THE CONSUMER INFORMATION ACT 1969

Introduction

In 1967, after pressure from the Auckland branch of the Campaign Against Rising Prices (CARP), Mr. Gair, M.P., introduced as a private measure the Consumer Information Bill. The Bill was referred to the House of Representatives' Commerce Committee which reported that there was a need for legislation to protect the consumer in the fields of labelling, packaging, advertising and other forms of giving information to the consumer. It was recommended that the Department of Industries and Commerce should:

> . . . consult with substantially affected parties to ensure the introduction of practical and realistic legislation designed to protect the consumer without operating to the detriment of a competitive marketing system.
>
> (355 N.Z.P.D. 266 (9 July, 1968))

This was the beginning of the course of events which led to the enactment of the Consumer information Act 1969. In the interim, the provisions of Mr. Gair's Bill had been substantially altered and added to. The name of the legislation had been changed to "Consumer Protection" and then back to "Consumer Information" when the representatives of the business community objected to the connotations of the word "protection". By the time the Act was finally passed it had been subjected to considerable criticism at its various stages. At the first reading of the revised Bill, the loudest complaints came from the representatives of the business community who claimed that the Bill went too far and was poorly drafted. Having remedied these matters to a large degree, the Government was then criticised by the Bill's leading supporters who complained that its provisions had been seriously weakened.

At the first reading, there was considerable criticism from businessmen of the way in which the new legislation was to be applied. As it then stood, the main provisions were to be applicable to all goods sold in New Zealand, whether imported or manufactured locally, except where the Minister of Industries and Commerce specifically exempted goods from the Act. Before he could have done this, he would have had to have been satisfied that compliance with the Act would be too onerous in the case of the goods in question. It was argued that this went far beyond what was necessary to protect consumers in New Zealand. Most of our local wholesalers, distributors, and retailers are honest businessmen whose businesses depend to a

large degree on their maintaining a reputation for integrity. Difficulties would be encountered, too, in applying the provisions to imported goods. For most exporters to this country New Zealand constitutes only a small part of the whole market. Many would not find it worthwhile to change their labelling and packaging techniques in order to comply with our legislation.

Much to the disappointment of the supporters of the Consumer Information Act, those arguments carried the day. Consequently, the only positive requirement imposed universally by the Act is that all goods packaged in New Zealand must bear a label showing the name and address of the packager or distributor. The requirement may be extended to specified imported goods by the Minister of Industries and Commerce by publishing a notice in the *Gazette*. The Minister may also use this means to extend certain other requirements to specified classes both of imported and of locally manufactured goods. The change in emphasis is obvious. Nevertheless, despite the disappointment of the proponents of this legislation at the weakening of the Act's provisions, they may at least take heart that the means has been left open by which the Act's provisions may be extended to individual cases wherever this is shown to be desirable.

Sections 3, 4, 5 and 7 of the Consumer Information Act are each expressed to be inapplicable to any food, drug, or medical device. Those categories have the same definitions as in the Food and Drug Act 1969 under which they are controlled. Sections 8 and 9 also contain provisions which do not apply to one or more of the three categories. The Consumer Council urged that foods and proprietary brands of drugs and medicines be included within the ambit of the Consumer Information Act. As the law now stands, commercial requirements of the law in relation to foods and proprietary medicines are regulated by the Food and Drug Act which is administered by the Health Department. These commercial matters might reasonably be expected to take second place to matters of health and hygiene in the priorities of this Department. Had the suggestion of the Consumer Council been followed, it would have become the function of the Department of Industries and Commerce to ensure that marketers of foods and proprietary medicines comply with the legislation regulating labelling and advertising. Regrettably, the Council's arguments were not accepted. It seems highly probable that they foundered on the rock of inter-departmental jealousy. The Department of Industries and Commerce apparently considered that it had little chance of wresting from the Health Department a function which it had exercised for years under earlier Food and Drug Acts. As a result the unnecessary and uneconomical duplication of functions in the two departments will continue. Also, where the provisions of the Food and Drug Act and those of the Consumer Information Act do not coincide, a dual standard will apply causing confusion to marketers, shopkeepers, and consumers.

