

ANNUAL REPORT OF ACTIVITIES 2018-2019

+ INNOVATION
+ DISRUPTION
= ±CONSUMER
BENEFIT

NOTICES AND CONTACT INFORMATION

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PRINCIPLES

The Consumers Council of Canada works towards an improved marketplace for consumers in Canada, 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 that 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



Ladysmith's Mercer standing on guard for thee

Business regulatory watchdog named to national competitiveness board

May. 11, 2019 1:30 a.m. / [BUSINESS](#) / [LOCAL BUSINESS](#)



Council President Don Mercer, photographed above by his local newspaper with his wife Susan, was appointed to Treasury Board of Canada Secretariat's External Advisory Committee on Regulatory Competitiveness.

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PRESIDENT'S REPORT

Greetings! The year 2018-19 has been both exciting and challenging for the Consumers Council of Canada. The year has seen changes in government and an increasing rise in nationalism and populism which has changed the milieu in which the Council operates. Under these conditions, it has continued to evolve its approaches to assure organizational change and financial sustainability and thereby its continuance as the primary national consumer voice in consumer policy advocacy and consumer representation and advice in Canada. As always, the Council seeks to work with all forms of legitimately elected government, regardless of political party in power, at the federal, provincial and territorial levels.

Relying upon its cadre of passionate, highly competent volunteers – many with professional backgrounds relevant to the consumer issues they research and represent around – the Council continues to make a difference that is sometimes more apparent to governments, regulatory agencies and issue stakeholders than the general public.

The scope of the Council's engagement through its volunteers and Executive Director is quite breathtaking: a robust program of research and representation covering:

- finance, investments and payments
- health and food safety
- national building code development and adoption
- energy pricing and conservation
- environmental protection
- climate change impacts and amelioration of climate change
- retail pricing of goods and services
- regulation of telecom pricing and business practices
- competition law, misleading and deceptive marketing practices
- standards-setting in a wide number of areas
- governance/ advisory councils of certain recognized standards organizations
- federal and provincial regulatory reviews that impacting the effectiveness of all regulations

Yet, the Council must turn down many requests to participate because of lack of resources and the reluctance of those calling on its advice and representation to fund these efforts, so the council can ensure its long-term organizational viability and capacity to support its volunteers in their efforts.

Much work has been done to implement a living strategic plan to ensure sustainable finances,

volunteer core, volunteer development and training, public awareness of our activities and public education about exercising consumer rights and responsibilities. The Council's website serves as a focal point for receiving and referring complaints to appropriate organizations, especially for the many Canadians who do not have initial trust of governments and/or find it challenging to determine how to seek redress from a complex mix of federal and provincial departments and agencies with overlapping jurisdictions and responsibilities.

The Council also seeks to serve Canadians through news and information media, whether in print, on radio or television, or over the Internet, both for purposes of public education/information and to create awareness of the organization's important role in consumer representation, advocacy and research.

The assistance this past year of three summer students, funded through the Canada Summer Jobs program, helped advance our work, and this support was appreciated. The Council also appreciates that this funding support is being repeated for 2019-20.

What makes the year really rewarding, along with the challenges our members are working to meet and rise above, is the concrete work we have accomplished, and this report highlights that, identifying the volunteerism involved.

Needless – but necessary – to express is the gratitude the Council and its members feel for our Executive Director, Ken Whitehurst, who provides above-the-call-of-duty services and support without which our volunteers could not function effectively and who helps ensure organizational continuity. And, we have much appreciated the role and

activities of Jay Jackson in Ottawa, ensuring a higher profile, presence and direct in-person networking in the nation's capital.

Look for exciting news from the Council going forward, but now read about what has been achieved in 2018-19. And join us to get involved!

Don Mercer, President



Jonathan Foreman of Harrison-Pensa intervening at the Supreme Court of Canada on behalf of the Council.

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STRATEGIC INITIATIVES UPDATE

The Consumers Council of Canada’s board of directors has pressed forward with the Council’s strategic objectives, particularly in the areas of public outreach and stakeholder engagement.

What follows is a recap of several recent initiatives related to Council strategic priorities that involve academic partnerships, consumer representation before the courts and online engagement.

ACADEMIC PARTNERSHIPS

The Council expanded its reach and worked to accomplish its mission through its partnership with academic initiatives, leveraging relationships to reinforce and expand its capacity to do its work.

PPOCIR

The Council's involvement with the [Canadian Partnership for Public Policy-Oriented Consumer Interest Research](#) (PPOCIR), hosted by the University of Waterloo and funded by the Social Sciences and Humanities Research Council (SSHRC), continued in 2018-19. Participants have worked towards securing new support for the initiative to sustain a Canadian interdisciplinary network of researchers and practitioners interested in PPOCIR and to support the conduct and dissemination of PPOCIR with an end objective of improving public policy approaches pertaining to the well-being of consumers. The Council looks forward to continuing its involvement with this initiative, which has helped engage academic interest in Council research and led to forums in which the Council can share its research and advocacy agendas.

Paths To Academic Engagement

A Public Policy Oriented Consumer Interest

Researcher can easily take action to increase their awareness of consumer issues, learn about other researchers and their work, mobilize knowledge they have created, and have their expertise recognized within the Council's research and representation.

The Council offers seven easy steps academic researchers can take to engage with the Council and strengthen the Public Policy Oriented Consumer Interest Research Discipline.

1. Bookmark Consumers Council of Canada website: <http://www.consumerscouncil.com>
2. Subscribe to the Council's RSS feed by adding: http://www.consumerscouncil.com/site/ywd_prototype/admin/applications/rss.cfm?siteid=376&chapterID=169&ID=13930
3. Download and Read recent [Council Annual Reports of Activities](#) to learn how the Council may mobilize the knowledge you create.
4. Register for the Council's PPOCIR e-mail list: <http://www.consumerscouncil.com/ppocir-register>
5. Join the Council's Public Interest Network. If they are prepared to share their personal insights when the Council seeks out external insights through questionnaires in support of its consumer interest policy development or research, they can participate. This is easily done from the Council's homepage: <http://www.consumerscouncil.com>
6. Contribute free of charge important research milestone dates and events for inclusion in the Council's [Consumer Agenda calendar](#) of consumer interest events and milestone dates.

By contributing this information, researchers create an opportunity for easy national awareness of their work, by consumers and the consumer protection professional community.

7. Tell the Council about their completed or new work by completing a simple form on the Council's website at:
<http://www.consumerscouncil.com/cir-research>

University Of Toronto Partnership

The Consumers Council of Canada is one of the 18 collaborating organizations in University of Toronto's proposed partnership to lead research on "Behaviourally Informed Organizations: Creating an Integrative Theory of Behaviour Change and Embedding it in Organizations". The proposed partnership, led by Professor Dilip Soman (University of Toronto), is in the final decision stage by the Social Sciences and Humanities Research Council of Canada (SSHRC) for \$2.5 million in funding over the next five years (2019-2024).

The partnership is composed of a team of 20 researchers and 18 partner organizations across Canada, the U.S., and internationally. The team is committed to co-creating an overarching framework for using behavioural insights (BI), with the goal of helping organizations achieve better outcomes, improve the efficiency of processes, and maximize stakeholder engagement.

Every organization is fundamentally in the business of behaviour change. Whether it be a government trying to get business to comply with environmental regulation, a business convincing its customers to be

loyal to their products, or a financial advisor encouraging a client to save for retirement, behaviour change is critical to organizations' success. Yet, despite the centrality of behaviour change to organizations, a framework does not exist for its adoption and use in organizational operations. To address this challenge, the partnership has proposed to develop an overarching framework for using behavioural insights (BI) – a field that draws on behavioural economics and behavioural science. We ask the pressing question: how can behavioural insights (BI) best be embedded in organizations to achieve better outcomes, improve the efficiency of processes, and maximize stakeholder engagement?

The proposed partnership comes at a potentially transformative time for the field – behavioural scientists working in BI have developed expertise in large-scale field experimentation and big-data analytics. Governments and businesses have been attracted to BI with its promise of developing human-centricity and efficient solutions, and a recent Nobel Prize in Economics to Richard Thaler (a key proponent of applied BI) has captured the imagination and spurred interest.

This proposal fits under both SSHRC's Insight and Connection programs. The academic research team as well as the partners are committed to co-creating knowledge: neither can achieve the stated objectives without resources from the other. The expectation is that this partnership would make contributions to policy innovation, business excellence, and the science of behaviour change. By developing a framework for using behavioural science, this partnership aims to place Canada at the forefront of the growing and increasingly impactful BI community worldwide.



Ken Whitehurst, Council Executive Director, speaks at Ontario Home Economics Association Leadership Workshop at Brescia University College, University of Western Ontario. The November workshop was sponsored by Canadian Home Economics Foundation.

