

# Protection against phoney guarantees

MOST PEOPLE at some time have been caught out by a phoney guarantee. Your new car, radio, clock or washing machine is guaranteed for a year, you think. Then something goes wrong... and you have to pay.

All that has just been stopped — in theory, at least. You now have extensive rights if any product bought after May 18 turns out to be faulty.

Under the old system, manufacturers issued 'guarantees' which you often had to sign and post off to the factory. Their purpose was not usually to protect the customer, but to take away his rights under Common Law.

### THE CATCH CLAUSE...

Manufacturers often promised to supply free replacements for faulty parts, but the consumer — who was not to blame — had to pay for labour, postage and so on. On a radio, for example, the maker would pay a few pence for a new part, while the purchaser would pay several pounds for the cost of fitting it.

A new law, the Supply of Goods (Implied Terms) Act means you now have rights which no so-called guarantee can take away. But there is nothing to stop manufacturers trying to bamboozle people with 'guarantees' which aren't legally valid.

Another loophole is that only the person who actually buys a product can claim against the shopkeeper — so the law doesn't cover faulty Christmas presents.

Also, if you examine a product before you buy it, the shopkeeper is NOT liable for faults you should have noticed.

### YOUR RIGHTS

UNDER the new law responsibility for faulty products rests firmly with the shopkeeper. Whether or not there is a written guarantee these are your rights:

- If a product breaks down due to an inherent defect the shopkeeper must pay for repairs. He cannot charge you a penny.
- If you need a temporary replacement while waiting for the repairs to be done, the shopkeeper must provide one.
- The shopkeeper must pay you any expenses — bus, taxi fares, phone charges, postage, etc — incurred in returning the product and collecting it afterwards.
- If the fault causes damage to you or your property the shopkeeper must pay for it.

The new law applies to any product bought after May 18 this year.



# A cheap way to borrow

IF YOU receive a high salary every month it's easy to borrow money. There are credit cards, such as Access and Barclaycards, personal bank loans and mortgages.

But if you are on the dole or get a low wage it isn't so easy. All too often people desperate for a few quid have to borrow from private loan sharks — at exorbitant rates of interest.

This is why twenty residents from Granby area are setting up their own credit union.

Granby residents will invest a sum each week (normally 25p — £1) depending on what they can afford, and will receive 6½% interest each year.

This interest is paid by members who run into difficulty and need to borrow from the fund.

They may want a loan of £4—£5 to pay the rent, or as much as £100 if they have lots of bills to pay. They can normally borrow up to ten times what they have saved.

The borrowers then pay back the money when they can, usually over several weeks or months. The interest they pay is 1% a month.

This may seem a lot, but it works out at only about £6.75 on a £100 loan. The reason is that you only pay interest on the outstanding balance.

● For more information write to the Credit Union League of Great Britain, 65 Belgrave Road, London SW1V 2BG (Tel: 01-828 7250).

# Snap! Crackle! and Profit!

"SUNSHINE and vitamins" proclaims the Kellogg's cockerel on the cornflakes packet. But "Cardboard and advertising" might be a more appropriate cry.

For Kellogg's spend more money on promoting, advertising and packaging their cornflakes than they spend on the edible ingredients.

During a two-year study of the breakfast cereal industry the Monopolies commission have broken down the cost of a 12-oz packet of cornflakes:

Edible raw materials	24.1%
packaging	18.1
other manufacturing costs	15.1
advertising and promotion	12.0
operating profit	11.2
freight and storage	11.0
general overhead expenses	5.5
labour	3.0

(These figures are based on prices in 1971 when the investigation began, and are percentages of Kellogg's wholesale prices).

The commission estimates that such a packet would have cost about 10½p in the shops. The actual maize

inside would have cost about 2p.

The Kellogg Company of Great Britain control 60% of the breakfast cereal market, and their cornflakes account for 30% of total sales — a virtual monopoly.

In 1971 they spent over £3 million on advertising and promotion. Their profits that year were £3,665,000.

Their return on capital is exceptionally high. In 1969 profits were 48.7% of capital employed, compared with an average of 12.5% in the manufacturing industry generally.