The Commerce Committee which reported on Mr. Gair's Bill of 1967 said that the need for some specific consumer legislation arose from

> . . . modern merchandising developments characterised by the emergence of such elements as supermarkets, the pre-packaging of goods, and the increased emphasis on impulse buying and sales promotion techniques.
>
> (355 N.Z.P.D. 266 (9 July, 1968))

This reflected an acceptance of the views of the Consumer Council. In a paper in *International Business and Law Symposium* (Auckland University, 24-25 May, 1968) the Council claimed that the direct personal link between shop assistant and customer has to a large extent been lost, and that this has been due to the growth of supermarkets and other large shopping centres. As a result, product information is now supplied more often by the manufacturer or distributor than by the retailer. Package design, labelling, and advertising have therefore come to play a far more important role than was formerly the case. Unfortunately, with the increasing reliance being placed by the consumer on advertisements and material printed on packets to supply information about products, a tendency has grown to use these means to attract attention and to make emotive appeals rather than to supply information. Slogans to attract attention are given great prominence and vague claims that are incapable of proof are also featured. Packages are too frequently designed to attract attention rather than merely to contain and protect the product. The prospect of these tendencies continuing unchecked has led to agitation for consumer protection legislation. While most would agree that the majority of our businessmen are honest and do not set out to cheat their customers, it is nevertheless true that the tendencies mentioned above are continuing. Legislation was clearly needed to act against them and to control the minority of businessmen who are out to make an unfair profit at the expense of a gullible public.

Just how effective the Consumer Information Act will be to reverse the tendencies mentioned above will depend on the willingness of the Minister of Industries and Commerce to extend its provisions to cover a wide range of goods. The stage is set for a number of verbal battles between the Consumer Council and its sundry allies on the one side, and the wholesalers, distributors, and retailers on the other. The battles will be waged to convince the Minister of the necessity or otherwise for regulating the marketing of each type of commodity in accordance with the Consumer Information Act. In their efforts to persuade the Minister that the public is already adequately informed about particular goods, the businessmen may well find it helpful if they can refer to steps which they have already taken to see that the public is better informed as to the qualities, uses, and defects of those goods. In this way it may well be found that advantages accrue to consumers independently of the enforcement of the Act.

The Provisions of the Act

It is convenient to consider the more important provisions of the Consumer Information Act under various headings.

1. *Labelling*

The Consumer Information Act sets out to remedy two basic defects in modern labelling—

(a) labels which give insufficient information about the products on which they appear,

(b) labels which give a misleading impression as to the nature, characteristics, properties, or performance of the products on which they appear.

Provision is made at three levels for information to be required to be included in labels:

(i) All goods packaged in New Zealand must carry a label showing the name and address of the packager or distributor. (section 3).

(ii) The Minister may extend the requirement as to the inclusion in a label of the packager's or distributor's name and address to specified classes of packaged imported goods. He will do this by publishing a notice in the *Gazette*. By the same means, he may also require specified classes of packaged gods to bear a label showing the size, dimensions, weight, capacity, or number (referred to collectively in the Act as "Quantity") of the goods in the package, and he may specify the manner in which the "quantity" is to be expressed. (section 4).

(iii) Regulations may be made requiring certain other particulars to be included in labels borne by specified classes of local or imported packaged goods. (section 5).

The inclusion of the name and address of the packager or distributor of goods enables the purchaser to ensure that he can avoid buying the goods of anyone whose products have given him cause for dissatisfaction in the past. From a positive point of view, those who give good value in their products can expect to benefit from complying with this provision. Packages which are too small readily to accommodate a name and address are exempted from this requirement. Also exempted are any packaged goods which the packager sells by retail from the premises on which they were packaged. In *Provident Life Assurance Co. Ltd.* v. *Official Assignee* [1963] N.Z.L.R. 961, 965, North P. and Turner J., delivering the majority judgment, said:

> . . . In our opinion the term "at retail" presupposes a trading or a commercial transaction and is used in contradistinction to the term "wholesale". There is, we think, no doubt that a wholesaler is a person who, by way of business,

> deals only with persons who buy to sell again, whilst a retailer is one who deals with consumers . . . It would be, we think, a misuse of language to speak of a sale between two private individuals as being a sale either at wholesale or at retail.

