

Risky Business: Navigating Transport Canada's New Registration Requirement For Dangerous Goods



Dangerous goods” (“hazardous materials” in the United States) is a loaded term that brings to mind crude oil, lithium-ion batteries and explosives, but in fact covers perfume, paint, aerosols and other consumer goods. On October 25, 2024, Canada will begin requiring the registration of companies who transport dangerous goods and of companies that offer dangerous goods for transportation. The registration must be renewed and updated annually.

On October 25, 2023, new regulations under the *Transportation of Dangerous Goods Act*¹ (“**TDGA**”), came into force. The regulations require all individuals and entities (“**persons**”) involved in importing, offering for transport, handling, or transporting dangerous goods (“**Dangerous Goods Activities**”) to register their corporation and operation sites in the newly established Client Identification Database (“**CID**”).² To facilitate compliance with these new regulations, Transport Canada has allowed a 12-month grace period for CID registration, with the deadline being October 25, 2024.³ As this date approaches, it is essential for all regulated persons to comply with the new requirements to avoid potential penalties. This article provides an overview of the regulatory

framework and highlights key requirements and considerations for persons engaged in Dangerous Goods Activities, ensuring a smooth transition and compliance with the new regulations.

OVERVIEW OF THE REGULATORY FRAMEWORK

The TDGA is federal legislation aimed at promoting public safety in the transportation of dangerous goods.⁴ Regulations under the TDGA ("**TDG Regulations**") may be enacted to address evolving safety needs and improve compliance. The TDGA applies to all means of transportation across Canada. The TDG Regulations emphasize the proper handling, labeling, and transportation of dangerous goods to mitigate the associated risks, with a central focus on training.⁵

PART 17 OF THE TDG REGULATIONS AND THE CID

Overview and Application

Following extensive consultation, Transport Canada identified a lack of sufficient information and tools to assess and mitigate risks associated with Dangerous Goods Activities. This gap was deemed a public safety risk, leading to the enactment of Part 17: Site Registration Requirements of the TDG Regulations ("**Part 17**") and the establishment of the CID.⁶ The CID aims to improve Transport Canada's knowledge of the registered dangerous goods community and enhance site mapping, risk analysis, decision-making, and oversight efficiency, reducing the likelihood of incidents and better protecting employees and the public.⁷

Under Part 17, a site is a permanent location where a person conducts Dangerous Goods Activities, excluding locations where dangerous goods are solely used in the scope of a person's work or as raw materials in manufacturing. All non-exempt persons engaged in Dangerous Goods Activities must register in the CID, including those warehousing dangerous goods that are

considered to be in-transport. Registration requires the following information:

1. business number assigned by the Canada Revenue Agency;
2. name and address of headquarters;
3. phone numbers and email addresses of primary and secondary contacts;
4. addresses of all sites being registered;
5. mode of transport of dangerous goods used at each site;
6. class and division of dangerous goods at each site for the current and previous fiscal year; and
7. Dangerous Goods Activities undertaken at each site for the current and previous fiscal year.¹⁰

CID registration must be renewed and updated annually.¹¹ Any changes to the aforementioned information must be updated in the CID within 60 days of the change.¹² Primary contacts are responsible for initiating registration, maintaining and updating inputs, and attesting organization information to ensure regulatory compliance.¹³ Secondary contacts are responsible for adding updating, and attesting site information to support the management of the registration process.¹⁴

Exemptions

Persons falling under any of the following categories outlined in Part 17 are exempt from the CID registration requirement:

1. persons engaged in Dangerous Goods Activities where the dangerous goods originate outside Canada and transit through Canada to a foreign destination without any handling in Canada;
2. persons conducting cross-border transportation without headquarters or operations in Canada;
3. persons engaged in Dangerous Goods Activities at a site in quantities necessary for federal, provincial, or

municipal officers to satisfy their enforcement duties (ex. dangerous goods stored at a police station); and

