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CANADIAN CONSUMER COUNCIL

SECOND  
ANNUAL  
REPORT

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OTTAWA, CANADA  
DECEMBER 31, 1970



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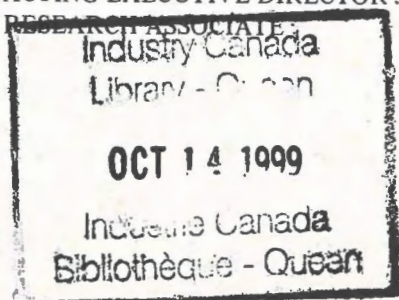
EXECUTIVE DIRECTOR:  
(until November 1, 1970)

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Mr. Gordon Anderson

Mr. Leonard Lee

Mr. Ken Rubin  
Trafalgar Building  
207 Queen Street  
Ottawa, Ontario





## LETTER OF TRANSMITTAL

Canadian Consumer Council  
Ottawa, Ontario  
December 31, 1970

The Honourable Ron Basford,  
Minister, Department of Consumer and Corporate Affairs

Dear Mr. Basford,

It is my pleasure to transmit to you the Second Report of the Canadian Consumer Council, covering the period from January 1, 1970 to December 31, 1970

The year 1970 was a highly productive one for the Council. We met as a body on five occasions during the year, for periods of one to two days. The Council also sponsored a Consumer Forum in Winnipeg on November 9 and 10, and a Symposium on Misleading Advertising in Montreal on December 4 and 5. Individual Council members participated in a number of committee meetings during the year, and represented Council at sessions of other bodies, such as the International Organization of Consumers Unions Conference held in Austria in June.

The following report details Council's output from these various activities. It is, I think, an impressive list of accomplishments for a voluntary group working with minimal staff and a modest budget. Full credit for this must go to the Council members themselves, for the positive and constructive effort which underlies the many research studies, reports and recommendations. The year's results offer some measure of vindication for the concept of an independent advisory council representing diverse interests.

It should be emphasized that in all of these activities, Council members insisted on research and documentation as a basis for their recommendations. As a result of such studies and the work of other organizations in the field, a body of research on consumer topics is beginning to emerge in Canada. This bodes well for the future, for research is surely fundamental to intelligent public policy and its effective administration. One of the very significant functions that Council sees itself performing is the generation and dissemination of such research.

On a more personal note, it is with this report that my responsibilities as Chairman terminate. I originally took on the assignment for two years, and it is now past that time. I must express my thanks, and those of Council, for the support of Council staff during this period, and for the cooperation and help provided on numerous occasions by you and members of the Department.

Respectfully submitted,

David S.R. Leighton,  
Chairman

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## 1970: THE BROADER VIEW

The pace of developments in consumer affairs stepped up in Canada in 1970. In a year that was featured by a continuing high level of inflation, unemployment and tight money, the voice of the Canadian consumer was heard with growing intensity and frequency in the media, on the public platform, in the councils of government, industry and commerce.

Several underlying trends seemed to stand out among the many developments of 1970:

1. A substantial strengthening and updating of legislation affecting consumers, and improvement in the administrative means for implementing such legislation. In Canada, it was a year of vigorous activity on the legislative front, both federally and provincially.
2. Growing awareness of the international ramifications of consumer activities – of common problems and concerns of consumers in many countries, and of the need for greater communication and cooperation among them. The meeting of the International Organization of Consumer Unions in Vienna was one reflection of this.
3. A continued broadening of the interests of consumer organizations beyond the traditional focus on market-related activities. Increasingly, consumer groups were heard speaking out on subjects such as environmental protection, inflation, combines, taxes and tariffs, in large measure because many of the traditional concerns of consumers were seen as less crucial to consumer well-being than these broader issues.

Developments such as these have forced and will force a continuing re-evaluation of the purposes and functions of organizations in the consumer field. At what point does being a consumer end, and being a citizen begin? At what point does the increasingly vigorous representation of a broader consumer viewpoint supplant or bypass the electoral system itself? The answers – indeed the questions themselves – are by no means clearly seen as we enter 1971.

If these problems are still dimly perceived, at least one prediction seems clear: that the next few years will see a rapid realignment of groups and interests within the consumer field. The Council will manifestly be a part of this process.



