

2011-2012 Annual Report of Activities



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Principles Guiding the Council

The Consumers Council of Canada works collaboratively with consumers, business and government, seeking an efficient, equitable, effective and safe marketplace for consumers by informing and advocating concerning the following consumer rights and responsibilities.

Basic Needs – *The right to basic goods and services which guarantee survival. The responsibility to use these goods and services appropriately. To take action to ensure that basic needs are available.*

Safety – *The right to be protected against goods or services that are hazardous to health and life. The responsibility to read instructions and take precautions. To take action to choose safety equipment, use products as instructed and teach safety to children.*

Information – *The right to be given the facts needed to make an informed choice, to be protected against misleading advertising or labelling. The responsibility to search out and use available information. To take action to read and follow labels and research before purchase.*

Choice – *The right to choose products and services at competitive prices with an assurance of satisfactory quality. The responsibility to make informed and responsible choices. To take action to resist high-pressure sales and to comparison shop.*

Representation – *The right to express consumer interests in the making of decisions. The responsibility to make opinions known, to take action to join an association such as the Consumers Council, to make your voice heard and to encourage others to participate.*

Redress – *The right to be compensated for misrepresentation, shoddy goods or*

unsatisfactory services. The responsibility to fight for the quality that should be provided, to take action by complaining effectively, and to refuse to accept shoddy workmanship.

Consumer Education – *The right to acquire the knowledge and skills necessary to be an informed consumer. The responsibility to take advantage of consumer opportunities, to take action by attending seminars and workshops, and to work to ensure consumer education takes place in schools.*

Healthy Environment – *The right to live and work in an environment that is neither threatening nor dangerous and which permits a life of dignity and well-being. The responsibility to minimize environmental damage through careful choice and use of consumer goods and services, to take action to reduce waste, to reuse products whenever possible, and to recycle whenever possible.*

Privacy – *The right to privacy particularly as it applies to personal information. The responsibility to know how information will be used and to divulge personal information only when appropriate.*

The Council is committed to:

- Being a voice for consumers
- Listening to consumers
- Consumer Empowerment
- Integrity
- Stakeholder involvement
- Excellence in stakeholder and member services
- Financial sustainability

President's Report



Don Mercer

The Consumers Council of Canada strengthened its financial position and made strategic decisions necessary for the future.

The Council is focusing on consumer research and representation and services delivered to members and stakeholders.

For some time the Council's Board has been discussing its relationship to a foundation and need for a foundation. A difficult choice was made to set aside the Council's relationship with its same-named Foundation. This permits the Council to start a clean slate at the appropriate time about how best to seek tax-deductible contributions. The board of directors unanimously determined to relieve the Council of the brand confusion.

However, hard work has brought the Council's retained earnings modestly into the black. It retired its indebtedness at the end of 2010-11 and moved into a positive cashflow position recently.

Corporate membership has remained relatively steady notwithstanding an uncertain economy. However, new revenue-generating services and membership remain important to the Council's future. The Council's success in establishing a Consumer Group Panel on Food Information, Labelling and Advertising to be

conducted in 2012-13 is an important step in the right direction. Another positive development was the Council's successful, first-ever networking dinner, honouring in memoriam Whipple Steinkrauss, organized in fiscal 2011-12 but held in May 2012. Ontario Minister of Consumer Services Margaret Best and the Ombudsman for Banking Services and Investments, Douglas Melville, spoke at the well-attended event at the University Club of Toronto. Proceeds from the event appear on track to match or exceed the amount raised by the Council through individual membership fees.

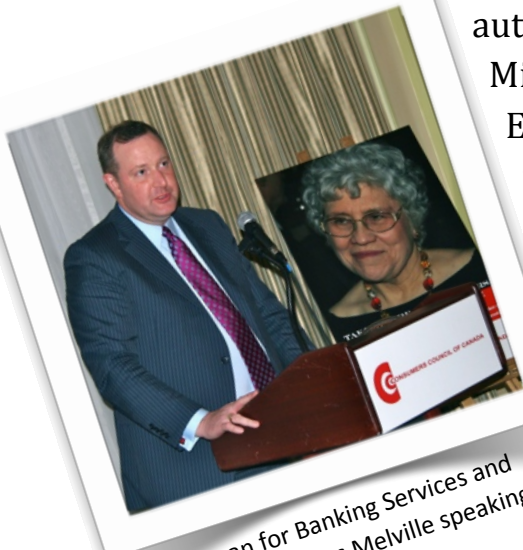


Council President Don Mercer speaking at Council networking dinner.