CLASS ACTION

Pioneer Corporation, Et Al. V. Neil Godfrey

Consumers Council of Canada, represented by Jonathan Foreman and Jean-Marc MetraillerHarrison of Pensa LLP, intervened in Pioneer Corporation, et al. v. Neil Godfrey, an appeal to the Supreme Court of Canada which concerned the rights of consumers and others to gain access to the legal system through class action litigation in the case of an alleged price-fixing cartel. More specifically, the appeal, yet to be decided, considered the nature and quality of the evidence that a claimant must put forward in order to succeed on a class certification motion. The case involved an effort by the alleged wrongdoers to “raise the bar” on a certification motion in order to limit the ability for claimants to win the right to take such a case to trial where damages might ultimately be awarded. The appeal also involved an attempt to prevent “umbrella purchasers” from being included in a class action involving claims for damages arising from price-fixing.

The Council intervened to make the point that a certification motion cannot be a forum where claimants must prove without the benefit of discovery that their claims are likely to succeed in order to win the right to contest a common issue on its merits. Neither is it a juncture to resolve battles between experts or conflicts in other evidence. The position advanced by the Council maintained that the purpose of a certification motion is not to engage

in a merits-based analysis of the claims advanced. Instead, the purpose is to determine the mandate that may be given to the plaintiff to litigate the certified legal and factual issues at a later time on a fully developed record. It also maintained a certification motion cannot be a process that treats all competition law cases as monolithic. The evidentiary rules on a certification motion must facilitate fact or expert evidence which reflects the unique circumstances of each particular competition law case.

TELUS Communications Inc. V. Wellman

Consumers Council of Canada and Public Interest Advocacy Centre, represented by Mohsen Seddigh and Daniel Hamson of Sotos LLP, intervened in an appeal before the Supreme Court of Canada, TELUS Communications Inc. v. Wellman, which involved how interpret Ontario’s Arbitration Act.

Ultimately, the Council’s and PIAC’s views expressed in the case were not accepted by a closely divided (5-4) court.

The Council and PIAC were concerned that practical problems arising from the TELUS Interpretation of the Arbitration Act would undermine Ontario’s class proceedings regime and adversely affect the access to justice of consumers who contract for goods or services for hybrid purposes—*i.e.*, not only for personal, family or household purposes, but also for business or work-related matters.

Time will tell, but the court's ruling may have created a statutory discretion to stay consumer claims in future cases in which consumer claims are prosecuted together with arbitrable claims in a single proceeding.

In the case at issue, Wellman had a cellphone contract with TELUS. He said that, for a certain time, TELUS rounded up calls to the next minute without telling customers. He said customers were overcharged and not given their full number of minutes. He asked the court to certify a class action against TELUS on behalf of himself and about two million other customers in Ontario. About 1.4 million of these customers were consumers (who bought cell services for personal use). The rest were business customers (who bought services for business use). Wellman has asked for over \$500 million in damages on behalf of the group.

All of TELUS's customers agreed to standard terms and conditions when they signed up. One of these terms was that billing disagreements had to be decided in "arbitration." Arbitration is when a neutral third party (other than a judge or a court) decides a legal dispute. Businesses often use it because it can be more efficient and less costly than going to court.

In Ontario, arbitration rules are set out in the Arbitration Act. One of the Act's main principles is that people who agree to go to arbitration should have to live up to their agreement. There are some exceptions, like when the agreement isn't valid.

An exception exists for consumers, however. The Ontario Consumer Protection Act says consumers can join a class action like Wellman's even if they agreed to arbitration. Because of this, everyone agreed that the consumers could ask for

compensation in court. But business customers weren't covered by the Consumer Protection Act. TELUS said this meant they should be held to their agreement to go to arbitration. It asked the court to "stay" the claims of the business customers, or stop them from going forward in court.

The court majority determined section 7(5) of The Arbitration Act didn't allow the court to refuse to stay claims dealt with in a valid arbitration agreement. Otherwise, the principle that people should respect their agreements would be weakened. People would be able to avoid their agreements just by piggybacking on, or joining their claims to, those of people who weren't bound to go to arbitration. The majority noted that the only dispute in this class action was about billing. All customers agreed this would be dealt with through arbitration. Normally, this would mean everyone's claims in the class action would be stayed. It would not be heard in court at all. But because of the exception in the Consumer Protection Act, consumers were protected from a stay. Their claims can still be heard. Business customers weren't covered by the exception, so they had to respect their agreement. Their claims were stayed, and they would have to go to arbitration instead.

The decision didn't deal with Mr. Wellman's claim that TELUS overbilled its customers. It only decided that the business customers weren't allowed to go to court to argue that.

Judges in dissent said:

“[158] For class actions, the real-world effect of separating out everything subject to an arbitration clause could well turn the certification stage into a search by the defendant of the precise status of each member of the class to determine whether they are in fact business or consumer clients. As the interveners Public Interest Advocacy Centre and Consumers Council of Canada pointed out in their factum, this determination could well result in “an individual fact-finding process”, leading to “confusion [that] would further undermine Ontario’s class actions regime as a viable, procedural access to justice mechanism for consumers” (p. 25). TELUS’s interpretation, in short, not only renders s. 7(5) meaningless, but also undermines the Class Proceedings Act, 1992, by making class certification overly cumbersome.”

ONLINE ENGAGEMENT

Visits to the Consumers Council of Canada’s website roared ahead in 2018-19. The number of users and new users rose 41 percent, the number of site sessions increased by 40 percent and the number of page views climbed by 34 percent over the previous year. Interestingly, international interest in the Council’s site climbed, as well, with double-digit gains in visits recorded from many industrialized and developing countries.

The top source of site visits continues to be organic search, with Google the leader. The top sources of referrals to the site, in order, were Google, Bing, Twitter, Yahoo and Facebook. For the first time, the largest number of referrals from a recognizable organization came from Competition Bureau of Canada.

The top-3 areas of interest have been class action notices (after the homepage, the top point of entry to the Council’s site), the Council’s *Consumer Agenda* calendar and the site’s education section about gasoline prices. Notably, sections with higher rates of being visited have been consumer help, news, research, annual reports and initiatives.

About 61 percent of site sessions were originated on a computer and about 39 percent on a mobile device. And the most used mobile devices by far were Apple iPhone and iPad.

Pct change of source location of website sessions		
Province/Territory	Trend	2018-2019
Ontario	↑	34%
Alberta	↑	29%
British Columbia	↑	44%
Quebec	↑	31%
Manitoba	↑	49%
Saskatchewan	↑	27%
Nova Scotia	↑	69%
New Brunswick	↑	35%
Newfoundland and Labrador	↑	15%
Prince Edward Island	↑	59%
Northwest Territories	↓	-5%
Yukon Territory	•	0%
Nunavut	↓	-56%

Participation in the Council’s [Public Interest Network](#) continues to grow. The number of active participants rose by about 5 percent year over year. The Council consults PIN participants for their views and insights into consumer protection problems and opportunities.

The Council also invites consumers to share their experiences in the marketplace through an online form accessible from the homepage of its website, which also may offer referrals to dispute resolution or information based on the information shared. Currently the system makes referrals to 60 complaint handlers nationally, in each case measuring consumer awareness of these organizations.

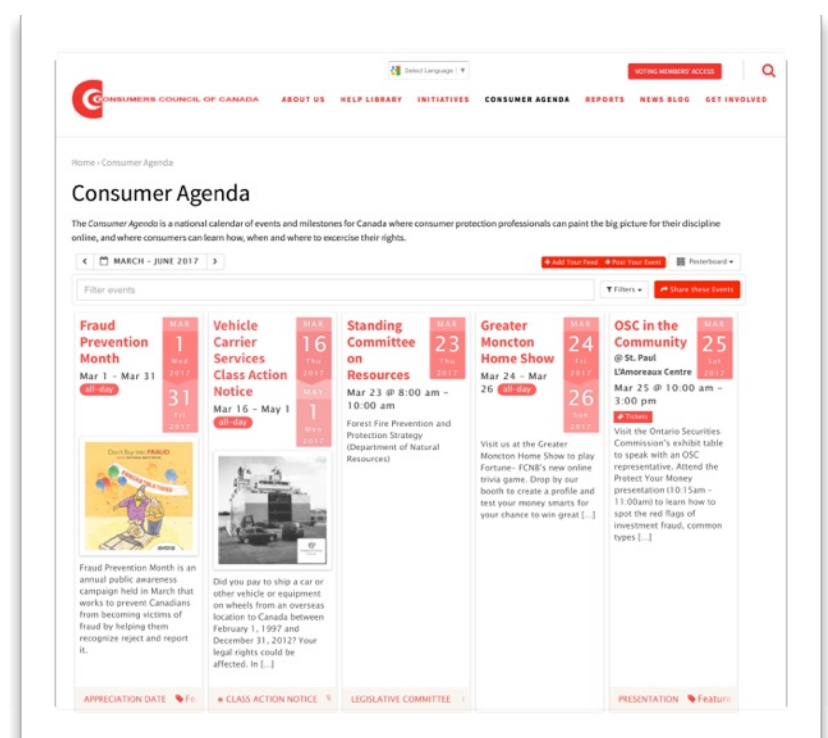
While the Council offers an opportunity for consumers to share both good and bad experiences,

most sharing with the Council relates to problems. The types of problems vary, but trouble with automobiles and getting them fixed featured prominently this past year.