## THE CANADIAN CONSUMER COUNCIL: ITS ROLE AND FUNCTION

The Consumer Council was created in 1968, and its 24 members were appointed by Order-in-Council in November of that year. The Council's terms of reference were:

“... to advise or assist the Minister (of Consumer and Corporate Affairs) or to perform such duties and functions as the Governor in Council may specify. . .”

The Council has been conceived of as a mixed body, with members drawn from diverse groups and regions within the country. In subsequent discussions with the Minister and among themselves, the members worked out the following statement of the Council's role and function.

1. The Council is designed to bring a wide variety of viewpoints to bear on issues of concern to consumers. It does not represent any single group or segment within our society.
2. The members of Council, although chosen in some cases because of their membership in certain groups, are not representatives of those groups. The views they express are their own, and are sought because of the individual's personal expertise or experience. The relevant criterion to be applied in discussions is that of the overall public interest.
3. The Council is an autonomous body, speaking independently of the views of government or other bodies. While cognizant of the problems of different jurisdictions, it does not consider itself limited in its interests by constitutional constraints.
4. The Council, while offering its advice and counsel first to the Minister, retains the right to publish its views in a form and manner which members themselves determine.

5. The fundamental goal of the Council's activities is to improve the consumer environment, and to remove those imperfections which operate contrary to the most efficient and productive allocation of resources.

As it has had only a limited staff and budget, the Council has dealt primarily with recurring and broader issues of public policy. Research and publication have been seen as important prerequisites to public pronouncements or other policy recommendations.

Initially, Council consisted of 24 members, half appointed for one year and half for two-year terms. Several reappointments were made in early 1970, and seven new appointments were made later in the year.

## ACTIVITIES, 1970

The activities of the Council have fallen into two broad categories:

1. A series of projects on significant and continuing consumer problems, designed to culminate in precise policy recommendations, or in publications of importance to Canadian consumers.
2. Continuing projects to assess the general state of consumer affairs across the nation in order to isolate issues most urgently needing attention.

### SPECIFIC CONSUMER PROBLEMS

Reports and/or recommendations were made to the Minister during the year on referral sales, the elimination of the sales tax on margarine, Competition Policy and revisions to the Combines Investigation Act, composition of the proposed Standards Council of Canada, Hearing Aids, Deceptive Selling Practices, Consumer Education, and Food Store Self-Help Projects. Preliminary reports were prepared, with revised copies in preparation, on misleading advertising, a charter of consumer rights, consumer education and credit cards. Preparation of a pollution manual was also in process.

#### 1. Referral Selling

In March, the Council condemned "in the strongest terms" the practice of referral sales and recommended:

1. That the Minister of Consumer and Corporate Affairs introduce an amendment to the Federal Combines Investigation Act which would make the conducting of such sales practices a criminal offence.
2. That provincial legislatures enact legislation declaring such transactions void with the penalty that the offending sales concern lose the goods "sold" to the consumer by this means. Corollary legislation would authorize the provincial licensing authorities to withhold direct sellers' licenses to any firm or salesman proposing to engage in such practices.

In its letter, the Council stated that "referral sales are a wholly unacceptable method of carrying on business. They are spurned by ethical merchants and constitute an unfair form of competition. For the protection of all segments of the community, referral sales should be outlawed as has already been done in such states as California, Illinois, Maryland and the District of Columbia.

"In Canada, only British Columbia has so far adopted similar legislation, although the B.C. provision does not outlaw referral sales

but apparently only makes them unenforceable. We realize that most of the provinces (with the exception of Quebec) have adopted measures requiring the licensing of door-to-door sellers, but so far as we are aware, licenses have not generally been refused to sellers engaging in referral sales.

“We therefore recommend that a new section be added to the Combines Investigation Act in terms similar to Section 2.411 of the American Uniform Consumer Credit Code. We would also welcome a new provincial regulation declaring such sales void and unenforceable in terms similar to the U.S. legislation and also directing the provincial licensing authorities not to grant an itinerant seller’s license to those sellers intending to engage in referral sales and cancelling the licenses of those sellers who do.”