We continue to engaged in health and food safety issues, whether through consultation with Health Canada or the Canadian Food Inspection Agency. We are involved with Advertising Standards Canada and the Canadian Standards Association. Board Secretary Agni Shah took his seat on the newly constituted consumer panel of Standards Council of Canada.

A priority was the Canadian financial system – the Canadian Task Force for the Payments System Review and the future of the Ombudsman for Banking Services and Investments required much Council attention. I joined the External Stakeholder Advisory Committee of the Financial Consumer Agency of Canada representing consumers.

We continue to be active in Ontario with the Ministry of Consumer Services and the province's delegated administrative



Ombudsman for Banking Services and Investments Douglas Melville speaking at Council networking dinner.

authorities as well as with other Ministries, notably Environment and Energy. The Council was asked to participate on the Ontario Electronics Stewardship Industry Stakeholder Advisory Committee. Alison Knight, a current member and former board member of the Council, was named to the board of directors of Waste Diversion Ontario. The Council has emerged as the major representative of consumers for the chair of the Ontario Energy Board's review of

the process of electricity and national price regulation in Ontario. Interventions by the Council before the OEB saved consumers money in a number of electricity rate decisions over the past year, notably in Ottawa and Toronto.

We are active within the Canadian Consumer Initiative (CCI). The Council's Consumer Group Guide was a useful tool this year in informing Parliamentarians and members of the federal bureaucracy about CCI member groups. The Council introduced parliamentarians to the perils ordinary consumers face in protecting their reputations online, a subject to which many MPs could relate. CCI member groups held a news conference on Parliament Hill, and issues raised became subjects of questions and responses the next day in Question Period.

As we move forward to a solid footing strong mention must be made about the efforts of Ken Whitehurst, our Executive Director, without whom many of our achievements would have been impossible.

Active board members and individual members have worked with passion, enthusiasm, high competence and diligence to ensure we continue to be the 'go-to' consumer organization in Canada. Please accept my heartfelt thanks and gratitude to all members and stakeholders for your advice, support and essential contributions to our organizational effectiveness and presence.



Carl Compton, Executive Director, Ontario Motor Vehicle Industry Council (right), and guests. OMVIC sponsored the Council's networking dinner.



Ontario Minister of Consumer Services Margaret Best accompanied by Council President Don Mercer.

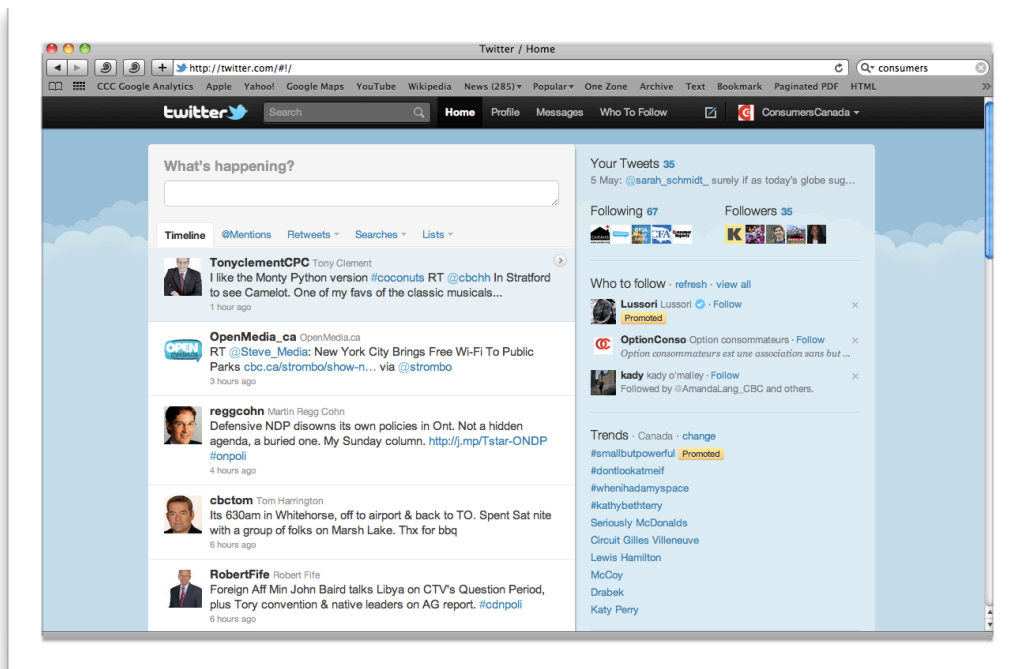


Christina Bisanz, event committee chair, (upper left) greets guests.

