

# Canada and Australia Consumer Product Safety Laws Become Effective in 2011

January 6, 2011

Entities that manufacture, import, or sell products in the U.S., Canada, and Australia should be aware of new product safety laws that become effective in 2011. Many of the new requirements are more stringent than current U.S. consumer product safety laws and will directly impact the procedures U.S. companies apply to coordinate their reporting obligations.

- Both the Canadian and Australian laws include broad mandatory incident reporting requirements for incidents involving consumer products. For example, the Canadian law's requirements, in conjunction with regulations proposed by Canadian consumer protection agencies, may require reporting of all incidents involving consumer products, not just incidents that indicate that the product has a defect which presents a substantial product hazard—the standard under U.S. consumer product safety laws.
- The Canadian and Australian laws also provide consumer protection agencies in those countries the authority to conduct mandatory recalls.
- The new laws include strong penalty provisions for noncompliance, including civil penalties and, in Canada, criminal penalties for violations.
- Additionally, Canada's law contains provisions banning products that pose an unreasonable danger to human health or safety from manufacture, import, and sale; allowing Canadian consumer protection authorities to order testing or studies demonstrating compliance with consumer product safety laws; and setting forth significant recordkeeping requirements that are not consistent with U.S. and Australian law.

Australia's law became effective on January 1, 2011 and Canada's law is expected to become effective in the second quarter of 2011. More information regarding the new requirements can be found in Kelley Drye and Warren's [January 5, 2011 client advisory](#).