

IS IT REALLY A BARGAIN?

The jewellery sets assembled by a Canadian jewellery manufacturing company seemed too good a bargain to miss. They were displayed in a Quebec store with a \$25 tag attached, but the store price was only \$4.95. If gullible purchasers who thought they were saving \$20.05 had window-shopped in other stores, they would have found the same sets were selling from \$3.49 to 4.95 – not \$25. What happened? The company had attached the \$25 tags at the request of the purchasing wholesalers who supplied them to the retailers.

The \$3.95 price of undergarments in an Ottawa children's clothing store, had been crossed out and a price of \$2.99 substituted – an apparent saving of 96 cents. But again, other stores had been selling the same undergarments for \$2.99 for several months.

These are examples of the misleading price advertising that often separates a consumer from his money by leading him to believe the price he is paying is better than it really is. Fortunately, purchasers are protected by the Combines Investigation Act, Section 33C, which is designed to protect consumers who are not likely to know prevailing retail or list prices. It states clearly that anyone who promotes the sale of an item by misleading consumers about the prices at which the items are ordinarily sold is breaking the law. This section of the Act has teeth in it – offenders can be fined and prohibited from repeating the practice. The jewellery manufacturer and the children's clothing store were actual cases, and both felt the bite of the law when they were convicted and fined.

To augment Section 33C, the Department of Consumer and Corporate Affairs has a staff of investigators experienced in handling complaints, collecting evidence and keeping a sharp eye on advertisements to detect deceptive pricing. Consumers and the trade help too. Generally, some 20 per cent of cases that have arisen come from consumers; some 30 per cent of complaints come from the trade – especially competitors who keep a suspicious eye on one another.

CONVICTIONS

In the eight years since the section became effective, some flagrant instances of misleading price advertising have been detected and dealt with. Of the 45 cases completed since 1960, there were 40 con-

victions. The worst offenders were retailers, and most of the misleading pricing appeared in newspaper advertisements (29) and labels (11). But there was also price misrepresentation in circulars, direct-mail advertising and catalogues. Almost half dealt with photographic equipment, watches, and television sets; the remainder included such things as pre-ticketed mattresses.

Pre-ticketing a product at an unrealistically high price is an open invitation to dealers to make it appear they are offering a "special", when in reality, they are not.

More and more court cases are conducted each year. From April 1968 to early March of this year, 16 alleged offenders faced the courts.

The Minister of Consumer and Corporate Affairs, Mr. Ron Basford, said recently: "The Canadian consumer demands honesty in the marketplace. Our society has rejected the old concept of *'caveat emptor'* – *let the buyer beware* – in favour of – *let the seller take care.*"

NORTHERN RESOURCES CONFERENCE

Delegates at the annual Northern Resources Conference, held in Whitehorse, Yukon Territory, from government and industry were unanimous in predicting an appreciable increase in the economic development of Canada's Far North. The Conference came to an end on April 11, with a closing address by Mr. Jean Chrétien, Minister of Indian Affairs and Northern Development.

Hundreds of Arctic experts from all over Canada and the United States had spent the week in this mining city of 6,000 inhabitants. The Conference opened on April 8.

Most of the discussions concerned known or possible discoveries of gas, oil and minerals. The delegates were also interested, however, in the development of forests, and in tourism, national parks and the importance of water as an exportable commodity.

Among the many personalities who addressed the meeting were Mr. John Diefenbaker, former Prime Minister of Canada, and Mr. John MacDonald, Deputy Minister of the Department of Indian Affairs and Northern Development. A few Members of Parliament, several Councillors from the Northwest Territories and the Yukon and some teachers and union leaders attended the Conference.