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GOC Repeals Limited Number of Container Size Regulations

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Report Highlights:

As of April 22, 2015 the container size requirements in the Dairy Products Regulations (DPR), the Maple Products Regulations (MPR) and the Fish Inspection Regulations (FIR) are repealed. This is the first stage in a commitment made by the Canadian government in its 2012 federal budget in which the Canadian Government committed to *“repeal regulations related to container standards to enable industry to take advantage of new packaging formats and technologies, while removing any unnecessary barrier for the importation of new products”*.

Canada Repeals a Limited Number of Container Size Regulations

As of April 22, 2015 the container size requirements in the Dairy Products Regulations (DPR), the Maple Products Regulations (MPR) and the Fish Inspection Regulations (FIR) are repealed. The regulatory amendments for maple, dairy and fish products have been Gazetted and are presented below. This is the first stage in a commitment made by the Canadian government in its 2012 federal budget in which the Canadian Government committed to “repeal regulations related to container standards to enable industry to take advantage of new packaging formats and technologies, while removing an unnecessary barrier for the importation of new products”.

The impact analysis done by the Canadian Food Inspection Agency (CFIA) states that repealing provisions in the DPR, the MPR and the FIR related to standard weights and container sizes will enable industry to take advantage of new packaging formats and technologies as the current regulations for these products have become a barrier to innovation.

Products affected by these regulatory amendments are:

Dairy Products Regulations

Bulk dairy products

Maple Products Regulations

Maple syrup

Maple sugar for export/interprovincial trade

Fish Inspection Regulations

Canned fish – Lobster

Canned fish – Chicken haddie

Lobster meat

Lobster meat – pickle or brine added

The commitment to repeal regulations related to container-size standards in the 2012 budget can be found at the following URL address: <http://www.budget.gc.ca/2012/plan/chap5-eng.html#a9>

The link to the recent regulatory amendments for container sizes for select products can be found at the following URL address: <http://www.gazette.gc.ca/rp-pr/p2/2015/2015-04-22/html/sor-dors78-eng.php>

The Canada Gazette notice is presented on the following page.

Canada Gazette

Vol. 149, No. 8 — April 22, 2015

Registration

SOR/2015-78 April 1, 2015

CANADA AGRICULTURAL PRODUCTS ACT
FISH INSPECTION ACT

Regulations Amending Certain Regulations Administered and Enforced by the Canadian Food Inspection Agency

P.C. 2015-402 April 1, 2015

His Excellency the Governor General in Council, on the recommendation of the Minister of Agriculture and Agri-Food, pursuant to section 32 ([see footnote a](#)) of the *Canada Agricultural Products Act* ([see footnote b](#)) and section 3 ([see footnote c](#)) of the *Fish Inspection Act* ([see footnote d](#)), makes the annexed *Regulations Amending Certain Regulations Administered and Enforced by the Canadian Food Inspection Agency*.

**REGULATIONS AMENDING CERTAIN REGULATIONS ADMINISTERED AND
ENFORCED BY THE CANADIAN FOOD INSPECTION AGENCY**

CANADA AGRICULTURAL PRODUCTS ACT

MAPLE PRODUCTS REGULATIONS

1. Subsections 10(3) and (4) of the *Maple Products Regulations* ([see footnote 1](#)) are repealed.
2. The portion of subsection 16(2) of the Regulations before paragraph (a) is replaced by the following:

(2) Despite sections 12 and 15 and subsection (1), maple syrup or any other maple product that is not marked as prescribed by these Regulations may be marketed in export trade if

3. Schedule V.I to the Regulations is repealed.

DAIRY PRODUCTS REGULATIONS

4. Subsection 16(6) of the *Dairy Products Regulations* ([see footnote 2](#)) is amended by adding “and” at the end of paragraph (a), by striking out “and” at the end of paragraph (b) and by repealing

paragraph (c).

FISH INSPECTION ACT

FISH INSPECTION REGULATIONS

5. Section 36 of the *Fish Inspection Regulations* ([see footnote 3](#)) is replaced by the following:

36. In the case of canned mackerel or canned mackerel fillets that are packed without the addition of water, brine or vinegar solution, if the drained weight of the product is less than 80 per cent of the declared net quantity, the can or the label on it shall show the drained weight of the product.

6. Subsection 55(1) of the Regulations is repealed.

7. Section 56 of the Regulations is repealed.

COMING INTO FORCE

8. These Regulations come into force on the day on which they are registered.

REGULATORY IMPACT ANALYSIS STATEMENT

(This statement is not part of the Regulations.)