# Homosexuals and the law

DESPITE the 1967 Act which legalised homosexuality between two people in private, there are still many ways in which discrimination can be legally enforced against homosexuals, a meeting in Liverpool heard recently.

Speaking at a public meeting organised by the Campaign for Homosexual Equality, Mike Barnes, of the campaign's Legal Standing Committee outlined legal attitudes to the homosexual from Roman times to the present day.

He said discrimination could often be enforced at the whim of a judge or on suspect police evidence.

It would only be by following up every case in which homosexuals had been penalised because of their sexual orientation, that further moves towards true justice and equality could be achieved.

The other guest speaker at the meeting, which was attended by nearly sixty people, was Jackie Forster of the CHE National Executive Committee.

He spoke forcefully about the great importance of homosexuals not accepting the unjust restraints imposed on them by society. Change could only be brought about by self-help and by helping each other.

Too much emphasis was laid on the sexual aspects of homosexual relationships, both male and female. As with any worthwhile relationship between two people, sex was a part — albeit an important one — of the whole.

● For more information about CHE Campaign for Homosexual Equality, write to the national headquarters at 28 Kennedy St, Manchester 2.

# COFFEE CAMPAIGN

A CAMPAIGN to stop Nestlé's — makers of Nescafé — importing Angolan coffee has been launched in London.

At least 10% of tax receipts from Angolan coffee go to support the colonial war there. Coffee plantations have been set up by the whites without regard to existing African property rights. This was thought to be the main cause of the Angolan revolt in 1961.

A similar campaign in Holland was successful last year. The Dutch no longer import Angolan coffee.

More details: N. London Haslemere Group, 515 Liverpool Road, London N 7.

# Students end strike as rents are pegged

LIVERPOOL University has agreed to peg the rents in its halls of residence at £246 for the three terms next year. As a result, the 550 hall students have decided to end their rent strike and pay the £44,000 strike fund to the university.

"This is a victory for the hall students," said Derek Lemon, Deputy President of the Students' Union. "The university had at first intended to raise the charges by £25—£30 for next year. The university, by making a loss on their accounts, are now taking into consideration what students can afford."

Despite this success, however, the rents are still higher than what is

allowed for in the student grant. Further action may be taken next year to resist any worsening of the situation.

The students are not satisfied by the Government increase in grants (restricted by the Freeze) which still leaves the value of grants far behind what they were in 1968. Students, like most other sections of the population, are suffering under the Government's Prices and Incomes policy.

The position of students is like that of pensioners — both are on fixed incomes which suffer from price rises. Because of this the students have decided to give the £750 interest that has accrued on the rent fund to a pensioners' charity.



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# A PALACE FOR THE PRINCE

Free Press 'will beat corruption'

Liverpool Daily Post

## Free Press on the move

THE FREE PRESS has moved to 83 Seel Street (Tel: 709 9460). It's at the top end of the street, near to Berry Street, and we are sharing the building with the Chameleon Gallery.

We intend to bring out the paper more regularly and to help us achieve this readers' meetings will be held at the office on the last Sunday of each month at 7.30. Readers are invited to come along with ideas for stories, offers of help, comments etc. The first meeting will be on Sunday, June 24.

A wide range of pamphlets will be on sale from June 19. This is for two reasons. First, many pamphlets fail to get the readership they deserve because people don't know about them or where to get them.

Secondly, we shall have to pay rent and hope the proceeds will help towards this.

'PRINCE' Charles Howard, second-in-command at Liverpool's Housing Department, has just announced plans to convert his former council house into a palace.

The front of his house — a semi in Booker Ave, Allerton — will soon be adorned with three majestic pairs of Ionic columns. There will be a new front door (Georgian style, with fanlight) and rustic shutters on the upstairs windows.

The total cost will be about £1,000... a lot of money for someone who was once considered a deserving case for a council house.

The Prince's taste for stylish living first became famous when he started borrowing corporation limousines and chauffeurs for "not exclusively business engagements." (Free Press issues 11 and 12).

He was among the first in the queue when the Tories started their Grand Sale of council houses a few years ago.