



## NUTRITION LABEL REGS NEED IMPROVEMENTS

A Washington-based consumer coalition, including CFA President Helen Nelson, views the Food & Drug Administration's recently announced food and nutrition labeling regulations (there are 12) as a consumer victory on the whole. But the group is taking sharp exception to some glaring loopholes. Strengthening measures advanced by the Consumer Committee on Food Labeling\* include:

- switching from a voluntary to mandatory system of labeling;
- requiring a list of all seven key vitamins on the information panel (Berkeley Coop advises that a standardized list is essential to (a) facilitate nutrient comparisons of same or varied type foods, (b) prevent consumers from mistaking a product listing three or less nutrients as a good nutrient source and (c) emphasize the necessity of eating a wide variety of foods to meet daily nutrient allowances);
- revising the ground rules to reduce the number of exceptions food packagers can seek for small or irregular sized packages;
- requiring that where cholesterol labeling is used (a) fat labeling also must be used, (b) the ratio of polyunsaturated to saturated fats be included on the label and (c) the source of vegetable fat be identified;
- developing more reasonable procedures by which nutritional claims for "health foods" can be challenged and either validated or proven false.

Among improvements suggested by Berkeley Coop, a CFA affiliate, is standardization of "serving size". To consumers one or one-half cup terms are understandable. FDA, however, defines a "serving size" this way: "that reasonable quantity of food suited for, or practicable of, consumption as part of a meal by an adult male engaged in light physical activity, or by an infant or child under 4 years of age when the article purports or is repre-

mented to be for consumption by an infant or child under 4 years of age".

\* CCFL includes representatives of CFA, Concern, Inc., National Consumers League, Consumer Action for Improved Food & Drugs, National Health Federation, Action on Smoking and Health, Center for Science in the Public Interest, Community Nutrition Institute, Consumers Union.

Skeptical that a substantial segment of the food industry will adopt nutrition labeling, Sen. Richard Schweiker (R-Pa) has reintroduced a Nutritional Labeling Act, S.322, identical to S.2734 introduced in 1972.

## SHOULD WATER-LOGGED COSMETICS HAVE TO TELL?

The \$6-billion-a-year cosmetic-toiletry industry is bound to be livid over a CFA-Georgetown University proposal for mandatory ingredient labeling of cosmetics about to be approved by FDA. Manufacturers would, for example, have to reveal that many products contain mostly water or some other ingredient common (and not nearly as expensive as the price tag shows) to all such products. Consumers could more easily protect their pocketbooks and avoid allergic reactions, burns, loss of hair or other injuries (estimated at 60,000 per year in 1970). The most serious weakness in FDA's tentative proposal, though, is to exempt industry from listing coloring content. Red Dye #2 is the most widely used and controversial coloring agent. Scientists disagree that it is safe. Based on evidence that it interferes with reproductive systems, CFA

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## HMOs, IF GOOD, CAN HELP MEET HEALTH NEEDS

Quality, cost, availability and consumer involvement in health care all need reform. But consumers, says CFA Exec. Dir. Erma Angevine, won't buy a pig in a poke disguised as "reform" even if it's a Health Maintenance Organization.

In remarks before a recent Chicago conference on HMOs and dentistry, Mrs. Angevine again endorsed a comprehensive national health insurance program, conceding its impact on the federal budget. It would not, she contends, represent new dollars: "What consumers see is a change from private dollars to public dollars. We know the dollars will come from us. . . we believe the cost will be more equitably shared and the benefits will reach everyone by setting up a tax-supported national system."

The HMO is one alternative. Under this type of health delivery structure, complete health services are provided subscribers in return for a prepaid enrollment fee.

"Consumers are not yet cheering in the streets," says Mrs. Angevine, "because we expect more from HMOs than simply a cost reduction mechanism. We are not about to endorse the first HMO proposal that comes along." Acceptable features, according to CFA, include:

(1) Peer review, with the HMO contract clearly defining the physicians' and dentists' responsibilities for monitoring quality.

(2) Grievance procedures, such as an ombudsman appointed to respond to specific subscriber complaints, make spot checks, and order corrective action.