Communications Initiatives

The Consumers Council of Canada entered the Twitterverse in the Spring of 2011. Since then the Council's followers tripled to more than 100, included among them:

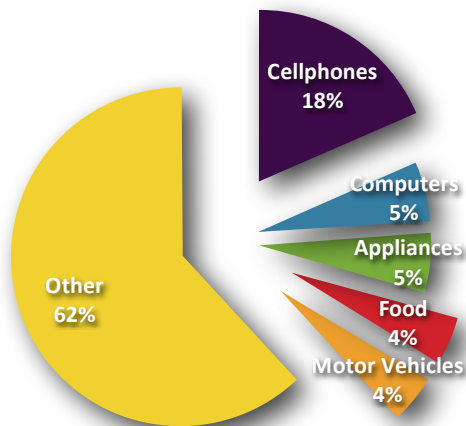
- Jonathan Chevreau, Editor, MoneySense
- Centre for Public Legal Education
- Interac
- Retail Council of Canada
- Glenn Thibeault, MP
- Dana Flavelle, Toronto Star
- Canadian Payments Association
- The Ontario Convenience Stores Association
- Ontario Ministry of Consumer Services
- Tony Clement, President of the Treasury Board and former Minister of Industry
- Ellen Roseman, Toronto Star consumer columnist



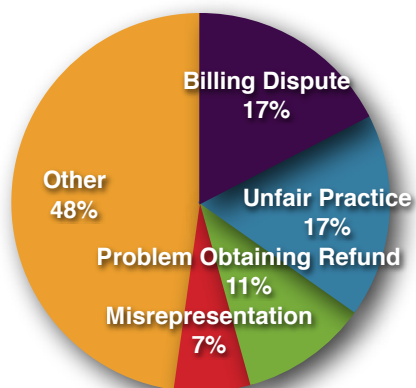
The Council's website continues to be a top-10 search result for Google users in Canada using the search term "consumers."

The Council collects information from concerned consumers through an online web form.

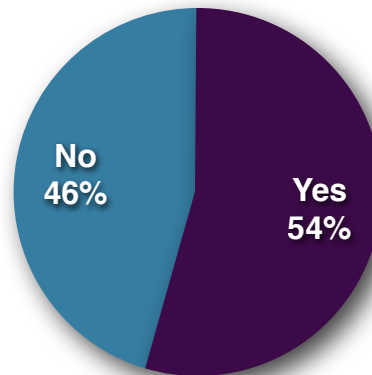
Here are some results collected over two years based on aggregating consumer input during the period.



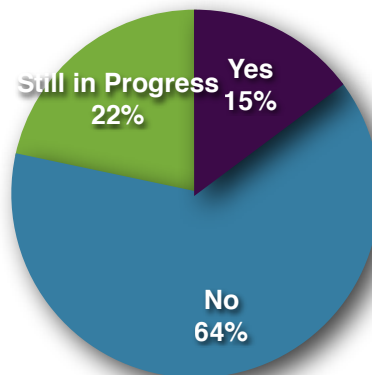
Complaints by sector



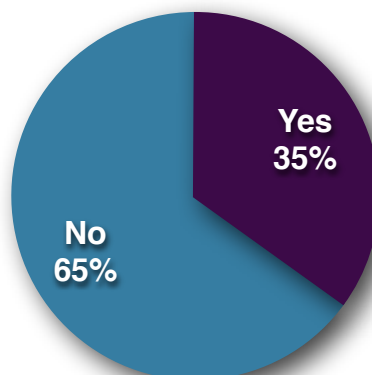
Nature of the complaints



Complainant contacted the product or service provider before registering a complaint with the Council



The complainant's problem was resolved before reporting to the Council



Complainant sought the assistance of a third party before reporting to the Council
Based on 92 online reports since April 1, 2010