The exemption for goods packaged on the premises of the retailer does not appear to the writer to be justified. A consumer cannot be expected to recollect where one of several different items has been purchased particularly if some time has elapsed between the purchase of that item and its use or consumption. Section 3 will not apply in any case where goods are packed in the presence of the customer. The definition of "package" in section 2 excludes wrappers and containers where the goods are packed in the presence of the purchaser. Consequently, the only retailers who benefit from this exemption are those who are able to package goods out of sight of their customers and then sell them already packaged. Why should such persons escape the obligation to include their names and addresses on labels?

The common names of goods; the proportions of their ingredients; information on their uses, performance, maintenance, or cleaning; and the date they were packaged or the date by which they should be used—these may be required to be included in labels on specified classes of goods by regulations under section 5. This is subject to the qualifications that the regulations may not require a person to divulge any information which would not otherwise be available to his trade competitors. It would be inappropriate for all this information to be required to be supplied with respect to all goods. The important thing about section 5 is that it provides the Government with the necessary authority to compel the inclusion of any of these particulars where a need is demonstrated.

Misleading labelling is attacked mainly in section 7. Subsection (1) prohibits the inclusion in a label of anything which expressly or impliedly contradicts any particulars which are required to be included in the label under the Act. If the quantity of the goods is required to be included in the label, the inclusion of any descriptive term relating to quantity is a breach of section 7 unless the prescribed particulars and the descriptive term are on the same panel of the label and are equally prominent but are not contiguous. This provision is directed at such descriptive terms as "economy size", "family size", and "extra large". Such terms have no defined meaning and seem to mean different things to different manufacturers. By prohibiting labels which have descriptive terms contiguous to a prescribed particular, the legislature has avoided giving the appearance of official approval to these vague, meaningless terms.

In the United Kingdom section 7 of the Trade Descriptions Act 1968 provides a new device which could usefully be adopted in New Zealand. This is the "definition order". The Board of Trade is empowered to assign meanings to expressions used in relation to goods

where this is in the interests of consumers. The expression is then deemed for the purposes of the Trade Descriptions Act to bear the assigned meaning when used in the course of a trade or business or in such other circumstances as the Board of Trade may specify. This could be a valuable means of ensuring uniform marketing standards in New Zealand. By giving stipulative definitions of terms such as "family size", and of clothing and shoe sizes, it will be possible to require those descriptions to bear a uniform meaning for every manufacturer. A label carrying a defined term on goods which do not conform to the definition may be, or may be deemed to be, "false or misleading in a material respect" within the meaning of section 7(3) of the Consumer Information Act.

That subsection prohibits the inclusion in any label of any words, marks, or pictures which purport to indicate the nature, quantity, quality, composition, age, origin, or effects of the goods to which the label relates if the packager knows or ought to know that they are false or misleading in a material respect. "False or misleading in a material respect" has yet to be judicially defined. In *Final Report of the Committee on Consumer Protection* (Cmnd. 1781 s. 634 p. 209) the Molony Committee in the United Kingdom said that it meant that the misrepresentation must have been of such substance that it could fairly be regarded as capable of inducing a purchase. An example of a case where a label was held to be misleading under the Food and Drugs Act 1947 is *Wark (Inspector of Health)* v. *New Zealand Products Ltd.* (1953) 8 M.C.D. 23. A label on a tin contained the description "Baked Beans in tomato sauce with bacon". The court said that the test to be applied was "what does the ordinary man understand by the label and in particular by the words 'with bacon'?" As the bacon was not discernible visually, and to the ordinary person was not discernible by taste or smell, the court held that the words "with bacon" were misleading.