A significant service the Council provides through its website is the ability to download its [consumer perspective research reports](#). Collectively downloading of these reports represent a significant transfer of information in support of the Council's mandate.



The Council's Twitter identity continues to gain recognition. The Council's followers have grown in number to 1,088, up 5 percent since last year, delivering more than 37,000 impressions. This Twitter audience is dominantly female (62%). And referrals to the Council's website from Twitter were up 175%.



The Consumer Agenda

Downloads And Uses Of Council Reports

The following is a report of downloads by reported use of Council reports, from April 1, 2018 to March 31, 2019 and since their issue. Council reports are relevant to readers, usually for years after issue.

Consumers and Product Insurance Purchase Decisions, 2018

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	34	8	6	3	5	14	2
Downloads since inception	42	10	7	5	5	18	3

Consumers' Experience with Higher Cost Credit, 2018

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	158	18	28	13	65	36	8
Downloads since inception	165	18	31	15	66	37	9

Mandatory Energy Rating and Disclosure for Existing Houses: Opportunities and Risks for Consumers, 2018

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	44	8	9	6	11	9	4
Downloads since inception	46	8	10	6	12	9	4

Dynamic Pricing – Can Consumers Achieve the Benefits They Expect?, 2017

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	61	15	15	8	11	21	3
Downloads since inception	118	32	36	16	13	30	9

Consumer Redress, Chargebacks and Merchant Responses in Distant Transactions, 2017

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	18	5	3	2	4	5	2
Downloads since inception	60	14	10	10	9	21	5

Incenting Energy Efficient Retrofits: Risks and Opportunities for Consumers, 2017

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	12	2	4	0	1	5	0
Downloads since inception	106	9	28	21	28	30	2

Strengthening the Marketplace through a Consumer Protection Framework for Consumer Online Reviews, 2016

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	11	6	3	0	1	2	0
Downloads since inception	74	23	11	4	11	27	2

Consumer Experiences with Rent-to-Own, 2016

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	15	2	1	1	3	9	0
Downloads since inception	122	23	26	22	22	29	6

Towards a National Housing Strategy, 2016

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	2	2	0	0	1	0	0
Downloads since inception	17	8	3	2	3	3	0

Residential Intensification: The Impact on Consumers, 2016

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	8	4	1	0	1	1	1
Downloads since inception	293	59	47	34	93	53	26

In Touch with e-Consumer Protection, 2015

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	5	1	0	2	0	2	0
Downloads since inception	99	28	21	18	11	24	1

Options for a “Sustained Institutional Role” for Consumer Organizations in Internal Trade Harmonization Initiatives, 2015

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	25	6	9	3	1	9	2
Downloads since inception	169	27	80	29	5	29	11

Consumer Experiences with Online Payday Loans, 2015

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	13	5	1	0	4	2	1
Downloads since inception	313	81	79	31	71	51	27

Stuck in the Middle: Consumers, Transaction Fees and Loyalty Programs, 2015

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	5	2	0	2	1	1	0
Downloads since inception	84	14	16	10	27	17	3

Improving Online Agreements: “It’s Not Rocket Science!”, 2015

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	5	3	2	0	0	0	0
Downloads since inception	99	30	22	7	19	20	4

Will Consumers Benefit from Enhanced Product Labeling on Energy-Efficient Products, 2014

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	1	0	0	0	0	1	0
Downloads since inception	65	8	26	8	6	14	4

Hockey Equipment Comparison Price Study, 2013 vs. 2014, Canada and United States, 2014

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	1	0	0	0	1	0	0
Downloads since inception	26	11	2	2	8	4	0

Cyber Threats on Mobile Devices, 2013

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	2	1	0	1	0	0	0
Downloads since inception	64	15	13	7	4	22	3

Report of the Consumer Group Panel on Food Information, Labeling and Advertising, 2013

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2017 - Mar. 31, 2018	6	2	2	2	0	1	1
Downloads since inception	172	36	45	17	20	33	14

Do Smartphones Make for Smarter Consumers?, 2012

	Total	Academic Research	Government Research	Support Advocacy	Industry Research	Consumer Information	News Media
Downloads Apr. 1, 2018 - Mar. 31, 2019	2	1	0	0	1	0	0
Downloads since inception	127	35	21	9	16	44	8



Instant Quaker Oats Quaker Protein Triple Berry Instant Oatmeal, 228g

★★★★☆ ~ 15

CDN\$2⁹⁹ (CDN\$ 0.01/Grams) ~~CDN\$3.99~~

Add-on item Add to a qualifying order to



365 Everyday Value Organic Old-Fashioned Rolled Oats, 18 oz

★★★★★ ~ 22

CDN\$4⁹⁹ (CDN\$ 0.28/oz)

Save 5% more with Subscribe & Save

Inconsistencies in the presentations of unit pricing on-shelf and online among retailers abounds. No consistent standard is being applied at retail and unlike most major industrialized countries, Canada does not specify what is a lawful presentation. Council researchers spent 2018-19 investigating options to better protect consumers.

4 RESEARCH

To fund a significant share of its consumer interest research, the Council participates actively in the Contributions Program for Non-Profit Consumer and Voluntary Organizations, administered by the Office of Consumer Affairs, Innovation, Science and Economic Development Canada for the Canadian government.

Research Underway In 2018-19

The Council was awarded the following research projects by Office of Consumer Affairs in 2018-19, which will become completed and public in the summer of 2019.

Consumer Attitudes And Their Role In Reducing The Impact Of Counterfeit And Pirated Goods And Services

Counterfeiting and piracy impacts middle class jobs, new innovations and consumer health and safety. Experts forecast that if current trends continue, the total value globally of “counterfeit” goods by 2022 will

reach at least \$991 billion. This does not take into account the economic, social, environmental, and consumer costs which are borne by business, government and consumers. For example, the online safety coalition Digital Citizens Alliance released a 2015 report finding that one-third of content theft websites distribute malware. The report notes that this malware generates \$70 million a year by luring unsuspecting consumers into infecting their own devices with the promise of free, unlawful access to movies and TV programs. The Council has been exploring consumer attitudes regarding counterfeit goods, to be able to discuss the demand-side dimension of counterfeiting and write a report with recommendations. It has sought answers regarding the quality and safety assumptions consumers have about consumer goods, what they expect the government's and industry's role to be, and what they think they need as tools to protect themselves in an environment that is difficult to police.

Unit Pricing: Time For A National Approach?

Unit Pricing is the act of displaying the price of a commodity at a standard unit of measurement adjacent to its selling price on retail store shelves (currently mostly prepackaged food products) and online. For example, the unit price representation of a 500 ml carton of milk offered at \$2.00 is “\$4 per litre”; the unit price representation of a 2 litre carton of milk offered at \$7.00 is “\$3.50 per litre”. Unit pricing is also known as comparative pricing.

The widespread introduction of unit pricing labelling practices in most advanced globalized economies took place over 40 years ago, yet the majority of Canadian consumers still do not have access to reliable unit pricing information to assist them in

making informed decisions. Quebec is the only province in Canada that regulates unit pricing. Retailers in other provinces and territories provide unit pricing information voluntarily, or not at all.

Research conducted by Canadian consumer groups in the past 10 years has led to recommendations for a national approach to ensuring all Canadians have access to unit pricing information. However, no efforts appear to be forthcoming from retailers or governments to institute a national system.

The Council's research has been seeking out consumer and government views on the value of unit pricing as a factor in promoting consumer interests. It has sought to gauge receptivity to adopting national systems such as those in other countries and to discuss the challenges and barriers to adopting similar systems in Canada.

Super Complainers: Greater Public Inclusiveness In Government Consumer Complaint Handling

A primary source of information for market conduct reviews and enforcement investigations is regulators' consumer complaint data. Regulators rely on consumer complaint data to identify business practices, unusual trends and sector- or industry-wide patterns that warrant investigation. Yet regulators tend to pay little regard to consumers and the detriment they experience once the complaint is filed.

