

Combines Investigation Act

the custom among certain establishments in the business of selling liquid refreshments to offer a free lunch along with their regular wares. There is no such thing as a free lunch, Mr. Speaker. There is no such thing as a free drink. There is no such thing as a free trip to Hawaii with a few thousand dollars thrown in, as sometimes is the case with these contests. Somebody has to pay for that, and that somebody is the consumer who buys the product that is sponsoring the so-called give-aways. Indeed, there are a number of my constituents who could not even afford to accept such a give-away, the situation is that bad.

Mr. Knowles (Winnipeg North Centre): They can just buy one.

Mr. Firth: I do not know how many people buy one brand of breakfast cereal instead of some other, just on the off chance that they will win a free car, or what have you, but I do know that every person who buys a give-away brand is paying part of the price of the car that is offered in this promotional type of contest. These people are also paying the cost of advertising the give-away, of promoting the give-away, and the salaries of the bright young executives who think up these give-aways. As I say, Mr. Speaker, there is no such thing as a free lunch.

An hon. Member: Or a tax write-off.

Mr. Firth: Exactly. Surely we are having to pay enough for essential commodities like food, without paying a surtax. Perhaps "lottery" is a better word for these contests, but it is a cruel kind of lottery because the consumer has no choice in the matter. I suggest that if he or she wishes to purchase a brand that is running this kind of free lunch, then he or she is forced to buy a ticket. They are given no alternative and they are not even told how much of their money goes to support the give-away.

People should be able to take a chance. If you are inclined to gamble a little, then there are a number of lotteries in the country. People can go to the horse races, buy an Olympic lottery ticket, or there are many other lotteries in the provinces. In that case one knows exactly how much one's gamble is going to cost, one knows exactly what one's money is going into, and one has a free choice. That is not the case with promotional give-aways, especially in the food industry. In the great, promotional free lunch lottery the gamble is not so clearcut.

In Bill C-2 the government is offering us guidelines for some of these situations. It is giving us the ability to know the approximate value of the prizes offered, as described in the bill. The bill will ensure that the prizes are not unduly delayed. It will also let consumers rest easy in the knowledge that prizes will be distributed on the basis of skill or random selection. That is all well and good, but once again this government is marshalling its vast resources to solve the wrong problem. The problem is not that free lunch contests should be carried out in a fair and equitable manner; the problem is that they are carried out at all. I suggest we cannot afford them.

The government is now in the process of waging a dramatic war on inflation. The Prime Minister (Mr. Trudeau) has asked all Canadians to do their bit by accepting tough limits on their behaviour and cutting back on their expectations. The Prime Minister told us that the govern-

[Mr. Firth.]

ment was limited in its ability to act and that he needed our support to "knock the wind out of inflation". He said that our actions were absolutely necessary to win this fight and that the weapons were in our hands. Well, Mr. Speaker, we are quite aware that the government is having trouble fighting inflation, but here is an example of a weapon that is in their hands: they can adopt this amendment and save us the cost of a "free lunch" by putting their support behind the amendment moved by the hon. member for Nickel Belt. That is all I wish to say at this time in support of the amendment.

Mr. Art Lee (Parliamentary Secretary to Minister of Consumer and Corporate Affairs): Mr. Speaker, I rise to speak against this motion. Bill C-2 includes a number of initiatives in the field of consumer protection which are not restricted to the prevention of false market information. These provisions in each instance focus on specific exploitative marketing practices, ranging from bait-and-switch selling to resale price maintenance, which can be shown to injure the consumer. Promotional contests, provided consumers have a fair idea as to the way in which the contests are conducted, would not seem to fall into this category of unfair selling methods.

For this reason, Bill C-2 specifies a substantial number of safeguards to ensure that correct and adequate information is provided to all possible participants in a promotional contest. I think it would be useful for all hon. members to draw their attention to the safeguards. A promotion would be unlawful unless the following criteria are provided for:

(a) there is adequate and fair disclosure of the number and approximate value of the prizes, of the area or areas to which they relate and of any fact within the knowledge of the advertiser that affects materially the chances of winning;

(b) distribution of the prizes is not unduly delayed; and

(c) selection of participants or distribution of prizes is made on the basis of skill or on a random basis in any area to which prizes have been allocated.

If the court decides after a fair hearing that a promotion is unlawful, then there are penalties by way of either indictable or summary process. The proposed amendment to motion No. 18 would prohibit all promotional contests, and I consider that in the absence of proof that an honestly run contest takes unfair advantage of the consumer, I cannot support the proposed amendment.

● (1600)

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, my colleague, the hon. member for Northwest Territories (Mr. Firth), has touched on the very salient points and reasons for the introduction of this particular amendment. Having listened to the hon. member for Vancouver East (Mr. Lee) explain the reasons for his and his party's opposition to this amendment, I suggest they are the same reasons which strike fear in my heart and which prompted my party to put forward this amendment.

He said Bill C-2 provides some protection to consumers because it outlaws certain practices. For instance, it outlaws the practice of double-ticketing. The new method of computerized pricing, with the new and the old price appearing on the article only as five coloured lines, makes a farce of this particular practice being outlawed. How