2. *Packaging*

A "package" for the purposes of the Consumer Information Act is the outermost container or wrapper, other than a transparent cover, in which goods are packed for the purpose of sale by retail to the public provided the goods were not packed in the presence of the customer. Where an article has a transparent outer cover, it may nevertheless have a "package" inside it which must comply with section 8 of the Act.

A number of packaging abuses may be controlled under section 8: first, there are packages which by virtue of their construction give a false impression as to the quantity of their contents, e.g. containers with double walls; secondly, there are packages which bear words or pictures which give a misleading impression as to the nature of their contents; thirdly, there is a practice of incompletely filling packages, frequently referred to as the problem of "slack fill"; and fourthly, there

is the size of the product being purchased which may secure for the packager a disproportionate amount of the limited shelf space in shops and supermarkets.

The first two of the above practices are attacked by subsection (1) of section 8. That subsection prohibits the use of packages which are misleading as to the nature or quantity of their contents whether by virtue of their shape or design, or because of printed or pictorial matter which appears on them. It is immaterial whether the actual quantity or nature of the goods is also indicated on the package. Excessive packaging which misleads the consumer as to the size of a product is also attacked by this subsection which prohibits packages whose size gives a false impression as to their contents. Subsection (1) applied to food, drugs, and medical devices as well as to other goods, and applies equally to local and imported goods.

Subsection (2) of section 8 authorises the making of regulations requiring packagers of specified classes of goods to fill each package to a specified percentage of its exterior volume. Normal air space between parts of goods is deemed to be space occupied by the goods. If the level of goods inside a package is easily ascertainable without opening the package, or if the space actually occupied by goods is indicated by an easily distinguishable mark on the exterior of the package, the regulations will not apply. Clearly, this provision may be used to prevent "slack fill". But it is also a potential weapon against excessive packaging. Apart from using over large containers, some packagers use more containers than are necessary for the protection of the goods which they contain, e.g. a bottle inside a cardboard box where a bottle alone would be sufficient. In such a case, it will be the box which is the package within the meaning of subsection (2) and not the bottle. By requiring an appropriate percentage of the exterior volume of the package to be occupied by the goods in question, the Government can ensure that the packaging is not excessive in any given case.

3. *Advertising*

Of all the subjects covered by the Consumer Information Act, this is perhaps the most contentious. The public is constantly being subjected to bad advertising. Unsupportable claims, unrelated comparatives, and excessive superlatives abound. The style of much advertising is such as to lead the purchaser to expect more from a product than it is in fact capable of producing. A basic fault often found is the use of an advertisement to make an emotive appeal rather than to impart information about the product. It would be inappropriate to employ legislation to attack advertising which is annoying but not harmful. But if it is accepted as desirable that the consumer should have the opportunity to make as intelligent a choice as possible between rival products, then it follows that it is also desirable for advertising to be informative and not merely promotional in character.

"Advertisement", for the purposes of the Consumer Information Act, includes anything brought to the notice of the New Zealand public which appears to be used for promoting the sale, notifying the availability, or explaining the use of any goods. An advertisement may consist of spoken, written, or printed words, or of pictures and figures. As the term "goods" is defined as including services, advertisements of services are regulated by the Act. The requirement that the material must have been brought to the notice of the public limits severely the application of the Act to spoken words. In a note on the Act, Mr. P. D. McKenzie wrote:

> Spoken words in radio or television advertising are clearly within the definition as being brought to the notice of the public, but oral representations made to a purchaser or even a group of customers in the retailer's shop would not be addressed to the public and would not therefore be affected.
>
> ((1970) 3 N.Z.U.L.R. 65 at 70)

The present writer respectfully agrees with the passage above quoted subject to one qualification. While a group of customers being addresed by a shop assistant would not constitute the public for the purposes of the Act, it is not difficult to imagine uses of the spoken word within a shop which will indeed be brought to the notice of the public. Many large stores now employ public address systems to attract the attention of customers to certain items. Here, the words are addressed indiscriminately to anyone who happens to be in the shop. Several stores, too, stage demonstrations of their products. Again, no restriction is placed on the audience to whom the words extolling the products are addressed. In both of these situations, it is submitted, the spoken words will constitute advertisements within the meaning of the Act.