(3) Reinsurance, necessary to avoid the temptation for HMOs to protect their reserves (or profits) by unduly restricting services. Each HMO should carry outside insurance to cover any unusual expenses or losses and to protect subscribers against loss of health care coverage should the HMO go out of business.

(4) Renegotiation of contractual arrangements with physicians and dentists groups on a periodic basis.

(5) Disclosure of financial and administrative records, ombudsman and grievance committee reports, salary schedules, major expenditures, new enrollment and withdrawal figures, and malpractice claims.

(6) Significant consumer involvement, either on the board or in functioning advisory committees or in independent review councils.

"Unless controls are built in at the outset," warns Mrs. Angevine, "HMOs could easily become a middle-class health system that excludes the poor and minorities; conversely, public-funded HMOs could merely replace charity hospitals and clinics as the dumping ground for the sick poor."

**health notes** — Over 7-million Americans are now enrolled in HMOs. Two years ago President Nixon was championing them as the most promising delivery mechanism for keeping health costs down; now he's decided health isn't a top national priority. Not only did he freeze funding for HMO R&D last year, the promised 450 HMOs for next July have evaporated into thin air. Still members of Congress are stumbling over each other to introduce HMO legislation with prospects for health care reform probably two years away now that tax reform supposedly has a higher priority. . . . Recent Senate Monopoly Subcommittee witnesses charged that AMA is a "captive of and beholden to the pharmaceutical industry". Ranking AMAers said it. . . . at the same hearing consumerist James Turner called on FDA to release results of safety and efficacy testing of drugs. . . . with the food industry and fairly sympathetic Administration interested in changing the Delaney Amendment (1958) which bans any additive shown to cause cancer when ingested by man or animal, the public should keep an eye on a new, privately financed commission about to study food additives, pesticide residues, other contaminants and food spoilage. FDA helped set up the \$500,000 operation with sponsoring groups such as Rockefeller, Macy and Nutrition Foundations, National Science Board, the Food & Drug Institute. Contrary to published reports, Consumers Union is not a participant.

## Opposition Lining Up On New No-fault Effort

The newest threat to enactment of a federal no-fault law is known as UMVARA --Uniform Motor Vehicle Accident Reparations Act--alias the "Camelback Plan" which is nothing more than a diluted federal standards bill. It grew out of a secret meeting at the Camelback Inn in Scottsdale, Ariz. last December. All but one of the biggest insurers were there. These companies write 36.2% of all auto insurance at a yearly premium volume close to \$6-billion, says Sen. Frank Moss (D-Utah), who's been holding Senate hearings on the meeting.

The auto insurance industry originally opposed replacing today's costly and inadequate system with a national no-fault program. Congress compromised and drew up a standards bill, even though few states are serious about enacting real no-fault. This measure was narrowly defeated by the Senate last summer. Opposition by the trial lawyers is still apparent. And those senators who succeeded in winning a compromise standards approach last year are somewhat puzzled by the Camelback meeting and its purposes, including, apparently, defeat of a national law.

Camelback minutes indicate that the participants are targeting ten states to get the watered-down Camelback plan enacted: New York, Pennsylvania, Ohio, Hawaii, Illinois, Colorado, California, Washington, West Virginia and Texas. Minutes also disclose a plan to "involve several state insurance commissioners" in cranking the Camelback proposal into the National Commissioners' study now underway. The meeting was attended by State Farm, Allstate, Travelers, Hartford, Nationwide, Liberty Mutual, Fireman's Fund, Kemper, and Insurance Co. of North America. Allstate issued invitations. Aetna Life & Casualty, openly committed to federal no-fault, was not included. Sen. Moss says other companies did not know about the meeting nor did the three major insurance trade associations until an agreement was reached.

According to Sen. Philip A. Hart (D-Mich), the Camelback plan provides coverage for many accident victims, but not the 3% or so that account for 45% of the total economic loss.

## FEMININE HYGIENE SPRAYS GET "FRESH LOOK" AS DRUGS

Now feminine hygiene sprays are considered drugs--along with contraceptives--in the Food & Drug Administration's review of over-the-counter products.

