RULES OF THE GAME

Survey of Consumer Organizations and of Complainant Consumers.

Claude Masse
Michelle Marois
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1- RESEARCH OBJECTIVES

Our traditional law is inadequate to deal with the problems of consumers! Our preliminary study of consumer law leads inevitably to this first conclusion. It appears evident now that our law of contract, that is the law that governs the exchange of goods and services in our society, was developed on the bases of a fiction, that of the equality of contracting parties. The binding power of contracts under this traditional law, which originated in 19th century rural society, is supposed to flow from the presumption that the contracting parties had the prior opportunity to inform themselves of the true nature of their obligations, to contract and to negotiate with that person the scope and extent of their respective obligations. The contract, in this context, is seen as the result of a bargaining relationship where each party has had the opportunity to negotiate each clause of the agreement. If one of the parties to the agreement is a loser, he has only himself to blame for failing to derive benefit from the contract. The rule of the game is equality of the contracting parties.

Several factors led inexorably to the bringing of the rules governing the exchange of goods and services in the market place into question. A complex social organization replaced, little by little, a society endowed with relatively basic legal institutions. The concentration and growth in the power of the firm, the diversification of marketing processes and mass advertising, inflation and the scarcity of raw materials, all contributed to convincing the advocates of the transformation of traditional law that the principle of the equality of contracting parties bears no relation to the true bargaining relationship between buyer and seller. We recognize in fact that the consumer cannot know the complexity of, or even the dangers inherent in, the products and services offered him. In the great majority of cases he can negotiate neither the price nor the conditions of sale of these goods and services and he is all the more vulnerable since quite often he is acquiring essential products or services whose production is controlled by powerful and often monopolistic firms. All of these factors have made the consumer a susceptible contracting party and have made a mockery of the principle of equality of contracting parties.

Canadian and Quebec legislators have for some years, sought answers to the social and necessarily political problem that the consumer situation has become. Changes in traditional law have taken the form of
a variety of legislative endeavours in the areas of civil, criminal and administrative law. The volume of legislation adopted is considerable. In fact, our preliminary studies identified more than 225 laws touching on consumer-related matters. But the changes were enacted without guidelines and this contributed in an important way to the confusion and incoherence of the existing legal system. It even appears that the most important reforms are still to come and will have to be carried out through the adoption of a consumer protection code which would complement the basic principles of the civil code. We are quite obviously at the starting point of a long process of legislative change.

However we may assess the evolution of consumer law, we must acknowledge that the measures intended to protect and promote the interests of the consumer are more numerous than they were less than a century ago. This observation would warrant some feeling of satisfaction if all that was required for the measures to be effectively applied was proclaimed. If we must on the one hand, acknowledge that we have progressed from an obsolete traditional law to a law evolving in the direction of the consumer's interest, we must also acknowledge that this improvement in the consumer's legal situation, modest as it is, has not progressed beyond the stage of principles and that it does not seem to have, as yet, taken on a concrete form. There is in fact a glaring imbalance between the imposing arsenal of legislative measures for the protection of the consumer and the small number of cases brought before the courts. Our preliminary findings lead us to think that it is the entire kit of legal mechanisms and institutions at the disposal of the consumer that is neither used by, nor known to, those whom they are intended to benefit. We believe therefore that it is as important to investigate the problem of the social effectiveness of our law as it is to carry out legal studies of the rights that have, until now remained theoretical.

When we began our research into consumer law the specialists were quite convinced that the many consumer protection laws were seldom used because of the small amount of money at stake, the lack of effectiveness of the avenues of recourse and the lack of means provided to pursue them. However, these were intuitive impressions that had never been subjected to a systematic study of the facts. We knew that the consumer laws were, for the most part, ineffective but we had to admit that we did not know why. A socio-legal study therefore had to be undertaken as an extension of our legal research as soon as possible.

It seemed to us that a serious study of the social reality of consumerism was an essential prerequisite to a critical analysis of consumer protection law. We had to determine the extent to which the public was acquainted with consumer laws, determine their need for legal protection and identify their natural defense mechanisms, that is, all the factors of any importance that could influence the effectiveness of the law. We also had to know the nature and frequency of the problems
encountered by the organizations responsible for applying the various laws as well as the degree of satisfaction of those consumers calling upon the laws and the consumer organizations to defend their rights. We were convinced then and are now that only a multi-disciplinary and global approach would enable us to further our knowledge of the law and of the sociology of consumer law. That is the approach we adopted.

Taking into account the social reality of consumer law as experienced by the consumer, we had to proceed through successive surveys, first, of consumer organizations and then of the consumers who filed complaints with these organizations and finally, the public at large. The two first stages of the sociological research, which are the subject of this report, were undertaken as exploratory studies in preparation for a major study involving a representative sampling of consumers. The near complete lack of information in the socio-legal field as it pertains to consumerism in Canada and the need to elaborate an overall statement of the problem as well as working hypothesis before proceeding to a survey of consumers in general made this preliminary stage of our work an essential one.

The objectives assigned to the survey of consumer organizations were the following:

1- to determine how the consumer organizations function and how they are organized;
2- to determine how the organizations intervene on behalf of the consumer;
3- to determine the nature and frequency of problems dealt with by the organizations;
4- to review the organizations' evaluation of the effectiveness of the law and of consumer organizations in the light of their own experience;
5- to review the organizations' views of the factors that are deemed to be the cause of consumer problems;
6- to review the legislative reforms proposed by the organizations.

The objectives assigned to the survey of dissatisfied consumers were the following:

1- to determine the socio-economic profile of dissatisfied consumers (complainants);
2- to determine the nature and frequency of consumer complaints;
3- to determine the nature and character of the relations between the dissatisfied consumer and the consumer organizations;
4- to determine the sources of referral of consumers to consumer organizations;
5- to review the dissatisfied consumers' evaluation of the effectiveness of the law and of consumer organizations;
6- to determine the level of consumer knowledge of consumer laws;
7- to determine what the consumers' natural defense mechanisms are.

We thought it necessary, in order to define the scope of our research, to describe the research strategy and methods employed and to outline the organization of this report before proceeding with the analysis of the results of our survey.

2- **SCOPE OF STUDY**

We have already stated that the two surveys we are reporting on in this volume were aimed primarily at determining the social effectiveness of the consumer protection mechanisms. Do consumer laws and organizations achieve their goal of protecting the consumer in the marketplace and upholding the consumer's rights by providing recourse to justice when a problem is encountered? The existence of rights on the one hand and the possibility of exercising these rights on the other could qualify our understanding of the notion of effectiveness in this area.

It is important to note at the outset that the surveys of consumers and consumer organizations deal with only a small portion of the factors that could influence the mode of resolving consumer problems and therefore the effectiveness of the law in this area. In fact, not all consumer problems lead to complaints being lodged with specialized organizations and the organizations specializing in consumer problems are not the only ones who intervene in support of dissatisfied consumers. A survey limited to complainants and to consumer organizations provides only a partial view of reality therefore. For example, a consumer can often negotiate and obtain an out-of-court settlement on his own. This same consumer could also abandon his case without seeking the assistance of protective mechanisms simply because, rightly or wrongly, he is of the impression that he has no rights or that
he can do nothing in the face of the powers he is dealing with. We are dealing here with phenomena whose importance cannot be minimized and that fall outside the scope of our study because they simply are not observable.

The survey of dissatisfied consumers and consumer organizations does not in itself provide a complete picture of the process which leads to the solution of the consumers' legal problems. The flow chart of avenues for solving consumers' legal problems which appears below (Table 1) illustrates this point. Once the consumer encounters a problem and once he becomes aware of this problem, several successive steps can be taken with a real possibility present at each step that the consumer might choose to abandon the matter.

When he does act, the consumer can first of all seek information to help him better understand his problem and what he can do to solve it. He can also choose to act without information. Several avenues are then open to him. He can choose to negotiate with the other party on his own behalf or he can immediately appeal to an institution to settle the matter for him. Having negotiated on his own behalf, the consumer still has the option of turning to an institution for help.

The process of negotiation or settlement by an institution can take several forms. The consumer can, on the one hand, turn to an organization that does not specialize in consumer problems such as his lawyer, the Legal Aid Commission, certain social agencies etc, or he can turn to specialized organizations such as the Consumer Protection Bureau (CPE), the Cooperative Family Economics Association (CFEA), the Automobile Protection Association (APA) etc. It should be kept in mind too that one type of organization can refer the consumer to another.

Finally, after having sought the help of an organization or having attempted to resolve the matter personally, the consumer can still turn to the courts. The simplified flow chart illustrates that a good number of solutions to consumer problems can result from either individual action by the consumer on his own behalf or the intervention on his behalf by non-specialized organizations.

Taking into account the foregoing limitations and those that flow, as we will see, from the sampling, we must consider our survey of privileged witnesses. This is so because the specialized organizations and the dissatisfied consumers who have filed complaints are likely to be more aware than others of the difficulties and characteristics of the consumer situation. These privileged witnesses are not however representative of the opinions or attitudes of all the players in the market place. Finally, this summary is an exploratory one because it was not designed on the basis of working hypotheses strictly defined in operational terms. The literature on the subject being practically non-existent, we planned to collect considerable factual information unrelated to specific working hypotheses and to follow those paths that later would
TABLE 1 - FLOW CHART OF AVENUES FOR SOLVING A CONSUMER'S LEGAL PROBLEMS

EXISTENCE OF A PROBLEM

not aware

AWARENESS OF THE PROBLEM

does nothing

INFORMATION

drops the matter

ACTION

positive solution

PROCESS OF INSTITUTIONAL NEGOTIATION

failure and abandonment

positive solution

SPECIALIZED ORGANIZATION

NON-SPECIALIZED ORGANIZATION

failure and abandonment

positive solution

COURTS

LEGAL ACTION

failure and abandonment
permit us to proceed with a survey of consumers at large with as many guarantees of pertinence as possible. The exploratory nature of this first survey had a lot to do with the impressionistic and factual character of the overall picture that is gleaned from the results. We are dealing here, as stated previously, with a first approach which already permits us to more specifically delineate the field of consumer research.

It is important at this point therefore to underline the fact that the survey of consumer organizations and dissatisfied consumers (complainants) deals with only some of the avenues for solving consumer problems. That is those that we would classify under the heading "specialized organizations" in Table 1 and their clients. The recognition of this is essential to a proper understanding of our research objectives and of the interpretation of the results of the survey. We will note finally that it was necessary to limit our survey to the province of Quebec. This was because of the considerable costs and technical problems that an all-Canada survey would have entailed. We also had to consider the practical necessity of studying a homogeneous legal universe because we were dealing with an area of research - consumer affairs where both federal and provincial legislation intersect. Although federal consumer legislation applies to all of Canada it is nonetheless true that a large number of very important laws are administered provincially and that these laws sometimes differ considerably from one province to the next.

3- RESEARCH STRATEGY AND METHODS

a) Sampling

The remarks and caveats expressed with regard to the scope of this study apply as well to the sampling. We must remark at the outset that our sampling of consumer organizations and dissatisfied consumers (complainants) did not pretend to conform to the criteria which would have assured its scientific character and made it truly representative. The very high costs that a representative sample would have entailed and the low payoff in terms of the quantity and quality of the information that would have resulted dissuaded us from attempting to achieve representative sampling.

We need only observe that there are over a hundred Federal and/or Provincial departments, branches, councils or offices that are actively involved in consumer affairs and that they deal with a range of consumer complaints wide enough to include itinerant sales, fish inspection, insurance, food labelling, professional services, the bottling of mineral water, motor vehicle safety, etc... to draw the conclusion that it would be impossible for an institution with a budget of only a few thousand dollars to undertake a representative sampling of consumer organizations and dissatisfied consumers. Consider as well that govern-
ment organizations are not the only ones active in the field. There are also many private organizations dedicated to the representation and defense of consumers. It is in response to the foregoing and other practical considerations that we designed our sampling in the following manner:

i) **Survey of consumer organizations**

The questionnaire which is described below was administered to all Quebec organizations, public or private, who in our view had or could have an overall view of consumer problems and who were in contact with consumers to some extent. They are:

- officials of the regional offices of the Quebec Consumer Protection Bureau (CPB);
- officials of the regional offices and branch heads of the Federal Department of Consumer and Corporate Affairs (FDC) in Quebec;
- officials of the local offices of the Quebec Legal Aid Commission;
- directors of the local division of the Cooperative Family Economics Association (CFEA);
- representatives of the local divisions of the Consumers' Association of Canada (CAC) Quebec section;
- representatives of l'Institut de promotion des intérêts du consommateur (IPIC);
- representatives of the Automobile Protection Association (APA);
- representatives of housing committees or rentors' associations;
- representatives of consumer clubs.

In addition to these respondents the questionnaire was administered to several citizen's groups and certain social workers who expressed the desire to participate in the survey.

The questionnaire was mailed to 163 organization representatives in March of 1975. Two follow-up letters were sent to those that had not yet replied by the time the tabulating of the results had begun. The majority of the completed questionnaires were received during the months of March and April 1975. Some were received during the months of May and June of the same year. In all, we received 88 completed questionnaires representing 54% of the organizations and persons who had recei-
ved the questionnaire. Given its long and tedious nature, we have cause to be proud of the response rate to the mailed questionnaire. We believe that the response rate and the quality of the cooperation received were sufficient for us to draw a rather fair picture of the opinions and experiences of those that work in the consumer protection field in Quebec.

ii) Survey of dissatisfied consumers

The preparation of the list of dissatisfied consumers who filed complaints with consumer organizations, from which we drew our sample, was also a very difficult task. We had first of all, to carry out a selection from amongst the public and private organizations who receive complaints from consumers. This we did on the basis of two main criteria. We opted for the organizations who deal with the broadest range of consumer issues and receive the greatest number of complaints. This resulted in the selection of two governmental and two private organizations: the Federal Department of Consumer and Corporate Affairs (FDC); the Consumer Protection Bureau of Quebec (CPB); the Cooperative Family Economics Association (CFEA); and the consumers' association of Canada (CAC), Quebec section. Since the last mentioned organization does not maintain a list of consumers who file complaints or request information, it was not possible to take a sampling of their clientele. The number of organization was a result reduce to three.

We then asked each of the three organizations to provide us with as complete as possible a list of consumers they had received complaints from in the course of the second half (June to December) of 1974. A random selection of names was made from these lists. Although we did not attempt to assure the regional representativeness of the sample we should point out that the respondents selected do in fact come from all administrative regions of Quebec as illustrated in Table 2.

Table two shows that 38% of the respondents were clients of the Consumer Protection Bureau (CPB), 37% of the Cooperative Family Economics Association (CFEA) and 24.6% of the Federal Department of Consumer Affairs (FDC). The low representation of FDC clients resulted from the great difficulty we encountered in constructing our sample from the lists they provided which is in contrast to our experience with the two other organizations. A good number of the addresses recorded in the FDC list were incomplete or even wrong. In certain cases also the respondent had moved even though his complaint had been filed quite recently. It is for this reason that we could complete only 61 interviews with FDC clients. This diminishes somewhat the reliability of the results obtained with regard to this organization.

The persons selected were interviewed in person during the months of May and June 1975.

b) The Questionnaires

Two types of questionnaires were used in the survey. The survey
of representatives of consumer organizations was conducted by mail. This questionnaire was comprised mainly of open-ended questions (see Appendix I). The respondent, who could remain anonymous, was asked to describe how his organization functioned, the type and frequency of consumer problems handled as well as the means of dealing with the, the causes of consumer problems, the relevance and effectiveness of consumer laws and the effectiveness of consumer organizations. The results of the analysis of the content of the responses are the subject matter of the first part of this text.

The questionnaire administered by personal interviews with dissatisfied consumers was comprised mainly of closed questions (see Appendix II) dealing with factual data. This rather long questionnaire included more than 80 questions, a better than half hour interview dealing primarily with the type of problem that had led the respondent to file a complaint with the consumer organization. These were followed by questions on the nature and character of the complainant's relation with the organization contacted as well as on the complainant's evaluation of the organization's effectiveness in dealing with his problem. A series of closed questions then dealt with the respondent's knowledge of consumer law and on the degree of satisfaction with the protection afforded by consumer protection legislation. Another section contained questions designed to permit the construction of a scale of adherence to consumer values. And a final section dealt with the respondent's socio-economic characteristics. This latter section was of great importance to the preparation of the survey of Quebec consumers as a whole.

Finally, a pre-test was carried out prior to the administration of the questionnaire. The interviews of dissatisfied consumers were carried out by the Institut de cueillette de l'information Inc.

4- ORGANIZATION OF THE REPORT

This report is comprised of two parts. Part one deals with the analysis of the results of the survey of consumer organizations. The second deals with that of the dissatisfied consumer (complainant) survey. Although at first glance the two parts appear to be independent, in fact they complement one another because of the similarity of the perspectives that are dealt with. Each chapter is followed by a list of observations we thought worthy of mention. A general conclusion follows the two part text and is in turn followed by a bibliography and relevant appendices.

The authors want to thank all the persons who provided them counsel and cooperation in the course of this extended project. We want especially to thank the 88 consumer organization representatives and the 248 consumers who responded to our questionnaire. Our thanks
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<td>1</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>(6.3%)</td>
<td>(1.6%)</td>
<td>(0.0%)</td>
<td>(2.8%)</td>
</tr>
<tr>
<td>ESTRIE</td>
<td>17</td>
<td>1</td>
<td>22</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>(17.9%)</td>
<td>(1.6%)</td>
<td>(23.9%)</td>
<td>(16.1%)</td>
</tr>
<tr>
<td>NORTH-WEST</td>
<td>7</td>
<td>0</td>
<td>5</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>(7.4%)</td>
<td>(0.0%)</td>
<td>(5.4%)</td>
<td>(4.8%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>95</td>
<td>61</td>
<td>92</td>
<td>248</td>
</tr>
<tr>
<td></td>
<td>(38.3%)</td>
<td>(24.6%)</td>
<td>(37.1%)</td>
<td>(100.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)
go as well to Messrs. Jean-Louis Beaudoin, Ejan Mackaay, Jacques Boucher, Jean Hérard and Mrs. Claude Parizeau who as members of our research team's advisory committee provided considerable advice and cooperation. We also thank the personnel of the Institut de cueillette de l'information, Miss Estelle Gagnon for the typing and Jean-Claude Rousseau (for the layout and preparation of text for printing).
PART I

SURVEY OF CONSUMER ORGANIZATIONS
INTRODUCTION

We deal in the first instance with the characteristics of the respondents and the profile of organizations they represent (Chapter I). Following the structure of the questionnaire, we then proceed to an inventory of the problems encountered by the consumer organizations (Chapter II) and the means used by the organizations to deal with them (Chapter III). We then attempt to analyse the general consumer situation—a process in which the organizations participated (Chapter IV)—by focussing on the evolution of consumer affairs, the consumers faced with problems and their awareness of them, the causes of consumer problems and on the means of improving the situation.

An important part of our survey of organizations dealt with the evaluation of the quality and pertinence of consumer legislation (Chapter V). We also studied certain mechanisms which could promote the adoption of a class action process and the exercise of recourse in criminal cases. At the conclusion of the survey, most of the respondents agreed to answer questions dealing with the effectiveness of the consumer organizations including the one they represented (Chapter VI).
CHAPTER I - RESPONDENT CHARACTERISTICS

The questionnaire intended for consumer organizations was sent by mail to all public or private organizations fully or partly involved in the organization or protection of consumers. In all, 88 organization representatives responded. We were quite satisfied with the cooperation we received. We believe that the response rate was sufficiently high to provide us with a rather good idea of the opinions of those who work in the field on a day-to-day basis and of the way they see the problems related to consumer affairs and the solutions they advocate for improving the lot of the consumer.

The officials of the Consumer Protection Bureau and the Federal Department of Consumer and Corporate Affairs agreed to complete our questionnaire and to express their views on consumer problems and consumer affairs. Numerous Legal Aid lawyers, who are probably the ones who have to cope with consumer laws the most, expressed their points of view on the matter. The managers of the Cooperative Family Economics Association and representatives of the most active section of the Consumers' Association of Canada in Quebec also contributed their points of view. The list of respondents also includes representatives of the Institut de promotion des intérêts du consommateur and the Automobile Protection Association. Finally, various organizations less intimately involved in the consumer battle volunteered information and opinions on specific aspects of consumer problems that they encounter in their dealings with the public.

Responses were received from all regions of Quebec with the regions of Montreal, Quebec and Estrie being the most strongly represented. Table 3 describes the sample which constitutes this study's universe.

The following profiles are intended to acquaint the reader with the organizations surveyed and their representatives who were good enough to cooperate with us by completing the questionnaires. It should be kept in mind that these profiles are simply an account of the information provided by the respondents about their organization through the answers provided to our questionnaire. They are not intended as an analysis of the structure and operation of the respondent organizations.

SECTION 1 - PROFILE OF ORGANIZATIONS

We were interested first of all in the structure of each consumer protection organization participating in the survey. That is to say, the profile of its members, the way it is administered, its clientele and
<table>
<thead>
<tr>
<th>Regions</th>
<th>Legal Aid</th>
<th>CFEA</th>
<th>CPB</th>
<th>FDC</th>
<th>CAC</th>
<th>Other Organizations*</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Montreal</td>
<td>9</td>
<td>2</td>
<td>1</td>
<td>5</td>
<td>5</td>
<td>17</td>
<td>39</td>
</tr>
<tr>
<td>Quebec</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>5</td>
<td>-</td>
<td>1</td>
<td>11</td>
</tr>
<tr>
<td>Estrie</td>
<td>6</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>11</td>
</tr>
<tr>
<td>Saint-Maurice Valley</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>Saguenay Lake St-Jean</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>4</td>
</tr>
<tr>
<td>Lower St-Laurent Gaspesie</td>
<td>4</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>Abitibi</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5</td>
</tr>
<tr>
<td>Outaouais</td>
<td>2</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>North Shore</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>31</td>
<td>10</td>
<td>7</td>
<td>12</td>
<td>8</td>
<td>20</td>
<td>88</td>
</tr>
</tbody>
</table>

* the heading "other organizations" includes the following:
- 5 housing committees or tenants' associations
- 2 consumer clubs
- the I.P.I.C. or "Institut de promotion des intérêts des consommateurs"
- the A.P.A. or Automobile Protection Association
- 2 citizens' groups
- 1 charitable organization Council and 1 referral centre
- 6 Welfare officers
- 1 university legal aid service
the services it provides in the area of consumer protection. And, with regard to its financial status, we were interested in its sources of revenue, the size of its budget, the number and qualifications of its personnel and the number of branches that provide the relevant services.

A- Legal Aid (LA)

Thirty one (31) regional or local Legal Aid offices from all parts of the province were included in our sample. It is impossible to determine the proportions of their activities devoted to consumer protection, and consequently of the proportion of budget and resources put to this use.

B- Federal Department of Consumer and Corporate Affairs (FDC)

Our sample includes twelve (12) divisions of the Quebec (province) region. The FDC has district offices in five Quebec cities. Certain divisions have only one branch office serving all of Quebec. The services and personnel are distributed as follows:

- 81 persons in protection against fraud
- 22 persons in consumer counselling
- 66 persons in weights and measures
- 9 persons in misleading advertising
- 4 persons in product safety

Certain officials believe that the Department's resources are sufficient for the time being, while others disagree. The Department devotes 71.7% ($4,455,000) of its budget to consumer protection.

C- Consumer Protection Bureau (CPB)

The CPB operates eight (8) offices in eight (8) regions of Quebec. Seven (7) of these offices are included in our sample. There is no CPB office on the North Shore. CPB officials would like to see more offices opened in Montreal because the only office now in operation there cannot satisfy the demand for its services. All of the CPB budget is devoted to consumer protection but it is thought that the budget and personnel are
insufficient. The CPB services fall under three divisions:
- complaints
- inspection
- public information

D- Cooperative Family Economics Association (CFEA)

The CFEA are cooperative organizations whose members are citizens' groups, cooperatives, caisses populaires, savings clubs, labour unions and social organizations. They operate in all regions of Quebec except the Lower St-Laurent - Gaspesie and a few also have one or more local offices. Our sample includes ten (10) CFEA offices.

The CFEA are run by a Board of directors elected by its members and are affiliated with the Quebec Federation of CFEA. Their services are available to everyone and to the disadvantaged in particular. Their services include budgeting assistance, emergency legal assistance, information programs (courses) and the organization of consumers.

The CFEA's total annual budget is about $600,000. Government grants constitute a small part of its revenues while the largest part comes from an arrangement with the Caisses populaires. They also receive funds from the charitable organization federations and from their members through dues. They have about forty permanent staff and part of their activities depends on volunteers.

E- Consumers' Association of Canada (CAC)

Eight (8) local chapters of the Quebec section of the CAC participated in our survey. There are about twenty local chapters of the CAC in Quebec in centres where consumers have chosen to set them up. The CAC-Quebec is very short of human and financial resources. The local chapters' budgets are limited to a $60 a year rebate from the provincial CAC. Its activities depend entirely on volunteers. The CAC has a single (Montreal) office. Elsewhere, CAC members meet in their homes or in church basements. The CAC respondents deplore this lack of means and insist that it is essential to maintain visible premises in order to reach consumers. The CAC membership is comprised of individuals who are subscribers to "The Canadian Consumer". It is run by a Board of Directors elected by its members. It provides services to anyone and particularly to its members.
F- The Other Organizations

Amongst those we classified as "other", two organizations are truly consumer protection organizations. They are the Institut de promotion des intérêts du consommateur (IPIC) and the Automobile Protection Association (APA).

The IPIC has traditionally been associated with consumer cooperatives. It is run by a Board of Directors and maintains an office in each of Montreal, Rimouski and Charlesbourg. It administers a budget of $200,000 annually, 70% of which comes from coop membership dues with the balance being provided by the government. Services are provided by eight (8) permanent staff and include consumer research and documentation, the production and dissemination of information (the review "Le Réveil du Consommateur") and the organization of its members.

The APA is a nonprofit organization of individual members run by an elected Board of Directors. It has a single office situated in Montreal. Half of its annual budget of $35,000 is drawn from membership dues while the other half is raised through government grants and the sale of books. Its staff of nineteen (19) provide services in the areas of consumer counselling, demonstrations (picketing, demonstrations, "sabotage" and publicity), legal aid, research and publications (books, reports, newspaper articles, specialized magazines). All of these activities focus on the automobile. The APA services are available to everyone.

Our sample included five (5) housing committees or tenants' associations. They are administered by member-elected boards of directors, rely on volunteers, maintain a single office and service their members primarily in the area of housing although they will sometimes deal with other classes of problems. The two citizens'groups who completed our questionnaire are run by volunteer workers without a formal organization. They provide services to the entire population of the neighborhood. They are subsidized by social agencies but most of their activities are based on volunteers. Two consumer clubs cooperated with us as well. These are food cooperatives who serve their members and who are run by elected boards of directors. Two social agencies - one charitable organizations council and one referral center - affiliated with and subsidized by a federation of charitable organizations - also completed our questionnaire. Finally, six (6) social workers asked to be included in the sample because of the extent of consumer problems of their clients and the counselling they are called to provide with regard to these problems.
SECTION 2 - PROFILE OF RESPONDENTS

Some of the respondents, wanting to remain anonymous, refrained from completing the section of the questionnaire dealing with personal characteristics. The results presented here are therefore partial and based only on those questionnaires which were completed in full.

A- Age

The respondents' relatively low average age of 31.5 years explains in part the very critical perspective that prevails throughout the analysis. The older respondents were mainly federal and provincial officials. The respondents' age breakdown is as follows:

- from 20 to 29 years 24
- from 30 to 39 years 25
- from 40 to 49 years 11
- 50 years or more 12
  TOTAL 72

B- Experience in the consumer protection field

- less than 2 years 17
- from 2 to 5 years 19
- from 6 to 10 years 12
- 11 years or more 20
  TOTAL 68

As these figures demonstrate, most of the respondents have a rather long acquaintance with the consumer protection field and speak from experience.
C- Academic Training

The respondents' academic training was broken down as follows:
- university 	41
- college 	10
- technical school 	3
- secondary 	10
- elementary 	2
TOTAL 	66

D- Position in the Organization held by the respondent

. Legal Aid : 6 regional directors
             : 25 lawyers
. CFEA : 10 managers or coordinators
. CAC : 8 presidents
. CPB : 7 regional directors
. FDC : 2 consumer counsellors
        : 10 inspectors
. COOP : 2 treasurers
. APA : President
. IPIC : Director general
. Welfare : 6 officers
. Other organizations : 10 presidents and association directors
CHAPTER II - THE PROBLEMS ENCOUNTERED BY CONSUMER ORGANIZATIONS

The problems that the various consumer organizations are confronted with are rather revealing of each one's orientation and of its day-to-day activities. They demonstrate that each organization has its special field of interest and its own view of consumer affairs according to the clientele it serves.

We will look at the main problems that all the organizations taken together deal with and we will focus more specifically on the problems dealt with by each organization so as to determine the extent of each one's specialization. Finally, we will try to determine whether there are regional peculiarities in this regard. Our analysis will be based on both the respondents' spontaneous answers to the questions about the type of consumer problems encountered and on the order of importance of the problems as determined by their frequency of occurrence. We will also look at the answers given with regard to the frequency of occurrence of thirty six (36) specific consumer problems. All of these data are dealt with together since the answers to the objective questions corroborate the spontaneous ones.

SECTION 1 - THE PROBLEMS REFERRED TO ORGANIZATIONS IN GENERAL

The consumer problems encountered by the organizations cover the entire field of consumer activity. But the most acute, in terms of frequency of occurrence, are those related to indebtedness and credit, to certain products and services (automobiles, housing, government services, repairs, guarantees) and to certain types of sales (installment sales, door-to-door sales, conditional sales). These are the problems most often referred to consumer organizations as Table 4 illustrates.

We must of course include a whole series of other problems that, although they occur less frequently, nevertheless constitute important problems that those who deal with consumer problems on a regular basis contend with daily: misleading advertising, household furnishings, foods, drugs, household products, domestic appliances, poor quality and/or dangerous products, insurance, collection agencies, pyramid sales, fraudulent sales practices, mail-order sales, real-estate, repairs of all kinds, clothing, mobile homes to mention only the most acute. The table that follows enumerates the consumer problems referred to organizations by order of importance.
## TABLE 4

FREQUENCY OF CONSUMER PROBLEMS REFERRED TO ORGANIZATIONS

(BY ORDER OF IMPORTANCE)

<table>
<thead>
<tr>
<th>PROBLEMS</th>
<th>FREQUENCY</th>
<th>OFTEN %</th>
<th>SOMETIMES %</th>
<th>NEVER %</th>
<th>FREQUENCY* INDEX</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- INDEBTEDNESS</td>
<td>63</td>
<td>22</td>
<td>14</td>
<td></td>
<td>3.6</td>
</tr>
<tr>
<td>2- CREDIT (FINANCIAL SERVICES)</td>
<td>58</td>
<td>29</td>
<td>13</td>
<td></td>
<td>3.5</td>
</tr>
<tr>
<td>3- AUTO AND ACCESSORY SALES</td>
<td>56</td>
<td>33</td>
<td>11</td>
<td></td>
<td>3.5</td>
</tr>
<tr>
<td>4- INSTALLMENT SALES</td>
<td>56</td>
<td>30</td>
<td>14</td>
<td></td>
<td>3.4</td>
</tr>
<tr>
<td>5- CREDIT (LOANS)</td>
<td>53</td>
<td>35</td>
<td>12</td>
<td></td>
<td>3.3</td>
</tr>
<tr>
<td>6- HOUSING RENTAL</td>
<td>53</td>
<td>33</td>
<td>14</td>
<td></td>
<td>3.3</td>
</tr>
<tr>
<td>7- DOOR-TO-DOOR SALES</td>
<td>50</td>
<td>38</td>
<td>11</td>
<td></td>
<td>3.3</td>
</tr>
<tr>
<td>8- AUTO REPAIRS</td>
<td>50</td>
<td>33</td>
<td>17</td>
<td></td>
<td>3.2</td>
</tr>
<tr>
<td>9- GOVERNMENT SERVICES</td>
<td>50</td>
<td>32</td>
<td>18</td>
<td></td>
<td>3.1</td>
</tr>
<tr>
<td>10- GUARANTEES</td>
<td>47</td>
<td>38</td>
<td>14</td>
<td></td>
<td>3.1</td>
</tr>
<tr>
<td>11- CONDITIONAL SALES</td>
<td>47</td>
<td>34</td>
<td>19</td>
<td></td>
<td>3.0</td>
</tr>
<tr>
<td>12- MISLEADING ADVERTISING</td>
<td>32</td>
<td>58</td>
<td>10</td>
<td></td>
<td>2.8</td>
</tr>
<tr>
<td>13- FURNISHINGS</td>
<td>34</td>
<td>47</td>
<td>19</td>
<td></td>
<td>2.6</td>
</tr>
<tr>
<td>14- FOODS-DRUGS-HOUSEHOLD PRODUCTS</td>
<td>39</td>
<td>33</td>
<td>28</td>
<td></td>
<td>2.6</td>
</tr>
<tr>
<td>15- DANGEROUS AND/OR LOW QUALITY GOODS</td>
<td>27</td>
<td>53</td>
<td>20</td>
<td></td>
<td>2.4</td>
</tr>
<tr>
<td>16- DOMESTIC APPLIANCES</td>
<td>29</td>
<td>49</td>
<td>21</td>
<td></td>
<td>2.4</td>
</tr>
<tr>
<td>17- COLLECTION AGENCIES</td>
<td>29</td>
<td>47</td>
<td>24</td>
<td></td>
<td>2.4</td>
</tr>
<tr>
<td>18- INSURANCE</td>
<td>22</td>
<td>60</td>
<td>18</td>
<td></td>
<td>2.3</td>
</tr>
<tr>
<td>19- PYRAMID SALES</td>
<td>22</td>
<td>59</td>
<td>18</td>
<td></td>
<td>2.3</td>
</tr>
<tr>
<td>20- MAIL-ORDER SALES</td>
<td>29</td>
<td>45</td>
<td>26</td>
<td></td>
<td>2.3</td>
</tr>
</tbody>
</table>
### TABLE 4 (CONTINUED)

**FREQUENCY OF CONSUMER PROBLEMS REFERRED TO ORGANIZATIONS**

<table>
<thead>
<tr>
<th>PROBLEMS</th>
<th>FREQUENCY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>OFTEN %</td>
</tr>
<tr>
<td>21- REAL ESTATE</td>
<td>15</td>
</tr>
<tr>
<td>22- REPAIR OF HOUSEHOLD AND PERSONAL ARTICLES</td>
<td>21</td>
</tr>
<tr>
<td>23- HOME MAINTENANCE AND REPAIR</td>
<td>18</td>
</tr>
<tr>
<td>24- CLOTHING</td>
<td>23</td>
</tr>
<tr>
<td>25- MOBILE HOMES</td>
<td>26</td>
</tr>
<tr>
<td>26- PROFESSIONAL SERVICES</td>
<td>12</td>
</tr>
<tr>
<td>27- PERSONAL SERVICES</td>
<td>13</td>
</tr>
<tr>
<td>28- PENSION FUNDS</td>
<td>10</td>
</tr>
<tr>
<td>29- BANKING SERVICES</td>
<td>7</td>
</tr>
<tr>
<td>30- MEDICAL DEVICES</td>
<td>5</td>
</tr>
<tr>
<td>31- FUNERAL SERVICES</td>
<td>8</td>
</tr>
<tr>
<td>32- PRIVATE TEACHING</td>
<td>4</td>
</tr>
<tr>
<td>33- TRANSPORTATION SERVICES</td>
<td>9</td>
</tr>
<tr>
<td>34- LAUNDRY - CLEANERS</td>
<td>4</td>
</tr>
<tr>
<td>35- LEISURE - TRAVEL</td>
<td>2</td>
</tr>
<tr>
<td>36- PARKING LOTS</td>
<td>3</td>
</tr>
</tbody>
</table>

*This index was established by multiplying the number of "often" answers by 5 and the "sometimes" answers by 2. The result was then divided by the total number of responses, to obtain the index value. The maximum value that could be thus obtained is 5, if all the respondents had answered that a particular problem had "often" been submitted to them.*
SECTION 2 - CONSUMER PROBLEMS REFERRED TO EACH ORGANIZATION

The Consumer Protection Bureau, Legal Aid and the CFEA deal with just about the full range of consumer problems listed in the previous table. A greater variety of consumer problems are referred to them than to other organizations. The various divisions of the Federal Department of Consumer and Corporate Affairs each have a specific area of jurisdiction. The problems that are referred to them tend to be concentrated in the specific area of the laws that govern them. The Consumers Association of Canada also concentrates on a smaller number of problems but it often enters into areas seldom handled by the other organizations. The consumers' groups and welfare agencies are confronted by more specific problems because of their objectives and purposes.

Of all those consulted, the Legal Aid lawyers are the one who are consulted on the greatest variety of problems:

- indebtedness
- housing rental
- credit
- government services
- automobile and accessory sales
- conditional sales
- installment sales
- automobile repairs
- collection agencies
- door-to-door sales
- guarantees

are the problems that are most often referred to them.

As mentioned above, the FDC is broken down into various divisions: consumer counselling, protection against fraud, weights and measures, electricity and gas, misleading advertising, etc. Each one of these divisions deal only with matters pertinent to its own jurisdiction. That is why the types of problems submitted differ from one section to the other. A large number of the problems listed in Table 4 are seldom referred to the FDC although they are frequently encountered by the other organizations. For example, credit, real estate, housing rental, mobile homes, furnishings, household appliance repairs, guarantees, mail order sales, indebtedness, collection agencies, and insurance are problems they are not very familiar with. Their activities concentrate mainly on:

- misleading advertising
- foods - drugs - household products
- low quality goods
- automobile and accessory sales
- clothing

There are very few problems that the Consumer Protection Bureau is not confronted with daily whether or not they fall within its area of jurisdiction. They are:

- new and used automobiles sales
- mobile homes
- door-to-door sales
- automobile repairs
- guarantees
- misleading advertising
- furnishings
- credit
- repairs of all kinds
- installment sales
- foods - drugs - household products
- domestic appliances
- cash purchases

Although they also deal with a great variety of problems the main ones dealt with by the CFEA are:

- indebtedness, credit, interest rates (with regard to finance companies in particular)
- installment sales
- used automobile sales
- automobile repairs
- pyramid sales
- real estate (purchase and repairs)
- guarantees
- commercial fraud (rackets of all sorts)

The Consumers' Association of Canada deals primarily with problems of:

- automobile sales
- automobile repairs
- government services
- foods - drugs - household products
- clothing
- transportation services
- domestic appliances
- guarantees
- misleading advertising
- cash purchases
- door-to-door sales
- low quality and/or dangerous goods

Certain problems that are relatively important to other organizations such as indebtedness, collection agencies, conditional sales, credit (loans) are much less frequently referred to the CAC. On the other hand, the CAC is just about the only organization interested in transportation services, laundries, parking lots and medical devices.

The other organizations (citizens' groups and welfare agencies) are confronted primarily with problems of

- housing rental
- indebtedness
- food (costs)
- installment sales
- misleading advertising

They also insist that consumers are gullible because of lack of information and unawareness of their rights.

The Automobile Protection Association deals with all problems related to the automobile: new and used cars, repairs (quality and price) safety, insurance, etc.

The Institut de promotion des intérêts du consommateur deals mainly with problems related to the quantity and quality of goods, guarantees, after-sale service and misleading advertising.

SECTION 3 - REGIONAL CONSUMER PROBLEMS

The small number of respondents in certain regions prevented us from characterizing consumer problems according to regions. We can only make certain observations.
We shall note first of all that the most frequently mentioned problems in Table 4, occur in all regions more or less clearly. Certain regional peculiarities can be observed.

In the Montreal region, all of the problems listed in Table 4 are encountered although some quite infrequently. Problems related to mobile homes are important in all regions with the exception of Montreal and the Outaouais. Pyramid sales seem to be concentrated in the outlying regions of Montreal and Quebec.

SUMMARY OF OBSERVATIONS

1. THE CONSUMER PROBLEMS CONFRONTING THE ORGANIZATIONS COVER THE ENTIRE FIELD OF CONSUMER ACTIVITY.

2. THE MOST ACUTE PROBLEMS IN TERMS OF FREQUENCY, FOR ALL THE ORGANIZATIONS STUDIED, RELATE TO THE PHENOMENA OF INDEBTEDNESS, CREDIT, CAR SALES, INSTALLMENT SALES, HOUSING RENTALS, DOOR-TO-DOOR SALES AND CAR REPAIRS.

3. AN ANALYSIS OF THE FREQUENCY OF CONSUMER PROBLEMS LED US TO FORMULATE A TYPOLOGY OF THE PRINCIPAL PROBLEMS SUBMITTED TO THE ORGANIZATIONS BY THEIR RESPECTIVE CLIENTELES.

A) LEGAL AID OFFICES: INDEBTEDNESS, HOUSING RENTAL, CREDIT, GOVERNMENT SERVICES, CAR SALES.

B) DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS: MISLEADING ADVERTISING, FOOD - DRUGS - HOUSEHOLD PRODUCTS, LOW-QUALITY GOODS, CAR SALES, CLOTHING.

C) CONSUMER PROTECTION BUREAU: CAR SALES, MOBILE HOMES, DOOR-TO-DOOR SALES, CAR REPAIRS, GUARANTEES.

D) CFEA: INDEBTEDNESS, CREDIT, INTEREST RATES, INSTALLMENT SALES, DOOR-TO-DOOR SALES, USED CAR SALES.
E) CAC: CAR SALES AND REPAIRS, GOVERNMENT SERVICES, FOOD AND DRUGS - HOUSEHOLD PRODUCTS, CLOTHING, TRANSPORTATION SERVICES.

F) OTHER ORGANIZATIONS: HOUSING RENTALS, INDEBTEDNESS, FOOD (PRICES), INSTALLMENT SALES, FALSE ADVERTISING.

DESPITE THEIR RATHER GENERAL VOCATION, WE NOTED THAT MOST CONSUMER ORGANIZATIONS WHETHER GOVERNMENT OR PRIVATE ARE NOT SPECIALIZED AND PLAY COMPLEMENTARY ROLES.
CHAPTER III - MEANS OF INTERVENTION USED BY CONSUMER ORGANIZATIONS

We will now review the means of intervention used by the organizations to solve the problems referred to them and discuss those that the organizations consider the most effective.

Mediation or conciliation appear to be the organizations' most common means of solving problems. Because of legislative deficiencies (which we will review later on) and the length of legal proceedings (which were often mentioned) conciliation between the parties through a telephone call, correspondence or direct negotiation is judged to be the most effective means of intervention. Legal action, the provision of information, reference to another "better equipped" organization and bankruptcy are also commonly used.

Since the organizations discussed below have different clienteles and are each oriented towards their own distinct field of interest, they proceed towards the solution of consumer problems in different ways. We will try to describe each one's intervention strategy.

In the case of the Legal Aid lawyers, conciliation takes the form of a lawyer's telephone call or letter to the adverse party. Legal action will follow if negotiations do not result in a satisfactory outcome and if there is a legal basis for action. Certain lawyers turn to the court immediately, believing that this is the only effective route. Most lawyers will nevertheless try to negotiate an out-of-court settlement before actual court proceedings commence. If the case is one that affects a large number of consumers, the local press may be used to generate publicity about the problem and so exert public pressure. Clients are also referred to various public or private organizations for the solution of certain specific problems. Consumers complaining to a Legal Aid service are sometimes referred to lawyers in private practice and others are referred to the Consumer Protection Bureau or other government organizations when their problem falls within that agency's jurisdiction. The same is true for the public trustee, voluntary deposit, the CFEA, the Rental Board, the Small Claims Court, etc.

In the case of the Federal Department of Consumer and Corporate Affairs the usual first step is a warning letter or visit to the offender or even an inspection. An investigation is often made which, if conclusive, can result in a lawsuit, seizure or removal of the product from the market, particularly if the problem is a recurrent one. Mediation between the parties will be attempted in the case of complaints that do
not involve criminal liability. The more specialized divisions of the Department will resort to other means of intervention adapted to the problem to be dealt with, such as bankruptcy proceedings, the inspection of weighing and measuring devices and calculation of adjustments of power and fuel bills. Persuasion is judged to be as effective as court action in settling problems and is heavily relied upon as a first step. The referral of cases is for the most part limited to other federal government branches.

The Consumer Protection Bureau's normal procedure is to correspond by mail with the retailer or manufacturer urging him to respect the law. This is judged to be the most effective procedure. Or, the consumer may be informed of his rights and advised on how to proceed. Certain complaints give rise to an investigation and prosecution. Complaints outside CPB jurisdiction are referred to either the Small Claims Court, a lawyer, or to some other government agency. Some officials believe that the CPB's role is to sustain a healthy fear in the market-place and that, in this sense the publicizing of a court sentence is an effective means of action.

Besides negotiating directly on behalf of the consumer and providing budget counselling, the Cooperative Family Economics Association, relies heavily on information both as a preventive measure, to sensitize the public, and as a curative measure, to inform them of the steps they themselves can take in relation to the laws they have recourse to. The organization of consumer groups to deal collectively with a specific problem is gaining currency with various organizations and this is precisely the type of intervention judged most effective by the CFEA. The accumulation of jurisprudence on specimen cases in consumer law is used as a means of exerting pressure on governments and promoting legislative change. Since they often encounter endebtedness problems the CFEA refer many clients to the public trustee, the voluntary deposit, or a Caisse Populaire (for debt consolidation) after a study of the family situation. Other clients are referred to Legal Aid services and to various welfare agencies.

The Consumers' Association of Canada provides counselling and information to consumers but refers most complainants to other organizations. The most frequent referrals are to public organizations such as the Consumer Protection Bureau, the Federal Department of Consumer and Corporate Affairs, the Small Claims Court, Legal Aid, the Departments of Agriculture and Health and to the Automobile Protection Association. It intervenes through the preparation of briefs to pressure government.

