

Private Members' Business

During the last Parliament, three members, including two Conservative members, Don Blenkarn and Louise Feltham and one NDP member, John Rodriguez, tabled private members' bills on credit cards, which shows that the issue is not new to Parliament and that there has been a constant expression of concerns which today has finally found its way to committee through this motion.

I would like to add that not long ago, on March 21, I myself tabled two bills on this subject. I am referring to Bill C-227 and C-228, which deal substantially with the same concerns, in more or less the same terms, as Bill C-233.

I am therefore delighted to express my support this evening for what was said by the hon. member for Simcoe North. It must be recognized that the interest rates charged to consumers using a credit card do not at all reflect the actual cost of credit to these consumers. These consumers are simply being exploited.

To some extent, Bill C-233 differs from the legislation which I tabled in this House, in first reading. For the benefit of the committee which will review this issue, I would like to point out a number of differences and explain why I am inclined to support the changes which I proposed.

The French version of clause 9(1) of Bill C-233 says that interest is calculated on a monthly basis, whereas the English version makes no mention of that. In Bill C-227, which I tabled, clause 5.1(1) specifies that interest shall be calculated monthly.

In Bill C-233, cash advances are excluded from clause 9, whereas Bill C-227 does not exclude such advances.

Clause 10(1) in Bill C-233 excludes—although I do not know if this was intended—those who contravene clause 3. As you know, clause 3 refers to financial institutions which charge or stipulate entry fees, renewal fees, etc., in relation to the use of a credit card. So, those who contravene this provision are not included in the clause on fines. Bill C-228, which I tabled, imposes for fines to any offender, including those who charge or stipulate entry fees or renewal fees.

In Bill C-233, clauses 10(1) (a) and (b) provide for maximum fines of \$75,000 and \$50,000 respectively. In Bill C-228, we

propose the same fines; I guess we consulted with the same researchers. However, unlike Bill C-233, our bill also proposes minimum fines.

The hon. members for Simcoe North and Trois-Rivières both referred to the study on credit cards conducted by the Service d'aide aux consommateurs, and more specifically by Mrs. Madeleine Plamondon, and Messrs. Henri-Paul Labonté and Marc Pépin. I should point out for the benefit of this House and the committee which will look at this issue, that the study was made possible through a grant from the Department of Industry. This not only gives it credibility, since it is already credible considering who conducted it, but also makes it very appropriate since it was financed by public funds.

Already on page 2 of the study, the substance of the message is delivered. The authors say that their conclusions deal with the accountability of credit card issuers and the urgent need for the government to review this issue, which is obviously what we are doing here this evening. I will conclude by saying that there is real support among the public for such a measure. For example, the Borrowers Action Society wrote to me about my bills, but I want to share the benefit with the hon. member for Simcoe North. This organization wrote:

[English]

"We are very pleased to see the initiative you and the BQ are taking in this area and I wish to offer my full support as well as the support of the Borrowers Action Society. We have 7,000 identified supporters from all parts of Canada. If you think we can help in any way, please let us know".

The Acting Speaker (Mrs. Maheu): The time provided for the consideration of Private Members' Business has now expired.

[Translation]

The Acting Speaker (Mrs. Maheu): It being 6.56 p.m. and no member having risen to taken part in the proceedings on the adjournment motion, the House stands adjourned until 2 p.m. tomorrow, pursuant to Standing Order 24(1).

(The House adjourned at 6.55 p.m.)