



## Did Kim Pay Too Much?

On the way back from school, Kim stops by the store to buy a few things. She picks up body cream for \$12.95, shampoo for \$6.95, and soap for \$3.95. And—why not?—the latest edition of *Healthy Planet* magazine. This month, it features an interesting article on global warming.



When she arrives at the cash, she sees a poster titled "Price Accuracy Policy." She pays no attention because she is thinking about the history project she has to finish for tomorrow. However, she notices there are no price stickers on the products in her basket. Instead, these are placed directly on the shelves in front of each product.

Because she is distracted, she also forgets to check the prices that appear on-screen at the cash register. When she gets home, though, she takes a look at the bill. Surprise! The price she paid for the soap was different from that indicated on the shelf. Instead of costing her \$3.95, she paid \$4.95! Worse yet, she sees that the body cream cost \$1 more than the price displayed on the shelf.

She immediately returns to the store. "Why was I charged more?" she asks the cashier. After checking, the cashier sees that an error occurred when the product labels were made. The price of the soap was indeed \$3.95 and the cream, \$12.95. The cashier corrects the error and reimburses her the \$2 difference plus tax. Satisfied, Kim heads home again.

The next day, she tells Luke her story. "They should have given you the products for free," he says. "The other day, I bought a product at the store and the price was wrong, so the shop owner gave it to me at no charge."

Kim was confused. Was Luke right?





**Instructions:**

Analyze Kim's case using the following table. Assess each element based on the excerpts below from the *Consumer Protection Act* and the Price Accuracy Policy poster. Explain what an informed consumer would do in this situation.

Aspect of case	Correct or incorrect?	Justify your answer.	What should an informed consumer do in this situation?
<p>The retailer chose not to apply price stickers to products sold at the store. It must therefore apply the Price Accuracy Policy. This means that although there are no price stickers on the product, Kim can see the product prices by looking at the sticker on the shelving.</p>			
<p>The price programmed into the cash register for the soap is \$3.95 instead of \$2.95. The retailer corrects the price and reimburses Kim's overpayment.</p>			
<p>The price at the cash register for the body cream is \$13.95, which is \$1 higher than the price indicated on the shelf. The retailer corrects the price and reimburses Kim's overpayment.</p>			
<p>The retailer where Kim shopped is required to apply the Price Accuracy Policy.</p>			

**What the law says**

- Retailers are obligated to label every product they sell in their stores. It's the law! However, they are not required to apply price stickers to certain products, for example:
  - items that cost less than \$0.60;
  - food that is not wrapped before it is sold (e.g., a fruit or a vegetable);
  - if they decide to exempt themselves from the obligation to apply price stickers to every product.
- Consumers must nevertheless be able to easily determine product prices. This means retailers must indicate the price on a sign placed near the products.
- What happens when a retailer doesn't want to apply price stickers to every product? In this case, the retailer must comply with certain conditions, such as applying the Price Accuracy Policy. A poster explaining the policy must be displayed in plain view. Price stickers must also be applied to the shelving in front of each product. This sticker must include the product description and price. The retailer must use optical recognition technology to scan the universal code on product labels.
- Attention! However, retailers must always indicate the price for each item of clothing they sell as well as on every product without a bar code.

\* The information provided in this document is intended to simplify legislative and regulatory provisions and therefore cannot be used for legal interpretation purposes. Where necessary, the reader's understanding of the information can be completed with the wording of the legislation and regulations to which they refer.





## Price Accuracy Policy

# Price Accuracy Policy

If the price displayed at the cash register is higher than the advertised price, the lower price prevails and if this error concerns an item for which the advertised price is :

**\$10 or less:** the merchant must give you the item free or charge;

**More than \$10:** the merchant corrects the price and must grant you a \$10 rebate on the corrected price of the item.

1. The price accuracy policy applies even if the error is noticed before the transaction is completed, as long as you buy the item.
2. If, during the same transaction, the same error occurs in respect of identical items, the price of each item will be corrected but the compensation policy applies to only one of these items.
3. The compensation policy does not apply to items for which the law prohibits the merchant to grant a rebate (e.g. tobacco and certain medications). It also does not apply to items for which the law sets a minimum price (e.g. milk, beer, wine) if its application contravenes the law.

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