Commissioner Charles Edwards has postponed decisions about hygiene sprays in the past. On the last occasion he promised consumers a "fresh look" at all sprays, including a proposal to change the way hexachlorophene content in aerosol products is calculated.

Picking up this product as part of the OTC review is bound to reopen the conflict between industry and consumers over the safety and

efficacy of the sprays. Both sides have firm views. Georgetown Law Professor Joseph Page told Commissioner Edwards last fall: "Feminine hygiene deodorant sprays, cosmetic products of no utility, present a particular problem, since the vaginal mucosa are more absorptive than other parts of the body." Industry claims greater technical superiority and that few, if any, sprays still contain HCP in excess of approved amounts (and therefore are safe if it is presumed).

If classified a drug, these sprays would be subjected to stiffer labeling and would have to show safety and efficacy.

**ON HCP.** . . . After hexachlorophene was banned, Dial soap was among manufacturers switching to trichlorocarbanilide (TCC), permissible even though American Academy of Pediatrics issued a warning that baby clothes washed in substances with TCC can cause illness and possibly death in infants. In June 1962 the American Hospital Assn. advised all U.S. and Canadian hospitals of 18 instances of illness in premature babies exposed through diaper rinses to TCC.

## ANOTHER ASPIRIN EXEMPTION?

FDA must now decide if the familiar 12-tablet aspirin tin deserves an exemption from safety packaging requirements. Petitioners for the exemption contend the dosage in a tin is insufficient to cause children serious personal injury or damage if ingested. Not so, says the American Academy of Pediatrics, citing studies that show serious hazards resulting from toxic dosages of aspirin contained this quantity. The Academy also contends FDA cannot exempt specific container designs from special packaging. "Denial of this request for an exemption would not be unreasonable because manufacturers do have alternative packages they could use until their tins can pass the testing requirements," says the Academy.

The biggest loophole in the Poison Prevention Packaging law passed in 1970 is a provision aspirin makers insisted was necessary for the arthritic and others physically unable to open safety closures. It gives each manufacturer the right to sell one size container without the child proof closure. Most aspirin manufacturers chose the best-selling 100-capsule size. Translated, this means about 1/3 of the aspirins sold are beyond the law's reach.

## PONDERING PHASE III

● Federal Reserve Board Chairman Arthur Burns' advice to Congress in considering extension of the Economic Stabilization Act: "...you've given the Executive Branch all the power in the world. . . probably too much power. . . give Phase III a chance to work."

● Congress will try to amend the Economic Stabilization Act to restore rent controls, require pre-notification of price increases, require public hearings on increases, and create a powerful consumer counsel within the Cost of Living Council, the federal office assuming left-over objectives of the Price Commission and Pay Board. At least in the Metropolitan Washington area, Democratic and GOP legislators have teamed up to insist that the Administration force roll-backs and slap stiff controls on landlords who have raised rents as much as 50%.

● According to Dow Jones, looking at 418 U.S. corporations, it seems after tax profits are up 23.7% in the last quarter of 1972 over the previous year--and 1973 looks even more rosy.

● The big increase in farm prices in December is now obvious in the local supermarket. The Administration's only action to counter rising prices so far is to name the head of Jewel Food Stores (Chicago) chairman of the Cost of Living Council's national Food Industry Advisory Committee.

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opposes its use and the labeling exception recommended by FDA. Comments can be sent FDA by writing: Hearing Clerk, HEW, Room 6-88, 5600 Fishers Lane, Rockville, Md 20852.

## CONSUMERS ON

NEW YORK CONSUMER ASSEMBLY is urging the Senate Commerce Committee to approve legislation setting minimum warranty standards and to strengthen this year's bill by giving permanent injunctive powers to the Federal Trade Commission. Having passed the Senate last year, 1973 warranty legislation containing FTC improvements files under the banner of S.356 and is expected to clear the Committee without prolonged consideration or hearings.