The other organizations who for the most part do not specialize in consumer problems, refer most of their consumer clients to specialized organizations such as Legal Aid services, the CFEA, the Consumer Protection Bureau, the Rental Board and the Voluntary Deposit. They also try to sensitize the consumers through the provision of information and the organi-
zation of citizens' groups as a means of making them aware of their power and of helping them help themselves. This is the means they judge to be the most effective and besides, it reflects the spirit of community action that characterizes many of these "popular" organizations.

SUMMARY OF OBSERVATIONS

4- CONCILIATION BETWEEN PARTIES IS BOTH THE MOST COMMONLY USED TYPE OF INTERVENTION AND THAT WHICH CONSUMER ORGANIZATIONS CONSIDER TO BE THE MOST EFFECTIVE AT THE PRESENT TIME FOR SETTLING CONSUMER PROBLEMS SUBMITTED TO THEM.

5- LEGAL ACTION, CONSUMER EDUCATION, REFERRAL TO A SPECIALIZED ORGANIZATION, THE DECLARATION OF BANKRUPTCY BY THE DEBTOR ARE ALL MODES OF INTERVENTION EMPLOYED.

6- EACH ORGANIZATION HAS A PREFERRED COURSE OF ACTION:

A) FOR LEGAL AID LAWYERS: CONCILIATION TAKES THE FORM OF A TELEPHONE CALL OR LETTER TO THE OPPOSING PARTY.

B) FOR THE FEDERAL DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS: THE FIRST STEP IS USUALLY A WARNING LETTER OR VISIT TO THE OFFENDER.

C) FOR THE CONSUMER PROTECTION BUREAU: THE CURRENT PROCEDURE IS TO SEND A LETTER TO THE VENDOR OR MANUFACTURER URGING THEM TO RESPECT THE LAW.

D) FOR THE CFEA: THE PREFERRED COURSE OF ACTION IS THE ORGANIZATION OF CONSUMERS TO TAKE COLLECTIVE ACTION ON A SPECIFIC PROBLEM.

E) THE CAC: PROVIDES COUNSELLING AND INFORMATION TO CONSUMERS.

F) OTHER ORGANIZATIONS: REFER MOST OF THEIR CONSUMER COMPLAINTS TO SPECIALIZED ORGANIZATIONS.
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F) OTHER ORGANIZATIONS: REFER MOST OF THEIR CONSUMER COMPLAINTS TO SPECIALIZED ORGANIZATIONS.
CHAPTER IV - ANALYSIS OF THE GENERAL CONSUMER SITUATION

The directors of the consumer protection organizations are very critical and political in their analysis of the existing consumer situation and particularly of the system at the center of which is mass consumption. We will discuss in this chapter how our respondents assess the evolution of the existing consumer situation in terms of the accentuation of the problems and of the improvement or deterioration of the consumers' situation. We will attempt to determine who constitutes the clientele contending with consumer problems and what progress if any has been made in sensitizing the consumer. We will then isolate the fundamental causes to which our respondents attribute consumer problems so as to present, finally, their suggestions for improving the situation.

SECTION 1 - EVOLUTION: ACCENTUATION OF THE PROBLEMS

No one is better able to judge than those who work on a day-to-day basis with consumers if there has been a shifting in consumer problems during recent years or whether the same problems keep recurring. We sought the opinion of the consumer organization representatives on this matter and established that the great majority of them, judging from their own experience, conclude that there has been little change in the situation in recent years: they see no shifting in consumer problems. The same ones keep recurring but they have become more widespread. They attribute this accentuation to the development of credit and advertising, inflation, the increase in interest rates, the proliferation of products, refinements in marketing techniques and sales methods and mass production.

SECTION 2 - EVOLUTION: IMPROVEMENT OR DETERIORATION

Opinions are divided as to whether the situation has become better or worse. A large number think that the consumer's situation has deteriorated and that this is due mainly to the development of the capitalist system but they also blame the consumer's own weakness. The advocates of this thesis believe that the mass production system is pursuing ever increasing profits and that it is using advertising, credit and more refined sales techniques to force consumption. On the one hand the system fosters inflation,
the reduction of purchasing power and indebtedness, and on the other, it produces low quality and often useless products. It is conceded nevertheless that the consumer lacks education and information, is often apathetic and is susceptible to unrestrained buying sprees.

Those that consider the consumer's situation to have improved point to the setting up of government agencies and consumer protection organizations, the adoption of new laws, better public information on consumer laws and their use and the growing awareness of the potential for action through consumer organizations.

The assessment of the situation varies from one organization to the next. Officials of the two levels of governments make a generally positive evaluation. They refer mainly to the efforts made within their departments to improve legislation, disseminate information and increase consumer-service personnel. The CFEA and the citizens' organizations are very pessimistic and see the situation becoming worse by increase in the cost of living, the cost of credit, debts and frauds of all kinds. The CAC and the Legal Aid Service lawyers are more divided in their assessment. On the one hand they see an improvement in terms of organizations, laws and the protection afforded the consumer. On the other hand, they too acknowledge the deterioration caused by the economic situation and the abuses it engenders.

SECTION 3 - THE PEOPLE CONTENDING WITH CONSUMER PROBLEMS

It is the general opinion that all classes of population now face consumer problems resulting from mass consumption. But the educated and better off are better at defending themselves because they are better equipped to do so while the disadvantaged classes are more vulnerable and the consequences are more serious for them. The view also prevails that the middle-income class is the one that is the most tempted by the illusion of abundance. It is the CAC that insists most strongly on the condition of the middle classes probably because it constitutes an important portion of the CAC clientele.

SECTION 4 - INCREASING CONSUMER AWARENESS

The majority of respondents believe that there is a growing consumer awareness on the part of the general public but a good number believe the contrary.
Those who think consumer awareness is growing believe that it is sparked by a price increase and reduction in purchasing power or by a scandal in the market place or again, at the individual level, when one personally encounters a consumer problem. The organizations' information and advertising programs have promoted this increase in awareness. It has begun recently to manifest itself through the organization of consumer associations and cooperatives, the increase in the number of complaints submitted to government organizations and the public's efforts to become better informed. Many believe that consumer awareness is increasing too slowly and that it is still limited to the better informed and those that are personally affected. The awakening is attributed to the consumer protection organizations' work, to the information generated on the matter by the mass media in particular and to the consumer's precarious situation.

An important proportion of our respondents reject this optimistic view. They insist to the contrary that the public has little or no awareness of its consumer status. If they are sensitized it is in a dubious way considering the way they throw themselves into the system, consume to extremes and live excessively on credit. It is urgent that these people be made aware of the power that collective purchasing power confers and that they regain their status as citizens by themselves imposing their own rules of the game in the market place.

SECTION 5 - THE CAUSES OF CONSUMER PROBLEMS

When asked to identify the fundamental causes of the existing consumer situation the organization representatives focused on three main factors: the capitalist system, the law and the consumer himself.

Our respondents saw capitalism and its mechanisms as the main factor in the deterioration of the consumer situation. The profit motivated economic system pursues through any means and without restraint the maximum return on its investments. The media are used to create false needs through mass advertising to achieve its goal. It makes excessive credit at inflated rates of interest available. Highly diversified products of poor quality and limited life are put on the market, which causes some retailers to adopt fraudulent sales techniques. Our society, controlled by monopolistic multinationals, has depersonalized and complicated commercial relations. The imbalance between production powers and the consumer is great. The capitalist system stresses the values of affluence, consumption and waste, this leading the consumer to believe he will find happiness by buying more and more.
Our respondents believe that the law does not attempt to go far enough in rectifying this imbalance of market forces. It lacks teeth. It is too restrictive. It sanctions the absolute respect of individual liberties taken to the extreme. Politicians - who are also law-makers - are trapped in a conflict of interest and refuse to control private enterprise's investment and behaviour. They exhibit no desire to enforce existing laws, to enact more coherent ones, to inform and sensitize the public. In short, they are accused of showing no real interest in the protection of the consumer.

Part of the responsibility is also imputed to the consumer. Indifferent and apathetic, he is uninformed and makes no real effort to become so. The consumer enters the market place blindly and then tries to extricate himself if he has taken a false step. We could say, in his defence, that he lacks the means but that he could correct the situation if only he became more aware of his power.

SECTION 6 - THE CONDITIONS FOR IMPROVEMENT

To correct the situation they described in an alarmist fashion, the organizations propose a vast information and education program aimed at all levels of the population to educate the public and get the consumers to assume their responsibilities to organize, rediscover their dignity and impose their conditions in the market place.

They also hope that legislation reflecting the consumers' point of view will be enacted to reestablish the equilibrium of market forces. At the same time, they ask that the State play its role and suggest that it see to the strict enforcement of the law, regulate price and interest rate increases, fight inflation, control production, disseminate information, curtail credit, control or abolish publicity, make an example of companies and retailers guilty of abuse, subsidize associations involved in consumer protection and increase powers of government agencies. Some respondents go even further saying that only profound social change can bring about real improvement in the consumer situation.

SUMMARY OF OBSERVATIONS

7- SOME MAY BE OF THE OPINION THAT THE ANALYSIS OF THE CONSUMER SITUATION CONTAINED IN THIS CHAPTER IS RATHER ALARMIST AND THAT IT IS THE RESULT OF AN IDEALISTIC VIEW OF SOCIETY. WE
BELIEVE FOR OUR PART THAT IT IS THE RESULT OF DAY-TO-DAY EXPERIENCE WITH CONSUMER PROBLEMS AND WE BASE OUR JUDGEMENT ON THE FACT THAT THIS SAME EXPERIENCE IS SHARED BY ALL THOSE WORKING IN THE FIELD OF CONSUMER PROTECTION. THIS ANALYSIS AT LEAST HAS THE MERIT OF PRESENTING A COHERENT VIEW, OF CLEARLY DEFINING THE DIFFERENT ROLES AND OF PROPOSING NEW BEHAVIOUR PATTERNS FOR ALL THOSE INVOLVED: AWARE AND RESPONSIBLE CONSUMERS, A CIVILIZED SYSTEM OF PRODUCTION AND A GOVERNMENT ANXIOUS TO MAINTAIN A WHOLE SOME BALANCE THROUGH ADEQUATE AND COHERENT LEGISLATION.

8- GENERALLY SPEAKING, IT APPEARS THAT THOSE INVOLVED IN THE FIELD OF CONSUMER AFFAIRS ON A DAY-TO-DAY BASIS ARE ADOPTING A MORE AND MORE RADICAL VIEW. THEY RELATE THE FUNDAMENTAL CAUSES OF CONSUMER PROBLEMS THEY ENCOUNTER TO THE EVILS INHERENT IN OUR SOCIETY WHICH IS BASED ON THE UNBRIDLED PURSUIT OF PROFITS AND OF THE ATTAINMENT OF A STANDARD OF LIVING WHICH IS VERY OFTEN ARTIFICIAL. THIS VIEW WAS SHARED BY ALL OF THE RESPONDENTS.
CHAPTER V - CONSUMER PROTECTION LEGISLATION

An important part of this study was devoted to the organizations' analysis of consumer affairs legislation. This analysis constitutes both an appraisal of existing legislation - its content, enforcement, range of applicability, popularization, limits and failings - and an overview permitting us to identify the elements of a truly coherent and effective law governing all aspects of activities involving consumers.

This chapter will therefore deal successively with: the various organizations' evaluation of existing consumer legislation taken first, as a whole and then, according to jurisdiction (i.e. Federal and Provincial); we will then discuss the evaluation of thirty-six (36) laws dealing with specific areas of consumer affairs. We have, on the basis of these evaluations, formulated a scale reflecting the organizations' degree of satisfaction with consumer legislation. An index of the seriousness of consumer problems was constructed by comparing the degree of satisfaction with the laws governing certain problems with the frequency of occurrence of these problems. Then we tried to describe the main failures of existing legislation as seen by the organizations as well as the priorities that the organizations think should be adopted by the legislators. Then we dealt with their views on the public's knowledge of the law and its application. We then enumerated the laws that are most frequently used by each organization. We also studied the organization representatives' opinions on the principle of class action and the public's right to prosecute in criminal matters. The chapter concludes with an analysis of the impediments to the application of better legislation, as seen by our respondents.

SECTION 1 - EXISTING LEGISLATION AS SEEN BY THE VARIOUS ORGANIZATIONS

The evaluation of existing consumer affairs legislation as a whole is clearly negative. A comparison of the reasons that underlie the different organizations' evaluation is interesting.

A- Legal Aid

A minority of lawyer-respondents see recently adopted laws as an improvement. They believe that they constitute a good first step, intending
as they do, to help the defrauded consumer extricate himself from the situation, but it is almost unanimously held that these laws are clearly insufficient, of too limited a range (particularly the Consumer Protection Act), have little weight and are not respected. It is further agreed that the legislators have not, to date, shown the slightest inclination to reverse or at least reduce the imbalance of producer-consumer forces, that certain laws (Bill 45 in particular) legitimize questionable commercial practices and ultimately, they - the legislators - protect the producer and distributor more than the consumer.

Measures that could improve this legislation were suggested: preventive advertising complementing stricter legislation; a reduction of the duration of court proceedings; a reduction in the number of regulations thereby making them more accessible to both lawyers and consumers; more severe penalties for offenders which would enhance the enforcement and respect of the law; laws designed for the long term, that is, which would introduce order into the market place by containing and civilizing it rather than simply helping the defrauded consumer out of his predicament.

B- Consumer Protection Bureau

The government officials are hardly more enthusiastic in their views on the legislation than lawyers. The officials of the Consumer Protection Bureau, more so than those of the Federal Department of Consumer and Corporate Affairs, acknowledge the weakness of consumer affairs legislation. Most of them see existing legislation as a beginning of consumer protection. They see it as too weak, offering fragmentary protection, limited to certain areas of activity, and prone, because of its dispersal among several laws and departments, to jurisdictional conflicts. These officials consider the legislation to be out of date and hold that it should be the object of continuous and highly publicized revision. According to them, it is not sufficient to improve and complete the laws, they must be made to be respected and the penalties provided must be revised.

C- Department of Consumer and Corporate Affairs

The federal officials, each one considering the law that his particular branch administers rather than the legislation in general, are more positive in their evaluation. Notwithstanding this, they consider existing legislation to be a good beginning but one offering fragmentary protection, anticipating only extreme situations, containing provisions that are too general and often obsolete and lacking severity. It was observed that the recent interest in consumer protection is not pronounced enough for it to be considered an important political issue.
D- Cooperative Family Economics Association

The private organizations are even harsher in their judgement of the legislation. For the CFEA, only a few provisions of the law have ever so little validity. For example, door-to-door sales in the Consumer Protection Law, the establishment of a public trustee in the Bankruptcy Act. For the rest, they say the laws are a joke, that they are too partial and biased to be effective, they are distorted by the regulations that contradict the spirit of the law, that they aim more at the protection of companies than of consumers because they legalize fraud, open the door to exploiters and smell of political compromise.

E- The Consumers' Association of Canada

The CAC for its part considers the laws to be too timid, incomplete and obsolete, and that the penalties provided are not severe enough. They also reproach the laws for concentrating on correcting situations rather than aiming at preventing them. The CAC regrets that the idea of compensation for damages is not incorporated in criminal law.

F- Other Organizations

While acknowledging that the recently enacted consumer protection laws constitute a first step, the citizens' organizations also express severe criticism with regard to existing legislation which they judge to be clearly insufficient, not severe enough, incomplete in terms of the areas covered and poorly administered. As others do, they reproach the law for not taking the consumer's side favouring instead the other party (such as the landlord, for example), failing to attack the causes of the problems, and finally for not providing the consumer with real protection but rather easing the conscience of the government that passes them.

A rather strong sentiment of dissatisfaction amongst the majority of the respondents emerges from this evaluation of consumer legislation. All concur with the view that existing legislation is only a small concession to consumer protection, that existing laws are too restrained and timid, that they are strictly curative and not at all preventive and that the penalties provided the offenders clearly lack severity.
SECTION 2 - EVALUATION OF FEDERAL AND PROVINCIAL LEGISLATION

Given the overlapping jurisdiction in the area of consumer affairs, we have tried to isolate Federal and Provincial laws in order to facilitate their evaluation and comparison by the organizations that use them or are responsible for administering them. The scale of satisfaction that is presented below is not a measure derived from the authors' judgment, but rather a construction based on the answers received to questions 27 and 28 of the questionnaire which read as follows: "Is the Federal (Provincial) consumer protection legislation very satisfactory, satisfactory enough, not satisfactory?"

### TABLE 5

**EVALUATION OF FEDERAL LEGISLATION BY CONSUMER ORGANIZATIONS**

<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>SATISFACTION</th>
<th>LEGAL AID %</th>
<th>FDC %</th>
<th>CPB %</th>
<th>CFEA %</th>
<th>CAC %</th>
<th>OTHERS %</th>
<th>TOTAL %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>VERY SATISFACTORY</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>SATISFACTORY ENOUGH</td>
<td>46%</td>
<td>91%</td>
<td>71%</td>
<td>10%</td>
<td>67%</td>
<td>0%</td>
<td>43%</td>
</tr>
<tr>
<td></td>
<td>NOT SATISFACTORY</td>
<td>54%</td>
<td>9%</td>
<td>29%</td>
<td>90%</td>
<td>33%</td>
<td>100%</td>
<td>57%</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>
Federal legislation is considered more adequate than Provincial legislation which is considered to be clearly unsatisfactory by 78% of the respondents as compared to 57% for Federal legislation even the CPB officials agree on this. The federal officials are the most positive in their evaluation of existing legislation and of federal legislation in particular. The CFEA are, here again, the most critical, The CAC is more favourable to Federal legislation but it is one of the organizations that bears the least severe judgment of Provincial laws. The citizens' groups are very negative towards both Federal and Provincial legislation but are, on the whole, a little more satisfied with Provincial legislation.

SECTION 3 - EVALUATION OF THE LAWS GOVERNING CONSUMER AFFAIRS

A list of thirty six (36) subjects was submitted to the organizations for their evaluation in terms of the laws that govern them. Table 7 presents the results of this evaluation broken down according to the type of organization responding. We have included only affirmative responses to question 26 of the questionnaire in order to keep the table simple to read.
TABLE 7

EVALUATION OF THE ADEQUACY OF 36 LAWS BY CONSUMER ORGANIZATIONS

<table>
<thead>
<tr>
<th>IS EXISTING LEGISLATION SATISFACTORY WITH REGARD TO:</th>
<th>AFFIRMATIVE RESPONSES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>L.A.</td>
</tr>
<tr>
<td>CREDIT (LOANS)</td>
<td>20%</td>
</tr>
<tr>
<td>CREDIT (FINANCIAL SERVICES)</td>
<td>13%</td>
</tr>
<tr>
<td>REAL ESTATE (PURCHASE OF LAND OR HOUSE)</td>
<td>7%</td>
</tr>
<tr>
<td>HOME REPAIR AND MAINTENANCE (ALUMINUM SIDING, DOORS AND WINDOWS ETC.)</td>
<td>15%</td>
</tr>
<tr>
<td>HOUSE AND APARTMENT RENTALS</td>
<td>55%</td>
</tr>
<tr>
<td>MOBILE HOMES</td>
<td>19%</td>
</tr>
<tr>
<td>DOMESTIC APPLIANCES</td>
<td>36%</td>
</tr>
<tr>
<td>FURNISHINGS</td>
<td>40%</td>
</tr>
<tr>
<td>REPAIR OF HOUSEHOLD AND PERSONAL ARTICLES</td>
<td>12%</td>
</tr>
<tr>
<td>GUARANTEES</td>
<td>21%</td>
</tr>
<tr>
<td>AUTO AND ACCESSORY SALES</td>
<td>14%</td>
</tr>
<tr>
<td>AUTO REPAIR</td>
<td>4%</td>
</tr>
<tr>
<td>INSTALLMENT SALES</td>
<td>37%</td>
</tr>
<tr>
<td>CONDITIONAL SALES</td>
<td>39%</td>
</tr>
<tr>
<td>MAIL-ORDER SALES (BOOKS-MAGAZINES-RECORDS)</td>
<td>15%</td>
</tr>
<tr>
<td>DOOR-TO-DOOR SALES</td>
<td>32%</td>
</tr>
</tbody>
</table>
TABLE 7 (CONTINUED)

EVALUATION OF THE ADEQUACY OF 36 LAWS BY CONSUMER ORGANIZATIONS

<table>
<thead>
<tr>
<th>IS EXISTING LEGISLATION SATISFACTORY WITH REGARD TO:</th>
<th>AFFIRMATIVE RESPONSES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>L.A.</td>
</tr>
<tr>
<td>PYRAMID SALES</td>
<td>17</td>
</tr>
<tr>
<td>MISLEADING ADVERTISING</td>
<td>10</td>
</tr>
<tr>
<td>DANGEROUS OR LOW QUALITY GOODS</td>
<td>11</td>
</tr>
<tr>
<td>INDEBTEDNESS (SEIZURE-BANKRUPTCY-VOLUNTARY DEPOSIT)</td>
<td>34</td>
</tr>
<tr>
<td>COLLECTION AGENCY</td>
<td>14</td>
</tr>
<tr>
<td>PROFESSIONAL SERVICES (QUALITY AND RATES)</td>
<td>12</td>
</tr>
<tr>
<td>PERSONAL SERVICES (HEALTH STUDIO-BEAUTY PARLORS ETC.)</td>
<td>15</td>
</tr>
<tr>
<td>GOVERNMENT SERVICES</td>
<td>24</td>
</tr>
<tr>
<td>FUNERAL SERVICES</td>
<td>14</td>
</tr>
<tr>
<td>BANKING SERVICES</td>
<td>37</td>
</tr>
<tr>
<td>TEACHING (PRIVATE SCHOOLS)</td>
<td>25</td>
</tr>
<tr>
<td>INSURANCE</td>
<td>18</td>
</tr>
<tr>
<td>FOOD - DRUGS AND HOUSEHOLD PRODUCTS</td>
<td>23</td>
</tr>
<tr>
<td>CLOTHING</td>
<td>46</td>
</tr>
<tr>
<td>LAUNDRIES - CLEANERS</td>
<td>23</td>
</tr>
<tr>
<td>PARKING LOTS</td>
<td>26</td>
</tr>
<tr>
<td>MEDICAL DEVICES (PROSTHESIS, ETC.)</td>
<td>23</td>
</tr>
<tr>
<td>PENSION FUNDS</td>
<td>32</td>
</tr>
<tr>
<td>LEISURE - TRAVEL</td>
<td>12</td>
</tr>
<tr>
<td>TRANSPORTATION SERVICES (BUS-TAXI-TRAIN-AIRPLANE)</td>
<td>32</td>
</tr>
</tbody>
</table>
Our analysis of table 7 resulted in the calculation of an average measure for entirety if the subjects mentioned therein and for each responding organization.

### TABLE 8

**AVERAGE AFFIRMATIVE RESPONSE BY CONSUMER ORGANIZATIONS**

WITH REGARD TO THE ADEQUACY OF EXISTING LEGISLATION

<table>
<thead>
<tr>
<th>Organization</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal Aid:</td>
<td>23%</td>
</tr>
<tr>
<td>Federal Department of Consumer Affairs:</td>
<td>19%</td>
</tr>
<tr>
<td>Consumer Protection Bureau:</td>
<td>31%</td>
</tr>
<tr>
<td>CFEA:</td>
<td>7%</td>
</tr>
<tr>
<td>CAC:</td>
<td>12%</td>
</tr>
<tr>
<td>Other Organizations:</td>
<td>16%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>19%</strong></td>
</tr>
</tbody>
</table>

We observe again the consumer organizations' very severe judgment of existing legislation in the average affirmative response of 19% recorded overall. The representatives of private organizations are more negative in their evaluation but the Legal Aid lawyers and the officials of public agencies are also very conscious of the failings of consumer laws. The most positive evaluation averaging 31% is that of the regional directors of the consumer protection bureau.

Referring back to the results presented in table 7, we note first of all that, according to our respondents, none of the subjects listed are satisfactorily dealt with by the law since not a single one was evaluated positively by a majority of respondents. The areas for which the highest level of satisfaction (39%) were recorded are banking services and housing rental. The law pertinent to automobile repairs is the one registering the lowest level of satisfaction of all (3%). Auto and accessory sales, real estate, collection agencies, advertising, credit (financial services), repair of personal and household articles, mail order sales and personal services are all situated very low on the scale.
of satisfaction with existing laws.

In any case, the law is not sufficient in any of the areas mentioned according to the majority of respondents. If we compare the level of satisfaction with regard to each law governing the various consumer activities with the frequency of utilization of these laws by the organizations we note that those who often use these laws - that is those who are often confronted by the problems in question - are as critical in their evaluation as those who use the laws less frequently. We cannot conclude therefore that the evaluation made by the organizations is not based on an adequate and practical knowledge of the law.

So as to have a better idea of the general evaluation of consumer law by the various organizations we attempted to illustrate it by means of a scale of satisfaction with regard to the 36 areas.

TABLE 9

CONSUMER ORGANIZATIONS' SCALE OF SATISFACTION WITH THE LAWS PERTINENT TO 36 SPECIFIC AREAS OF CONSUMER ACTIVITY*

<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>LEGAL AID</th>
<th>FEDERAL DEPT.</th>
<th>CPB</th>
<th>CFEA</th>
<th>CAC</th>
<th>OTHERS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEGREE OF SATISFACTION</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>VERY SATISFACTORY</td>
<td>16%</td>
<td>36%</td>
<td>0%</td>
<td>0%</td>
<td>43%</td>
<td>25%</td>
<td>20%</td>
</tr>
<tr>
<td>SATISFACTORY ENOUGH</td>
<td>39%</td>
<td>36%</td>
<td>71%</td>
<td>30%</td>
<td>14%</td>
<td>15%</td>
<td>33%</td>
</tr>
<tr>
<td>NOT SATISFACTORY</td>
<td>45%</td>
<td>27%</td>
<td>29%</td>
<td>70%</td>
<td>43%</td>
<td>60%</td>
<td>48%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

* This scale was established using the total number of responses to question 26 outlined in Table 7. We added the affirmative responses for each of the 36 items listed. The scale contains three levels: from 1 to 12 "yes": not satisfactory; from 13 to 24 "yes": satisfactory enough; from 25 to 36 "yes": very satisfactory.
According to this scale, only 20% of the respondents find the legislation "very satisfactory", one third find it "satisfactory enough" and 48% find it "not satisfactory". It is among the CAC and FDC representatives that we find the highest percentage of "very satisfactory" answers while none are registered by either the CPB or the CFEA. The greatest proportion of "not satisfactory" answers were again registered by the CFEA and the "other organizations".

SECTION 4 - INDEX OF SERIOUSNESS OF CONSUMER PROBLEMS

In order to make the conclusions of our study more understandable and operational, we constructed an index of seriousness of consumer problems by integrating the data presented in tables 4 and 7, that is, by correlating the frequency of occurrence of the various problems with the organizations' evaluation of consumer laws. We believe that we can in this way, identify more precisely the priorities that the legislators should adopt for correcting the situation.

Table 10 suggests the order of priority the legislators should adopt for each of the problems we submitted for the organizations' evaluation.

<table>
<thead>
<tr>
<th>TABLE 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>INDEX OF SERIOUSNESS OF CONSUMER PROBLEMS*</td>
</tr>
<tr>
<td>ON 5</td>
</tr>
<tr>
<td>AUTO REPAIRS</td>
</tr>
<tr>
<td>AUTO AND ACCESSORY SALES</td>
</tr>
<tr>
<td>CREDIT (FINANCIAL SERVICES)</td>
</tr>
<tr>
<td>MISLEADING ADVERTISING</td>
</tr>
<tr>
<td>CREDIT (LOANS)</td>
</tr>
<tr>
<td>REAL ESTATE</td>
</tr>
<tr>
<td>MAIL-ORDER SALES</td>
</tr>
<tr>
<td>COLLECTION AGENCIES</td>
</tr>
<tr>
<td>PERSONAL SERVICES</td>
</tr>
<tr>
<td>GUARANTEES</td>
</tr>
<tr>
<td>REPAIR OF HOUSEHOLD ARTICLES</td>
</tr>
</tbody>
</table>
INDEX OF SERIOUSNESS OF CONSUMER PROBLEMS

<table>
<thead>
<tr>
<th>Category</th>
<th>Seriousness</th>
</tr>
</thead>
<tbody>
<tr>
<td>MOBILE HOMES</td>
<td>2.3</td>
</tr>
<tr>
<td>HOME REPAIRS</td>
<td>2.2</td>
</tr>
<tr>
<td>FOOD-DRUGS-HOUSEHOLD PRODUCTS</td>
<td>2.2</td>
</tr>
<tr>
<td>POOR QUALITY PRODUCTS</td>
<td>2.2</td>
</tr>
<tr>
<td>PROFESSIONAL SERVICES</td>
<td>2.1</td>
</tr>
<tr>
<td>GOVERNMENT SERVICES</td>
<td>2.1</td>
</tr>
<tr>
<td>INSURANCE</td>
<td>1.9</td>
</tr>
<tr>
<td>DOMESTIC APPLIANCES</td>
<td>1.8</td>
</tr>
<tr>
<td>CONDITIONAL SALES</td>
<td>1.8</td>
</tr>
<tr>
<td>PYRAMID SALES</td>
<td>1.8</td>
</tr>
<tr>
<td>INSTALLMENT SALES</td>
<td>1.6</td>
</tr>
<tr>
<td>FUNERAL SERVICES</td>
<td>1.6</td>
</tr>
<tr>
<td>FURNISHINGS</td>
<td>1.4</td>
</tr>
<tr>
<td>INDEBTEDNESS</td>
<td>1.4</td>
</tr>
<tr>
<td>MEDICAL DEVICES</td>
<td>1.4</td>
</tr>
<tr>
<td>PENSION FUNDS</td>
<td>1.4</td>
</tr>
<tr>
<td>DOOR-TO-DOOR SALES</td>
<td>1.3</td>
</tr>
<tr>
<td>PRIVATE TEACHING</td>
<td>1.2</td>
</tr>
<tr>
<td>LEISURE - TRAVEL</td>
<td>1.1</td>
</tr>
<tr>
<td>CLOTHING</td>
<td>1.0</td>
</tr>
<tr>
<td>LAUNDRIES - CLEANERS</td>
<td>1.0</td>
</tr>
<tr>
<td>BANKING SERVICES</td>
<td>0.8</td>
</tr>
<tr>
<td>PARKING LOTS</td>
<td>0.7</td>
</tr>
<tr>
<td>TRANSPORTATION SERVICES</td>
<td>0.6</td>
</tr>
<tr>
<td>RENTAL (HOUSES-APARTMENTS)</td>
<td>0.5</td>
</tr>
</tbody>
</table>

* The seriousness index was established for each of the 36 items according to the following example:

<table>
<thead>
<tr>
<th>Credit (loans)</th>
<th>Frequency of problems</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction with respect to law</td>
<td>OFTEN</td>
</tr>
<tr>
<td>no</td>
<td>35</td>
</tr>
<tr>
<td>yes</td>
<td>-5</td>
</tr>
</tbody>
</table>

\[
\text{Total} = \frac{30 \times 5 + 16 \times 3}{69} = \frac{203}{69} = 2.9
\]

The figures in the table do not represent percentages but rather the actual number of times responses appear. Multipliers were applied to indicate the frequency of occurrence of problems: 5 for "often"; 3 for "sometimes", 1 for "never". The total was divided by 69, which is the number of respondents, in order to obtain the "seriousness index". The highest possible score is 5.
The priorities suggested by this table are not surprising if we recall the results of the evaluation of consumer law and the frequency of occurrence of consumer problems. There are however exceptions that we must point out and explain.

- **Indebtedness**, which was the problem most frequently referred to the organizations, registers a very low seriousness index matching that for medical devices, and pension funds which appear to be much less serious problems. This is explained by the fact that indebtedness was included in the questionnaire under the heading "seizure-bankruptcy-voluntary deposit" which are regulated by specific laws with which the organizations expressed less dissatisfaction than they did with regard to several other laws.

- The same comment applies to **door-to-door sales** which are now regulated by the Consumer Protection Act.

- **Housing rental** is both, one of the most frequently encountered problems and the item associated with the highest degree of satisfaction expressed with regard to the pertinent law. This explains why it comes last in the order of priority for legislative action being as it is the object of a specific law administered by a special board.

- A few problems such as real estate, collection agencies and professional services registered relatively high seriousness index ratings in relation to their frequency of occurrence. For these the reverse applies: the level of satisfaction with the pertinent laws is very low. New laws have been announced dealing with the purchase of homes and land and with collection agencies but these are not yet in force. With regard to professional services, we can suppose that the Professional Code, which has been in force for about two years, has not met expectations not having established professional fee schedules and that this is the reason for the dissatisfaction expressed.

**SECTION 5 - FAILURES AND PRIORITIES**

As we have seen since the start of this analysis of legislation, the consumer organizations judge the existing laws severely. We asked them "what are the principal faults you see in existing consumer protection laws?" and "are there areas of consumption or that affect consumption that are not regulated but should be? If so which ones and in what way?"

Since the answers to these two questions complement one another, we have analysed them together.
The main failure of consumer affairs legislation, according to the organizations, are: the legislation does not cover all consumer activities; the penalties provided for are not severe enough; it is not really oriented in favour of the consumer and shows some bias towards the firm; it lacks teeth and is too widely dispersed over a multitude of laws rather than consolidated into one code governing consumer affairs. These remarks are in keeping with the organizations' evaluation of the legislation discussed through out this chapter.

Of specific areas not covered by the legislation and which are considered to urgently require legislation the following are felt to be the most important:

- the purchase of new and used automobiles
- cash purchases
- interest rates (for loans in excess of $1,500 in particular)
- repairs (automobile and domestic appliances in particular)
- guarantees (that should be more detailed and more forcefully enforced)
- credit (finance company activities in particular)
- product quality
- advertising
- housing
- food prices
- class action

It should be noted that these items cover the problems most frequently referred to consumer organizations and which we discussed earlier on. This explains the urgency with which the appeal for legislation is being made.

We could add a long list of items not covered by legislation and seeming to be of importance but of lower priority. In fact, according to our respondents' recommendations which reflect each organization's priorities based on its own experience and clientele, all areas of consumer activity should be defined and included in a coherent and integrated legislative package.

SECTION 6 - THE PUBLIC'S KNOWLEDGE OF THE LAW

"In your estimation, are the consumer protection laws known to the public?" is the question we put to the respondents.
The nearly unanimous view is that the public has little if any knowledge of the law. It seems that some laws are known but, even in these cases, they are poorly understood and misinterpreted. For example, the five day waiting period during which the consumer can change his mind about a purchase made from a door-to-door salesman is misunderstood and attributed to all types of purchases. The consumer quite often knows something exists but is not aware of the details and does not know where to turn for information. He does not become aware of a law's existence until he has a problem to solve and then it is too late.

Our respondents acknowledge that a privileged minority is better informed on the law but that those who are the least informed are the ones that are the most likely to need them and, the complexity of the law puts it out of reach of the common people.

A part from consumer apathy, the main cause of this unawareness is attributed by all organization directors to insufficient information which should come from public services.

SECTION 7 - ENFORCING THE LAW

The federal officials are the only ones to claim that consumer laws are adequately enforced. It must be kept in mind, as we mentioned previously, that each official is referring to his own branch. They are reflecting on their sustained efforts to enforce the law and the numerous prosecutions initiated by the Department of Consumer and Corporate Affairs.

The other organizations are clearly dissatisfied with the laws; and the Legal Aid lawyers in particular underline the fact that the enforcement of the law is usually conditional upon the intervention of a third party (a lawyer, CFEA, etc.), the wronged consumer, who is often ignorant of the law and of his rights, rarely lodges a complaint and the law therefore remains a dead letter. Further, the small penalties levied in no way encourage respect for the law. They note as well that merchants and salesmen are as ignorant of the law as consumers. The mechanisms created to assure their enforcement and monitoring are inadequate and lacking both in resources and personnel; traditional law-courts have trouble understanding peculiarities of consumer affairs. The laws are easy to bypass. Such are the impediments to the strict and effective enforcement of the law as seen by the organization representatives.
SECTION 8 - THE LAWS MOST FREQUENTLY USED BY CONSUMER ORGANIZATIONS

In order to better describe again each type of organization's field of activity we asked them which laws they turned to most frequently to support their consumer protection endeavours. We found, as expected, that they do not all use the same laws because they receive different types of complaints and serve different clienteles.

The lawyers of the Legal Aid Services rely primarily on the following laws to resolve the problems that are referred to them: Consumer Protection Act, an Act to Promote Conciliation between Lessees and Property Owners, Small Loans Act, Bankruptcy Act, Civil Code (for cases dealing with rentals and guarantees).

The Federal Department of Consumer And Corporate Affairs rely exclusively on the Federal laws that regulate the consumer activities handled by its various inspection branches: Weights and Measures Act, combines Investigation Act, Canada Agricultural Products Act, Gas Inspection Act - Electricity Inspection Act, Small Loans Act, Bankruptcy Act, Textile Labelling Act, Hazardous Products Act, Food and Drugs Act.

The Consumer Protection Bureau limits its activities to the enforcement of: the Consumer Protection Act.

The CFEA, being oriented towards problems of indebtedness and credit, relies primarily on the following: Consumer Protection Act, Small Loans Act, Bankruptcy Act, an Act to Promote Access to Justice, Voluntary Deposit.

The CAC relies primarily on: Consumer Protection Act, combines Investigation Act, an Act to Promote Access to Justice, Food and Drugs Act.

Since the other organizations are quite diversified, it is difficult to enumerate all the laws that they rely upon to support their consumer protection efforts. We should note however that most mention: Consumer Protection Act, Civil Code, and an Act to Promote Access to Justice. Tenant associations rely heavily on: an Act to Promote Conciliation between Lessees and Property Owners, Civil Code for matters pertaining to the rental of goods. The APA uses Loi sur la Sécurité des véhicules, Civil Code. And the IPIC uses Food and Drugs Act, and combines Investigation Act.
It is apparent from the foregoing enumeration that there exist a large number of Federal and Provincial laws dealing directly with consumer affairs. This explains why several organizations speak of the complexity of consumer legislation and of the problems resulting from overlapping jurisdiction. It is obvious why they hope for a consumer code which would integrate all the measures governing the vast domain of consumer affairs since, despite the multitude of laws, not all areas of consumer activity are covered.

SECTION 9 - CLASS ACTION

All of the respondents supported the class action* concept. This anticipated legislation will be an important weapon for the consumer protection organizations. The respondents believe that this urgent measure would permit the presently isolated consumer to avoid considerable losses, transform consumers into viable pressure groups and equilibrate the market forces, encourage individuals to organize and to increase their awareness of their situation, make legal recourse less illusory than at present when lost rights are so common. Class action, it is said, would benefit the entire population because there currently exist numerous cases where all consumers are imperceptibly abused without any risk to the transgressor. In short, class action would increase the consumer's striking power and complete the arsenal of laws governing consumer affairs.

The reservations expressed with respect to the class action concept were directed to the terms of its application but the respondents did not specify the terms they would like to see applied.

SECTION 10 - RECOURSE TO THE COURTS IN CRIMINAL MATTERS

The citizen should be permitted to act as plaintiff in criminal prosecutions in the field of consumer affairs. This is the opinion shared by over three quarters of our respondents. Their arguments are in favour of speeding up the process of litigation and making it more effective and

* The class action concept, also known as collection justice or representative action, permits a person who has a right of claim to prosecute on behalf of all persons who have a similar right and to do so even if he has not been given a mandate to represent them.
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encouraging stricter adherence to existing laws. They feel that the government departments do not show much interest in the public's right to plead in criminal court, are not sufficiently vigilant, do not follow up all justifiable complaints, impose token verdicts and do not sufficiently publicize the results of criminal proceedings. By permitting the citizen to act as plaintiff it is believed that these failings will be corrected because the citizen is better informed of the nature of the complaint and has a greater interest in its resolution. This would have a preventive as well as curative effect since, with everyone becoming in a way an "inspector of the law", citizens individually or as consumer groups would take their responsibilities more seriously and consequently the merchants and manufacturers would feel obliged to behave more honestly and to respect the law.

There were about ten respondents, who were mainly Federal officials, in favour of maintaining the status quo in their area. That is, they hold the view that only the department should prosecute in criminal matters. According to them, the citizens are not equipped and do not have the means to carry out the necessary investigations. What is more, consumers already have recourse in civil matters and the state is there to see to the maintenance of Law and Order and has the responsibility for consumer affairs and its abuses. They argue in short, that the citizen has nothing to gain by being permitted to act as plaintiff in criminal matters and that the existing system assures the best control.

SECTION 11 - IMPEDIMENTS TO BETTER LEGISLATION

To the question "Are there impediments to the enactment of more effective consumer protection laws?", the great majority (70 out of 88) of consumer protection organization representatives answered in the affirmative. The negative evaluation of the law provided us with a glimpse of what would be the answers to this question.

The main obstacle seems to be the intense lobbying of the government by the companies - trusts, contractors, property owners - against the enactment of laws that would be unfavourable to them. Sustained by election funds, the links between the governors and the dominant class protect the status quo. The capitalist free enterprise system, founded on profit, is also an impediment to legislation that might thwart its objectives. This powerful system generates its own defense mechanisms. Respect for individual liberties makes the government hesitant to intervene. The consumer's indifference and lack of awareness also constitute a major obstacle to the enactment of more coherent legislation. As long as consumers, who have the most at stake, do not forcibly insist that the rules of the game be changed, we cannot expect the government to take it on itself to initiate
measures that are not politically expedient. In addition to the foregoing, there are several apparently less important phenomena such as the proverbial slowness of the legislator, the scope and complexity of the problems, the difficulties inherent in identifying all of the implications of the vast field of consumer affairs and the overlapping of jurisdictions resulting from the existence of two levels of government.

The consumer organizations are obviously very negative in their evaluation of consumer protection legislation. In fact, their views constitute an interrogation of the whole of consumer legislation, the mechanisms created to administer it and the will exhibited by both the government and the society to civilize what some call "the consumer jungle". Some go even further and question the capitalist system which is oriented towards mass production and profit and which depends on mass, and even excess, consumption, induced by advertising, credit and marketing techniques, to survive.

They demand a comprehensive legislative package - a consumer code - which would reverse the trend and reflect first and above all, the consumer's interest.

SUMMARY OF OBSERVATIONS

THE ORGANIZATIONS' ANALYSIS OF THE LEGISLATION LEVELS TO THE CONCLUSIONS THAT:

9- PRESENT CONSUMER PROTECTION LEGISLATION IS LARGELY INADEQUATE.

10- FEDERAL LEGISLATION IS SEEN TO BE MORE ADEQUATE THAN PROVINCIAL LEGISLATION, BUT NEITHER IS SATISFACTORY.

11- NO FIELD OF CONSUMER ACTIVITY IS GOVERNED BY SATISFACTORY LEGISLATION.

12- ALL OF THE ORGANIZATIONS SUBSCRIBED TO THIS EVALUATION OF EXISTING LEGISLATION, BUT THE PRIVATE ORGANIZATIONS' ESPECIALLY THE CFEA, ARE MORE CRITICAL THAN THE PUBLIC AGENCIES.

13- THE AREA OF AUTOMOBILE REPAIRS AND SALES IS THE LEAST WELL REGULATED BY LAW, AND BECAUSE OF THE SEVERITY OF THIS PROBLEM, IT IS THE AREA MOST URGENTLY IN NEED OF LEGISLATION.
14- THE LAWS ARE NOT APPLIED WITH ENOUGH RIGOUR.

15- THE ORGANIZATIONS RESORT TO A LARGE NUMBER OF LAWS TO ENSURE THE PROTECTION OF THE CONSUMER, EACH ACCORDING TO ITS CLIENTELE AND THE PROBLEMS THEY SUBMIT TO THE ORGANIZATIONS.

16- CLASS ACTION IS STRONGLY SUPPORTED BY ALL THOSE WORKING IN THE FIELD OF CONSUMER AFFAIRS.

17- MOST OF THE ORGANIZATIONS ARE IN FAVOUR OF THE CITIZEN HAVING RE-COURSE TO THE COURTS IN CRIMINAL MATTERS PERTAINING TO CONSUMER AFFAIRS.

18- ACCORDING TO MOST OF THE CONSUMER ORGANIZATION OFFICIALS, THERE ARE OBSTACLES TO THE ENACTMENT OF MORE EFFECTIVE CONSUMER PROTECTION LEGISLATION. THE MAIN ONES ARE LOBBYING OF GOVERNMENTS BY PRODUCERS, THE CAPITALIST SYSTEM'S SELF-DEFENCE MECHANISMS AND THE CONSUMERS' INDIFFERENCE.
CHAPTER VI - THE EFFECTIVENESS OF CONSUMER ORGANIZATIONS

In this chapter we analyse the evaluation by the consumer protection organization representatives of the effectiveness of seven (7) organizations made up of two government agencies and five private organizations. Then we discuss their reaction to the proposal for a "Central Consumer Protection Bureau".

SECTION 1 - EVALUATION OF ORGANIZATION EFFECTIVENESS

The CFEA was judged the most effective of the seven organizations evaluated and the government agencies were the most criticized. The CAC, IPIC, BBB and the Federal Department of Consumer Affairs are less well known than the others. The government officials, federal in particular, are less critical of the government organizations. They tend, that is, to focus on the positive results of their work rather than on its limitations and failings. The private organizations, the CFEA in particular, are more severe and critical and less chauvinistic in their self-evaluation.

Table 11 illustrates how each organization is seen by others as well as by itself. We will return later on in the text to the detailed discussion of the arguments used to justify these judgments.

