Competition Bureau Canada | Bureau de la concurrence Canada

Enforcement Guidelines

"Product of Canada" and "Made in Canada" Claims

Competition Act
Consumer Packaging and Labelling Act
Textile Labelling Act

Canada

This publication is not a legal document. It contains general information and is provided for convenience and guidance in applying the *Competition Act,* the *Consumer Packaging and Labelling Act* and the *Textile Labelling Act*.

This publication replaces the following Competition Bureau publications:
Enforcement Guidelines – *Guide to "Made in Canada" Claims*, January 22, 2002
Enforcement Guidelines – "*Product of Canada*" *and* "*Made in Canada*" – Draft for Public Consultation, July 10, 2009

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PREFACE

The Competition Bureau ("Bureau") is an independent law enforcement agency that contributes to the prosperity of Canadians by protecting and promoting competitive markets and enabling informed consumer choice.

Headed by the Commissioner of Competition, the Bureau is responsible for the administration and enforcement of four federal statutes:

- The *Competition Act*[1] contains provisions against false or misleading representations;
- The *Consumer Packaging and Labelling Act*[2] requires that consumer products bear accurate and meaningful labelling information. The Bureau only enforces this Act as it relates to non-food products;
- The *Textile Labelling Act*[3] requires that consumer textile articles bear accurate and meaningful labelling information; and,
- The *Precious Metals Marking Act*[4].

The *Competition Act*, the *Consumer Packaging and Labelling Act* and the *Textile Labelling Act* (collectively the "Acts") do not require that the country of origin of a product be identified[5]. The Acts address and prohibit the making of false or misleading representations. Accordingly, the Acts do not require, for instance, that businesses make a "Made in Canada" claim with regard to their products; however, if they choose to make such a claim, the Bureau will apply the approach described in these enforcement guidelines to assist in determining when it will investigate a claim for non-compliance or undertake an appropriate enforcement action under the false or misleading representations provisions in the statutes under its responsibility.

The Bureau's *Guide to "Made in Canada" Claims* was introduced in the early 1980s as a means of identifying Canadian content, and to assist in evaluating "Made in Canada" claims against the false or misleading representations provisions contained in the Acts[6].

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1 R.S., 1985, c. C-34.
2 R.S., 1985, c. C-38.
3 R.S., 1985, c. T-10.
4 R.S., 1985, c. P-19.
5 Paragraph 11(1)(*c*) of the *Textile Labelling and Advertising Regulations* requires that if a label on a textile fibre product includes a representation that the product or any fabric or fibre therein is imported, that label or another label on the product must name the country of origin. Other statutes and regulations may require country of origin information to be provided in certain circumstances. These Guidelines address only the legislation enforced by the Bureau.
6 Other Bureau publications relating to labelling requirements include the *Guide to the Consumer Packaging and Labelling Act and Regulations*, *Guide to the Textile Labelling and Advertising Regulations*, *Guide to the Labelling of Down and Feathers*, *Guide for the Labelling and Advertising of Pet Foods* and *Guidance on Labelling Textile Articles Derived from Bamboo* available at: www.competitionbureau.gc.ca.

As noted above, the Bureau enforces the *Consumer Packaging and Labelling Act* ("CPLA") only as it relates to non-food products; the Canadian Food Inspection Agency ("CFIA") enforces the CPLA as it relates to food products. Until December 31, 2008, the CFIA chose to rely on the Bureau's *Guide to "Made in Canada" Claims* to enforce the CPLA in relation to food products. After this date, the CFIA introduced its own guide for the use of "Made in Canada" and "Product of Canada" claims in the labelling of food products sold in Canada.

In light of, among other developments, the distinction that has been created in CFIA's Guide between "Made in Canada" and "Product of Canada" claims in labelling of food products, the Bureau has reviewed its *Guide to "Made in Canada"* Claims for non-food products and has adopted new guidelines, called *Enforcement Guidelines relating to "Product of Canada" and "Made in Canada" Claims* (the "Guidelines"). These Guidelines describe the Bureau's approach to assessing "Made in Canada" and "Product of Canada" claims under the false or misleading representations provisions of the Acts, and supersedes the previous *Guide to "Made in Canada" Claims*.