PENNSYLVANIA LEAGUE FOR CONSUMER PROTECTION's efforts to pilot a dispute settlement service using binding arbitration has finally jelled. Operating for a month, the Pennsylvania Consumer Arbitration Service, represents the first bilateral agreement in the nation between a statewide retailer's group and a statewide consumer group. PCAS was formed by the National Center for Dispute Settlement (an arm of the American Arbitration Assn) working with the Pennsylvania League and the state's Retailers' Assn. Sears, Roebuck & Co. and Bowman's Department Store in Harrisburg are the first retailers to participate. Says League Chairman William Matson about the program: "It offers both consumers and retailers a fair, speedy and inexpensive way to resolve complaints as an alternative to lengthy and costly litigation." The program is governed by a joint policy committee; arbitrators will be appointed by NCDS with NCDS absorbing most administrative costs. A fee of \$25 for arbitration of claims under \$1000 will be split by the parties. Where claims exceed \$1000, a fee of 3% will be split.

CONSUMERS WIN ROLE IN GRAS REVIEW. Consumer-oriented scientists will be appointed to government-funded review panels examining safety of food additives. The Food & Drug Administration launched the review some time ago and ignored consumer requests for involvement until last month. Time after time, JAMES TURNER and others meeting with FDA officials have asked: "How is the consumer going to participate in GRAS (generally recognized as safe) list review?" Turner, co-director of Consumer Action Group for Improved Food & Drugs, calls the turnabout a breakthrough. Consumers now have scientific and lay representation on GRAS, over-the-counter drug and biological vaccine reviews.

ARKANSAS CONSUMER RESEARCH made its debut less than a year and a half ago. Yet, to its credit is a carefully documented report on unsafe toys. As a result, dozens have been recalled, banned or corrected by manufacturers. Also chalked up is a \$145,000 savings for Arkansas bus riders. The state transportation commission was anything but its usual perfunctory self last fall when 12 companies--accustomed to getting what they want in a few minutes--were refused a 5% intrastate fare hike, the third increase in 14 months. ACR argued so successfully, commissioners rejected the hike and even questioned the companies about their financial situation. ACR is headed by Fred Cowan, 26, a former English teacher and Peace Corpsman and copy editor for the Arkansas Democrat. Cowan also puts research to work in a 43-page complaint against Southwestern Bell Telephone. Unchallenged elsewhere in the nation, he says, are a variety of sales, deposit and collection practices of Bell that violate state laws and regulations. He wants an investigation of such charges as customers are not informed that the cheapest model is a standard black phone or that party lines are available or that customers choosing special phones (Princess, Trimline, Touch-tone) can more economically finance these with a large one-time payment rather than over a period of years. He also wants Bell to justify additional charges for color phones. Does a pink one really cost more than a black, he asks?

HELP's prediction of dismally higher prices is on target according to a recent "Housewives Elect Lower Prices" bulletin on food costs. For the future, here's how the group sees things: "With the markets telling us that they will not be able to keep the cost of meat down, the future does indeed look dismal. It will do no good to complain to the store manager or the owner, for they are just as much the victims of ineffective price controls as we consumers are." Consumers may want to appeal to the Cost of Living Council (that unit absorbing wage-price jurisdiction since abolition of the commission and board), Congressmen and Senators.

CONSUMERS UNION's wide-ranging recent days and weeks include:

- petitioning FDA for drained fruits and vegetables packed in natural juice;
- seeking to represent consumer enforcement--CU specifically in the Justice Department involvement in merger between Iowa Beef Packers, partially on grounds injurious to the economy and high beef prices and their involvement in
- urging the Cost of Living Council to post gasoline octane ratings on gasoline and continue to fuel octane posting regulation is a suit filed by petroleum interests
- filing suit to force public disclosure about the government's decision on cotton, wool and manmade fiber prices as much as 10%;
- tipping off new car buyers on (maybe)--by subtracting the bottom amount on the official resulting figure by 0.85 intermediates and by 0.78 for back the freight charge which dealer cost. Plymouth Fury intermediates in this exercise settle for as little as \$100 offers of 5-10% over cost. F
- warning of a possible health sanctioned filth levels in food a test of peanut butter last tested were free of contamination rodent hairs, yet FDA allows rodent hairs in 3 1/2 ounces comment--CU's March report in memories of a congressional hearing FDA Commissioner Charles Edwards tolerance levels of filth, to rodent droppings, insect parts so bad. After all, it's been