The main conclusions drawn from Table 11 are:

- that the CFEA is judged to be the most effective consumer protection organization;
- that the CPB is the least well thought of;
- that the IPIC and APA are relatively well thought of by the other organizations;
- that the CAC is not generally known and that its image is very average;
- that the BBB is little known and is not evaluated positively.
### TABLE 11
EVALUATION OF CERTAIN CONSUMER ORGANIZATIONS' EFFECTIVENESS BY THE ORGANIZATIONS THEMSELVES

<table>
<thead>
<tr>
<th>ORGANIZATION EFFECTIVENESS</th>
<th>FDC N %</th>
<th>CPB N %</th>
<th>CFEA N %</th>
<th>CAC N %</th>
<th>IPIC N %</th>
<th>APA N %</th>
<th>BBB N %</th>
</tr>
</thead>
<tbody>
<tr>
<td>GOOD</td>
<td>11 12.5%</td>
<td>9 10.2%</td>
<td>55 62.5%</td>
<td>20 22.7%</td>
<td>35 39.7%</td>
<td>40 45.4%</td>
<td>17 19.3%</td>
</tr>
<tr>
<td>AVERAGE</td>
<td>25 28.4%</td>
<td>25 28.4%</td>
<td>13 14.8%</td>
<td>15 17.0%</td>
<td>17 19.3%</td>
<td>16 18.2%</td>
<td>12 13.6%</td>
</tr>
<tr>
<td>NIL</td>
<td>25 28.4%</td>
<td>39 44.4%</td>
<td>2 2.3%</td>
<td>10 11.4%</td>
<td>3 3.4%</td>
<td>9 10.2%</td>
<td>32 36.4%</td>
</tr>
<tr>
<td>NO RESPONSE OR DOES NOT KNOW</td>
<td>27 30.7%</td>
<td>15 17.0%</td>
<td>18 20.4%</td>
<td>43 48.9%</td>
<td>33 37.5%</td>
<td>23 26.1%</td>
<td>27 30.7%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>88 100.0%</td>
<td>88 100.0%</td>
<td>88 100.0%</td>
<td>88 100.0%</td>
<td>88 100.0%</td>
<td>88 100.0%</td>
<td>88 100.0%</td>
</tr>
</tbody>
</table>

FDC - Federal Department of Consumer and Corporate Affairs
CPB - Consumer Protection Bureau
CFEA - Cooperative Family Economics Association
CAC - Consumers' Association of Canada
IPIC - Institut de promotion des intérêts du consommateur
APA - Automobile Protection Association
BBB - Better Business Bureau or Bureau d'Ethique Commerciale
Let us now look in more detail at how each organization is seen and why.

A- The Federal Department of Consumer Affairs (FDC)

The positive evaluation of the FDC's activities focussed on its effective inspection services, the large number of laws it administers, the competence of its personnel and the growing range of its services.

The less positive comments were aimed at its slowness to act, its inability to publicize its successes, its shortage of personnel, the limits to its range of activity, its failure to inform, its weakness in civil matters and its aloofness from the public.

The ineffectiveness ascribed to the FDC is based on the argument that: it has good intentions but lacks the means to fulfill them; it restricts itself to consulting and making recommendations; it lacks coercive power because of the federal-provincial sharing of jurisdiction; it sees its role more in relation to the company than to the consumer; it has no or very little impact on company activities; its policies lack weight; it is hampered by an inefficient and incompetent "anti-consumer" bureaucracy; and finally, it is nothing but a façade to deceive the public.

B- The Consumer Protection Bureau (CPB)

We mentioned above that very few of our respondents were positive in their evaluation of the CPB's activities. Its defenders find that it is useful at the consumer information level, that it reaches the public and contributes to their awareness.

Those that judge its effectiveness as "average" think that it does not have sufficient power or personnel, that the means of intervention at its disposal as well as its field of activity are too limited, that it is restrained by Bill 45 which lacks weight that it is too timid and refuses to put an end to some abuses, that its effectiveness is limited to credit buying and that the means of intervention it can employ to seek compensation for wronged consumers have no basis in Civil law. As to those who consider the CPB to be totally ineffective, they accuse it of having no power and of not even being capable of applying their "little law" interpreting it, as they do, too narrowly. They charge as well that the CPB refuses to get involved on behalf on the consumer, lacks aggressiveness, has incompetent directors, is not active in all parts of Quebec, is
too slow, badly organized, not well known, lacks personnel sufficient to satisfy the demands and expectations of the public, exists only to keep track of complaints without being able to act adequately, has its activities constrained by political barriers, and is nothing but a symbol created to bolster the Government's image and maintain the status quo.

C- The Cooperative Family Economics Association (CFEA)

The CFEA is positively evaluated mainly for its endeavours to increase consumer awareness, inform and educate the public particularly in disadvantaged circles. It is, it is said, doing pioneer work in consumer affairs. It fights hard battles, does not lack aggressiveness, is not afraid to get involved, has a critical perspective of the consumer phenomenon and is a monkey-wrench in the capitalist gears. The CFEA associates itself closely with the consumer and his problems and achieves realistic solutions. Its achievements are impressive particularly in the areas of credit, indebtedness and emergency assistance. The positive results of their group organizing activities are particularly well seen. It is an excellent pressure group that should serve as a model to others. For some, it is the best formula for a consumer protection organization attempted to date.

Lack of resources is the main constraining factor to the CFEA's effectiveness. It is said that not all its battles have the same weight, it is accused of sometimes making a "faux pas" and of making recommendations of limited scope to government. Its publications are said to be good but not sufficiently popularized. It is not sufficiently well known and would benefit from the membership of individuals rather than restricting itself to being a cooperative of organizations.

Some respondents believe the CFEA to have a low level of effectiveness because it represents only a small percentage of consumers, it does not have enough impact on the community, its criticisms are dishonest, it has a tendency to believe that the consumer is always right and the merchant always wrong, it is too politicized and finally it is on the decline in the sense that its effectiveness is diminishing in relation to what it has been in the past.

D- The Consumers' Association of Canada (CAC)

The CAC is said to be an organization often consulted by the Federal government which in turn is the recipient of numerous CAC recommendations. For certain respondents, it is more of a threat to merchants and government than are the other organizations. It is appreciated for the information it dissemi-
nates-primarily to its members-through the review it publishes and in which it reports on interesting studies of various products.

Its effectiveness is seen to be limited by the fact that the CAC is pretty well exclusively an information and referral agency and that it addresses itself mainly to a well-to-do and middle class clientele not reaching therefore the entire population. It is thought nevertheless to play a necessary role.

The CAC is criticized for not being active in all areas and in particular, for being practically non-existent in Quebec where it is less active than in the other Canadian provinces and therefore little known. It is too unstructured, lacks militancy and does not communicate enough with its members who therefore tend to become ineffective. Its objectives are not clearly stated and there is some question as to the philosophy it adheres to. It is too conciliatory to the system and too close to those in power. Many think that it applies little pressure and has little weight.

---

E - The Institut de promotion des intérêts du consommateur (IPIC)

The IPIC's effectiveness resides in the quality of the information it provides particularly, the critical reporting on consumer product analysis that appears in its review "Le réveil du consommateur". It is said that the IPIC has sharp teeth and that it is close to the consumer and his needs. It contributes to increased consumer awareness and fills a need. Some think highly enough of the IPIC to want to see it become a national institution such as exists in France, subsidized according to its needs or even that it becomes the basis for a televised series on consumer affairs.

The IPIC is an organization whose effectiveness is limited in the sense that although it is an effective instrument, it has not reached its full potential: it lacks resources, would benefit from being better known and supported, it reaches only specific groups of consumers and is not present in all areas, concentrating its activities mostly to the Montreal area.

According to those who consider the IPIC to be ineffective, its links with the food cooperatives "Cooprix" have harmed it. They say that it is losing ground and feeling its way. It does not adequately publicize its work and should concentrate more on concrete activities. Some think that its review is poorly prepared and not widely enough distributed and that the tests carried out are not always valid. It should have more individual members because it now represents only a small percentage of the population.
F- The Automobile Protection Association (APA)  

The APA is well known even outside of Quebec thanks mainly to its often consulted director and is very useful in its field which is often a thankless one. It is a dynamic organization that believes in what it is doing and fights excellent battles with the companies. Its strength rests mainly in its lawyers. It produces critical information and lively publicity. It publishes a lot and its reports and services are appreciated. It is thought that the APA deserves to be subsidized.

The constraints to the APA's effectiveness are seen not in terms of its goals, which are commended, but in terms of the way it functions, its absence from the regions outside of Montreal and its shortage of resources.

The APA is criticized for depending too strongly on the person of its director, having links with certain merchants which casts doubt on its credibility, of lacking coherence, providing too little detailed information on "what to do", being too radical and of making lots of noise but doing too little research.

G- The Better Business Bureau (BBB)  

Some believe that the BBB has a role to play in the market place because it is useful in acquiring information on merchants and companies. But most of the organizations show little confidence in it for it is first and above all a merchants' association existing for their own protection that has nothing to do with the protection of the consumer.

Despite all of these criticisms most often directed to each organization's approach and style of operation, it seems that each is seen to have a role to play. The specific nature of each one is becoming clearer and more pronounced and it is thought apparently that given the growing number of problems facing the consumer those involved in the search for solutions will never be too numerous.

SECTION 2 - A CENTRAL BUREAU FOR CONSUMER PROTECTION  

At the conclusion of the questionnaire we proposed the idea of a Central Bureau for Consumer Protection (to which the consumers themselves would belong and contribute a token fee and which would have the defense and
protection of consumers as its purpose) to determine if the consumer
izations would be in favour or not. Close to two thirds of the respondents
were very supportive of the proposal.

Given the very broad definition we gave the "Central Bureau" pro-
posal and the lack of details provided on its structure and operations we
were not surprised that most respondents qualified their support with con-
ditions. We will review those conditions before proceeding to the reasons
given by those who rejected the proposal.

Several respondents received the proposal very enthusiastically.
The IPIC for example claims to have been pursuing this goal for two years.
It is believed that the creation of such an organization would lead to the
participation of more consumers and reduce the number of lethargic ones.
The more organizations there are and the more they cooperate the better the
problems will be dealt with. It would be a good way to establish a general
consumer policy without involving partisan politics and impediments to
consumer protection. Finally, it is considered urgent that the organizations
associate more closely together to deal with the giants that represent the
producers and merchants.

The respondents insisted that for this "Central Bureau" to be effec-
tive it must be properly structured, rooted in the community, controlled by
its membership, decentralized and generated by the consumers themselves. It would
have to guarantee participation because its strength and prestige would be in direct
proportion to its membership's vigor and activity. The Central Bureau would
have to assure itself of the cooperation of the existing organizations so as
not to diminish consumer power and it would have to be aware of the dangers
of pitching a single battle when it should be fighting on several fronts. It
would also have to avoid the danger inherent in consumer abuses by controlling
and being selective of the problems it acts upon.

It is thought that, perhaps before all else, for such an organization
to be truly effective in its consumer protection role, it must have adequate
means at its disposal. This means that it must be a powerful organization
with real powers and the means of initiating massive consumer information pro-
grams, with the capacity to carry through to the courts in its work, to use
class action as a tool, to have reformed legislation to rely upon. These are
the conditions that are not fulfilled at present but which seem to be essential
to any truly effective endeavour.

On the other hand, this "Central Bureau" would not attain its goal
if it attracted only the best informed consumers leaving those most in need
aside or again if it was accessible only to urban dwellers. Ideally, it would
be able to render the consumer more autonomous by equipping him: attack rather
than perpetually defend.
The supporters of the idea of a Central Bureau for Consumer Protection stipulate several conditions for its successful realization and insist on certain guarantees. They are noticeably the same reasons as those that motivate others not to endorse the Central Bureau concept.

The "Central Bureau is seen by about a third of the respondents as just one more structure at a time when it would be preferable to develop both government and private existing organizations. There is hesitation about the centralization that such an organization would foster. They reject the notion of a membership fee which is not in itself pledge of member participation and which would leave the consumer to defray costs while number believe that it is up to the State to assure the consumer's protection. The consumer is seen as too amorphous and unlikely to join. Besides, we must not feel too protective of the consumers because they run the risk of neglecting to control themselves, of reacting and building the kind of world they want to live in. It is this world that must be changed, the rest is patch work.

SUMMARY OF OBSERVATIONS

19- Of all the consumer protection organizations, the CFEA is considered to be the most effective; it is especially valued for its information and sensitization activities, especially among the disadvantaged groups.

20- The two government organizations, the Consumer Protection Bureau and the Federal Department of Consumer and Corporate Affairs, received the most negative evaluations of their effectiveness.

21- The APA and IPIC are quite well regarded by other organizations.

22- The Better Business Bureau is considered to be an association created to protect the interests of business rather than those of the consumer.

23- The roles of each organization are clearly differentiated from one another in the opinion of the consumer organizations' directors and it appears that in spite of their weaknesses each has a specific part to play.

24- The majority of respondents reacted favourably to the idea of a "Central Bureau for Consumer Protection". However, a series of conditions was attached to this acceptance. These conditions related specifically
TO THE POWERS AND THE MEANS WHICH SUCH AN ORGANIZATION WOULD REQUIRE TO BE EFFECTIVE AND TO THE STRUCTURE OF PARTICIPATION WHICH THE CENTRAL BUREAU WOULD HAVE TO ADOPT TO CARRY OUT ITS FUNCTIONS: THAT OF INFORMING CONSUMERS ON A MASSIVE SCALE AND OF GETTING THEM REALLY INVOLVED.
PART II

SURVEY OF DISSATISFIED CONSUMERS
Our survey of dissatisfied consumers deals mainly with the nature of the problems they encountered (chapter II) and with a study of their relationship with the consumer organization they consulted (chapter III). We also dealt with the consumers' knowledge of consumer laws (chapter IV) and, in a general way, some of their opinions, values and attitudes (chapter V).

Before proceeding with the analysis of these aspects of consumer affairs it was important to determine whether the dissatisfied consumers (complainants) differ in their socio-economic characteristics from the population of Quebec as a whole and, if so, how they differ. It is in fact quite important to know, whether there is any distinction between the consumers who appeal to consumer organizations, or whether certain socio-occupational categories have a greater tendency than others to avail themselves of these services and to file complaints. This is the purpose of the first chapter.
CHAPTER I - THE SOCIO-ECONOMIC CHARACTERISTICS OF DISSATISFIED CONSUMERS

The personality and characteristics of the dissatisfied consumers must of necessity be established before attempting to study the type of problem that resulted in their filing a complaint, the nature and extent of their relation with the organization they consulted, their knowledge of the laws and their attitudes with regard to consumer affairs. These subjects will be covered in other chapters of Part II.

The answer to the question "Who responded?" can quite often clarify the meaning of answers to important aspects of the survey. Considerable information on, and various breakdowns of, the dissatisfied consumers are presented in this chapter. This information may sometimes appear not to be related to the principal objectives of this study, they are however. The principal objective of this study was certainly to acquaint ourselves with the complainants' problems and to determine the extent of their satisfaction with the consumer organizations they consulted. But it also involved formulating working hypotheses which will serve as a basis for our future survey of consumers in Quebec through a truly representative sample. It could be, for example, that the rate of overcrowding or the possession of a credit card, are of little importance to the dissatisfied consumer. On a province-wide scale, however, these phenomena are of considerable importance and will provide us with vital information on consumer behaviour and problems. This information is very often little known or lacking. This is why we have attempted to paint as accurate a portrait of the dissatisfied consumer as possible. The data contained in this chapter are interesting in themselves, and will serve as working hypothesis in our subsequent research.

This chapter's main purpose is, however, to determine whether the dissatisfied consumers differ from the population of Quebec in socio-economic terms and, if so, what distinguishes them. We deal in the first section with the complainants' social situation, their economic in the second, and their level of consumption in the third.

SECTION I - THE SOCIAL SITUATION

From amongst the various social characteristics investigated, we chose to analyse the following:

A- Sex
A- Sex

The dissatisfied consumers breakdown almost equally into the two sexes. A slight majority (51.2%) of the complainants are male while 48.8% are female. This breakdown of respondents by sex is representative of the population of Quebec according to the most recent census. At that time 49.7% of the population was male and 50.3% female. The variation from our sample is only 1.5% which is a very small difference and illustrates that dissatisfied consumers are representative of the general population in terms of breakdown by sex.

No significant difference was detected in the respondents' age and their level of education according to their sex. A large majority of the males are married (87%). This is also the case for a majority of the females (67%). However, a larger percentage of female respondents are separated, divorced or widowed (14.1%) than males (1.6%). The percentage of single females (18.2%) is also higher than single males (9.4%). It is this "single-female" situation which explains the facts that the family income reported by the females is, on the average, less than that of the male respondents, and that the female respondents have fewer dependents. Females are also less likely to have debts, and if they do, the debts are less than those carried by the male respondents.

A majority of the female respondents (54.5%) are without paid employment as compared to 19% of the males. 90% of the females who earn no income are housewives, whereas the males without income are primarily unemployed (46%) or in retirement (25%).

At the time of the interview, 75% of the males and 36% of the females questioned were working full time. The number of respondents who were working part time is small (7%). If the female is working, she is more likely than the male to be employed in the services sector (56.4%) or in a semi-professional

category (teachers, artists, etc...). The male complainants are for the most part found amongst skilled workers (45%), the services sector and white-collar workers (21.3%) and unskilled workers (12.6).

B- Age

The dissatisfied consumers come from all age groups. The range is very wide. 16.6% are under the age of 25. 37.2% are between the ages of 25 and 34 years. 22.3% are between 35 and 44 years of age, and 15.4% between 45 and 54 years. Finally, 8.5% of our respondents were over 55 years of age at the time of our survey. The average age of the respondents is 36.2 years.

By comparing the complainants' age with that of the population of Quebec over 15 years old, as recorded in the most recent census, we see that the 25 to 34, and 35 to 44 year categories are greatly over represented as compared to the population as a whole. The 25 to 45 year age group constitutes the most active group of consumers; they have the most responsibilities and dependents, and they are the most likely to purchase an automobile for example, particularly their first automobile. The same holds true with regard to the purchase of a house. In general, 25 to 45 year old consumers are the most likely to encounter consumer problems, or to assume them because of the extent of their responsibilities. They are perhaps more "combative" than the under 25 or over 55 consumers; which could explain the under representation of these latter groups in our sample.

As expected, the complainants' level of education varies considerably from one age group to another.

The proportion of respondents with less than 7 years of schooling increases as we move from the younger to the older age groups. The opposite is true for those with more than 12 years of schooling.

There is no marked age difference between the various occupational groups, except that unemployment affected a much larger proportion of younger (20 to 35 years old) than older respondents over the past three years.

This phenomenon is often observed. The income reported by the various age groups is very unequal. The respondent's income reaches a peak between the ages of 35 and 44, and decreases rapidly after that. It is in this same age category that we find the largest number of dependents reported.
### TABLE 12

**AGE CATEGORIES OF DISSATISFIED CONSUMERS**

**AS COMPARED TO THE POPULATION OF QUEBEC OVER 15 YEARS OF AGE**

<table>
<thead>
<tr>
<th>Age Category</th>
<th>Respondent Population</th>
<th>Population*</th>
</tr>
</thead>
<tbody>
<tr>
<td>15 TO 24 YEARS</td>
<td>16.6%</td>
<td>27.6%</td>
</tr>
<tr>
<td>25 TO 34 YEARS</td>
<td>37.2%</td>
<td>20.2%</td>
</tr>
<tr>
<td>35 TO 44 YEARS</td>
<td>22.3%</td>
<td>16.9%</td>
</tr>
<tr>
<td>45 TO 54 YEARS</td>
<td>15.4%</td>
<td>14.7%</td>
</tr>
<tr>
<td>55 YEARS OR MORE</td>
<td>8.5%</td>
<td>20.6%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)

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### TABLE 13

**RESPONDENTS' LEVEL OF EDUCATION AND AGE**

<table>
<thead>
<tr>
<th>AGE</th>
<th>LESS THAN 24</th>
<th>25 TO 34</th>
<th>35 TO 44</th>
<th>45 TO 54</th>
<th>MORE THAN 55 YEARS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 TO 7 YEARS</td>
<td>0 (0%)</td>
<td>11 (12%)</td>
<td>13 (23.6%)</td>
<td>13 (34.2%)</td>
<td>7 (33.3%)</td>
<td>44 (17.8%)</td>
</tr>
<tr>
<td>8 TO 11 YEARS</td>
<td>22 (53.6%)</td>
<td>41 (44.6%)</td>
<td>23 (41.8%)</td>
<td>20 (52.6%)</td>
<td>10 (47.6%)</td>
<td>116 (47.0%)</td>
</tr>
<tr>
<td>MORE THAN 12 YEARS</td>
<td>19 (46.4%)</td>
<td>40 (43.4%)</td>
<td>19 (34.6%)</td>
<td>5 (13.2%)</td>
<td>4 (19.1%)</td>
<td>87 (35.2%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>41 (16.6%)</td>
<td>92 (37.2%)</td>
<td>55 (22.3%)</td>
<td>38 (15.4%)</td>
<td>21 (8.5%)</td>
<td>247 (100%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)

**AVERAGES**

- LESS THAN 25 YEARS: 12.19 YEARS OF EDUCATION
- 25 TO 34 YEARS: 11.96 " " "
- 35 TO 44 YEARS: 10.58 " " "
- 45 TO 54 YEARS: 8.71 " " "
- MORE THAN 55 YEARS: 9.47 " " "

(Percentages are calculated vertically)
C- Marital Status

The great majority of respondents (77.4%) were married at the time of our survey. Slightly less than 14% were bachelors and less than 5% were widowed. Finally, 3.2% of the respondents were separated or divorced.

This breakdown deviates slightly from that of the population of Quebec. From the last census we find that 61.1% of the population of Quebec were married, 32.8% were bachelors, 5.5% were widowed and less than 1% divorced. There is therefore a marked over-representation of married persons (77%) and under-representation of bachelors (14%) in our sample.

D- Size of Family

There were an average of 3.42 persons in the respondent family (household) at the time of our survey. We excluded from our calculations "older children who were working and who paid room and board" from the family household. This situation occurred in only 4.8% of the cases. We can ascertain from the following table that there is a lot of variations in the respondent family size. Almost 14% of the households had only one member. Cases where the household contained only 2 persons, or couples without children, constituted only 21.6% of the respondents. The majority of families had 3, 4, or 5 members at the time of the survey. (See Table 14).

The breakdown of our sample by size of household closely approximates that of the population of Quebec as illustrated in Table 15. The largest observed difference is of 4%, which does not indicate a significant difference.

It is interesting to note that the number of dependents in the respondent household does not appear to vary with the respondent's level of education or occupation or the respondent's spouse's occupation. The same appears to be true for the occurrence and extent of indebtedness.

We note finally that the respondent's household income has a strong tendency to increase with the number of dependents. We are therefore not surprised to note that income reported by single persons is much less than that reported by the other categories, the 2 person household for example, and that this latter category reports lower income than the 5 or more

<table>
<thead>
<tr>
<th>NUMBER OF PERSONS IN HOUSEHOLD</th>
<th>NUMBER OF HOUSEHOLDS</th>
<th>PERCENTAGE</th>
<th>CUMULATIVE PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 PERSON</td>
<td>34</td>
<td>13.9%</td>
<td>13.9%</td>
</tr>
<tr>
<td>2 PERSONS</td>
<td>53</td>
<td>21.6%</td>
<td>35.5%</td>
</tr>
<tr>
<td>3 PERSONS</td>
<td>46</td>
<td>18.8%</td>
<td>54.3%</td>
</tr>
<tr>
<td>4 PERSONS</td>
<td>52</td>
<td>21.2%</td>
<td>75.5%</td>
</tr>
<tr>
<td>5 PERSONS</td>
<td>28</td>
<td>11.4%</td>
<td>86.9%</td>
</tr>
<tr>
<td>6 PERSONS</td>
<td>20</td>
<td>8.2%</td>
<td>95.1%</td>
</tr>
<tr>
<td>7 OR MORE PERSONS</td>
<td>12</td>
<td>4.9%</td>
<td>100.0%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>245</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>NUMBER OF PERSONS IN HOUSEHOLD</td>
<td>RESPONDENT POPULATION %</td>
<td>POPULATION OF QUEBEC* %</td>
<td></td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-------------------------</td>
<td>------------------------</td>
<td></td>
</tr>
<tr>
<td>1 PERSON</td>
<td>13.9%</td>
<td>12.1%</td>
<td></td>
</tr>
<tr>
<td>2 PERSONS</td>
<td>21.6%</td>
<td>23.1%</td>
<td></td>
</tr>
<tr>
<td>3 PERSONS</td>
<td>18.8%</td>
<td>18.1%</td>
<td></td>
</tr>
<tr>
<td>4 PERSONS</td>
<td>21.2%</td>
<td>17.7%</td>
<td></td>
</tr>
<tr>
<td>5 PERSONS</td>
<td>11.4%</td>
<td>12.2%</td>
<td></td>
</tr>
<tr>
<td>6 PERSONS</td>
<td>8.2%</td>
<td>7.4%</td>
<td></td>
</tr>
<tr>
<td>7 OR MORE PERSONS</td>
<td>4.9%</td>
<td>9.4%</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>100.0%</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

person household. This situation is explained for the most part by the fact that in a large number of families with 2 or more persons, both partners are working. A large percentage (47.4%) of families of 5 or more persons report an annual income of over $13,000, the explanation of this phenomenon not being very clear. Family allowances would explain only a small part of the larger family income.

### TABLE 16

RESPONDENT HOUSEHOLD INCOME AND SIZE OF HOUSEHOLD

<table>
<thead>
<tr>
<th>HOUSEHOLD SIZE INCOME LEVELS</th>
<th>1 PERSON</th>
<th>2 PERSONS</th>
<th>3 - 4 PERSONS</th>
<th>OVER 5 PERSONS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>LESS THAN $7,000</td>
<td>20 (66.7%)</td>
<td>11 (21.6%)</td>
<td>22 (23.6%)</td>
<td>4 (7.8%)</td>
<td>57 (24.5%)</td>
</tr>
<tr>
<td>$7,000 TO $13,000</td>
<td>9 (30.0%)</td>
<td>22 (43.1%)</td>
<td>45 (48.4%)</td>
<td>27 (45.8%)</td>
<td>103 (44.2%)</td>
</tr>
<tr>
<td>$13,000 OR MORE</td>
<td>1 (3.3%)</td>
<td>18 (35.3%)</td>
<td>26 (28.0%)</td>
<td>28 (47.4%)</td>
<td>73 (31.3%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>30 (12.9%)</td>
<td>51 (21.9%)</td>
<td>93 (39.9%)</td>
<td>59 (25.3%)</td>
<td>233 (100.0%)</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)

In conclusion, the household size and sex distributions of our sample of dissatisfied consumers follows closely that of the population of Quebec. Married persons are heavily over represented likely because of the extent of their responsibilities, which increase the problems they encounter. The same holds for the 25 to 45 year age categories. They are over represented most likely because this is the time in life when consumers have the most dependents, the most expenditures and the most income.
SECTION 2 - THE ECONOMIC SITUATION

This section contains a synopsis of our respondents' principal economic characteristics. We were most interested in their:

A- Level of Education
B- Occupational Status
C- Family Income
D- Level of Indebtedness

A- Education

The respondents' level of education is high. They completed ten years of schooling on the average. At the time of our survey, 10% of the respondents had some university training, 25% had some college, 47% had some secondary schooling and 18% had some elementary schooling. So 35% of our respondents had some college or university education as compared to 18.6% of the Quebec out-of-school population. 18% of our respondents had only some elementary education, as compared to almost half (43.6%) of the Quebec out-of-school population. It is certainly no coincidence that a greater proportion of the educated are complainants. A higher education seems to influence the consumer's combativeness: consumers who are thus more aware of their rights and of the existence of organizations that can help them. (See Table 17.)

It is not surprising to find a strong correlation between the respondents' level of education and their occupation. The information in Table 18 is offered for its sociological interest. The small number of respondents (185) reported on in this Table as compared to the number in the sample (248) is explained by the fact that many of our respondents (59) were housewives without paid employment at that time or in the past.

It will be noted that respondents with only elementary schooling are more than proportionally represented amongst the unskilled workers (24%) and the skilled workers (30.6%), whereas there are very few in the other occupational groups. On the other hand, most of the white-collar workers, semi-professionals and professionals (businessmen) had some college or university education, as was to be expected.
TABLE 17
RESPONDENTS' LEVEL OF EDUCATION
AS COMPARED TO THAT OF THE POPULATION OF QUEBEC

<table>
<thead>
<tr>
<th>EDUCATION</th>
<th>RESPONDENT POPULATION</th>
<th>POPULATION OF QUEBEC*</th>
</tr>
</thead>
<tbody>
<tr>
<td>ELEMENTARY LEVEL (0 - 7)</td>
<td>18.1%</td>
<td>43.6%</td>
</tr>
<tr>
<td>SECONDARY LEVEL (8 - 11)</td>
<td>46.8%</td>
<td>37.8%</td>
</tr>
<tr>
<td>COLLEGE AND UNIVERSITY LEVELS (more than 12)</td>
<td>35.1%</td>
<td>18.6%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)

### TABLE 18

**Respondents' Occupation and Level of Education**

<table>
<thead>
<tr>
<th>Education</th>
<th>Unskilled Workers</th>
<th>Skilled Workers</th>
<th>White Collar Workers</th>
<th>Semi-Professional</th>
<th>Professional and Business</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 7 Years</td>
<td>6 (24.0%)</td>
<td>19 (30.6%)</td>
<td>4 (6.5%)</td>
<td>0 (0.0%)</td>
<td>1 (9.1%)</td>
<td>30 (16.2%)</td>
</tr>
<tr>
<td>8 to 11 Years</td>
<td>17 (68.0%)</td>
<td>33 (53.2%)</td>
<td>25 (41.0%)</td>
<td>4 (15.4%)</td>
<td>3 (27.3%)</td>
<td>82 (44.3%)</td>
</tr>
<tr>
<td>12 or More Years</td>
<td>2 (8.0%)</td>
<td>10 (16.2%)</td>
<td>32 (52.5%)</td>
<td>22 (84.6%)</td>
<td>7 (63.6%)</td>
<td>73 (39.5%)</td>
</tr>
<tr>
<td>Total</td>
<td>25 (13.5%)</td>
<td>62 (33.5%)</td>
<td>61 (33.0%)</td>
<td>26 (14.1%)</td>
<td>11 (5.9%)</td>
<td>185 (100.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)
We detect also a very strong relationship between the respondent's level of education and his level income. This relationship, which we expected, is strong as can be seen in Table 19 below. For example, 50% of those with 12 or more years of education earn in excess of $13,000 per year compared to 12% of those with 7 or fewer years of schooling, and 25% of those with 8 to 11 years. The same relationship holds in terms of the average incomes calculated for each level of education. The 0 to 7 year group earns an average of $9,000., the 8 to 11 year group earns $10,725. and the 12 or more year group earns $13,128.

The respondents' high socio-economic level shows through here again. Those of more than 12 years of education and who earn more than $13,000 account alone for close to 17% of our respondents.

Finally, there is no relationship between the respondents' education and the existence, size or type of debt.

### Table 19

RESPONDENT HOUSEHOLD INCOME AND LEVEL OF EDUCATION

<table>
<thead>
<tr>
<th>EDUCATION</th>
<th>0-7 YEARS</th>
<th>8-11 YEARS</th>
<th>12 OR MORE YEARS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>LESS THAN $7,000</td>
<td>15 (35.7%)</td>
<td>26 (23.0%)</td>
<td>16 (20.5%)</td>
<td>57 (24.5%)</td>
</tr>
<tr>
<td>$7,000 TO $13,000</td>
<td>22 (52.4%)</td>
<td>58 (51.3%)</td>
<td>23 (29.5%)</td>
<td>103 (44.2%)</td>
</tr>
<tr>
<td>$13,000 OR MORE</td>
<td>5 (11.9%)</td>
<td>29 (25.7%)</td>
<td>39 (50.0%)</td>
<td>73 (31.3%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>42 (18.0%)</td>
<td>113 (48.9%)</td>
<td>78 (33.5%)</td>
<td>233 (100.0%)</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)
B- Occupational Status

We dealt at length with the respondents' occupational status in the survey. We feel that it, amongst others, is an important factor in understanding the dissatisfied consumers' economic situation. We dealt first of all with the description of the respondent's own occupation; then, if applicable, with that of the respondent's working spouse.

At the time of our survey, 64% of the respondents were working full or part-time. Of the remaining 36%, most were housewives (23.7%) and 5% were unemployed workers. Very few of the dissatisfied consumers, just a little over 1%, were students. Generally, 44% of the respondents (58% of married respondents) had a working spouse at the time of the survey, which could mean an appreciable increase in the family's income, as we shall see further on.

What is the dissatisfied consumer's occupational status? To answer this, we must first explain the type of occupational classification we used. This classification is as follows:

- Unskilled Workers: this category includes workers in all sectors of activity, be it primary, secondary or tertiary. It includes all those who have no specific trade or training. A large number of them work in the construction industry.

- Skilled Workers: this category includes all workers who have a specific trade, with adequate training or pertinent apprenticeship. The skilled workers are also employed in construction, but as tradesmen. The category also includes factory workers, craftsmen, etc.

- White Collar Workers: this category includes all office employees secretaries, telephone operators, public servants, bank employees, etc.

- Semi-Professionals: this category includes various professions not usually included amongst the liberal professions, such as nurses, teachers, sociologists, medical and other technicians, etc.

- Professional - Managerial - Business: this category includes professionals in the traditionally "liberal" occupations, managerial positions in the public and private sectors, and businessmen.
We were confronted with two main problems in establishing the socio-economic profile of dissatisfied consumers according to their occupation. We first had to classify those with no paid employment at the time of the survey – housewives for the most part – then classify the families where both spouses had paid employment. In the case of respondents without paid employment, we took into account past employment if any (which is the case for the unemployed, the sick and the retired), or the spouse's employment, if the respondent was a housewife. The only classification not provided for was that of "student", however, there were only 3 out of a hold of 248 respondents.

Cases involving two occupation posed more problems. It was more practical to take into account both spouses' occupation in the compilation of a general profile of the respondent family's status. It was not possible to "average" the two occupations, or to select the highest or lowest occupation of the two. What we had to do was to paint the truest possible picture of the respondents' socio-occupaitonal profile. This is what we have tried to do in the following Table (Table 20). A comparison of the method described here with all the other methods we could have used shows a great similarity in the results. The method we used, however, has the advantage of permitting us to handle large numbers.

<table>
<thead>
<tr>
<th>OCCUPATION</th>
<th>NUMBER</th>
<th>%</th>
<th>CUMULATIVE %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- UNSKILLED WORKERS</td>
<td>36</td>
<td>12.1%</td>
<td>12.1%</td>
</tr>
<tr>
<td>2- SKILLED WORKERS</td>
<td>96</td>
<td>32.3%</td>
<td>44.4%</td>
</tr>
<tr>
<td>3- WHITE COLLAR WORKERS</td>
<td>90</td>
<td>30.3%</td>
<td>74.7%</td>
</tr>
<tr>
<td>4- SEMI- PROFESSIONALS</td>
<td>45</td>
<td>15.2%</td>
<td>89.9%</td>
</tr>
<tr>
<td>5- PROFESSIONAL - MANAGERIAL - BUSINESS</td>
<td>30</td>
<td>10.1%</td>
<td>100.0%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>297</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)
The division of occupations shows a small representation of unskilled workers (12.1%), and a marked representation of semi-professionals (15.2%) and of professionals, managerial and business (10%).

Taking into account only the respondent's own occupation, or that of his spouse if the respondent is not employed, yields similar results (Table 21).

<table>
<thead>
<tr>
<th>OCCUPATION</th>
<th>NUMBER</th>
<th>%</th>
<th>CUMULATIVE %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- UNSKILLED WORKERS</td>
<td>33</td>
<td>14.0%</td>
<td>14.0%</td>
</tr>
<tr>
<td>2- SKILLED WORKERS</td>
<td>84</td>
<td>35.6%</td>
<td>49.6%</td>
</tr>
<tr>
<td>3- WHITE COLLAR WORKERS</td>
<td>70</td>
<td>29.7%</td>
<td>79.3%</td>
</tr>
<tr>
<td>4- SEMI-PROFESSIONALS</td>
<td>29</td>
<td>12.3%</td>
<td>91.6%</td>
</tr>
<tr>
<td>5- PROFESSIONALS AND MANAGERIAL</td>
<td>20</td>
<td>8.4%</td>
<td>100.0%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>236</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)
Are the dissatisfied consumers different from the population in terms of occupation, as is the case with education? At first glance, it appears that the first mentioned factor has a determining influence on the latter, and consequently, that the differences in occupation are as great as those in education. This is not the case, as is confirmed in the Table below (Table 22). The categories used for classifying occupations in the most recent census were not the same as ours, we therefore had to reclassify our respondents according to the 10 occupational categories used in the 1971 census. Those categories are as follows:

1. Administrators
2. Professional and Technical
3. Office Workers
4. Sales
5. Services and Recreational Activities
6. Transportation and Communications
7. Agricultural
8. Other primary sectors
9. Tradesmen - craftsmen
10. Unskilled Workers.

Tables 22 and 23 show the results of the use of this classification. There are great similarities between the breakdown of respondents' occupations and that of the Quebec labour force. The differences are in no case greater than 5% and in the majority of cases the difference is less than 3%. The two tables following show the occupational breakdown of both the survey sample and the Quebec labour force.

The graph (Table 23) shows once more that the distribution is generally the same in both cases. We can conclude, therefore, that the survey population (dissatisfied consumers) does not differ from the Quebec labour force in terms of the distribution of occupations.

There is a strong relationship between the respondents' family income and their occupational status. With the exception of the skilled workers, who have a position which is effectively equal, if not superior, to white collar workers, the income progression is continuous from the unskilled
TABLE 22

OCCUPATIONAL BREAKDOWN OF (EMPLOYED) RESPONDENTS AS COMPARED TO THE QUEBEC LABOUR FORCE

<table>
<thead>
<tr>
<th>OCCUPATION</th>
<th>RESPONDENT POPULATION</th>
<th>QUEBEC LABOUR FORCE*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- Administrators</td>
<td>5.8%</td>
<td>9.6%</td>
</tr>
<tr>
<td>2- Professional and Technical</td>
<td>19.2%</td>
<td>14.7%</td>
</tr>
<tr>
<td>3- Office Workers</td>
<td>17.0%</td>
<td>14.8%</td>
</tr>
<tr>
<td>4- Sales</td>
<td>8.7%</td>
<td>6.2%</td>
</tr>
<tr>
<td>5- Services and Recreational Activities</td>
<td>8.3%</td>
<td>13.0%</td>
</tr>
<tr>
<td>6- Transportation and Communications</td>
<td>5.8%</td>
<td>5.4%</td>
</tr>
<tr>
<td>7- Agricultural</td>
<td>1.5%</td>
<td>4.5%</td>
</tr>
<tr>
<td>8- Other Primary Sectors</td>
<td>1.8%</td>
<td>1.1%</td>
</tr>
<tr>
<td>9- Tradesmen</td>
<td>25.4%</td>
<td>26.6%</td>
</tr>
<tr>
<td>10- Unskilled Workers</td>
<td>6.5%</td>
<td>4.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)

* Statistical Yearbook of Quebec, 1973
### Table 23

**Occupational Breakdown of (Employed) Respondents as Compared to the Quebec Labour Force**

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Respondent Population</th>
<th>Quebec Labour Force*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrators</td>
<td>5.8%</td>
<td>14.7%</td>
</tr>
<tr>
<td>Professional and Technical</td>
<td>9.6%</td>
<td>14.8%</td>
</tr>
<tr>
<td>Office Workers</td>
<td>14.7%</td>
<td>17.0%</td>
</tr>
<tr>
<td>Sales</td>
<td>8.7%</td>
<td>6.2%</td>
</tr>
<tr>
<td>Transportation and Communication</td>
<td>6.2%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Services &amp; Recreational Activities</td>
<td>14.8%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Agriculture</td>
<td>8.3%</td>
<td>8.3%</td>
</tr>
<tr>
<td>Other Primary Sectors</td>
<td>13.0%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Tradesmen</td>
<td>25.4%</td>
<td>26.6%</td>
</tr>
<tr>
<td>Unskilled Workers</td>
<td>6.5%</td>
<td>4.1%</td>
</tr>
</tbody>
</table>

* Statistical Yearbook of Quebec, 1973
to the professionals and businessmen. Incomes of less than $7,000. are therefore over represented among the unskilled workers (41.2%) and under-represented, or non-existent, among the semi-professionals (4.6%) and the professionals and businessmen (0%). On the other hand, we see that incomes of over $13,000. are under-represented among unskilled workers (11.7%) and heavily over-represented among the higher occupational categories, such as professionals and businessmen (72.4%). The progression of incomes here is continuous from one category to another (Table 24).

This situation was certainly expected, but the extent of the phenomenon shows some very large differences in socio-economic status, which must be pointed out here, and which throw light on the rest of the survey of dissatisfied consumers (See Table 24).

If there is a clear relationship between the dissatisfied consumer's occupation and household income, we can not detect a similar relation between occupation and indebtedness. The following table (25) shows that there are no significant differences between the various occupational categories. Indebtedness occurs on average in one out of five (21%) cases, and for most of the categories the occurrence of indebtedness is very close to this percentage. Only among the white collar workers do we find a slight under-representation (12.3%), and a slight over-representation among semi-professionals (28.9%). These differences are not statistically significant.

Only prolonged unemployment (over two weeks) of the respondents or of their spouses seems to directly influence indebtedness. Those who claim to have had such a period of unemployment are more likely to be in debt and more so than the other respondents. This is the only positive relationship that can be established between the respondent's occupational status and indebtedness.

C- Income

We did not want to limit the concept of "income used here to the respondents' income alone. We believe, in fact, that by taking into account the whole family's income, we can better situate the respondent with respect to his socio-economic status, his occupational status and that of his spouse. This approach allows us to take into account those who do not have a personal income (housewives) and those who work along with their spouse. This is why we asked the respondents, "What is your total household income before deducting income tax, including income from all sources (wages, pensions, family allowances, etc.)?"
<table>
<thead>
<tr>
<th>OCCUPATION</th>
<th>UNSKILLED WORKERS</th>
<th>SKILLED WORKERS</th>
<th>WHITE COLLAR WORKERS</th>
<th>SEMI-PROFESSIONALS</th>
<th>PROFESSIONALS AND BUSINESS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>LESS THAN $7,000</td>
<td>14 (41.2%)</td>
<td>9 (26.2%)</td>
<td>22 (4.6%)</td>
<td>0 (0.0%)</td>
<td>47 (16.6%)</td>
<td></td>
</tr>
<tr>
<td>$7,000 TO $13,000</td>
<td>16 (47.1%)</td>
<td>55 (59.8%)</td>
<td>31 (29.6%)</td>
<td>8 (27.6%)</td>
<td>123 (43.5%)</td>
<td></td>
</tr>
<tr>
<td>MORE THAN $13,000</td>
<td>4 (11.7%)</td>
<td>28 (30.4%)</td>
<td>31 (65.8%)</td>
<td>21 (72.4%)</td>
<td>113 (39.9%)</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>34 (12.0%)</td>
<td>92 (32.5%)</td>
<td>84 (29.7%)</td>
<td>44 (15.5%)</td>
<td>29 (10.3%)</td>
<td>283 (100.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)
<table>
<thead>
<tr>
<th>OCCUPATION INDEBTEDNESS</th>
<th>UNSKILLED WORKERS</th>
<th>SKILLED WORKERS</th>
<th>WHITE COLLAR WORKERS</th>
<th>SEMI-PROFESSIONALS</th>
<th>PROFESSIONALS AND BUSINESS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>SOME DEBT</td>
<td>9 (25.0%)</td>
<td>24 (25.5%)</td>
<td>11 (12.3%)</td>
<td>13 (28.9%)</td>
<td>5 (16.1%)</td>
<td>62 (21.0%)</td>
</tr>
<tr>
<td>NO DEBT</td>
<td>27 (75.0%)</td>
<td>70 (74.5%)</td>
<td>78 (87.7%)</td>
<td>32 (71.1%)</td>
<td>26 (83.9%)</td>
<td>233 (79.0%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>36 (12.2%)</td>
<td>94 (31.9%)</td>
<td>89 (30.2%)</td>
<td>45 (15.2%)</td>
<td>31 (10.5%)</td>
<td>295 (100.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)
The tabulation of the responses to this question (Table 26) show that the dissatisfied consumers' income is apparently rather high. We will see, however, that it is compatible with, if not equivalent to, that of the Quebec population as reported in the most recent census.

The respondent could choose among eight income classes when answering the question as he could say he did not know or even refuse to answer. Only a small percentage (6%) of the people questioned refused to answer or claimed they did not know the answer. Table 26 shows that 47% of the dissatisfied consumers had a household income of $11,000 or more. 24% claimed to have a household income of $15,000 or more. On the other hand, the proportion of dissatisfied consumers with a household income of less than $7,000 is comparatively small, constituting only 23% of the respondents. Finally, the proportion of those earning less than $5,000 is less than 10%. The average respondent household income is approximately $11,200.

Does this distribution of income differ from that of the Quebec population as a whole? This is a very important question, and taken with the respondent's occupational status, will help us determine the dissatisfied consumer's real socio-economic level. Income level is a good indicator of the respondent's situation. We could hypothesize that the dissatisfied consumers are at a higher socio-economic level than the population in general. The respondents' level of education would seem to support this view. This is not the case, however. The respondents' income distribution is fairly representative of the population of Quebec as a whole. This is evident in Tables 27 and 28. The comparison of the respondent with the overall Quebec population income distribution, expressed in percentages, shows strong similarities. In only two categories are the dissatisfied consumers (26.4% in the population of Quebec) constitutes 24.5% of the dissatisfied consumers (26.4% in the population of Quebec), and that the $7,000 to $11,000 class constitutes 24.8% of the dissatisfied consumers (26.6% in the population of Quebec), etc.