The new Guidelines introduce a distinction between "Product of Canada" and "Made in Canada" claims. "Product of Canada" claims will be subject to a higher threshold of Canadian content (98%), while "Made in Canada" claims will remain subject to a 51% threshold of Canadian content but should be accompanied by a qualifying statement indicating that the product contains imported content. In both cases, the last substantial transformation of the product must have occurred in Canada.

The Bureau recognizes the need for transparency and predictability regarding its assessment of "Product of Canada" and "Made in Canada" claims. These Guidelines are intended to provide businesses and industry groups with information that will help them develop strategies to ensure compliance with the false or misleading representations provisions of the Acts with respect to such claims. Significantly, the Guidelines, and industry compliance with them, will promote clarity and assist consumers in understanding the meaning of "Product of Canada" and "Made in Canada" claims, and making informed purchasing decisions.

If businesses follow these Guidelines when making representations that their products are "Product of Canada" or "Made in Canada", it is unlikely that they will raise concerns under the statutes administered by the Bureau.

It should also be pointed out that a mere deviation from these Guidelines might not, in and of itself, represent a contravention of any one or more of those statutes. Each situation will be evaluated on a case by case basis.

Commissioner of Competition

INTERPRETATION

These Guidelines describe the general approach of the Bureau to assessing "Made in Canada" and "Product of Canada" claims under the false or misleading representations provisions of the Acts.

These Guidelines are not intended to restate the law or to constitute a binding statement of how the Commissioner of Competition or the Director of Public Prosecutions ("DPP") will exercise discretion in a particular situation. They do not replace the advice of legal counsel. Guidance regarding future business conduct can be obtained by requesting a binding written opinion from the Commissioner of Competition under section 124.1 of the *Competition Act* ("CA"). The respective enforcement and prosecutorial decisions of the Commissioner of Competition and the DPP, and the ultimate resolution of issues, will depend on the particular circumstances of the matter in question. Final interpretation of the law is the responsibility of the Competition Tribunal ("Tribunal") and the courts.

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1. INTRODUCTION

1.1 Scope and Purpose of the Guidelines

These Guidelines discuss the Bureau's interpretation of "Product of Canada" and "Made in Canada" claims under the *Competition Act* ("CA"), the *Consumer Packaging and Labelling Act* ("CPLA") and the *Textile Labelling Act* ("TLA") as they relate to non-food products as defined in section 2 of these Guidelines. The CA, the CPLA and the TLA (collectively the "Acts") do not require that the country of origin of a product be identified[7]. Rather, the Acts prohibit the making of false or misleading representations. The Acts do not require, for instance, that businesses make a "Made in Canada" claim with regard to their products. If however they choose to make such a claim, the Bureau will apply the approach described in these enforcement Guidelines to determine when it will investigate a claim for non-compliance or undertake an appropriate enforcement action under the false or misleading representations provisions in the statutes under its responsibility. These Guidelines do not address other statutory or regulatory requirements regarding country of origin identification, including "Product of Canada" and "Made in Canada" claims with respect to food and non-food products[8] included in statutes other than the Acts.

These Guidelines are intended to provide businesses and industry groups with information that will help them develop strategies to ensure compliance with the false or misleading representations provisions of the CA, the CPLA, and the TLA with respect to "Product of Canada" and "Made in Canada" claims. Significantly, these Guidelines, and industry compliance with them, will assist consumers in understanding the meaning of "Product of Canada" and "Made in Canada" claims, and in making informed purchasing decisions.

If businesses follow these Guidelines when making representations that their products are "Product of Canada" or "Made in Canada", it is unlikely that they will raise concerns under the statutes administered by the Bureau; morever, a mere deviation from these Guidelines might not, in and of itself, represent a contravention of any one or more of those statutes. Each situation will be evaluated on a case by case basis.