CALIFORNIA CONSUMER ORGANIZATIONS a utilities commission for \$300,000 to covering their case in opposition to Pacific increase request. Sylvia Siegel has filed in light of a recent federal case and regulations made by the U.S. Comptroller General CONSUMER FEDERATION OF CALIFORNIA, want contend ratepayers are footing the bill. Last year, says Ms. Siegel, Pacific attor

## ON THE MARCH

ing and aggressive activities in

ined weight labeling for all processed  
acked in syrup, brine, water or

consumers in all states of antitrust  
ally wants access to all documents  
nt investigation of a proposed  
f Processors and Missouri Beef  
rounds that the merger could be  
y and to consumers in light of record  
eir impact on inflation;

ng Council to force service stations  
ratings so consumers won't over-buy  
o fuel inflation--FTC's proposed  
on is still blocked in court by a  
interests;

ublic dissemination of information  
decisions limiting textile imports--  
ly determined in secret since 1962)  
made fiber imports can raise clothing

ers on how to get a better deal  
the transportation charge from the  
official price sticker; multiplying  
0.85 for subcompacts, by 0.815 for  
78 for full size cars; then adding  
which puts you within about 1% of  
Fury and Dodge Polara are considered  
exercise. Some dealers, says CU, will  
\$100 over cost and most will accept  
st. Read April Consumer Reports.

health hazard because of government-  
in foods--the prime example being  
last May in which 86% of the samples  
amination by insect fragments or  
allows up to 50 insect fragments or two  
unces of peanut butter. (Editor's  
ort in Consumer Reports conjures up  
onal hearing last spring in which  
s Edwards, in defense of acceptable  
ty, told Sen. Abraham Ribicoff (D-Conn)  
t parts or other filth really isn't  
been cooked, seived. . .)

IONS are petitioning the state public  
to cover consumers' costs for represent-  
cific Telephone's \$328-million rate  
as filed for the group and asks recovery  
and ruling for federal administrative  
ler General. The groups, including  
want 10% of Pacific's cost. They  
bill for company representation only.  
c attorneys were paid almost \$2-million.

VIRGINIA CITIZENS CONSUMER COUNCIL is  
urging ten major food chains and their  
trade associations to accept and com-  
ply with a master list of standardized  
names for cuts of meat being prepared  
by the National Livestock & Meat Board.  
Other consumer groups, suggests VCCC  
President Lynn Jordan, may want to  
query food chains. VCCC is encouraging  
stores to provide in store or through  
advertising informational materials on  
the names. A list of those complying  
will be published by VCCC and a follow-  
up survey and evaluation scheduled  
for stores once the program is opera-  
tional.

PROJECT ON CORPORATE RESPONSIBILITY is  
after Eastman Kodak, General Motors,  
ITT and Union Oil to come clean on  
money spent for political campaigns and  
to influence policy decisions and  
government actions. PCR, owner of a  
single share of stock in each firm, has  
sent shareholder resolutions to the  
companies calling for: full disclosure  
of local-state-national candidates  
supported by the company and/or its  
political arm; how endorsements and  
support are given; how money was soli-  
cited; the sum spent directly or indirec-  
tly for state and local ballot questions;  
disclosure of all communications between  
company officials, Congress and the  
Executive Branch.

RALPH NADER claims rollover tests on  
1960-63 Corvairs were rigged, that the  
National Highway Traffic Safety Admin-  
istration knew it, and that the NHTSA  
man responsible--Ernest Wittich--is  
unqualified for his job and has a con-  
flict of interest. Wittich is a former  
employee and continuing GM stockholder.  
Nader says the tests were made with  
fully loaded vehicles and that data from  
lightly loaded, less stable cars was  
withheld.

HEALTH RESEARCH GROUP, citing numerous  
dangers to reproductive systems of ani-  
mals, joins CFA, Center for Science in  
the Public Interest and others, in the  
drive for a government ban of Red Dye  
#2, a commonly used substance in ice  
cream, chewing gum, gelatins, drugs,  
candy, cosmetics. Tests have never shown  
the dye is safe.