## II. Removal of Sales Tax on Margarine

The Council also recommended in March that the 12% federal sales tax on margarine be removed. The Council, in its letter to Mr. Basford, made the following points:

1. The federal sales tax was imposed on margarine in the post-war years, after the Supreme Court had ruled in 1948 that the federal prohibition of the manufacture of margarine was *ultra vires*.
2. Margarine is the only staple food which is subject to federal sales tax. It is an important and constant item in the food budget of low-income consumers.
3. The federal sales tax is paid by consumers in only nine provinces in Canada. The agreement under which Newfoundland joined Canada in 1949 stipulated that the provincial regulations regarding margarine should not be changed. This means that in Newfoundland margarine is tax free.
4. The Consumers’ Association of Canada has been requesting the removal of this federal sales tax since 1963.
5. The Royal Commission on Taxation (1967) drew attention to the discriminatory nature of this tax – the discrimination between the competing products, butter and margarine (butter is exempt from the sales tax), and discrimination between consumers depending on their province of residence. The Commission stated “From a neutrality standpoint, it is imperative that both butter and margarine receive the same sales tax treatment.”
6. The Special Joint Committee of the Senate and the House of Commons on Consumer Credit (Prices) in its report of April 1967, agreed with the conclusion of the Royal

Commission on Taxation and recommended "that the discriminatory tax treatment of margarine be modified."

### III. Competition Policy and Combines Legislation

In May, the Council released its recommendations to Mr. Basford concerning pending legislation in the field of combines and competition policy. The Council expressed concern that any new legislation contain provisions to ensure the rights of consumers. The letter to Mr. Basford continued:

- "1. The Council supports provisions to ensure individuals' rights of access to the process of combines law enforcement, through the commencement of action against suspected violators.
- "2. The Council also supports the inclusion of provisions to ensure adequate redress to those individuals wronged by violators. We think serious study should be given to the possibility of treble damage and/or class action provisions.
- "3. The Council supports the inclusion of provisions for representation of the consumer viewpoint in the councils of professional bodies, such as legal and medical societies.
- "4. The Council strongly favours moves to shift a greater portion of combines enforcement from criminal to civil jurisdiction.
- "5. We favour the creation of a Competitive Practices Tribunal with broad exploratory powers, and we support the principle of considerable generality in the terms of reference of such a body.
- "6. The Council supports the principle of maintaining the utmost clarity in the wording of any provisions left under the criminal law. We particularly advocate the avoidance of terms such as "unduly" and "unreasonable" in the wording of these clauses.
- "7. The Council strongly endorses the views of the Economic Council concerning the critical importance of care in selecting members of any Competitive Practices Tribunal that may be appointed.
- "8. The Council recommends the specific inclusion of fairness, equity and adequacy of treatment of consumers as criteria to be included in the terms of reference of any Competitive Practices Tribunal that may be appointed.
- "9. The Council warmly endorses proposals that services should be included in any new combines legislation."

#### **IV. Composition of the Standards Council of Canada**

In late 1969, the Council made general recommendations to the Minister regarding consumer representation on the proposed Standards Council of Canada. In response to a request from the Minister, specific recommendations concerning the membership of this Council were made in June.

#### **V. Hearing Aids**

The Council discussed the report of the Interdepartmental Committee on Consumer Affairs (January, 1970) on hearing aids. As a result of these discussions, the following report was forwarded to Mr. Basford:

The report of the Interdepartmental Committee on Consumer Affairs on hearing aids dated January 1970, was released by the Minister of Consumer and Corporate Affairs last spring. It would seem desirable for the Canadian Consumer Council at this time to publicly note its concern that action be taken on this important consumer subject, to review what action has been taken by Federal and Provincial governments and by the industry to implement the recommendations in the report, and to consider steps which the Council believes should be taken to further implementation.

This memo will only review very briefly the recommendations of the Committee, and make comments with reference to them as a reflection of Council views.