Section 9 deals with deceptive or misleading advertising and some of its provisions correspond to the labelling provisions of section 7. Thus any of the prescribed particulars which may be required under Regulations to be included in labels may similarly be required to be included in advertisements of specific goods or classes of goods. An advertisement may not contradict any such particular whether prescribed for labels or for advertisements. Section 7 (2), which regulates the use of descriptive terms of quantity in labels, has a parallel provision in section 9 (3) with respect to visual advertisements. Similarly, section 9 (4) corresponds to section 7 (3) in banning from advertisements wilful or negligent misrepresentations about the advertised product.

Subsection (5) of section 9 controls the endorsement of products by experts and apparent experts. It prohibits the inclusion in an advertisement of a recommendation by any person whom, or organisation that, the public might reasonably expect to be technically qualified to give an authoritative opinion in respect of the goods in question, unless the person or organisation is in fact so technically qualified

and has in fact made the recommendation. The onus of proof is on the defendant both to establish the qualifications of his "expert" and to prove that the recommendation was made. Just whom the public may reasonably expect to be technically qualified to give an authoritative opinion will be a question of fact whrch will probably depend on the way the person or organisation is held out to the public in the advertisement. Those who have their experts recommend foods are caught by this provision but drugs and medical devices are outside its ambit by virtue of subsection (7) of section 9.

Advertisements relating to prices are regulated by section 10. Wilful or negligent misrepresentations as to prices are prohibited. A retailer who advertises that he has goods available below the usual price rate must ensure that he has a reasonable quantity of the goods for the public at the reduced price. He may (or, if his reduced price per unit is above $30, he must) specify the quantity of goods available at the reduced price rate. That specified quantity must then be available to the public at their first opportunity to purchase the goods. It has been recognised that reduced prices are frequently used to attract customers to a shop in the hope that they will buy other goods at their normal price. If such a lure is used it is only fair that it should be a genuine attraction.

Subsection (5) of section 10 prohibits advertisements which falsely claim that these is a price advantage to be gained by purchasing a particular size package rather than a smaller package of the same quality of goods bought at the same place. As implied misrepresentations are caught within the ambit of this subsection, marketers of "economy size" packets will have to ensure that they provide a greater quantity of goods in relation to the price in those packets than in other packets of the same goods. An offence is not committed against this subsection, however, merely by virtue of the fact that some other retail establishment is having a special sale of small packages of the goods in question and these provide better value than the "economy size" packets at their normal price.

Unless the price to be charged for goods is no greater than the cost to the vendor in obtaining the goods, section 10(6) prohibits their being advertised as "at cost" or as "below the cost price". It was argued that if, at the end of a sales season of a particular line of goods, a retailer is able to procure them at a rate which is below the normal price, and he is therefore able to sell them at a price which is below the normal price to himself of such goods, then he is justified in advertising them as "below cost". The Statutes Revision Committee, which heard submissions on the Consumer Protection Bill (as it was called at that stage), apparently decided that "below cost" suggested to the ordinary man in the street that the retailer was selling the goods at a loss to himself.

Those sections of the Act which impose prohibitions in regard to advertisements employ the words— ". . . no person shall publish or

cause to be published . . ." Section 21 provides a defence for newspaper proprietors who offend against the Act. The onus is on the defendant to show that it is his business to publish advertisements, that he received the offending advertisement for publication in the ordinary course of his business, and that he had no reason to suspect that publication of the advertisement would constitute an offence against the Consumer Information Act.

4. *The Consultation Procedure*

The consultation procedure set out in section 19 of the Consumer Information Act is, together with the corresponding provisions in section 34 of the Food and Drug Act 1969, something new in the history of New Zealand legislation. While it is often the practice of our Government Departments to give people a chance to rectify a breach of statute rather than to invite a prosecution in every case, this is the first time that the procedure has been formalised. As formal consultation procedures may well be included in future legislation, it is worthwhile to consider the way in which section 19 will be operated.

