Background

Most prepackaged foods are required by regulation to carry a label with prescribed information. The label is an important and direct means of communicating product information between buyers and sellers. It is one of the primary means by which consumers differentiate between individual foods and brands to make informed purchasing decisions. The Canadian Food Inspection Agency’s Guide to Food Labelling and Advertising provides guidance regarding food labelling and advertising requirements including guidance on the use of statements and claims applied to food labels. Therefore, it is a tool that assists industry in complying with applicable legislation and consumer protection. Food claims which adhere to these guidelines are considered to comply with the provisions set out in subsection 5(1) of the Food and Drugs Act (FDA) and section 7 of the Consumer Packaging and Labelling Act (CPLA). Subsection 5(1) of the FDA prohibits the labelling, packaging, treating, processing, selling or advertising of any food (at all levels of
trade) in a manner that is false, misleading or deceptive to consumers. Section 7 of the CPLA contains provisions regarding the prevention of fraud and provides for mandatory label information with which consumers can make informed choices. These pieces of legislation allow the Canadian Food Inspection Agency (CFIA) to investigate complaints about false or misleading labels and to take appropriate action to bring about national compliance.

Halal claims for food sold in Canada are also subject to the labelling requirements of the FDA and CPLA and their respective regulations. According to the Codex Alimentarius, the term “halal” means permitted under Islamic law. (see footnote 1) The halal label on a food item would therefore suggest that the food item is permitted under Islamic law. However, there are various interpretations of Islamic law which makes reaching a consensus amongst Canadian Muslims as to what constitutes halal difficult to achieve.

The market for halal food products in Canada is estimated at $1 billion, catering to a consumer base dominated by Canada’s Muslim community (estimated at one million). At an annual growth rate of 13%, this population is expected to triple by 2013, accounting for 6.6% of Canada’s population. Consumer demand for halal food products is therefore expected to increase as well. Increasing demand for halal food products is accompanied by an increase in the number of businesses venturing into the halal food market as well as the number of products marketed as halal as businesses aim to benefit from this thriving industry.

Issue

Currently, it is difficult for consumers of halal food to make informed purchase decisions without knowing the standard used in certifying the food product as halal. Stakeholders want a more proactive approach that will assist in alleviating this situation. Government intervention in this matter is required to ensure consistent, accurate and appropriate label information on halal food so that consumers can make informed food choices.

Objectives

This proposed regulatory amendment would assist in properly informing Canadians when choosing halal labelled foods by ensuring that halal claims on food labels, packaging or advertising material are accompanied by an indication of the body that certified it as such. The CFIA will not be setting standards for halal certification nor will it offer
accreditation to the existing certifying bodies given the lack of consensus amongst stakeholders on a common halal standard.

Description

This proposed amendment to the *Food and Drug Regulations* would add a specific reference to halal so that a halal claim on a food label, or package or in advertising material, is accompanied by the name of the person or body that certified the food as halal.

This proposed regulatory amendment would not modify food safety requirements for foods labelled as halal. However, letting consumers know who certified the food as halal would enhance the information available to them in order to make informed choices. It will be up to the consumer to determine whether or not the certification requirements meet their expectations with regard to halal. The CFIA will not establish standards or requirements for what can be labelled as halal, nor will it establish requirements for becoming a certifier.

Consultation

On October 25, 2010, the CFIA held a consultation meeting in Toronto with key stakeholders in the Canadian food processing and distribution industry dealing with halal foods, as well as Muslim community and religious groups. The objective of the meeting was to better understand the concerns among stakeholders with respect to the labelling of halal foods. Stakeholders clearly stated that their main concern was the inability to properly identify halal from non-halal foods in the market. Stakeholders stated that they would have ideally wanted halal regulated through a standard but do recognize that Government cannot take action to enforce a halal standard without consensus among the stakeholders themselves as to what constitutes halal.

Most stakeholders support the proposed amendment which would clarify the kind of information to be included on labels, packaging or advertising material, without addressing the issue of standards used to certify food as halal.

The conclusion which emerged is that stakeholders must achieve a consensus among themselves as to what should constitute acceptable standards for halal, before the CFIA can contemplate regulating through a standard.

“One-for-One” Rule
The “One-for-One” Rule does not apply to this proposal, as there is no change in administrative costs to business.

