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# Canada Consumer Product Safety Act

## INFORMATION FOR DIRECT SELLERS (Suppliers and Independent Sales Contractors)

This fact sheet is directed at those who sell consumer products, particularly small operators, where inventory typically comes from a single supplier and where sales primarily occur in private homes rather than retail stores. Such sellers are often called "direct sellers" or "independent sales contractors."

The purpose of the *Canada Consumer Product Safety Act* (CCPSA) is to protect the public by addressing or preventing dangers to human health or safety that are posed by consumer products in Canada.

The CCPSA contains requirements for the manufacturing, importing, selling, advertising and testing of consumer products in Canada. Under the CCPSA, the Minister of Health (Health Canada) has the power to order recalls of products on the market that pose a danger to human health or safety.

A consumer product under the Act is a product that may reasonably be expected to be obtained by an individual to be used for non-commercial purposes, such as for domestic, recreational or sports purposes. This definition includes the product itself, the product's components, parts, accessories and its packaging.

Under the *Canada Consumer Product Safety Act* (CCPSA), selling a consumer product includes leasing the product or distributing the product to one or more persons even if there is no money or other consideration exchanged for the distribution.

Manufacturing a consumer product includes producing, formulating, repackaging and preparing it. It also includes reconditioning the product for sale.

The CCPSA does not apply to certain products that are covered by other legislation, such as:

- explosives
- cosmetics
- drugs
- natural health products
- food
- medical devices
- ammunition

The Act does apply to tobacco products but only in relation to their ignition propensity.

### YOUR RESPONSIBILITIES AS A DIRECT SELLER SUPPLIER/INDEPENDENT SALES CONTRACTOR

Product safety is in everyone's best interest. Under the *Canada Consumer Product Safety Act* (CCPSA), you have certain responsibilities as a direct seller (supplier or independent sales contractor) of consumer products. These include:

- preparing and maintaining documents indicating certain information about the consumer products that you sell (section 13 of the CCPSA)
- reporting health or safety-related incidents, related to a consumer product that you sell, to Health Canada and to your supplier (section 14 of the CCPSA)
- not selling:
  - › prohibited consumer products listed in Schedule 2 of the CCPSA
  - › consumer products that do not comply with product-specific regulations, for example, there are safety or performance requirements in regulations pertaining to candles, kettles, lighters, children's sleepwear, glazed ceramics, children's jewellery and many other consumer products (a full list of regulated products is available on the Justice Canada website at [www.laws-lois.justice.gc.ca/eng/acts/C-1.68/index.html](http://www.laws-lois.justice.gc.ca/eng/acts/C-1.68/index.html))
  - › consumer products that are a "danger to human health or safety," as this phrase is defined in section 2 of the CCPSA
  - › consumer products that are labelled or packaged in a manner misleading as to their safety

[www.healthcanada.gc.ca/productsafety](http://www.healthcanada.gc.ca/productsafety)

Canada

- › consumer products that have been recalled for health or safety reasons in Canada
- › consumer products that you know are the subject of corrective measures that have not been carried out

## IF YOU BUY PRODUCTS FROM OUTSIDE CANADA TO SELL IN CANADA

If you buy a consumer product from a manufacturer or distributor that is located outside of Canada to sell in Canada, you are considered an **importer** for the purpose of certain provisions of the *Canada Consumer Product Safety Act* (CCPSA). As an importer of consumer products, you would have additional responsibilities under the CCPSA, for instance providing or obtaining information on a product's safety if requested to do so by the Minister (section 12 of the CCPSA).

## PREPARING AND MAINTAINING DOCUMENTS

Section 13 of the *Canada Consumer Product Safety Act* (CCPSA) requires any person<sup>1</sup> who manufactures, imports, advertises, sells or tests a consumer product for commercial purposes to prepare and maintain documents that indicate if applicable:

- the name and address of the person(s) from whom they obtained the product
- the name and address of the person(s) to whom they sold the product

As a direct seller or independent sales contractor, you may have the responsibilities of a **retailer** with respect to products you sell to consumers. In that case, you are required to keep records of the name and address of your suppliers (for example, distributor or manufacturer), the location where you sold the consumer products (for example the local area where the products were sold) and the time period during which you sold the products.

There is no requirement under the CCPSA for retailers to keep documents relating to individual consumer transactions or to keep consumers' personal information.

You must keep these records at your place of business in Canada for at least six years after the end of the year to which they relate and provide the information to Health Canada if requested. Health Canada may need this information to help trace the source and distribution of unsafe consumer products.

<sup>1</sup> In this document, the word "person" means an individual or an organization as defined in section 2 of the *Criminal Code*.