Ongoing Consumer Representation

Organization	Role	Sector
Advertising Standards Canada	Board of Directors	Advertising
Advertising Standards Canada	Children's Clearance Committee	Advertising
Procter & Gamble	Environmental Advisory Panel	Consumer Products
Independent Electricity System Operator	IESO Stakeholder Advisory Committee	Energy
Hydro One Networks	Customer Advisory Board	Energy
Union Gas	<ul style="list-style-type: none"> Evaluation & Audit Committee Demand Side Management 	Energy
Enbridge Gas Distribution	Demand Side Management	Energy
Ontario Power Authority	<ul style="list-style-type: none"> Advisory Committee on Conservation Submission Re: Integrated Power System Plan II Stakeholder Day "Regulatory Dialogue" Conference 	Energy
Ontario Energy Board	Chair's Advisory Roundtable Intervenor – rate hearings	Energy
Canadian Payments Association	Stakeholder Advisory Committee	Financial Services
Financial Consumer Agency of Canada	External Stakeholder Advisory Committee	Financial Services
Financial Services Commission of Ontario	Consumer Advisory Committee	Financial Services
Government of Canada, Department of Finance	Task Force for the Payments System Review (reported)	Financial Services
Canadian Food Inspection Agency	CFIA Consumer Association Roundtable	Food
Competition Bureau	Fraud Prevention Forum	Fraud Avoidance
Health Canada	Advisory Group on the Patient and Consumer Consultation Pool	Health
Pharmaceutical Advertising Advisory Board	Board of Directors	Health
Canadian Commission on Building and Fire Codes	Commission member	Housing
Ontario Ministry of Municipal Affairs and Housing	Building Code Technical Advisory Committee	Housing
Standards Council of Canada	Consumer Panel	Standards
Technical Standards and Safety Authority	Consumer Advisory Council	Standards Enforcement
Commissioner for Complaints in Telecommunications Services	Consumer Representatives Working Group (Unofficial)	Telecom
Travel Industry Council of Ontario	Board of Directors	Travel
Canadian Standards Association	Consumer Representation	Many

Young Consumers

Network of Young Consumers of Ontario

Members of the Network of Young Consumers of Ontario (NYCO), the Council's volunteers aged 18-35, continued to actively represent the Council.

Young consumers are an important force in the marketplace, and government, non-governmental organizations and businesses alike recognize the importance of this age demographic.

Developing young professionals capable of quality consumer representation in the future is also important to the succession planning of the Council.

This year, along with serving on the Council's board of directors and consumer issues committees, NYCO members represented the Council in a number of ways. This included:

- NYCO member and Council board member Venkat Subramanian Somasundaram joined Executive Director Ken Whitehurst in making a presentation to Humber College public relations students



about the challenges of protecting one's online reputation. As a class assignment, Humber students developed communications plans based on the Council's recent research about online reputation.

- Matthew Ying, a NYCO member who completed the Council's consumer representative training course, applied and was accepted as a voting member of the Council this year by the board of directors.

Canadian Consumer Initiative

The Canadian Consumer Initiative, facilitated by the Rideau Institute, continues to increase awareness on Parliament Hill and within the federal bureaucracy of the country's major consumer groups, including the Council, Option consommateurs, Union des consommateurs and Public Interest Advocacy Centre. Office of Consumer Affairs, Industry Canada funded CCI in 2011-12 and has agreed to do so again in 2012-13.

The Council contributed to CCI by leading the development of a briefing note: *Understanding Online Reputation Management & Repair*. In 2012-13 it will seek to develop a new briefing note on the home renovations marketplace.

To plan this work, CCI engages in regular collaboration: conference calls, meetings, e-mail analysis, etc.

CCI's consensus decision making resulted in new briefing notes based on common positions. These included topics:

- *Consumers and Copyright*

- *Credit Cards and Consumer Protection: A small step in the right direction*
- *Adequate representation of consumers in the standardization process*

Additionally, previous policy positions were updated. Also, CCI members worked collaboratively to contribute and then respond to the report of the federal Task Force for the Payments Systems Review.

The annual 'Parliament Hill Intervention,' which was postponed from the spring because of the federal election, was held in October.



Canadian Consumer Initiative Parliament Hill news conference.