Small business lens

The small business lens does not apply to this proposal, as there are insignificant costs to small business.

Rationale

Halal food consumers have expressed concerns about how difficult it is to make informed purchase decisions without knowing the standard used in certifying a food product as halal. Stakeholders want a more proactive approach that will assist in mitigating this situation. Government intervention in this matter is required to ensure the consistency, accuracy and appropriateness of label information on halal food so that consumers can make informed food choices.

Canadian Muslims would ideally want the CFIA to establish regulatory controls over halal products through a standard. Regulating halal products through a standard is not feasible as there is currently no consensus among stakeholders on a common standard. The CFIA therefore proposes to establish regulatory requirements that would assist in providing consumers with sufficient information to choose their halal products based on what fits their definition of halal.

The expected overall incremental impact on the Canadian economy is low. Some businesses are already voluntarily adding the halal claim on product labels and demanding certification as part of their marketing strategies. Therefore, the requirement to add the name of the person or body that certified the food as halal on a label when the “halal” claim is made is expected to add a very small cost to the industry. Also, a two-year implementation delay is proposed to give businesses time to adjust to this new requirement and further minimize any impacts. During that time, food businesses would be allowed to use up their inventory of labels and packaging material, thereby minimizing the cost associated with discarded inventory and allowing for the cost of changing labels (in order to meet up with the proposed amendment) to be absorbed through the usual cost of reprinting labels. The literature suggests that the lifecycle of a package or label varies depending on the product and its marketing strategy. For the majority of products, companies usually hold about 12 months’ worth of labels as inventory. (see footnote 2)

Potential benefits include increased consumer confidence in
halal-labelled products, fewer consumer complaints, increased demand for halal-claimed food products and increased demand for certifying services provided by halal certifying bodies. The benefits, which will improve the welfare of Canadians, outweigh the costs of the proposed regulatory amendment.

**Implementation, enforcement and service standards**

The enforcement of the proposed Regulations will be done through the CFIA's current system of label verification and in response to complaints. The control of imported products will be done at the registered establishment level and importer level through the label verification process. The CFIA will verify that the halal claims are accompanied by the name of the certifying body or person, or any supporting documentation to indicate such. The CFIA will not be passing judgement on the suitability of the criteria used to certify the food product as halal.

**Contact**

Darlene Blair  
Program Policy Integration Division  
Canadian Food Inspection Agency  
1400 Merivale Road  
Ottawa, Ontario  
K1A 0Y9  
Telephone: 613-773-5898  
Email: darlene.blair@inspection.gc.ca

**PROPOSED REGULATORY TEXT**

Notice is given that the Governor in Council, pursuant to subsection 30(1) (see footnote a) of the *Food and Drugs Act* (see footnote b), proposes to make the annexed *Regulations Amending the Food and Drug Regulations (Halal food)*.

Interested persons may make representations concerning the proposed Regulations within 30 days after the date of publication of this notice. All such representations must cite the *Canada Gazette*, Part I, and the date of publication of this notice, and be addressed to Christian Bordeleau, Senior Policy Analyst, Integration Policy Unit, Canadian Food Inspection Agency, Tower 1, Floor 5, Room 123, 1400 Merivale Road, Ottawa, Ontario K1A 0Y9 (tel.: 613-773-5516; email: christian.bordeleau@inspection.gc.ca).
Ottawa, May 23, 2013

JURICA ČAPKUN
Assistant Clerk of the Privy Council

REGULATIONS AMENDING THE FOOD AND DRUG REGULATIONS (HALAL FOOD)

AMENDMENT

1. The Food and Drug Regulations (see footnote 3) are amended by adding the following after section B.01.049:

B.01.050. A person must not use, in labelling, packaging, advertising or selling a food, the word “halal” — or any letters of the Arabic alphabet or any other word, expression, depiction, sign, symbol, mark, device or other representation that indicates or that is likely to create an impression that the food is halal — unless the name of the person or body that certified the food as halal is indicated on the label or package or in the advertisement or sale.

COMING INTO FORCE

2. These Regulations come into force two years after the day on which they are registered.

Footnote 1

Footnote 2

Footnote 3
C.R.C., c. 870
Footnote a
S.C. 2005, c. 42, s. 2
Footnote b
R.S., c. F-27