Trends are appearing in the U.S. and Europe where governments provide greater transparency of their consumer complaint databases, to give consumers and consumer advocacy groups a greater role in the complaints management processes.

In 2002, a “super-complaints” system was established in the UK government by the then Office of Fair Trade (now the Competition & Markets Authority). This system allows a designated consumer body to submit a complaint that “...any feature, or combination of features, of a market in the UK for goods or services is or appears to be significantly harming the interests of consumers”.

The process is in public view and regulators are required by law to provide a response to the public within a reasonable period of time. By most accounts the program has been a success and several super-complaints have been launched and resolved over the years.

This research has sought to reveal consumer and government views on the current government complaint handling systems, gauge receptivity to alternative systems being implemented in other countries where greater transparency, consumer and consumer advocacy group participation is encouraged, and discuss the challenges and barriers to adopting similar alternative systems in Canada.

Home Energy Labels In Canada: How Well Do They Serve Consumers?

The Council examined how consumers understand home energy labels and whether they want further information that is not currently available on these labels, in order to make informed home purchasing, renovating and upgrading decisions. The objective of the research has been to identify ways to strengthen the usefulness of energy labels for consumers. This project is attempting to clarify the functionality and impact of home energy labels on consumer purchasing decisions.

Home energy labels are intended to provide the consumer with an understanding of the energy efficiency of their home. It has been unclear whether consumers are interested in the information such labels convey, whether they understand it and whether they find the information useful.

Consumers may be aware of a number of commonly used home energy labels in Canada. EnerGuide for Houses, Energy Star for New Homes, LEED and R-2000 are among the most prevalent home energy labels used in Canada. Although those labels have been used for many years, few studies have examined how well they are understood by consumers and how they factor into purchasing decisions. Indeed, it is not clear whether consumers are even aware of the existence of these common energy labels or what the labels mean for their homes. The research has sought to identify what information consumers draw from each of the labels, how they use the information and what additional information they want and need.

Research Awarded For 2019-21

The Council was awarded the following two-year research project by Office of Consumer Affairs to be conducted through 2021.

The On-Demand Consumer

The past decade has seen a massive increase in disruptive business models enabled by digital technology that can supply goods and services when, where, and at a price consumers want. This is sometimes referred to as the “on-demand economy” and consumers have responded positively and developed new behaviours and expectations along the way. They appear to be more confident, empowered and ready to place trust in these

on-demand providers – sometimes exposing themselves to undue risks to their health, safety, and economic well-being in the process. This research will provide insights into how consumers have responded to the opportunities presented by on-demand services; how, if at all, they have changed their behaviour and expectations; the risks they are willing to accommodate to acquire what they want when they want it; and the impact the massive consumer response is having on suppliers, supply chains, retailers, labour, the environment, regulators and consumer organizations.

Research Proposed But Not Awarded For 2019-21

The following research projects were proposed to Innovation, Science and Economic Development Canada by the Council, but were not awarded.

Criminal Lending And Vulnerable Consumers

Days before the publication of its 2018 report on higher-cost lending, the Consumers Council of Canada received a Department of Justice response related to the enforcement and applicability of Section 347 of the Criminal Code of Canada, which covers criminal rates of interest. The Department of Justice wrote “Section 347 was not intended to act as a consumer protection tool.”

Provincial consumer protection officials (excluding Quebec) had repeatedly noted to Council researchers investigating online payday loans, rent-to-own merchants and higher-cost lending that enforcement of borrowing cost limits was a federal matter. These reports all recommended greater clarity about the purpose and the responsibility for enforcement of S 347.

The implications of the federal perspective on the purpose of the usury limit were to have been the impetus for this report. The Council proposed to study the protections available against criminal lending activity to determine whether consumers are protected at all, and if so how?

Climate Change Adaptation: Aiding Consumers To Obtain Secure, Resilient Housing

The Council proposed to catalogue the challenges posed to homeowners by climate-change-related weather extremes. This included the damage caused, and detailing measures that can be adopted by homeowners to increase the resiliency of their homes and the adoption barriers associated with each. It was proposed to explore homeowner attitudes and understanding of climate change, the potential risks and the available solutions.

Canadian homes have experienced billions of dollars in damage every year due to extreme weather events. In 2011 wildfires razed approximately one-third of Slave Lake, destructive floods hit the Prairies and Quebec, and the Maritimes contended with 19 tropical storms that formed in the Atlantic basin(1). Alberta incurred economic costs estimated around \$6 billion from the 2013 Alberta floods and almost \$10 billion from the 2016 Fort McMurray wildfire.

A home built today will need to function in changing and challenging weather conditions over its expected life. For existing homes, some impacts can be mitigated with upgrades and retrofits. However, for many homeowners the impact of climate change on their homes is poorly understood. They may be unaware of the actions they can take to mitigate this impact. This lack of understanding can lead to

increased risks for homeowners, insurers, and governments across Canada.

The study would have explored homeowner awareness, interest and desire to act in adopting measures that reduce the negative consequences of climate change on their homes. It would have identified homeowner awareness of the risks of climate change related weather extremes to their home. It would have assessed federal and provincial government policies and programs on climate change adaptation. It would have examined how governments and private sector organizations are informing, educating, and incenting homeowners to act. It would have sought to identify barriers that exist in changing homeowner attitudes and behaviours. Finally, the study would have documented how consumers are affected by changes to homeowner insurance policies, including pricing of climate change related risks in insurance premiums. The impact on coverage was to be examined and whether insurers have begun to add exclusions for climate change related risks.

Council Research Available Online For Free Download

Consumers and Product Insurance Purchase Decisions, 2018

Consumers' Experience with Higher Cost Credit, 2018

Mandatory Energy Rating and Disclosure for Existing Houses: Opportunities and Risks for Consumers, 2018

Incenting Energy Efficient Retrofits: Risks and Opportunities for Consumers, 2017

Consumer Redress, Chargebacks and Merchant Responses in Distant Transactions, 2017

Dynamic Pricing - Can Consumers Achieve the Benefits They Expect?, 2017

Strengthening the marketplace through a Consumer Protection Framework for consumer online reviews, 2016

Towards a National Housing Strategy, 2016

Consumer Experiences with Rent-to-Own, 2016

In Touch with e-Consumer Protection?, 2016

Residential Intensification: The Impact on Consumers, 2016

Improving Online Agreements: "It's Not Rocket Science!", 2015

Options for a 'Sustained Institutional Role' for Consumer Organizations in 'Internal Trade' Harmonization Initiatives, 2015

Consumer Experiences in Online Payday Loans, 2015

Stuck in the Middle: Consumers, Transaction Fees and Loyalty Programs, 2015

Hockey Equipment Comparison Price Study, 2013 vs. 2014, Canada and United States, 2014

Will Consumers Benefit from Enhanced Product Labeling on Energy-Efficient Products?, 2014

Consumer Perspective 360° - Residential Intensification: Density and Its Discontents, 2014

Report of the Consumer Group Panel on Food Information, Labelling and Advertising, 2013

Cyber Threats on Mobile Devices, 2013

Do Smartphones Make for Smarter Consumers?, 2012

Canadian Consumers' Online Reputations - Awareness, Misuse and Repair, 2011

The Impact of Higher Energy Efficiency Standards on Housing Affordability in Alberta, 2011

Tax-Free Savings Accounts, 2010

Wireless Plans, 2010

Corporate Social Responsibility, 2010

Assessing Consumer Impacts, 2010

Sustainable Household Consumption: Key Considerations for a Canadian Strategy, 2009

The Ontario Smart Metering Initiative - What Does It Mean for Ontario's Residential Consumers, 2009

Long Distance Phone Cards - Are Consumers Satisfied?, 2009

Renovation Rip-Offs: Problems and Solutions, 2009

Creditors Insurance - Are Consumers Being Well Served?, 2009

Research on Consumer Protection, Civil Enforcement & Consumer Advocacy, 2009

Nanotechnology and Its Impact on Consumers, 2008

Energy Efficiency and Building Codes, 2007

Gaps in New Home Warranty Programs Across Canada, 2007

Improving the Effectiveness of Consumer and Public Representatives on Delegated Administrative Authorities, 2006

Consumers' Willingness to Pay for Climate Change, 2004

[Download a research report](#)



Health
Canada

Health Products
and Food Branch

Santé
Canada

Direction générale des produits
de santé et des aliments

Natural and Non-prescription Health
Products Canada
250 Lanark Avenue
Graham Spry Building
Ottawa, Ontario K1A 0K9

NOV 22 2018

Don Mercer
President
Consumers Council of Canada
don.mercer@consumerscouncil.com

Dear Mr. Mercer,

I would like to take this opportunity to thank you for your participation at the November 1st and 2nd, 2018 Technical Working Session for the Self-Care Framework (SCF) in Ottawa.