#### **Committee Recommendations for Federal and Provincial Governments**

1. The most important recommendations were those requiring provincial governments:
  - (a) to pass legislation requiring the licensing of hearing aid dealers, and the setting of minimum training standards for dealers,
  - (b) to establish (through their departments of education) training courses for such dealers in technical colleges, and
  - (c) to establish (through their departments of health) additional clinics and make medical and audiological advice available to all hard-of-hearing at a minimum cost.
2. The Report recommended that the Federal government sponsor a Federal-Provincial Conference to recommend uniform licensing legislation and uniform standards of training for hearing-aid dealers.

**Comment:** The Federal government sponsored a Federal-Provincial Conference as recommended in June 1970. Provincial officials focused their attention on the problems of

consumers who buy hearing aids from door-to-door salesmen, and the licensing of these salesmen as a solution to many of the complaints in this field. Apparently little, if any, consideration was given to the establishment of uniform training facilities and audiological clinics.

The B.C. government has already introduced legislation requiring the licensing of all hearing aid dealers. The Manitoba government has indicated that the recommendations of the Report are under active consideration. The Ontario government has not as yet indicated any positive policy plans, although the Minister of Commercial & Corporate Affairs recently stressed the usefulness of the licensing system in giving greater protection to consumers.

The Council proposes to communicate with all provincial governments, stressing the need for action as recommended in the Report to ensure better protection and service for those with a hearing handicap. It will ask, in particular, what action has been taken to license dealers and salesmen of hearing aids, to establish training standards and courses for dealers and audiological clinics for consumers.

3. The Report recommended that the *Department of Consumer and Corporate Affairs* should:

- (a) provide consumers with information on the buying of hearing aids, their characteristics and use.

**Comment:** The Department has distributed to date approximately 8,000 communiqués, giving advice and information for the hard-of-hearing. These have been distributed to individual consumers, welfare agencies, public housing projects, provincial departments of health, public health nurses, etc. A booklet on the buying and use of hearing aids is being prepared to be released in 1971.

- (b) publish a code of acceptable trade practices for hearing-aid dealers.

**Comment:** A government code of trade practices for voluntary use by the industry would be of doubtful value without the full cooperation of manufacturers, importers and dealers. A manual of acceptable trade practices (somewhat similar to the Guide for Drug Manufacturers, published by the Food and Drug Directorate) might be a useful guide for industry, but any enforcement would depend on the cooperation of the provincial authorities.

- (c) design a form, giving information and advice on hearing aids and on which purchaser could record, when buying, the

price, trial terms, credit terms, etc.

**Comment:** The extent to which a form would be used would also depend on the cooperation of hearing-aid dealers, salesmen, physicians and on consumers themselves. There appear, at present, to be no plans to implement this recommendation.

4. The Report recommended that the *Food and Drug Directorate*:
  - (a) require all audiometers used in diagnosis or treatment be recalibrated at appropriate intervals and that this regulation be enforced through the inspection service of the Department of Consumer and Corporate Affairs.

**Comment:** This recommendation is under consideration by the Food and Drug Directorate. The recommendation that the Department of Consumer and Corporate Affairs be responsible for its enforcement was no doubt made because retail inspection services are administered by that Department. This introduces another instance of dual jurisdiction – a type of administration, which has not always been efficient or effective. In this regard the Council wishes to note with approval the recommendation of the Economic Council of Canada that “high priority be given to a thorough review of food and drug legislation and its administration”. This recommendation was made in reference to the advisability of transferring the activities of the Food and Drug Directorate to the Department of Consumer and Corporate Affairs.

- (b) set up of standards under the Food and Drugs Act for measuring the performance characteristics of hearing aids.

**Comment:** The U.S.A. Standard, approved in 1960, is not accepted by the Department of Veterans' Affairs which purchases hearing aids for veterans. The Council believes that a Canadian standard on hearing aids should be established and should be made compulsory, under the Food and Drugs Act, for all hearing aids sold in Canada.

- (c) pass a regulation requiring each hearing aid sold in Canada to be accompanied by a statement of performance characteristics.
5. Recommendations to *industry and trade associations*. The Report recommended:
  - (a) that industry and trade associations initiate an informative campaign to help hard-of-hearing consumers, and
  - (b) that trade associations establish standards of training and conduct for members.

**Comment:** The Report indicates that although some advertisements mislead by making exaggerated claims or emphasizing primarily the cosmetic advantages rather than the performance of hearing aids, there have been no prosecutions for misleading advertisements of these devices. Advertising guidelines have been established by trade associations.

