

THE TORONTO STAR

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Phony products plague consumers

A decade ago, counterfeit goods in Canada consisted largely of knock-off designer T-shirts and purses made locally and sold mainly at flea markets. Both the buyer and seller knew the goods were fake.

But counterfeit products have now turned into a global industry worth billions of dollars that is seeing dangerous goods flowing through our borders every day, largely from China. They include hazardous batteries posing as a major brand, exploding circuit breakers that have been found in hospitals in Ontario and Quebec and electrical cords that catch fire in 10 minutes. All of these and more are now sold in major retail stores, not just flea markets. There have also been instances of fake pharmaceuticals getting mixed into the supplies of regular pharmacies. Counterfeit medicines can contain an incorrect dose, the wrong ingredients, dangerous additives or no active ingredients at all, which can lead to serious health risks and even death.

Last month, Health Canada ordered border agents to stop incoming counterfeit tubes of Colgate toothpaste from China because they possibly contained a poison used in antifreeze.

The Canadian Border Services Agency has knowingly let containers of counterfeit batteries along with myriad other phony goods into the country because it has neither the budget nor the mandate to stop this deluge of fake products. That is because it is not illegal under Canada's Customs Act to import or distribute counterfeit goods. Border officials do not actively look for them and search less than 3 per cent of incoming shipments, unless the Royal Canadian Mounted Police or Health Canada flags them because they are hazardous.

When they do uncover counterfeits, it is largely during searches for other illegal imports. Those flagged products are then turned over to the RCMP to investigate but it has only two small teams in Toronto and Montreal to deal with the problem and as a result investigates only about 25 per cent of them and then only if they are major safety risks or linked to organized crime.

Such lax border control has so alarmed politicians in Ottawa that two separate parliamentary committees, one responsible for public safety, the other for industry, have reported on it in the past two months. Both made numerous recommendations to change the system.

They include making it a criminal offence to import and distribute counterfeit goods and giving the border agency a clear mandate to target, seize and destroy counterfeit products.

Border officials and the RCMP as well as Health Canada must also be given the powers and resources they need to investigate and stem this tide of illegal and dangerous goods, as both committees also urged. These growing health and safety issues can no longer be ignored.

But in addition to the immediate threat to health and safety, there are economic repercussions to counterfeiting and piracy. One report estimates these knock-offs are costing the Canadian economy \$20 billion to \$30 billion every year. They are driving out legitimate manufacturers, causing job losses and lowering the level of research and development in this country.

Canada lags far behind other industrialized countries in fighting counterfeiting, including the United States, which has specialized teams of police and prosecutors dedicated to enforcing and prosecuting counterfeiters, many of whom are involved in organized crime. Our laws are even more lax than those in many developing countries, including China and Vietnam.

The world of counterfeiting and piracy has changed significantly in the past decade and Canada must act quickly to update its laws and enforcement measures to ensure all Canadians are protected from these criminal operators who are a plague on all of us.