CONSUMER FEDERATION OF CALIFORNIA lead-  
ers have new legislative proposals for:

freshness dating of foods; nutritional  
and ingredient labeling; unit pricing;  
child care centers; flammable fabrics  
and care and labeling of fabrics;  
problems of organic foods:

CONSUMERS LEAGUE OF NEVADA, hard at work  
since October 1971, is on the tube, in  
print and before state and local decision  
makers. CLN is determined to survive  
despite being plagued by lack of funds  
for an ambitious program and energetic  
leaders. Under President Pat van Betten's  
stewardship, CLN commands healthy re-  
spect from the media and officialdom.  
An abbreviated version of CLN's program  
helps tell why: research and represen-  
tation before gas and power utilities  
three times; opposition to garbage rate  
hikes; price surveys of general food  
items, toys, name brands, nonprescription  
and Rx drugs; research and support for  
a local consumer affairs office; parti-  
cipation in national hearings on medi-  
cal malpractice, moving companies,  
Phases I, II (and probably III); active  
support for national legislative pro-  
grams of CFA; development of voting  
records; involvement in trying to stop  
regressive state regulations of the  
milk industry; survey of banned toys and  
action to remove them from stores;  
sponsor of consumer programs including  
legislative workshop; development and  
support for 1973 consumer-oriented  
state legislative program.

ALLIANCE FOR CONSUMER PROTECTION in a  
"first for Pennsylvania courts, is con-  
testing an electric rate increase for  
environmental reasons. The state public  
utility commission, charges ACP, granted  
a \$12.8 million increase despite evidence  
that the company does not comply with  
local air pollution regulations.

SOUTH DAKOTA CONSUMERS LEAGUE sets a  
hefty agenda for 1973 legislative  
action: reduction of installment loan  
interest (at 16%) and revolving credit  
(at 24%) to 12%; diluting industry con-  
trol of state regulatory boards and com-  
missions; repealing prohibition of  
drug price advertising; and adequate  
funding for public utility commissions.  
SDCL didn't forget the national scene.  
Full support is pledged CFA in carrying  
out federal legislative goals.

## coming PREPAID LEGAL INSURANCE

Help is on the way for consumers needing legal assistance to overcome credit, housing, divorce, adoption and all sorts of other problems.

A St. Louis firm, Lawton, Byrne & Bruner, has announced it is underwriting prepaid plans for 40 states where policies will be offered through groups with 75% membership participation.

A plan whereby any Maryland credit union member pays \$5 a month for up to \$2500 worth of legal help per year is being piloted by the state Credit Union League. It's the first prepaid plan on the East Coast and the first launched by a credit union group. Members will use the attorney of their choice. While the plan is not expected to cover total fees, typical benefits include: \$75 for sole custody proceedings or agency adoption; \$200 for preparation of bankruptcy papers and initial meeting with creditors; \$75 for separation and \$150 for divorce; from \$30-\$75 for services relating to civil suits. In "closed plans", operational elsewhere, a single firm or a few lawyers handle all business for a group. Maryland anticipates a 10,000 enrollment in 1973. MCUL represents about 270 credit unions with almost half a million members. The program will be offered through the individual credit unions.

## AUTO FIRMS SUED

California is suing four auto companies for about \$1.5 million in civil penalties for failure to meet state anti-pollution emission standards. American Motors, Ford, Chrysler and Volkswagen are involved. Their own tests show failure to meet state requirements. The fines sought are based on \$50 for each vehicle first sold in California that was not in compliance.

## NYC SEEKS MORE AUTHORITY

A package of bills backed by NYC John Lindsay would force pharmacists to post prescription prices and require car, appliance and TV repairmen to be licensed.

## PUBLIC WANTS MORE GOVERNMENT PROTECTION

According to a recent U. of Georgia survey, most consumers--liberals and conservatives--think the government should do a better job of consumer protection. This nationwide sample more precisely reveals: 73% of those responding believe the government should test competing brands of products and publicize test results; about 73% think government should set minimum quality standards for all products; 77.1% say a federal level consumer protection agency is needed; over 68% want more control over advertising, sales and marketing activities.

