

TRANSPORT CANADA DRIVING FORWARD WITH ADMINISTRATIVE MONETARY PENALTIES UNDER THE *MOTOR VEHICLE SAFETY ACT*

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On October 21, 2020, Transport Canada opened an informal consultation^[1] to the Canadian public and stakeholders to seek feedback on creating a new safety regulation for administrative monetary penalties (“**AMPs**”) under the *Motor Vehicle Safety Act* (“**MVSA**”).

In 2018, amendments to the MVSA empowered the federal government to issue financial penalties for violations of requirements or orders under the MVSA, the *Motor Vehicle Safety Regulations*, the *Motor Vehicle Tire Safety Regulations*, and the *Motor Vehicle Restraint Systems and Booster Seat Safety Regulations*.^[2] The launch of the consultation, and the publication of the related background document, are the latest steps toward creating a new regulation bringing the penalty power into effect.

The *Motor Vehicle Safety Administrative Monetary Penalties Regulations*, which has yet to be created will:

1. identify violations for which penalties can be enforced,
2. specify the maximum penalty amount for each violation (not to exceed \$4,000 per individual and \$200,000 per company or corporation), and
3. define related series of violations (where multiple violations would lead to one maximum penalty amount), or classes of violations and the maximum penalties for each class.

In particular, the informal consultation seeks feedback on whether some violations (and which ones) should have a maximum penalty lower than \$4,000 per individual, and \$200,000 per company or corporation; whether (and why) violations should be defined by class or series; and whether Transport Canada should host a meeting to discuss the proposed AMPs regulations.

The informal consultation closes November 27, 2020, after which a regulatory proposal will be published and subject to a formal comment period before publication of the final regulations.

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[1] “Creating a new regulation for Administrative Monetary Penalties under the Motor Vehicle Safety Act”, Transport Canada (21 October, 2020).

[2] See our prior bulletin [Motor Vehicle Safety Act amendments put transport minister in the driver’s seat with new recall, investigation and penalty related powers for details on the amendments to the MVSA.](#)

A Cautionary Note

The foregoing provides only an overview and does not constitute legal advice. Readers are cautioned against making any decisions based on this material alone. Rather, specific legal advice should be obtained.

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