4. persons operating one or more oil wells.¹⁵

Additionally, persons engaged in Dangerous Goods Activities that qualify for a Part 1: Special Cases exemption or an exemption under Schedule 2 of the TDG Regulations do not need to register in the CID.¹⁶ However, exemption from the CID registration requirement does not relieve a person from compliance with otherwise applicable sections of the TDGA or the TDG Regulations.¹⁷

Penalties for Non-Compliance

Persons who contravene Part 17 of the TDG Regulations will be subject to existing penalties under the scheme. For minor violations, TDG Inspectors may issue fines for non-compliance ranging from \$2,000 – \$4,000, as outlined in Schedule XV of the *Contraventions Act*.¹⁸ In extreme or repetitive cases, individuals who contravene the TDGA, TDG Regulations, or any related security measures, directions, or interim orders may face up to two years in prison if indicted, or a fine of up to \$50,000 for a first offence and up to \$100,000 for each subsequent offence if summarily convicted.¹⁹

Additionally, Transport Canada will publish enforcement action summaries in cases where an alleged offender is:

1. served with a detention notice;
2. served with a notice of direction to remedy non-compliance;
3. served with a notice of direction not to import or return to place of origin;
4. served with a letter revoking their certificate of registration;
5. served with a ticket; or

6. found guilty of an offence by a court.²⁰

Enforcement summaries are publicly accessible and identify the contravention, date, province of occurrence, resulting enforcement action, and count of penalties. The names of offending incorporated entities are only posted after their certification of registration is revoked, they are issued a ticket, or are found guilty of an offence by a court.

CONCLUSION

The establishment of the CID marks a significant shift in how Transport Canada oversees the transportation of dangerous goods. With the October 25, 2024, registration deadline approaching, all persons involved in Dangerous Goods Activities must understand and comply with these new requirements. Timely and accurate registration in the CID will help avoid penalties and ensure a safer environment for all stakeholders.

Footnotes

1 Transportation of Dangerous Goods Act, 1992, SC 1992, c 34 [TDGA].

2 Transportation of Dangerous Goods Regulations, SOR/2001-286 [TDG Regulations], s.17.1.

3 TDG Regulations, s.17.3.

4 TDGA, preamble.

5 Canadian Centre for Occupational Health and Safety, Transportation of Dangerous Goods (TDG) – Overview (Road), online https://www.ccohs.ca/oshanswers/legisl/tdg/tdg_overview.pdf.

6 TDG Regulations, Part 17: Site Registration Requirements.

7 Canada Gazette, Part II, Volume 157, Number 22, Regulations Amending the Transportation of Dangerous Goods Regulations (Site Registration Requirements): SOR/2023-206, Regulatory Impact Analysis Statement.

8 TDG Regulations, s.17.1.

9 TDG Regulations, s.17.3; Transport Canada, Presentation on Part 17 – Site Registration Requirements, online: <https://tc.canada.ca/en/corporate-services/video-gallery/presentation-part-17-site-registration-requirements> [Transport Canada Presentation].

10 TDG Regulations, s.17.3(2).

11 TDG Regulations, s.17.4.

12 TDG Regulations, s.17.5.

13 Transport Canada Presentation.

14 Transport Canada Presentation.

15 TDG Regulations, s.17.2(2); Transport Canada Presentation.

16 TDG Regulations, Schedule 2; TDG Regulations, Part 1: Special Cases; Transport Canada Presentation.

17 Transport Canada Presentation.

18 Contraventions Act, SC 1992, c 47, Schedule XV; TDG, s.4.

19 TDGA, s.33.

20 Transport Canada, Enforcement Action Summaries, [Enforcement Action Summaries]. <https://tc.canada.ca/en/dangerous-goods/enforcement-actions-summaries>.

To view the original article click [here](#)

The content of this article is intended to provide a general guide to the subject matter. Specialist advice should be sought about your specific circumstances.

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