7 See footnote 5.

8 Statutory requirements that are not addressed by these Guidelines include, for example, the fact that the *Precious Metals Marking Act* requires that, if a dealer is going to apply a national mark to a precious metal article, the article must, among other things, have been wholly manufactured in Canada.

1.2 Overview of the Legislation

While country of origin labelling is not a requirement under the CA, the CPLA or the TLA, each statute contains provisions prohibiting false or misleading representations; such provisions can apply to false or misleading country of origin claims. The purpose of the false or misleading representations provisions of the Acts is to promote fair competition in the marketplace by discouraging deceptive business practices, and by encouraging the provision of truthful and accurate information to enable informed consumer choice.

1.2.1 The *Competition Act*

The CA[9] contains provisions that prohibit false or misleading representations for the purpose of promoting a product or any business interest. Two of these provisions (sections 52 and 74.01) can be applied to country of origin claims made by businesses.

Subsection 52(1) of the CA is a criminal provision that prohibits anyone, for the purpose of promoting the supply or use of a product or business interest from knowingly or recklessly making a materially false or misleading representation to the public that is false or misleading in a material respect. Any person who contravenes this subsection is guilty of an offence and liable to a fine and/or imprisonment and can be ordered to pay restitution if the conditions set out in the *Criminal Code*[10] are met[11].

Paragraph 74.01(1)(*a*) of the CA is a civil provision that provides that anyone who makes a materially false or misleading representation to the public to promote the supply or use of a product or a business interest engages in "reviewable conduct". When the Competition Tribunal, on application by the Commissioner of Competition, finds that a person has engaged in reviewable conduct, it may order the person not to engage in such conduct, to publish a corrective notice, to pay an administrative monetary penalty and/or to pay restitution[12].

Most cases are taken under the civil provision of the CA. Criminal prosecution is only undertaken when the false or misleading representations are made knowingly or recklessly, and when the Director of Public Prosecutions is of the view that it is in the public interest to proceed criminally[13].

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9 Please refer to section 5.1 of these Guidelines for the relevant provisions of the *Competition Act*.

10 R.S. 1985, c. C-46.

11 Please refer to the discussion on penalties and remedies in section 4 of these Guidelines.

12 Please refer to the discussion on penalties and remedies in section 4 of these Guidelines.

13 For further information about the dual-track (civil/criminal) regime for false or misleading representations, please refer to *Misleading Representations and Deceptive Marketing Practices: Choice of Criminal or Civil Track under the Competition Act* available at: www.competitionbureau.gc.ca.

1.2.2 The *Consumer Packaging and Labelling Act*

The CPLA[14] requires that consumer products bear accurate and meaningful labelling information to help consumers make informed purchasing decisions. The CPLA sets out specifications for mandatory label information, such as product identity, product net quantity and the dealer's name and principal place of business[15]. Section 7 of the CPLA also contains a provision prohibiting false or misleading representations on a pre-packaged product, which covers country of origin claims made by businesses.

The Bureau enforces the CPLA as it relates to non-food products. The enforcement of the CPLA as it relates to food products is the responsibility of the Canadian Food Inspection Agency ("CFIA").

1.2.3 The *Textile Labelling Act*

The TLA[16] requires that consumer textile articles bear accurate and meaningful labelling information to help consumers make informed purchasing decisions. The TLA sets out specifications for mandatory label information, such as information on fibre content and dealer identification. Section 5 of the TLA also contains a provision prohibiting false or misleading representations on a textile article, which covers country of origin claims made by businesses.

14 Please refer to section 5.2 of these Guidelines for relevant provisions of the *Consumer and Packaging and Labelling Act*.

15 The *Consumer Packaging and Labelling Regulations* set out specific labelling requirements for prepackaged products wholly manufactured or produced outside Canada (s. 31(2)) and products that are wholly manufactured or produced in a country other than Canada but packaged in Canada at other than the retail level of trade (s. 31(3)). Please refer to section 5.2 of these Guidelines for relevant provisions of the *Consumer Packaging and Labelling Regulations*.