## SAMPLING OF NEW BAY STATE CONSUMER LAWS

(Massachusetts enacted some 60 consumer laws in 1971-2)

- Under a Fair Credit Billing Act, creditors must acknowledge and correct billing errors.
- No-fault is expanded to include property damage coverage.
- Psychologists, vehicle damage appraisers, private business schools and pet shops must be licensed.
- Consumers are now eligible for representation on 22 diverse regulatory boards ranging in scope from medicine and pharmacy to plumbing and funeral directing.
- Labeling requirements for household products are updated, the public health department given more power to ban hazardous toys.
- Interlocking directorates for officers of trust companies and savings and cooperative banks are prohibited unless dual officeship is demonstrated to be in the public interest, thus minimizing bank officers directing multiple institutions and making interest and loan rates more competitive.
- A new commission is being set up to establish a statewide building code and minimum building standards.
- Various investigations and studies authorized include: health care facilities, services and costs; flammable clothing; and special consumer protection programs for the elderly.

## BUCKLING UP

Drivers and front-seat passengers in Australia face fines, "points", and death if they don't wear a seat belt. It's compulsory in that country. Traffic fatalities are down 23% since the law took effect; a typical fine is \$24. Mandatory seat belt laws are under consideration in Maryland and Virginia this year.

## consumer education via "baby letters".....

Since October, every pair of new parents in Seattle have gotten a letter from their local consumer protection office.

"We wished to reach as many citizens...as possible with consumer information, including some general information about our office and also some specific information on use of unit pricing," says Coordinator Robert Porterfield. Like virtually all consumer offices, Seattle's is under funded. Contacting new parents isn't expensive. They are easily identified through newspapers and often besieged by high pressure salesmen. Porterfield's "baby-letter" cautions about potential sales abuses and introduces the new parents to his office

## ..... or via pta & kids

Consumer groups and government offices may find PTAs able to distribute information brochures on consumer services with their regular newsletters and notices. Some school systems might approve sending a copy home with each student. Or, ever checked with the public and private employers in your area to see if brochures can be inserted in pay envelopes or distributed through internal mail systems?

## and cereal boxes!!

For six months, starting this April, Quaker Oats will put Life cereal boxes to work with reading lessons printed on backs and side panels. One reading game is called "Sounds Fun". There are pictures of animals to match with the long E sound.

## FULL REFUND FOR DUD CAR

After buying a 1971 Opel station wagon, its Washington, DC owners learned it could not be properly air conditioned as promised by a salesman. In ordering refund of the full purchase price, a DC Superior Court judge said the salesman made a false representation: "A consumer should be able to take a thing back if it doesn't work right."

## Another guide

Complete with detailed comparisons of homeowner insurance premiums charged by 20 companies, New Yorkers have been handed a manual for buying insurance. It describes the types of coverage available to protect the home, personal property and personal liability arising out of ownership or possession of a home or apartment.

## OKLA. BAN ON UTILITY ADS CHALLENGED

The ink's hardly dry on Oklahoma's utility advertising and promotion ban, yet it's already being dragged into court. A disgruntled Oklahoma Gas & Electric Co. argues that the state corporation commission misconstrues the scope of its authority in regulating rates and service by slapping on the ban. Advertising, contends the firm, is aimed at getting consumers to buy a year-round, balanced and "total electric" approach which is more efficient and therefore available at fairer rates. (Consumers argue that utility advertising is useless since they are dependent on utility services and that advertising dollars merely result in higher rates paid for by the public.) The firm says the notion that ads promote excessive use and contribute to shortages is nonsense since there is no energy crisis anyway.

"...one of the reasons for the energy shortage is that our dwindling supplies are oversold by energy companies, through advertising and sales promotion. Another reason is lack of research and development, by both energy companies and the Government....(in 1971) the industry spent 3 1/3 times as much on advertising and sales promotion as it did on research and development."

U.S.Sen.Lee Metcalf (D-Mont)  
January 26, 1973

## BOTTLE LAW WORKS

Three months after passage of an Oregon law requiring deposits on beer and soft drink containers, consumers are only being offered returnables and aluminum cans that can be recycled. The push has already started to force returnables for pickles, ketchup and the rest.