The respondents' distribution of income follows, therefore, very closely that of the Quebec population and there is no significant difference in this regard.

An examination of the types of income making up the respondents' household income provides additional information on the nature of their financial resources. The most important source of income is male wages. They occur in 74% of the cases. Female wages are next occurring in 39% of the cases. Family allowances are important in terms of occurrence (49%), but they do not constitute a large proportion of total income in most cases. The other sources of income seldom figure in the respondents' total household income. Only 9.3% of the households were receiving unemployment insurance benefits at the time of the survey, a figure closely approximates the rate of unemployment in Quebec at that time. Welfare benefits and retirement pensions were reported in only 6% of the cases.
**TABLE 26**  
**DISTRIBUTION OF RESPONDENT HOUSEHOLD INCOME**

<table>
<thead>
<tr>
<th>LEVEL OF INCOME</th>
<th>NUMBER</th>
<th>%</th>
<th>CUMULATIVE %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- LESS THAN $3,000</td>
<td>10</td>
<td>4.0%</td>
<td>4.0%</td>
</tr>
<tr>
<td>2- $3,000 TO $4,999</td>
<td>14</td>
<td>5.6%</td>
<td>9.6%</td>
</tr>
<tr>
<td>3- $5,000 TO $6,999</td>
<td>33</td>
<td>13.3%</td>
<td>22.9%</td>
</tr>
<tr>
<td>4- $7,000 TO $8,999</td>
<td>19</td>
<td>7.7%</td>
<td>30.6%</td>
</tr>
<tr>
<td>5- $9,000 TO $10,999</td>
<td>39</td>
<td>15.7%</td>
<td>46.3%</td>
</tr>
<tr>
<td>6- $11,000 TO $12,999</td>
<td>45</td>
<td>18.2%</td>
<td>64.5%</td>
</tr>
<tr>
<td>7- $13,000 TO $14,999</td>
<td>14</td>
<td>5.7%</td>
<td>70.2%</td>
</tr>
<tr>
<td>8- $15,000 AND OVER</td>
<td>59</td>
<td>23.8%</td>
<td>94.0%</td>
</tr>
<tr>
<td>9- DOES NOT KNOW</td>
<td>6</td>
<td>2.4%</td>
<td>96.4%</td>
</tr>
<tr>
<td>10- NO ANSWER</td>
<td>9</td>
<td>3.6%</td>
<td>100.0%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>248</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)
### TABLE 27

**BREAKDOWN OF RESPONDENT HOUSEHOLD INCOME AS COMPARED TO THE POPULATION OF QUEBEC**

<table>
<thead>
<tr>
<th>LEVEL OF INCOME</th>
<th>RESPONDENT POPULATION %</th>
<th>POPULATION OF QUEBEC %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- LESS THAN $3,000</td>
<td>4.3%</td>
<td>5.1%</td>
</tr>
<tr>
<td>2- $3,000 TO $5,000</td>
<td>6.0%</td>
<td>10.0%</td>
</tr>
<tr>
<td>3- $5,000 TO $7,000</td>
<td>14.2%</td>
<td>11.3%</td>
</tr>
<tr>
<td>4- $7,000 TO $9,000</td>
<td>8.1%</td>
<td>13.2%</td>
</tr>
<tr>
<td>5- $9,000 TO $11,000</td>
<td>16.7%</td>
<td>13.4%</td>
</tr>
<tr>
<td>6- $11,000 TO $13,000</td>
<td>19.3%</td>
<td>12.4%</td>
</tr>
<tr>
<td>7- $13,000 TO $15,000</td>
<td>6.1%</td>
<td>9.4%</td>
</tr>
<tr>
<td>8- OVER $15,000</td>
<td>25.3%</td>
<td>25.2%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)

### TABLE 28

**BREAKDOWN OF RESPONDENT HOUSEHOLD INCOME AS COMPARED TO THE POPULATION OF QUEBEC**

<table>
<thead>
<tr>
<th>Category</th>
<th>Respondent Population</th>
<th>Population of Quebec</th>
</tr>
</thead>
<tbody>
<tr>
<td>LESS THAN $3,000</td>
<td>4.3%</td>
<td>5.1%</td>
</tr>
<tr>
<td>$3,000 TO $5,000</td>
<td>6.0%</td>
<td>10.0%</td>
</tr>
<tr>
<td>$5,000 TO $7,000</td>
<td>14.2%</td>
<td>11.3%</td>
</tr>
<tr>
<td>$7,000 TO $9,000</td>
<td>8.1%</td>
<td>13.2%</td>
</tr>
<tr>
<td>$9,000 TO $11,000</td>
<td>16.7%</td>
<td>13.4%</td>
</tr>
<tr>
<td>$11,000 TO $13,000</td>
<td>19.3%</td>
<td>12.4%</td>
</tr>
<tr>
<td>$13,000 TO $15,000</td>
<td>6.1%</td>
<td>9.4%</td>
</tr>
<tr>
<td>OVER $15,000</td>
<td>25.3%</td>
<td>25.2%</td>
</tr>
</tbody>
</table>

If the types of income reflecting difficult economic circumstances (welfare, unemployment insurance are not important to our respondents, the same holds true for income from speculative investments (7%) and property (7.7%). We can conclude, to this effect, that the very privileged circumstances that a great number of dissatisfied consumers find themselves in result from their high level of wages, or from the combined wages of the two spouses, rather than from speculative investments or property. In fact there is a very large number of respondents with an income in excess of $13,000. in the higher occupational categories and in families where both spouses work. This is the main explanatory factor (see Table 29).

D- Indebtedness

Few of our respondents acknowledged having debts, or accounts in arrears, at the time of our survey. Mortgages were considered as investments in real property, and were therefore not taken into account in this evaluation of debts. Only 21.8% of our respondents acknowledged having debts, which is a small percentage. We could not compare this statistic with the indebtedness of the population of Quebec since we could not obtain the necessary comparable data.

When they are in debt, keeping in mind that only 1 respondent in 5 has acknowledged being so, it is generally for small amounts. 21% of the respondents had total debts of less than $1,000. at the time of our survey, 53% had less than $3,000. of debts, and 75% had less than $5,000. The average indebtedness of the respondents who acknowledged being in debt was approximately $3,500.

With regard to debt once again, only 8% of the dissatisfied consumers had been, or were still, registered with the voluntary deposit (Loi Lacombe) at the time of the survey (2% were still registered at the time of the survey). 6% of the respondents were already bankrupt or against whom a petition was filed in court at the time of the survey.

We investigated the principal causes of indebtedness and the type of creditors our respondents dealt with. The main sources of indebtedness are the purchase of home furnishings and the purchase and maintenance of an automobile. Then come debts incurred for current purposes (mainly food), for the purchase of clothing and the upkeep of the house. Other types of debts, such as travel loans are negligible.

The respondents' principal creditors are banks and caisses populaires (13.3%). Finance companies are the next (7.7%), with department stores (6%)
<table>
<thead>
<tr>
<th></th>
<th>Male Wages</th>
<th>Female Wages</th>
<th>Retirement Pension</th>
<th>Welfare</th>
<th>Unemployment Insurance</th>
<th>Family Allowances</th>
<th>Older Child's Board &amp; Room</th>
<th>Investment Income</th>
<th>Property</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>OCCURS</td>
<td>184 (74.2%)</td>
<td>96 (38.9%)</td>
<td>15 (6.0%)</td>
<td>15 (6.0%)</td>
<td>23 (9.3%)</td>
<td>122 (49.2%)</td>
<td>12 (4.8%)</td>
<td>17 (6.9%)</td>
<td>19 (7.7%)</td>
<td>8</td>
</tr>
<tr>
<td>DOES NOT OCCUR</td>
<td>64 (25.8%)</td>
<td>151 (61.1%)</td>
<td>233 (94.0%)</td>
<td>233 (94.0%)</td>
<td>225 (90.7%)</td>
<td>126 (50.8%)</td>
<td>236 (95.2%)</td>
<td>231 (93.1%)</td>
<td>229 (92.3%)</td>
<td>237 (96.7%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>248</td>
<td>247</td>
<td>248</td>
<td>248</td>
<td>248</td>
<td>248</td>
<td>248</td>
<td>248</td>
<td>248</td>
<td>245</td>
</tr>
</tbody>
</table>
and credit card companies (5.6%) following. The other types of creditors are of little importance. For example, very few cases of indebtedness to a relative, friend or professional were reported.

When we study the respondents' social characteristics and indebtedness together, we find that the female are less often in debt than the male respondents, and when they are, it is for smaller amounts. The average debt of the respondents is $2,600 for women and $4,000 for men. The dissatisfied consumer’s age does not seem to be a debt determining factor, but the age categories which are the most in debt are those where family responsibilities are the heaviest, that is, the 25 to 45 year range. Finally, we see that those who have experienced unemployment for two or more weeks during the last three years are more frequently in debt than the others.

We can conclude that generally, dissatisfied consumers are, as a group, very similar to the population of Quebec in terms of their occupation and income. Only a higher education distinguishes the dissatisfied consumers from the population of Quebec.
SECTION 3 - THE LEVEL OF CONSUMPTION

We believe that studying the level and type of consumption of a population is a good method of situating that group in socio-economic terms. We pose the hypothesis that to a given socio-economic level, there corresponds a level of consumption, and that each rise in the level of consumption without a commensurate increase in socio-economic level (primarily income) is reflected in a deficit balance or indebtedness. This line of study allows us to investigate certain aspects of the dissatisfied consumers' behaviour in certain essential sectors such as housing, automobile ownership and credit cards. Such information is surely interesting of its own account. Given the limitations inherent in a questionnaire, we could only tackle these principal areas of consumption:

A- Housing
B- Automobile Ownership
C- Credit Cards

A- Housing

We studied the respondents' occupancy status (ownership - rental), the cost of rental or ownership, the number of rooms occupied as well as the degree of crowding.

44.5% of the dissatisfied consumers questioned were home owners, and 55.5% rentors. We included boarders in the rentor category. This breakdown is very close to that of the population of Quebec. At the time of the most recent census, 47.4% of Quebec families lived in owner-occupied homes. If we consider home ownership only in the urban areas of Quebec, which our sample is probably more representative of, we see that the proportion of home owners is 41.2%, which is still close to the percentage recorded for dissatisfied consumers (44.5%).

As expected, we detected considerable variation in the ratio of owners to rentors according to the respondent's age, marital status, the number of dependents and household income. The respondents' sex and level of education do not appear to influence the nature of occupancy.

We observed, for example, that most consumers under 35 years of age are renters and the majority of those over 35 are home owners. The interesting aspect of this phenomenon is the very clear passing from one state to another, at a certain age. There are, in fact, very few respondents who own homes among the under 25 age group (12.2%), and few among the respondents of 25 to 35 years of age (35.8%). Conversely, ownership is common among the respondents between 35 and 55 years (61%), and occurs in 72% of the cases for those over 55 years of age. Once again, this fact is not surprising in itself, but the constancy and importance of the phenomenon should be noted.

As far as marital status is concerned, unattached persons have a strong tendency to rent or board. 56% of them were boarding in a rooming house, 41.2% were renting and less than 3% were home owners. It is interesting, in this regard, that the majority of married respondents were home owners. Finally, home ownership occurs more often among large or very large families than among others. For example, over 75% of the families of 5 or more members own their home. The corresponding figures are 38% for childless couples and 45% for couples with 1 or 2 children.

Finally, we observed a strong correlation between household income and the nature of occupancy. The following table (30) shows that home ownership is in fact peculiar to families with an income in excess of $9,000 per year. Less than 20% of the other respondents are home owners. The likelihood of becoming a home owner appears to increase with income.

The correlation between the respondents' occupation and home ownership is not very strong. Only professionals and businessmen are clearly more often home owners than the other categories.

When renting, the respondents spend an average of $123 per month on rent. This figure includes heating. When they are home owners, they spend an average of $204 per month on their home. This figure includes mortgage payments, taxes, insurance, heating and maintenance.

The number of rooms in the respondents' residence varies a lot and depends largely on the number of dependents and the family's income. It should be noted, however, that two thirds (67.7%) of the homes have from 4 to 6 rooms. 20.6% have 7 or more rooms, and 10% have only 3 or fewer rooms.

The most revealing indication of the respondents' socio-economic status with regard to housing is the rate of crowding. The crowding rate is the ratio of rooms in the dwelling to persons occupying the dwelling, excluding the kitchen and bathroom. Three categories compatible with international
<table>
<thead>
<tr>
<th></th>
<th>LESS THAN $5,000</th>
<th>$5,000 TO $7,000</th>
<th>$7,000 TO $9,000</th>
<th>$9,000 TO $11,000</th>
<th>$11,000 TO $13,000</th>
<th>MORE THAN $13,000</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOME OWNERS</td>
<td>4 (16.7%)</td>
<td>6 (18.2%)</td>
<td>3 (15.8%)</td>
<td>20 (51.3%)</td>
<td>24 (53.3%)</td>
<td>48 (65.7%)</td>
<td>105 (45.1%)</td>
</tr>
<tr>
<td>RENTORS AND BOARDORS</td>
<td>20 (83.3%)</td>
<td>27 (81.8%)</td>
<td>16 (84.2%)</td>
<td>19 (48.7%)</td>
<td>21 (46.7%)</td>
<td>25 (34.3%)</td>
<td>128 (54.9%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>24 (10.3%)</td>
<td>33 (14.2%)</td>
<td>19 (8.1%)</td>
<td>39 (16.8%)</td>
<td>45 (19.3%)</td>
<td>73 (31.3%)</td>
<td>233 (100.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)
standards were used:

1. Undercrowding : more than 1 room per person
2. Normal crowding: 1 room per person
3. Overcrowding : less than 1 room per person

We did not want to be overly specific in defining these categories, for fear that the large number of "bordeline cases" would distort our data. For example, both cases of 4 rooms for 3 people or 8 rooms for 9 people were considered as normal crowding.

Our research showed that 15.8% of the dissatisfied consumers live under overcrowded conditions, 52.8% live under normal crowding conditions, and 31.4% live in undercrowded housing. These statistics show that the dissatisfied consumers are closely representative, in this regard, of the Quebec population. In 1971, for example, 12.3% of the population of Quebec lived in overcrowded housing (15.8% of the dissatisfied consumers).

The comparison of the rate of crowding with the various socio-economic variables allows us to confront some very interesting phenomena with regard to consumption and the consumers' behaviour patterns. We note that the degree of undercrowding increases with the respondent's age. The older the respondents are, the greater the likelihood that they live in undercrowded housing conditions. This phenomenon is growing in all age categories, and is easily explained. The 35 to 55 year age period is the one during which family responsibilities are the heaviest, but it is also the period when income facilitates the occupancy of larger accommodation than was previously possible. The over 55 year period is marked by the departure of the children, which has a strong tendency to reduce the rate of crowding.

The rate of crowding is a consumption phenomenon which is closely related to the consumer's economic and occupational status. There are large variations in the rate of crowding according to educational level and occupation. Tables 31 and 32 show that overcrowded housing conditions occur mostly among those in the lower education categories (9 years or less) and among unskilled and skilled workers. More than 20% of the respondents in these categories live in overcrowded conditions. On the other hand, under-crowded conditions occur mostly among the higher educated (16 or more years) and, with

---

<table>
<thead>
<tr>
<th>Degree of Crowding</th>
<th>Education</th>
<th>Less Than 7 Years</th>
<th>8 Years to 9 Years</th>
<th>10 Years to 11 Years</th>
<th>12 Years to 15 Years</th>
<th>16 Years and Over</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over crowded</td>
<td></td>
<td>10 (22.7%)</td>
<td>13 (25.5%)</td>
<td>7 (10.8%)</td>
<td>7 (11.3%)</td>
<td>2 (8.3%)</td>
<td>39 (15.9%)</td>
</tr>
<tr>
<td>Normal crowding</td>
<td></td>
<td>27 (61.4%)</td>
<td>21 (41.2%)</td>
<td>41 (63.1%)</td>
<td>34 (54.8%)</td>
<td>7 (29.2%)</td>
<td>130 (52.8%)</td>
</tr>
<tr>
<td>Under crowded</td>
<td></td>
<td>7 (15.9%)</td>
<td>17 (33.3%)</td>
<td>17 (26.1%)</td>
<td>21 (33.9%)</td>
<td>15 (62.5%)</td>
<td>77 (31.3%)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>44 (17.9%)</td>
<td>51 (20.7%)</td>
<td>65 (26.4%)</td>
<td>62 (25.2%)</td>
<td>24 (9.8%)</td>
<td>246 (100.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)
<table>
<thead>
<tr>
<th>STATUS</th>
<th>UNSKILLED WORKERS</th>
<th>SKILLED WORKERS</th>
<th>WHITE COLLAR WORKERS</th>
<th>SEMI-PROFESSIONAL</th>
<th>PROFESSIONAL BUSINESS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>OVER CROWDED</td>
<td>9 (25.0%)</td>
<td>19 (20.0%)</td>
<td>9 (9.9%)</td>
<td>3 (6.8%)</td>
<td>2 (6.7%)</td>
<td>42 (14.2%)</td>
</tr>
<tr>
<td>NORMAL CROWDING</td>
<td>18 (50.0%)</td>
<td>52 (54.7%)</td>
<td>56 (61.5%)</td>
<td>17 (38.6%)</td>
<td>12 (40.0%)</td>
<td>155 (52.4%)</td>
</tr>
<tr>
<td>UNDER CROWDED</td>
<td>9 (25.0%)</td>
<td>24 (25.3%)</td>
<td>26 (28.6%)</td>
<td>24 (54.6%)</td>
<td>16 (53.3%)</td>
<td>99 (34.4%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>36 (12.2%)</td>
<td>95 (32.1%)</td>
<td>91 (30.7%)</td>
<td>44 (14.9%)</td>
<td>30 (10.1%)</td>
<td>296 (100.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)
regard to occupation, among the semi-professionals, professionals and businessmen. Over 50% of the respondents in these categories live in under-crowded housing.

We observe in general therefore a strong correlation between the rate of crowding and the respondent's occupation (as well as his level of education). This finding, which will be verified by the forthcoming survey of Quebec consumers as a whole, is at least partially confirmed by the unemployment situation during the three years preceding the survey and the respondent's spouse's job situation. We observed that under-crowding occurs much less frequently among those who experienced a prolonged period of unemployment in the three years preceding the survey. The same holds true for couples with only one working spouse.

The consideration of the respondents' income in the study of crowding, leads to the conclusion that there is a strong relationship between the two factors. We must make a distinction here between household incomes of less than $13,000. and those in excess of this amount. The majority of cases of under-crowding occur among those in the latter category (50.6%).

B- Automobile Ownership

Automobile ownership has always been a very important consumption phenomenon. Considered as the consumer object "par excellence", the automobile constitutes, according to the consumer organizations (Part I), a constant source of problems. We come to the same conclusion when we analyse the consumers' complaints (Chapter II). The study of this phenomenon attracts considerable interest.

We looked first of all at the ownership of automobiles in general. In this regard, as in many others, the dissatisfied consumers did not differ greatly from the population of Quebec. When asked the question, "Do you or does your spouse own an automobile?", slightly less than 1 respondent out of 5 (19.4%) answered "no" as compared to 27.8% for Quebec families as a whole. 71.6% of the dissatisfied consumers claim they own an automobile (62% for the province), and 9% claim to own two or more (10.2% for Quebec).

It is interesting as well to note that women especially single women) do not own an automobile as often as men, that automobile ownership is a constant occurrence among those between the ages of 20 to 55, is more characteristic of the higher educational and occupational levels, but also
remains a common phenomenon in all categories. It is not surprising in this regard to see that automobile ownership is closely linked to the respondents' income. Families whose income is less than $7,000 own a vehicle much less often than others (52.6%). No one in this category owns a second vehicle. A majority of the families in the $7,000 to $13,000 income range own a vehicle (81.6%), whereas those in the over $13,000 range are characterized by the fact that 20% of them own two or more vehicles. Even if not surprising, this phenomenon is worth noting.

One fact however may surprise many. The dissatisfied consumers, and we have every reason to believe they are in this regard, as in many others, representative of the population of Quebec, very rarely own a new automobile or one of the previous model year. Only 18.6% of the vehicles are in this category (1975 or 1974). Those who owned a vehicle made in 1972 or 1973 were more numerous (33.2%) at the time of our survey, as were

### TABLE 33

**OWNERSHIP OF AUTOMOBILE BY RESPONDENT OR SPOUSE AS COMPARED TO POPULATION OF QUEBEC**

<table>
<thead>
<tr>
<th></th>
<th>RESPONDENT POPULATION</th>
<th>POPULATION OF QUEBEC*</th>
</tr>
</thead>
<tbody>
<tr>
<td>OWNS NO AUTOMOBILE</td>
<td>19.4%</td>
<td>27.8%</td>
</tr>
<tr>
<td>OWNS ONE AUTOMOBILE</td>
<td>71.6%</td>
<td>62.0%</td>
</tr>
<tr>
<td>OWNS TWO OR MORE AUTO</td>
<td>9.0%</td>
<td>10.2%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

*(PERCENTAGES ARE CALCULATED VERTICALLY)*

TABLE 34

OWNERSHIP OF AUTOMOBILE BY RESPONDENT OR SPOUSE AND RESPONDENT HOUSEHOLD INCOME

<table>
<thead>
<tr>
<th></th>
<th>INCOME LESS THAN $7,000</th>
<th>$7,000 TO $13,000</th>
<th>MORE THAN $13,000</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO AUTOMOBILE</td>
<td>27 (47.4%)</td>
<td>13 (12.6%)</td>
<td>2 (2.7%)</td>
<td>42 (18.0%)</td>
</tr>
<tr>
<td>ONE AUTOMOBILE</td>
<td>30 (52.6%)</td>
<td>84 (81.6%)</td>
<td>56 (76.7%)</td>
<td>170 (73.0%)</td>
</tr>
<tr>
<td>TWO OR MORE AUTOMOBILES</td>
<td>0 (0.0%)</td>
<td>6 (5.8%)</td>
<td>15 (20.6%)</td>
<td>21 (9.0%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>57 (24.5%)</td>
<td>103 (44.2%)</td>
<td>73 (31.3%)</td>
<td>233 (100.0%)</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)

those who owned one made between 1969 and 1971 (29.6%). Finally, 18.6% of the vehicles involved were over 7 years old, or pre-1968 models. The type of vehicle which seems to be the most popular is the "medium-sized" American car (like the Chevrolet), as the majority (60%) of the respondents with cars owned this type. In only 22% of the cases was the large American model (like the Buick) owned.

Ownership of the small, economy cars, whether American, European or Japanese, was found in only 15% of the cases. Younger people (under 35) and people with a higher level of education (more than 12 years) have a greater tendency to use smaller American or European engined cars.
C- Credit Cards

Ownership of credit cards is a very widespread consumption habit among the dissatisfied consumers.

At the time of our survey, 53.8% of the respondents held one or more credit cards. This is more or less a general phenomenon. There is no significant difference between men and women in this regard, or as regards the type of card owned. The same holds true with regard to the respondents' age with the exception of those under 20, fewer of which own credit cards. We note, however, that married people and large families acquire this credit instrument the most often.

When considering characteristics with direct economic implications, we note that only a minority of respondents with 9 or fewer years of education, or who fell in the unskilled worker category, hold credit cards. A majority of all other categories of respondents do on the other hand.

Table 35 shows that holding credit cards is a consumption habit which varies considerably from one category to the next. It varies by a factor of three in relation to occupational status and by a factor of two in relation to the level of education. The phenomenon is characterized in both cases, by a constant increase as we move up the scale of categories except for a slight decline on the part of white collar workers as compared to skilled workers. The same relationship is observed with regard to the respondents' income. The higher the household income, the more frequent is credit card ownership. We even see a complete reversal in ownership rates when we examine the highest income category in relation to the lowest. While only 29% of the dissatisfied consumers in the under $5,000. income category possess one or more credit cards, consumers in the $13,000. or more income range (27.4%) possess no cards. The progression is constant over the entire scale of income ranges with credit card ownership becoming a majority phenomenon at the over $9,000. income range (See Table 36).

What type of credit cards are most often used by the dissatisfied consumers? The answers showed considerable variation in the rate of ownership of the various types of cards. The credit cards most often held are those issued by the chain stores (Simpsons', Canadian Tire, etc.) 68.4% of the respondents who possess at least one card had one of this type. Cards issued by gasoline companies (Esso, Texaco, Shell, etc.) are owned in 48.1% of the cases. All-purpose cards such as Chargex, Master Charge and American Express have met with variable success. For example a Chargex card was held in 34.6% of the cases while 24.0% possessed Master Charge. American Express seems to be reserved for the more "well off" clientele and is held in only 3.7% of the cases.
TABLE 35

CREDIT CARD OWNERSHIP AND OCCUPATION
AND LEVEL OF EDUCATION

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Credit Card Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unskilled workers</td>
<td>27.8%</td>
</tr>
<tr>
<td>Skilled workers</td>
<td>58.9%</td>
</tr>
<tr>
<td>White collar workers</td>
<td>54.4%</td>
</tr>
<tr>
<td>Semi-professionals</td>
<td>77.8%</td>
</tr>
<tr>
<td>Professionals business</td>
<td>83.3%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Level of Education</th>
<th>Credit Card Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 7 yrs</td>
<td>34.1%</td>
</tr>
<tr>
<td>8 to 9 yrs</td>
<td>43.1%</td>
</tr>
<tr>
<td>10 to 11 yrs</td>
<td>60.0%</td>
</tr>
<tr>
<td>12 to 15 yrs</td>
<td>62.9%</td>
</tr>
<tr>
<td>16 yrs and over</td>
<td>72.0%</td>
</tr>
</tbody>
</table>
TABLE 36

CREDIT CARD OWNERSHIP AND RESPONDENT HOUSEHOLD INCOME

<table>
<thead>
<tr>
<th>INCOME</th>
<th>UNDER $5,000</th>
<th>$5,000 TO $7,000</th>
<th>$7,000 TO $9,000</th>
<th>$9,000 TO $11,000</th>
<th>$11,000 TO $13,000</th>
<th>OVER $13,000</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>OWNS CREDIT CARDS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ONE OR MORE CARDS</td>
<td>7</td>
<td>12</td>
<td>8</td>
<td>22</td>
<td>26</td>
<td>53</td>
<td>128</td>
</tr>
<tr>
<td></td>
<td>(29.2%)</td>
<td>(36.4%)</td>
<td>(42.1%)</td>
<td>(56.4%)</td>
<td>(57.8%)</td>
<td>(72.6%)</td>
<td>(54.9%)</td>
</tr>
<tr>
<td>NO CARD</td>
<td>17</td>
<td>21</td>
<td>11</td>
<td>17</td>
<td>19</td>
<td>20</td>
<td>105</td>
</tr>
<tr>
<td></td>
<td>(70.8%)</td>
<td>(63.6%)</td>
<td>(57.9%)</td>
<td>(43.6%)</td>
<td>(42.2%)</td>
<td>(27.4%)</td>
<td>(45.1%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>24</td>
<td>33</td>
<td>19</td>
<td>39</td>
<td>45</td>
<td>73</td>
<td>233</td>
</tr>
<tr>
<td></td>
<td>(10.3%)</td>
<td>(14.2%)</td>
<td>(8.2%)</td>
<td>(16.7%)</td>
<td>(19.3%)</td>
<td>(31.3%)</td>
<td>(100.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)
Generally but for some exceptions, it seems that the different socio-economic characteristics (age, sex, education, etc.) have little influence on the respondents' preference for one or another kind of credit card.

Do dissatisfied consumers own several credit cards? It was not always possible to enumerate all available types to the respondents. We proceeded by grouping or indicating the most important. The questions covered the following cards or groups of cards:

a) Gasoline companies
b) Department stores
c) All purpose cards:
   - Chargex
   - Master Charge
   - American Express
d) Cards for meals:
   - Diner's Club
   - Carte Blanche

This approach allowed us to establish the facts with few questions and to construct an 8-point scale, including the case where credit cards are not owned. The analysis of the number of credit cards owned by the dissatisfied consumers is presented in Table 37.

As pointed out earlier, a minority of the respondents stated that they do not own a credit card (46.4%). Among those who own one or more credit cards, the most frequent occurrences are the ownership of only one card (25.8% of all cases), and of two cards (17.3%). Cases where the respondent and spouse own three or more cards are rare, occurring in only 10.5% of the cases.

Generally, we observed no significant relationship between the number of credit cards held and the characteristics of indirect economic significance (sex, age marital status, etc.). Conversely, most of the directly economic characteristics seem to be closely related to the number of credit cards owned. The higher the level of income and education, the
greater the tendency of the dissatisfied consumer to own several credit cards. The same holds true for the respondent's occupational status. With regard to the characteristics more directly linked with the level of consumption, we note finally that ownership of an automobile seems to prompt the use and even abuse of credit cards.
TABLE 37

NUMBER OF CREDIT CARDS HELD BY RESPONDENTS

<table>
<thead>
<tr>
<th>NUMBER OF CARDS</th>
<th>NUMBER</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO CARD</td>
<td>115</td>
<td>46.4%</td>
</tr>
<tr>
<td>ONE CARD</td>
<td>64</td>
<td>25.8%</td>
</tr>
<tr>
<td>TWO CARDS</td>
<td>43</td>
<td>17.3%</td>
</tr>
<tr>
<td>THREE CARDS</td>
<td>17</td>
<td>6.9%</td>
</tr>
<tr>
<td>FOUR CARDS</td>
<td>5</td>
<td>2.0%</td>
</tr>
<tr>
<td>FIVE CARDS</td>
<td>2</td>
<td>0.8%</td>
</tr>
<tr>
<td>SIX CARDS</td>
<td>1</td>
<td>0.4%</td>
</tr>
<tr>
<td>SEVEN CARDS</td>
<td>1</td>
<td>0.4%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>248</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)
SUMMARY OF OBSERVATIONS

25- IN TERMS OF THEIR SOCIO-ECONOMIC CHARACTERISTICS, THE DISSATISFIED CONSUMERS SURVEYED CLOSELY RESEMBLE THE QUEBEC POPULATION. IT APPEARS THEREFORE THAT ALTHOUGH WE DID NOT DELIBERATELY SET OUT TO OBTAIN A REPRESENTATIVE SAMPLE OF QUEBEC CONSUMERS' WE DID IN FACT ACHIEVE A FAIRLY GOOD REPRESENTATION.

26- DIFFERENCES WERE OBSERVED BETWEEN THE DISSATISFIED CONSUMERS AND THE POPULATION OF QUEBEC AS A WHOLE WITH RESPECT TO AGE, MARITAL STATUS AND LEVEL OF EDUCATION.

AGE: OUR SAMPLE GROUP IS OVER REPRESENTATIVE OF THE 25 TO 44 YEAR RANGE.

MARITAL STATUS: OUR RESPONDENTS INCLUDED A HIGHER PROPORTION OF MARRIED PEOPLE THAN THE QUEBEC POPULATION AS A WHOLE.

EDUCATION: OUR RESPONDENTS' LEVEL OF EDUCATION IS CONSIDERABLY HIGHER THAN THAT OF THE ADULT POPULATION OF QUEBEC AS A WHOLE.

27- IN TERMS OF SEX, THE NUMBER OF PERSONS PER FAMILY, OCCUPATIONAL STATUS AND HOUSEHOLD INCOME, OUR SAMPLE IS SIGNIFICANTLY REPRESENTATIVE OF THE POPULATION OF QUEBEC.

28- AS FOR THE LEVEL OF INDEBTEDNESS, ONE OUT OF EVERY FIVE RESPONDENTS ADMITTED TO BEING IN DEBT FOR AN AVERAGE AMOUNT OF $3,500. AT THE TIME OF THE SURVEY. THERE ARE NO STATISTICS TO COMPARE THIS LEVEL OF INDEBTEDNESS TO THAT OF THE INDEBTEDNESS OF THE QUEBEC POPULATION AS A WHOLE.

29- OUR SAMPLE IS ALSO REPRESENTATIVE OF THE POPULATION AS A WHOLE IN TERMS OF LEVEL OF CONSUMPTION THAT IS, IN RELATION TO HOUSING CONDITIONS AND THE OWNERSHIP OF ONE OR MORE AUTOMOBILES.

30- AS REGARDS HOUSING CONDITIONS, OCCUPANCY STATUS (HOME OWNER OR RENTOR) RENTAL COSTS, NUMBER OF ROOMS OCCUPIED AND THE DEGREE OF CROWDING OF THE DWELLING OUR SAMPLE GROUP WAS FAIRLY REPRESENTATIVE OF THE POPULATION AS A WHOLE.
31- Most of our respondents were automobile owners: in fact, the proportion of automobile owners in our sample is noticeably higher than that of the population as a whole.

32- Possession of a credit card is a very widespread habit among dissatisfied consumers. The percentage of credit card holders increased steadily in proportion to occupation, level of education and family income.
CHAPTER II - THE NATURE OF CONSUMER PROBLEMS ENCOUNTERED

SECTION 1 - TYPES OF CONSUMER PROBLEMS ENCOUNTERED

The problems encountered by the dissatisfied consumers cover the entire range of consumer goods and services. We could provide a rundown but this would resemble only a "flea market". The consumer's daily experience brings him into contact with everything. All consumer goods and services including the least common, are subjected to his critical examination.

We have grouped the goods and services into 13 different categories. All of the complaints filed with the three organizations studied were included in the preparation of the list which was compiled according to the order of importance of relevant complaints.

<table>
<thead>
<tr>
<th>TABLE 38</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LIST OF CONSUMER GOODS AND SERVICES WHICH ARE THE OBJECT OF COMPLAINTS (BY ORDER OF IMPORTANCE)</strong></td>
</tr>
<tr>
<td>% OF COMPLAINTS</td>
</tr>
<tr>
<td>1- Domestic appliances:</td>
</tr>
<tr>
<td>2- Home purchase and maintenance:</td>
</tr>
<tr>
<td>3- Automobile and accessories:</td>
</tr>
<tr>
<td>4- Loans and credit:</td>
</tr>
<tr>
<td>5- Foodstuffs:</td>
</tr>
<tr>
<td>6- Furniture and decor:</td>
</tr>
<tr>
<td>7- Clothing:</td>
</tr>
<tr>
<td>8- Specialized services (repairs, courses, etc.):</td>
</tr>
<tr>
<td>9- Magazines and subscriptions:</td>
</tr>
<tr>
<td>10- Insurance:</td>
</tr>
<tr>
<td>11- Professional services:</td>
</tr>
<tr>
<td>12- Not classifiable:</td>
</tr>
<tr>
<td>13- Not specified:</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
</tr>
</tbody>
</table>
The goods and services that figure most often in consumer complaints are domestic appliances (22.9%), home purchase and maintenance (12.7%), automobile and accessories (10.2%) and loans and credit (9.7%). These four categories include the majority of consumer problems referred to the three organizations studied. They are followed by foodstuffs, furniture and decor, clothing and specialized services (repairs, courses, etc.). It is interesting to note that certain areas of consumer affairs that fall within the purview of specialized organizations are seldom encountered by non-specialized organizations, that is, the CFBA, FDC, and the CPB. Insurance problems, which fall under the jurisdiction of the Bureau d'assurances du Québec constitute only 1.5% of the problems referred to these three organizations. The same holds true for professional services (1%) that fall under the jurisdiction of the concerned professional corporations or the Office des Professions du Québec. We note finally that housing problems are not included in our sample. This is because they fall for the most part under the jurisdiction of the Régie des loyers du Québec. We could hypothesize that the consumers affected by problems in these areas usually address themselves directly to the relevant specialized organization.

It was not possible to obtain a representative sample of each of Quebec regions but it should be noted that the problems related to home purchase and maintenance as well as those related to loans and credit are particularly frequent in the Montreal region. The Quebec city region stands out because of the frequency of problems related to foodstuffs.

There is a very clear distinction between the types of goods and services figuring in complaints made by each of the two sexes. The great majority (80%) of the complaints with regard to automobiles, home purchase and maintenance and credit are filed by men while the great majority of problems relating to domestic appliances, foodstuffs, clothing and magazines (subscriptions) are filed by women. The nature of the complaints filed by men involve more substantial financial losses than those filed by women. The losses incurred by male respondents are up to double those involved in complaints filed by women (an average of $675 for men and $368 for women). The distribution of complaints seems therefore to reflect the traditional role assigned to the sexes in the Quebec family.

The distribution of types of complaint according to the respondent's age, marital status, education, occupation and income is not significant. Neither did we notice any significant difference between the various types of goods and services in terms of the way in which the consulted organizations pursued a solution to the complainant's problem or in relation to whether or not any action was taken, and whether or not the problem had been resolved to the complainant's satisfaction.
The legal problems encountered with regard to these goods and services are also very numerous and diverse. We classified the types of legal problems that arise with regard to 15 different categories of goods and services. These categories are listed by order of importance in the following table.

**TABLE 39**

**LIST OF LEGAL PROBLEMS ENCOUNTERED WITH REGARD TO CONSUMER PROBLEMS**

*(BY ORDER OF IMPORTANCE)*

<table>
<thead>
<tr>
<th>Rank</th>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Deterioration of recently purchased goods and unwillingness to respect guarantees:</td>
<td>22.4%</td>
</tr>
<tr>
<td>2</td>
<td>Credit and interest rates:</td>
<td>12.7%</td>
</tr>
<tr>
<td>3</td>
<td>Excessive prices:</td>
<td>11.7%</td>
</tr>
<tr>
<td>4</td>
<td>Late or non-delivery of goods:</td>
<td>11.2%</td>
</tr>
<tr>
<td>5</td>
<td>Article delivered is not of the same quality as the one purchased:</td>
<td>9.3%</td>
</tr>
<tr>
<td>6</td>
<td>Misleading advertising</td>
<td>6.3%</td>
</tr>
<tr>
<td>7</td>
<td>Poor quality of specialized services</td>
<td>4.4%</td>
</tr>
<tr>
<td>8</td>
<td>Contract revoked:</td>
<td>4.4%</td>
</tr>
<tr>
<td>9</td>
<td>Dangerous products:</td>
<td>3.4%</td>
</tr>
<tr>
<td>10</td>
<td>Business fraud:</td>
<td>2.9%</td>
</tr>
<tr>
<td>11</td>
<td>Poor quality professional services:</td>
<td>1.0%</td>
</tr>
<tr>
<td>12</td>
<td>Weights and measures:</td>
<td>1.0%</td>
</tr>
<tr>
<td>13</td>
<td>Labelling:</td>
<td>1.0%</td>
</tr>
<tr>
<td>14</td>
<td>Not specified:</td>
<td>1.9%</td>
</tr>
<tr>
<td>15</td>
<td>Not classifiable:</td>
<td>6.3%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>
The most frequent consumer complaint resulted from: the deterioration of recently purchased goods because of their poor quality and/or the vendor's unwillingness to respect guarantees on these goods (22.4%); credit and interest rate problems (the calculation of interest in particular) (12.7%); late or non-delivery of goods (11.2%); and excessive prices (11.7%). These four categories cover a good majority of the complaints filed. Finally, 9.3% of the respondents complained that articles delivered were not of the same quality as the ones purchased.

The breakdown of legal problems encountered according to the type of goods and services involved is quite revealing. It tells us something of the trouble spots in the market place and confirms certain hypotheses. The legal problems encountered broken down by the type of goods and services involved (listed in order of importance) are as follows:

1- Domestic Appliances (22.9% of complaints)
   a) Deterioration of recently purchased goods and services and/or unwillingness to respect guarantees (30.6%)
   b) Late or non-delivery of goods (26.5%)
   c) Dangerous products (12.2%)

2- Home purchase and maintenance (12.7% of complaints)
   a) Goods delivered do not correspond to those contracted for (new houses) (26.9%)
   b) Deterioration of recently purchased house (hidden faults) and/or failure to respect guarantees (19.2%)
   c) Excessive prices (15.4%)

3- Automobile and accessories (10.2% of complaints)
   a) Deterioration of recently purchased automobile and/or unwillingness to respect guarantees (57.1%)
   b) Exhorbitant prices (14.3%)
4- Loans and Credit (9.7% of complaints)
   a) Calculation of interest rates and disclosure of cost of credit (85.0%)

5- Foodstuffs (8.7% of complaints)
   a) Excessive prices (22.2%)
   b) Deterioration of recently purchased foodstuffs (22.2%)

6- Furniture and decor (7.3% of complaints)
   a) Deterioration of recently purchased furniture and/or unwillingness to respect guarantees (26.7%)
   b) Article delivered does not correspond to purchased item (20.0%)

7- Clothing (5.4% of complaints)
   a) Deterioration of recently purchased item and/or unwillingness to respect guarantees (45.5%)

8- Specialized services (3.9% of complaints)
   a) Misleading advertising (37.5%)
   b) Poor quality services (25.0%)

The other types of goods and services were not encountered frequently enough to yield significant statistics. We note that in general the problem most frequently encountered with regard to the goods that are most often the source of complaint is that of their poor quality and resultant deterioration soon after the purchase. Problems related to product warranties are the first to be dealt with. They are more serious than the problems related to product quality since they are resolved to the consumer's satisfaction less frequently. In fact, if we compare the type of legal problems encountered with the degree of consumer satisfaction with the solution arrived at, we see that the problems that are least likely to result in favorable solutions are the deterioration of recently purchased goods and the unwillingness to respect guarantees as well as the problems of credit and interest.

Once again, there seems to be no significant variation in the type of legal problems encountered according to the respondents' various socio-economic characteristics.
SECTION 2 - THE AMOUNT OF FINANCIAL LOSS TO THE CONSUMER AND HIS PREVIOUS EXPERIENCES

The amount of financial loss involved in a consumer problem is a very important factor. The consumer will have a strong tendency to drop a matter if it includes little or no loss of money. The cost of court proceedings or of retaining a lawyer will appear that much more prohibitive if the amount of the loss is small and the risk of losing the case is high. It is often said that the citizen's fondness for litigation increases in proportion to his losses. This is why the defrauders of the consuming public's rights understand that they risk less by cheating 1000 consumers of $50 than by cheating 50 of $1000.00.

It did not seem possible until now to quantify consumer losses in Quebec. This is what we attempt to do here. To the question "did you suffer a financial loss?" 39% of the respondents answered "no" and 61% acknowledged that the problem in question did involve a financial loss. Of the latter, 24% declared losses of less than $50, 14% declared losses ranging from $50 to $100, 36.8% from $100 to $500, 16% from $500 to $2000. And finally, only 6.5% declared losses of more than $2,000.

We note that 74% of the consumer complaints could have fallen within the jurisdiction of the Small Claims Court, taking into account the fact that it was limited to handling cases involving less than $300 at the time of our survey. The average amount involved for complaints involving financial loss is $518. If we include all complaints the average amount drops to $313 (Table 40).

The types of goods that result in the highest losses are home purchase and maintenance (an average of $1591), automobile (an average of $554), household appliances (an average of $319) and problems related to loans and credit (an average of $225).

The occurrence and amount of financial loss are closely related to the final outcome of consumer problems. We note for example that the consumers who suffer financial losses are more likely to complain about their problem than to simply request information. Problems involving financial loss are significantly less often resolved to the complainant's satisfaction. Table 41 illustrates the point. The degree of satisfaction is much higher (71.6%) in those cases where the problem did not involve a financial loss than in those where it did (42.1%).
### TABLE 40

**OCCURRENCE OF FINANCIAL LOSS TO RESPONDENT AND AMOUNT**

<table>
<thead>
<tr>
<th>Category</th>
<th>TOTAL %</th>
<th>FROM 2 TO 7%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- NO LOSS</td>
<td>39.2%</td>
<td></td>
</tr>
<tr>
<td>2- UNDER $50</td>
<td>15.8%</td>
<td>24.0%</td>
</tr>
<tr>
<td>3- $50 TO $100</td>
<td>8.6%</td>
<td>14.0%</td>
</tr>
<tr>
<td>4- $100 TO $500</td>
<td>22.0%</td>
<td>36.8%</td>
</tr>
<tr>
<td>5- $500 TO $2,000</td>
<td>9.6%</td>
<td>16.0%</td>
</tr>
<tr>
<td>6- OVER $2,000</td>
<td>3.8%</td>
<td>6.5%</td>
</tr>
<tr>
<td>7- DOES NOT KNOW</td>
<td>1.0%</td>
<td>2.7%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

We note also that the greater the loss suffered the less satisfied the complainant is with the solution arrived at. While 53% of the problems involving a loss of less than $50 were settled to the consumer's satisfaction, only 40.6% of problems involving losses of between $50 and $500 and 35.7% of those involving losses in excess of $500 were resolved to the complainant's satisfaction. It should also be noted that the time taken to resolve a problem increases with the amount of the loss involved.

The findings with regard to the financial impact of consumer problems lead to two specific observations. It seems, first of all, that our commercial system voluntarily accedes to the demands of the consumer in those cases where the amount at stake is small or negligible. It seems
TABLE 41
LEVEL OF RESPONDENT'S SATISFACTION WITH THE WAY A CASE IS SETTLED
ACCORDING TO THE OCCURRENCE OF A FINANCIAL LOSS

<table>
<thead>
<tr>
<th>SATISFACTION</th>
<th>YES</th>
<th>NO</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>SATISFIED</td>
<td>53 (42.1%)</td>
<td>58 (71.6%)</td>
<td>111 (53.6%)</td>
</tr>
<tr>
<td>NOT SATISFIED</td>
<td>54 (42.8%)</td>
<td>16 (19.7%)</td>
<td>70 (33.8%)</td>
</tr>
<tr>
<td>CASES OUTSTANDING</td>
<td>19 (15.1%)</td>
<td>7 (8.7%)</td>
<td>26 (12.6%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>126 (61.6%)</td>
<td>81 (39.1%)</td>
<td>207 (100.0%)</td>
</tr>
</tbody>
</table>

moreover that customer services get much tougher when real financial losses are involved. This is where the merchants and consumers have the most to lose. The "customer satisfaction" which is the basis of the firm's good public relations in the first case becomes too costly to the merchant in the latter even if he is the cause of the customer's dissatisfaction. Consequently, we should perhaps be suspicious of satisfaction expressed by complainants whose problems involve little financial loss. We think that the effectiveness of a system of protection is measured by the amount of the stakes involved.