What constitutes consultation has been found to be a difficult question to answer. *Port Louis Corporation* v. *Attorney-General of Mauritius* [1965] A.C. 1111 (J.C.) was a case which involved a requirement that consultation be entered into with a local body before the Government of Mauritius could alter certain town boundaries. The case went to the Privy Council on the question whether the requirement of consultation had been satisfied. It was there held on the facts that the consultation requirement had indeed been complied with. Lest it be thought that a similar action might arise under the Consumer Information Act, it should be emphasised that section 19 confers no right on anyone to compel the Department of Industries and Commerce to follow the consultation procedure before instituting a prosecution against him. Subsection (6) makes it clear that the defendant may not object to a prosecution merely because a requirement of section 19 has not been satisfied. Further, section 20 empowers the Minister to authorise an immediate prosecution if he considers it justified or necessary to do so, and once again the defendant may not object to the prosecution on the ground that this condition has not been satisfied. Section 20 answers the criticsm levelled at section 19 that it takes away the deterrent effect on others of a successful prosecution. Where a deterrent is needed the prosecution may be immediate.

Subject to the above, section 19 provides that no prosecution for a labelling, packaging, or advertising offence under the Act is to be instituted without the leave of the Examiner of Trade Practices and Prices, given after the consultation procedure has been followed. The first step is for the Examiner to serve on the prospective defendant a notice setting out the facts alleged against him and the offences which they are alleged to constitute, and requiring him to reply in writing within fourteen days. In his reply, the person should set out his views

on the alleged offence, whether or not he is a proper defendant if the offence was in fact committed, and whether he is prepared to confer with the Examiner. If no reply is received within fourteen days, or if the person does not admit that he is a proper defendant, or if he does not offer to confer, the Examiner may give leave to commence a prosecution. If a satisfactory reply is received, the Examiner advances to the second stage of the procedure.

Upon receiving a satisfactory reply, the Examiner may drop the whole matter if he is satisfied that it is not a proper case for a prosecution. Otherwise he will issue a notice calling in the person to a conference. If the person then fails to keep the appointed time for the conference, leave to prosecute may be given.

The third step in the consultation procedure is the conference. If appropriate, the Examiner may ask the prospective defendant to enter into a covenant not to repeat the offence and to take specific steps to mitigate the consequences of the current offence. In the case of a labelling or a packaging offence, details of the agreement with the Examiner are published in the *Gazette* and this has the same effect as an order under section 22 (see *infra*). The Examiner may authorise a prosecution for the original offence if the person fails to comply with his covenants. If, after the conference, the Examiner considers that a satisfactory agreement cannot be entered into, or that there has been an undue delay in entering into an agreement, or that the person ought to be prosecuted having regard to all the circumstances of the case, he may give leave for a prosecution to be commenced.

As a means by which the Consumer Information Acts may be enforced without recourse to courts of law, the consultation procedure is a most laudable provision. The object of the Act is to stop bad marketing practices and it matters little whether this is done through the courts or independently of them. It is the present writer's opinion that this type of provision will make a significant contribution to limiting the work load of our courts. For this reason, it does not seem to him to be a serious objection that the procedure is somewhat lengthy and cumbersome. It has already been pointed out that the Minister has a discretion to authorise an immediate prosecution where the need for action is urgent. It is important to note, too, that a person may take his chances in a court of law if he prefers to do so. If he does so choose, no reference may be made in court to any negotiations which have taken place during the consultation procedure, nor to any admissions which the defendant may have made during or prior to such negotiations. Section 19 gives to a person an opportunity to avoid being prosecuted by rectifying his misfeasance or nonfeasance as the case may be. His right to a fair trial in a court of law is in no way prejudiced.

5. *Enforcement Provisions*

It is proposed here to consider only two of the miscellaneous sections of the Act.

