "Consumer Connection," launch a new information product, *Spending Smarter*, which includes interactive tools and a plain language guide designed to help consumers get the most out of every dollar when making major purchasing decisions,
- Create a searchable database of Canadian *policy research* produced by consumer groups and other organizations and academics,
- Evaluate and improve the navigation for "Consumer Connection", so that users can find information more quickly and easily,
- Work with the joint federal-provincial-territorial Consumer

Measures Committee to develop *Reality Choices*, a series of consumer information modules for young adult consumers.

Influence the Formation of Government Policies to Reflect Consumer Interests

- The *Consumer Trends Report* is an ongoing initiative to examine the profile and role of consumers in the rapidly evolving contemporary marketplace. The Report will explore how consumers are faring in the Canadian marketplace and track trends (over time and in comparison with other countries) that affect consumers: demographics, income, wealth, debt, expenditures, attitudes, marketplace frameworks, etc.

The Report is intended to stimulate discussion among key stakeholders, including consumer groups, academics and government policy analysts. It will furnish an analytical base to support deliberations at a planned national symposium on consumer issues and also serve as a comprehensive analysis and overview of contemporary consumer issues,

In 2002–2003 the OCA will: develop the analytical basis for the *Consumer Trends Report*, including the first consultative draft of the Report; establish a new advisory committee to provide input on the Report; and begin advance planning for a national symposium on new directions in consumer analysis.

We will also:

- In partnership with the provinces and territories, launch a study of the implications of the *General Agreement on Trade in Services* negotiations on the

capacity of governments to regulate in the area of consumer protection,

- Begin an *exchange of information and analysis* among federal departments and agencies with consumer protection responsibilities to help build a common understanding of consumer issues and explore means to more effectively share resources and experience.

Promote Cooperation in the Development of Consumer Policies Across Canada

To build toward a potential federal-provincial-territorial meeting of ministers responsible for consumer affairs in 2003, the Office of Consumer Affairs will

work with the Consumer Measures Committee on the following policy issues:

- A proposal for a harmonized approach to determine which jurisdiction's consumer laws apply in disputes between *consumers and businesses located in different jurisdictions*
- Development of a harmonized approach determining in which cases *credit card chargebacks* would be required,
- Development of an approach for consumer protection in the *alternative consumer credit* market (i.e. payday lenders).

Assist Consumer Organizations to Represent Consumer Interests Effectively to Government and the Private Sector

The Office of Consumer Affairs will:

- Review provisions governing eligibility for the Contributions Program for Non-Profit Consumer and Voluntary Organizations to provide greater clarity about which organizations are and are not eligible to receive funding,
- Promote greater co-operation amongst *major national consumer organizations* in areas such as information exchange, the development of common positions on public issues, and the pooling of resources to communicate with the public,

- Lead a partnership of consumer groups, academics and government personnel in work to design an effective consumer research network that will improve the ability of consumer organizations, academics and government policy analysts to exchange information and ideas.

Work with Governments, the Consumer Movements and the Private Sector to Develop New Approaches to Consumer Protection

The Office of Consumer Affairs will:

- Upon final agreement with stakeholders, publish the ***Electronic Commerce Code of Practice***, and launch a related promotional Web site and public awareness efforts,
- Work with consumer organizations to bring the business practices of an initial group of on-line merchants up to the standards of the Electronic Commerce Code of Practice,

- Participate in the development of an international standard for complaints handling, and,
- With national stakeholders, explore the feasibility of national and international standards for ***market-based codes of conduct***.

Note: all publications mentioned in this Business Plan are available either on-line or through the Office of Consumer Affairs. For further information please contact:

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