Accepted Consultations

Consultation	Organization	Committee Responsibility
Safety Risk Assessment Tool	Ontario Electrical Safety Authority	Consumer Products
Briefing related to risk-management of mercury containing products	Environment Canada	Consumer Products
Draft Guidance for Mandatory Incident Reporting under the Canada Consumer Product Safety Act	Health Canada	Consumer Products
Consumer Advisory Board Membership	Ontario Motor Vehicles Industry Council	Consumer Protection
FBCSA Consumer Information Guide	Board of Funeral Services, Ontario	Consumer Protection
Bill C-14, Changes to the Weights and Measures Act and Electricity and Gas Inspection Act	Industry Canada	Consumer Protection
Consumer Warranties	Standards Council of Canada	Consumer Protection
Amendments to Manitoba Consumer Protection Act	Manitoba Consumer and Corporate Affairs	Consumer Protection
Travel Industry Training	Consumer Protection BC, Travel Industry Advisory Group	Consumer Protection
Regulations under the Canada Consumer Product Safety Act regarding Administrative Monetary Penalties	Industry Canada	Consumer Protection
Public review of 2012 BC Building Code	Building and Safety Standards Branch, Office of Housing and Construction Standards, Government of British Columbia	Energy & Housing
Conference	Canadian Association of Members of Public Utility Tribunals	Energy & Housing
Proposed amendments to the Energy Efficiency Act	British Columbia Government	Energy & Housing
Energy Efficiency and Conservation Stakeholder Group	Fortis BC	Energy & Housing

Accepted Consultations

Consultation	Organization	Committee Responsibility
<p>Proceedings:</p> <ul style="list-style-type: none"> Hydro One Networks Inc. 2011-2012 Transmission Rates Proceeding Ontario Power Generation - Payment Amounts 2011-2012 <p>Electric Utility Applications:</p> <ul style="list-style-type: none"> Toronto Hydro-Electric System Inc. , Newmarket-Tay Power Distribution Limited and Horizon Utilities Inc. (Hamilton and St. Catharines) Hydro Ottawa Limited Gas Utility Applications: Union Gas Limited 2012 Rates Enbridge Gas Distribution 2012 Rates Union Gas Limited Demand Side Management Plan -2012-2013 Enbridge Gas Distribution Demand Side Management - 2012 Plan Biomethane Applications Union Gas Limited 2013 Rates (following 5 years of performance based regulation) Enbridge Gas Distribution 2013 Rates (following 5 years of performance based regulation) <p>Consultations:</p> <ul style="list-style-type: none"> Development of the Low-Income Emergency Assistance Program Development of the Demand Side Management Guidelines for Natural Gas Utilities Review of the Current Price Setting Methodology and Structure of Time of Use Prices Review of the Filing Guidelines for Ontario Power Generation Feed-in Tariffs <p>Submission:</p> <p>The OEB is currently undertaking a review of how it regulates the Ontario electricity distributors. The Council was represented at several meetings held by the OEB and a formal submission on the proposed "Renewed Regulatory Framework For Electricity" was made in April 20, 2011.</p>	Ontario Energy Board	Energy & Housing
Inspection Modernization	Canadian Food Inspection Agency	Health and Food & Product Safety
Risk assessment tool development	Ontario Electrical Safety Authority	Health and Food & Product Safety
Guide 51 meeting	ISO	Health and Food & Product Safety
Consultation on Updated Strategic and Business Plans	Financial Consumer Agency of Canada	Financial Services
Statement of Priorities	Financial Services Commission of Ontario	Financial Services
Task Force on Payments System Review	Department of Finance	Financial Services

Accepted Consultations

Consultation	Organization	Committee Responsibility
Amendments to the General Regulation made under the Payday Loans Act, 2008	Ontario Ministry of Consumer Services	Financial Services
Wireless Services Agreements Act, 2012	Ontario Ministry of Consumer Services	Internet, Media & Telecommunications
Legislation to improve consumer protection in mobile telecommunications contracts	Manitoba Consumer and Corporate Affairs	Internet, Media & Telecommunications

