

CONSUMER REPRESENTATION: Recognition Criteria

Executive summary

We find more and more instances, nationally and internationally, where the participation of consumer representatives is solicited: issue tables, economic regulatory agencies, standard-setting bodies, self-regulating organizations, etc. This participation has become essential in applying principles of governance, and it improves the credibility and effectiveness of mechanisms for developing policies, standards and regulations.

What are the criteria for choosing organizations or persons who will defend or express the concerns of consumers? How to ensure the competence and independence of those representatives? How to ensure their accountability? Do the organizations have standardized criteria for guaranteeing the representativeness of those who will defend consumers? Would consumers not be better served if such criteria were widely disseminated and applied? Would consumers' trust not be improved if those criteria were made known to them and the criteria's application were assured?

The present study attempts to answer these questions, with the goal of launching a debate on the importance of using objective criteria to ensure the representativeness, competence and legitimacy of those who play the essential role of promoting and defending consumer interests and reinforcing public trust in consultation and consensus-building processes.

To open an informed debate, we've examined the best existing practices (of Australia and the Canadian Environmental Network, notably), developed analysis tools, and drew a portrait of the current situation in Canada. We've noted that across the country, few jurisdictions use a formal and clearly established procedure for choosing which consumer representatives to consult. This leads to consequences that we think should be pointed out, particularly regarding the difficulty of guaranteeing that qualified representatives are identified. By "qualified" we imply criteria of competence and accountability as well as representativeness.

It therefore appears that developing a formal policy for recognizing consumer representatives, in the image of that adopted by Australia, is a realistic way to ensure that the right of consumers to representation is respected in fact.

The approach adopted by the Canadian Environmental Network (CEN), which consists of developing a selection process rather than selection criteria, appears to us incomplete and inapplicable to the representation of consumer rights. Indeed, unlike environmental groups, consumer rights organizations don't benefit from a network dedicated to reinforcing their participation in public consultations. It also appears to us hazardous to entrust a small selection committee, on a case-by-case basis, with defining the criteria for choosing representatives. Time constraints, a lack of resources, and so many other factors can force such a selection committee to hurry its task. In addition, the transparency we advocate regarding selection criteria appears imperilled by a case-by case determination.

La force d'un réseau

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Accordingly, our analysis of the situation leads us to propose the addition, to the principles established by Australia, of a few process-related criteria, to enable the selection process itself to be transparent. The Union des consommateurs therefore recommends the adoption of a framework for recognizing consumer representatives that would include principles essential to **adequate representation** – competence, independence, representativeness and accountability. That framework should also contain principles essential to the **credibility of processes** – the transparency of criteria and appointment processes, responsible appointment processes at reasonable cost, an insistence on the application of rules of good governance, and the involvement of consumer rights organizations. Observance of those principles will be ensured by the definition of criteria for recognizing consumer representatives; those criteria are detailed in one of our recommendations.

Moreover, the Union des consommateurs recommends a recognition of the necessity to provide sufficient resources for ensuring adequate representation, i.e., granting financial resources and providing training activities to consumer representatives.

The framework for recognizing consumer representatives should be developed in cooperation with consumer rights groups. To that end, sufficient resources should be allocated to enable the latter's participation.

Based on the best practices observed in Australia as well as Canada, the recommendations aim to lay the groundwork for an adequate policy to recognize consumer representatives, in the hope of starting a discussion on the subject in Canada.

French version available on our website.

The present document summarizes a research report published by the Union des consommateurs in 2009 as part of a research project funded by Industry Canada's Office of Consumer Affairs. This report is available in French and in English on our website.