

Product Responsibility Best Practices	SUBJECT Canada Consumer Product Safety Act (CCPSA)		LAST UPDATE July 2018
	APPLIES TO <ul style="list-style-type: none"> • Suppliers • Distributors 	FOCUS ON Overview of responsibilities companies have when doing business in Canada; regulations that affect consumer products being distributed in Canada	
	QUICK LINKS <ul style="list-style-type: none"> • PPAI Corporate Responsibility: ppai.org/corporate-responsibility • UL: industries.ul.com/premiums-promotional-and-licensed-goods • Consumer Product Safety Commission: www.cpsc.gov 		Intended for beginner compliance programs

Italic grey text indicates a hyperlink listed in the Online Resources section of this document.

Background

The *Canada Consumer Product Safety Act (CCPSA)* became law on June 20, 2011, with the primary purpose of protecting the public by addressing and preventing dangers to human health and safety that may be posed by consumer products. The *Minister of Health (Health Canada)* has authority to enforce the CCPSA. A wide variety of consumer products are covered under the Act, including children's toys and equipment, children's jewelry, textiles, household products, and sporting goods. Items not covered under the Act include natural health products, food and drink, cosmetics, prescription or over-the-counter drugs and medical devices.

There is a general prohibition in the CCPSA against the manufacture, importation, advertisement or sale of any consumer product that is a danger to human health or safety or is subject to a recall or other corrective measures. In addition to the products that are prohibited, a person is not allowed to manufacture, import, advertise or sell a consumer product in Canada that does not comply with the requirements of over 30 regulations under the act.

Authority And Requirements

The CCPSA gives Health Canada the authority to recall dangerous products and implement other corrective actions in addition to the ability to require testing and studies to verify compliance or prevent noncompliance. The act also requires companies to retain documents to help trace products throughout the supply chain in the event of a recall—similar to the United States (U.S.) *CPSIA tracking label requirement*. There are also increased fines and penalties for non-compliance.

The CCPSA requires businesses to report when they know about a serious incident or death related to their product, and to provide the government with timely information about important product safety issues. However, it does not require Health Canada to review or approve consumer products prior to being

sold in Canada. The increased accountability of manufacturers and other suppliers provides necessary measures to ensure the safety of consumer products.

- ***Distributors of consumer products for promotional purposes are considered to be sellers of consumer products under the CCPSA and therefore are subject to the requirements.***

Recommended Testing Practices

While there are no specific certification requirements for laboratories to conduct tests on consumer products, there are some recommended best practices.

- *Testing should be done according to the Canadian requirements for consumer products as described in the regulations, policies and guidelines.*
- *Testing should be conducted on a representative sample of the product available on the Canadian market.*
- *Testing should be carried out at a laboratory that has demonstrated competency in the testing of consumer products, preferably through accreditation to ISO/IEC 17025 standards.*

Note: Testing that was carried out prior to the enforcement of the CCPSA may be acceptable if it meets the criteria and can be traced to the products currently on the market.

In addition, to ensure the safety of consumer products, businesses are responsible to keep records to trace products throughout the supply chain and may be responsible to report health or safety related incidents with consumer products.

Responsibility Of Business

Mandatory reporting is required for any incident with respect to a consumer product and its risk to human health or safety. The intent of the reporting requirement is to provide a proactive

response to emerging hazards and trends, and to provide better intelligence on the use of consumer products and the potential risks.

When an incident occurs, the company is expected to conduct an evaluation to determine if it meets the reportable requirements. Factors to consider when determining a reportable incident are defined by the CCPSA with respect to a consumer product, such as:

1. *An occurrence in Canada or elsewhere that resulted or may reasonably have been expected to result in an individual's death or in serious adverse effects on their health, including a serious injury*
2. *A defect or characteristic that may reasonably be expected to result in an individual's death or in serious adverse effects on their health, including a serious injury*
3. *Incorrect or insufficient information on a label or in instructions—or the lack of a label or instructions—that may reasonably be expected to result in an individual's death or in serious adverse effects on their health, including a serious injury*
4. *A recall or measure that is initiated for human health or safety reasons*

The incident does not need to directly involve the exact consumer product manufactured, imported or sold in Canada. This may occur when a consumer product shares a component, accessory or part with the product directly involved in the incident.

- *For example: A recall of a consumer product is initiated for human health and safety reasons in another country. If the product manufactured by the person in Canada shares the same component as one that caused an incident in the other country, this might in some cases be considered an incident "related to" the consumer product.*

Mandatory Reporting

Once the manufacturer, importer or seller becomes aware of an incident, they are required by the CCPSA to provide information within two (2) days to Health Canada and the person from whom they obtained the consumer product. The intent is to notify all persons in the supply chain of the incident, and increase the detail of information received by Health Canada from the manufacturer, importer or seller. The information should include incident type, any notes, product name or general category, description of product, from whom the product was obtained and any measures already taken.