Consultation Requests Declined

Consultation	Organization	Committee Responsibility
Consultation regarding air services price advertising regulations	Canadian Transportation Agency	Consumer Protection
New standard on Consumer Warranties	Standards Council of Canada	Consumer Protection
Conference on Curbers	Motor Vehicle Sales Authority of B.C. (VSA)	Consumer Protection
Minor amendments to the Canadian Code of Advertising Standards	Advertising Standards Canada	Consumer Protection
Draft Guidance on Preparing and Maintaining Documents under the Canada Consumer Product Safety Act	Health Canada	Consumer Protection
Proposed changes to the 2010 National Model Construction Codes	Canadian Commission on Building and Fire Codes (CCBFC)	Energy & Housing
Proposals to exempt certain types of electrical work from the current requirements to obtain an application for inspection	Ontario Electrical Safety Authority	Energy & Housing
Proposed technical and administrative changes to the 2012 Ontario Electrical Safety Code	Ontario Electrical Safety Authority	Energy & Housing
Air, Moisture and Vapour Control Standards	Canadian General Standards Board	Energy & Housing
Development of energy services standards	Standards Council of Canada	Energy & Housing
Payment Network Branded Prepaid Cards	Department of Finance Canada	Financial Services
Code of Ethics Revalidation	Financial Planning Standards Council	Financial Services
Modifications to the Meat Hygiene Manual of Procedures	Canadian Food Inspection Agency	Food Safety
Scientific Advisory Committee on Nonprescription Drugs	Health Canada	Health
Anti-spam Legislation (CASL) Regulations	Canadian Radio-Television and Telecommunications Commission	Internet, Telecommunications & Media
Anti-spam Legislation (CASL) Regulations	Industry Canada	Internet, Telecommunications & Media

Consultations may be accepted or not based on a range of factors, including availability of volunteer or material resources necessary to engage the subject matter, Council priorities, issue positions and policies, and Council satisfaction with the quality, resourcing and methodology of a given consultation.

Federally Funded Projects

Consumers Council of Canada received funding in 2011-12 and will again in 2012-13 from Industry Canada's Contributions Program for Non-profit Consumer and Voluntary Organizations to conduct consumer research and engage in organizational development. Views that may be expressed in relation to the funded research are not necessarily those of Industry Canada or of the Government of Canada.

2011-12 Research Topic

Smartphones: Are They Helping Consumers Be Smarter Consumers?

The Council examined the provision of product and purchase information by large retailers through smartphone applications. Smart-phones can benefit consumer, but create consumer protection concerns, given the complex information involved, the advanced technologies, privacy issues and the competitive environment in which information is provided.

2012-13 Research Topic

Consumer Impact of Emerging Cyber Threats on Mobile Devices

To the Google and Facebook social phenomena of the past five years

has been added the smartphone/tablet phenomenon, exceeding expectations for adoption by consumers. Unfortunately, this phenomenon has attracted the interest of criminals in the sensitive and valuable data on and transmitted by such devices. Combine this consumer complacency about data protection and the globalization of such criminal activity and the consumer impacts can be troubling.

2012-13 Organizational Development Project

Expanding Our Membership, Volunteers, Communications and Research through Social Media

A pilot project to develop and implement a strategic approach to the use of social media to engage the Council's membership, volunteers, stakeholders and consumers on a deeper, more concerted basis. The implementation of this project will lead to more timely, relevant communications.

2011-12 Supporters of the Council

Advertising Standards Council	Memorial Gardens Canada
Canadian Life & Health Insurance Assoc.	NAIMA Canada
Canadian Payday Loan Association	Ontario Lottery & Gaming Corporation
Canadian Petroleum Products Institute	Ontario Motor Vehicle Industry Council
Canadian Standards Association	Procter & Gamble
Capital One	Real Estate Council of Ontario
Consumer Health Products Canada	Retail Council of Canada
Credit Union Central of Canada	Scotiabank
Enbridge Gas Distribution	Tarion Warranty Corporation
First Canadian Title	Underwriters Laboratories of Canada
Greensavers	Visa Canada
GS1 Canada	
Interac	
Investment Funds Institute of Canada	

Board of Directors and Officers

Executive Directors and Officers

Don Mercer, President	Aubrey LeBlanc, Vice President
Howard Deane, Treasurer	Agni Shah, Secretary

Other Directors

Gail Campbell	Heather Nicolson-Morrison
Dolly Gerrior	Elizabeth Nielsen
Joan Huzar	Venkat Subramanian
Anne McConnell	Somasundaram

Ken Whitehurst, Executive Director



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