

# Protecting the Filipino consumers



Detect the defects in the products you buy.

by Juanita G. Trinidad

There is today a growing awareness of, and concern for, the plight of the Filipino consumer. In government, there is in the Bureau of Domestic Trade (BDT) a Consumer Protection Division charged with the responsibility of protecting the rights of consumers.

The BDT, says Director Epifanio Castillejos, vigorously pursues a program of consumer education. "The only way consumers can get fair value for their money is to develop an expertise—to discern what is worth buying and what is not. The consumer must be made aware of the national standards set for the products he buys or the services he pays for."

Mass production, says Bienvenida Jaramillo-Miran, special assistant on consumer matters in the Bureau of Commerce, gave rise to the need for consumer education. "With the tremendous spur to production given by new inventions and technological progress, the simple and direct relationship between producer and consumer and many problems of consumer welfare arose. And as the number, variety and complexity of consumer goods and services rapidly multiplied, intelligent buying became a more difficult process, especially with the advent of high-pressure advertising."

All this plus a proliferation of shoddy goods on the market gave rise to the consumer movement and a growing awareness that only concerted action with other consumers could provide protection.

Educating the consuming public has become a major concern of the BDT. Last year it held 28 sympos-

iums designed to inform consumers all over the Philippines of their rights and of existing consumer protection laws and to train them to be perceptive and discriminating enough to detect the defects in the products they buy. "After all," said Castillejos, "the best informed consumer is the best protected consumer."

The BDT is responsible for enforcing fair trade laws. Only recently, Castillejos recalled, the BDT exposed several corporations using the so-called "pre-need purchase plan," a device that has victimized many unsuspecting and gullible people.

Under the scheme, a corporation offers an appliance or similar product for which the buyer is asked to put down 10 to 50 pesos a week for, say, three to five years, after which he would come into possession of the article. The corporation or seller also promises automatic insurance, a scholarship and a refund of payments after three years if the buyer changes his mind. As it usually happens, however, after receiving payment for two to three years, the corporation vanishes into thin air, leaving the buyer empty-handed, with several hundred hard-earned pesos irretrievably lost. The BDT has created an inter-agency committee precisely to handle frauds of this sort and to prosecute the offenders.

The Price Stabilization Council, another agency charged with the task of protecting the rights of consumers, is responsible for the effective implementation of the Price Control (now Stabilization) Law. The BDT often is asked to cooperate in this matter by monitoring current market prices. Indeed, as part of its regular routine, the BDT lists daily the prices of

around 4,000 retail trade commodities; these data are compiled, analyzed and disseminated in daily and weekly price reports for the guidance of the public and policy makers.

Formalizing protection in a Consumer Code The BDT, in conjunction with other related entities, has drafted a proposed Consumer Code of the Philippines which, after a nationwide public hearing, was submitted to President Marcos for final approval. The proposed Code provides for the establishment of a Consumer Affairs Commission devoted solely to the interests and the protection of consumers. Hopefully, the Code, once approved, says Castillejos, would make the Philippines the first country in the world to adopt such an instrument of consumer protection.

The Code and its bylaws would protect consumers against hazards to health and safety and against deceptive or unfair practices, provide a mechanism for redress, promote consumer education and information, and encourage the involvement of consumers in the formulation of policies affecting them.

The private sector is an active partner of government in combatting unfair trade practices. One of the most militant proponents of consumerism in the country today is the *Kilusang ng Mamimili ng Pilipinas, Inc.* (KMPI), which was organized in 1971. Its official organ, *Ang Mamimili*, features informative articles particularly useful to housewives and consumers. Each issue carries at least one test report on a prime commodity or product. The results of KMPI's tests, usually conducted in government or private laboratories, are surprising and often prompt people to take a long, hard, questioning look at certain products they had generally taken for granted.

Among the many products so far tested and reported about in *Ang Mamimili* are canned milk, corned beef, carbon paper, pencils, nylon stockings and dressed chicken. The tests, incidentally, are often the result of complaints submitted to the association by consumers who had become unhappy or disillusioned about certain products they had been buying. The BDT takes appropriate action on these complaints, once the facts have been ascertained.

Another private consumers group is the Consumers Union of the Philippines, which concentrates more on consumer protection than on consumer education. With the help of the government's Performance Audit Action Group, which includes almost all law-enforcing agencies as members, the CUP avails of its own facilities in the prosecution of erring manufacturers and traders.

The CUP is also one of 15 agencies selected by the Department of Education and Culture to handle the Youth Civic Action Program (YCAP) for high school and college students. These students are utilized in conducting market surveys of prices, in research and in manning stations that monitor consumer complaints. These stations are found in strategic places in supermarkets, schools, churches and government offices.

Bienvenida Jaramillo-Miran, special assistant on consumer matters, Bureau of Commerce, lists the following as among the important laws that have been enacted to protect Filipino consumers:

- The Food and Drug Act. Prohibits the importation, manufacture and sale of adulterated or misbranded foods or drugs. Implementing agency: Bureau of Standards.
- R.A. No. 166. Discourages the unlawful use or unfair competition in the use of duly registered trademarks and trade names as a protection against fake products. Implementing agency: Philippine Patent Office.
- R.A. No. 623. Regulates the use of duly stamped or marked bottles, boxes, cases, kegs, barrels and other containers registered with the Philippine Patent Office to avoid misrepresentation of products. Implementing agency: Philippine Patent Office.
- The Tariff and Customs Code (Sec. 303 of Administrative provisions). Requires all articles of foreign origin (or their containers) imported into the Philippines be marked legibly, indelibly and permanently to indicate the country of origin to ensure that only legitimate products are imported and sold in the domestic market. Implementing agency: Bureau of Customs.
- Sections 298 and 299 of the National Internal Revenue Code. Makes unlawful the possession or use of weighing machines, linear measures and similar instruments that are not sealed by the Bureau of Internal Revenue. Implementing agency: Bureau of Internal Revenue.
- R.A. No. 71. Requires price tags to be placed on

## Laws protecting consumers



The common enemies of the law: fraudulence, mislabeling, and misbranding.

all articles of merchandise displayed on store counters to facilitate trading and enable the consumer to know the actual prices of the goods on sale. Implementing agency: Bureau of Commerce.

□ R.A. No. 3595. Makes imported or locally manufactured galvanized iron roofing, barbed wire and nails subject to inspection to determine whether they conform to labelling requirements. Implementing

agency: Bureau of Commerce.

□ R.A. No. 3596. Makes paints and paint materials subject to inspection for the same reasons. Implementing agency: Bureau of Commerce.

□ R.A. No. 3740, as amended. Punishes fraudulent advertising, mislabeling or misbranding of any product, stocks, bonds and the like. Implementing agency: Bureau of Commerce.