

CONSUMER STUDIES 1202

COURSE DESCRIPTION

Division of Program Development
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ACKNOWLEDGEMENTS

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INTRODUCTION

Consumer Studies 1202 is designed to help students become enlightened purchasers of goods and services. Its focus is on the consumer in the marketplace, seeking to satisfy needs and wants.

The modern marketplace is complex and confusing at times for even the astute buyer. The abundance of commodities, variations in quality, emotional appeal of advertising, fraudulent practices, and the wide use of technical language are just a few of market realities. Other forces not so visible but perhaps more difficult to cope with include built-in obsolescence, artificial control of supply and demand to increase profits, and emphasis on materialism.

Knowledge of consumer affairs can reduce this complexity, and the acquisition of critical thinking, research, and communication skills can develop consumer competence. Even more importantly, the course can help students examine their own attitudes and responsibilities. Students who buy cars, for example, are taught to compare quality, options, and price. In addition, they should be challenged to deal with less obvious considerations, such as the question of needs versus wants, alternative means of transportation, the influence of peer pressure, and the effects of universal car ownership on the environment and our culture.

Senior high students are "big spenders"; they also influence family purchases. The estimate of annual expenditures by young people aged 13-19 in Canada is in the billions of dollars, and this fact is not lost on business; youth-oriented advertising reflects it. In our province, the recent lowering of the age of majority to 18 means that more students are eligible for credit and are likely to enter into consumer contracts. These are just a few of the immediate practical reasons for making consumer studies available in the high school curriculum.

Consumer Studies 1202 is an elective course suitable for and available to all senior high students. It is a generalized study of consumerism which selects knowledge from the disciplines of law, business education, family studies, mathematics and economics, and makes application to the marketplace for the purpose of helping the student become a wise consumer. It is included in the provincial social studies curriculum because of its relevance to student needs, its support of the goals of social studies, and thus its contribution to *The Aims of Public Education for Newfoundland and Labrador*.

STATEMENT OF PURPOSE

The ultimate criterion of curriculum design and selection is faithfulness to the goals of social studies and, thereby, to *The Aims of Public Education for Newfoundland and Labrador*.

Consumer education is not specifically required by *The Aims of Education for Newfoundland and Labrador* as is democracy. Nevertheless, consumer studies does respond to special needs and interests of students, and is therefore considered a specialized study as defined in the *Handbook*, page 18. Moreover, the subject area is well suited in helping students appreciate their privileges and responsibilities as citizens and is rich in opportunity to apply Christian principles, develop moral values, promote democratic ideals, exercise thinking and reasoning abilities, and practice the basic skills of reading, writing, and computation. The subject's strong support of *The Aims of Education for Newfoundland and Labrador* is ample justification for including it in the senior high school social studies program.

The overall purpose of social studies, as stated in the *Master Guide for Social Studies, K-XII*, is "personal development and growth in qualities of good citizenship". The **understandings, values, and skills** necessary to realize that purpose are also specified (see *Master Guide*, pages 10-16). Consumer studies finds an important place in the program because of its relevance to these goals.

Major Understandings

Studies in consumerism seem particularly suited to developing the following major social studies understandings as listed in the *Master Guide*:

1. The basic economic problem faced by every society is how to best use its limited resources to satisfy its needs and wants.
2. Economically, values and levels of technology affect how people produce, exchange, and consume goods.
3. Conservation and prudent use of nature's resources are necessary for the well-being of people and society.
4. Government and rule of law have an essential role in human affairs.
5. The quality of life of a society is measured in terms of the moral, spiritual, intellectual, social, and political character of its citizens, as well as in terms of economic prosperity.

Values

Personal, social, moral, political, and economic values are an essential part of social studies. Consumer studies can provide diverse opportunities for developing the values of honest, truth, justice, self-discipline, charity, and work; considering the worth of self and others; building respect for democratic rights, responsibilities, and processes; discovering the value of reason and reflective thinking in personal and social decision making.

Skills

Consumer studies make possible the development and practice of all three categories of skills in social

studies:

1. critical and creative thinking skills (developed through use in consumer decision making)
2. information-gathering skills
3. democratic group participation skills

In summary, the primary reasons for offering students in consumer affairs, as cited in the Introduction, originate in the needs of people in modern society. Consumers, whether students or adults, can benefit from knowledge which will help them understand today's bewildering marketplace. Also, consumer studies will satisfy the special interests of some students and can be used as optional study to help individualize their senior high program.

COURSE OBJECTIVES

The general aim of Consumer Studies 1202 is to help students become rational and effective consumers, conscious of the effects of personal attitudes and behaviour upon others and upon society as a whole.

To realize this aim, the course will help students acquire knowledge of consumer affairs, clarify and develop attitudes and values related to consumer affairs, and practice the critical thinking, research, and related skills necessary for competence in the marketplace.