Hearing from consumers, patients, health care providers, and industry is an important component in the development of the SCF. Your consumer/patient perspective at the session contributed to balanced and meaningful discussions on improving the labels of self-care products.

As we approach our goal of introducing amendments to improve labelling of natural health products, informing the policies created from our collective

Consumers Council of Canada is thanked for participating in session on improving labeling of self-care products.

CONSUMER REPRESENTATION

Members of the Consumers Council of Canada are highly active as representatives of consumers in a wide range of roles and forums. *Almost all of this work is unpaid volunteer work.* The Council is recognized as an experienced contributor to many important public processes that enable consumer protection. The Council continues to turn down more requests and opportunities to consult than it can pursue, for resource reasons.

REGULATORY INNOVATION

Just after the conclusion of the Council's 2018-19 fiscal year, Consumers Council of Canada President Don Mercer was named as a member of Treasury Board of Canada Secretariat's External Advisory Committee on Regulatory Competitiveness.

The committee, announced in the Government of Canada's Fall Economic Statement 2018 and Budget 2019, brings together business leaders, academics and consumer representatives from across Canada. The committee's role is to advise the government on regulatory competitiveness and innovation, while ensuring Canadians' health, security and safety and protecting the environment.

“With regulatory modernization, the devil is always in the details,” said Joyce Murray, President of the Treasury Board and Minister of Digital Government, in announcing formation of the committee. “Tapping into the expertise of business, academia and consumer protection experts just makes sense. I look forward to ongoing recommendations of the External Advisory Committee on Regulatory Competitiveness to help Canadian businesses be more competitive and innovative.”

CONSUMER REPRESENTATIVES IN STANDARDS

The Consumer Representatives in Standards Committee (CRISC) consists of 12 volunteer members who are highly experienced in standards and regulatory policy and development and actively engaged with national and sub-national regulatory and standards development agencies such as:

- International Organization for Standardization (ISO)
- International Consumer Product Health and Safety Organization (ICPHSO)
- Canadian Standards Association (CSA)
- Canadian General Standards Board (CGSB)
- Underwriters Laboratories of Canada (ULC)
- Advertising Standards Canada
- Pharmaceutical Advertising Advisory Board
- Province of Ontario Designated Administrative Authorities (in particular TSSA, ESA, OMVIC, RECO, TICO)
- Health Canada/Canadian Food Inspection Agency

CRISC endeavours to represent the Canadian consumer interest in the creation of technical standards, especially those developed to support the implementation of Canadian laws and public policies developed at all levels of government. Members also engage in policy fora on the application of standards, including market

surveillance and enforcement, accreditation, and conformity assessment schemes. It seeks to influence the development or revision of Canadian legislation related to products and services that is likely to affect the consumer, including where reference is made to standards.

CRISC supports the Council's objectives by:

- Identifying, reviewing, and describing, needs for consumer interest advocacy in standards development;
- Providing an institutional interface with standards organizations;
- Providing a forum for the Council's members engaged with standards development and development organizations, to develop best practices and training for consumer representatives in standards;
- Working towards the institutionalization of relationships between the Council and organizations involved with the development of standards;
- Developing the financial and human resources necessary for the Council to participate effectively in standards development and operate the committee;
- Proposing to the Executive Committee of the Council policy recommendations and/or the Council's position in the area

of subject responsibility for the purpose of supporting Council priority identification for engaging with the development of standards and for development of its relationships with standards organizations;

- Advocating for meaningful engagement of independent role players for the consumer perspective and interest in the development of standards; and
- Making known the Council's involvement in standards development.

The CRISC serves as a discussion forum and information exchange for members who are heavily involved in national and international standards development. Members can use the forum to seek guidance from each other on representation in standards committees and to seek comments on specific non-classified documents being circulated by standards organizations. An objective is for the committee to serve as a more formal institutional interface with the Standards Council of Canada and its accredited Canadian standards development organizations.

Activities over the past year included:

- Attended the annual Public Policy Oriented Consumer Interest Research Committee (PPOCIR) and assisted a graduate student in preparing her presentation for the meeting on the subject of marketplace disruptions resulting from the recent legalization of cannabis in Canada.
- Attendance at a Government of Ontario consultation on new legislation and regulations on home inspectors and home inspections (CRISC members provided input to assist).

- Provided input to a task group of the Standards Council of Canada's mirror committee to ISO/COPOLCO that is seeking new approaches to consumer participation in standards committees.
- Participated in the drafting of a scoping paper to assess the demand for an international standard on the biological and chemical safety of the fill materials in consumer stuffed articles.
- Sought volunteers to become Canadian members of an upcoming ISO international standard committee on the sharing economy.
- Notices and requests for input to four research projects being undertaken by the Council for the Government of Canada (Office of Consumer Affairs).
- Input to revisions to the Canadian Chemical Management Plan – in particular regarding approaches to chemical safety for vulnerable populations.
- Assistance to the Council in helping it develop positions for CRTC hearings on telecom high pressure sales tactics.
- Several CRISC members are members of an ISO committee that is developing international standard ISO/NP 22458 – Guideline for inclusive service: identifying and responding to consumers in vulnerable situations.
- Held a group discussion on the recent [publication in Policy Options of Dr. Michael Jenkin's essay](#) on the steady decline of consumer protection in Canada.

- Circulated Ontario's Technical Standards and Safety Authority's consultation on amusement device and rides safety standards.
- Participated in consultations on the Ontario Ministry of Government and Consumer Services intention to amend the Upholstered and Stuffed Articles Regulations.
- Sought volunteers to participate in the CSA Group's upcoming standard on barbecue brush safety.

In addition to the Council's executive director, CRISC members include:

Jay Jackson, Chair

Jeanne Bank
Howard Deane
Graham Rae Dulmage
Dolly Gerrior
Marshall Leslie
Norma McCormick
Elizabeth Nielsen
Agni Shah
Christine Simpson
Anne Wilcock



ISO Participation : At the international level of standards development, Consumers Council of Canada's former President Aubrey LeBlanc (standing tall at left rear) participated on COPOLCO, ISO's forum for promoting consumer interests in standardization globally.

FINANCIAL SERVICES

In 2018-19, the Council’s Financial Services Committee, chaired by board member Harvey Naglie, actively engaged with the federal government on two key consumer related policy initiatives. Its first direct interaction stemmed from the government’s 2018 budget commitment to introduce legislation to strengthen the Financial Consumer Agency of Canada’s powers and mandate to protect consumers in their dealings with financial services sector firms. The announcement represented the government’s latest pledge to ramp up consumer protection in the federally-regulated financial services sector “to ensure that all Canadians benefit from strong consumer protection standards.” The Council was not invited to provide input until the government had tabled the proposed legislation but that opportunity was used both to provide guarded support for the positive, albeit modest, changes and to express the merits of engaging the Council at an earlier stage of the policy making process.

The second meeting with federal officials related to the Financial Consumer Agency of Canada’s review of how banking customer complaints are handled internally and by external complaint bodies. This review was undertaken at the direction of the federal government in its 2018 fall economic statement.

THE STAR

Opinion · Editorials

No one, especially banks, should get to pick their own referee


By STAR EDITORIAL BOARD
Sun., Dec. 30, 2018

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Except for the few who still hold to the theory that a mattress is the safest place to store one’s money, a bank is a necessity.

And Canada’s banks are great at opening their doors wide when children arrive to open their first saving account, their parents add a line of credit to their chequing account or it comes time for someone to choose a new credit card or mortgage.



Finance Minister Bill Morneau speaks to media. (CHRISTOPHER KATSAROV / THE CANADIAN PRESS)

But when something goes wrong with any of that — excessive bank fees, unclear penalties or mysterious transactions, for example — those same banks are far less open and much harder to

Given all we’re learning about how banks are employing ever more aggressive sales tactics designed to fatten their own bottom line, rather than serve consumer needs, allowing them to pick their own referee is, as the Consumers Council of Canada says, “increasingly outrageous.”

The consumers council, the seniors advocacy organization CARP and investor-rights advocates FAIR Canada are pushing the Trudeau government to make changes in its spring budget and mandate a single, not-for-profit organization to act as ombudsman for the national banking sector. They’re right.

Scheduled to be completed by June, the review is intended to take a closer look at disputes handled by the banks internally and financial industry complaints escalated to third-parties such as the Ombudsman for Banking Services and Investments

(OBSI) and the ADR Chambers Banking Ombuds Office (ADRBO).