It appears, however, that some consumers, particularly the elderly and those in rural areas, are often "taken in" by itinerant salesmen. There is no doubt that stricter licensing requirements of salesmen are needed. Greater efforts also need to be made to acquaint consumers, especially the rural and elderly, of the "cooling-off" period available to them for this type of contract. This could probably be done most effectively through short, oft-repeated TV public service advertisements.

The Council recommends to the Minister that the Department of Consumer and Corporate Affairs sponsor informative TV advertisements aimed at those with a hearing handicap.

#### **VI. Deceptive Selling Practices**

An extensive report on Deceptive Selling Practices was prepared for the Council by Mr. Frederick Rowell, a law student at Osgoode Hall Law School, working under the supervision of Professor Jacob Ziegal. Mr. Rowell's report encompassed the following major areas of complaint:

- Referral Selling
- Pyramid Marketing Schemes
- Business Opportunity Rackets
- Repair Frauds
- Deception in the Sale of Land
- Deceptive Use of Contests
- Free Merchandise Gimmicks
- Unsolicited Mail
- Unethical Collection Agencies

Based in part on his research, the Council made a series of recommendations to Mr. Basford. These were:

#### **A. FEDERAL ACTION**

1. Section 33D of the Combines Investigation Act should be amended to cover deceptive acts or practices as well as false advertisements.
2. Much better facilities need to be developed than exist at present for speedy and effective prosecution of offences under Section 33C and 33D of the Combines Investigation Act. To meet such cases, Council recommended either the appointment of additional federal prosecutors or a working

arrangement whereby the provincial authorities would be encouraged to prosecute in those cities where the federal government does not have its own prosecutors.

3. Council would also welcome the establishment of a consumer frauds division within the Royal Canadian Mounted Police to assist the Department in the enforcement of the consumer protection provisions in the Combines Investigation Act and other consumer legislation within the federal area.
4. The penalties imposed by the courts for offenses under Section 33C and 33D are often derisory and need to be revised in an upwards direction. In addition, we urge that the courts be armed with the power (a) to grant an interim prohibitory order pending the final disposition of a case, and (b) to order a convicted offender to make restitution of his ill-gotten gains either to identified or identifiable members of the public or, where this is not feasible, by making a lump sum payment to a fund to be administered for the benefits of consumers generally.

**B. PROVINCIAL ACTION**

5. So far as provincial action is concerned, Council urged either the adoption of a Uniform Deceptive Sales Practices Act similar to the one currently being drafted in the U.S., or the amendment of the existing provincial Consumer Protection Acts to include deceptive and unconscionable selling practices. Whichever method is adopted, Council felt that the new provisions should embrace at least the following features.
  - (a) An omnibus clause prohibiting the use of deceptive or unconscionable methods with respect to the merchandising of goods or services;
  - (b) The specification of methods currently in use that are regarded as objectionable and therefore unacceptable;
  - (c) The power to add to the list by Order in Council;
  - (d) The power to enjoin the prohibited practices by a cease and desist order coupled with a right of appeal from such an order to an independent tribunal;
  - (e) The power by the administrator to make a restitution order where a cease and desist order has been made or affirmed on appeal and to bring a class action before the regular courts on behalf of all consumers who have been injured by a deceptive or unconscionable practice.

6. Existing licensing laws should be vigorously enforced and licensing requirements should be extended to new lines of activity where this is justified and feasible, e.g., with respect to various kinds of repairmen. However, Council did not regard this simple imposition of a licensing requirement as the universal solvent of all business frauds and deceptions. For this reason, Council said, it regarded the separate regulation of deceptive or unfair practices as necessary and overdue.
7. The manpower of the provincial consumer protection bureaux should be substantially increased to enable them to discharge their responsibilities effectively.
8. Council pointed out that there is a fairly widespread concern over the dangers of an undue overlapping of federal and provincial programmes, in this as in other consumer protection areas. To some extent Council shared the concern, although it did not believe that the problem had even remotely reached critical proportions. The present danger lies much more in the absence of effective regulation than in excessive amounts of it. Nevertheless, the Council recommended the establishment on a continuing basis of the closest possible liaison between the federal and provincial officials at all relevant levels to ensure the proper harmonization of the federal and provincial legislative and enforcement programmes. Where concurrent legislation with respect to the same subject matter exists at the two levels of government, the Council suggested the adoption of common guidelines to determine which level of government was the more appropriate agency to deal with particular types of practices. Wherever practicable, Council would also like to see the establishment of joint federal-provincial offices.