Secondly, the fact that the losses associated with consumer problems are small, in our view, militates in favor of the adoption of class action as soon as possible in Quebec. This is the only mechanism capable of assuring a legal solution for the thousands of consumers who do not have the knowledge, energy or means to sue for the recovery of losses that
are small at the individual level but very important at the level of society as a whole.

We reviewed as well the consumer's experience leading up to the problem which was the subject of his complaint. The complainant's relative lack of experience was made apparent by the fact that for 87% of them the problem that culminated in their filing a complaint was being encountered for the first time. For 10% it was the second encounter and for 3% the third. We can therefore conclude that the great majority had no previous experience with the type of problem encountered. This conclusion holds true for all types of goods that were the object of complaints and all categories of legal problem resulting from them.
SECTION 3 - SPECIALIZATION BY ORGANIZATIONS

We wanted to determine if the complaint service operated by each of the three organizations studied specialized in one or the other area of consumer affairs or if they dealt with all types of consumer problems. It must be kept in mind that in the case of the two government organizations in particular, the laws administered are sometimes very specific and restrictive and, taken together, relate to only part of the field of consumer affairs. Thus, the Consumer Protection Bureau (CPB) administers a law that deals mainly with credit, door-to-door sales, children's advertising and automobile vendor permits. The Federal Department of Consumer and Corporate Affairs (FDC) in turn administers a series of laws touching on misleading advertising, dangerous products, business fraud, food inspection etc. The CFEA for its part was always specialized in budget counselling and problems of indebtedness which has not prevented it from dealing with problems in other areas of consumer affairs such as housing.

Even if their objectives seem to limit them to certain specific areas of activity, the three consumer organizations studied have a strong tendency to deal with complaints and provide information on matters touching all areas of consumer affairs. They are all involved, though to varying extents, in the near totality of legal problems arising out of the problems encountered by the consumer with regard to all goods and services.

The CFEA seems to be the most highly specialized in terms of the type of goods and services involved. Its activities seem to focus on problems of credit and financing, home purchase and maintenance and domestic appliances.

The FDC seems to specialize more than the other organizations, in terms of both the category of legal problems and the type of goods and services, in those areas that fall within its immediate jurisdiction such as misleading advertising, dangerous products, business fraud, clothing and foodstuffs.

The CPB seems to be involved in the greatest variety of problems categories and types as illustrated below.

1- Consumer Protection Bureau

   Dominant Activities

   a) Types of goods and services
i) Domestic appliances (23.9% of complaints)  
ii) Automobile and accessories (13.1% of complaints)  
iii) Magazines and subscriptions (6.5% of complaints)  
iv) Furnishings and decor (8.7% of complaints)

b) Types of legal problems
i) Deterioration and non-respect of guarantee (33.8% of complaints)  
ii) Excessive prices (15.2% of complaints)  
iii) Credit and interest (14.1% of complaints)

2- Federal Department of Consumer and Corporate Affairs
Dominant Activities
a) Types of goods and services
i) Foodstuffs (26.4% of complaints)  
ii) Clothing (13% of complaints)  
iii) Domestic appliances (18.5% of complaints)  
b) Types of legal problems
i) Deterioration and non-respect of guarantee (32.1% of complaints)  
ii) Dangerous products (11.3% of complaints)  
iii) Misleading advertising (11.3% of complaints)  
v) Business fraud (5.7% of complaints)

3- Cooperative Family Economics Association
Dominant Activities
a) Types of goods and services
i) Domestic appliances (28.3% of complaints)
ii) Home purchase and maintenance (25% of complaints)

iii) Credit (15% of complaints)

b) Types of legal problems

i) Late or non-delivery of goods (21.7% of complaints)

ii) Interest and credit (18.3% of complaints)

iii) Article delivered does not correspond with purchase (13.3% of complaints)

The tally of each organization's dominant activities includes only 50 to 60% of their total range of activities. The balance of their activities covers the full range of consumer affairs. There is no doubt that this duplication of effort, between the two government organizations in particular, seriously impedes the effectiveness of the services to consumers. Each organization cannot specialize in all areas of consumer affairs. It risks a loss of effectiveness in certain areas outside its competence even at the level of dealing with complaints, if it tries to deal with all problems referred to it. It is obvious that the government organizations consulted have little tendency to refer complainants to other federal or provincial agencies even if the latter are more specialized. Considerable incoherence and very low effectiveness in some areas are likely to result from the existing system. This situation, and the resulting lack of coordination, are all the more regrettable given the fact that the two government organizations in question rely upon complaints to orient their inspections and investigations in the marketplace. We wonder how it is possible to do so when each competing organization preserves for itself precious information on the nature of complaints filed on matters falling within the other organization's jurisdiction. There is no doubt that the consumer protection objective suffers from this type of "exclusive rights" thinking.

We do not believe that the protection of each level of government's respective jurisdiction requires that consumer complaints continue to be the object of compartmentalized services.

We note finally that because of the nature of the problems constituting each organization's dominant activity, financial losses incurred vary in importance from one organization to the next. The CPB is more often involved in the resolution of problems with financial implications. Financial loss is involved in 70% of the cases they deal with, as compared to 57.8% for the CFEA and 49.1% for the FDC. These figures are shown in Table 42 which also shows that there is a large differential in the average amount of financial loss involved in cases dealt with by each organization. The CFEA deals with the most important problems measured in terms of financial loss.
**TABLE 42**

**OCCURRENCE AND AMOUNT OF FINANCIAL LOSS TO RESPONDENT ACCORDING TO CONSUMER ORGANIZATION CONSULTED**

<table>
<thead>
<tr>
<th></th>
<th>CPB</th>
<th>FDC</th>
<th>CFEA</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NO LOSS</strong></td>
<td>28</td>
<td>27</td>
<td>27</td>
<td>82</td>
</tr>
<tr>
<td>(30.4%)</td>
<td>(50.9%)</td>
<td>(43.5%)</td>
<td>(39.3%)</td>
<td></td>
</tr>
<tr>
<td><strong>LOSS OF LESS THAN $50</strong></td>
<td>16</td>
<td>17</td>
<td>0</td>
<td>33</td>
</tr>
<tr>
<td>(17.4%)</td>
<td>(32.1%)</td>
<td>(0.0%)</td>
<td>(15.9%)</td>
<td></td>
</tr>
<tr>
<td><strong>$50 TO $500 LOSS</strong></td>
<td>35</td>
<td>8</td>
<td>21</td>
<td>64</td>
</tr>
<tr>
<td>(38.1%)</td>
<td>(15.1%)</td>
<td>(33.9%)</td>
<td>(30.9%)</td>
<td></td>
</tr>
<tr>
<td><strong>MORE THAN $500 LOSS</strong></td>
<td>13</td>
<td>1</td>
<td>14</td>
<td>28</td>
</tr>
<tr>
<td>(14.1%)</td>
<td>(1.9%)</td>
<td>(22.6%)</td>
<td>(13.6%)</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>92</td>
<td>53</td>
<td>62</td>
<td>207</td>
</tr>
<tr>
<td>(44.4%)</td>
<td>(25.6%)</td>
<td>(30.0%)</td>
<td>(100.0%)</td>
<td></td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)

**AVERAGE OF LOSSES PER ORGANIZATION CONSULTED**

- Consumer Protection Bureau ($407)
- Department of Consumer and Corporate Affairs ($136)
- Cooperative Family Economics Association ($1,004)
SUMMARY OF OBSERVATIONS

33- THE CONSUMER PROBLEMS ENCOUNTERED BY DISSATISFIED CONSUMERS CONCERNED THE FULL RANGE OF CONSUMER GOODS AND SERVICES.

34- THE MOST FREQUENTLY HEARD COMPLAINTS CONCERNED DOMESTIC APPLIANCES, THE DWELLING, AUTOMOBILES AND ACCESSORIES, AND LOANS AND CREDIT.

35- THERE IS A PARTICULARLY HIGH CONCENTRATION OF PROBLEMS RELATED TO DWELLINGS AND TO LOANS AND CREDIT IN THE MONTREAL AREA, AND PROBLEMS RELATED TO FOODSTUFFS IN THE QUEBEC AREA.

36- MEN AND WOMEN DO NOT COMPLAIN ABOUT THE SAME TYPES OF GOODS AND SERVICES: MEN TEND TO COMPLAIN ABOUT PROBLEMS INVOLVING GREATER FINANCIAL LOSSES.

37- THE LEGAL PROBLEMS RELATED TO COMPLAINTS WERE MAINLY THE DETERIORATION OF RECENTLY PURCHASED GOODS AND THE UNWILLINGNESS TO RESPECT GUARANTEES, CREDIT OR INTEREST RATES, EXCESSIVE PRICES, LATE OR NON-DELIVERY OF GOODS AND THE DELIVERY OF GOODS OF A DIFFERENT QUALITY FROM THE ONES PURCHASED.

38- THE FINANCIAL LOSSES INVOLVED ARE AN IMPORTANT MOTIVATOR OF COMPLAINTS. THE MAJORITY OF COMPLAINANTS HAD OR SUFFERED SOME FINANCIAL LOSS.

39- THE GREATER THE FINANCIAL LOSS INCURRED THE LOWER THE LEVEL OF CONSUMER SATISFACTION WITH THE WAY IN WHICH THE CASE WAS SETTLED.

40- 87% OF THE DISSATISFIED CONSUMERS WERE ENCOUNTERING THE PROBLEM SUBMITTED TO THE CONSUMER ORGANIZATION FOR THE FIRST TIME.

41- THE THREE ORGANIZATIONS SURVEYED RECEIVED EVERY MANNER OF COMPLAINT REGARDLESS OF THEIR JURISDICTION, SPECIALIZATION OR COMPETENCE. THE CONSUMER PROTECTION BUREAU PROCESSED THE GREATEST VARIETY OF COMPLAINTS.
CHAPTER III - STUDY OF THE RELATION BETWEEN THE DISSATISFIED CONSUMER AND THE CONSUMER ORGANIZATION CONSULTED

The purpose of this chapter is to study the nature of relations between the dissatisfied consumers and the three organizations surveyed. We also attempted to assess the quality of these relations at each stage of consultation. It will prove helpful to first of all establish the socio-economic status of the three clienteles studied, in order to determine whether there are any differences between these three organizations in this respect.

SECTION 1 - SOCIO-ECONOMIC STATUS OF THE ORGANIZATIONS' CLIENTELES

Are there any differences of a socio-economic nature between the consumers who consult one or the other of the three organizations studied?

It is not certain that the character of each organization does not influence the recruitment of complainants. We could hypothesize that the three organizations are not each established in the same manner and to the same extent in every socio-economic milieu. There are several factors that could explain the complainants' different choices. An organization which works more closely with a unionized population will likely receive a greater number of complaints from unskilled or skilled workers than from professionals, businessmen, or managerial personnel. The various means of disseminating information used by each organization do not penetrate each socio-economic group to the same extent. If a consumer is acquainted with only one organization, it is likely the one that is best established in his milieu.

We could conclude therefore that his socio-economic environment has chosen the organization he will consult for him. Even if the consumer is familiar with all of the organizations, he will likely choose the one he most closely identifies with, socially or even politically.

We could therefore hypothesize that the choice of the organization one complains to is a function of the complainant's socio-economic status. This is what our study confirmed. We must however distinguish between factors of a purely economic and those of a non-economic character.
A- Non-economic factors

We observed no important differences between the three organizations surveyed with respect to the non-economic characteristics of the complainants such as sex, age, marital status and family responsibilities.

The three organizations deal on the whole with about as many female (48.8%) as male (51.2%) complainants. The difference between each organization in this regard are neither large nor significant. We did note a slight, although statistically insignificant predominance of female complainants (59%) with the federal Department of Consumer and Corporate Affairs (FDC). The percentage of females among the complainants who consulted the Consumer Protection Bureau and the CFEA is 45%. The predominance of female complainants in the first mentioned group is partially explained, as we shall see, by the large number of housewives found in this group.

Each age category is represented more or less to the same extent in each of the three organizations' clienteles. The only significant difference is in the large number of consumers of less than 25 years of age who consulted the CFEA (20.7%) and the Consumer Protection Bureau (17.0%) compared to the Department of Consumer and Corporate Affairs (9.8%).

The respondents' marital status does not differ much from one organization to another, except that a larger number of married persons consulted the Department of Consumer and Corporate Affairs (88.5%) than the Consumer Protection Bureau (71.6%) and the CFEA (76.1%). The same holds true with respect to the complainants' family size. The complainants who consulted the Consumer Protection Bureau have an average of 3.32 dependents as compared to 3.41 and 3.58 for those who consulted the CFEA and FDC respectively. No significant differences were recorded in this respect.

B- Economic factors

We considered as more purely economic those characteristics which relate to the respondent's education, occupation, income and level of consumption. These characteristics are certainly more closely related to the respondents' social status than the preceding ones.

The differences between the organizations' clienteles encountered in this regard are quite large and define a typical profile of each clientele, particularly in regard to the Federal Department of Consumer and
Corporate Affairs. We analysed a large number of characteristics to arrive at the conclusions that follow. We will discuss them in the context of breakdowns by level of education, occupation, income and level of consumption.

1- **Level of Education**

The differences between organizations with respect to the complainants' level of education are large. We observed a distinct difference between the clientele of the Department of Consumer and Corporate Affairs on the one hand and that of the Consumer Protection Bureau and the CFEA on the other. The two latter organizations are very similar in this respect.

<table>
<thead>
<tr>
<th>ORGANIZATION CONSULTED</th>
<th>CPB</th>
<th>FDC</th>
<th>CFEA</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 TO 7 YEARS</td>
<td>20 (21.0%)</td>
<td>6 (9.8%)</td>
<td>19 (20.6%)</td>
<td>45 (18.7%)</td>
</tr>
<tr>
<td>8 TO 11 YEARS</td>
<td>45 (47.4%)</td>
<td>29 (47.5%)</td>
<td>42 (45.7%)</td>
<td>116 (46.8%)</td>
</tr>
<tr>
<td>12 YEARS AND OVER</td>
<td>30 (31.6%)</td>
<td>26 (42.7%)</td>
<td>31 (33.7%)</td>
<td>87 (35.1%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>95 (38.3%)</td>
<td>61 (24.6%)</td>
<td>92 (37.1%)</td>
<td>248 (100.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)
The preceding Table shows that the Department of Consumer and Corporate Affairs (FDC) clientele includes a smaller proportion (21%) of the 0 to 7 years of education category. It includes, conversely, a much larger proportion (42.7%) of more than 12 years of education than do the Consumer Protection Bureau's (31.6%) or the CFEA's (33.7%) clienteles. The further breakdown of the 8 to 11 years of education category amplified the phenomenon. We note that only 23% Department of Consumer and Corporate Affair's clientele comes from the 0 to 9 years of education category, as compared to 41% for the Consumer Protection Bureau, and 46.8% for the CFEA.

The phenomenon observed here would not be so significant if the respondents' level of education were not so revealing of the consumers' socio-economic status. We can therefore conclude that it is an excellent indicator of socio-economic status, as the discussion which follows will demonstrate

2- Occupation

As indicated earlier, 64% of the respondents were fully or partly employed at the time of our survey. There were generally, more respondents without work in the Department of Consumer and Corporate Affairs' clientele (46%) than in those of the Consumer Protection Bureau (39%) or the CFEA (27.2%). Before concluding that this would unfavourably bias the socio-economic status of the first group, we must understand why they were not gainfully employed. 82% of the FDC clientele who were without paid employment were housewives, as compared to 65% and 50% for the clienteles of the Consumer Protection Bureau and the CFEA respectively. The "housewife" category does not of itself describe the socio-economic status of the families concerned. We get a more accurate picture when we compare the incidence of unemployed, sick and disabled respondents in the groups of complainants at the time of the survey. In this respect, we see that 37.4% of the CFEA complainants who were without paid employment were unemployed, sick or invalids as compared to 19% for the Consumer Protection Bureau, and only 3.6% for the Department of Consumer and Corporate Affairs.

This observation is strengthened by taking into account the occurrence of a period of unemployment for the respondent or spouse during the three years preceding the survey.

Once again, the consumers who approached the Department of Consumer and Corporate Affairs appear to be the most privileged, since only 23.2% among them experienced unemployment for more than two weeks in the three preceding years, as opposed to 33% of those who approached the Consumer Protection Bureau, and 37% of those who went to the CFEA. We observe once
again a great similarity in the clientele of the Consumer Protection Bureau and that of the CFEA. This constancy will be apparent throughout this section.

We also wanted to compare the clienteles' occupational status on the basis of the information gathered by the survey. Occupational status can also be considered to be quite revealing of the consumers' socio-economic status. In order to study this, we had to arrive at a breakdown and classification of the different types of respondents' employment. We developed a breakdown of employment including five graduated categories. The first category includes unskilled workers and farmers. The second category is made up of skilled workers. In the third category we find the white-collar workers, civil servants, and in general, those employed in the service sector. Semi-professionals and teachers form the fourth category, and professionals and businessmen the fifth. This breakdown does not facilitate the classification of all occupations, but it does offer the advantages of grouping the data into a small number of comparable categories, and of providing an interesting, although seemingly subjective, socio-economic gradation.

One last problem was the classification of women at home without paid employment, and of cases where both spouses were employed. We opted in the first case for the classification in terms of the working spouse's employment, the non-working spouses assuming the working spouse's occupation. In the second case, we decided to include both the respondent's and the spouse's employment status which explains why Table 44 contains a larger number of observations than there were respondents in our sample.

Table 44 which presents a breakdown of respondent occupation by organization consulted shows, once more, that the Department of Consumer and Corporate Affairs' (FDC) clientele includes proportionately more complainants from the higher socio-occupational categories, and that this proportion is greater than that for white-collar workers (42.8%) and professionals or businessmen (14.3%) which have the highest representation in the FDC clientele while there are very few unskilled (3.9%) and few skilled (24.7%) workers. This situation contrasts sharply with that of the CFEA, where 15.1% and 38.9% of the clientele consists of unskilled and skilled workers respectively, and with that of the Consumer Protection Bureau, whose clientele consists of 14.9% and 30.9% of unskilled and skilled workers respectively. The particularly privileged status enjoyed by the FDC clientele becomes even more obvious when we consider that only 38.6% of this group are manual workers (unskilled and skilled) as compared to 45.8% and 54% for the Consumer Protection Bureau, and the CFEA respectively.

Once again, the clientele of the Consumer Protection Bureau and the CFEA display similar characteristics. However, a larger number of skilled workers went to the CFEA (38.9%) than to the CPB (30.9%) which
<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>CPB</th>
<th>FDC</th>
<th>CFEA</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNSKILLED WORKERS</td>
<td>16 (14.9%)</td>
<td>3 (3.9%)</td>
<td>17 (15.1%)</td>
<td>36 (12.1%)</td>
</tr>
<tr>
<td>SKILLED WORKERS</td>
<td>33 (30.9%)</td>
<td>19 (20.7%)</td>
<td>44 (38.9%)</td>
<td>96 (32.3%)</td>
</tr>
<tr>
<td>WHITE COLLAR WORKERS</td>
<td>33 (30.9%)</td>
<td>33 (42.8%)</td>
<td>24 (21.2%)</td>
<td>90 (30.3%)</td>
</tr>
<tr>
<td>SEMI-PROFESSIONALS</td>
<td>13 (12.1%)</td>
<td>11 (14.3%)</td>
<td>21 (18.6%)</td>
<td>45 (15.2%)</td>
</tr>
<tr>
<td>PROFESSIONALS AND BUSINESS</td>
<td>12 (11.2%)</td>
<td>11 (14.3%)</td>
<td>7 (6.2%)</td>
<td>30 (10.1%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>107 (36.0%)</td>
<td>77 (25.9%)</td>
<td>113 (38.1%)</td>
<td>297 (100.0%)</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)
in turn attracts more white-collar workers and public servants (30.9%) than the CFEA (21.2%). Finally, more semi-professionals and teachers consulted the CFEA (18.6%), than the Consumer Protection Bureau (12.1%). More professionals and businessmen went to the latter organization (11.2%) than to the CFEA (6.2%). More generally, the CFEA's clientele has a slightly lower socio-occupational status than the CPB's clientele. This difference, however, is not as pronounced as the difference between the clientele of these two organizations and that of the Department of Consumer and Corporate Affairs.

3- Income Level

It has already been shown that the distribution of the respondent household income is similar to that of Quebec families. Generally we point out once again that we are dealing here with the respondents' total family or household income, not just their individual income. Does there seem to be a significant difference in the level of income of the three clienteles studied? The answer is yes, and once again, the Department of Consumer and Corporate Affairs clientele shows a marked predominance which is in keeping with the conclusions drawn from the analysis of its occupational status.

The Department's clientele is largely underrepresented in the lower income brackets (less than $7,000 per year), and over represented in the higher brackets (over $11,000 per year), as compared to the two other organizations' clienteles which do not differ much from one another.

Only 8.6% of the FDC clientele earn an annual income of less than $7,000 as compare to 27.8%, and 31.8% for the CFEA and CPB respectively.

Conversely, over 65% of the FDC clientele earn an income in excess of $11,000 as compared to 45% for both the CFEA and CPB. A comparison of each clientele's average family income yields the same result. The average annual family income of the CPB clientele is $10,529; that of the CFEA clientele is $10,588, whereas that of the FDC clientele is $13,120, which surely illustrates a very clear difference.

The statistics we have compiled here seem to be all the more valid considering that they include the respondent family's total income rather than just that of the individual respondent, which could have seriously distorted the analysis of the respondents' socio-economic status. We attempted to account for all sources of income in compiling the annual family incomes. Our statistics therefore include the spouse's income, retirement and welfare benefits, unemployment insurance, family allowances, and pension or investment incomes. In this regard, the CPB and CFEA clienteles' incomes include more welfare benefits and unemployment insurance than that of the FDC clientele.
### TABLE 45

**BREAKDOWN OF RESPONDENT HOUSEHOLD INCOME BY ORGANIZATION CONSULTED**

<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>CPB</th>
<th>FDC</th>
<th>CFEA</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>INCOME</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LESS THAN $7,000</td>
<td>27</td>
<td>5</td>
<td>25</td>
<td>57</td>
</tr>
<tr>
<td></td>
<td>(31.8%)</td>
<td>(8.6%)</td>
<td>(27.8%)</td>
<td>(24.5%)</td>
</tr>
<tr>
<td>$7,000 TO $11,000</td>
<td>19</td>
<td>15</td>
<td>24</td>
<td>58</td>
</tr>
<tr>
<td></td>
<td>(22.3%)</td>
<td>(25.8%)</td>
<td>(26.7%)</td>
<td>(24.9%)</td>
</tr>
<tr>
<td>OVER $11,000</td>
<td>39</td>
<td>38</td>
<td>41</td>
<td>118</td>
</tr>
<tr>
<td></td>
<td>(45.9%)</td>
<td>(65.6%)</td>
<td>(45.5%)</td>
<td>(50.6%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>85</td>
<td>58</td>
<td>90</td>
<td>233</td>
</tr>
<tr>
<td></td>
<td>(36.5%)</td>
<td>(24.9%)</td>
<td>(38.6%)</td>
<td>(100.0%)</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)

---

4- **Level of Consumption**

Additional information on the socio-economic status of the three clienteles can be gleaned from the analysis of indicators of the respondents' level of consumption. These indicators are certainly not as reliable as those related to level of education, occupational status and the level of income, since a group of consumers can live "beyond its means". This situation will however be reflected in the group's level of indebtedness. We can formulate the working hypothesis that to a given socio-economic level, there corresponds a level of consumption of the same order and that each rise in the level of consumption in relation to this socio-economic level results in a certain level of indebtedness. A group of consumers at a high socio-economic level would tend to consume more and better quality goods and services. The level of consumption compensated for by a certain level of indebtedness can therefore, hypothetically, reveal the clientele's socio-economic status.
Our study has concentrated on four current sectors of consumption, housing, automobiles, credit and indebtedness.

a) Housing

The status of the home owner is not of itself a very reliable indicator of socio-economic status. There are, in fact, some who own modest homes in the country and some who rent luxury apartments in the city. Generally however, owning a home reflects a higher standard of living when we consider a large number of respondents at the same time. If we also take the rate of crowding of these homes (the number of occupants per room), into account we can describe the social reality of each clientele's situation more accurately.

<table>
<thead>
<tr>
<th>OCCUPANCY STATUS</th>
<th>CPB</th>
<th>FDC</th>
<th>CFEA</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOME OWNER</td>
<td>42 (44.7%)</td>
<td>36 (59.0%)</td>
<td>32 (34.8%)</td>
<td>110 (44.5%)</td>
</tr>
<tr>
<td>RENTOR</td>
<td>44 (46.8%)</td>
<td>22 (36.1%)</td>
<td>51 (55.4%)</td>
<td>117 (47.4%)</td>
</tr>
<tr>
<td>BOARDER</td>
<td>8 (8.5%)</td>
<td>3 (4.9%)</td>
<td>9 (9.8%)</td>
<td>20 (8.1%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>94 (38.0%)</td>
<td>61 (24.7%)</td>
<td>92 (37.3%)</td>
<td>247 (100.0%)</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)
When we asked the question, "Do you or your partner own or rent the house you inhabit?", 59% of the FDC clientele replied that they were homeowners. This figure dropped to 44.7% for the CPB clientele and to 34.8% for the CFEA clientele. The following table also takes into account cases where the respondent was a boarder.

<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>CPB</th>
<th>FDC</th>
<th>CFEA</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNDER CROWDED</td>
<td>23 (24.7%)</td>
<td>32 (52.5%)</td>
<td>22 (23.9%)</td>
<td>77 (31.3%)</td>
</tr>
<tr>
<td>NORMAL CROWDING</td>
<td>56 (60.2%)</td>
<td>22 (36.0%)</td>
<td>52 (56.5%)</td>
<td>130 (52.8%)</td>
</tr>
<tr>
<td>OVER CROWDING</td>
<td>14 (15.1%)</td>
<td>7 (11.5%)</td>
<td>18 (19.6%)</td>
<td>39 (15.9%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>93 (37.8%)</td>
<td>61 (24.8%)</td>
<td>92 (37.4%)</td>
<td>246 (100.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)

We observed no significant statistical difference between the clienteles, whether in the cost of rent or the cost of maintenance and ownership. The average rent is $121.40 and the average cost of ownership is $203.20.
The rate of crowding of the respondents' homes, or the number of per room, is an excellent indicator of the clienteles' socio-economic status. We believe that overcrowding of the family home corresponds to a low socio-economic status, while undercrowding indicates, for most cases, a higher status.

The calculation of the rate of crowding of the respondents' homes shows once again that the dissatisfied consumers who consulted the Department of Consumer and Corporate Affairs are in a much better situation than the others. 52.5% of the FDC clientele live in undercrowded housing, as compared to 24% for CFEA and CPB clienteles. These statistics clearly reveal different socio-economic situations with regards to each clientele. Our questionnaire showed finally, a larger number of country home or cottage owners among the FDC as compared to the other two clienteles.

b) Automobile

The ownership of one or more automobiles is an important indicator of the level of consumption in Quebec. The model and year of vehicle can also serve as supplementary indicators. In answer to the question, "Do you or does your partner own an automobile?", 21.3% of the CPB, and 25% of the CFEA clientele replied in the negative. The corresponding figure for FDC clientele was only 8.2%. Also, the percentage of the FDC clientele claiming to own two cars (16.4%) is greater than that of the two other clienteles. Of the respondents who do own an automobile, those dealing with the Department of Consumer and Corporate Affairs generally own newer and larger models than those dealing with the two other organizations. The Consumer Protection Bureau and CFEA clientele exhibit similar characteristics in this respect.

1 To establish the crowding rate, we calculated the ratio of rooms in the home (excluding kitchen and bathroom) to the number of persons occupying it.

We established three categories in keeping with international standards:
- undercrowding: more than one room per person
- normal crowding: one room per person
- overcrowding: more than one person per room

We did not use a strict rule for categorizing the respondents. We considered 4 rooms and 3 people, or 8 rooms and 9 people, as normal crowding for example.
c) Credit

We restricted ourselves here to the respondents' possession of credit cards and to the number of cards held. Other types of credit, such as consumer loans, were more difficult to deal with in the context of our questionnaire.

The percentage of respondents who possess one or more credit cards is generally high (53.8%) but it is much higher for the FDC clientele (70.5%) than for those of the CPB (50%) and the CFEA (46.7%). Once again the two latter organizations exhibit similar characteristics.

Those of the FDC clientele who own credit cards, generally have more from more companies than their counterparts in the CPB and CFEA clienteles.

<table>
<thead>
<tr>
<th>ORGANIZATION OWNED CREDIT CARDS</th>
<th>CPB</th>
<th>FDC</th>
<th>CFEA</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>ONE OR MORE</td>
<td>47</td>
<td>43</td>
<td>43</td>
<td>133</td>
</tr>
<tr>
<td>(50.0%)</td>
<td>(70.5%)</td>
<td>(46.7%)</td>
<td></td>
<td>(53.8%)</td>
</tr>
<tr>
<td>NO CARDS</td>
<td>47</td>
<td>18</td>
<td>49</td>
<td>114</td>
</tr>
<tr>
<td>(50.0%)</td>
<td>(29.5%)</td>
<td>(53.3%)</td>
<td></td>
<td>(46.2%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>94</td>
<td>61</td>
<td>92</td>
<td>247</td>
</tr>
<tr>
<td>(38.1%)</td>
<td>(24.7%)</td>
<td>(37.2%)</td>
<td></td>
<td>(100.0%)</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)
d) **Indebtedness**

The three clienteles studied exhibit different behaviour with respect to indebtedness. Close to 32% of the CFEA clientele admitted to owing debts or accounts in arrears (excluding mortgages) at the time of the survey, as compared to 20.2% of the CPB and 9.8% of the FDC clienteles. The average level of indebtedness, taking into account only those respondents reporting debt, was much higher ($4,407) for the CFEA clientele than for the CPB ($2,355) or FDC ($1,950) clienteles. Once again, the Department of Consumer and Corporate Affairs' clientele holds a favored position.

With respect to indebtedness and its aftereffects, 13% of the CFEA clientele are registered or had already been registered with the voluntary deposit as compared to 8.5% of the CPB clientele. On the other hand, the FDC clientele includes no present or previous registration with the voluntary deposit. Cases of business or personal bankruptcy, are more frequent among the CFEA (12%) than the CPB or FDC clienteles (1.6%).
SECTION 2 - STUDY OF THE RELATIONS BETWEEN THE COMPLAINANT AND THE CONSUMER ORGANIZATION

This section deals with the relations between the consumer who filed a complaint or requested information, and the organization which responded. This undertaking on the part of the consumer constitutes a process which involves several stages which we will deal with successively. We will, in the first subsection, study the consumer's reasons for approaching a consumer organization, his sources of referral, the difficulties encountered, if any, in his dealings with the organization, the nature of the assistance provided by the organization and the resolution of the problem. The second subsection deals more particularly with the consumer's evaluation of the work done by the organization consulted and with the nature of the resolution of the problem.

A- Processing the Consumer's Complaint

1- The consumer's reasons for approaching a consumer organization

Most consumers approached the organization to lodge a complaint (63.2%) or to obtain information concerning a consumer problem (26.9%). Only 6.3% went to take a consumer course and 3.6% for budget counselling. The two latter groups were restricted to the CFEA which is more willing than the other two to function in these fields. It would also seem normal for the CFEA to handle fewer consumer complaints (46.8%) than the CPB (68.8%) or the FDC (77.4%), since it does not have the legislative or regulatory powers that permit it to intervene other than as a pressure group. It is therefore normal that its activities centre around consumer information and education.

2- Sources of Referral

How did the consumer learn of the existence of the organization he consulted? Who referred him to that organization? The answer to this question can be important in the determination of how well the organization is established in the community and the means of communication it relies upon. We asked the complainants who advised them to contact the organization they consulted.
## TABLE 49
MEANS OF REFERRAL OF RESPONDENT TO CONSUMER ORGANIZATIONS

<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>CPB</th>
<th>FDC</th>
<th>CFEA</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>SOURCE OF REFERENCE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RELATIVE OR FRIEND</td>
<td>28 (30.1%)</td>
<td>12 (22.6%)</td>
<td>26 (39.4%)</td>
<td>66 (31.1%)</td>
</tr>
<tr>
<td>OTHER CONSUMER ORGANIZATION</td>
<td>1 (1.1%)</td>
<td>5 (9.4%)</td>
<td>1 (1.5%)</td>
<td>7 (3.3%)</td>
</tr>
<tr>
<td>MASS MEDIA</td>
<td>31 (33.3%)</td>
<td>20 (37.7%)</td>
<td>13 (19.7%)</td>
<td>64 (30.2%)</td>
</tr>
<tr>
<td>SOCIAL AGENCY</td>
<td>0 (0.0%)</td>
<td>1 (1.9%)</td>
<td>6 (9.1%)</td>
<td>7 (3.3%)</td>
</tr>
<tr>
<td>LAWYER</td>
<td>5 (5.4%)</td>
<td>1 (1.9%)</td>
<td>3 (4.5%)</td>
<td>9 (4.2%)</td>
</tr>
<tr>
<td>NO ONE</td>
<td>24 (25.8%)</td>
<td>14 (26.4%)</td>
<td>5 (7.6%)</td>
<td>43 (20.3%)</td>
</tr>
<tr>
<td>OTHER</td>
<td>4 (4.3%)</td>
<td>0 (0.0%)</td>
<td>12 (18.2%)</td>
<td>16 (7.6%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>93 (43.9%)</td>
<td>53 (25.0%)</td>
<td>66 (31.1%)</td>
<td>212 (100.0%)</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)
The answers led us to conclude that the mass media (radio, television, newspaper) fulfills a different role for each organization. More complainants from the Consumer Protection Bureau (33.3%) and from the Department of Consumer and Corporate Affairs (37.7%), than from the CFEA (19.7%) learned of the existence of the organization through the mass media. This is probably because the CFEA does not have the same means as the other organizations to use the media to become better known by the public at large and it does not enjoy the prestige of government organizations. On the whole, 30% of the complainants were referred to the organization they consulted by the mass media.

On the whole, once more, family and friends play an important role in spreading information about the organizations. 31% of the complainants were advised by a friend or relative. We note here again, however, significant differences between the organizations. 39% of the CFEA clientele were referred by a friend or relative. The corresponding figures are 30% and 22.6% for the CPB and the FDC respectively. We can therefore conclude that the CFEA attracts a large part of its clientele through word of mouth, while the FDC and the CPB rely more heavily on the mass media.

Very few consumers had been referred by other consumer organizations or social agencies (Welfare) or lawyers. 20.3% of the respondents said that they were personally acquainted with the consumer organization they consulted, and that they needed no advice to this effect.

The data on the sources of referral does not enlighten us on the range of choices available to the dissatisfied consumer in Quebec. The choice made has significance only in relation to the number of organizations known to the potential complainant. We wanted to know, therefore, if the complainants were familiar with all the non-specialized consumer organizations, such as the Consumer Protection Bureau, the Department of Consumer and Corporate Affairs, the CFEA, and the Consumers' Association of Canada, the latter being added to broaden the question. We found that 34% of the complainants were familiar only with the organization they approached. We cannot, in the case, speak of any real choice being exercised. Once again there is a marked difference between the three clienteles. The CPB clientele were familiar with the least number of consumer organizations. 45.6% of them were familiar with no other organization. 29.6% of the FDC and 24% of the CFEA clienteles fell into the same category. The following table (50) shows that the CPB clientele were the least informed on the existence of other organizations, and that of the CFEA was the best informed. This is reflected in the fact that the CPB clientele were familiar with an average of 2.04 organizations (out of the 4 possible) at the time of their choice, as compared to 2.37 and 2.53 for the clienteles of the FDC and CFEA respectively.
TABLE 50

NUMBER OF ORGANIZATIONS KNOWN TO RESPONDENT
ACCORDING TO ORGANIZATION CONSULTED

<table>
<thead>
<tr>
<th>ORGANIZATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>NUMBER OF ORGANIZATION KNOWN</td>
</tr>
<tr>
<td>CPB</td>
</tr>
<tr>
<td>1 ORGANIZATION</td>
</tr>
<tr>
<td>2 ORGANIZATIONS</td>
</tr>
<tr>
<td>3 ORGANIZATIONS</td>
</tr>
<tr>
<td>4 ORGANIZATIONS</td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
</tbody>
</table>

(_PERCENTAGES ARE CALCULATED VERTICALLY_

Which organization was best known to the consumers at the time a choice was made? To answer this question, it was necessary to isolate the answers to questions about the organization the respondent consulted and those to questions about other organizations. In fact, if we did not differentiate between these two classes of answers, we ran the risk of introducing bias into the results because our sample is not representative of the distribution of complaints actually received by the consumer organizations in Quebec. For example, our sample did not include complainants to the Consumers' Association of Canada for reasons already stated, and the sample of complainants to the CFEA over-represents (37%) this organization's position in the consumer complaint field. We must therefore take


<table>
<thead>
<tr>
<th>ORGANIZATIONS KNOWN</th>
<th>CPB</th>
<th>FDC</th>
<th>CFEA</th>
<th>CAC</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>AWARENESS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KNEW IT EXISTED</td>
<td>104 (68.0%)</td>
<td>80 (43.0%)</td>
<td>41 (26.5%)</td>
<td>102 (41.3%)</td>
<td>327 (44.1%)</td>
</tr>
<tr>
<td>DID NOT KNOW IT EXISTED</td>
<td>49 (32.0%)</td>
<td>106 (57.0%)</td>
<td>114 (73.5%)</td>
<td>145 (58.7%)</td>
<td>414 (55.9%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>153 (20.6%)</td>
<td>186 (25.1%)</td>
<td>155 (20.9%)</td>
<td>247 (33.3%)</td>
<td>741 (100.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)

into account only those organizations the consumer is familiar with excluding the one he chose to either file a complaint with or seek information from.

The answers to the question put to the respondent are significant. Best known of the consumers in 68% of the cases was the consumer protection bureau. The Department of Consumer and Corporate Affairs, and the Consumers' Association of Canada follow with 43% and 41% respectively. We can therefore conclude that the majority of complainants are not familiar with these organizations. The CFEA is the least known organization; only 26.5% of the respondents were familiar with it, as table 51 indicates.
3- Difficulties encountered by complainants in their dealings with consumer organizations

We wanted to know whether the consumers encountered difficulties in contacting the organization of their choice and if it was difficult for them to get the organization to deal with their complaint.

The initial means of contact varies from one organization to another. The majority of the FDC clientele made their initial contact by telephone (62.3%). The corresponding figures are 48% and 40% for the CPB and the CFEA respectively. The greatest variations are apparent in contacts made by personal visit or by letters. Letters are more numerous among the FDC (30.2%) and CPB (23.7%) clienteles, the CFEA receiving only 2% of its complaints and requests for information by mail. The CFEA appears to favour contact by personal or group interviews (58.5%), compared to the Consumer Protection Bureau (28%) and the Department of Consumer and Corporate Affairs (7.5%). We note in passing that women seem to clearly prefer the telephone as the means of initial contact with an organization. Males are more likely to make a personal visit or to write a letter. It is also interesting to note that the poorly educated seem more so than the others to prefer to pay a personal visit while the better educated use the telephone or the mail more frequently.

Did the respondents encounter difficulties in making contact with the organization? The majority (91%) said they had no problems. Only 9% claimed to have made several attempts. There is no major difference in this regard between the clienteles of the three organizations. This is surprising, since the Consumer Protection Bureau is reputed to be difficult to reach, particularly in the Montreal region where only a few telephone lines are available. The Institut pour la promotion des Intérêts du Consommateur (IPIC) and the CFEA have often claimed it was virtually impossible to reach the CPB due to overloaded telephone lines. Owing to the limited number of complainants who initially reached the CPB in Montreal region, it was impossible to confirm this contention empirically. Our own experience in attempting to reach the CPB through its public telephone number on numerous occasions leads us to believe that the contention is well founded.

Did the complainants encounter any difficulties in persuading the organization to deal with their problem? The large majority of respondents said no (85.2%). There are significant differences in the degree of difficulty encountered by the three clienteles. 23% of the FDC clientele said that they experienced difficulty persuading them to deal with their problem. The corresponding figures are 16% and 3% for the CPB and CFEA respectively.
4- Nature of assistance provided by consulted organization.

Did the organization that the consumer contacted do anything to assist him? It is important to note that we are concerned with the complainant's own perception of the assistance he received, not what the organization might have attempted to do without the complainant's knowledge. It could be that the organization did things on behalf of the consumer without his knowing it, or without achieving results. We would in such cases have to conclude that serious communication problems existed between the organization and the consumer, or that the organization lacks effectiveness in certain areas.

When asked, "Was anything actually done to assist you?", each organization's clientele responded differently. These answers are significant. 38% of the FDC clientele felt that nothing had been done to assist them. 27% of the CPB and only 17.5% of the CFEA clienteles felt the same way. There is little cause at this point to look into the reasons for an organization's failure to assist the consumer (lack of jurisdiction, lack of means, etc.). What is important is the fact that a large part of the clientele did not receive satisfactory assistance, and that the majority of these were among the clientele of the Department of Consumer and Corporate Affairs. This statement is reinforced by the fact that 77% of those who felt that nothing was done for them, felt that something could have been done.

Although we cannot comment on the relevance of the failure-to-assist rate of better than one out of four, we can at least draw the conclusions that the consumers' attitudes are very negative on this point, which is of some importance as will become evident when we discuss the complainant's satisfaction with the work done by each organization. We run the risk of coming to the conclusion that there was no assistance given when there could well have been some provided, that the organization did not inform the consumer of the action taken and that when the problem was outside the organization's jurisdiction, this was not clearly explained to the complainant.

It is important to know the type of action preferred by each organization. In those cases where they did assist the consumer, the differences observed between the organizations in this respect are not very significant and do not reflect different action strategies. The most common situation is that where the organization negotiates directly with the opposing party (37% of all cases) promoting the consumer's point of view. This method of intervention is the one most relied upon by all three organizations. In many cases the organization advised the consumer on how to negotiate with the opposing party on his own behalf. The Consumer Protection Bureau relies on this method more than the others. The number of cases where the consumer is referred to another organization is small (15%), as is the number of cases where the organization takes legal action against an offender (2.5%). The
only notable difference between the organizations studied is that the CFEA seems to insist the most on informing consumers of their rights and means of access to Justice. It is understandable that this organization prefers this type of intervention as the step following negotiation with the opposing party, since it sees itself as a provider of preventive and information services to the consumer. It is unfortunate, however, that this is not the common practice of the two other organizations.

Generally, no matter what form the organization's intervention took, the majority of complainants (84.5%) felt that the organization dealt with their problems "quickly enough". There are no significant variations here between clienteles. We wanted finally to know whether the complainant's rights were sufficiently well explained by the organization he consulted. Several people, particularly the lawyers specializing in consumer affairs, believe that it no longer suffices to intervene in a case and to find a solution in the best interest of the consumer but that he must be fully informed of his rights as a preventive measure. Any intervention that limits itself to the

<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>CPB (73.3%)</th>
<th>FDC (62.0%)</th>
<th>CFEA (82.5%)</th>
<th>TOTAL (73.3%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>WAS OF ASSISTANCE</td>
<td>38</td>
<td>31</td>
<td>52</td>
<td>151</td>
</tr>
<tr>
<td>WAS OF NO ASSISTANCE</td>
<td>25</td>
<td>19</td>
<td>11</td>
<td>55</td>
</tr>
<tr>
<td>TOTAL</td>
<td>93</td>
<td>50</td>
<td>63</td>
<td>206</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)
immediate solution of problems as they arise runs risk of developing a state of dependency on the part of the consumer, as he will come to see the organization as the only one capable of solving all of his consumer problems. We would think that the consumer's defence mechanisms would be better developed through the provision of better information at the time a problem presents itself. The consumer is more interested in learning of his rights if he sees the applicability of this information to a problem he is actually experiencing.

The complainants' satisfaction with respect to the explanations given by the organizations is rather high. Almost 80% of the respondents said the organizations explained their rights sufficiently well. The FDC clientele was the most dissatisfied group in this respect, as 30% of them said the information was unsatisfactory.

5- Resolution of the Problem

We wanted to know if the complainant's problem was resolved to his satisfaction, regardless of the type of assistance, if any, provided by the organization consulted. In order to study the level of satisfaction, is it necessary to isolate cases where the consumer was within his rights from those where he has no right to complain? We think not. This evaluation is quite arbitrary and impracticable in each case. Nor can we presume that a greater percentage of consumers complaining without cause go to any particular organization rather than another. In fact the differences we found between the organizations in this regard are minimal and insignificant.

53% of the complainants claimed that their problem was resolved to their satisfaction. 33.8% were dissatisfied with the solution, and 13.3% were still waiting for a solution. In this latter case, more of the CFEA clientele were still awaiting a solution (18.8%) than were the other organizations clienteles as the following Table illustrates.