16 Please refer to section 5.3 of these Guidelines for relevant provisions of the *Textile Labelling Act*.

2. DEFINITIONS

For the purpose of these Guidelines, the following definitions apply:

2.1 Cost of Production/Manufacturing

Cost of production/manufacturing that would be taken into account by the Bureau when assessing a "Product of Canada" or "Made in Canada" claim are:

(a) expenditures on materials incurred by the producer/manufacturer in the production or manufacturing of the goods; and

(b) expenditures on labour incurred by the producer/manufacturer that relate to the production or manufacturing of the goods and can reasonably be allocated to the production or manufacturing of the goods.

General overhead is not usually included in the calculation of the cost of production and manufacturing; however, overhead expenditures incurred by the producer/manufacturer may be eligible if they relate directly to the production or manufacturing of the goods in question and if they can reasonably be allocated to the production or manufacturing of the goods.

2.2 Food

"Food", as defined in section 2 of the *Food and Drugs Act*[17], includes any article manufactured, sold or represented for use as food or drink for human beings, chewing gum, and any ingredient that may be mixed with food for any purpose whatever.

2.3 Non-Food Product or Good

Non-food products or goods means products or goods that are not food as defined in section 2 of the *Food and Drugs Act*.

2.4 Substantial Transformation

Goods are substantially transformed where they undergo a fundamental change in form, appearance or nature such that the goods existing after the change are new and different goods from those existing before the change.

17 R.S., 1985, c. F-27.

3. "PRODUCT OF CANADA" AND "MADE IN CANADA" CLAIMS

3.1 The Bureau's Enforcement Approach – General Principles

The Acts enforced by the Bureau do not require that the country of origin of a product be identified[18]. The Acts do prohibit the making of false or misleading representations. As such, the Acts do not require, for instance, that businesses make a "Made in Canada" claim with respect to their products; however, if they choose to make such a claim, the Bureau will apply the approach described in these enforcement Guidelines to assist in determining when it will investigate a claim for non-compliance or undertake an appropriate enforcement action under the false or misleading representations provisions included in the statutes under its responsibility.

The approach outlined in these Guidelines is applied by the Bureau on a case-by-case basis. The Guidelines are used to assist in interpreting whether a representation, either implicit or explicit, that a product is a "Product of Canada" or "Made in Canada" may be false or misleading to prospective purchasers of the product.

3.1.1 General Impression Test

When determining whether a "Product of Canada" or "Made in Canada" declaration has been made that is false or misleading, the CA requires that the *general impression* conveyed by a representation, as well as its literal meaning, be taken into account. Thus, when examining a particular representation, the Bureau will consider the general impression conveyed through a combination of words, visual elements, illustrations and overall layout that may alter the plain meaning of a representation.

As such, any country of origin claim or representation, including any pictorial representation, will be evaluated in its entirety in order to establish whether the representation creates the general impression that the product was made in Canada.

If the Bureau concludes that the general impression given by a representation is that the product was made in Canada, the Bureau will assess these representations under the criteria for "Product of Canada" and "Made in Canada" claims set out in section 3.2 of these Guidelines to assist in interpreting whether the representations may be false or misleading.

18 See footnote 5.

3.1.2 Medium of the Representations

The false or misleading representations provisions of the CA and TLA cover all forms of representation regardless of the medium used, including print or broadcast media, Internet and oral representations[19].

3.1.3 Proof of Deception Not Required

Subsections 52(1.1) and 74.03(4) of the CA clarify that it is not necessary to prove that anyone was actually deceived or misled in order to prove that a representation has contravened the provisions for criminal or civil false or misleading representations in the CA.

3.1.4 Goods Wholly Obtained or Produced in Canada

Goods that are wholly obtained or produced in Canada (for example: mineral goods extracted in Canada or goods harvested in Canada), will be considered to have undergone their last substantial transformation in Canada.

3.2 Types of Claims

3.2.1 "Product of Canada" Claims

The Bureau generally will not challenge a representation that states that a good is a "Product of Canada" under the false or misleading representations provisions of the Acts if these two conditions are met:

(a) the last substantial transformation of the good occurred in Canada; and

(b) all or virtually all (at least 98%) of the total direct costs of producing or manufacturing the good have been incurred in Canada.

