

Manufacturers: What you need to know about the new rules on planned obsolescence and product durability

October 25, 2023

On Oct. 5, 2023, the Québec Lieutenant-Governor assented Bill 29, the Act to protect consumers from planned obsolescence and to promote the durability, repair and maintenance of goods (Act), which amends the Québec Consumer Protection Act (CPA). The bill was tabled in June 2023 and limited consultations took place in September with government-invited speakers only, leading to a very quick passing of the bill.

The generous protection already provided to consumers by the CPA has been further expanded. The concepts of sustainability, environmental protection and consumer protection were core considerations in the preparation of this important legislative reform.

While certain provisions came into force on the day of the assent, most of the modifications will be implemented over the next three years.

A non-exclusive focus on electronics, appliances and the automotive industry

The key measures of the Act consist of the following:

- Right to repair and to availability of parts: The Act extends the current obligation
 of availability of replacement parts and of repair services during a reasonable
 time contained in the CPA. The Act now imposes that the "information necessary
 for repairing the goods, including, where applicable, any diagnostic software and
 its updates" be made available to the customer as well as any third party,
 including the aftermarket industry. This section of the Act will come into force on
 Oct. 5, 2025.
- Ban on planned obsolescence: The Act prohibits any person, by any means, to
 engage in the business of manufacturing, distributing, or selling goods for which
 obsolescence is planned. Obsolescence of goods is considered planned when a
 technique aimed at reducing "its normal operating life" is employed. This



- obligation applies to all goods, including technological devices such as mobile phones and software, which appears problematic since these often come with a known date at which support and updates will no longer be offered. This section of the Act has come into force on Oct. 5, 2023.
- Creation of a new statutory warranty of good working order: The Act creates a
 "good working order" warranty for specific appliances and electronics, including
 notably kitchen appliances, air conditioners, mobile phones and computers. This
 new warranty imposes that certain goods remain fully functional for a set period
 of time. The duration of the warranty will be regulated by type of product in the
 upcoming months.

For instance, if the good working order warranty has a set duration of five years for a specific appliance, the merchant and the manufacturer will be required to perform the repair of said appliance or reimburse the fees related to third-party repairs if the product fails within the first five years after its initial purchase. As for the legal warranty of quality already in place, misuse by the consumer and normal maintenance will not be covered by the good working order warranty.

This warranty will have a major impact on the handling of consumer claims since the duration of the warranty will be specifically determined, as opposed to the current legal warranty of quality, where the duration takes into account a number of factors, including the price of the specific product paid by the consumer.

- Lemon law for seriously defective automobiles: Since Oct. 5, 2023, consumers owning or long-term leasing an automobile have the right to apply to a court to have their vehicle declared a "seriously defective automobile" when a certain number of attempts to repair the vehicle is exhausted, namely:
 - (i) three unsuccessful attempts for the same defect; or
 - (ii) one or two unsuccessful attempts for the same defect where the merchant or the manufacturer responsible for performing the warranty has had the automobile in his possession for more than 30 days; or
 - (iii) twelve attempts for unrelated defects.

A vehicle declared a seriously defective automobile will be deemed affected by a latent defect, meaning that recourse may be taken against the manufacturer or merchant to cancel the contract (for instance, a sales contract or long-term lease) and/or to obtain compensatory damage. While the warranty of quality already granted consumers this possibility, the new rules lighten the burden on consumers.

• **Technical and manufacturing standards:** The Act grants the government with additional regulatory powers. Notably, regulation can be adopted in order to determine technical and manufacturing standards for goods, including standards ensuring the interoperability between goods and their chargers (as adopted recently in the EU for mobile phones).

In addition to the civil remedies available for consumers, <u>fines and monetary</u> <u>administrative penalties could be imposed to merchants and manufacturers</u>.



Key takeaway: Now is the time to adjust your business practices

The Act encompasses a variety of new obligations and prohibitions, and relies on regulation to determine some of its critical aspects, notably the duration of the good working order warranty. The impact of the Act on merchants and manufacturers will be clarified over the course of the upcoming years, as the regulation will be adopted and the Act comes into force. However, in light of the above, manufacturers selling their products in Québec must carefully review their warranty policies and programs in order to comply with the Act, and monitor the upcoming regulations.

Contact us

If you have any questions regarding this article or about how to adapt to the new Québec rules on planned obsolescence and product durability, please do not hesitate to reach out to the authors or any member of our <u>Products Law Group</u>.

Ву

Stéphane Pitre, Laurence McCaughan

Expertise

<u>Corporate Commercial, Products Law, Consumer Goods, Retail & Hospitality, Online Retail & E-commerce, Automotive</u>

BLG | Canada's Law Firm

As the largest, truly full-service Canadian law firm, Borden Ladner Gervais LLP (BLG) delivers practical legal advice for domestic and international clients across more practices and industries than any Canadian firm. With over 725 lawyers, intellectual property agents and other professionals, BLG serves the legal needs of businesses and institutions across Canada and beyond – from M&A and capital markets, to disputes, financing, and trademark & patent registration.

blg.com

BLG Offices

Calgary

Centennial Place, East Tower 520 3rd Avenue S.W. Calgary, AB, Canada T2P 0R3

T 403.232.9500 F 403.266.1395

Ottawa

World Exchange Plaza 100 Queen Street Ottawa, ON, Canada K1P 1J9

T 613.237.5160 F 613.230.8842

Vancouver

1200 Waterfront Centre 200 Burrard Street Vancouver, BC, Canada V7X 1T2

T 604.687.5744 F 604.687.1415



Montréal

1000 De La Gauchetière Street West Suite 900

Montréal, QC, Canada

H3B 5H4

T 514.954.2555 F 514.879.9015

Toronto

Bay Adelaide Centre, East Tower 22 Adelaide Street West Toronto, ON, Canada M5H 4E3

T 416.367.6000 F 416.367.6749

The information contained herein is of a general nature and is not intended to constitute legal advice, a complete statement of the law, or an opinion on any subject. No one should act upon it or refrain from acting without a thorough examination of the law after the facts of a specific situation are considered. You are urged to consult your legal adviser in cases of specific questions or concerns. BLG does not warrant or guarantee the accuracy, currency or completeness of this publication. No part of this publication may be reproduced without prior written permission of Borden Ladner Gervais LLP. If this publication was sent to you by BLG and you do not wish to receive further publications from BLG, you may ask to remove your contact information from our mailing lists by emailing unsubscribe@blg.com or manage your subscription preferences at blg.com/MyPreferences. If you feel you have received this message in error please contact communications@blg.com. BLG's privacy policy for publications may be found at blg.com/en/privacy.

© 2025 Borden Ladner Gervais LLP. Borden Ladner Gervais LLP is an Ontario Limited Liability Partnership.