If we assume that the distribution of cases still outstanding will approximate that of the cases already resolved, there being no reason to think otherwise, we estimate that, overall, 61% of the problems are resolved to the complainant's satisfaction while 39% are unsatisfactorily resolved. When we consider means of resolving the problem we see that the number of cases where the complainant's litigation failed or he failed to find a solution is greater for the FDC clientele (39.8%) than for that of the CPB of the CFEA (19.3%). Where a positive settlement is reached, the CPB and the CFEA obtain a full refund and a cancellation of the contract more frequently than the FDC. The latter seems to obtain replacement of, or repairs to, the defective articles (the correction of the error in the case of a service) more easily. Can this relative satisfaction on the part of the consumer with respect to the solution
of his problem (not considering his satisfaction with the quality of the work done by the organization which will be dealt with later) be explained by factors related to the complainant's age, the region in which he lives, sex, level of education or socio-economic level? We have already noted that there is no significant variation in the level of satisfaction with one or the other organization consulted, but, we cannot conclude that the level of satisfaction is in fact constant as we will see later on.

None of the socio-economic variables related to the region in which the complainant lives, his sex, age, marital status, level of education, job situation, type and level of income, family dependents, level of consumption or indebtedness explain the complainant's dissatisfaction with the solution arrived at. These factors, therefore, do not affect the clientes' level

Table 53

<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>CPB</th>
<th>FDC</th>
<th>CFEA</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>SATISFIED</td>
<td>51 (54.8%)</td>
<td>27 (50.9%)</td>
<td>33 (51.6%)</td>
<td>111 (52.9%)</td>
</tr>
<tr>
<td>NOT SATISFIED</td>
<td>33 (35.5%)</td>
<td>19 (35.8%)</td>
<td>19 (29.7%)</td>
<td>71 (33.8%)</td>
</tr>
<tr>
<td>CASE still OUTSTANDING</td>
<td>9 (9.7%)</td>
<td>7 (9.4%)</td>
<td>12 (18.8%)</td>
<td>28 (13.3%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>93 (44.3%)</td>
<td>53 (25.2%)</td>
<td>64 (30.5%)</td>
<td>210 (100.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)
of satisfaction. Conversely, if we consider the type of intervention, particularly in cases where the consumer risks losing money, we see that the degree of dissatisfaction with the solution arrived at increases in relation to the amount of money involved. Table 54 shows that consumer satisfaction is much less in those cases involving a financial loss (42%) than in those where no loss was involved (71.6%). The number of unresolved cases is also higher for problems involving financial loss than for those where no loss is involved. We must therefore conclude that the occurrence of a financial loss greatly increases the consumer's dissatisfaction with the solution arrived at. It is likely that he will be more demanding in such cases, or that the opposing parties are more willing to negotiate when there is no serious financial loss involved.
We note finally, that with respect to the degree of satisfaction with the solution arrived at, the respondent's satisfaction does not vary significantly from one type of problem to the other. We note as well that the better the organization has explained his rights to the consumer, the more the consumer seems to be satisfied with the solution, which leads us to believe that the complainant's dissatisfaction results in large part from a poor understanding of his rights. We find in fact that over 60% of the consumers who had their rights explained to them expressed satisfaction with the solution arrived at whereas only 16% of those who received no explanation were satisfied. Whether the organization initially contacted assists the complainant or not seems to determine whether or not a solution will ultimately be found to the problem. It appears, in fact, that the consumers for whom the initially contacted organization did nothing seem to have been incapable of having their complaint dealt with elsewhere since 78% of them claimed that they were therefore dissatisfied. This demonstrates the consumer's vulnerability with regard to the organization he depends upon for assistance.

B- Complainants' evaluation of the work done by the Organization consulted

Having studied the handling of the consumer complaint and the occurrence and nature of the solutions arrived at we can proceed to the consumers' evaluation of the work done by the organization they consulted.

We have already seen that the degree of satisfaction with the solution does not vary from one organization to the other. This does not hold for the evaluation of the quality and effectiveness of the organization's work. We point out at the outset that the general level of satisfaction with the organizations' work is high. 54.4% of the respondents said that the work done by the organization they contacted was excellent. 28.6% said it was very good, and only 15.9% expressed a negative or very negative opinion about the work. 9.7% felt that the work was more or less good and 6% felt that it was mediocre. Finally 1.4% of the respondents had no opinion on the matter.

If we consider the evaluation of each organization's effectiveness individually, we see that the CFEA is considered the most effective, followed successively by the CPB and the FDC. Table 55 shows that 61.6% of the clientele judged its work to be excellent. For the CPB, the proportion was 54.9% and for the FDC, 43.3%.

By classifying the results shown in Table 55 into two instead of four levels (excluding those with no opinion) we see that a large majority (95.1%) of the CFEA clientele hold a favourable opinion of its effectiveness. This proportion is 79.9% for the CPB and 75% for the FDC clienteles. (See Table 56).
## TABLE 55

**RESPONDENTS' EVALUATION OF THE EFFECTIVENESS OF THE WORK DONE**

**BY THE ORGANIZATION THEY CONSULTED**

*(scale of 5)*

<table>
<thead>
<tr>
<th>EVALUATION</th>
<th>ORGANIZATION</th>
<th>CPB</th>
<th>FDC</th>
<th>CFEA</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EXEMPLARY</strong></td>
<td></td>
<td>50 (54.9%)</td>
<td>23 (43.4%)</td>
<td>45 (61.6%)</td>
<td>118 (54.4%)</td>
</tr>
<tr>
<td><strong>VERY GOOD</strong></td>
<td></td>
<td>21 (23.1%)</td>
<td>16 (30.2%)</td>
<td>25 (34.2%)</td>
<td>62 (28.6%)</td>
</tr>
<tr>
<td><strong>FAIR</strong></td>
<td></td>
<td>10 (11.0%)</td>
<td>9 (17.0%)</td>
<td>2 (2.7%)</td>
<td>21 (9.7%)</td>
</tr>
<tr>
<td><strong>MEGLORRO</strong></td>
<td></td>
<td>8 (8.8%)</td>
<td>4 (7.5%)</td>
<td>1 (1.4%)</td>
<td>13 (6.0%)</td>
</tr>
<tr>
<td><strong>DOES NOT KNOW</strong></td>
<td></td>
<td>2 (2.2%)</td>
<td>1 (1.9%)</td>
<td>0 (0.0%)</td>
<td>3 (1.4%)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>91 (41.9%)</td>
<td>53 (24.4%)</td>
<td>73 (33.6%)</td>
<td>217 (100.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)
TABLE 56

RESPONDENTS' EVALUATION OF THE EFFECTIVENESS OF THE WORK DONE
BY THE ORGANIZATION THEY CONSULTED

(scale of 2)

<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>CPB</th>
<th>FDC</th>
<th>CFEA</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>EDUCATION</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FAVORABLE EVALUATION</td>
<td>71 (79.9%)</td>
<td>39 (75.0%)</td>
<td>70 (95.9%)</td>
<td>180 (84.1%)</td>
</tr>
<tr>
<td>UNFAVORABLE EVALUATION</td>
<td>18 (20.3%)</td>
<td>13 (25.0%)</td>
<td>3 (4.1%)</td>
<td>34 (19.2%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>89 (41.6%)</td>
<td>52 (24.3%)</td>
<td>73 (34.1%)</td>
<td>214 (100.0%)</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)

The same observations apply to those complainants who commented on the effectiveness of organizations they were familiar with, but had not contacted. We asked all the respondents who were acquainted with one or more of the other organizations (the Consumers' Association of Canada included) to give us their opinion of the effectiveness of the organizations they did not consult. The rate of satisfaction expressed was high here as well. 74% of the respondents judged the other organizations to be effective. Once again the CFEA was said to be the most effective (80.5%) followed by the CAC (76.5%), the CPB (74%) and the FDC (63.7%). These results confirm the evaluation made by the organizations' own clienteles and indicate a moderate preference for private organizations (CFEA and CAC), which are judged to be more aggressive and independent than the government organizations. The confidential nature of some of the complaints dealt with by the FDC makes a fair evaluation of this organization difficult. Not knowing the outcome of his complaint, particularly in cases of misleading advertising, the complainant could have the impression that nothing was done, and have therefore
a negative opinion of the organization's work. The complainant does not know that departmental officers are legally bound to confidentiality. A review of this rule, at least with regard to the consumer complainant, seems to be called for. While acknowledging the complainant's more favourable judgment of private organizations such as the CFEA, we believe that we must attempt to explain this greater effectiveness by the fact that this organization handles only a few complaints per year compared to the public organizations such as the CPB and the FDC who received over 150,000 complaints and requests for information per year (the CPB alone received 130,000 in 1974). The CFEA is therefore in a position to offer a more personalized and better supported service for their smaller number of cases.

It is significant that the respondents of the organizations' effectiveness does not vary with their socio-economic characteristics or status. We observed in this regard no significant variation with respect to age, sex, marital status, education, occupation, level of income, number of family dependents or indebtedness. Only the fact of having dealt with one or the other organization has a bearing on the evaluation made.
It is not surprising to note finally that the more difficulty the respondent experienced in his dealings with the organization, the greater was his tendency to evaluate its work negatively. If the respondent had to make several attempts to reach the organization, if he had difficulties in persuading the organization to deal with his problem, if he felt the organization took too long to deal with his problem, the complainant has a greater tendency to be negative. The same holds true if the respondent had the impression that nothing had been done but that something could have been, or when he felt that his rights were not sufficiently well explained. Finally, the evaluation of the organization's effectiveness tended to be negative if the problem was not resolved to the complainant's satisfaction. This reaction was expected. It is in fact normal for the respondent to judge the organization's effectiveness in terms of his personal experience.

The high level of satisfaction with respect to the organizations' effectiveness is illustrated in Table 58. Although we can conclude from

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**TABLE 58**

**RESPONDENTS' EVALUATION OF THE EFFECTIVENESS OF THE WORK DONE BY THE ORGANIZATION THEY CONSULTED AND DEGREE OF RESPONDENT SATISFACTION WITH THE SETTLING OF CASE**

<table>
<thead>
<tr>
<th>DEGREE OF SATISFACTION</th>
<th>SATISFIED</th>
<th>NOT SATISFIED</th>
<th>CASE STILL OUTSTANDING</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>FAVORABLE EVALUATION</td>
<td>106 (96.4%)</td>
<td>43 (61.4%)</td>
<td>20 (86.19%)</td>
<td>169 (83.2%)</td>
</tr>
<tr>
<td>UNFAVORABLE EVALUATION</td>
<td>4 (3.6%)</td>
<td>27 (38.6%)</td>
<td>3 (13.1%)</td>
<td>34 (16.8%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>110 (54.2%)</td>
<td>70 (34.5%)</td>
<td>23 (11.3%)</td>
<td>203 (100.0%)</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)
this Table that the degree of satisfaction varies according to the solution arrived at, we can also see that 61% of the people who were dissatisfied with the solution said that the organization they consulted was effective.

SUMMARY OF OBSERVATIONS

The essence of the preceding discussion is that:

42- THE THREE ORGANIZATIONS SURVEYED DEAL WITH AN ABOUT EQUAL NUMBER OF MEN AND WOMEN. ALL AGE CATEGORIES ARE ABOUT EQUALLY REPRESENTED. THE COMPLAINANTS' MARITAL STATUS DOES NOT VARY MUCH FROM ONE ORGANIZATION TO THE OTHER. THE SAME HOLDS FOR THE NUMBER OF DEPENDENTS.


44- MOST OF THE DISSATISFIED CONSUMERS APPROACHED THE CONSUMER ORGANIZATION TO MAKE A COMPLAINT OR TO REQUEST INFORMATION WITH REGARD TO A PARTICULAR PROBLEM. VERY FEW DID SO WITH THE INTENTION OF TAKING COURSES IN CONSUMER EDUCATION OR OF SEEKING BUDGET COUNSELLING. THOSE SEEKING SUCH SERVICES, WITHOUT EXCEPTION, APPROACHED THE CFEA, (THE COOPERATIVE FAMILY ECONOMICS ASSOCIATION). THE CFEA PLACES GREATER STRESS THAN THE OTHER TWO ORGANIZATIONS ON INFORMING AND EDUCATING THE CONSUMER THAN ON THE ACTUAL DEALING WITH COMPLAINTS.

45- THE MASS MEDIA PLAYED A GREATER ROLE IN ORIENTING CONSUMERS TOWARD THE PUBLIC ORGANIZATIONS, WHICH ARE THE CONSUMER PROTECTION BUREAU AND THE FEDERAL DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS, THAN TOWARD THE CFEA WHICH RELIES MAINLY ON PRIVATE CONTACTS, FRIENDS AND FAMILY TO MAKE ITSELF KNOWN.

46- OVER ONE THIRD OF THE DISSATISFIED CONSUMERS WERE LIMITED IN THEIR CHOICE OF CONSUMER ORGANIZATION SINCE THEY ONLY KNEW OF THE ORGANIZATION THEY CONSULTED. THE ORGANIZATION WITH WHICH
DISSATISFIED CONSUMERS WERE BY FAR THE MOST FAMILIAR WITH WAS THE CONSUMER PROTECTION BUREAU. THE DEPARTMENT OF CONSUMER AND CORPORATED AFFAIRS AND THE CONSUMERS ASSOCIATION OF CANADA RANK ABOUT EQUAL AS THE NEXT BEST KNOWN. THE CFEA IS BY FAR THE LEAST KNOWN ORGANIZATION.

47- THE VAST MAJORITY OF RESPONDENTS STATED THAT THEY HAD NO DIFFICULTY IN CONTACTING THE ORGANIZATION OF THEIR CHOICE. NO SIGNIFICANT DIFFERENCES WERE OBSERVED BETWEEN CLIENTELES IN THIS REGARD. A SIMILAR PROPORTION OF RESPONDENTS CLAIMED THAT THEY HAD NO DIFFICULTY IN HAVING THEIR PROBLEM ACCEPTED. THE CONSUMERS WHO CONTACTED THE CFEA ARE KNOWN TO HAVE EXPERIENCED THE LEAST DIFFICULTY IN THIS RESPECT.

48- ONE FOURTH OF THE RESPONDENTS CONSIDERED THAT THE ORGANIZATION DID NOTHING TO ASSIST THEN. THE HIGHEST PROPORTION OF DISSATISFACTION WAS FOUND AMONG CONSUMERS WHO HAD CONSULTED THE DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS. THERE WAS LESS DISSATISFACTION WITH THE CONSUMER PROTECTION BUREAU AND THE LEAST OF ALL WITH THE CFEA. MOST OF THE RESPONDENTS WHO CONSIDERED THAT NOTHING WAS DONE IN THEIR CASE BELIEVED THAT SOMETHING COULD HAVE BEEN DONE.

49- THE METHODS OF ASSISTING THE CONSUMER PREFERRED BY ALL OF THE ORGANIZATIONS ARE TO NEGOTIATE DIRECTLY WITH THE OPPOSING PARTY AND TO INFORM THE CONSUMER ON HOW HE SHOULD PROCEED TO NEGOTIATE WITH THE OPPOSING PARTY HIMSELF. CONSUMERS ARE Seldom REFERRED TO ANOTHER ORGANIZATION AND IN VERY FEW CASES ONLY DO THE COMPLAINTS LEAD TO THE INITIATION OF LEGAL PROCEEDINGS. IN MOST CASES, AND IRRESPECTIVE OF THE TYPE OF ACTION TAKEN BY THE ORGANIZATION, THE VAST MAJORITY OF DISSATISFIED CONSUMERS CONSIDERED THAT THE ORGANIZATION INTERVened QUITE QUICKLY IN THEIR CASE.

50- THE VAST MAJORITY OF RESPONDENTS STATED THAT THE REPRESENTATIVES OF THE ORGANIZATION THEY CONSULTED HAD SUFFICIENTLY EXPLAINED THEIR RIGHTS TO THEM.

51- MOST OF THE DISSATISFIED CONSUMERS TOLD US THEIR PROBLEM, WHETHER IT WAS THE OBJECT OF A COMPLAINT OR A REQUEST FOR INFORMATION, HAD BEEN SOLVED TO THEIR SATISFACTION. HOWEVER, ONE OUT OF THREE CONSUMERS WERE DISSATISFIED WITH THE SOLUTION. MORE THAN ONE CASE OUT OF TEN WERE STILL OUTSTANDING WHEN WE CONDUCTED OUR SURVEY. THE SURVEY REVEALS THAT THE NUMBER OF CASES WHERE THE CONSUMER DID NOT REACH A SATISFACTORY SOLUTION WAS GREATER FOR COMPLAINTS BROUGHT TO THE DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS THAN FOR THOSE BROUGHT TO THE OTHER TWO ORGANIZATIONS.
THE LEVEL OF DISSATISFACTION INCREASES STRONGLY WHEN THE PROBLEM INVOLVES FINANCIAL LOSS. NEGOTIATION BETWEEN OPPOSING PARTIES SEEMS TO BE MORE DIFFICULT AND THE SOLUTION LESS TO THE CONSUMER'S ADVANTAGE IN CASES INVOLVING FINANCIAL LOSS.

52- THE LEVEL OF SATISFACTION WITH THE EFFECTIVENESS OF THE ORGANIZATIONS' WORK IS HIGH. VERY FEW CONSUMERS EXPRESSED A NEGATIVE VIEW IN THIS RESPECT. EVEN IF THE GENERAL LEVEL OF SATISFACTION IS HIGH, THE CFEA IS CONSIDERED TO BE THE MOST EFFECTIVE ORGANIZATION. THESE OBSERVATIONS ARE ALSO SUPPORTED BY THE CONSUMERS WHO HAD NOT CONSULTED THESE ORGANIZATIONS AT THE TIME OUR SURVEY WAS CONDUCTED BUT KNEW OF THEM.
CHAPTER IV - KNOWLEDGE OF CONSUMER LAWS

We know that any right can prove to be completely illusory and ineffective if the beneficiary of that right is not even aware of its existence. It was important in the context of our survey to sound, through our respondents, the consuming public's knowledge of consumer laws. This issue will be dealt with again in the future when we survey the population of Quebec. The survey under discussion here had as one of its objectives the design of the strategy that would be employed in the subsequent general survey.

As is often the case, the methods used have a lot to do with the interpretation of the results. Two principal methods could have been used to sound the complainants' knowledge of the law. The first would have been an open question approach where the respondent had to formulate his own answer without the help of points of reference. For example such a question could take the following form: "How much time does a consumer have to cancel a contract for the purchase of an item valued at more than $25 from a door-to-door salesman?" The respondent must in this case, find the answer without further hints being provided. This method suffers the inconvenience of making the interview process more difficult and lengthy. Given the fact that our questionnaire included nearly a hundred questions, including some rather lengthy ones, we preferred to fall back on a more rapid but less flexible method.

We opted therefore for questions that offered the respondent a choice of 4 solutions each of which appeared credible. For example we could formulate our question in the following way. "How many days do you have to cancel an agreement to purchase an item valued at more that $25 on credit with a door-to-door salesman: 3 days, 5 days, 14 days, 1 month?"

This method has the advantage of making it possible to administer several questionnaires in a relatively short period of time. In practice however it turns out that this method's drawbacks outweigh its advantages.

Three major drawbacks can be identified. It seems that this method does not adequately reflect the mental processes at play when the consumer encounters a problem. In real life, he finds himself facing a situation where the possible choices do not automatically appear for his selection. He is poorly acquainted with the nature of his problem and cannot easily identify all the possible solutions. In some cases it is the very lack of awareness of the existence of a solution that is the cause of the problem.
A second drawback derives from the fact that even the respondent who is the most ignorant of his rights has a 25% chance of choosing the correct answer. The presentation of 4 possible solutions to the same problem encourages the respondent to take a chance with the most likely answer and so increase his chances of success which he cannot do in practice.

The reservations with regard to the method used had to be made. Our experience with the survey of dissatisfied consumers will be of immeasurable assistance in the design of the questionnaire to be administered in the survey of the population of Quebec. The reservations we have expressed do not completely invalidate the results of the survey. We believe that the method employed resulted in an overstatement of the level of knowledge but the observations made can nevertheless permit us to identify the least well known areas of consumer law. The reader will note finally that the questions put to the complainants reflect the elementary knowledge that all consumers should normally possess. This fact leads us to be that much more demanding as to the level of knowledge registered.

Twelve general knowledge questions were put to the respondents. These twelve questions can be classified into 8 principal legal categories:

1- **Consumer Protection Act** (Provincial jurisdiction)
   4 questions

2- **Small Loans Act** (Federal jurisdiction)
   1 question

3- **Bankruptcy Act** (Federal jurisdiction)
   1 question

4- **Seizure of goods. Civil procedure** (Provincial jurisdiction)
   4 questions

5- **Professional Services** (Provincial jurisdiction)
   1 question
6- Leases (housing) (Provincial jurisdiction)
    2 questions

7- An Act to Promote Access to Justice (Provincial jurisdiction)
    1 question

8- Insurance (Provincial jurisdiction)
    1 question
SECTION 1 - QUESTIONS TESTING KNOWLEDGE OF CERTAIN CONSUMER LAWS

The percentage of answers recorded for each of the four choices the respondent could make in answering each question on his knowledge of consumer law is shown below following each of the relevant questions. The percentage figure appearing in a box corresponds to the correct answer. The "do not know" choice was not offered to the respondent. It appears in our tabulation of responses therefore only in those cases where some respondents insisted that they were unable to answer.

A - Consumer Protection Act

The Consumer Protection Act constitutes, or should constitute, the keystone of the consumer defense system. We questioned the respondent on the provisions for cancellation of a purchase from a door-to-door salesman, the repossession by a merchant of an article purchased on an installment plan, the soliciting of credit cards and access to credit files held by an information agency.

1 - Cancellation of a purchase from a door-to-door salesman

How many days do you have to cancel an agreement to purchase an item valued at more than $25 on credit with a door-to-door salesman?

- 3 days .................. 11.7%
- 5 days .................. 69.8%
- 14 days .................. 9.3%
- 1 month .................. 7.7%

The survey results clearly indicate that the majority of respondents are acquainted with the 5-day rule for cancellation but they also indicate that the respondents do not know that it is limited to door-to-door sales. We will seek to confirm this observation in the general survey.
2- Repossession of an article purchased on the installment plan

A person who has purchased a washing machine on the installment plan and who ceases to make the payments, can avoid having it repossessed by the creditor:

- if the purchase date is at least 6 months past 15.7%
- if the item is damaged by the buyer 7.7%
- if two thirds of the payments were made 55.2%
- it can never be repossessed 11.3%
- don't know 10.1%

3- Soliciting and issuing credit cards

According to the law, a credit card

- can only be sent to those who request it in writing 74.2%
- can only be sent to persons earning at least $10,000 per year .8%
- can be sent to any customer at will without a request having been made 15.7%
- can only be sent to persons with a bank account 8.5%
- don't know 4.4%

4- Access to credit files

According to the law:

- only businesses can consult a consumer's credit file and have it amended 15.3%
- a consumer can consult his credit file at any time and have it amended [58.9%]
- a consumer who wants to know what his credit file contains and to amend it must go through his lawyer. [9.7%]
- it is forbidden to maintain credit files on consumers [10.5%]
- don't know [5.6%]

Taking into account the method employed, we can conclude that generally, the Consumer Protection Act is relatively well known to the complainants. The average for the preceding 4 questions is two correct answers out of three.

B- Small Loans Act

The Federal Small Loans Act sets maximum interest rates for certain amounts of less than $1,500. Given the considerable expansion of consumer credit it seems quite important to determine whether the public knows the maximum interest rate that a lender can charge. The results of our question indicate near complete ignorance of the matter.

A finance company can charge what maximum annual rate of interest on a $300 loan?
- 12% [29.8%]
- 18% [35.9%]
- 24% [28.6%]
- 36% [1.6%]
- don't know [4.0%]
C- Bankruptcy Act

Which of the following persons can file for bankruptcy?

- companies only .................................. 4.0%
- only those persons who can pay .............. 2.4%
  creditors more than $1,000.
- any person with debts in excess of ............ 65.7%
  $1,000 and who can no longer meet his payments
- only those who are in business and ............ 24.2%
  can no longer pay their creditors
- don't know ........................................ 3.6%

A previous survey of persons registered with the Voluntary Deposit (Vivre ou Exister, a study of the effectiveness of Legal Programs in aid of overburdened debtors) showed that the majority thought that bankruptcy was reserved for those "in business". Our results indicate that the complainants are somewhat better acquainted with the Bankruptcy Act.

D- Seizure under the Civil Code

When a creditor seizes a person's property for a $500 debt,

- the person can keep $1,000 worth of ........ 45.2%
  furniture
- the person can keep only a table, .......... 29.8%
  4 chairs and a sufficient number of beds
- the creditor's bailiff can seize ............ 11.8%
  everything
- the person can keep assets valued .......... 8.9%
  at $5,000
- don't know ........................................ 4.4%
The results indicate that this aspect of law is not well known.

E - Professional Services

When we believe a lawyer has overcharged us:
- we can complain to the ombudsman .......... 12.9%
- we can do nothing because lawyers, .......... 5.2%
  being professionals can charge what they like
- we can complain to the Bar .................. 71.0%
- it cannot happen because all lawyers ......... 8.5%
  are obliged to charge the same rates
  by virtue of the Professional Code
- don't know .................................. 2.4%

Some respondents said that they know that they could complain to the Bar Association but that it was useless.

F - Leases (Housing)

This is an important area of consumer affairs that we can consider to be well known to most.

1 - The Rental Board
- only for rentals of less than $125 .......... 8.5%
- only for the rental of units of 3 rooms ... 13.7%
- only for social assistance recipients ..... 3.2%
- only for houses built before .................. 66.9%
  January 1974
- don't know .................................. 7.7%
2- Cancelling of Leases

All leases of one year or more duration are automatically extended for one year unless the landlord advises the tenant in writing:

- 7 days before the end of lease .......... 1.6%
- 30 days before the end of the lease ...... 22.6%
- 2 months before the end of the lease ...... 4.8%
- 3 months before the end of the lease ...... 71.0%
- don't know .................................. 0%

G- An Act to Promote Access to Justice

Although the Small Claims Court was not created with the specific goals of assisting consumers with claims of less than $300, it constitutes in many instances an excellent and inexpensive means for him to exercise his rights. This fact appears to be well known to our respondents.

The Small Claims Court is

- a court for those who declare ............ 4.4%
  bankruptcy but owe their creditors less than $1,000
- a court where claims of less ............. 91.9%
  than $300 are settled without lawyers
- a court that settles disputes ............. .4%
  between businesses
- a special court to settle automobile ...... 1.6%
  accident claims of less than $500
- don't know .................................. 1.6%
## H- Automobile Insurance

The Indemnisation of Automobile Accident Victims Law obliges the insuring agent to guarantee that the insured has at least $35,000 in coverage. The majority of respondents were not aware of this.

When you insure an automobile, the policy issued by the auto-insurance company must include public-liability coverage of:

<table>
<thead>
<tr>
<th>Coverage Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100,000</td>
<td>30.2%</td>
</tr>
<tr>
<td>$50,000</td>
<td>12.1%</td>
</tr>
<tr>
<td>$35,000</td>
<td>46.4%</td>
</tr>
<tr>
<td>$15,000</td>
<td>9.7%</td>
</tr>
<tr>
<td>Don't know</td>
<td>1.6%</td>
</tr>
</tbody>
</table>

Taking into account the method we employed and the obviously very elementary character of the subject matter dealt with by our questions, we must conclude that the consumers' knowledge of consumer law leaves a lot to be desired in the areas related to credit and seizure even if it appears from the foregoing that their general knowledge is relatively good.
SECTION 2 - LEVEL OF KNOWLEDGE OF CONSUMER LAWS

We constructed a measure of the complainants' level of knowledge of consumer law on the basis of the answers given to the twelve questions discussed in the previous section. This measure was based on a scale of 12 each correct answer allowing us to classify the respondent in relation to all other respondents and in terms of the total number of correct answers possible (12). Because of the method used, that is, having the respondent choose from among four possible answers, we had to take into account the fact that a respondent who was totally ignorant of consumer law had a statistical chance of choosing 3 correct answers out of twelve. That is why we isolate the respondents registering three or less correct answers. We believe the probability of the respondents correctly answering questions while being totally ignorant of consumer law must be taken into account if we are to properly assess their level of knowledge. The first three levels on the scale of twelve are consequently considered to lie beneath the probability threshold. The distribution of the number of correct answers registered by each respondent yields the results discussed below.

We note that 3.6% of the respondents fall below the probability threshold (Table 59). Taking this into account we find that half of the respondents (50.8%) could not correctly answer at least one half of the questions. Further, two thirds of the respondents (68.5%) could answer only one-half or less of the questions correctly.

We point out again that most of the questions put could be considered to be rather elementary. We believe that the phenomenon observed here demonstrates, in a good number of cases, "a profound ignorance of the protection mechanisms amongst those who are intended to be their beneficiaries. The fact that the respondents are on average much better educated than the population of Quebec in general makes this observation that much more worrisome for we will see later on that the level of knowledge of the law increases in relation to the level of education. We can therefore expect that the Quebec public's knowledge of consumer law is even less than that observed in this survey. Everything indicates that the consumer's knowledge of consumer law is generally weak.

The complainants are themselves quite conscious of this ignorance of consumer law. Only 2.8% think that they know consumer law very well while 59% of the respondents said that they know consumer law "not very well" or "not at all", 38% say they know the law "well enough". A comparison of these figures with the results of the questioning illustrates that the respondents' self-evaluation with regard to their knowledge of the law is pretty accurate. We note for example that one half of the respondents correctly predicted their performance before answering the questions dealing with their knowledge of consumer law.
### TABLE 59

**Respondents' Knowledge of Consumer Law Measured by Number of Correct Responses to Pertinent Questions**

<table>
<thead>
<tr>
<th>Number of Correct Responses</th>
<th>Number of Respondents</th>
<th>%</th>
<th>Cumulative % Top to Bottom</th>
<th>Cumulative % Bottom to Top</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 3 Correct Responses*</td>
<td>9</td>
<td>3.6%</td>
<td>3.6%</td>
<td>100. %</td>
</tr>
<tr>
<td>1-4 Correct Responses</td>
<td>12</td>
<td>4.8%</td>
<td>8.4%</td>
<td>96.4%</td>
</tr>
<tr>
<td>2-5 Correct Responses</td>
<td>19</td>
<td>7.7%</td>
<td>16.1%</td>
<td>91.6%</td>
</tr>
<tr>
<td>3-6 Correct Responses</td>
<td>28</td>
<td>11.3%</td>
<td>27.4%</td>
<td>83.9%</td>
</tr>
<tr>
<td>4-7 Correct Responses</td>
<td>58</td>
<td>23.4%</td>
<td>50.8%</td>
<td>72.6%</td>
</tr>
<tr>
<td>5-8 Correct Responses</td>
<td>44</td>
<td>17.7%</td>
<td>68.5%</td>
<td>49.2%</td>
</tr>
<tr>
<td>6-9 Correct Responses</td>
<td>39</td>
<td>15.7%</td>
<td>84.2%</td>
<td>31.5%</td>
</tr>
<tr>
<td>7-10 Correct Responses</td>
<td>20</td>
<td>8.1%</td>
<td>92.3%</td>
<td>15.8%</td>
</tr>
<tr>
<td>8-11 Correct Responses</td>
<td>18</td>
<td>7.3%</td>
<td>99.6%</td>
<td>7.7%</td>
</tr>
<tr>
<td>9-12 Correct Responses</td>
<td>1</td>
<td>0.4%</td>
<td>100.0%</td>
<td>0.4%</td>
</tr>
<tr>
<td>Total</td>
<td>248</td>
<td>100.0%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* These correct responses could be the result of chance. (percentages are calculated vertically)
The measure of the complainant's level of knowledge of consumer law enables us to determine if there exists any significant variation in the level of knowledge of the law in relation to the different socio-economic characteristics. We can in fact test for significant variations in knowledge in relation to sex, age, education, occupation and income which is what we attempted to do. We also looked for variations in knowledge according to other factors such as the fact of having filed a complaint with one or another organization.

A- Knowledge of Consumer Laws in relation to socio-economic characteristics

The level of knowledge of consumer laws varies significantly with the sex of the respondents. In fact our results indicate that men are better acquainted with these laws than women who answered an average of 7.11 questions correctly as compared to 7.78 registered by the men. Even though the difference does not appear to be great it is statistically significant.

There was no significant variation registered with respect to the respondent's age. The level of knowledge remains singularly constant from one age-group to the other. On the other hand, the level of knowledge varies markedly with the respondent's level of education as was expected. The higher the level of education, the greater is the respondent's knowledge of consumer laws. Table 60 illustrates this point and also shows that the level of knowledge of consumer laws, expressed as an average of questions answered correctly, increases continuously as we move up each level of education. The respondent's level of education is the major factor in explaining the state of the consumer's knowledge of consumer affairs.

The respondent's occupational status is also an important factor. In this case again, the level of knowledge of consumer laws increases with the occupational status. The increase observed as we go from the less to more specialized occupations indicates that occupation level is an important factor although this is in part explained by education levels. There is a departure from the increase in knowledge registered between occupational classes though. This is the case of the "semi-professionals" who exhibit a greater knowledge than the next highest occupational level, the "professional-businessman" class. This is explained by the fact that the "semi-professional" category includes an important number of teachers, the group is the most knowledgeable of laws. (See table 61).

The level of knowledge of consumer laws is similarly related to the respondent's level of income. The respondent's level of knowledge was seen to vary in proportion to his level of income in a good number of cases.
<table>
<thead>
<tr>
<th>CORRECT RESPONSES</th>
<th>0 TO 7 YEARS</th>
<th>8 TO 11 YEARS</th>
<th>12 YEARS OR MORE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 TO 3</td>
<td>5 (11.1%)</td>
<td>1 (0.9%)</td>
<td>3 (3.4%)</td>
<td>9 (3.6%)</td>
</tr>
<tr>
<td>4 TO 6</td>
<td>14 (31.1%)</td>
<td>30 (25.9%)</td>
<td>15 (17.3%)</td>
<td>59 (23.8%)</td>
</tr>
<tr>
<td>7 TO 9</td>
<td>23 (51.1%)</td>
<td>67 (57.7%)</td>
<td>51 (58.6%)</td>
<td>141 (56.8%)</td>
</tr>
<tr>
<td>10 TO 12</td>
<td>3 (6.7%)</td>
<td>18 (15.5%)</td>
<td>18 (20.7%)</td>
<td>39 (15.8%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>45 (19.1%)</td>
<td>116 (46.8%)</td>
<td>87 (35.1%)</td>
<td>248 (100.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)

AVERAGES (SCALE OF 12)

- 0 to 7 years of education 6.64
- 8 to 9 years of education 7.32
- 10 to 11 years of education 7.52
- 12 to 15 years of education 7.54
- 16 or more years of education 8.8
### Table 61

Respondents' Knowledge of Consumer Laws According to Occupation

<table>
<thead>
<tr>
<th>Correct Responses</th>
<th>Occupation</th>
<th>Unskilled Workers</th>
<th>Skilled Workers</th>
<th>White Collar Workers</th>
<th>Semi-Professionals</th>
<th>Professional-Business</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 TO 3</td>
<td></td>
<td>3 (8.3%)</td>
<td>3 (3.1%)</td>
<td>3 (3.3%)</td>
<td>0 (0.0%)</td>
<td>0 (0.0%)</td>
<td>9 (3.0%)</td>
</tr>
<tr>
<td>4 TO 6</td>
<td></td>
<td>12 (33.4%)</td>
<td>25 (26.1%)</td>
<td>21 (23.3%)</td>
<td>5 (11.1%)</td>
<td>7 (23.3%)</td>
<td>70 (23.6%)</td>
</tr>
<tr>
<td>7 TO 9</td>
<td></td>
<td>18 (50.0%)</td>
<td>55 (57.3%)</td>
<td>56 (62.2%)</td>
<td>26 (57.8%)</td>
<td>15 (50.0%)</td>
<td>170 (57.2%)</td>
</tr>
<tr>
<td>10 TO 12</td>
<td></td>
<td>3 (8.3%)</td>
<td>13 (13.5%)</td>
<td>10 (11.2%)</td>
<td>14 (31.1%)</td>
<td>8 (26.7%)</td>
<td>48 (16.2%)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>36 (12.1%)</td>
<td>96 (32.3%)</td>
<td>90 (30.3%)</td>
<td>45 (15.2%)</td>
<td>30 (10.1%)</td>
<td>297 (100.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)

**Averages**

- Unskilled Workers: average of 6.60 correct responses
- Skilled Workers: average of 7.31 correct responses
- White Collar Workers: average of 7.41 correct responses
- Semi-Professionals: average of 8.57 correct responses
- Professional-Business: average of 8.09 correct responses
Our results show that the average number of correct answers given by the respondents with a family income of less than $5,000 was 6.49 as compared to 6.74 for those with an income of $5,000 to $9,000 to 7.72 for those with an income of $9,000 to $13,000 and 8.04 for those with an income in excess of $13,000.

We can only conclude from these observations that socio-economic factors such as sex, education, occupation and family income explain much of the variation that we observe in the knowledge of consumer laws.

B- Knowledge of consumer laws in relation to the consumer organization consulted

We inquired into whether one consumer organization's clientele is more knowledgeable of consumer laws than another's. The result was negative. The complainant clientele's level of knowledge of consumer laws did not vary from one organization to the other. When differences in level of knowledge do appear they are minor and not statistically significant as illustrated in Table 62.

C- Knowledge of the laws in relation to consumer values

As it is explained in the following chapter we constructed on an experimental basis, a scale of adherence to traditional consumer values based on the notion of economic liberalism. Acceptance of the existing system of advertising - access to credit without limit, consumer self-defense and other values were subjected to scrutiny. It is quite interesting to examine the existence of a relationship between consumer knowledge and adherence to traditional consumer values. An analysis of the results of this investigation shows that the level of knowledge of consumer laws fluctuates conversely with the degree of adherence to traditional consumer values. The stronger the adherence to traditional values exhibited by the respondent, the lower is the level of knowledge of consumer laws recorded. The higher the level of the respondent's knowledge of consumer law, the lower is the adherence to traditional values he exhibits. (See Table 63)

Several hypotheses can be advanced to explain this phenomenon. We note first of all that there is no doubt as to the existence of the phenomenon. The evolution from one pole to the other is relatively consistent as illustrated in Table 63 and is statistically significant. We could suggest at first glance that a better knowledge of consumer laws provokes an awareness which results in the, at least partial, rejection of traditional
<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>CPB</th>
<th>FDC</th>
<th>CFEA</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>RESPONSES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 TO 3</td>
<td>9 (3.6%)</td>
<td>9 (3.6%)</td>
<td>9 (3.6%)</td>
<td>9 (3.6%)</td>
</tr>
<tr>
<td>4 TO 6</td>
<td>59 (23.8%)</td>
<td>59 (23.8%)</td>
<td>59 (23.8%)</td>
<td>59 (23.8%)</td>
</tr>
<tr>
<td>7 TO 9</td>
<td>141 (56.9%)</td>
<td>141 (56.9%)</td>
<td>141 (56.9%)</td>
<td>141 (56.9%)</td>
</tr>
<tr>
<td>10 TO 12</td>
<td>39 (15.9%)</td>
<td>39 (15.9%)</td>
<td>39 (15.9%)</td>
<td>39 (15.9%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>248 (100.0%)</td>
<td>248 (100.0%)</td>
<td>248 (100.0%)</td>
<td>248 (100.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)

AVERAGES
- Consumer Protection Bureau 7.55 (average)
- Department of Consumer and Corporate Affairs 7.49 (average)
- Cooperative Family Economics Association 7.33 (average)
TABLE 63
RELATIONSHIP BETWEEN RESPONDENTS' KNOWLEDGE OF CONSUMER LAWS AND ADHERENCE TO CONSUMER VALUES

NUMBER OF CORRECT RESPONSES

ADHERENCE VALUES

NUMBER OF CORRECT RESPONSES
values. This explanation is not valid. It is more likely that both
the level of knowledge of consumer laws and the adherence to traditional
values are functions of the same factors, namely, the respondent's socio-
-economic status and level of education in particular. We observe in a
general way that the higher the respondent's socio-economic status the
greater is his knowledge of consumer law and the weaker is his adherence
to the traditional consumer values. Therefore, rather then thinking that
a direct relationship exists between the two phenomena observed here we
believe that both are a function of the respondent's socio-economic status.

SUMMARY OF OBSERVATIONS

53- CONSIDERING THE METHOD USED AND THE ELEMENTARY NATURE OF THE
QUESTIONS ASKED, IT WOULD APPEAR THAT, GENERALLY SPEAKING,
KNOWLEDGE OF CONSUMER LAWS, PARTICULARLY AS IT APPLIES TO
CREDIT AND SEIZURE, LEAVES MUCH TO BE DESIRED.

54- WE CAN HYPOTHESIZE THAT THIS IGNORANCE OF EXISTING CONSUMER
PROTECTION MECHANISMS IS EVEN MORE PRONOUNCED AMONG THE GE-
NERAL POPULATION IN QUEBEC WHICH IS ON THE AVERAGE LESS WELL
EDUCATED THAN THE DISSATISFIED CONSUMERS.

55- MEN ARE MORE FAMILIAR WITH CONSUMER LAWS THAN WOMEN.

56- THE LEVEL OF KNOWLEDGE OF CONSUMER LAWS INCREASED CONSISTENTLY
WITH THE LEVEL OF EDUCATION WHICH IS THE PRINCIPAL FACTOR IN-
FLUENCING THEIR KNOWLEDGE.

57- THE LEVEL OF KNOWLEDGE OF CONSUMER LAWS IS ALSO AND THEREFORE
RELATED TO THE RESPONDENTS' OCCUPATIONAL STATUS AND INCOME.

58- THERE IS NO MARKED DIFFERENCE IN THE LEVEL OF KNOWLEDGE OF
CONSUMER LAWS BETWEEN THE THREE ORGANIZATIONS' CLIENTELES.

59- THE HIGHER THE CONSUMER'S LEVEL OF KNOWLEDGE OF CONSUMER LAWS
THE LESS TENDENCY HE HAD TO ADHERE TO THE VALUES OF ECONOMIC
LIBERALISM. ON THE OTHER HAND, THE GREATER THE ADHERENCE TO
THE VALUES OF THE CONSUMER SOCIETY, THE LOWER THE LEVEL OF
KNOWLEDGE OF CONSUMER LAWS. THERE IS NO INTERACTION BETWEEN
THOSE TWO PHENOMENA BUT THEY ARE BOTH CLOSELY RELATED TO THE
CONSUMER'S SOCIO-ECONOMIC STATUS.
CHAPTER V - THE COMPLAINANTS' VALUES AND ATTITUDES

We analysed the respondents' opinions on, and attitudes towards, the protection offered by consumer laws, the general quality of consumer goods, their adherence to consumer values based on economic liberalism and some of their natural defense mechanisms. This information appeared appropriate to round out our knowledge of the complaining consumer and should permit us to construct a more complete questionnaire for our survey of Quebec consumers as a whole.

SECTION 1 - PROTECTION OFFERED BY THE LAW

We wanted to know if our respondents, as consumers, believe themselves to be sufficiently well protected by consumer laws, believe that these laws respond to the needs of the people and evaluate the governments' activities positively.

56% of the respondents claimed that they are not sufficiently well protected by consumer laws as compared to 44% who believe they are. We must be careful not to simply impute this statistic to the whole of the consumer population. Those we questioned are consumers who had just emerged from a painful experience in one or another area of consumer affairs and the law pertinent to it. It is certain that the outcome of the problem that was the basis for the complaint or request for information could not help but influence more or less strongly the expression of satisfaction with regard to the protection offered by consumer laws even if the question was formulated in general terms. We could hypothesize as well that the degree of satisfaction expressed with regard to the effectiveness of the consulted organization also influenced the evaluation of the protection considered by the consumer as the instrument for the application of the other.

These hypotheses are confirmed by the observation that if, at the time of the survey, a problem had been resolved to the consumer's satisfaction or if a solution was still being pursued, the expression of satisfaction with the protection offered by consumer laws was stronger. More significant still, in statistical terms, is the correlation between the degree of satisfaction with the consulted organization's work and the satisfaction with the protection offered by the law. The higher the former then the higher the latter. 52% of the respondents who rated the consulted organization's work as "excellent" expressed satisfaction with the protection offered by the law. The corresponding figure is 43% for those who rated the
consulted organization's work "very good", 23.8% for those rating it "fair" and 7.7% for those rating it "mediocre". This shows that the consumer tends to link his evaluation of the effectiveness of the law to his personal experience in specific cases where he has dealt with consumer organizations.

<table>
<thead>
<tr>
<th>EFFECTIVENESS</th>
<th>EXCELLENT</th>
<th>VERY GOOD</th>
<th>FAIR</th>
<th>MEDIOCRE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUFFICIENT</td>
<td>62 (52.5%)</td>
<td>27 (43.5%)</td>
<td>5 (23.8%)</td>
<td>1 (7.7%)</td>
<td>95 (44.4%)</td>
</tr>
<tr>
<td>NOT SUFFICIENT</td>
<td>56 (47.5%)</td>
<td>35 (56.5%)</td>
<td>16 (76.2%)</td>
<td>12 (92.3%)</td>
<td>119 (55.6%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>118 (55.1%)</td>
<td>62 (29.0%)</td>
<td>21 (9.8%)</td>
<td>13 (6.1%)</td>
<td>214 (100%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)

Does a better knowledge of consumer laws influence the consumer's judgment of the protection offered by these laws? Can we say that the better a consumer knows the laws the more critical he is of them or is the converse true, that the more he knows them the more secure he feels in the market place? To answer these questions we must first distinguish between the complainant's own assessment of his knowledge of the law and his effective knowledge. We discussed the possible relationship between these two evaluations in the preceding chapter.
The analysis of the results permits us to conclude that the less a respondent thinks he knows the laws the more dissatisfaction he expresses with regard to the protection offered by them. The more he thinks he knows them the more he considers himself well protected. 55% of those who believe their knowledge of consumer laws to be "very good" say they are satisfied with the protection offered by these laws. The figure drops to 38% for those who believe their knowledge of consumer laws to be "not good" and to 22% for those who believe they have no knowledge at all of these laws.