In addition to submitting this preliminary information, the manufacturer or importer is required to provide a written report to Health Canada within 10 days from the day on which they became aware of the incident. The report must include:

- *Information about the incident*
- *The product involved in the incident*
- *Any products that they manufacture or import, as the case may be, that to their knowledge could be involved in a similar incident*
- *Any measures they have taken or propose to take with respect to those products*

Failure to provide the information required by the CCPSA constitutes an offense and is subject to enforcement action.

An **electronic form** has been developed to aid businesses with providing this information. The form can be automatically submitted online or sent by mail, fax or email. Upon receiving information, Health Canada determines if the report has complete information and evaluates the appropriateness of the proposed corrective measure.

Document Retention

Under the CCPSA, businesses are required to keep documents for six (6) years after the end of the year to which they relate, and they must be kept at the place of business in Canada or any place prescribed in the regulation. The Minister may grant an exemption to businesses if keeping documents in Canada is unnecessary or impractical.

Inspectors may request access to documents that are required to be maintained. In addition, Health Canada may also make a written request for documents.

Their request will set out the time period for providing the documents, which is determined based on the circumstance. Specific document retention requirements are described in more detail in this table:

RETAILER
<ul style="list-style-type: none"> • Shall prepare and maintain documents that indicate the name and address of the person from whom they obtained the product and the location where and the period during which they sold the product • Shall prepare and maintain the prescribed documents.

ALL OTHER PERSONS*(Manufacture, import, advertise, sell or test products for commercial purposes)*

- Shall prepare and maintain documents that indicate the name and address of the person from whom they obtained the product or to whom they sold it, or both, as applicable.
- Shall prepare and maintain the prescribed documents.

Compliance and Enforcement

The Minister of Health may order manufacturers and importers to conduct testing or studies and compile other information necessary to verify compliance or prevent non-compliance with the CCPSA or its regulations. With the CCPSA, fines and penalties for non-compliance increased, including higher penalties where it can be proven that the violation was done knowingly or recklessly. Violations may lead to the issuance of a *Notice of Violation*. This notice would state the monetary penalty to be paid by the company and depends on the risk associated with the product—low, medium or high, and the company's history of violations.

Regulations Affecting Promotional Products

Listed below are some of the regulations that may apply to promotional products. For a complete list of regulations under the act, you can visit the *Health Canada website*.

- *Candle Regulations*
- *Children's Jewelry Regulations*
- *Children's Sleepwear Regulations*
- *Consumer Products Containing Lead Regulations*
- *Glazed Ceramic and Glassware Regulations*
- *Hazardous Product Requirements*
- *Lighter Regulations*
- *Phthalate Regulations*

In addition, specific consumer products are *prohibited from sale in Canada*, including but not limited to: products

for babies—including teethingers, pacifiers and baby bottle nipples—that contain a filling with a viable microorganism, and polycarbonate baby bottles that contain BPA.

U.S. and Canadian requirements are different; thus, compliance with U.S. regulations does not mean automatic compliance with Canadian requirements. When submitting product for testing, be sure to advise lab if product is going to Canada.

Consumer Packaging and Labeling Act

For products covered by the CCPSA, general labeling requirements are set out in the *Consumer Packaging and Labeling Act*. This act applies to prepackaged, non-food consumer products, and it places specific requirements for wording and formatting of product labeling. Distributing non-compliant products may subject your company to penalties and fines.

Consumer Packaging and Labeling Act Requirements:

Bilingual requirement - Every inscription should appear in both English and French anywhere in Canada as required by the applicable acts and regulations. This is mandatory in the Province of Quebec and very strongly recommended elsewhere in Canada. The bilingual requirement includes all information on labels, packaging, wrappers, and containers. The English and French languages must be given equal prominence, and the size of the lettering for the English and French inscription should be the same.

Claims must be accurate - All information on the packaging, whether in symbols or words, must be neither false nor misleading to the consumer.

Imported goods need to be marked - The marking must clearly indicate the country of origin of the goods in English and French.

Identity of the product - Product must be labeled or described in terms of its function (body lotion for example) if not obvious by looking at the packaging

Net quantity - Quantity should be expressed and displayed on the packaging.

Dealer name and place of business - The person by or for whom the prepackaged product was manufactured or produced must be included.

Online Resources:

PPAI International Standards: <http://www.ppai.org/media/1809/pr-bp-international-standards.pdf>

CCPSA: <http://laws-lois.justice.gc.ca/eng/acts/C-1.68/page-1.html>

CCPSA Quick Reference Guide: http://www.hc-sc.gc.ca/cps-spc/alt_formats/hecs-sesc/pdf/pubs/indust/ccpsa_ref-lcspc/ccpsa_ref-lcspc-eng.pdf

CCPSA FAQs: <http://hc-sc.gc.ca/cps-spc/legislation/acts-lois/ccpsa-lcspc/faq-eng.php>

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