

Government of Canada

Company

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Metals

COMPETITIO

What Is the Competition Act?

The *Competition Act* (the Act) is a federal law governing business conduct in Canada and is enforced by the Competition Bureau (the Bureau). It aims to promote competition in the marketplace by stopping anti-competitive practices. Most businesses in Canada, both small and large, are governed by this Act.

The Commissioner of Competition (the Commissioner) is head of the Bureau, which is part of Industry Canada. The Commissioner is responsible for the administration and enforcement of the *Competition Act*, as well as three statutes concerning the accuracy and adequacy of information provided to consumers:

- the Consumer Packaging and Labelling Act
- the Textile Labelling Act
- the Precious Metals Marking Act.

Precious Metals

It is impossible to know the quality of a precious metal by looking at it, so consumers need some way of getting accurate information about the quality of jewellery and other precious metal goods made of gold, silver, platinum and palladium. Therefore, since 1908, the Government of Canada has set standards and inspected precious metal goods under the authority of the *Precious Metals Marking Act* and Regulations. This helps protect consumers and maintain marketplace confidence in the quality of precious metals.

Quality Marks

Information about the precious metals contained in an article normally appears in the form of a quality mark. In Canada the mark is not compulsory. Where it does appear, however, a trade-mark registered in Canada, or a recognized government mark, must be applied with it.

There are several different quality marks that can be used, depending on the kind and amount of precious metal in an article.

Gold

Quality Marks: *karat, carat, Karat, Carat, Kt., Ct., K* or *C*

Gold is measured in karats, with 24 karats being pure gold. A 10 karat gold ring, therefore, contains 10/24ths fine gold. Karats are also sometimes expressed using a decimal figure, such as .416 fine gold. The minimum allowable_ quality for karat gold is 9 karats.

Silver

Quality Marks: *silver, sterling, sterling silver, argent* or *argent sterling*

The above quality marks, their abbreviations or a decimal figure may be used on articles containing a minimum of 92.5 percent pure silver.

Platinum and Palladium Quality Marks: *platinum, plat.* or *platine* and *palladium* or *pall*.

The quality marks for platinum may be used on articles composed of at least 95 percent platinum, 95 percent platinum and iridium, or 95 percent platinum and ruthenium.

The quality marks for palladium may be used on articles composed of least 95 percent palladium, or 90 percent palladium and 5 percent platinum, iridium, ruthenium, rhodium, osmium or gold.

Gold Filled and Rolled Gold Plate Quality Marks: gold filled, G.F. or doublé d'or and rolled gold plate, R.G.P. or plaqué d'or laminé

Gold Filled and Rolled Gold Plate Articles

If an article other than optical frames, watch cases, hollow ware or flatware consists of a base metal to which a sheet of at least 10 karat gold has been bonded, this is indicated by the quality mark for gold filled. As well as being at least 10 karat gold, the weight of the gold sheet must be at least 1/20th the total weight of the item. The quality mark used may also specify the fraction showing the ratio of the wright of the article to the total weight of the article as well as a statement of the quality of the gold expressed in karats or decimals (for example, *1/20 10K G.F.*).

Rolled gold plate involves the same manufacturing process as gold filled, but the gold sheet used is less than 1/20th the total weight of the article. The sheet must still be at least 10 karat gold. Like gold filled articles, the quality mark used for rolled gold plate articles may include a weight ratio and a statement of quality.

Gold Filled and Rolled Gold Plate Watch Cases

The quality marks for gold filled watch cases are the same as those used on other articles, but *must* include a mention of the quality of the gold expressed in karats or decimals. The gold sheet must be at least 75 micrometers thick.

The quality marks for rolled gold plate watch cases are the same as those used on other articles, but must also include a mention of the quality of the gold expressed in karats or decimals. The gold sheet used may be between 35 and 75 micrometers thick.

Gold Plated Quality Marks: gold electroplate, gold plated, G.E.P., electroplaqué d'or or or plaqué

The quality marks for gold plated indicate that an article has been electroplated with gold of at least 10 karats. There is no minimum thickness required for gold plated articles.

Vermeil

Quality Marks: vermeil or vermil

The quality marks for vermeil may be used on an article made of silver of at least 92.5 percent purity and plated with gold of at least 10 karats. There is no minimum thickness required for the gold plated portion.

Silver Plated

Quality Marks: silver electroplate, silver plate, silver plated, electroplaqué d'argent or plaqué d'argent

The quality marks for silver plated, as well as their abbreviations, indicate that an article has been electroplated with silver of at least 92.5 percent purity. There is no minimum thickness required for silver plated articles.

Gold or Silver Plated Hollow Ware (trays, goblets, etc.) Quality Marks: gold electroplate, gold plated, G.E.P., electroplaqué d'or or or plaqué and silver plate, silver plated, silverware, E.P., S.P., placage d'argent, plaqué d'argent or argenterie

Quality marks that are used on gold or silver plated hollow ware must include a mention of the base metal of the article, for example, *G.E.P. brass* (gold plated brass). The gold used must be of at least 10 karats and the silver must be of at least 92.5 percent purity.

Gold or Silver Plated Flatware (knives, forks, spoons, etc.)

INDUSTRY C

The quality marks for gold or silver plated flatware are the same as for gold or silver plated hollow ware. In the case of flatware, however, the quality marks indicate that the plating of gold or silver has been applied over a base metal containing at least 10 percent pure nickel. If the base metal of an article contains less than 10 percent nickel, the base metal must be identified and marked on the article, for example, *S.P. brass* (silver plated brass). The gold used must be of at least 10 karats and the silver must be of at least 92.5 percent purity.

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Some Common Sense Tips

Recognizing the many quality marks is one way of making sure you get exactly what you pay for in jewellery and other precious metal articles.

Here are some other tips to keep in mind:

- Always buy from a store that you know and trust.
- Look for the quality mark and the trade-mark on each item.
- Take note of discounts and sales and compare prices. Remember that discounts and sales are not always as good a deal as they may seem.
- To confirm the information you receive, ask for a detailed description of the item on your receipt. If this isn't forthcoming, think twice before buying.

The Bureau produces videos and publications on various aspects of the Competition Act, the Consumer Packaging and Labelling Act, the Textile Labelling Act and the Precious Metals Marking Act. To find out more about our videos and publications, contact the Information Centre at:

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This publication is only a guide. It provides basic information about the Competition Bureau and the Competition Act. For further information, you should refer to the full text of the Competition Act or contact the Competition Bureau at one of the numbers listed above.

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