### C. PUBLICITY AND CONSUMER EDUCATION

The Council statement added that "long experience has shown that merely warning the public about unethical or deceptive practices is not sufficient. Wherever possible, the reprehensible practices themselves must be interdicted through the exercise of the federal and provincial powers. On the other hand, we also recognize the importance of the public being warned about the dangers and their being informed about the laws that exist for the consumer's protection. Protective legislation and consumer information should go together.

"The question is not one of principle, but one of machinery — how best to communicate with the consumer. Various studies (including one recently concluded for the Canadian Consumer

Council by the Canadian Association for Adult Education) have shown that consumers' knowledge and information are seriously inadequate, and that a great deal more effort must be put into communication with and education of consumers. Research indicates that T.V. and radio are the best media and that brochures and leaflets are probably the least effective, at any rate so far as low income consumers are concerned. So we urge a greatly increased use of the mass media for these purposes. We also urge the establishment of neighbourhood consumer information centres where consumers can readily obtain information, not only with respect to their legal protection against fraudulent or unfair practices, but on all other matters affecting their daily lives as consumers. These centres would supplement the valuable and important services now being rendered by Box 99 and the various provincial consumer protection bureaux."

## VII. Consumer Education

A six-month study of consumer education in Canada, undertaken for the Council by the Canadian Association for Adult Education, was released in September. The work was the first part of a broader study which the Council is making at the request of the Minister.

The purpose of the study was to find out through selective sampling surveys and personal interviews:

1. What consumer education activities and programs are being carried on.
2. What methods and procedures are being used.
3. What are the opinions of and attitudes to consumer education by those involved in such programs?

Groups examined included educational institutions and organizations, labour unions and councils, cooperatives and credit unions, and voluntary agencies.

The study confirmed wide gaps in consumer education in available data for teaching, in knowledge of methods, and in the segments of society presently being served.

"People with low income and those on welfare are willing to accept advice, help and instruction from persons whom they feel are like themselves," said the study. "But they do not readily accept instruction on food preparation, family financing and other such matters from home economists, social workers and other professionals."

The study said that one way of overcoming this is to encourage people from low income groups and those on welfare to become involved in the planning and organization of consumer education activities.

Other findings of the study included the following:

1. All respondents agreed that schools have a responsibility for consumer education, and the majority felt that it should be a compulsory subject.
2. Most respondents agreed that present school programs of consumer education are inadequate. Some programs were termed "ridiculous".
3. Adult education programs are effective, but generally do not reach the low income group which needs such education the most.
4. Community colleges, unfettered by tradition, have a golden opportunity to work with local citizen groups in developing effective consumer education programs.
5. Several universities are accepting the responsibility of training teachers for the consumer education field.
6. Social service agencies — YM-YWCA, cooperatives, credit unions, labour unions and citizen groups — are starting to work in the area of consumer education. This activity is one indication of the need for such programs.

In total, these efforts do not reach many consumers. Most respondents felt that T.V. could be a very effective medium for consumer education, but is now being used very little.

The Council is completing the second phase of its study and expects to make public early in 1971 general recommendations for consumer education in Canada.

### **VIII. Food Store Self-help Projects**

In a number of Canadian cities, groups of low-income consumers have organized their own food stores. Operating largely on the basis of volunteer labour, these projects represent a genuine self-help movement on the part of lower-income consumers. Some have flourished; others have failed.

Mr. Ken Rubin of the Council's staff undertook to gather a series of case studies on food store self-help projects in Canada, supplemented by food pricing surveys in the cities where such stores exist. The study involved a large number of personal interviews, and contains a great deal of descriptive material in addition to Mr. Rubin's analysis of key factors in the operation of such projects. This study has been released in working paper form, and a set of recommendations growing out of the study is being prepared for submission to Mr. Basford.