3.2.2 "Made in Canada" Claims

The Bureau will generally not challenge a representation that a good is "Made in Canada" under the false or misleading representations provisions of the Acts if these three conditions are met:

(a) the last substantial transformation of the good occurred in Canada;

(b) at least 51% of the total direct costs of producing or manufacturing the good have been incurred in Canada; and

19 Unlike the CA and TLA, the CPLA does not specifically prohibit making a false or misleading representation in an advertisement. Rather, the CPLA prohibits selling, importing or advertising a prepackaged product if the product's label contains any false or misleading representation relating to the product. Note, however, that the CA prohibitions on false or misleading representations apply to all advertising, including advertising of prepackaged products.

(c) the "Made in Canada" representation is accompanied by an appropriate qualifying statement, such as "Made in Canada with imported parts" or "Made in Canada with domestic and imported parts". This could also include more specific information such as "Made in Canada with 60% Canadian content and 40% imported content".

3.2.3 Other Claims

If a product does not meet either of the criteria for a "Product of Canada" or "Made in Canada" claim, the Bureau recommends the use of a more specific term that more accurately reflects the limited production or manufacturing activity that took place in Canada. For example, "Assembled in Canada with foreign parts" or "Sewn in Canada with imported fabric"[20]. The Bureau encourages the use of qualified claims where the additional information provided is accurate, relevant and useful, and does not give a false or misleading impression.

More general terms, however, such as "produced", or "manufactured" in Canada, are likely to be understood by consumers as synonymous with a "Made in Canada" claim and should therefore comply with the requirements for "Made in Canada" claims. To increase clarity for consumers, the Bureau recommends the use of "Made in Canada" claims with a qualifying statement, over more general terms such as "produced" or "manufactured" in Canada with a qualifying statement.

A marketer may represent that a particular manufacturing or other process was performed in Canada, such as "Designed in Canada". Similarly, a marketer may represent that a particular part was manufactured in Canada, such as that the motor in a lawnmower was made in Canada from domestic and imported parts. Such a claim is acceptable, provided it is accurate, and that consumers would understand it to refer to a specific process or part and not to the general manufacturing of the product.

3.2.4 Implicit Declarations

A representation may be made by either express or implied claims. Depending on the context, pictorial representations (e.g., logos, pictures, or symbols such as the Canadian flag or maple leaf) may by themselves be just as forceful as an explicit "Made in Canada" written representation. Any text that attempts to qualify a pictorial representation must be sufficiently prominent to ensure that consumers notice it and understand the significance. If a reasonable conclusion from the use of a pictorial representation is that the goods are made in Canada, when that is in fact not the case as per the requirements noted above, there is a risk of misleading consumers, and the Acts may come into play.

Implicit declarations of domestic origin will be interpreted by the Bureau as giving the same general impression to the public as an explicit "Made in Canada" claim and should therefore meet the conditions for this type of claim, as set out in section 3.2.2 of these Guidelines. In identifying implied claims, the Bureau focuses on the overall general impression of an advertisement, label or other promotional material. This requires an examination of both the representation and the overall context including the positioning of phrases and images.

20 If this representation is made on the label of a textile fibre product, the country of origin must also be named.

4. PENALTIES AND REMEDIES

If the Bureau believes that a representation is false or misleading in a material respect, it will look to its *Conformity Continuum Information Bulletin*[21] in choosing the appropriate enforcement approach for achieving conformity with the legislation. The Bureau has several instruments at its disposal to promote and achieve compliance with the Acts. The *Conformity Continuum Information Bulletin* explains how the Bureau will select and use each tool and sets out the considerations influencing the Bureau's discretionary enforcement decisions. In prioritizing enforcement activity, the Commissioner of Competition reviews matters in relation to criteria such as economic impact and the Bureau's enforcement policies and priorities.

