

Corporate and Consumer Affairs

of the consumer is the group of general Criminal Code provisions against fraud, deception and misleading sales techniques.

[Translation]

It stated that the application of the legislation—

[English]

Mr. Nasserden: What about election promises?

Mr. Turner: I think the hon. member is an authority on that subject, and I would yield to him if the debate should ever take a course along those lines.

[Translation]

The council stated that the application of that legislation has been left mainly to the provincial governments although a good number of federal agencies are effectively responsible for the implementation of some provisions of the Criminal Code.

The Economic Council recommended, Mr. Speaker, that legislation be drafted to create, within the department of corporate and consumer affairs, an administrative body whose main duty would be to implement effectively those provisions.

Besides the general provisions of the Criminal Code, other acts deal with similar problems. These are, for instance, section 33C of the Combines Investigation Act which forbids fallacious publicity on prices; the Trade Marks Act which forbids dishonest trade practices in general; the provisions of the Food and Drugs Act and its regulations which concern fraud in the sale of food and drugs; and the legislation on trade marks and proper labelling which forbid false or misleading descriptions of specific goods.

[English]

The joint committee of the Senate and House of Commons also raised the question of research into the economic role of advertising. The committee indicated that there is clearly a wide spectrum of opinion on the social benefits of advertising and the impact of advertising expenditures on the cost of consumer goods. It also indicated that it did not wish to make any recommendations respecting the control of advertising expenditures.

Nevertheless, Mr. Speaker, it was concerned about the volume of advertising whose sole or primary purpose was to create consumer preference for a particular brand of

[Mr. Turner.]

some staple product on the basis of trivial variations. The committee also expressed the opinion that an extensive program of compulsory grade labelling for common consumer goods would encourage some reduction in socially wasteful advertising costs. We have begun to take a preliminary look at this subject, Mr. Speaker.

Two or three weeks ago I had occasion to speak on this subject to the Institute of Canadian Advertising. I intend to maintain the dialogue with the advertising industry and to pursue the research I have just described.

The special joint committee of the Senate and House of Commons on consumer credit and prices also saw a need for an expert group within our department to investigate any merchandising practices which take advantage of or mislead consumers. It gave as an example of an area which would merit attention, section 306 of the Criminal Code, which deals with misleading advertising. We have already initiated a study of this whole area and we consulted provincial officials during the recent conference of the commissioners for uniformity of legislation. This subject of misleading advertising will be one of our first priorities.

The Economic Council in its report noted that the government was currently giving intensive study to its policies and programs in the field of standards and grading. It commended the proposed establishment of a new widely representative body at the national level to develop a more co-ordinated approach to standards work with business and government working together. A standards council of Canada is now being developed and this department, under the scrutiny of parliament, will I hope play an active part in it.

In its report the Economic Council quite correctly emphasized that all of the present federal government activities in the consumer field have evolved in the light of the division of legislative responsibility under the Canadian constitution. In some cases, such as weights and measures, the British North America Act has assigned specific responsibility to the federal parliament. In other cases the activities arise from the more general federal responsibilities for criminal law. A leading example here is the Food and Drugs Act. Still other responsibilities have developed under federal authority for regulating trade and commerce of an interprovincial or international nature. Typically these activities must take into account provincial legislation