

Liberal Party of Canada
The Canadian Consumer Initiative – Federal Election 2011

The Canadian Consumer Initiative (CCI) is a coalition of four major consumer organizations: the Consumers Council of Canada, Option consommateurs, the Public Interest Advocacy Centre, and Union des consommateurs. CCI provides advice and assistance to enable the federal government to safeguard consumer interests.

The CCI submits 5 questions on consumer issues for the electoral debate.

Question 1 – The voice of consumers

It is imperative that the rights of Canadian consumers are protected, and that there are significant opportunities for their voices to be heard within government and in corporate boardrooms across the country.

[Combined response. A Liberal government would stand up for consumers in a number of ways, as detailed in the responses to subsequent questions.](#)

- a) What are the key initiatives the future government of Canada should implement to strengthen the voice of consumers, thereby creating a level playing field with industry?
- b) Should we have a **Cabinet-level** position to represent the views of consumers outside of Industry Canada, which currently holds this responsibility?

Question 2 – Telecommunications

Canada, a leader in telecommunications for so long, is now among the last in the world in this area.

Here are some of the problems at present:

- A very low rate of penetration in mobile telephony, costs that are among the highest in the world, and a great number of consumer complaints about the abusive practices of companies;
- Regions that are still without high-speed Internet service, Internet subscription costs that are among the highest in the world, and usage-based billing (which exists in virtually no other country);
- Deregulation of residential telephony and cable services without as expected producing a more competitive environment and leaving consumers exposed to high costs and commercial practices that have fostered consumer discontent.

What will the next government do to allow Canadians to benefit once again from world-class telecommunications services at reasonable rates?

[With continuing, rapid leaps in computing capacity, data storage and wireless innovation, digital technology and the Internet have the potential to invigorate our democracy, our economy, and our culture, putting the full power of information and action into citizens' hands.](#)

But in the last five years, Canada has fallen behind more ambitious competitors. The United Kingdom, France, Australia and the United States, for example, have developed far-reaching plans for the digital society of the future, and are introducing comprehensive policies and programs.

A Liberal government will develop and implement **Digital Canada**, focusing on the following objectives:

Access to Broadband for All Canadians. Liberals consider access to a high-speed broadband Internet connection essential infrastructure, just as the electricity grid and the telephone network were over a century ago. A Liberal government will publicly tender contracts for private companies to install broadband capacity for the hundreds of thousands of Canadians in rural, remote or northern areas who do not currently have access. To make those contracts economical for private investment, we will provide \$500 million in support, allowing Canada to achieve basic high-speed Internet access for all Canadian households within three years. The source of that investment will be the next spectrum auction for wireless licensing rights.

Closing the Digital Divide. Research shows that Internet skills lead to real economic benefits, including lower prices for consumers and more competitive small business. A Liberal government will work with all partners to promote digital life skills and training, in particular for older Canadians and lower income families.

Fair balance Between Creators and Consumers. Digital technology offers many new opportunities, but enjoying content without compensating its creators shouldn't be among them. At the same time, consumers should have freedom for personal use of digital content they rightfully possess. Liberals have worked to pass effective copyright legislation, including a private copying compensation fund instead of any new tax on consumers.

Flourishing Canadian Content, Culture and Identity in Digital Media. Canadians should continue to have access to ever more Canadian stories and Canadian content in the Digital Canada of the future. New media should provide vibrant and rewarding new avenues for expression by Canadian artists. The public broadcasters, Radio Canada and the CBC have crucial roles to play in achieving these objectives.

Competition in a Healthy Business Environment that Rewards Innovation. Consumers deserve choices and carriers that invest heavily in the advanced services and infrastructure of tomorrow deserve the chance to earn a fair return.

An Open Internet. The Internet is today's principal conduit for the free flow of ideas. To ensure it fosters the uninhibited exchange that innovation requires, Canada's Internet environment must remain open. Internet traffic management must remain neutral, and maintain the open sharing of legitimate technologies, ideas and applications. A fair, effective wholesale regime is also essential to allow smaller Internet service providers to lease broadband infrastructure at fair prices.

Open Government. Canada's federal government must embrace information technology and open data in order to improve services to Canadians and make government more transparent and accountable for public spending. Putting Statistics

Canada and other government data online wherever possible, after meeting all privacy and other legal requirements, will strengthen Canadian democracy, help create and disseminate knowledge and spur innovation.

Protection from Digital Threats. Just as openness and transparency are the sources of boundless innovation and creativity on the Internet, these same features are too often exploited for criminal purposes causing significant personal and economic disruption, harm to children, and even threats to national security. A Liberal government will make security a priority in Digital Canada, working to advance it with the private sector and other governments at home and abroad.