Executive summary

Issues: These regulatory amendments address a Government of Canada (GoC) Budget 2012 (the Budget) commitment to repeal regulatory requirements related to standard weights and container sizes. The Canadian Food Inspection Agency (CFIA) is responding to this Budget commitment with these repeals to streamline services, find economies and remove potential barriers to innovation.

Description: These regulatory amendments repeal the regulatory requirements concerning standard weights and container sizes under the *Dairy Products Regulations* (DPR), the *Maple Products Regulations* (MPR), and the *Fish Inspection Regulations* (FIR).

Cost-benefit statement: The repeal of the regulatory requirements concerning standard weights and container sizes from three CFIA-administered regulations results in an overall net benefit. There will be savings to the GoC with no anticipated incremental costs to affected sectors. GoC savings are generated by not performing verification and inspection activities for certain products once the regulatory amendments are in force. The present value of the savings is estimated at \$868,009 over 10 years or \$123,585 annualized (in 2012 constant dollars).

It is expected that the dairy, maple and fish sectors will not incur any incremental cost. Currently, the DPR and the MPR do not allow for the authorization to market non-standard weights and container

sizes. Therefore, there are no administrative requirements imposed by such authorizations. Although the FIR currently allow for an authorization to market non-standard weights and container sizes, the repeal will eliminate any need for the fish processing sector to seek an exemption from standard weight and container size requirements. There will be no negative impact on this sector.

“One-for-One” Rule and small business lens: The “One-for-One” Rule and the small business lens do not apply. The repeal of container sizes will not generate additional compliance or administrative costs to affected businesses.

Domestic and international coordination and cooperation: The current weight and container size specifications in these three regulations have been addressed by the repeal of the regulatory requirements related to standard weights and container sizes.

Background

Regulatory requirements for standard weights and container sizes were first introduced in multiple CFIA-administered regulations to promote orderly marketing.

Since that time, regulatory requirements concerning standard weights and container sizes have had the unintended result of limiting consumer choice. Consumers have been using a variety of additional information, such as unit pricing on store shelves and label information, to inform their purchase decisions. Also, consumer demands for different products and different packaging (e.g. pouches) have evolved, thereby pressuring industry to remain current.

The current regulatory requirements related to standard weights and container sizes for these products have become a barrier to innovation.

Issues

The GoC committed to changing how the CFIA monitors and enforces regulatory requirements. In particular, the GoC committed to repealing regulations related to standard weights and container sizes where industry can adjust with minimal impact.

Repealing provisions in the DPR, the MPR and the FIR related to standard weights and container sizes will enable industry to take advantage of new packaging formats and technologies.

Objectives

The objective of these regulatory amendments is to assist in honouring the commitment of

- — the GoC to allow industry to use new packaging formats while maintaining Canada’s high federal food safety standards;
- — the CFIA to participate in broader GoC initiatives such as the Red Tape Reduction Commission and the Canada–United States Regulatory Cooperation Council exercises, both seeking to ease the burden on smaller businesses and facilitate trade; and

- — the CFIA to develop regulatory frameworks that provide small business the necessary flexibility in developing approaches suited to their business size.

Description

This initiative will repeal all requirements related to standard weights and container sizes in the DPR, the MPR, and the FIR. The repeals will come into force upon registration.

The repealed requirements in the DPR apply to bulk dairy products, and those in the MPR apply to maple syrup and maple sugar. With respect to the FIR, the repealed requirements apply to a limited number of products including canned chicken haddie (a flaked white fish product), canned lobster meat, frozen lobster meat and pickled lobster meat.

The amendments will align the DPR, the MPR and the FIR with the objectives of the Budget by streamlining the regulatory requirements.

Standard weight and container size requirements for other products will be maintained at this time.

Regulatory and non-regulatory options considered

Option 1 — Status quo

Do not repeal requirements related to standard weights and container sizes in the DPR, the MPR and the FIR. This option is unacceptable, given the GoC's commitment in Budget 2012 to move forward with these repeals.

Option 2 — Preferred option

This option is consistent with the GoC's decision to eliminate standard weights and container sizes and removes the requirement for the use of standard weights and container sizes from the DPR, the MPR and the FIR.

Benefits and costs

Benefits

With respect to consumers, and where applicable, positive impacts will take the form of more choices. The extent to which choices will become available is unknown.