Under the CA, a corporation found to have engaged in conduct described in the civil false or misleading representations provision (s. 74.01(1)(*a*)) can be ordered to pay a maximum administrative monetary penalty of $10,000,000 for a first order and $15,000,000 for any subsequent order. In the case of an individual, the maximum administrative monetary penalty is $750,000 for a first order and $1,000,000 for any subsequent order. A corporation or an individual can also be ordered to pay restitution to purchasers of a product in respect of which a false or misleading representation was made. The amount of restitution may be up to the total amount paid to the corporation or individual for the products in respect of which the false or misleading representation was made. A corporation or an individual can also be ordered not to engage in similar conduct for a specified period, and/or to publish a corrective notice.

A person found to have breached the criminal false or misleading representations provision of the CA (s. 52) is subject, on summary conviction, to a maximum fine of $200,000 or to a maximum term of imprisonment of one year, or both. On conviction on indictment, the person is subject to a fine in the discretion of the court or to a maximum term of imprisonment of 14 years, or both. In both cases, the *Criminal Code* provides that the person could also be ordered to pay restitution if the conditions are met.

Under the CPLA and TLA, a dealer found to have contravened the false or misleading representations provisions is subject, on summary conviction, to a fine not exceeding $5,000, or on conviction on indictment, to a fine not exceeding $10,000. In both cases, the *Criminal Code* provides that the person could also be ordered to pay restitution if certain conditions are met.

21 *Conformity Continuum Information Bulletin* available at: www.competitionbureau.gc.ca.

5. RELEVANT PROVISIONS OF THE ACTS

5.1 Relevant Provisions of the *Competition Act*

52. (1) No person shall, for the purpose of promoting, directly or indirectly, the supply or use of a product or for the purpose of promoting, directly or indirectly, any business interest, by any means whatever, knowingly or recklessly make a representation to the public that is false or misleading in a material respect.

(1.1) For greater certainty, in establishing that subsection (1) was contravened, it is not necessary to prove that

(*a*) any person was deceived or misled;

(*b*) any member of the public to whom the representation was made was within Canada; or

(*c*) the representation was made in a place to which the public had access.

(4) In a prosecution for a contravention of this section, the general impression conveyed by a representation as well as its literal meaning shall be taken into account in determining whether or not the representation is false or misleading in a material respect.

(5) Any person who contravenes subsection (1) is guilty of an offence and liable

(*a*) on conviction on indictment, to a fine in the discretion of the court or to imprisonment for a term not exceeding 14 years, or to both; or

(*b*) on summary conviction, to a fine not exceeding $200,000 or to imprisonment for a term not exceeding one year, or to both.

74.01 (1) A person engages in reviewable conduct who, for the purpose of promoting, directly or indirectly, the supply or use of a product or for the purpose of promoting, directly or indirectly, any business interest, by any means whatever,

(*a*) makes a representation to the public that is false or misleading in a material respect;…

74.03 (4) For greater certainty, in proceedings under sections 74.01 and 74.02, it is not necessary to establish that

(*a*) any person was deceived or misled;

(*b*) any member of the public to whom the representation was made was within Canada; or

(*c*) the representation was made in a place to which the public had access.

(5) In proceedings under sections 74.01 and 74.02, the general impression conveyed by a representation as well as its literal meaning shall be taken into account in determining whether or not the person who made the representation engaged in the reviewable conduct.

74.1 (1) Where, on application by the Commissioner, a court determines that a person is engaging in or has engaged in reviewable conduct under this Part, the court may order the person

(*a*) not to engage in the conduct or substantially similar reviewable conduct;

(*b*) to publish or otherwise disseminate a notice…

(*c*) to pay an administrative monetary penalty, in any manner that the court specifies, in an amount not exceeding

(i) in the case of an individual, $750,000 and, for each subsequent order, $1,000,000, or

(ii) in the case of a corporation, $10,000,000 and, for each subsequent order, $15,000,000; and

(*d*) in the case of conduct that is reviewable under paragraph 74.01(1)(*a*), to pay an amount, not exceeding the total of the amounts paid to the person for the products in respect of which the conduct was engaged in, to be distributed among the persons to whom the products were sold – except wholesalers, retailers or other distributors, to the extent that they have resold or distributed the products – in any manner that the court considers appropriate.

