

**Ministry of Small Business and  
Consumer Services**

Policy and Consumer Protection  
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**Ministère des Petites Entreprises  
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By Email: [Eric.Ferron@cb-bc.gc.ca](mailto:Eric.Ferron@cb-bc.gc.ca)

Mr. **Éric Ferron**  
Senior Competition Law Officer  
Competition Bureau  
50 Victoria Street  
Gatineau, Quebec  
K1A 0C9

Dear Mr. Ferron:

I am responding to the invitation to comment on the Competition Bureau's draft Information Bulletin on Consumer Rebate Promotions. Please accept these as staff comments from the Ontario Ministry of Small Business and Consumer Services.

The Ministry supports the Bureau in its efforts to provide guidance to the business community and welcomes the opportunity to comment.

Our comments focus on the first of the best practices example given in Part 6 of the draft Information Bulletin. The illustrated example presents information as follows:

<p>\$85.00 regular price</p> <p>- \$15.00 mail-in rebate</p>
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We suggest that since the point-of-sale price demanded of the consumer is not immediately reduced by a rebate, then it should not be a best practice to present information as set out above.

We suggest that a reasonable consumer who reads the descriptor "regular" as set out above would be more likely to conclude this is "a price not applying this time" rather than to conclude that this is "the price this time". This incorrect conclusion is encouraged by the use of the minus sign, which invites a reasonable consumer to immediately subtract the amount of the \$15 rebate.

While using the words "mail in rebate" indicates that the rebate value comes to the consumer later, nonetheless the general impression that a reasonable consumer may be left with is that the regular price is immediately reduced.

A best practice should leave no room for confusion. It should be clear that the rebate does not immediately reduce the price to be paid. It should be clear that the consumer will still be expected to pay the normal price and that the sales tax will be calculated on the normal price.

We suggest a best practice approach would be more along the lines of:

Price \$85.00
\$15.00 mail-in rebate available

A business may fairly hold out the prospect of cash incentives or savings that mean a consumer may ultimately recover some of the expense of a transaction, but should not represent any of these as reducing the price that the consumer will pay at the point of purchase.

Sincerely,



John Mitsopoulos  
Director, Policy Branch