<table>
<thead>
<tr>
<th>OWN ASSESSMENT OF KNOWLEDGE</th>
<th>VERY GOOD</th>
<th>GOOD</th>
<th>NONE AT ALL</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUFFICIENT</td>
<td>56 (55.4%)</td>
<td>48 (38.7%)</td>
<td>5 (22.7%)</td>
<td>109 (44.1%)</td>
</tr>
<tr>
<td>NOT SUFFICIENT</td>
<td>45 (44.5%)</td>
<td>76 (61.3%)</td>
<td>17 (77.3%)</td>
<td>138 (55.9%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>101 (40.9%)</td>
<td>124 (50.2%)</td>
<td>22 (8.9%)</td>
<td>247 (100.%)</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)

The conclusions that one can draw from the foregoing are essentially psychological. The consumer who believes that he does not know consumer law feels very insecure with regard to the hypothetical protection that the laws can offer him and therefore tends to see it as illusory.
Does the same hold true when we look at the consumer's actual knowledge instead of his perception of his knowledge? We explained in the previous chapter how twelve very elementary questions on consumer laws were put to the respondents. The answers were compiled and a scale of knowledge constructed. From this scale we can see the respondent's evaluation of the effectiveness provided by consumer laws is not related to his real knowledge of laws. The phenomenon observed previously does not repeat itself here and we can affirm that those who are well acquainted with the laws do not evaluate their protection more negatively than those who are not really acquainted with them.

The complaining consumers' assessment of the protection afforded by consumer laws varies in relation to the knowledge they believe they have but not with the knowledge they really have of consumer laws. This phenomenon is essentially psychological.

The importance of personal attitudes with regard to the satisfaction felt with the protection afforded by consumer laws is confirmed by another observation: those that read contracts in their entirety prior to signing say they are better protected than those who acknowledge that they read only part or none of the contract before signing.

We could ask finally if the satisfaction expressed by the various socio-economic groups varies with regard to the protection offered by consumer laws. The level of satisfaction does not vary significantly with the respondent's sex, marital status, employment status, income, family responsibilities, level of indebtedness or consumption. Significant variations are observed with regard to education and age. We observe in fact that those respondents under 25 and those over 55 years of age are much more critical of the protection offered by consumer laws than those in the 25 to 55 year range. The respondents in the two most extreme age groups are the most vulnerable economically and therefore those most in need of legislative protection. The respondent's level of education also has an important influence on the evaluation made. We note that the respondents with little education (0 to 7 years) and those with most (12 or more years) are by far the most critical of the protection afforded by consumer law. The rate of satisfaction in this case is only 35%. We could attempt to explain this situation by the state of vulnerability that the poorly educated find themselves in and by that of great awareness of consumer problems that the highly educated find themselves in.

Are the complaining consumers satisfied with the efforts of Canadian and Quebec legislators in the field of consumer affairs? To sound their opinion we asked them whether they agreed with the idea that "Present consumer laws deal with people's real problems". A small majority (52.8%) of the respondents said they disagreed with this statement and that they felt that the legislators had not yet tackled the real problems.
This answer reflects very closely the expression of satisfaction with regard to the protection offered by the law. A very high correlation exists between negative answers in the first case and negative answers in the second.

We asked the respondents if they agreed or disagreed that "Governments have done little for the consumer over the past few years?" The responses were even more closely split than in the previous case. A very small majority (50.4%) believe that our governments have been inert while the others (49.2%) disagreed with the statement.
SECTION 2 - THE QUALITY OF CONSUMER GOODS

The deterioration of the quality of life is an idea that often recurs in our society that many see as one of "abundance". We wanted, without dwelling too long on this question, to find out what our respondents thought. We asked them "Do you think that in general, the quality of goods on the market has deteriorated in the last five years or that, thanks to quality control, today's goods are better than they used to be?" The reader will note the care taken in formulating this question to relate it to the consumer's day to day experience rather than the unhappy incident that was the object of the complaint the respondent filed. The expressions "in general", "in the last 5 years" and "today's goods" were used to force the respondent to base his reply on his experience during the previous five years rather than on a single incident.

The answers to this question were very significant. More than 80% of the respondents acknowledged a deterioration in the quality of goods during the past 5 years. Only 17.1% saw an improvement in quality. 1.6% said they did not know what to answer. There is no observable difference in the answers given by the three clienteles surveyed. All are equally convinced of the lowering of the quality of consumer goods in the last five years. This demonstrates the worrisome general nature of the phenomenon.

It is to be noted that no relationship of any kind was observed between the consumer's dissatisfaction with either the settlement of his problem of the consulted organization's work and his evaluation of the decline in the quality of consumer goods. The same holds for the type of complaints filed by the consumer and the type of goods with regard to which the complaint was made. According to all the statistics collected none of these factors influence the evaluation of the quality of consumer goods so we can conclude that our respondents made a very clear distinction between the specific problem that was the object of their complaint and their general evaluation of product quality. That is why we believe that this evaluation could approximate that of the consumer public in general.

We noted no statistically significant variation in the evaluations made in relation to the various socio-economic categories. The evaluations are the same regardless of the respondents' sex, age, education, employment status and level of income and consumption.
### TABLE 66

**RESPONDENTS’ EVALUATION OF THE QUALITY OF CONSUMER GOODS OVER THE LAST 5 YEARS**

<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>CPB</th>
<th>FDC</th>
<th>CFEA</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARE DETERIORATING</td>
<td>75</td>
<td>51</td>
<td>74</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td>(78.9%)</td>
<td>(83.6%)</td>
<td>(82.2%)</td>
<td>(81.3%)</td>
</tr>
<tr>
<td>HAVE IMPROVED</td>
<td>18</td>
<td>9</td>
<td>15</td>
<td>42</td>
</tr>
<tr>
<td></td>
<td>(18.9%)</td>
<td>(14.8%)</td>
<td>(16.7%)</td>
<td>(17.1%)</td>
</tr>
<tr>
<td>DOES NOT KNOW</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>(2.1%)</td>
<td>(1.6%)</td>
<td>(1.1%)</td>
<td>(1.6%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>95</td>
<td>61</td>
<td>90</td>
<td>246</td>
</tr>
<tr>
<td></td>
<td>(38.6%)</td>
<td>(24.1%)</td>
<td>(36.6%)</td>
<td>(10.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)
SECTION 3 - THE COMPLAINING CONSUMER'S ADHERENCE TO TRADITIONAL CONSUMER VALUES: ECONOMIC LIBERALISM

We studied the degree of consumer adherence to certain traditional consumer values. This part of our survey was carried out on an experimental basis for the purpose of preparing a future survey to be based on a representative sampling of Quebec consumers, a sample which would not be limited to complaining consumers but would cover the entire population. The values on which our questions were predicated were arbitrarily chosen in accord with a model of economic liberalism which would give free rein to natural market forces and leave to the consumer the responsibility to discipline himself. We sounded these values, based on economic liberalism, through the following questions:

a) Consumers in difficulty are necessarily people who are living beyond their means.

b) It is up to the consumer to be careful and ensure that he is not stung.

c) Bankruptcy is a dishonest way of ridding oneself of debts.

d) It should be easier for everyone to obtain credit.

e) Credit cards are essential to a good life.

f) Television and radio advertising are necessary to keep us informed and so that we can know what to buy.

g) Governments should not give too much protection to consumers since businesses would suffer as a result.

Several other aspects of the consumer society based on the principle of economic liberalism could have been the subject of a summary exploration. For example, the need to consume luxury goods to affirm a high quality of life even if this requires temporary or permanent indebtedness. The choice of a small, economic automobile without prestige as against a large luxury car could have been the object of a question in this regard.

We asked our respondents if they agreed or disagreed with the value statements listed above. We compiled an index of adherence to consumer values (on an experimental basis) from the answers to these 7 questions. The structure of this index will be improved for the general survey of the consumer population but the preliminary results are nevertheless very interesting.
The first subsection following deals with the answers to the seven questions. The subsequent subsection deals with the index constructed on the bases of these answers.

A- The complaining consumer's attitudes

1- Are consumers in difficulty necessarily people who are living beyond their means?

We asked the respondents if they agreed or disagreed with the statement: "Consumers in difficulty are necessarily people who are living beyond their means". The answers break down as follows:

a) Agree: 112 -------- 45.2%
b) Disagree: 136 -------- 54.8%

A small majority of respondents (54.8%) contradict our experimental model. The other respondents agree with the often heard idea that the consumers' economic problems are the result of excess consumption. We cannot overemphasize the inclusion of the expression "are necessarily" in the statements.

2- Is it up to the consumer to be careful and ensure that he's not stung?

We asked the complaining consumers if they agreed or disagreed with the statement: "It's is up to the consumer to be careful and ensure that he is not stung." The answers break down as follows:

a) Agree: 203 -------- 81.1%
b) Disagree: 44 -------- 17.7%
c) No answer 1 -------- .4%

248 100.0%
The great majority of consumers (82%) therefore are ready to accept this idea from our model of economic liberalism that calls for consumer prudence.

3 - **Is Bankruptcy a dishonest way of ridding oneself of debts?**

The reader will note that this question flows from the first one where the consumer in difficulty is seen as a person who necessarily lives beyond his means. There is only a short step to go from these to the conclusion that bankruptcy is a dishonest way of ridding oneself of debts. We point out however an ambiguity in the question that was observed after the fact. The question did not distinguish between the bankruptcy of a merchant that injures a consumer through non-delivery of goods that are already paid for, for example, and the bankruptcy of a consumer that can result in harm to a merchant through the failure to pay for goods purchased on credit for example. It is possible that at the time the questionnaire was administered a good number of respondents had in mind the case of fraudulent bankruptcies which were then making headlines. This ambiguity between the consumer's situation and that of the merchant probably had the effect of hardening the respondents' position with regard to bankruptcy. Nevertheless, the results appear quite interesting to us.

We asked the complaining consumers if they agreed or disagreed with the statement: "Bankruptcy is dishonest way of ridding oneself of debts". The answers break down as follows:

a) **Agree**  
136 ------- 54.8%

b) **Disagree**  
110 ------- 44.4%

c) **No answer**  
2  ------- .8%

248 100.0%

A small majority of respondents (54.8%) tend to consider bankruptcy to be dishonest without the distinction being made between the consumer's situation and that of the merchant.

The respondents' reticence towards bankruptcy, which is seen as a dishonest procedure, is not new. We had already witnessed this attitude on the occasion of a previous survey of excessively indebted consumers registered with the voluntary deposit program (Loi Lacombe). 73% of the registrants with the voluntary deposit considered bankruptcy to be a "not entirely honest way" of ridding oneself of debts. The same attitude is observed here albeit less strongly.
4- Should it be more difficult for everyone to obtain credit?

The easy accessibility of credit is one of the most supported demands of our consumer society. Some see it as one of our economic system's preferred means of sustaining a high level of production through the encouragement of over-consumption. Credit, according to this view, is indispensable to the functioning of our system of production (Le Québec de l'illusion de l'abondance à la réalité de l'endettement. Fédération des ACEF, juin 1974).

We asked our respondents if they agreed or disagreed with the statement: "It should be more difficult for everyone to obtain credit". The reader will note that the question is an inversion of the usual formulation proposed by the consumer society namely that credit should be more, not less, accessible. The respondents' adherence to the values of the consumer society would be exhibited by his disagreement with the statement. The answers break down as follows:

a) Agree 189 --------→ 76.2%
b) Disagree 57 --------→ 23.0%
c) No answer 2 --------→ .8%

248 100. %

The majority of respondents therefore reject the consumer society contention that credit should be easier to obtain. This result does not lack significance and is further reinforced by the respondents' attitude toward credit cards.

5- Are credit cards essential to a good life?

It is true that the statement is a little crude but it is obviously what credit card advertising tries to make us accept. The untramelled realization of the most basic aspirations and access to the most expensive goods are set forth by this advertising as something that the average person or "Mister Everybody" can achieve thanks to the credit card. The "accredited" consumer can therefore consume without limit", realize his "dearest dreams" or acquire "respectability" that would normally evade him. All this to make him accept the idea that "credit cards are essential to a good life".
Our respondents were nearly unanimous in their disagreement with this idea. Their answers break down as follows:

a) Agree: 17 ---------  6.9%

b) Disagree: 230 ---------  92.7%

c) No answers: 1 ---------  0.4%

\[ \frac{248}{100.0\%} \]

The reader will note the exceptionally large proportion of respondents that are in disagreement with the traditional model (92.7%).

6- Are television and radio advertising necessary to keep us informed and help us decide what to buy?

This is the main argument put forth by the public relations firms: Today's "advertising process" is indispensable to the consumer in his selection from amongst the range of products and services presented to him. Consumer information is the wherewithal of advertising according to the public relations community (Advertising Management and Society, A Business Point of View M. Nicosa. Consumer Research Program, McGraw-Hill Book Company, 1974). Others insist that advertising is based not on information but on illusions or arguments that have nothing to do with the quality or the intrinsic nature of the goods and services featured.

We asked our respondents if they agreed or disagreed with the statement: "Television and Radio advertising are necessary to keep us informed and so that we can know what to buy". The answers break down as follows:

a) Agree: 82 ---------  33.3%

b) Disagree: 163 ---------  65.7%

c) Do not know: 2 ---------  0.8%

d) No answer: 1 ---------  0.4%

\[ \frac{248}{100.0\%} \]
Nearly two out of three respondents appear therefore to believe that one of the reasons given for consumer advertising is not supported by the facts and that the advertising seen on television and heard on radio is not a valid instrument of consumer information. The number of respondents who expressed disagreement with the statement cannot help but incite us to question the "raison d'être" being offered for existing advertising.

7- Should our Government exercise restraint in protecting consumers for fear of harming business?

This question attacks the notion of economic liberalism which favors giving free rein to business for fear that greater government control on behalf of the consumer result in making exchange more difficult and therefore diminish business. This contention implies a corollary one that the consumer is better able to seek out those who sell poorer quality goods, those who abuse their good faith or who cheat them.

We asked the respondents if they agreed or disagreed with the statement: "Governments should not give too much protection to consumers since businesses would suffer as a result". The great majority of the respondents expressed their disagreement with this contention demonstrating thereby their at least partial rejection of the proposed model:

a) Agree: 27 --------- 10.9%

b) Disagree: 218 --------- 87.9%

c) Do not know: 1 --------- .4%

d) No answer: 2 --------- .8%

248 --------- 100.0%

We observed that in general the complaining consumers questioned in the course of the survey are rather demanding of themselves in terms of their conduct in the market place. In fact, a large percentage believe that the consumer in trouble is one that lives beyond his means. The majority believe that bankruptcy is dishonest and a large majority believe that it is up to the consumer to exercise more prudence to avoid being trapped by business practices.
The respondents are also quite opposed to the existing laissez-faire attitude. A rather strong consensus emerges in favour of the non-adherence to the values promoted by the consumer society. Three respondents out of four believe that it should be more difficult to acquire credit cards and nine out of ten reject the idea that our government should exercise restraint in protecting the consumer for fear of harming the business community.

The construction of an index of adherence to consumer values permitted us to extract additional information which appears to be quite significant.

B- Attitude scale

Even though the degree of adherence to the values proposed varies from 7 to 82% depending on the statement in question, the overall rate of adherence is on the average very low (36.5%, or one out of three respondents). The Index of Adherence to Consumer Values based on a scale of 8 levels (0 to 7) allows us to make other interesting observations.

The Index of Adherence to Consumer Values (Table 67) compiled from the responses to the seven statements discussed in the previous subsection leads us to conclude that there is only a weak adherence by the complaining consumers to the values incorporated in our model. On an eight point (0 to 7) scale, 47% of the respondents express adherence to two values or less. More than three quarters (78%) express adherence to three values or less.

The experimental nature of this index suggests the hypothesis that a similar exercise carried out with the whole of the consuming public would result in the recording of a slightly higher level of adherence than observed here. We can in effect surmise that the complaining consumer is more immune to the values in question because he has been sensitized by his own problem. This experimental stage will allow us to correct the formulation of some of the questions and to prepare a more complete list of the consumer values of a commercial society based on liberalism.

Can we identify significant variations in the level of adherence to the consumer values studied here according to the various pertinent socio-economic factors? The answer to this question has a definite sociological interest. It is in fact interesting to seek out which social class tends to identify itself the most closely with the values of the consumer
Once again, the observations made here have an experimental value which could be confirmed in the course of the general survey to follow.

We do not detect any really significant variations in the level of adherence to consumer values when we examine those characteristics of a non-economic nature such as the respondent's age, sex, marital status and dependents. We can only note in this regard that the respondents of less

<table>
<thead>
<tr>
<th>LEVEL OF ADHERENCE</th>
<th>ACTUAL NUMBERS</th>
<th>PERCENTAGES</th>
<th>CUMULATIVE %</th>
</tr>
</thead>
<tbody>
<tr>
<td>NONE</td>
<td>11</td>
<td>4.4%</td>
<td>4.4%</td>
</tr>
<tr>
<td>ONE</td>
<td>39</td>
<td>15.7%</td>
<td>20.1%</td>
</tr>
<tr>
<td>TWO</td>
<td>67</td>
<td>27.1%</td>
<td>47.2%</td>
</tr>
<tr>
<td>THREE</td>
<td>77</td>
<td>31.1%</td>
<td>78.3%</td>
</tr>
<tr>
<td>FOUR</td>
<td>42</td>
<td>16.9%</td>
<td>95.2%</td>
</tr>
<tr>
<td>FIVE</td>
<td>11</td>
<td>4.4%</td>
<td>99.6%</td>
</tr>
<tr>
<td>SIX</td>
<td>0</td>
<td>0.0%</td>
<td>99.6%</td>
</tr>
<tr>
<td>SEVEN</td>
<td>1</td>
<td>0.4%</td>
<td>100.0%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>248</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
than 25 years of age are less likely to express adherence to the values suggested and that those over 55 have a tendency to adhere to them much more strongly. In the first case, 44% of the respondents (less than 25 years old), while in the latter (over 55) 68%, exhibited "average" or "high" adherence.

A very significant and quite interesting phenomenon emerges when we look at the effect of economic factors: the adherence to the consumer values constituting our model is characteristic of the weaker socio-economic classes. They are the ones most receptive to the values proposed and least likely to depart from the line of conduct compatible with economic liberalism. This observation holds true for each of the four indicators studied, namely the respondent's level of education, occupation, income and standard of living.

<table>
<thead>
<tr>
<th>TABLE 68</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEVEL OF ADHERENCE TO CONSUMER VALUES</td>
</tr>
<tr>
<td>ACCORDING TO RESPONDENTS' LEVEL OF EDUCATION</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LEVEL OF ADHERENCE</th>
<th>0 TO 7 YEARS</th>
<th>8 TO 11 YEARS</th>
<th>12 YEARS OR MORE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOW (0 to 2)</td>
<td>13 (28.8%)</td>
<td>53 (45.7%)</td>
<td>51 (58.6%)</td>
<td>117 (47.2%)</td>
</tr>
<tr>
<td>AVERAGE (3 to 4)</td>
<td>27 (60.0%)</td>
<td>58 (50.0%)</td>
<td>34 (39.1%)</td>
<td>119 (48.0%)</td>
</tr>
<tr>
<td>HIGH (5 to 7)</td>
<td>5 (11.2%)</td>
<td>5 (4.3%)</td>
<td>2 (2.3%)</td>
<td>12 (4.8%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>45 (18.1%)</td>
<td>116 (46.8%)</td>
<td>87 (35.1%)</td>
<td>248 (100.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)
We note first of all that the lower the respondent's level of education, the stronger his adherence to consumer values compatible with economic liberalism. On the other hand, the weak degree adherence to these values is much more common amongst the respondents with 12 years or more of education. 58% of the first group exhibit "low" adherence compared to 28% of the latter.

The analysis of the respondent's occupational status in relation to his adherence to consumer values is also quite revealing. The incidence of "high" and "average" adherence to consumer values is particularly marked amongst the unskilled workers (63.9%). The corresponding figures for skilled and white collars workers are 59.4% and 54.5% respectively. Just short of a majority of the semi-professionals (46.7%) exhibit an "average or "high" adherence while the professionals and businessmen are the ones most reluctant (26.7%) to accept the proposed values. The phenomenon observed demonstrates the existence of a continuing process of disaffection as we progress from an unskilled worker to a professional-businessman. The higher we climb up the occupational ladder, the weaker is the adherence to consumer values based on economic liberalism.

The following table, which shows a breakdown of the level of adherence to consumer values according to the respondent's occupational status, contains more observations (297) than persons consulted (248) in the survey. We had to take into account, once again, the cases where one spouse remains in the home and that where both spouses are working. We opted in the first case, for a classification in terms of the employment held by the spouse working at the time of the survey. In the latter case, we took into account the occupational status of both the respondent and his or her spouse. This explains the occurrence of a number of observations greater than the number of respondents (See Table 69).

Income is usually considered to be a good measure of a respondent's socio-economic status. Here again, when we compare the respondent's family income with his adherence to the proposed values, we note the occurrence of a high level of adherence amongst the lower and middle income ranges while the respondents in the higher income ranges appear to be much more skeptical. Excluding the respondents earning less than $5,000, who are under represented in our sample (24), we observe that the greater the respondent's family income the higher the level of disagreement with the proposed values. 66.4% of the respondents in the $5,000 to $9,000 income range exhibit an "average" and "high" level of adherence compared to 38.4% for those in the over $13,000 range. (See Table 70)

Finally, we wanted to test the relationship between the level of adherence to consumer values and the degree of crowding of the respondent's home. We saw earlier (Chapter 1) that the degree of crowding is a simplified but reliable indicator of socio-economic status. The respondents occupying over-crowded housing are much more likely to be low on the socio-
<table>
<thead>
<tr>
<th>LEVEL OF ADHERENCE</th>
<th>PROFESSIONAL STATUS</th>
<th>UNSKILLED WORKERS</th>
<th>SKILLED WORKERS</th>
<th>WHITE COLLAR WORKERS</th>
<th>SEMI-PROFESSIONALS</th>
<th>PROFESSIONALS AND BUSINESSMEN</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOW (0 to 2)</td>
<td></td>
<td>13 (36.1%)</td>
<td>39 (40.6%)</td>
<td>41 (45.5%)</td>
<td>24 (53.3%)</td>
<td>22 (73.3%)</td>
<td>139 (46.8%)</td>
</tr>
<tr>
<td>AVERAGE AND HIGH</td>
<td></td>
<td>23 (63.9%)</td>
<td>57 (59.4%)</td>
<td>49 (54.5%)</td>
<td>21 (46.7%)</td>
<td>8 (26.7%)</td>
<td>158 (53.2%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>36 (12.1%)</td>
<td>96 (32.3%)</td>
<td>90 (30.3%)</td>
<td>45 (15.2%)</td>
<td>30 (10.1%)</td>
<td>297 (100.0%)</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)
### TABLE 70

LEVEL OF ADHERENCE TO CONSUMER VALUES ACCORDING TO RESPONDENTS' INCOME

<table>
<thead>
<tr>
<th>LEVEL OF ADHERENCE</th>
<th>INCOME</th>
<th>LESS THAN $5,000</th>
<th>$5,000 to $9,000</th>
<th>$9,000 to $13,000</th>
<th>MORE THAN $13,000</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOW (0 to 2)</td>
<td></td>
<td>12 (50.0%)</td>
<td>18 (34.6%)</td>
<td>37 (44.0%)</td>
<td>45 (61.6%)</td>
<td>112 (48.1%)</td>
</tr>
<tr>
<td>AVERAGE AND HIGH (0 to 7)</td>
<td></td>
<td>12 (50.0%)</td>
<td>34 (66.4%)</td>
<td>47 (56.0%)</td>
<td>28 (38.4%)</td>
<td>121 (51.9%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>24 (10.3%)</td>
<td>52 (22.3%)</td>
<td>84 (36.1%)</td>
<td>73 (31.3%)</td>
<td>233 (100.0%)</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)

### TABLE 71

LEVEL OF ADHERENCE TO CONSUMER VALUES ACCORDING TO DEGREE OF CROWDING OF RESPONDENTS' HOME

<table>
<thead>
<tr>
<th>LEVEL OF CROWDING</th>
<th>LOW (0 to 2)</th>
<th>AVERAGE AND HIGH</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>OVER-CROWDED</td>
<td>14 (35.19%)</td>
<td>25 (64.1%)</td>
<td>39 (15.8%)</td>
</tr>
<tr>
<td>NORMAL CROWDING</td>
<td>53 (40.8%)</td>
<td>77 (59.2%)</td>
<td>130 (52.8%)</td>
</tr>
<tr>
<td>UNDER-CROWDED</td>
<td>49 (63.6%)</td>
<td>28 (36.4%)</td>
<td>77 (31.4%)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>116 (47.1%)</td>
<td>130 (52.9%)</td>
<td>246 (100.0%)</td>
</tr>
</tbody>
</table>

(PERCENTAGES ARE CALCULATED VERTICALLY)
economic scale. Here again, we observe that the respondents of low socio-economic status adhere more strongly to consumer values than the others. 64% of the respondents living in over-crowded conditions exhibit an "average" or "high" level of adherence compared to only 36.4% for those living in under-crowded conditions. (See Table 71)

The indicators of the respondents' socio-economic status show that the most disadvantaged groups of dissatisfied consumers adhere most closely to the values of the consumer society based on the principle of economic liberalism. They are more susceptible than the others to consumer society values because of their low level of education and their aspiration for a higher level of consumption which only a more liberal availability of credit can permit them to attain.

Can we impute these results, which demonstrate a weak adherence by the respondents as a whole to consumer values and which reveal that the most disadvantaged complainants adhere most strongly to these values, to consumers as a whole? We must not be too quick to generalize for a number of reasons. The analysis of the respondents' socio-economic status has shown that the dissatisfied consumer is better educated overall and it is the better educated categories that are most critical with regard to the consumer values discussed here. It is possible that the over-representation of the better educated in our sample strongly influenced the general level of adherence. However, it is conceivable that a national survey based on a strict representation of socio-economic categories would confirm a stronger level of adherence to consumer values.

Furthermore, the "dissatisfied consumer (complainant)" status is not neutral and can certainly influence the orientation of the respondents' answers. Does the complainant not tend to become more critical of the values of the consumer society? We see indications of this when we witness the tendency of those respondents who are satisfied with the solution to their problem to adhere more strongly to the values in question. The same appears to hold true for the dissatisfied consumers who are satisfied with the work done by the organization they consulted, but the direction of the cause and effect relation is not clear. Is it the fact of the complainant's satisfaction that leads to his stronger adherence to the values of the consumer society or is it the fact that he is less critical that leads him to be more easily satisfied? Whatever the answer may be, these observations make us suspicious of the representativeness the sample of dissatisfied consumers in terms of the imputability of its results with regard to the adherence to consumers' values to the consuming public in general. We would have to resort to a survey based on a truly representative sampling of the consuming public to resolve the matter.

We sought, finally, to determine if the various clienteles exhibit
differences in the degree of adherence to consumer values. No significant differences were observed among the three clienteles studied. The three clienteles were similar in every respect in this regard, which illustrates the generality of the phenomenon observed throughout the sample of dissatisfied consumers.
SECTION 4 - STUDY OF SOME OF THE CONSUMER'S NATURAL DEFENSE MECHANISMS

The consumer's natural tendency to read his contract, negotiate purchase price and to reject clauses that appear to him to be injurious, to calculate net prices and the true cost of credit, to track down misleading advertising are all attitudes that constitute defense mechanisms on which we must rely to assume a better protection of the purchasers of consumer goods and services. We proposed to study all of these defense mechanisms. It was unfortunately not possible to tackle all of them within the limited framework of our questionnaire. We limit ourselves here to the consumer's reading of contracts. The other aspects will be dealt with in the national questionnaire.

The consumer's reading of a contract before signature is an essential precondition to all future negotiations of purchase price and of the clauses of the contract. The representatives of the consumer organizations consulted are of the impression that the consumer often does not read the contract he is about to sign. We wanted to learn what the dissatisfied consumers did. We asked them: "When you sign a finance or sales contract for any goods or services (automobile, furniture, insurance etc.) do you tend to read it in its entirety, read only part of it or do you sign it without reading it, trusting the salesman?"

61.7% of the respondents claimed that they read the contract in its entirety. 25% claimed that they read it in part. 10.5% claimed they sign without reading and 2.8% claimed that they had never signed a contract. The reading of a contract in its entirety seemed to be characteristic of the female respondents. The male respondents tend rather to read only part of the contract. No significant difference in behavior in this regard was observed in relation to the respondent's age. On the other hand the respondent's level of education is an important factor in influencing the tendency of the dissatisfied consumer to read contracts prior to signature. The following table confirms the hypothesis that the less well educated respondent is less likely to read a contract. While a large majority (80%) of the respondents with more than 16 years of education claim they read contracts in their entirety, only 42% of those with 7 or less years of education do so. We observe as well that the tendency to read contracts in their entirety increases steadily as we move up the five categories of education.

There appears to be a much higher tendency to read contracts amongst the respondents with higher income and standard of living. The more disadvantaged respondents are also those who appear the more vulnerable, those for whom the natural defense mechanisms are less active.
<table>
<thead>
<tr>
<th>Extent of Reading</th>
<th>Education</th>
<th>0 To 7 Years</th>
<th>8 To 9 Years</th>
<th>10 To 11 Years</th>
<th>12 To 15 Years</th>
<th>Over 16 Years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Full</td>
<td></td>
<td>19 (42.2%)</td>
<td>29 (56.9%)</td>
<td>40 (61.5%)</td>
<td>45 (72.6%)</td>
<td>20 (80.0%)</td>
<td>153 (61.7%)</td>
</tr>
<tr>
<td>In Part</td>
<td></td>
<td>10 (22.2%)</td>
<td>15 (29.4%)</td>
<td>18 (27.7%)</td>
<td>15 (24.2%)</td>
<td>4 (16.0%)</td>
<td>62 (25.0%)</td>
</tr>
<tr>
<td>Signs Without Reading</td>
<td></td>
<td>12 (26.7%)</td>
<td>6 (11.8%)</td>
<td>6 (9.2%)</td>
<td>1 (1.6%)</td>
<td>1 (4.0%)</td>
<td>26 (10.5%)</td>
</tr>
<tr>
<td>Never Signed A Contract</td>
<td></td>
<td>4 (8.9%)</td>
<td>1 (2.0%)</td>
<td>1 (1.5%)</td>
<td>1 (1.6%)</td>
<td>0 (0.0%)</td>
<td>7 (2.8%)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>45 (18.1%)</td>
<td>51 (20.6%)</td>
<td>65 (26.2%)</td>
<td>62 (25.0%)</td>
<td>25 (10.1%)</td>
<td>248 (100.0%)</td>
</tr>
</tbody>
</table>

(Percentages are calculated vertically)
The fact that 61% of the respondents claim that they read contracts in their entirety is reassuring at first glance. We believe however that the analysis must be taken further. We must again avoid simply imputing these figures to the general population. We have seen that the very educated and high income categories of respondents are over-represented in our sample of dissatisfied consumers and it is these categories that have the strongest tendency to read consumer contracts.

Even if these statistics were transposable to the population as a whole, which is not the case, we would question the value of the protection afforded by a simple reading of a contract. The great majority of consumer contracts are concluded without written documentation. When a written document is the basis of a contractual agreement, the terms are incomprehensible to the majority of consumers. Finally, even when he understands the whole of the contract clauses presented to him, the consumer is at a loss because he is powerless to negotiate the suppression of clauses in financial and insurance contracts. The consumer has the choice of accepting the entire contract as presented or of rejecting it in its entirety. This results, we will admit, in an impossible situation in many cases.

The absence of a written document, the incomprehensibility of the majority of contracts, and a power relationship that works against the consumer appear to us as impediments to consumer protection which are as important as the failure to read contracts.

SUMMARY OF OBSERVATIONS

60- A SMALL MAJORITY (56%) OF DISSATISFIED CONSUMERS CONSIDERED THAT THEY WERE NOT ADEQUATELY PROTECTED BY CONSUMER LAWS.

61- THE SUCCESSFUL RESOLUTION OF THE COMPLAINANT'S PROBLEM BY THE ORGANIZATION CONSULTED HAS A DIRECT INFLUENCE ON HIS EVALUATION OF THE PROTECTION AFFORDED BY THE LAWS. THE GREATER THE CONSUMER'S SATISFACTION WITH THE SOLUTION TO HIS PROBLEM, THE MORE SATISFIED HE IS WITH THE PROTECTION AFFORDED BY CONSUMER LAWS.

63- THE CONSUMER'S LEVEL OF SATISFACTION WITH THE PROTECTION AFFORDED BY CONSUMER LAWS IS ALSO INFLUENCED BY HIS EVALUATION OF HIS KNOWLEDGE OF THESE LAWS. THE MORE A PERSON THINKS HE KNOWS CONSUMER LAWS, THE MORE LIKELY HE IS TO EXPRESS SATISFACTION WITH THE PROTECTION OFFERED BY THESE LAWS.

64- THE DISSATISFIED CONSUMER'S EVALUATION OF THE PROTECTION AFFORDED BY CONSUMER LAWS DOES NOT VARY WITH HIS REAL KNOWLEDGE OF THESE LAWS. THE PROPORTION OF NEGATIVE VIEWS EXPRESSED BY THOSE CONSUMERS FAMILIAR WITH THESE LAWS WAS NO HIGHER THAN IN THE CASE OF RESPONDENTS WHO DID NOT REALLY KNOW THE LAW IN THIS AREA.

65- THOSE WHO DECLARED READING THE CONTRACTS THEY SIGN IN FULL CONSIDER THEMSELVES TO BE BETTER PROTECTED BY THE LAWS THAN THOSE WHO ONLY READ THEM IN PART OR NOT AT ALL.

66- FROM THE ABOVE OBSERVATIONS, WE CAN CONCLUDE THAT THE CONSUMER'S EVALUATION OF THE PROTECTION AFFORDED BY CONSUMER LAWS IS FOR THE MOST PART DETERMINED BY HIS ATTITUDE AND IS THEREFORE ESSENTIALLY PSYCHOLOGICAL.

67- THE LEVEL OF SATISFACTION WITH RESPECT TO LEGISLATION DOES NOT VARY SIGNIFICANTLY IN RELATION TO MOST OF THE RESPONDENTS SOCIO-ECONOMIC CHARACTERISTICS. THE ONLY SIGNIFICANT VARIATIONS WERE WITH REGARD TO AGE AND LEVEL OF EDUCATION.

68- RESPONDENTS UNDER TWENTY-FIVE YEARS AND OVER FIFTY-FIVE YEARS OF AGE WERE MORE CRITICAL OF THE PROTECTION AFFORDED BY EXISTING LEGISLATION.

69- THOSE RESPONDENTS WITH A HIGHEST LEVEL OF EDUCATION (MORE THAN SIXTEEN YEARS) AND THOSE WITH A LOWEST LEVEL OF EDUCATION (FROM 0 TO 7 YEARS) WERE THE MOST CRITICAL OF CONSUMER LEGISLATION.

70- A SMALL MAJORITY OF RESPONDENTS (53%) DO NOT BELIEVE THAT "PRESENT CONSUMER LAWS DEAL WITH PEOPLE'S REAL PROBLEMS".

71- THE RESPONDENTS' OPINIONS WERE DIVIDED ABOUT EQUALLY AS TO WHETHER THE GOVERNMENTS HAD DONE ANYTHING FOR CONSUMERS IN THE LAST FEW YEARS.
72- Over 80% of our respondents feel that the quality of consumer goods has deteriorated more and more in the last five years.

73- No control factor used during our survey influenced this assessment of the quality of goods.

74- The general level of adherence to the values of economic liberalism stands at 36.5% that is, approximately one out of three dissatisfied consumers.

The following is a breakdown of the responses given with regard to the proposed values.

75- A small majority of respondents (55%) do not agree that "consumers in debt are necessarily people who are living beyond their means".

76- 82% consider that "it is up to the consumer to be careful and ensure that he is not stung".

77- 55% believe that "bankruptcy is a dishonest way of ridding oneself of debts".

78- 76% agree with the proposal that "it should be more difficult for everyone to obtain credit".

79- 93% of respondents rejected the idea that "credit cards are essential to a good life".

80- 66% disagree with the idea that "television and radio advertising are necessary to keep us informed and so that we can know what to buy".

81- 88% rejected the idea that "governments should not give too much protection to consumers since businesses would suffer as a result".

82- On a scale of values incorporating these seven proposals, 47% of respondents adhered to only two values or less and 78% to only three values or less.
83- Respondents of less than twenty-five years of age have less tendency to adhere to the proposed values, and those of more than fifty-five years of age have a much stronger tendency to do so.

84- The respondents' adherence to the proposed values is determined to a great extent by their socio-economic status. The higher a person's level of education, the higher his occupational status and income tend to be, and the less one adheres to the values of the consumer society. Conversely, the lower a person's level of education and the lower one's occupational status and income the greater the level of adherence to the values of the consumer society.

85- It was found that there is a tendency among consumers whose complaints have been settled to their satisfaction and who are satisfied with the work of the organization consulted, to adhere more closely to the values proposed.

86- There is no difference with respect to the adherence to consumer values between the three clienteles surveyed.

87- A majority of respondents (61%) stated that they read a purchase agreement or financial contract in full before signing it.

88- The higher a person's level of education the greater tendency one had to read a contract before signing it. Conversely, the lower a person's level of education the greater the tendency to sign a contract without reading it.

89- There is a greater tendency among respondents with high income to read consumer contracts.

90- The socio-economic indicators generally showed that disadvantaged groups are more vulnerable when signing a consumer contract.
We sought, through this first and modest study of consumer problems in Quebec, to paint a general picture of the existing situation. The conclusions that flow from the observations compiled in the course of the study seem to us to be more than eloquent.

The preliminary survey on the effectiveness of consumer legislation and organizations points out very clearly the existence of important failures attributable to both the inadequacy of legislation and the unsatisfactory performance of the consumer organizations notably the government agencies. We note in fact that the survey of consumer organizations and that of dissatisfied consumers reinforce one another on several points in this regard. The majority of organization representatives consider consumer legislation to be completely unsatisfactory. The same view is held by the majority of dissatisfied consumers. These laws are criticized in general for being too compartmentalized, for providing means of enforcement and penalties that are too weak and for often failing to attack the real problem. As we mentioned in various parts of this text, these laws are generally not well known, not enforced or unenforceable.

We cannot but conclude as well that the effectiveness of the government agencies leaves much to be desired. The consumer organization representatives that work in this vital area on a day to day basis are the most critical in this regard. As for the dissatisfied consumers, even if they express satisfaction with the organization they dealt with, they are more critical with regard to the government agencies. Most of the time they are accused of having insufficient means if they are not being accused of lacking political will to act, of not co-ordinating their efforts and of casting themselves more and more in the role of conciliators between the business community and the consumer rather than of true defenders or promoters of the interests of the consumer.

When we take into account the considerable social importance of consumer problems in areas of such vital concern as food, housing, advertising, credit, price controls, professional services, the automobile, insurance etc., in short everything that affects the quality of life - we cannot but conclude in favor of the enormous task undertaken by those who want to change "the rules of the game" to re-establish an equilibrium of market forces between the consumer and the business community.
It seems that we have only begun. It is not the time for complacency. The worst service we could render to the consumers is to give them the illusion of protection they do not have. Our findings permit us to think that it is the entirety of legal mechanisms and institutions put at the disposal of consumers that are not useable, used by or even known to those very people who are intended to benefit from them. The problem of our consumer protection is as important an issue as the necessity of carrying out legal studies of the rights that have to date remained theoretical.

We have no alternative but to insist that the legislators cease multiplying consumer protection laws if they do not intend to deal first of all with the training of those to whom their enforcement is delegated, the provision of adequate penalties to assure that they are respected, the informing of the consumers to assure that they are well known and the provision of budgets sufficient to back them up. Without this, there is good reason to fear that the 225 existing laws and all those that will emerge in the future will continue to constitute a veritable paper arsenal.
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APPENDICES

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APPENDIX II: SURVEY QUESTIONNAIRE DISTRIBUTED TO DISSATISFIED CONSUMERS

APPENDIX III: LIST OF OBSERVATIONS
QUESTIONNAIRE I*

SURVEY OF CONSUMER ORGANIZATIONS

ALL PERSONAL INFORMATION CONTAINED IN THIS QUESTIONNAIRE WILL REMAIN CONFIDENTIAL

NAME OF ORGANIZATION: ____________________________________________
ADDRESS: _________________________________________________________
TELEPHONE NO.: ________________________________

Q.1- Is your organization public? _____
    or private? _____

Q.2- If it is a private organization, OTHERS, GO TO Q.3

a) Who are your members?

CHECK MORE THAN ONE CATEGORY IF NECESSARY

- individuals _____
- popular groups _____
- cooperative organizations _____
- financial organizations _____
- social organizations _____
- others _____ (specify) ____________________________

* This text is a translation of the questionnaire which was administered in the French language only.
b) Who do you provide services to?
- a specific category of people _____
  (specify) _______________________________________
- to your members only _____
- to everyone _____

Q.3- What is the organizational structure of your organization? Who directs it, etc.? (Explain or attach a copy of an organization chart, if you have one available).

Q.4- Does this organization have several regional or local branches? Which ones? Are these branches sufficient or should there be others?

Q.5- Do you maintain various consumer protection departments or divisions? Which ones?

Q.6- a) How many of your personnel work in the field of consumer protection? (Provide detail for each division, if applicable). What positions do these persons occupy? What academic training and experience do they have?

<table>
<thead>
<tr>
<th>NUMBER OF PERSONS IN EACH DIVISION</th>
<th>POSITION HELD (FUNCTIONS)</th>
<th>ACADEMIC TRAINING AND EXPERIENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>
Q.6- b) Do you have sufficient staff?

---

Q.7- What is the level of your organization's annual operating budget devoted to consumer protection? or, What percentage of your budget is devoted to consumer protection?

---

Q.8- a) Do you believe this budget to be sufficient?

---

b) If no, what should it be?

---

Q.9- What are your sources of revenue? (Check more than one item if required and indicate percentage of each)

<table>
<thead>
<tr>
<th>Source of Revenue</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Government only</td>
<td></td>
</tr>
<tr>
<td>Provincial Government only</td>
<td></td>
</tr>
<tr>
<td>Subsidized in part by the Federal Government</td>
<td></td>
</tr>
<tr>
<td>Subsidized in part by the Provincial Government</td>
<td></td>
</tr>
<tr>
<td>Subsidized by a private foundation</td>
<td></td>
</tr>
<tr>
<td>by a private foundation which one?</td>
<td></td>
</tr>
<tr>
<td>Subsidized by a private organization</td>
<td></td>
</tr>
<tr>
<td>by a private organization which one?</td>
<td></td>
</tr>
<tr>
<td>Membership dues</td>
<td></td>
</tr>
<tr>
<td>Individual donations</td>
<td></td>
</tr>
<tr>
<td>Other sources, specify</td>
<td></td>
</tr>
</tbody>
</table>
Q.10- What percentage of your activities are carried out by volunteers?

QUESTIONS 11 AND 12 APPLY TO PRIVATE ORGANIZATIONS ONLY, OTHERS GO TO Q.13

Q.11- Has the Government or a government department ever asked you to administer part of a law or a particular program in the field of consumer protection? Which one?

Q.12- Do you believe that an organization such as yours could or should administer government programs in the field of consumer protection?

THE FOLLOWING QUESTIONS APPLY TO ALL RESPONDENTS

Q.13- What types of consumer problems do you encounter?

Q.14- Which types are most frequently encountered, by order of importance?

1- 
2- 
3- 
4- 
5-
Q.15- Are the following problems raised often, sometimes or never? (Certain categories may overlap, check them anyway)

<table>
<thead>
<tr>
<th>Category</th>
<th>OFTEN</th>
<th>SOMETIMES</th>
<th>NEVER</th>
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<tbody>
<tr>
<td>Credit (loans)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit (financial services)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real Estate (purchase of land or house)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Home repair and maintenance (aluminum siding, doors and windows, etc.)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>House and apartment rentals</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mobile homes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic appliances</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Furnishings</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repair of household and personal articles</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Guarantees</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Automobile and accessory sales</td>
<td></td>
<td></td>
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<tr>
<td>Automobile repairs</td>
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<td>Installment sales</td>
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<tr>
<td>Conditional sales</td>
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<tr>
<td>Mail-order sales (books - magazines - records)</td>
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<td>Door-to-door sales</td>
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<tr>
<td>Pyramid sales</td>
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<tr>
<td>Misleading advertising</td>
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<tr>
<td>Dangerous or low quality goods</td>
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<td></td>
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<tr>
<td>Indebtedness (seizure, bankruptcy, voluntary deposit)</td>
<td></td>
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<td></td>
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<tr>
<td>Collection agency</td>
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<td></td>
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<table>
<thead>
<tr>
<th>Service</th>
<th>Often</th>
<th>Sometimes</th>
<th>Never</th>
</tr>
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<tr>
<td>- Professional services (quality and rates)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Personal services (health studios, beauty parlors, etc.)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>- Government services</td>
<td></td>
<td></td>
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<tr>
<td>- Funeral services</td>
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<td></td>
<td></td>
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<tr>
<td>- Banking services</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>- Teaching (private schools)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>- Insurance</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>- Food - drugs and household products</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>- Clothing</td>
<td></td>
<td></td>
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<tr>
<td>- Laundries - cleaners</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>- Parking lots</td>
<td></td>
<td></td>
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<tr>
<td>- Medical devices (prothesis, etc.)</td>
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<tr>
<td>- Pension funds</td>
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<td></td>
<td></td>
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<tr>
<td>- Leisure-travel</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>- Transportation services (bus, taxi, train, airplane)</td>
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</tbody>
</table>

Q.16- a) In practice, what means do you use to settle problems submitted to you?

b) To whom do you refer clients that you cannot assist yourself?