5.2 Relevant Provisions of the *Consumer Packaging and Labelling Act* and of the *Consumer Packaging and Labelling Regulations*

Consumer Packaging and Labelling Act

7. (1) No dealer shall apply to any prepackaged product or sell, import into Canada or advertise any prepackaged product that has applied to it a label containing any false or misleading representation that relates to or may reasonably be regarded as relating to that product.

(2) For the purposes of this section, "false or misleading representation" includes…
(*c*) any description or illustration of the type, quality, performance, function, origin or method of manufacture or production of a prepackaged product that may reasonably be regarded as likely to deceive a consumer with respect to the matter so described or illustrated.

20. (1) Subject to subsection (2.1), every dealer who contravenes any of sections 4 to 9 is guilty of an offence and liable
(*a*) on summary conviction, to a fine not exceeding $5,000; or
(*b*) on conviction on indictment, to a fine not exceeding $10,000.

Consumer Packaging and Labelling Regulations

31. (2) Where a prepackaged product that is wholly manufactured or produced in a country other than Canada has applied to it, whether in Canada or elsewhere, a label that shows the identity and principal place of business of the person in Canada for whom the prepackaged product was manufactured or produced for resale, the identity and principal place of business of that person shall be preceded by the words "imported by" ("*importé par*") or "imported for" ("*importé pour*"), as the case may be, unless the geographic origin of the prepackaged product is stated on the label.

(3) Where a product that is wholly manufactured or produced in a country other than Canada is packaged in Canada at other than the retail level of trade and the resulting prepackaged product has applied to it a label that shows the identity and principal place of business of either the person in Canada for whom the product was manufactured or produced for resale in prepackaged form or for whom the prepackaged product was manufactured or produced for resale, the identity and principal place of business of that person shall be preceded by the words "imported by" ("*importé par*") or "imported for" ("*importé pour*"), as the case may be, unless the geographic origin of the product is stated on the label.

5.3 Relevant Provisions of the *Textile Labelling Act* and of the *Textile Labelling and Advertising Regulations*

Textile Labelling Act

5. (1) No dealer shall apply to a consumer textile article a label, or sell, import into Canada or advertise a consumer textile article that has applied to it a label containing any false or misleading representation that relates to or may reasonably be regarded as relating to the article.

(2) No dealer shall, by means of a label, advertising or otherwise, make any false or misleading representation that relates to or may reasonably be regarded as relating to a textile fibre product.

(3) For the purposes of this section, "false or misleading representation" includes…
(*c*) any description of the type, quality, performance, origin or method of manufacture or production of a textile fibre product that may reasonably be regarded as likely to deceive any person with respect to the matter so described.

12. (1) Every dealer who contravenes section 3, 4 or 5 is guilty of an offence and liable

(*a*) on summary conviction, to a fine not exceeding five thousand dollars; or

(*b*) on conviction on indictment, to a fine not exceeding ten thousand dollars.

Textile Labelling and Advertising Regulations

11. (1) Every representation label that is required to meet the requirements for a disclosure label shall show…

(*c*) where there is a representation that the article or any fabric or fibre therein is imported, the name of the country of origin, unless the representation is made in another label applied to the article and the name of the country of origin is shown in that other label.

6. HOW TO CONTACT THE COMPETITION BUREAU

Anyone wishing to obtain additional information about the *Competition Act*, the *Consumer Packaging and Labelling Act,* the *Textile Labelling Act*, the *Precious Metals Marking Act*, or the program of written opinions, or to file a complaint under any of these Acts should contact the Competition Bureau's Information Centre:

Web site

www.competitionbureau.gc.ca

Address

Information Centre
Competition Bureau
50 Victoria Street
Gatineau, Quebec
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Toll-free: 1-800-348-5358
National Capital Region: 819-997-4282
TTY (for hearing impaired) 1-800-642-3844

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