

# a charge-x into easy debt

by John Dale  
The Spark

Want to buy a boat? Simple. Click Charge-X.  
Bermuda Holiday? Click. Charge-X.  
Need an electric dishwasher? Click. Charge-X.  
The tv ads come on like it's all for free, but of course—it's not.  
It's expensive, probably unnecessary, and it'll cost you from 5 to 10 percent more, simply for the convenience of allowing the merchant to shove your Charge-X plate through the billing machine rather than paying cash.  
And, if you charge but don't pay the full bill within a month the bank starts charging you interest—at the usurious rate of 12 to 18 percent a year, depending both on your bank and your credit rating.  
But credit ratings—one's ability to pay—is meaning less and less to the sponsoring banks of the Charge-X scheme, the Canadian Imperial Bank of Commerce, Royal Bank, Banque Canadienne Nationale and the Toronto Dominion.  
They sent cards to virtually every resident of the Vancouver area, giving even the poorest risks among them rock-bottom cash credit of \$300 through the cards.  
But why Charge-X?  
Banks sell one commodity—debt. It's a multi-million-dollar business in Canada, and not only for these banks.  
All pay-as-you-play schemes are the same extension. Keep people broke, in debt, and constantly consuming, so their cash continues to flow in to the ever-hungry bill-dispensing computer which unswervingly cranks out monthly bills to be paid.  
It matters little what the commodity is. The new, 20th century universal commodity is debt, and everyone's in the market. It's the ultimate in the capitalism of over-consumption.  
And charge-x is coming. It was piloted in

Ontario and Ontario a year ago and it was...  
It works simply. Instead of paying...  
The merchant sends the bill to the bank...  
Charge-X, which pays the bill, minus a commission.  
The banks...  
est. After 25 days, it's from 12 to 18 percent.  
It also strikes...  
bastions of a sound national economy...  
should band together in a venture to widen Credit buying just when the country is experiencing inflation.  
At the same time as the chartered banks are encouraging inflation the federal government is doing its damndest to fight it, to encourage Canadians to live within their means.  
Even more unusual—the government has not let out one peep of criticism to the banks because of this inflation-producing scheme. Makes you wonder which side the government is on, huh?  
Now, how do they make money out of the scheme? Who pays? Watch.  
The merchant pays the bank a commission of 4 to 6 percent. Accordingly, he raises his prices in the store to pay it back. This means even cash customers are paying inflated prices, just because Charge-X is in the store.  
The bank uses part of the commission to defray costs of billing. But the bank also has the use of large amounts of cash which flow to it through the billing process. This is pure investment potential for the banks. The size of Charge-X guarantees a perpetually massive flow of dollars through the cash drawers.  
The bank also benefits from the 12 to 18 percent interest they're going to charge you on overdue accounts, which will be huge when Charge-X goes Canada-wide.

The... gets took. He pays 4 to 6 percent more for the goods, then is... with 12 to 18 percent interest... when he discovers to his dismay that he's bought too much with his card...  
More and more shops are being forced to take Charge-X because the...  
is, the consumers want to use the Charge-X cards. For some...  
ing femming-like into this sea of credit madness set up by the banks.  
In the Vancouver area alone, 3,500 businesses have adopted Charge-X, and more than 400,000 citizens are using the cards.  
Like the lady in Vancouver who received her unsolicited card and gaily...  
and charged up to \$300 worth of goods she didn't need. She had a ball.  
She then called...  
she didn't want...  
fare, and the...  
come around to...  
the goods she bought...  
bout to pay. They did.

have to pay if someone steals my card out of the mail and uses it to buy stuff?"  
The banks intimate that, yes, you'd have to pay.  
No way.  
No court would uphold the argument that it is the cardholders duty to prove she didn't buy the goods using the card.  
The law has to prove that she did buy the goods using the card, and that she is now trying to...  
Use of a card bearing my name is not proof that I...  
So, my...  
an unsolicited...  
should stroll into a seedy 7th Avenue bar, throw back a beer, then leave the offending...  
The shady characters down there will...  
pick up the card, buy a bunch of...  
the law...  
to lose a credit card, is...  
And besides, you'll be giving a real break to a guy who needs one.

## Beat credit system with cash and card

It is true that anyone who offers to sell goods on a credit basis—including Charge-X, Bay and gasoline credit cards and others—hike their prices an extra 5 to 10% to handle the administrative costs involved.  
But if you are one of the dwindling breed of consumers who pays cash, you can beat it.  
If you're going to buy a fairly expensive item—\$75 or more—con-

clude the sale by waving your credit card in one hand and cash in the other.  
Then ask the clerk for 10 percent off for paying in cash rather than the card. It has been done in the Bay, Eatons and other large department stores which have credit card systems.  
And do you know what? You'll get your discount, every time.

# VIEWPOINT

brunswickan staff

## what would you say if a group of male students crowned you miss sub 1970 ?



john wilson  
a I  
"I'd slap their wrists!"



gail thoms  
pe I  
"I think I faint."



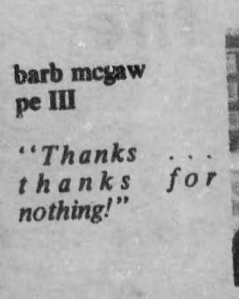
gerry gaunce  
sc I  
"Thanks boys but you can keep your trophy."



robyn alexander  
a II  
"Would it count as a fail credit?"



judy colt  
a IV  
"I wouldn't deserve it!"



barb mcgaw  
pe III  
"Thanks... thanks for nothing!"



mary trenholm  
pe I  
"Oh gee... and on my birthday too!"



bob hess  
a IV  
"Bogus!"