Dubbed "DEPOSIT" in Montgomery County, Md., officials in this metropolitan suburb are considering a 5¢ per bottle deposit on all beer and cola cans and bottles. An industry argument in late hearings is that a similar measure failed in Vermont some 20 years ago and therefore the proposal is obviously no good. Quick-checking environmentalists say the Vermont law only applied to bottles.

Just as it went into effect, industry switched to cans and the law was repealed.

## IMPOUNDING & THE BUDGET

Despite vocal congressional and citizen opposition, President Nixon's view of how best to meet the needs of America will probably prevail for the most part. Even if Congress tries to restore budget money for housing, medicare, legal services, rural electrification, water pollution control, schools, libraries or lead poisoning control, Nixon can impound just about what he pleases--even if Congress wins review privileges. Right now over \$12-billion is locked up. Or Nixon can blame Congress for tax increases to cover restorations. Or, he can, and probably will, do both. Nearly everybody--some more than others--will feel the effect of Nixon's budget program. The Boston Globe reports, for example, that since the November election the needy have not been able to purchase nonfat, dry milk.

Not even stalwart Sen. Sam Ervin (D-NC) is talking about an outright ban on presidential impoundments. But Ervin is summoning widespread support for a law to limit the President's authority to impound money appropriated by Congress. Cranked into Ervin's bill are provisions to let Congress immediately vote disapproval of any impoundment or to vote for any part of an impoundment. He also wants officials from the President's budget office, cabinet members and other government officials subject to impounding restrictions.

While Ervin's bill is aired in the Senate Judiciary Committee, other Senate and House committees are reviewing the budget; community action representatives are demonstrating for continued anti-poverty services.

**history**— President Thomas Jefferson was the first to impound congressionally approved funds. In 1803 he refused to spend \$50,000 for Mississippi River gun boats.

## CFA IN ACTION

● Flanked by representatives from the Center for Law & Social Policy and Consumers Union at Cost of Living Council hearings last month, CFA PRESIDENT HELEN NELSON delivered a strong appeal for junking the oil import program. Reflecting on high consumer costs and specific business, school and government closings due to heat loss, she said: "The first step we must take to reduce the price of fuel oil and prevent shortages is to abolish the present oil import system."

● On Feb. 1, CFA was advised of a "unanimous judgment" by the National Advertising Review Board upholding the manufacturers claims for Ultra Ban 5000 and Ban Roll-On. CFA had challenged the truthfulness of claims that these products keep users drier than others. Several dozen other challenges of the industry's self-regulatory program are still in limbo. It took almost one year to complete the filing and appeal procedures of NARB.

● Regulations restricting claims, sales and use of antacids will be released soon. Antacids are the first of a number of categories of over-the-counter drugs being reviewed by FDA for safety, efficacy and label claims. CFA and other Washington consumer groups are involved in the study. In the past OTCs were virtually unregulated; nobody knows exactly how many exist. Possibly blocking any early impact of the review is an across-the-board law suit challenging FDA's authority to regulate OTCs.

"Most advertisers cannot, or do not wish to, document their advertising claims."

...Arch G. Woodside, Advertising Age 2/12/73, based on a U.of S.C. survey of 373 magazine advertisers.

## NEW FTC CHIEF

"I personally feel a very deep sense of responsibility to maintain my own independence and integrity. Agency contacts with the executive branch of the government, including the office of the President, should be conducted in an open and forthright manner."

LEWIS A. ENGMAN

## WHITE HOUSE ENERGY PLAN AWAITED

White House reaction to criticism of the Administration's non-policy on energy is promise of "wide-ranging initiatives" to assure the country of an adequate energy supply at "acceptable economic and environmental costs." An energy message to be issued around mid-March will detail the President's promised program. A triumvirate of Henry Kissinger, John Ehrlichman (staff man in charge of domestic policy for Nixon) and Treasury Secretary George P. Shultz have been named to take over the fuel crisis--at least from the Administration's point of view.

"Americans must learn to live with the 'risk' involved in pesticides and other farm chemicals or face even higher food costs in the future."

... That's how Secretary of Agriculture Earl L. Butz puts it according to Associated Press.



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