Knowledge Objectives

The student should:

1. understand the difference between needs and wants, and how people satisfy both through the market economy
2. know the general features of a market economy, including the role of consumer, business, and government
3. investigate produce spending practices for food, clothing, shelter, transportation, health care, and recreation
4. know ways to manage personal resources through budgeting, saving, credit, insurance, and investing
5. know of standards of quality, sources of product information, laws, and agencies that protect consumers
6. understand the rights and responsibilities of consumers
7. understand the rights and responsibilities of business organizations
8. understand how individual and corporate citizens are interdependent
9. know some of the unique problems and issues of the Newfoundland and Labrador marketing system.

Values Objectives

The student should:

1. appreciate the importance of honesty, fairness, and dependability in consumer and business affairs
2. value good information and the role of critical thinking in consumer and business affairs
3. appreciate the regulations and policy in the marketplace show respect for the worth, dignity, and welfare of others in the marketplace
4. appreciate the consumer's responsibility to act, either alone or with others, to improve what is wrong, whether a lack of courtesy, poor quality, or outright fraud.

Skills Objectives

The student should be able to:

1. exercise reason and critical thinking in making consumer decisions
2. locate, gather, and compile information relevant to consumer affairs through listening, reading, viewing, interviewing, and research
3. interpret information and research data and relate them to consumer problems and decisions
4. translate the technical jargon used by manufacturers, retailers, and advertisers
5. use various group learning and decision-making processes such as small discussion groups, debates, simulations, and role-playing
6. make wise decision in the purchase of food, clothing, shelter, transportation, health care, entertainment, credit, insurance, and investments
7. manage personal resources through budgeting, saving, using credit, buying insurance, investing, tax planning, and providing financial security for the future.
8. exercise consumer rights through the use of the law and various consumer agencies
9. recognize, analyze, and take a position on issues significant to consumers.

COURSE CONTENT

UNIT I: The Consumer as a Decision-Maker

- (a) Needs and wants
- (b) Values and goals
- (c) Standard of living
- (d) Characteristics of our modified free enterprise economy

UNIT II: The Consumer and the Business World

- (a) The role of business in need-satisfaction
- (b) Marketing
- (c) Advertising
- (d) Role of government
- (e) Characteristics of:
 - (i) Individual ownership
 - (ii) Partnership
 - (iii) Corporation
 - (iv) Cooperative

UNIT III: Management of Personal Resources

- (a) Budgeting
 - (i) Why budget?
 - (ii) Developing a personal budget: estimating income, determining expenses, setting up the budget
 - (iii) Calculating taxes
 - (iv) Paying your bills
- (b) Savings and Investment
 - (i) Why save?
 - (ii) Types of investment: certificates, bonds, investment certificates, stocks, life insurance, RRSPs, term deposits
 - (iii) Sources of investment and risks involved
- (c) Financial Institutions
 - (i) Certified banks
 - (ii) Trust companies
 - (iii) Credit unions
 - (iv) Finance companies
 - (v) Stockbrokers
 - (vi) Investment companies
- (d) Credit
 - (i) Sources of credit: chartered banks, credit unions, finance companies, pawnbrokers, loan sharks, trust companies, stockbrokers, insurance companies
 - (ii) Types of consumer credit: service credit, regular charge account,

- revolving charge account, installment credit, cash loan credit
- (iii) Establishing and maintaining credit
- (iv) Cost of credit
- (v) The pros and cons of credit

UNIT IV: Effective Consumer Purchasing

- (a) Foods and Clothing
 - (i) Nutritional needs to be considered in purchasing food
 - (ii) Grades and standards
 - (iii) Factors that influence the selection of clothing: quality, comfort, style
- (b) Housing and Furnishings
 - (i) Types of houses
 - (ii) Personal needs to be considered in purchasing housing
 - (iii) Renting and buying
 - (iv) Legal aspects of home ownership
 - (v) Choosing furniture and appliances
- (c) Transportation
 - (i) Private and public transportation
 - (ii) Other forms of transportation
 - (iii) Used versus new car purchasing: warranties, sales contracts, comparative shopping
 - (iv) Leasing versus purchasing
- (d) Insurance
 - (i) Types of insurance: automobile, life, home
 - (ii) Cost of insurance
 - (iii) Group insurance plan
- (e) Other
 - (i) Health
 - (ii) Recreation

UNIT V: Consumer Protection

- (a) Federation Government Departments and Agencies
 - (i) Agriculture Canada
 - (ii) Consumer and Corporate Affairs Canada
 - (iii) Federal Business Development Bank
 - (iv) Health and Welfare Canada
 - (v) Department of Industry, Science, and Technology Canada
- (b) Provincial Government Departments and Agencies
 - (i) Consumer Affairs and Communications
 - (ii) Department of Development and Tourism
 - (iii) Newfoundland and Labrador Development Corporation Limited
 - (iv) Ombudsman
- (c) Private Consumer Protection Agencies

