



Public Policy Update Volume 1 January 17, 2008

Periodically, Campbell Strategies will send a short memo highlighting public policy developments of interest to our clients. These updates are intended to highlight recent developments, provide readers with an easy link to issues of interest to them, and provide relevant commentary and analysis. In this volume:

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CRTC Establishes a New Approach to Media Ownership January 14, 2008

On January 14, 2008 The Canadian Radio-television and Telecommunications Commission (CRTC) introduced new policies to ensure that a diversity of voices is maintained in the Canadian broadcasting system. The new policies stem from a review commenced by the CRTC in April 2007 to hold public hearings in light of the current wave of consolidations in the Canadian broadcasting industry.

The new policies are intended to provide a clear approach to guide the CRTC in assessing future transactions in the broadcasting industry and to "preserve the plurality of editorial voices and the diversity of programming available to Canadians, both locally and nationally, while allowing for a strong and competitive industry".

The guidelines will likely narrow the opportunities for domestic broadcasters to acquire new assets. This may provide opportunities for foreign buyers.

For more information
<http://www.crtc.gc.ca/ENG/NEWS/RELEASES/2008/r080115.htm>

Minister Flaherty Launches Pre-Budget Consultations for Budget 2008 January 14, 2008

On January 14, 2008 The Honourable Jim Flaherty, Minister of Finance launched online consultations to give Canadians an opportunity to provide input into the development of Budget 2008. This year, the Government is asking people to focus on specific issues and questions of national significance.

"This year, we are taking a different approach to pre-budget consultations," said Minister Flaherty. "Although our economic fundamentals are solid, we need to focus on the various risks and challenges that confront us. These include the impact of an economic slowdown in the U.S. and ongoing turmoil in financial markets, the continuing need to adjust to a higher Canadian dollar and increasing global competition, as well as the aging of the Canadian population."

The specific questions being asked are:

1. What steps should the Government take in Budget 2008 (and beyond) to ensure that Canada is prepared to deal with the implications of an aging population?

2. Should the Government be implementing broad-based policies that will help all sectors of the economy to succeed or should it focus on developing policies to assist specific industries facing special challenges?
3. In what areas should the Government focus its resources in Budget 2008 (and beyond)? If resources need to be redirected from other areas, what areas should these be?
4. What steps should the Government take in Budget 2008 (and beyond) to ensure that the Canadian economy remains internationally competitive, continues to attract investment and creates high value-added jobs?
5. What tax and other measures should the Government take to ensure that Canada keeps its best and brightest, attracts highly skilled immigrants, encourages as many people as possible to enter the workforce, and rewards Canadians for their hard work, while respecting the Government's fiscal goals?

The consultations end on February 11, 2008.

For more information
http://www.fin.gc.ca/activty/consult_e.html.

**Government of Canada Consultation on Canada's proposed Food and Consumer Safety Action Plan
 January 14, 2008**

On January 14, 2008, the Government of Canada announced a public consultation on the proposed Food and Consumer Safety Action Plan. This follows Prime Minister Harper's announcement of the Food and Consumer Safety Action Plan in December and the October *Speech From the Throne* commitment to "introducing new measures on food and product safety to ensure that families have confidence in the quality and safety of what they buy."

For more information
http://www.healthycanadians.gc.ca/media/2008-01-14_e.html

**Government of Canada Clarifies Rules on Foreign Investment for State-Owned Enterprises
 December 2007**

In the lead-up to the holiday season, the Federal Government issued guidelines on how investments by foreign state-owned enterprises in Canadian companies will be assessed by Investment Canada. The new guidelines give Industry Canada a lot of leeway, with the focus on how the state-owned enterprise behaves rather on its ownership. State-owned enterprises which can establish a history of operating by commercial standards will fare best. Some of the guidelines that will be used to assess proposed investments are:

- Is the investment being made for commercial or geopolitical purposes (i.e., advancing the interests of the foreign government),
- The extent the foreign government controls the company,
- Transparency of governance structure,
- Will the company lose commercial focus after the sale

For more information
<http://news.gc.ca/web/view/en/index.jsp?articleid=366639>

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