Material in the Rubin report formed the basis for discussion at the Consumer Forum held in Winnipeg on November 9 and 10. Proceedings of this Forum have been published by the Council.

## **IX. Misleading Advertising**

In 1970, the Council released a working paper on *The Regulation of Misleading Advertising in Canada – A Comparative Approach*, prepared for the Council by Mr. Ronald Cohen of Montreal. This paper was the product of a continuing study of misleading advertising by the Council over the 1969-70 period.

The Cohen paper was a major topic of discussion at the Council-sponsored Symposium on Misleading Advertising, held in Montreal on December 4 and 5. The proceedings of this conference will be published early in 1971, and will form the basis of a series of recommendations to the Minister.

## **X. Credit Cards**

A comprehensive study of credit cards was prepared for Council by Professor Mitchell Gropper, then of the University of Western Ontario law school, and now in practice in Vancouver. This study is now in the process of revision prior to publication.

## **XI. Pollution Manual**

A pollution manual is being prepared for the Council under the supervision of Professor W.A.W. Neilson of Osgoode Hall Law School. This study is intended for publication in 1971.

## **CONTINUING PROJECTS**

During 1970, Council continued its efforts to assess the general state of consumer affairs in Canada. Two studies were completed on consumers' attitudes towards their rights in the market place and how well these were being met. These studies are being used to assist in the preparation of a comprehensive Charter of Consumer Rights.

Council also participated in the projected development of two new consumer publications: a Consumer Affairs Newsletter to be published by the University of Guelph, and a Legislative Reporter being prepared under the supervision of Professor W.A.W. Neilson at Osgoode Hall Law School. Consideration was given to possible publication of a scholarly journal on consumer affairs in Canada, but investigation of the economics of such a publication led Council to rule out further action.

### **I. Consumer Satisfaction Study**

Early in 1970, the Council received a study in depth of Canadians' attitudes with regard to consumer rights, attempting to assess the areas of consumerism and consumer rights that are of most concern to the Canadian consumer. This study was conducted for the Council by the Social Survey Research Centre of Toronto.

The study was based on a small, unstructured sample and was not designed to represent the Canadian population as a whole. Both group discussions and individual interviews were involved.

Topics covered included definitions of "consumer" and areas of consumption; factors which affect ease of consumption; responsibilities of consumers; consumer rights; where responsibility for protecting consumer rights lies; courses for action; organizations which may aid the consumer; government responsibility with regard to consumer rights; protection versus information.

This study, and the one that follows, have not been released to the general public pending completion of an overall Council statement on consumer rights, expected early in 1971.

## **II. A Study of Consumer Attitudes about Consumer Rights**

Conducted in September, this study was received by the Council in November, and will form part of the foundation for a statement on consumer rights.

The study was conducted by the Social Survey Research Centre, and was designed to give a valid picture of attitudes by principal region, and by socio-economic group, towards consumer rights. A carefully-controlled sample of over 1,000 interviews was conducted to provide the information sought.

The study contains a great deal of useful information regarding consumers' attitudes towards each of eight specific "rights", along with their views as to who holds the responsibility for protecting these rights, and which body or agency is most effective in carrying out this responsibility.

## **III. A Newsletter on Consumer Affairs**

The Council voted to provide financial backing for a Consumer Affairs Newsletter, which is projected to appear early in 1971.

This newsletter will be addressed to professionals in the field, and will contain announcements of federal and provincial legislation and regulations of special concern to consumers, notification of professional meetings, reports of briefs relating to consumer problems, and brief reviews of books and articles.

The newsletter will be prepared and published by the University of Guelph, with Council backing.

## **IV. A Legislative Reporter on Consumer Affairs**

Professor W.A.W. Neilson of Osgoode Hall Law School, a member of Council, supervised the preparation of a legislative report on technical and legal matters relating to Consumer Affairs. This report is expected to be published early in 1971.

#### **V. Mass Media Consumer Affairs Programming**

The Council has worked closely with the mass media in the last year in attempting to increase the coverage of consumer matters.

In addition to more comprehensive and detailed newspaper coverage of consumer problems, this activity has resulted in the production of a pilot program for a new TV series.