Q.17- What type of action do you think is the most effective?
Q.18- In your estimation, has there been a shifting in the type of consumer problems encountered during the past few years, or are the same problems being experienced?

Q.19- Is the consumer's situation deteriorating or improving? To what can this be attributed?

Q.20- From your experience, which groups are most subject to consumer problems? Are they concentrated in a particular socio-economic category or are they common to all groups?

Q.21- Do you believe that the public has a "consumer awareness"?

If so, how does it manifest itself?

Q.22- a) Would you say that this awareness is growing?

b) Is this because of
- an increase in the number of problems? ______
- an increase in the variety of problems? ______
- the work of organizations such as yours? ______
- more and better information? ______
- some other reason (specify) ____________________________________


Q.23- In the light of your experience, what do you think of the consumer protection laws?

Q.24- In your estimation, are the consumer protection laws known to the public?

Q.25- a) In actual fact, is the existing legislation enforced?

b) Which consumer protection legislation do you apply most frequently?

Q.26- Is the existing legislation sufficient with regard to:

<table>
<thead>
<tr>
<th>Area</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit (loans)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit (financial services)</td>
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<tr>
<td>Real estate (purchase of land or house)</td>
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<tr>
<td>Home repair and maintenance (aluminum siding, doors and windows, etc.)</td>
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<tr>
<td>House and apartment rentals</td>
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<tr>
<td>Mobile homes</td>
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<tr>
<td>Domestic appliances</td>
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<td>Furnishings</td>
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<td>Repair of household and personal articles</td>
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<td>Automobile repairs</td>
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<td>Installment sales</td>
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<td>Conditional sales</td>
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<td>Mail-order sales (books, magazines, records)</td>
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<td>Door-to-door sales</td>
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<td>Pyramid sales</td>
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<td>Misleading advertising</td>
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<td>Dangerous or low quality goods</td>
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<tr>
<td>Indebtedness (seizure, bankruptcy, voluntary deposit)</td>
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<tr>
<td>Collection agency</td>
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<td>Professional services (quality and rates)</td>
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<td>Personal services (health studios, beauty parlors, etc.)</td>
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<td>Teaching (private schools)</td>
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<td>Insurance</td>
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<td>Food - drugs and household products</td>
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<td>Clothing</td>
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<td>Laundries - cleaners</td>
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<td>Parking lots</td>
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<td>Medical devices (prothesis, etc.)</td>
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<td>Pension funds</td>
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<td>Leisure - travel</td>
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<tr>
<td>Transportation services (bus, taxi, train, airplane)</td>
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</tbody>
</table>
Q.27- Is the Federal consumer protection legislation
very satisfactory _______
satisfactory enough _______
not satisfactory _______
Why? ________________________________________________________

Q.28- Is the Provincial consumer protection legislation
very satisfactory _______
satisfactory enough _______
not satisfactory _______
Why? ________________________________________________________

Q.29- What are the principal faults you see in existing consumer protection
laws?
______________________________________________________________

Q.30- Are there areas of consumption or that affect consumption that are
not regulated but should be? If so, which ones and in what way?
______________________________________________________________

Q.31- In what areas of consumer protection is new legislation most urgently
needed? (What laws would have the most positive effects?)
______________________________________________________________

Q.32- Would you agree with the enactment of a class action law (permitting
certain members of a group with a common cause to pursue legal action
in the name of the group)?
______________________________________________________________
Q.33- Do you think it preferable that recourse to the courts in criminal matters pertaining to consumer protection be left to the discretion of the Department of Justice, as is the case at the present time, or do you think it preferable that a citizen be able to plead his own cause? Why?

Q.34- a) Are there impediments to the enactment of more effective consumer protection laws?

b) If yes, what are they?

Q.35- What are the fundamental causes of consumer problems?

Q.36- What would you propose in general, to improve the consumer situation?

Q.37- What is your evaluation of the effectiveness of governmental agencies?
   a) The Federal Department of Consumer and Corporate Affairs?

   b) The Consumer Protection Bureau?

Q.38- What is your evaluation of the effectiveness of private organizations such as:
   CFEA (Cooperative Family Economics Association)
CAC (Consumers' Association of Canada)

IPIC (Institut de promotion des intérêts du consommateur)

APA (Automobile Protection Association)

BBB (Better Business Bureau or Bureau d'Ethique Commerciale)

Q.39- What do you think of the suggestion made by certain persons for the creation of a "Central Bureau for Consumer Protection" to which the consumers themselves would belong and contribute a token fee (of $1.00 or more per year for example) and which would have the defense and protection of consumers as its purpose?

Q.40- How long has your organization existed?
DESCRIPTION OF RESPONDENT

QUESTIONS 41 TO 45 ARE OPTIONAL.
THOSE PREFERING TO REMAIN ANONYMOUS CAN DO SO

Q.41- RESPONDENT'S NAME: __________________________________________

Q.42- RESPONDENT'S POSITION: _______________________________________

Q.43- ACADEMIC TRAINING: _________________________________________

Q.44- EXPERIENCE (number of years with organization and previous experience)

Q.45- AGE: __________

WE THANK YOU FOR YOUR COOPERATION

Jurimetrics Research Group
SURVEY OF DISSATISFIED CONSUMERS

RESPONDENTS' NAME: ____________________________________________

ADDRESS: _____________________________________________________

TELEPHONE NO.: _____________________________________________

DATE OF INTERVIEW: __________________________________________

RESULTS OF INTERVIEW

<table>
<thead>
<tr>
<th>COMPLETED</th>
<th>REFUSED</th>
<th>ABSENT</th>
<th>COMMENTS</th>
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</table>

INTERVIEWER'S COMMENTS

______________________________

* This text is a translation of the French language questionnaire and may differ in wording from the English language version which was administered.
PRESENTATION

I am ____________________________  
(interviewer's name)  

from l'Institut de cueillette de  
l'information and am carrying out  
a survey of consumers for the  
Consumer Research Group of the  
University of Montreal. This  
research is intended to benefit  
consumers. Your name was given  
to us by ____________________________  
(name of organization)  

You can be certain that all responses are confidential. The results  
of this research, as in all surveys, will be expressed in percentages  
and the questionnaires will be destroyed after the responses have  
been compiled.

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<tr>
<td>SAGUENAY</td>
<td>4</td>
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<tr>
<td>OUTAOUAIS</td>
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<tr>
<td>BAS ST. LAURENT</td>
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<td>NORD OUEST</td>
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<td>CFEA</td>
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<tr>
<th>RESPONDENT'S SEX</th>
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<tbody>
<tr>
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</tr>
<tr>
<td>MALE</td>
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</tbody>
</table>

Q.1- Have you ever had dealings with ____________________________?  
(name of organization)  

yes 1  
no 2  

GO TO QUESTION 21

Q.2- What was your reason for dealing with this organization?  

- to file a complaint? 1  
- to acquire information? 2  
- for other reasons, which? 3
Q.3- Who referred you to this organization?

- a relative or friend 1
- another consumer organization 2
- newspapers, radio, T.V. 3
- a welfare agency 4
- a lawyer 5
- no one 6

Q.4- Why did you approach this organization rather than some other consumer organization?

Was it because:

- it is the one that could be the most helpful given the nature of your problem? 1
- the other organizations are not known to you? 2
- you went elsewhere and were referred to this organization? 3
- you have more confidence in this organization than in the others? 4
- the other organizations did not want to look after your problem? 5
- of some other reason? specify? 6

Q.5- How did you communicate with this organization?

- by telephone 1
- by letter 2
- by personal visit 3
Q.6- Did you have any difficulty in making contact with this organization or did you make contact easily?

- had some difficulty 1
- made contact without difficulty 2

Q.7- What was your reason for filing a complaint?

Q.8- Could you explain what occurred and why you felt you had been wronged as a consumer?

Q.9- Did you suffer a financial loss?

yes 1
no 2\(\rightarrow\) GO TO QUESTION 11

Q.10- IF YES, how much?

- less than $20 1
- from $20 to $50 2
- $50 to $100 3
- $100 to $500 4
- $500 to $1,000 5
- more than $,000 6

Q.11- Did you have any difficulty in convincing the organization to deal with your problem?

yes 1
no 2
Q.12- Do you find that it took too long to handle your case or was it handled quickly enough?

- too long 1
- quickly enough 2

Q.13- Was anything actually done to assist you?

yes 1
no 2 → GO TO QUESTION 15

Q.14- IF YES, what?

GO TO QUESTION 16

Q.15- IF NO, do you think something could have been done to assist you in resolving your problem, or was it not possible to do anything?

- something could have been done 1
- nothing could be done 2

Q.16- Was this the first time that you encountered this type of problem or had you had a similar experience previously?

- first time 1
- second time 2
- third time 3

Q.17- Was your problem resolved to your satisfaction?

yes 1
no 2
Q.18- How was it resolved?

Q.19- Did the representatives of the organization you contacted give you a sufficient explanation of your rights?

<table>
<thead>
<tr>
<th></th>
<th>yes</th>
<th>no</th>
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<tbody>
<tr>
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</tr>
<tr>
<td>2</td>
<td>no</td>
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Q.20- In the light of your experience is the work done by the organization you contacted

<table>
<thead>
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<th></th>
<th>excellent?</th>
<th>very good?</th>
<th>fair?</th>
<th>mediocre?</th>
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<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
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</table>

Q.21- Based on your personal experience, are consumers well protected by the consumer organizations?

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<th>NO</th>
<th>DON'T KNOW</th>
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</thead>
<tbody>
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<tr>
<td>CAC</td>
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<tr>
<td>CPB</td>
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<td>2</td>
<td>3</td>
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</tbody>
</table>
Q.22- How would you rate your knowledge of consumer protection laws? Would you say you know them?

- Very well 1
- Well enough 2
- Not very well 3
- Not at all 4

Q.23- How many days do you have to cancel an agreement to purchase an item valued at more than $25 on credit with a door-to-door salesman?

- 3 days 1
- 5 days 2
- 14 days 3
- 1 month 4

Q.24- A finance company can charge what annual maximum rate of interest on a $300 loan?

- 12% 1
- 18% 2
- 24% 3
- 36% 4
Q.25- Which of the following persons can file for bankruptcy?

- companies only

- only those persons who can pay their creditors more than $1,000.

- any person with debts in excess of $1,000 and who can no longer meet his payments

- only those who are in business and can no longer pay their creditors

Q.26- When a creditor seizes a person's property for a $500 debt,

- the person can keep $1,000 worth of furniture

- the person can keep only a table, 4 chairs and s sufficient number of beds

- the creditor's bailiff can seize everything

- the person can keep assets valued at $5,000

Q.27- When we believe a lawyer has overcharged us

- we can complain to the ombudsman

- we can do nothing because lawyers, being professionals can charge what they like

- we can complain to the Bar

- it cannot happen because all lawyers are obliged to charge the same rates by virtue of the Professional Code.
Q.28- The Rental Board monitors housing prices
- only for rentals of less than $125 1
- only for the rental of units of more than 3 rooms 2
- only for social assistance recipients 3
- only for houses built before January January 1974 4

Q.29- A person who has purchased a washing machine on the installment plan and who ceases to make the payments, can avoid having it repossessed by the creditor
- if the purchase date is at least 6 months past 1
- if the person has damaged the item 2
- if two thirds of the payments were made 3
- it can never be repossessed 4

Q.30- The Small Claims Court is
- a court for those who declare bankruptcy but owe their creditors less than $1,000 1
- a court where claims of less than $300 are settled without lawyers 2
- a court that settles disputes between businesses 3
- a special court to settle automobile accident claims of less than $500 4
Q.31- According to the Law, a credit card
- can only be sent to those who request it in writing
- can only be sent to persons earning at least $10,000 per year
- can be sent to any consumer at will without a request having been made
- can only be sent to persons with a bank account

Q.32- According to the Law,
- only businesses can consult a consumer's credit file and have it amended
- a consumer can consult his credit file at any time and have it amended
- a consumer who wants to know what his credit file contains and to amend it must go through his lawyer
- it is forbidden to maintain credit files on consumers

Q.33- When you insure an automobile, the policy issued by the auto-insurance company must include public-liability coverage of
- $100,000
- $50,000
- $35,000
- $15,000
Q.34- All leases of one year or more duration are automatically extended for one year unless the landlord advises the tenant in writing

- 7 days before the end of lease 1
- 30 days before the end of the lease 2
- 2 months before the end of the lease 3
- 3 months before the end of the lease 4

For office use only

Q.35- When you sign a finance or sales contract for any goods or services (automobile, furniture, insurance etc.) do you tend to read it in its entirety, read only part of it or do you sign it without reading it, trusting the salesman?

- I usually read it all 1
- I usually read only part of it 2
- I sign without reading trusting the salesman 3
- I have never signed a contract 4

Q.36- We sometimes hear that a consumer who pays in cash is less well protected than the one who buys on credit. What do you think? Is this true or false?

- true 1
- false 2
Q.37- Do you think that in general the quality of goods on the market has deteriorated in the last five years, or that thanks to quality controls today's goods are better than they used to be?

- the quality of goods has deteriorated
- today's goods are of better quality

Q.38- Do you feel that as a consumer you are sufficiently well protected by consumer laws?

yes
no

I will read a few sentences and you will tell me if you agree or disagree

Q.39- Consumers in difficulty are necessarily people who are living beyond their means

AGREE 	DISAGREE
1 	2

Q.40- Present consumer laws deal with people's real problems

AGREE 	DISAGREE
1 	2

Q.41- Bankruptcy is a dishonest way of ridding oneself of debts

AGREE 	DISAGREE
1 	2

Q.42- It is up to the consumer to be careful and ensure that he is not stung

AGREE 	DISAGREE
1 	2
Q.43- Credit cards are essential to a good life

Q.44- Governments have done little for the consumer over the past few years

Q.45- Governments should not give too much protection to consumers since businesses would suffer as a result

Q.46- Television and radio advertising are necessary to keep us informed and so that we can know what to buy

Q.47- It should be more difficult for everyone to obtain credit

Q.48- What is your age? _____

Q.49- Are you:

- married  1
- single  2
- separated  3
- divorced  4
- widowed  5
- engaged in a common law union  6
Q.50 - How many years of schooling did you complete?

- 0 to 7 1
- 8 to 9 2
- 10 to 11 3
- 12 to 15 4
- 16 or more 5

Q.51 - Are you working at present

- yes full time 1
- yes part time 2
- no 3

Q.52 - IF NO, are you

- wife at home 1
- student 2
- unemployed 3
- sick 4
- invalid 5
- retired 6
- other (specify) 7

Q.53 - When you worked what was your principal occupation?
Q.54- For how long have you not worked

- less than 3 months 1
- from 3 to 6 months 2
- from 7 months to 1 year 3
- from 1 to 2 years 4
- from 2 to 5 years 5
- more than 5 years 6

GO TO QUESTION 58

Q.55- What is your present occupation?


Q.56- Are you self-employed or, for what type of firm, organization or institution do you work?


Q.57- For how long have you worked there?

- less than 3 months 1
- from 3 to 6 months 2
- from 7 months to 1 year 3
- from 1 to 2 years 4
- from 2 to 5 years 5
- more than 5 years 6
IF THE RESPONDENT IS MARRIED OR LIVING COMMON LAW (SEE QUESTION 49) ASK QUESTION 58, IF NOT, GO TO QUESTION 61.

Q.58- Does your spouse work outside the home?
   yes 1
   no 2 —— GO TO QUESTION 61

Q.59- What is your spouse present occupation?

Q.60- Is your spouse self employed or for what kind of firm, organization or institution does he or she work?

Q.61- Over the last three years have you (or your spouse) been unemployed for a period of more than two weeks?
   yes 1
   no 2
Q.62- Does your spouse income come from

READ ENTIRE LIST

YES   NO
- male wages     1   2
- female wages   1   2
- retirement pension 1  2
- welfare        1   2
- unemployment insurance 1  2
- family allowances 1  2
- older child's board and room 1  2
- investment income 1  2
- property        1   2
- other sources? specify? 1  2

Q.63- What is your total family income before deducting income tax including income from all sources (wages, pensions, family allowances, etc.)?

Is it
- less than $3,000           1
- between $3,000 and $4,999  2
- between $5,000 and $6,999  3
- between $7,000 and $8,999  4
- between $9,000 and $10,999 5
- between $11,000 and $12,999 6
- between $13,000 and $14,999 7
- more than $15,000           8
Q.64- How many persons does this income support excluding older working children who pay board and room?

Q.65- Do you or your spouse own or rent the house you inhabit?
- owner 1
- rentor 2

Q.66- What are your monthly housing costs including heating?

Q.67- What are your monthly housing costs including mortgage payments, taxes, insurance on the premises, heating and maintenance?

Q.68- How many rooms are there in your home?

Q.69- How many persons live here?
FOR OFFICE USE ONLY

OVER CROWDED 1
NORMAL CROWDING 2
UNDER CROWDED 3

Q.70- Do you or your spouse own a house in the country?
   yes  1
   no  2

Q.71- Did you take at least a one week vacation away from home last year?
   yes  1
   no  2

Q.72- Do you or your spouse own an automobile?
   yes, 1 auto  1
   yes, 2 autos  2
   no  3  ➔ GO TO QUESTION 75

Q.73- [IF YES], what model year?
Q.74- What model?

Q.75- Do you or your spouse have credit cards?

yes 1
no 2 \rightarrow GO TO QUESTION 77

Q.76- IF YES, do you have credit cards from

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<td>Diner's Club</td>
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<td>Master Charge</td>
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</table>

Q.77- Do you have any overdue debts or accounts excluding mortgages?

yes 1
no 2 \rightarrow GO TO QUESTION 81
Q.78- Why were these accounts incurred?

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<th>Question</th>
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<td>- furnishings</td>
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<td>- for some other reason</td>
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<td><em>Specify</em></td>
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Q.79- Who do you owe money to (excluding mortgages)?

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<td>- a retail store</td>
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<td>- a professional (dentist, lawyer, etc.)</td>
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<tr>
<td>- a relative or friend</td>
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<td>2</td>
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<td>- a credit card company</td>
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<tr>
<td>- other</td>
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</table>
Q.80 - What is your total indebtedness? (Excluding mortgages)

- less than $500 1
- $500 to $999 2
- $1,000 to $1,999 3
- $2,000 to $2,999 4
- $3,000 to $4,999 5
- $5,000 to $6,999 6
- $7,000 to $9,999 7
- more than $10,000 8

Q.81 - Are you presently or have you ever been registered with a voluntary deposit?

- yes, am presently registered 1
- yes, have been registered 2
- no 3

Q.82 - Have you ever declared bankruptcy?

- yes, personal bankruptcy 1
- yes, business bankruptcy 2
- no, never 3

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THANK YOU FOR YOUR COOPERATION
APPENDIX III

LIST OF OBSERVATIONS

PART I - SURVEY OF CONSUMER ORGANIZATIONS

1- THE CONSUMER PROBLEMS CONFRONTING THE ORGANIZATIONS COVER THE ENTIRE FIELD OF CONSUMER ACTIVITY.

2- THE MOST ACUTE PROBLEMS IN TERMS OF FREQUENCY, FOR ALL THE ORGANIZATIONS STUDIED, RELATE TO THE PHENOMENA OF INDEBTEDNESS, CREDIT, CAR SALES, INSTALLMENT SALES, HOUSING RENTALS, DOOR-TO-DOOR SALES, AND CAR REPAIRS.

3- AN ANALYSIS OF THE FREQUENCY OF CONSUMER PROBLEMS LED US TO FORMULATE A TYPOLOGY OF THE PRINCIPAL PROBLEMS SUBMITTED TO THE ORGANIZATION BY THEIR RESPECTIVE CLIENTELES.

A) LEGAL AID OFFICES: INDEBTEDNESS, HOUSING RENTAL, CREDIT, GOVERNMENT SERVICES, CAR SALES.

B) DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS: MISLEADING ADVERTISING, FOOD - DRUG - HOUSEHOLD PRODUCTS, LOW-QUALITY GOODS, CAR SALES, CLOTHING.

C) CONSUMER PROTECTION BUREAU: CAR SALES, MOBILE HOMES, DOOR-TO-DOOR SALES, USED CAR SALES.

D) CFEA: INDEBTEDNESS, CREDIT, INTEREST RATES, INSTALLMENT SALES, DOOR-TO-DOOR SALES, USED CAR SALES.

E) CAC: CAR SALES AND REPAIRS, GOVERNMENT SERVICES, FOOD AND DRUGS - HOUSEHOLD PRODUCTS, CLOTHING, TRANSPORTATION SERVICES.

F) OTHER ORGANIZATIONS: HOUSING RENTALS, INDEBTEDNESS, FOOD (PRICES), INSTALLMENT SALES, FALSE ADVERTISING.

DESPITE THEIR RATHER GENERAL VOCATION, WE NOTED THAT MOST CONSUMER ORGANIZATIONS WHETHER GOVERNMENT OR PRIVATE ARE NOT SPECIALIZED AND PLAY COMPLEMENTARY ROLES.
4- Conciliation between parties is both the most commonly used type of intervention and that which consumer organizations consider to be the most effective at the present time for settling consumer problems submitted to them.

5- Legal action, consumer education, referral to a specialized organization, the declaration of bankruptcy by the debtor are all modes of intervention employed.

6- Each organization has a preferred course of action:
   A) For legal aid lawyers: conciliation takes the form of a telephone call or letter to the opposing party.
   B) For the Federal Department of Consumer and Corporate Affairs: the first step is usually a warning letter or visit to the offender.
   C) For the Consumer Protection Bureau: the current procedure is to send a letter to the vendor or manufacturer urging them to respect the law.
   D) For the CFCA: the preferred course of action is the organization of consumers around a specific problem to take collective action.
   E) The CAC: provides counselling and information to consumers.
   F) Other organizations: refer most of their consumer complaints to specialized organizations.

7- Some may be of the opinion that the analysis of the consumer situation contained in this chapter is rather alarmist and that it is the result of an idealistic view of society. We believe for our part that it is the result of day-to-day experience with consumer problems and we base our judgement on the fact that this same experience is shared by all those working in the field of consumer protection. This analysis at least has the merit of presenting a coherent view, of clearly defining the different roles and of proposing new behaviour patterns for all those involved: aware and responsible consumers, a civilized system of production and a government anxious to maintain a wholesome balance through adequate and coherent legislation.

8- Generally speaking, it appears that those involved in the field of consumer affairs on a day-to-day basis are adopting a more and more radical view. They relate the fundamental causes of consumer problems they encounter to the evils inherent in our society
WHICH IS BASED ON THE UNBRIDLED PURSUIT OF PROFITS AND OF THE ATTAINMENT OF A STANDARD OF LIVING WHICH IS VERY OFTEN ARTIFICIAL. THIS VIEW WAS SHARED BY ALL OF THE RESPONDENTS.

9- PRESENT CONSUMER PROTECTION LEGISLATION IS LARGELY INADEQUATE.

10- FEDERAL LEGISLATION IS SEEN TO BE MORE ADEQUATE THAN PROVINCIAL LEGISLATION, BUT NEITHER IS SATISFACTORY.

11- NO FIELD OF CONSUMER ACTIVITY IS GOVERNED BY SATISFACTORY LEGISLATION.

12- ALL OF THE ORGANIZATIONS SUBSCRIBED TO THIS EVALUATION OF EXISTING LEGISLATION, BUT THE PRIVATE ORGANIZATIONS, ESPECIALLY THE CFEA, ARE MORE CRITICAL THAN THE PUBLIC AGENCIES.

13- THE AREA OF AUTOMOBILE REPAIRS AND SALES IS THE LEAST WELL REGULATED BY LAW, AND BECAUSE OF THE SEVERITY OF THIS PROBLEM, IT IS THE AREA MOST URGENTLY IN NEED OF LEGISLATION.

14- THE LAWS ARE NOT APPLIED WITH ENOUGH RIGOUR.

15- THE ORGANIZATIONS RESORT TO A LARGE NUMBER OF LAWS TO ENSURE THE PROTECTION OF THE CONSUMER, EACH ACCORDING TO ITS CLIENTELE AND THE PROBLEMS THEY SUBMIT TO THE ORGANIZATIONS.

16- CLASS ACTION IS STRONGLY SUPPORTED BY ALL THOSE WORKING IN THE FIELD OF CONSUMER AFFAIRS.

17- MOST OF THE ORGANIZATIONS ARE IN FAVOUR OF THE CITIZEN HAVING RECOURSE TO THE COURTS IN CRIMINAL MATTERS PERTAINING TO CONSUMER AFFAIRS.

18- ACCORDING TO MOST OF THE CONSUMER ORGANIZATION OFFICIALS, THERE ARE OBSTACLES TO THE ENACTMENT OF MORE EFFECTIVE CONSUMER PROTECTION LEGISLATION. THE MAIN ONES ARE LOBBYING OF GOVERNMENTS BY PRODUCERS, THE CAPITALIST SYSTEM'S SELF-DEFENCE MECHANISMS AND THE CONSUMERS' INDIFFERENCE.

19- OF ALL THE CONSUMER PROTECTION ORGANIZATIONS, THE CFEA IS CONSIDERED TO BE THE MOST EFFECTIVE; IT IS ESPECIALLY VALUED FOR ITS
INFORMATION AND SENSITIZATION ACTIVITIES, ESPECIALLY AMONG THE DISADVANTAGED GROUPS.


21- THE APA AND IPIC ARE QUITE WELL REGARDED BY OTHER ORGANIZATIONS.

22- THE BETTER BUSINESS BUREAU IS CONSIDERED TO BE AN ASSOCIATION CREATED TO PROTECT THE INTERESTS OF BUSINESS RATHER THAN THOSE OF THE CONSUMER.

23- THE ROLES OF EACH ORGANIZATION ARE CLEARLY DIFFERENTIATED FROM ONE ANOTHER IN THE OPINION OF THE CONSUMER ORGANIZATIONS' DIRECTORS AND IT APPEARS THAT IN SPITE OF THEIR WEAKNESSES EACH HAS A SPECIFIC PART TO PLAY.

24- THE MAJORITY OF RESPONDENTS REACTED FAVOURABLY TO THE IDEA OF A "CENTRAL BUREAU FOR CONSUMER PROTECTION". HOWEVER, A SERIES OF CONDITIONS WAS ATTACHED TO THIS ACCEPTANCE. THESE CONDITIONS RELATED SPECIFICALLY TO THE POWERS AND THE MEANS WHICH SUCH AN ORGANIZATION WOULD REQUIRE TO BE EFFECTIVE AND TO THE STRUCTURE OF PARTICIPATION WHICH THE CENTRAL BUREAU WOULD HAVE TO ADOPT TO CARRY OUT ITS FUNCTIONS: THAT OF INFORMING CONSUMERS ON A MASSIVE SCALE AND OF GETTING THEM REALLY INVOLVED.

PART II - SURVEY OF DISSATISFIED CONSUMERS

25- IN TERMS OF THEIR SOCIO-ECONOMIC CHARACTERISTICS, THE DISSATISFIED CONSUMERS SURVEYED CLOSELY RESEMBLE THE QUEBEC POPULATION. IT APPEARS THEREFORE THAT ALTHOUGH WE DID NOT DELIBERATELY SET OUT TO OBTAIN A REPRESENTATIVE SAMPLE OF QUEBEC CONSUMERS, WE DID IN FACT ACHIEVE A FAIRLY GOOD REPRESENTATION.
DIFFERENCES WERE OBSERVED BETWEEN THE DISSATISFIED CONSUMERS AND THE POPULATION OF QUEBEC AS A WHOLE WITH RESPECT TO AGE, MARITAL STATUS AND LEVEL OF EDUCATION.

AGE: OUR SAMPLE GROUP IS OVER REPRESENTATIVE OF THE 25 TO 44 YEAR RANGE.

MARITAL STATUS: OUR RESPONDENTS INCLUDED A HIGHER PROPORTION OF MARRIED PEOPLE THAN THE QUEBEC POPULATION AS A WHOLE.

EDUCATION: OUR RESPONDENTS' LEVEL OF EDUCATION IS CONSIDERABLY HIGHER THAN THAT OF THE ADULT POPULATION OF QUEBEC AS A WHOLE.

IN TERMS OF SEX, THE NUMBER OF PERSONS PER FAMILY, OCCUPATIONAL STATUS AND HOUSEHOLD INCOME, OUR SAMPLE IS SIGNIFICANTLY REPRESENTATIVE OF THE POPULATION OF QUEBEC.

AS FOR THE LEVEL OF INDEBTEDNESS, ONE OUT OF EVERY FIVE RESPONDENTS ADMITTED TO BEING IN DEBT FOR AN AVERAGE AMOUNT OF $3,500. AT THE TIME OF THE SURVEY. THERE ARE NO STATISTICS TO COMPARE THIS LEVEL OF INDEBTEDNESS TO THAT OF THE INDEBTEDNESS OF THE QUEBEC POPULATION AS A WHOLE.

OUR SAMPLE IS ALSO REPRESENTATIVE OF THE POPULATION AS A WHOLE IN TERMS OF LEVEL OF CONSUMPTION THAT IS, IN RELATION TO HOUSING CONDITIONS AND THE OWNERSHIP OF ONE OR MORE AUTOMOBILES.

AS REGARDS HOUSING CONDITIONS, OCCUPANCY STATUS (HOME OWNER OR RENTOR) RENTAL COSTS, NUMBER OF ROOMS OCCUPIED AND THE DEGREE OF CROWDING OF THE DWELLING OUR SAMPLE GROUP WAS FAIRLY REPRESENTATIVE OF THE POPULATION AS A WHOLE.

MOST OF OUR RESPONDENTS WERE AUTOMOBILE OWNERS: IN FACT, THE PROPORTION OF AUTOMOBILE OWNERS IN OUR SAMPLE IS NOTICEABLY HIGHER THAN THAT OF THE POPULATION AS A WHOLE.

POSSESSION OF A CREDIT CARD IS A VERY WIDESPREAD HABIT AMONG DISSATISFIED CONSUMERS. THE PERCENTAGE OF CREDIT CARD HOLDERS INCREASED STEADILY IN PROPORTION TO OCCUPATION, LEVEL OF EDUCATION AND FAMILY INCOME.
33- THE CONSUMER PROBLEMS ENCOUNTERED BY DISSATISFIED CONSUMERS CONCERNED THE FULL RANGE OF CONSUMER GOODS AND SERVICES.

34- THE MOST FREQUENTLY HEARD COMPLAINTS CONCERNED DOMESTIC APPLIANCES, THE DWELLING, AUTOMOBILES AND ACCESSORIES, AND LOANS AND CREDIT.

35- THERE IS A PARTICULARLY HIGH CONCENTRATION OF PROBLEMS RELATED TO DWELLINGS AND TO LOANS AND CREDIT IN THE MONTREAL AREA, AND PROBLEMS RELATED TO FOODSTUFFS IN THE QUEBEC AREA.

36- MEN AND WOMEN DO NOT COMPLAIN ABOUT THE SAME TYPES OF GOODS AND SERVICES: MEN TEND TO COMPLAIN ABOUT PROBLEMS INVOLVING GREATER FINANCIAL LOSSES.

37- THE LEGAL PROBLEMS RELATED TO COMPLAINTS WERE MAINLY THE DETERIORATION OF RECENTLY PURCHASED GOODS AND THE UNWILLINGNESS TO RESPECT GUARANTEES, CREDIT OR INTEREST RATES, EXCESSIVE PRICES, LATE OR NON-DELIVERY OF GOODS AND THE DELIVERY OF GOODS OF A DIFFERENT QUALITY FROM THE ONES PURCHASED.

38- THE FINANCIAL LOSSES INVOLVED ARE AN IMPORTANT MOTIVATOR OF COMPLAINTS. THE MAJORITY OF COMPLAINANTS HAD OR SUFFERED SOME FINANCIAL LOSS.

39- THE GREATER THE FINANCIAL LOSS INCURRED THE LOWER THE LEVEL OF CONSUMER SATISFACTION WITH THE WAY IN WHICH THE CASE WAS SETTLED.

40- 87% OF THE DISSATISFIED CONSUMERS WERE ENCOUNTERING THE PROBLEM SUBMITTED TO THE CONSUMER ORGANIZATION FOR THE FIRST TIME.

41- THE THREE ORGANIZATIONS SURVEYED RECEIVED EVERY MANNER OF COMPLAINT REGARDLESS OF THEIR JURISDICTION, SPECIALIZATION OR COMPETENCE. THE CONSUMER PROTECTION BUREAU PROCESSED THE GREATEST VARIETY OF COMPLAINTS.

42- THE THREE ORGANIZATIONS SURVEYED DEAL WITH AN ABOUT EQUAL NUMBER OF MEN AND WOMEN. ALL AGE CATEGORIES ARE ABOUT EQUALLY REPRESENTED. THE COMPLAINANTS' MARITAL STATUS DOES NOT VARY MUCH FROM ONE ORGANIZATION TO THE OTHER. THE SAME HOLDS FOR THE NUMBER OF DEPENDENTS.

44- MOST OF THE DISSATISFIED CONSUMERS APPROACHED THE CONSUMER ORGANIZATION TO MAKE A COMPLAINT OR TO REQUEST INFORMATION WITH REGARD TO A PARTICULAR PROBLEM. VERY FEW DID SO WITH THE INTENTION OF TAKING COURSES IN CONSUMER EDUCATION OR OF SEEKING BUDGET COUNSELLING. THOSE SEEKING SUCH SERVICES, WITHOUT EXCEPTION, APPROACHED THE CFEA, (THE COOPERATIVE FAMILY ECONOMICS ASSOCIATION). THE CFEA PLACES GREATER STRESS THAN THE OTHER TWO ORGANIZATIONS ON INFORMING AND EDUCATING THE CONSUMER THAN ON THE ACTUAL DEALING WITH COMPLAINTS.

45- THE MASS MEDIA PLAYED A GREATER ROLE IN ORIENTING CONSUMERS TOWARD THE PUBLIC ORGANIZATIONS, WHICH ARE THE CONSUMER PROTECTION BUREAU AND THE FEDERAL DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS, THAN TOWARD THE CFEA WHICH RELIES MAINLY ON PRIVATE CONTACTS, FRIENDS AND FAMILY TO MAKE ITSELF KNOWN.


47- THE VAST MAJORITY OF RESPONDENTS STATED THAT THEY HAD NO DIFFICULTY IN CONTACTING THE ORGANIZATION OF THEIR CHOICE. NO SIGNIFICANT DIFFERENCES WERE OBSERVED BETWEEN CLIENTELES IN THIS REGARD. A SIMILAR PROPORTION OF RESPONDENTS CLAIMED THAT THEY HAD NO DIFFICULTY IN HAVING THEIR PROBLEM ACCEPTED. THE CONSUMERS WHO CONTACTED THE CFEA ARE KNOWN TO HAVE EXPERIENCED THE LEAST DIFFICULTY IN THIS RESPECT.
48- ONE FOURTH OF THE RESPONDENTS CONSIDERED THAT THE ORGANIZATION
DID NOTHING TO ASSIST THEM. THE HIGHEST PROPORTION OF DISSATIS-
FACTION WAS FOUND AMONG CONSUMERS WHO HAD CONSULTED THE DEPART-
MENT OF CONSUMER AND CORPORATE AFFAIRS. THERE WAS LESS DISSA-
TISFACTION WITH THE CONSUMER PROTECTION BUREAU AND THE LEAST
OF ALL WITH THE CFEA. MOST OF THE RESPONDENTS WHO CONSIDERED
THAT NOTHING WAS DONE IN THEIR CASE BELIEVED THAT SOMETHING
COULD HAVE BEEN DONE.

49- THE METHODS OF ASSISTING THE CONSUMER PREFERRED BY ALL OF THE
ORGANIZATIONS ARE TO NEGOTIATE DIRECTLY WITH THE OPPOSING PARTY
AND TO INFORM THE CONSUMER ON HOW HE SHOULD PROCEED TO NEGOTIATE
WITH THE OPPOSING PARTY HIMSELF. CONSUMERS ARE Seldom REFERRED
TO ANOTHER ORGANIZATION AND IN VERY FEW CASES ONLY DO THE COM-
PLAINTS LEAD TO THE INITIATION OF LEGAL PROCEEDINGS. IN MOST
CASES, AND IRRESPECTIVE OF THE TYPE OF ACTION TAKEN BY THE OR-
GANIZATIONS, THE VAST MAJORITY OF DISSATISFIED CONSUMERS CON-
SIDERED THAT THE ORGANIZATION INTERVENED QUITE QUICKLY IN THEIR
CASE.

50- THE VAST MAJORITY OF RESPONDENTS STATED THAT THE REPRESENTATIVES
OF THE ORGANIZATION THEY CONSULTED HAD SUFFICIENTLY EXPLAINED
THEIR RIGHTS TO THEM.

51- MOST OF THE DISSATISFIED CONSUMERS TOLD US THEIR PROBLEM, WHETHER
IT WAS THE OBJECT OF A COMPLAINT OR A REQUEST FOR INFORMATION,
HAD BEEN SOLVED TO THEIR SATISFACTION. HOWEVER, ONE OUT OF THREE
CONSUMERS WERE DISSATISFIED WITH THE SOLUTION. MORE THAN ONE
CASE OUT OF TEN WERE STILL OUTSTANDING WHEN WE CONDUCTED OUR SURVEY.
THE SURVEY REVEALS THAT THE NUMBER OF CASES WHERE THE CONSUMER
DID NOT REACH A SATISFACTORY SOLUTION WAS GREATER FOR COMPLAINTS
BROUGHT TO THE DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS THAN
FOR THOSE BROUGHT TO THE OTHER TWO ORGANIZATIONS. THE LEVEL OF
DISSATISFACTION INCREASES STRONGLY WHEN THE PROBLEM INVOLVES FI-
NANCIAL LOSS. NEGOTIATION BETWEEN OPPOSING PARTIES SEEMS TO BE
MORE DIFFICULT AND THE SOLUTION LESS TO THE CONSUMER'S
ADVANTAGE IN CASES INVOLVING FINANCIAL LOSS.

52- THE LEVEL OF SATISFACTION WITH THE EFFECTIVENESS OF THE ORGANIZA-
TIONS' WORK IS HIGH. VERY FEW CONSUMERS EXPRESSED A NEGATIVE
VIEW IN THIS RESPECT. EVEN IF THE GENERAL LEVEL OF SATISFACTION
IS HIGH, THE CFEA IS CONSIDERED TO BE THE MOST EFFECTIVE ORGANI-
ZATION. THESE OBSERVATIONS ARE ALSO SUPPORTED BY THE CONSUMERS
WHO HAD NOT CONSULTED THESE ORGANIZATIONS AT THE TIME OUR SURVEY
WAS CONDUCTED BUT KNEW OF THEM.
53- Considering the methods used and the elementary nature of the questions asked, it would appear that, generally speaking, knowledge of consumer laws, particularly as it applies to credit and seizure, leaves much to be desired.

54- We can hypothesize that this ignorance of existing consumer protection mechanisms is even more pronounced among the general population in Quebec which is on the average less well educated than the dissatisfied consumers.

55- Men are more familiar with consumer laws than women.

56- The level of knowledge of consumer laws increased consistently with the level of education which is the principal factor influencing their knowledge.

57- The level of knowledge of consumer laws is also and therefore related to the respondents' occupational status and income.

58- There is no marked difference in the level of knowledge of consumer laws between the three organizations' clienteles.

59- The higher the consumer's level of knowledge of consumer laws the less tendency he had to adhere to the values of economic liberalism. On the other hand, the greater the adherence to the values of the consumer society, the lower the level of knowledge of consumer laws. There is no interaction between these two phenomena but they are both closely related to the consumer's socio-economic status.

60- A small majority (56%) of dissatisfied consumers considered that they were not adequately protected by consumer laws.

61- The successful resolution of the complainants problem by the organization consulted has a direct influence on his evaluation of the protection afforded by the laws. The greater the consumer's satisfaction with the solution to his problem, the more satisfied he is with the protection afforded by consumer laws.

62- The level of satisfaction with the consulted organization's work also influences the consumer's evaluation of the protection afforded by existing legislation: the greater the dissatisfied consumer's satisfaction with the consulted organization's work, the higher the degree of satisfaction with consumer laws.
63- The consumer's level of satisfaction with the protection afforded by consumer laws is also influenced by his evaluation of his knowledge of these laws. The more a person thinks he knows consumer laws, the more likely he is to express satisfaction with the protection offered by these laws.

64- The dissatisfied consumer's evaluation of the protection afforded by consumer laws does not vary with his real knowledge of these laws. The proportion of negative views expressed by those consumers familiar with these laws was no higher than in the case of respondents who did not really know the law in this area.

65- Those who declared reading the contracts they sign in full consider themselves to be better protected by the laws than those who only read them in part or not at all.

66- From the above observations, we can conclude that the consumer's evaluation of the protection afforded by consumer laws is for the most part determined by his attitude and is therefore essentially psychological.

67- The level of satisfaction with respect to legislation does not vary significantly in relation to most of the respondents socio-economic characteristics. The only significant variations were with regard to age and level of education.

68- Respondents under twenty-five years and over fifty-five years of age were more critical of the protection afforded by existing legislation.

69- Those respondents with a highest level of education (more than sixteen years) and those with a lowest level of education (from 0 to 7 years) were the most critical of consumer legislation.

70- A small majority of respondents (53%) do not believe that "present consumer laws deal with people's real problems".

71- The respondents' opinions were divided about equally as to whether the governments had done anything for consumers in the last few years.
72- OVER 80% OF OUR RESPONDENTS FEEL THAT THE QUALITY OF CONSUMER GOODS HAS DETERIORATED MORE AND MORE IN THE LAST FIVE YEARS.

73- NO CONTROL FACTOR USED DURING OUR SURVEY INFLUENCED THIS ASSESSMENT OF THE QUALITY OF GOODS.

74- THE GENERAL LEVEL OF ADHERENCE TO THE VALUES OF ECONOMIC LIBERALISM STANDS AT 36.5% THAT IS, APPROXIMATELY ONE OUT OF THREE DISSATISFIED CONSUMERS.

THE FOLLOWING IS A BREAKDOWN OF THE RESPONSES GIVEN WITH REGARD TO THE PROPOSED VALUES.

75- A SMALL MAJORITY OF RESPONDENTS (55%) DO NOT AGREE THAT "CONSUMERS IN DEBT ARE NECESSARILY PEOPLE WHO ARE LIVING BEYOND THEIR MEANS".

76- 82% CONSIDER THAT "IT IS UP TO THE CONSUMER TO BE CAREFUL AND ENSURE THAT HE IS NOT STUNG".

77- 55% BELIEVE THAT "BANKRUPTCY IS A DISHONEST WAY OF RIDDING ONE-SELF OF DEBTS".

78- 76% AGREE WITH THE PROPOSAL THAT "IT SHOULD BE MORE DIFFICULT FOR EVERYONE TO OBTAIN CREDIT."

79- 93% OF RESPONDENTS REJECTED THE IDEA THAT "CREDIT CARDS ARE ESSENTIAL TO A GOOD LIFE".

80- 66% DISAGREE WITH THE IDEA THAT "TELEVISION AND RADIO ADVERTISING ARE NECESSARY TO KEEP US INFORMED AND SO THAT WE CAN KNOW WHAT TO BUY".

81- 88% REJECTED THE IDEA THAT "GOVERNMENTS SHOULD NOT GIVE TOO MUCH PROTECTION TO CONSUMERS SINCE BUSINESSES WOULD SUFFER AS A RESULT".

82- ON A SCALE OF VALUES INCORPORATING THESE SEVEN PROPOSALS, 47% OF RESPONDENTS ADHERED TO ONLY TWO VALUES OR LESS AND 78% TO ONLY THREE VALUES OR LESS.
83- Respondents of less than twenty-five years of age have less tendency to adhere to the proposed values, and those of more than fifty-five years of age have a much stronger tendency to do so.

84- The respondents' adherence to the proposed values is determined to a great extent by their socio-economic status. The higher a person's level of education, the higher his occupational status and income tend to be, and the less one adheres to the values of the consumer society. Conversely, the lower a person's level of education and the lower one's occupational status and income the greater the level of adherence to the values of the consumer society.

85- It was found that there is a tendency among consumers whose complaints have been settled to their satisfaction and who are satisfied with the work of the organization consulted, to adhere more closely to the values proposed.

86- No difference with respect to the adherence to consumer values between the three clienteles surveyed.

87- A majority of respondents (61%) stated that they read a purchase agreement or financial contract in full before signing it.

88- The higher a person's level of education the greater tendency one has to read a contract before signing it. Conversely, the lower a person's level of education the greater the tendency to sign a contract without reading it.

89- There is a greater tendency among respondents with high income to read consumer contracts.

90- The socio-economic indicators generally showed that disadvantaged groups are more vulnerable when signing a consumer contract.
Masse, Claude, 1947-  
Rules of the game : a survey
Our findings permit us to think that it is the entirety of legal mechanisms and institutions put at the disposal of the consumers that are not useable, used by or even known to those very people who are intended to benefit from them. The problem of our consumer protection is as important an issue as the necessity of carrying out legal studies of the rights that have to date remained theoretical.

We have no alternative but to insist that the legislators cease multiplying consumer protection laws if they do not intend to deal first of all with the training of those to whom their enforcement is delegated, the provision of adequate penalties to assure that they are respected, the informing of the consumers to assure that they are well known and the provision of budgets sufficient to back them up. Without this, there is good reason to fear that the 225 existing laws and all those that will emerge in the future will continue to constitute a veritable paper arsenal.