The Council had the opportunity to meet with Finance Canada officials to provide its perspectives on the key issues under review. This meeting took place shortly after the Council joined forces with other consumer groups (CARP, PIAC, FAIR Canada) to publicly encourage the federal government to designate the OBSI as Canada's exclusive external dispute resolution body for Canada's banks. This public show of support for OBSI was prompted by the decision of the Bank of Nova Scotia to withdraw from the OBSI in favour of ADRBO. With this decision, four of Canada's Big Six banks are now exclusively using ADRBO, a private for-profit organization, to deal with consumer disputes that they cannot resolve internally.

Financial Consumer Agency Of Canada

The FCAC Consumer Protection Advisory Committee was created by and appointed by the Commissioner of the FCAC in 2017. Council President Don Mercer is one of nine members of the CPAC. The CPAC meets in person twice a year. A key element of the discussions has been to push for more robust enforcement of then existing law, which law is considered to be weak in protecting consumers and to push for stronger law to protect consumers from the marketing and contract practices of the banks in relation to accounts, credit cards, investments and loans. The future of CPAC is tied into: the temporary continuance of Lucie Tedesco as FCAC

Commissioner, the revisions giving the FCAC more powers to deal with the banks, and how a new Commissioner will lead FCAC going forward. Unlike the Payments Canada Stakeholder Advisory Council,

which is legislatively created and has a defined, fulsome membership composition, the FCAC CPAC is an organizational creature at the whim of any current FCAC Commissioner. In fact, under the previous FCAC Commissioner there had been an External Stakeholder Advisory Council with a different composition in 2011-12. This goes to the point that that such Advisory Committees should be defined in law and become a part of the governance structure, as with the Stakeholder Advisory Council within the Payments Canada governance structure.

Payments Canada

From 2014 to present, Council President Don Mercer has been an active member of the Payments Canada Stakeholder Advisory Council, an Advisory Council mandated by the federal law governing Payments Canada which operates the core of the Canadian payments system and currently processes over C\$3 million in transactions per second (C\$51 trillion per year). Without a secure, efficient, accessible and reliable payments system no modern economy can properly function. The Government of Canada through federal legislation, administered by the Department of Finance and the Bank of Canada, revised Payments Canada legislation in 2015 and an ongoing review is under way that started in 2018. The law requires two consumer representatives from bone fide consumer organizations be represented on the Stakeholder Advisory Council, which represents the diversity of Canadian consumer, business, government and agencies and social safety net organizations using the payments system.

Current issues are focused on modernization of the system, an activity being engaged in by ninety or so countries. Included are an up-to-date batch payment system, a 'Real Time Rail' for virtually instantaneous

payments, and a revamped large-value system for settling very large payments. A very important element is adoption of the new ISO 20022 messaging standards which enables much more detailed messages containing more fulsome information accompanying (traveling with) each transaction, thus ensuring that the purpose of the payment is known immediately and eliminating physical paper and the time involved in managing this paper.

Consumer representation is important to ensure that these systems fully benefit consumers without harm and while ensuring accessibility. A robust description of the role of Payments Canada, the role of the Stakeholder Advisory Council within SAC and the role of the Member Advisory Council (the financial institutions that fund Payments Canada through per transaction fees which are inevitably paid by users of the payments system such as businesses, governments and consumers) can be found on the Payments Canada website. Mercer is in his second three-year-term appointment on the Payments Canada Stakeholder Advisory Council. Appointments are recommended by Payments Canada as a result of a public nominations process and are then subject to approval by the Minister of Finance. The Advisory Council meets in person at least three times a year and the modernization efforts have necessitated at least three additional meetings, generally in person, as well as the annual three-day Payments Summit held in May or June each year.

An important issue being addressed in the 2018 Payments Canada legislative review, led by the Department of Finance, is the proposed authorization in law of compensation for consumer representation on the Stakeholder Advisory Council. The Council hopes that such funding would

recognize the situation of both consumer groups and their representatives is unique, in that a core business of consumer organizations is representation that needs resources to ensure organizational viability and support for their activities. If this proposal survives the entire legislative process and comes into force as law and applies to both consumer groups and representatives, it would set a positive precedent in law – that bone fide consumer groups should be compensated for their independent consumer representation efforts. As the description of Mercer's engagement with the Payments Canada Stakeholder Advisory Council demonstrates, the cost of such engagement is very high, involving many meetings and much related preparation, which means time available for other representation or other activities is diminished. Organizational compensation recognizes this cost and as well as the positive benefits of well-informed consumer perspectives on issues and practical decisions. Without such funding it is difficult to continue consumer representation in this or any other formalized process affecting the supervision of economic activity.

Finpay

In April 2019, Council President Don Mercer was appointed to Finpay, the Finance Canada Payments Consultative Committee, for a two-year term. Two consumer representatives sit on the Committee, and that representation is rotated every two years. It is important that bone fide national consumer groups be represented on this committee, so the Consumers Council of Canada is pleased to be represented at this critical time in payments modernization. It is very important that the legislation relating to payments be kept up to date and relevant to

modernization of the payments system inclusive of facilitating innovation while fully protecting consumers and ensuring access to the system. Moves towards a cashless society needs to ensure full payments access. Indeed, some cities in the United States have forbidden businesses to go cashless just because universal access to the payments system is lacking for many consumers. In addition, cash is the only currently available payment vehicle when catastrophic events such as violent storms shut down payments system access in local areas.

FinPay is a forum of public and private sector representatives to discuss industry-level developments in Canada's payments system. FinPay's mandate is to:

- ✓ **Advise Finance Canada on developments related to public policy aspects of payments issues (e.g. competition, innovation, safety, user needs or consumer protection);**
- ✓ **Discuss approaches for dealing with emerging and ongoing challenges/opportunities in the payments system; and**
- ✓ **Inform Government policy-making about the Canadian payments system.**

ENERGY

Ontario Energy Board

The Council regularly participates as an intervenor in Ontario Energy Board (OEB) natural gas and electricity utility rate applications. In addition, the Council participates in the OEB's consultation process and policy reviews that deal with a wide range of issues relevant to electricity and natural gas regulation. The following sets out the major applications and policy reviews that the Council was involved in over the last year.

Electricity

The electric utilities are regulated by the OEB under the Renewed Regulatory Framework for Electricity. That framework provides a number of multi-year rate-setting models that the utilities may choose to apply for. Over the last year the larger utilities have been on multi-year plans and applied for relatively simple one-year rate adjustments consistent with those plans. The Council participated in the proceeding for Alectra Utilities Corporation, to set rates for year 2 of its 5-year rate plan. That application was the subject of a hearing process.

The Council also participated in the proceedings to set base rates for PUC Distribution Inc., Erie Thames Powerlines Corporation, and Energy Plus Inc. The rates for these utilities will be set by an incentive regulation formula for the next 4 years. The first two

applications were settled by all parties (subject to a negotiated settlement process, with the final settlement agreements approved by the OEB) resulting in rates lower than those included in the Applications. The Energy Plus Inc. application was partially settled with some issues going to hearing. The OEB's Decision is still pending in that case.

Hydro One Networks Inc. (Transmission) – 2019 Rates

Hydro One Networks Inc. (Transmission) applied to the OEB for approval of rate for 2019 based on a one-year formula approach. This was to bridge rates for one year prior to Hydro One applying in 2019, for rates for the period 2020-2022. The OEB approved Hydro One's application, but did not accept its proposal to set rates effective January 1, 2019. The OEB accepted the arguments made by the Council and others that given the late filing of the application a retroactive adjustment to January 1, 2019 was not justified. The OEB approved a May 1, 2019 effective date.

Hydro One Networks Inc. (Transmission) – 2020-2022 Rates

Hydro One Networks Inc. (Transmission) has applied for approval of a three-year rate plan beginning in 2020. The Council has intervened in this proceeding, but a schedule has not yet been set.

Hydro One Networks Inc. (Distribution) – 2018-2022 Rates

Hydro One Networks Inc. (Distribution) applied to the OEB for approval of a Custom IRM rate plan for the period January 1, 2018 – December 31, 2022, in March 2017. The Council participated in the oral hearing that was held in June 2018. The OEB Decision was released on March 7, 2019. In that Decision the OEB made a number of significant adjustments to Hydro One's application. This included reductions in capital expenditures, operating and maintenance costs, and compensation costs. The Council had argued for reductions in all of these areas based on past performance and the fact that Hydro One's compensation costs continue to be above industry comparators. The final rate order has not yet been approved.

Ontario Power Generation Inc. - 2019-2021- Deferral Variance Accounts

Ontario Power Generation Inc. applied to the OEB for approval to clear balances in a number of approved deferral and variance accounts for the period 2019-2021. The parties negotiated a settlement agreement that was approved by the OEB on February 21, 2019. OPG is currently operating under a 5-year rate plan that extends to the end of 2022.