- (i) Better Business Bureau
 - (ii) Trade association
 - (iii) Credit counselling organizations
 - (iv) Community service agencies
 - (v) Automotive Protection Association
 - (vi) Canada Standards Association
 - (vii) Consumer Association of Canada
- (d) Self-Protection
- (i) Why consumer should complain
 - (ii) How to complain
 - (iii) Where to complain
 - (iv) Spreading the word about good business practices

UNIT VI: Business as a Corporate Citizen

- (a) Contributions to the Local Area
 - (i) Taxes
 - (ii) Sponsorships
 - (iii) Gifts
- (b) How Business Has Affected the Economy of Newfoundland
- (c) Factors That Affect the Newfoundland Pricing System

Consumer Studies 1202 is an elective course, suitable for students of different levels of academic ability, provided the teaching methodology is varied accordingly. It is a two-credit course, i.e., designed for 110-120 instructional hours. **Students are required to cover topics one to five and topic six is optional.** The prescribed textbook differs at times in its treatment of certain topics. Therefore, it will be necessary for the teacher to supplement the text by drawing on other resources available in the school, the community, and from various provincial and national agencies.

In planning a student's senior high program of studies, care should be taken to elect Consumer Studies 1202 depending on the other courses chosen. If, for example, one's program does not include economics, business education, or family studies courses, then Consumer Studies 1202 would be a good choice. If some, or all of these are planned for, however, it may be wise to choose another elective.

COURSE MATERIALS

Authorized Resources

Kwekkeboom, John. *Business Today*. Toronto: McGraw-Hill Ryerson, 1987.

_____. Teacher's resource book for *Business Today*. Toronto: McGraw-Hill Ryerson, 1987.

Resources

American Council on Consumer Interest
162 Stanley Hall
University of Missouri
Columbia, MO
62511

Associated Credit Bureau of Canada
260 Merton Street
Toronto, ON
M4S 1E4

Automobile Protection Association
Box 117, Station E
292 St. Joseph Boulevard
West Montreal, PQ
H2V 2N7

Bank of Montreal
129 St. James Street West
Montreal, PQ
H2Y 2N7

Better Business Bureau
1 Adelaide Street
St. John's, NF
A1C 4H3

Canada Mortgage and Housing Corporation (CMHC)
120 Torbay Road
St. John's, NF
A1A 2G8

Canadian Direct Mail/Marketing Association
#405, 150 Consumers Road
Willowdale, ON
M2J 1K2

Canadian Foundation for Economic Education
252 Bloor Street West
Toronto, ON
M5S 1V5

Canadian Life Insurance Association
Suite 1400
55 University Avenue
Toronto, ON
M5J 2K7

Canadian Real Estate Association
99 Duncan Mill Road
Don Mills, ON

M3B 1Z2

Canadian Standards Association
178 Rexdale Boulevard
Rexdale, ON
M9W 1R3

Consumer and Corporate Affairs Canada
Suite 202
Cormack Building
2 Steers Cove
St. John's, NF
A1C 6J5

and

Suite 503
Herald Tower
Corner Brook, NF

Consumer Information Centre
(Office of the Ontario Ministry of
Consumer and Commercial Relations)
Main Floor
555 Yonge Street
Toronto, ON
M7A 2H6

Consumer Information Centre
Pueblo, Colorado
81009

Consumer News Incorporated
National Press Building
Washington, DC

Consumer Product Safety Commission
1750 K. Street N.W.
Washington, DC

Consumers Association of Canada
2660 Southvale Crescent
Level 3
Ottawa, ON
K1B 5C4

Co-Op Atlantic
123 Halifax Street
Moncton, NB
E1C 3B3

Department of Justice
Consumer Affairs Division
Confederation Building

P.O. Box 8700
St. John's, NF
A1B 4J6

and

P.O. Box 44
Corner Brook, NF

Household Finance Corporation
55 City Centre Drive
Cooksville, ON

Insurance Bureau of Canada
1505 Barrington Street
Halifax, NF
B3J 3K5

**International Consumer Credit
Association**
243 N. Lindbergh Boulevard
St. Louis, MO
63141

Metric Commission
240 Sparks Street
Ottawa, ON

National Consumer Council
18 Queen Anne's Gate S.W.I.
London, England

**New Home Certification Program of the
Atlantic Provinces**
Kelly's Brook Apartments
St. John's, NF

Newfoundland Co-Op Services
655 Topsail Road
St. John's, NF

Newfoundland Light and Power Company
P.O. Box 8910
St. John's, NF
A1B 3P6

and

P.O. Box 840
Corner Brook, NF
A2H 6H6

**Ontario Association of Credit Counselling
Services**
168 Lakeshore Road East
Box 248
Oakville, ON
L6J 5A2

Toronto Dominion Bank
1719 Bloor Street West
Toronto, ON

Royal Bank of Canada
Royal Bank of Canada Building
1 Place Ville Marie
Montreal, PQ
H3B 3A9

PHILOSOPHY OF INSTRUCTION

The philosophy of instruction and evaluation is given in the *Master Guide for Social Studies, K-XII*. It is sufficient here to summarize its essential features and make some general application to Consumer Studies 1202. Teachers should refer to the *Master Guide* for a more detailed discussion of social studies instruction and evaluation.