Section 22 empowers the court to order the withdrawal from sale of goods which have been found to offend a packing or a labelling provision of the Act. The court must be satisfied that the continued sale of the goods in question would adversely affect the interests of consumers to a serious degree. The ban on sale may also be extended to other goods bearing labels or in packages which commit similar breaches of the Act. Any ban imposed is notified in the *Gazette.* A trade who holds goods affected by the court order may either remedy the defect which caused the offence to be committed or return the goods to his supplier. In either case, the supplier must reimburse him for any loss which he suffers. The Minister is also given a non-delegable power to impose bans on the sale of specified goods which have breached a labelling or a packaging provision of the Act. Once again, any such ban is notified in the *Gazette.*

Section 24 authorises the making of regulations

> providing for such matters as are contemplated by or necessary for giving full effect to this Act and its due administration.

Sections 5(1), 8(2) and 9(2), which confer power to make regulations concerning specific matters, are each expressed so as not to limit the power conferred by section 24. Regulations considered necessary to give effect to the Act fall into a different category. The court will not enquire into the reasonableness of the regulation but will limit itself to a consideration of the question whether the regulation is within the ambit of the Act. What is the ambit of the Act? As Sachs, J. said in *Commissioner of Customs and Excise* v. *Cure and Deeley Ltd.* [1962] 1 Q.B. 340 at 367, the court will look to

> . . . the nature, objects, and scheme of the piece of legislation as a whole, and in the light of that examination [will consider] exactly what is the area over which powers are given by the section under which the competent authority is purpoting to Act.

Conclusions

When evaluating the worth of the Consumer Information Act, it is important to keep in mind that the Act was not intended to be an all-embracing consumer protection measure. Its primary importance is that it enables action to be taken against bad marketing practices where previously there was no legislative basis for such action. The criticism has been made that the Act attacks practices which are not sufficiently widespread in New Zealand for an intervention by the legislature to be warranted. The answer to this is that if there are so few examples of the practices in question, the Act will not be expensive to implement. It is hardly likely that a large number of inspectors will be employed by the Department of Industries and Commerce to search out breaches of the Act. What the Act does is to provide a

basis for attending to complaints made by consumers or by their representatives. Parliament is to be applauded for making it quite clear that the widespread marketing malpractices which are found in some overseas countries will not be tolerated in New Zealand.

The proponents of consumer protection legislation were disappointed at the weakening of some of the Act's main provisions. They felt that some of the suggested difficulties in complying with the Act's original provisions had been greatly exaggerated. While he has some sympathy for this view, it is the present writer's opinion that the flexibility which is now found in the Act is desirable. Provided the Consumer Information Act is implemented wisely by the Government, there seems no reason why it cannot, in the words quoted earlier

> . . . protect the consumer without operating to the detriment of a competitive marketing system.

G. K. Churchill

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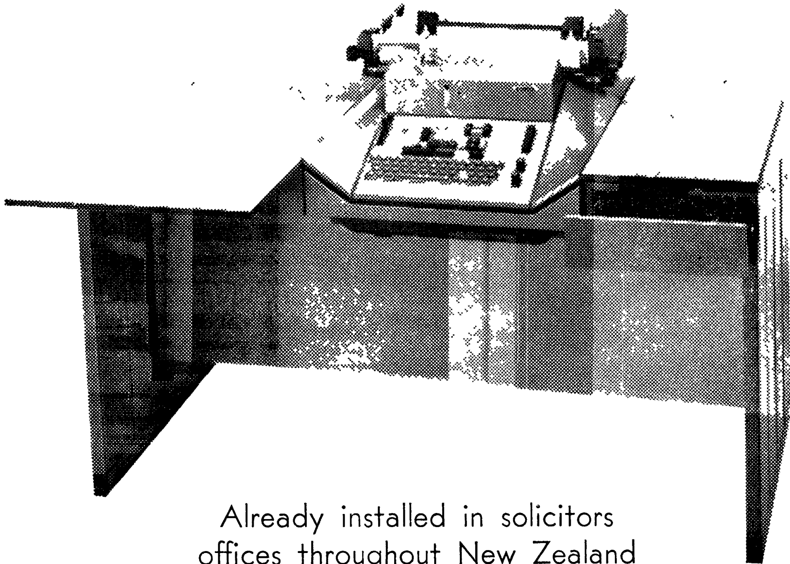

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