Nextbridge Infrastructure/Hydro One Networks Inc. – East West Tie Line – Leave to Construct Applications

Nextbridge Infrastructure (Nextbridge) applied to the OEB for approval to construct a transmission line between Thunder Bay and Wawa in 2017. On February 15, 2018, Hydro One Networks Inc. filed a

competing application. After a long procedural process, the OEB held a hearing to consider the applications. The Council participated in that proceeding. Ultimately, the OEB's process was superseded by an Order-in-Council from the Ontario Government that chose Nextbridge to build the line.

Consultation Processes:

The Council has actively participated in the following OEB Consultation processes:

- Activity and Program Based Benchmarking
- Responding to Distributed Energy Resources
- Review of Customer Service Rules

Natural Gas

Merger Application Union and Enbridge:

Union and Enbridge applied to the OEB for approval to amalgamate, as they are currently both owned by Enbridge Inc. In addition, they applied to the OEB for approval of a 10-year rate plan. The hearing was held on May 2018.

The Council did not oppose the merger, but argued against many aspects of the 10-year rate plan. The 10-year rate plan application was based on an OEB policy established to encourage consolidation in the Ontario electricity sector. That policy, from the Council's perspective was not applicable to the Union and Enbridge merger, because it did not allow for an appropriate balance between the interests of the utility ratepayers and shareholders. The Council opposed many elements of the application and the OEB accepted many of those arguments. Although Union and Enbridge were not prepared to share

merger savings with its customers, the OEB mandated an earnings sharing mechanism to be put in place in year 1. The OEB also approved a 5-year rate plan, rejecting the utilities' proposal to set rates for 10 years. Overall, the OEB approved a more balanced rate-setting approach than that proposed by the utilities.

Cap and Trade

Union and Enbridge made applications to the Board requesting approval of their 2018 Cap and Trade compliance plans, which were mandated by legislation and the OEB. The Council participated in those proceedings on a limited basis (as much of the evidence was confidential), focusing on the costs of the compliance plans. The current Ontario government passed legislation on October 31, 2018, ending the Ontario Cap and Trade Program. The compliance costs incurred by the utilities for the period 2016-2018 will be the subject of a proceeding in 2019.

Other Initiatives

Independent Electricity System Operator

Julie Girvan continues to be a member of the Stakeholder Advisory Committee to the Board of Directors. This stakeholder group advises IESO's board of directors.

IESO operates and settles the wholesale electricity markets, where the market price is set based on accepted offers to supply electricity against the forecasted demand. The IESO is a not-for-profit corporate entity established in 1998 by the

Electricity Act of Ontario. On January 1, 2015, through amendments to the Electricity Act, the IESO merged with the Ontario Power Authority (OPA) to bring together real-time operations of the electricity grid and long-term planning, competitive procurement and energy-efficiency programs. The IESO is governed by a Board of Directors, with a Chair and Directors appointed by the Government of Ontario. All fees and licences to operate are set by the Ontario Energy Board, and the IESO is intended to act independently of all other participants in the electricity market.

Ontario Energy Board Modernization Review Panel

The Council also made a presentation and submission to the Ontario Energy Board Modernization Review Panel, established in 2017 by the Ontario Minister of Energy Northern Development and Mines. In its submission the Council highlighted the need to maintain the OEB's generic hearings to deal with important policy issues. The Council cautioned against moving away from adjudicative processes to more administrative processes at the OEB when dealing with important policy issues. The Council also highlighted the need for new structure that ensures transparency, independence and accountability. In addition, the Council highlighted the need to allow for continued access by retail ratepayers to the OEB processes. The value that ratepayer interventions bring to the OEB is critical in terms of legitimizing the process and bringing a consumer voice to the process.

In October 2018, the Modernization Review Panel released its report after having been given a more limited mandate by the new Provincial Government. The panel recommended a new structure for the

OEB, establishing a separation of the administrative and adjudicative functions of the OEB. The recommendations of the panel were focused on enhancing the independence, accountability, certainty, efficiency and the effectiveness of the new regulator's governance and operations.

Legislation has been passed by the new government to implement most of the panel's key recommendations. A transition process is underway. Whether ratepayer groups like the Council will have continued funded access to the new regulator's processes will depend upon how the new structure operates and the views of the new leadership team. The new legislation has not eliminated any of the current funding provisions.

HOUSING

The Council was an early participant in the Canada Mortgage and Housing Corporation (CMHC) led initiative to implement Canada's first-ever National Housing Strategy (NHS). The NHS is a \$40 billion, 10-year plan to cut homelessness in half, build 100,000 new homes, and assist non-profit, co-operative, northern and indigenous housing providers.

The Canadian Housing Statistics Framework is a joint project of Statistics Canada and CMHC intended to fill gaps in existing housing data, in particular the ownership of Canadian residential real estate and information on how Canada's housing stock changes over time. The Council has participated in several roundtables and made direct representations to Statistics Canada on how to achieve these goals.

ONGOING CONSUMER REPRESENTATION

Organization	Role	Sector
Treasury Board of Canada	External Advisory Committee on Regulatory Competitiveness	Regulatory Innovation
Independent Electricity System Operator	IESO Stakeholder Advisory Committee	Energy
Hydro One Networks	Customer Advisory Board	Energy
ICANN	North American Regional At-Large Organisation	Internet
Ontario Motor Vehicle Industry Council	Consumer Advisory Committee	Automotive
Competition Bureau	Fraud Prevention Forum	Fraud Avoidance
Pharmaceutical Advertising Advisory Board	Board of Directors	Health
Condominium Management Regulatory Authority of Ontario	Chair, Interim Board of Directors	Housing
Bereavement Authority of Ontario	Interim Board of Directors	Bereavement
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
Canadian Standards Association	Consumer Representation	Many
Finance Canada	Payments Consultative Committee (FinPay)	Payments
Canadian Payments Association	Stakeholder Advisory Council	Payments
Financial Consumer Agency of Canada	Consumer Protection Advisory Committee	Financial Services
Ombudsman for Banking Services and Investments	Consumer and Investor Advisory Council	Financial Services
Ontario Securities Commission	Investors Advisory Panel	Financial Services
Canadian Partnership on Public Policy-Oriented Consumer Interest Research	Partner/Executive Committee	Academia



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ABOUT THE COUNCIL

The Consumers Council of Canada works towards an improved marketplace for consumers.

Working together, our members form Canada's most active, multi-issue consumer group. A non-profit, voluntary organization, the Council works with consumers, business and government towards efficient, equitable, safe and effective markets, in which consumers know their rights and understand their responsibilities and in which strong consumer protection exists when they do not.

BOARD OF DIRECTORS – 2018-19

Don Mercer, President

Don Mercer has been involved in a variety of roles with the Council since he retired in April 2007 after a long career in Ottawa, Toronto and Vancouver with Competition Bureau Canada, which administers the Competition Act, the Consumer Packaging and Labeling Act, the Textiles Act and the Precious Metals Marking Act. These laws, intended by Parliament to foster healthy competition and a trust in the marketplace, interdict anti-competitive behaviour, such as price-fixing and abuse of dominance among marketplace players and help ensure trust in Canada's marketplace by outlawing misleading advertising, misrepresentations, fraud and deception.

From 2014 to present, Don has been an active member of the Payments Canada Stakeholder Advisory Council, an Advisory Council mandated by the federal law governing Payments Canada which operates the core of the Canadian payments system and currently processes over 3 million dollars CAD in transactions per second (\$51 trillion CAD per year). From 2010 and 2011, he was a Member of the External Stakeholder Advisory Committee with the Financial Consumer Agency of Canada. He is a current member of the Financial Consumer Agency of Canada Consumer Protection Advisory Committee.

Don and spouse Susan are ardent boaters, walkers and global travellers. Don is volunteer National

Marketing Chair at Canadian Power and Sail Squadrons - volunteers focused on teaching boating skills. He is also Director, International Service, Rotary Club of Ladysmith, B.C., which has a long-term involvement in sustainable development projects with other Rotary Clubs with a Mayan Women's group in Guatemala

He resides in Ladysmith, B.C.

Dennis Hogarth, Vice President

After graduating from the Ivey School of Business at Western University, Dennis Hogarth entered the audit and accounting profession. He has been a pioneer and leader in the innovative uses of digital information in large organizations and in the management of the associated risks. Dennis has more than 38 years of experience working with KPMG, including 27 years working in international leadership positions as a Partner. In 1994, Dennis moved to KPMG's International Headquarters in The Netherlands to form and lead the firm's first Global Technology Group. After returning to North America in 1999, he continued working for KPMG International as a Partner in KPMG's U.S. firm, where he formed and led a global team devoted to the assessment and mitigation of risks associated with the emerging uses of IT, focusing on cross-border personal data privacy and client confidentiality issues in particular.