Question 3 – Financial Services

Canadians are outraged to see their financial institutions' profits steadily increasing, while household debt is becoming increasingly problematic, interest rates on consumer credit are disproportionately high, both the number and the cost of fees on routine operations are growing astronomically, and fees on credit cards billed to merchants are among the highest in the world, etc.

What will the next Canadian government do to provide a stronger framework for the financial services and credit industry?

The government has an important role to play in regulating our banks. For instance we must ensure that our banks are well capitalized, that their customers' deposits are safe and secure, and that they do not engage in uncompetitive behaviour such as collusion. A competitive and well regulated banking sector is vital to the long term economic stability of Canada and its citizens.

Liberals are proud of previous Liberal governments that resisted calls from the Conservatives to de-regulate our financial services sector. It was good regulation that helped to protect Canadians from some of the effects of the financial crisis.

The Liberal Party has called on the government to force debit and credit card companies to:

- Stop double-cycle billing – This practice means Canadians are paying interest on balances that they have made payments on during the previous month.
- Allow cardholders to opt-out of their contracts when interest rates are increased.
- Recognize a fair attempt to pay – If a cardholder makes their payment, it should not matter if the payment was made online, or on a weekend.

Question 4 – Copyright

The proposals aimed at amending the Copyright Act do not serve the interests of Canadian consumers.

Any new law on copyright should include consumer-friendly measures such as time and format shifting, backups, fair dealing and limits on digital locks

If elected, will your party work for consumer rights once a new copyright law is introduced?

The Liberal Party believes it is time for Canada to implement fair and balanced copyright modernization that protects the works of artists and the rights of consumers. We want to modernize Canada's copyright laws to ensure artists and creators are fairly compensated for their work, but it must achieve a balance between the rights of creators and the rights of consumers. The Conservative Copyright Bill C-32 had serious flaws, including harsh proposals on digital locks and weakened protections for the works of artists. Liberals want to ensure Canadian consumers who have legitimately purchased a CD, DVD, or other product have the ability to transfer their purchase on to their iPod or make a personal backup copy on their computers. The Liberal Party have proposed measures to ensure our artists are compensated for their work without increasing prices on consumers.

Question 5 – Food Safety

Food safety, food security and nutrition are all of growing importance to Canadian consumers. Many are questioning the way food is produced and are seeking out products that are locally grown using sustainable methods. The lack of a national food policy, adequate surveillance systems and a national farm-to-fork traceability system has contributed to food safety and security problems, such as outbreaks of listeriosis. Many consumers have begun losing confidence in Canada's regulatory regime and the pre-eminence given to agribusiness interests, which have allowed unacceptable levels of trans fats, sodium and fructose in most packaged foods. Labelling is lax and there is no mandatory identification of GMOs. Canadian consumers now "eat at their own risk," according to the *Canadian Medical Association Journal*.

Should your party form the next government, what steps will your government take to:

- restore consumer confidence in the regulatory regime for food, both produced domestically and imported;
- provide adequate and appropriate information so that consumers can make informed choices about the food they buy for themselves and their families?

A Liberal government will introduce Canada's first **National Food Policy**, a comprehensive set of measures designed to fulfill the simple, yet powerful goal of putting more healthy Canadian food on Canadian plates. Measures include:

- A new **Healthy Choices** program to educate Canadians on healthy eating, how the food system works, and how to minimize threats to food safety;
- New, **progressive labeling regulations** that give clear and simple information to Canadians on the nutritional value of the foods they purchase, improve the regulatory process for new health claims, and clarify Product of Canada labeling;
- Strong new regulatory standards on **trans fats and salt**;
- \$40 million over four years to implement a new **Healthy Start** program to help 250,000 children from low-income families access healthy, home-grown foods, in

partnership with the provinces, territories and non-governmental organizations. A Liberal government will also commit to ongoing support for the Canada Prenatal Nutrition Program (CPNP) and Aboriginal Head Start Program (AHSP)

- \$80 million over four years to create a **Buy Local Fund**. The Fund will promote high-quality, homegrown foods produced by local farmers and support a **Farmers' Markets Development Program** to market and grow Canada's farmers' markets, in cooperation with the provinces and territories
- A comprehensive **review of the Canadian Food Inspection Agency (CFIA)**, Health Canada and the Public Health Agency of Canada (PHAC), to ensure Canada's food safety system is effectively coordinated to minimize risks and assure Canadians that the food on their dinner tables is safe, and
- An additional \$50 million over four years to **improve food inspection** by the CFIA and to ensure the same food safety standards set for Canadian producers are applied to foods imported into Canada.