Unlike other commodity regulations containing provisions related to standard weights and container sizes, the DPR and the MPR do not allow for the authorization to market non-standard weights and container sizes. It is therefore expected that the repeal of standard weights and container sizes will have no additional costs to the dairy or maple sectors.

With regard to the canned fish sector, more specifically lobsters and chicken haddie, the FIR currently allow for the authorization to exempt products from standard weight and container size requirements.

As the repeal will eliminate any need for the fish processing sector to seek an exemption from standard weight and container size requirements, there is no negative impact on this sector.

Furthermore, the market for maple products is export driven. As a result, maple products are already packed in various sizes to reflect the market intended for export. The repeal of standard weight and container size provisions will therefore have no negative impact on this sector.

“One-for-One” Rule and small business lens

The “One-for-One” Rule and the small business lens do not apply, as there are no potential incremental administrative or compliance costs to affected businesses resulting from these regulatory amendments that repeal the standard weight and container size provisions under the DPR, the MPR and the FIR.

Consultation

The CFIA engaged in prior consultations with various sectors of the food industry to obtain information on stakeholder views about the costs, benefits and impacts of revising the regulatory provisions related to standard weights and container sizes.

In 2007, the CFIA carried out a national consultation with registered maple establishments and other maple industry stakeholders regarding the deregulation of all standard weights and container sizes from the MPR. At that time, the sector indicated support for deregulation. This position was reiterated to the CFIA during the consultations that followed the Budget announcement.

A limited number of fish products are regulated for weight and container size in the FIR, specifically canned chicken haddie, shelf-stable canned lobster meat, frozen lobster meat and pickled lobster meat. Over the past decade and prior to the Budget commitment, industry has been voluntarily moving away from packaging in cans, in favour of less costly and more consumer-friendly options, such as plastic pouches or bottles. These regulated products represent a very small proportion of the overall volume of fish and seafood products processed in Canada.

Previous consultations with the dairy sector regarding package sizes occurred as part of earlier regulatory initiatives taking place from 1992 to 2000 that saw the deregulation of all standard weight and container size requirements for dairy products other than bulk dairy products.

Throughout these consultations, this sector remained supportive of the removal of prescribed package sizes from regulation. Following the Budget decision, the dairy sector was further consulted on the deregulation of the one remaining dairy container size provision in the DPR.

In considering questions raised by industry following Budget announcements, the CFIA approached major Canadian associations representing producers, processors, packers, retailers and importers, as well as those representing all impacted commodities, in May and June of 2012 to inquire about the time these stakeholders felt would be required to prepare for the amendments. Views from individual companies within Canada as well as regulatory and trade agencies in the United States were received. Associations representing the maple sector, the fish processing sector, dairy farmers and processors as well as importers, indicated that they would not require delayed implementation of the amendments, as any impacts would be either neutral or positive. The dairy, maple and fish products sectors re-iterated

this key message during further engagements conducted over the summer of 2013.

During the week of December 15, 2014, Agriculture and Agri-Food Canada (AAFC) engaged impacted associations to confirm their positions on moving forward with the deregulation of standard weight and container size requirements for dairy, maple and fish products. These associations confirmed that they have no issues with these proposed repeals.

Regulatory cooperation

These amendments will better align Canadian regulatory requirements with those of major trading partners, such as the United States. Any potential barriers to innovation caused by regulatory weight and container size specifications in the DPR, the MPR and the FIR will be addressed by the repeal of all regulatory requirements related to standard weights and container sizes in these regulations.

Rationale

Repealing provisions in the DPR, the MPR and the FIR related to standard weights and container sizes will enable industry to take advantage of new packaging formats and technologies. These regulatory amendments respond to the GoC's commitment.

The deregulation of standard weights and container sizes will not affect food safety.

Implementation, enforcement and service standards

Given that these amendments repeal regulations, no service standards are necessary.

The CFIA will maintain open and transparent communication with stakeholders to facilitate the transition and implementation period for these regulatory amendments.

The repeals will come into force upon registration.

Contact

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- [Footnote a](#)
S.C. 2001, c. 4, s. 64
- [Footnote b](#)
R.S., c. 20 (4th Supp.)

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- [Footnote c](#)
S.C. 1997, c. 6, s. 53
- [Footnote d](#)
R.S., c. F-12
- [Footnote 1](#)
C.R.C., c. 289
- [Footnote 2](#)
SOR/79-840
- [Footnote 3](#)
C.R.C., c. 802