Dennis' primary focus for the past decade has been in the area of Information Risk Management,

concentrating on emerging issues surrounding Personal Data Privacy, Information Risks, IT Security and Data Governance.

As an avid sailor, Dennis participated as a member of the Canadian Admiral's Cup Sailing teams in 1979 and 1983. In 1987, he was elected as a member of the Committee of Management of the Royal Canadian Yacht Club, and went on to serve as Vice-Commodore, Finance and Administration, from 1990-1993. Since returning to Canada in 2009, Dennis has resided in Cobourg, Ontario, with his wife and two children. He currently serves as Treasurer of the Port Hope Heritage Foundation and as a Trustee of the Capitol Theatre Endowment Trust Foundation. Dennis also serves as Chief Privacy Officer for the Green Climate Fund, located in Incheon, South Korea.

He resides in Cobourg, Ontario

Simon Wong, Secretary

Simon Wong is an information professional who focuses on the complex interplay between business needs and information systems. He has been involved in the design and implementation of a variety of information system projects, including the Public Policy and Governance Portal spearheaded by the University of Toronto, and the OCREB Online system under the Ontario Institute for Cancer Research.

He resides in Markham, Ontario.

Howard Deane, Treasurer

Howard Deane owns Acme Metric Company Ltd., a Greater Toronto Area based consultancy in social media, web analytics, knowledge management and

search engine optimization. He is a Chartered Accountant with more than 30 years of experience, most of it with KPMG, where he was the Chief Knowledge Officer of the Canadian firm, managing significant portions of the firm's knowledge and research functions. He also ran the IT Consulting Group for KPMG in the Bahamas.

He resides in Pickering, Ontario

Chris Ballard, Director

Chris Ballard is a former member of the Ontario Legislature and Ontario cabinet, serving as Minister of Housing, Minister of Environment and Climate Change, and Minister Responsible for the Poverty Reduction Strategy. Chris is an experienced communications and public affairs executive with a background that includes public affairs, strategic planning, business development and project management. Chris has been president of CSB Communications Inc., a small consulting firm, since 1989. He has worked with a wide variety of clients, including associations, small and medium sized businesses, governments and multi-national corporations. Chris has extensive expertise in facilitation, project management, quantitative and qualitative research and has conducted surveys, focus groups and workshops on behalf of a variety of corporate, government and not-for-profit organizations. Chris has a background in consumer advocacy and consumer affairs. He was a founding board member of the Consumers Council of Canada, a past executive director of the Consumer's Association of Canada (Ontario), (and managed its transition into the Council), a member of the provincial Retail Sector Strategy. Chris is an honorary lifetime member of the Public Affairs

Association of Canada and served in various capacities, including President. During the past 15 years Chris has worked closely with numerous First Nation communities across Canada's far north, in business development, governance and sustainability. He is active in his community of Aurora, Ontario, where he served as a Town Councilor.

He resides in Aurora, Ontario.

Julie Caissie, Director

Julie Caissie is currently working for Neil Squires Society as an Employment Specialist and is also the business owner of JC Research and Consultation. She has bachelor's and master's degrees in family studies and a doctorate in francophone minority education from the Université de Moncton. She just recently obtained the Newborn Behavioral Observation certification (level 1) from the Brazelton Institute located in Boston. She is a member of the Greater Moncton Chamber of Commerce, the International Federation for Home Economics, the New Brunswick Common Front for Social Justice and the New Brunswick Home Economics Association. She is acting as a member of the continuing education committee for NBHEA and she is also responsible for their Facebook page.

She resides in Dieppe, New Brunswick

Marshall Leslie, Director

Marshall Leslie is the owner and principal of M. Leslie Inc., a consulting firm in Toronto, Ontario, Canada. Since 1985 – employing a project based business model – the firm has helped integrate the market plans, competitive analyses, market research, forecasts, and distribution plans of manufacturers,

and other organizations, that serve the construction industry. Clients include some of North America's largest manufacturers of building products, Canadian and American trade associations, independent power generators, First Nations, and standards development organizations.

He resides in Toronto.

Sherry Monahan, Director

Sherry Monahan has spent 25 years as President or Vice President of organizations directing consultations with health care organizations across Canada and internationally. She is experienced in professional staff recruitment, team building and delivery of services, aimed at achieving superior client satisfaction.

She has led interdisciplinary health teams, with service providers from the full care continuum, to implement best practices, improve patient flow, reduce length of stay and improve benchmark performance. Expertise in performance improvement, process redesign and change management, applied to processes in the clinical setting. Her clients have included academic health science centres, community general hospitals, provincial ministries of health and community-based agencies. Sherry has a BSCN, Nursing, from the University of Washington, Seattle and an MBA from Concordia University.

She resides in Toronto.

Ken Morden, Director

Ken Morden obtained his B. Comm from McGill University and his Chartered Accountant's designation from the Quebec Institute of Chartered

Accountants. In his career, Morden has been the CFO of a large steel building company and the president of the largest sheet fed printer in Canada. In 1987 he and a partner formed a marketing services company, PG Communications of which he was President until selling the company in 2010. Ken now concentrates his efforts, with his wife, on the racehorse industry from his horse breeding farm in Northumberland County. He has served as the Chair of the Governance Committee of Standardbred Canada, past President of the Port Hope Friends of Music and is the Chair of the Port Hope Citizens' Association, an advocacy group.

He resides in Campbellcroft, Ontario.

Harvey Naglie, Director

Harvey Naglie has over 40 years of experience in both the public and private sectors, primarily in financial services. He is a former Senior Policy Advisor for the Ontario Ministry of Finance's Financial Services Policy Division. Mr. Naglie holds an LL.M. in securities law from York University, an MBA from the University of Western Ontario Ivey School of Business and an MA in economics from Johns Hopkins University.

He resides in Toronto.

Trevor Shaw, Director

Trevor Shaw is a professional auditor and accountant with designations of Chartered Professional Accountant (CPA), Chartered Accountant (CA), Certified Management Consultant (CMC), and Certified Quality Auditor (CQA). He is a member of various professional bodies including CPA Institute, the Institute of Internal Auditors (IIA), the Canadian Evaluation Society (CES), the Institute

of Certified Management Consultants, and the American Society for Quality. Trevor has more than 40 years of diverse audit experience in both public and private sectors. In approaching his work he is innovative and integrative and values both people and results. He is familiar with accounting, audit and evaluation standards, guidance, and functions as pronounced by various professional bodies. For 30 years (1984 to 2014) Trevor was a Director and then Principal (senior management) with the Office of the Auditor General of Canada. He conducted many performance audits to evaluate a wide range of government departments, agencies and Crown corporations at both the federal and provincial levels in Canada.

He resides in Ottawa.

Christine Simpson, Director

Christine Simpson is an experienced consultant with extensive knowledge of consumer product safety issues. She developed her experience based on her many years of public service as a Consumer Product Safety Officer at Health Canada. She has specialized knowledge about toys, children's products, textiles and consumer chemical products and has more than 35 years of experience working with manufacturers, importers and third-party test labs in Asia and the U.S. related to ensuring compliance with Canadian requirements.

She resides in Toronto.

Larry Swartz, Toronto

Larry Swartz is a professional leader, award-winning lawyer, CFA Charterholder, and in-house counsel. He has expertise in independent financial, regulatory compliance, pensions, and corporate governance

practice. He is a member of the adjunct Faculty at Osgoode Hall Law School, with an emphasis on investments and insurance, administration and risk management, contracts and drafting, restructuring and insolvency, mergers and acquisitions, negotiation and litigation, benefits and tax. He has worked for Canada's largest firm administering pensions and fastest growing administrator of retirement savings plans. Experience includes public sector, financial institutions, and international law.

Larry is a resident of Toronto.

Ken Whitehurst, Executive Director

Ken Whitehurst has served as Director of Research and Communications and then Executive Director of the Consumers Council of Canada since 2008. He has 30 years of senior-level general and project management experience in consumer representation and research; news media; sales, marketing and regulated disclosure communications; business information systems; management consulting; and financial services.

He has served as manager for Canada of news agency United Press International, vice president and general manager of broadcast news network Standard Broadcast News, director of media services for Global Strategy Financial Inc., and editor-in-chief of Metroland North Media.

He resides in Aurora, Ontario.

SUPPORTERS

- Canadian Fuels Association
- Consumer Health Products Canada
- Electrical Safety Authority
- Enbridge Gas Distribution
- Interac
- Ontario Motor Vehicle Industry Council
- Real Estate Council of Ontario
- Retail Council of Canada
- Technical Standards & Safety Authority