## REPORTING OF INCIDENTS

Section 14 of the *Canada Consumer Product Safety Act* (CCPSA) requires persons who manufacture, import or sell consumer products in Canada for commercial purposes to provide information when they become aware an incident has occurred that is related to a consumer product they supply in Canada. What constitutes an "incident" is defined in section 14 of the CCPSA.

You may become aware of a health or safety-related incident from your own experience, from a consumer report, from the Government of Canada or from other sources. **Everyone** in the supply chain has reporting requirements under the CCPSA. The responsibility to report **begins** with the person who becomes aware of an incident.

As outlined in subsection 14(2), you have two days after the day on which you become aware of an incident to provide all the information in your control regarding any incident related to the product to:

- Health Canada; **and**,
- the person from whom you received the consumer product (if applicable).

This reporting mechanism notifies those higher in the supply chain of the incident, and may increase the detail of the information received by Health Canada from the manufacturer, importer or seller.

A direct seller or independent sales contractor who is considered a manufacturer or importer has further obligations under subsection 14(3) to provide Health Canada with a written report with specific information within ten days after the day on which they become aware of an incident.

The 14(3) report must include:

- information about the incident
- information about the product involved in the incident
- information about any products that they manufacture or import, as the case may be, that to their knowledge could be involved in a similar incident
- details on whether corrective measures are necessary and if so what measures they propose be taken

Given the variety in ownership structure and sourcing of inventory, industry will organize itself in different ways to achieve compliance with the requirements for mandatory reporting of consumer product incidents. It is expected that suppliers will put in place the appropriate mechanisms to make the determination of whether an event is a reportable incident.

To report an incident, see **Report an Incident Involving a Consumer Product** ([www.healthcanada.gc.ca/reportaproduct](http://www.healthcanada.gc.ca/reportaproduct)), call 1-866-662-0666 or email CPSR-RSPC@hc-sc.gc.ca.



## PRODUCT RECALLS

You are prohibited from selling a product that has been recalled because of a danger to human health or safety, either ordered by Health Canada or undertaken voluntarily in Canada. If a consumer product is recalled by one of your suppliers or by Health Canada, you may receive a notice of the recall and instructions on what to do to remove the product from the market. You should follow these instructions in order to help maintain the health or safety of consumers who may have purchased the product. The recall of a consumer product in another country for health or safety reasons is considered a reportable incident in Canada and industry must report the incident.

Also, when recalled products have been repaired with retrofit kits or in other ways offered by the manufacturer, you must make sure the product has been corrected as directed by the manufacturer before selling them.

To learn if a consumer product has been recalled in Canada:

- see **Consumer Product Recalls** ([www.healthcanada.gc.ca/cps-recalls](http://www.healthcanada.gc.ca/cps-recalls))
- contact the product manufacturer, importer or distributor

## COMPLIANCE AND ENFORCEMENT

Health Canada's objectives in enforcing the provisions of the *Canada Consumer Product Safety Act* (CCPSA) are to help maintain and improve the health and safety of all Canadians through the fair and consistent application of legislation, and to obtain compliance using the most effective means while ensuring a fair, consistent and transparent approach. In meeting these objectives, Health Canada has a range of options for promoting compliance and preventing non-compliance.

Industry has the primary responsibility for the safety of any product they distribute in Canada and must comply with legislative requirements.

Health Canada inspectors work to verify compliance and prevent non-compliance with the CCPSA and its regulations. Inspectors may:

- inspect locations where regulated activities take place, such as manufacturing, importing and selling of consumer products
- promote understanding among suppliers of consumer products with their responsibilities under the Act and its regulations
- work with suppliers who correct or remove from the market their products that are non-compliant with the legislation
- verify that required records are properly prepared and maintained

When an issue arises in relation to a consumer product that requires action, industry has the primary responsibility to take timely and appropriate action to comply with legislative requirements. Under the CCPSA, the Minister of Health has authorities to:

- order the person to take corrective measures
- order the person to carry out tests or studies to verify compliance
- order a recall of unsafe products from the market
- take corrective measures or carry out a recall if there is non-compliance with a ministerial order

Health Canada may publish information about any violations of the CCPSA or its regulations for the purpose of encouraging compliance.

This document is an unofficial summary of the CCPSA. It is not intended to substitute for, supersede or limit the requirements under the CCPSA. In case of any discrepancy between this summary and the legislation, the legislation will prevail.

For more information, including the text of the Act and regulations, please visit **Canada Consumer Product Safety Act (CCPSA)** ([www.healthcanada.gc.ca/productsafety](http://www.healthcanada.gc.ca/productsafety)), call 1-866-662-0666 or email [cps-spc@hc-sc.gc.ca](mailto:cps-spc@hc-sc.gc.ca).

