



# The Business Practices Act

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Most consumers are somewhat aware of the Consumer Protection Act. Since 1990, the Business Practices Act has been at play also to try to prevent or stop unfair business practices.

These are defined to include a supplier doing or saying something, or failing to, whereby a consumer might reasonably be deceived or misled. Of course, false claims by a supplier pure and simple are included.

Rather surprisingly, the Act even contains examples of unfair business practices. Most Acts do not contain examples and I've always thought they should.

A supplier cannot take advantage of a consumer either, for example when the supplier should know the consumer is unable to protect his or her own interests.

An unfair business practice need not be in relation to a specific person nor contract. It can be one directed to the public at large.

Employees of suppliers are also bound not to commit unfair business practices. An unfair business practice can be found

before, during, or after a transaction and even if the transaction is not concluded or binding.

Advertising agencies, media, and printers will be happy to know they cannot be blamed, if they act in good faith, for untruthful, inaccurate ads.

A Director is appointed to administer the Act. He or she can use experts and mediation tools to help resolve consumer complaints. The Director has wide investigative powers to review a supplier's books and operations when trying to solve legitimate complaints where a supplier is likely in breach of the Act. A variety of court orders are available to support investigation and resolution of complaints.

A contrite supplier can agree and undertake in writing to change his or her poor business practices for the better if they agree to a long list of conditions to ensure further compliance with the Act.

As well, the Act gives consumers a right of action to sue a supplier for relief from an unfair business practice. Such relief could be

any or all of awarding damages, canceling the contracts, granting an injunction, and returning payments made. Punitive damages may also be awarded.

All staff employed to enforce the Act and receive complaints are bound to treat all information as confidential.

If a supplier breaches the Act, he or she may be liable to conviction with a \$25,000.00 maximum fine or maximum 12 months in jail or both for a first offence and a second offence could bring a maximum penalty of \$100,000.00 or 36 months in jail. If a company is the offender, there is a maximum fine of \$100,000.00 for a first offence to a maximum fine of \$1,000,000.00 for a second offence. Officers and directors are equally liable to the same punishment for the same offence if their company is convicted.

A very tough Act in favour of the consumer.