The most important process goal of instruction in social studies is "development of the ability to think critically and creatively". This goal cannot be realized if sound knowledge is lacking, or if only one mode of instruction is used. Rather, instruction that fosters thinking is characterized by: exposure to accurate information; variety of methods and techniques of teaching; attention to values and skills as well as the acquisition of knowledge; and a purposefulness made possible by the use of instructional objectives. Furthermore, the teacher must act as a guide to learning rather than the ultimate source of knowledge and wisdom.

This course is ideal for the application of these principles. Questions of value and value conflicts are an essential feature of this information-rich course. Students come face to face with price fixing, false advertising, differences in lifestyle, peer pressure, pollution, and production versus conservation. Differences in opinion, and even controversy, may occur in the classroom, so the importance of critical thinking and related research and group interaction skills is obvious.

In addition, the content is full of learning opportunities involving independent research, investigation, discussion, debate, reporting, interviewing, essay-writing, case studies, role-playing, simulations, and visits to shops, factories, and even boardrooms.

As a result, the **eclectic approach** to instruction emphasizing **variety** in method and as much student involvement as possible is the preferred approach to Consumer Studies 1202.

The academic level of the course can be as rigorous as the teacher desires, bearing in mind the capabilities of the class. The course is of sufficient scope to challenge the brightest students while accommodating those who are academically weak. Enthusiastic teaching, coupled with the appeal of the subject matter, will undoubtedly bear fruit: a wise consumer, a better citizen, and a student interested in further study in this and related fields.

Three methods of teaching this course are described below. They are selected for their emphasis on student involvement. They may be used separately, or may be combined. They are given here only as suggestions, **not** prescriptions.

Inquiry

The inquiry approach means the teacher asks appropriate questions to stimulate interest, provide clues, and guide discussion. Inquiry is a basic approach to problem-solving in the marketplace. The marketplace becomes a workshop as students get involved in collecting, classifying, and analyzing primary data.

Student activities generated through the inquiry approach might range from classroom work to direct involvement in the community. Some examples are: television, newspaper, and magazine advertisements; reviewing the sources of credit in the community by having students interview personnel at different banks, credit unions, and finance companies; with parents' cooperation, assigning students to assess and advise the family on purchasing, credit, budgeting, investing, etc.

Simulations and Case Studies

Reality can be introduced into classroom work in various ways. Using actual contract and lease forms, simulations of contractual agreements can be designed for students to work out in the classroom. Role-playing can also add reality to case studies provided by consumer protection agencies and credit counselling groups. Playing the part of a person who is so far in debt that his/her financial affairs are placed in the hands of a court referee will bring home the consequences of credit abuse much more strongly than simply hearing about them. Other insights may be gained by having students assume the role of the debtor, the court referee, a lawyer, or the spouse of the person in debt. Further realism can be achieved by having students analyze printed accounts of real situations.

Value Issue Approach

Every aspect of the marketplace contains human value questions that can provide the basis of an approach at all levels of a program. The value issues discussed should arise out of practical investigations into the marketplace by students.

Mass production, obsolescence, credit as a way of life, and the extent to which the law should protect purchasers, contain value issues. The key approach is to teach students to isolate a basic issue, to separate it into component parts, to obtain information about each component, and through discussion to reach logical, if tentative, conclusions.

In this approach, the role of the teacher is not to provide conclusions, but to act as a fellow inquirer.

EVALUATION

Evaluation is an integral part of instruction. Its main purposes are "improvement of student learning" and "improvement of teaching". It involves collecting evidence and making judgments about how well the prior learning objectives have been achieved.

Evaluation should not occur in the absence of known objectives. It should be a continuous process, and comprehensive enough to consider knowledge, value, and skills, demonstrated in oral and other ways, as well as in writing. To be true to its purpose, evaluation **must** result in remedial help, if the need is shown.

The phases of evaluation are diagnostic, formative, and summative. In each phase, a variety of evaluative methods should be used, including teacher observation, interviews, oral exams, end-of-unit/term tests, and self-evaluation.

Evaluation, a continuous feature of instruction, should feature many different techniques for collecting evidence showing where the student is now, in order to make wise decisions on what is needed to improve performance.