

Tax Rebate Discounting Act

On clause 17—By-laws.

Mr. Munro (Hamilton East): Mr. Chairman, I have a very short motion just to correct a drafting error. I move:

That Bill C-35, to establish the Canadian Centre for Occupational Health and Safety, be amended in clause 17 by striking out lines 5 and 6 on page 8 and substituting the following:

“board;”

The Chairman: For the purpose of doing things right, the amendment should be moved by someone other than the minister, so shall we assume that all amendments have been moved by the Minister of Veterans Affairs, the bill being in the name of the Minister of Labour?

Some hon. Members: Agreed.

The Chairman: Is it the pleasure of the House to adopt the amendment?

Some hon. Members: Agreed.

Amendment (Mr. Munro, Hamilton East) agreed to.

Clause 17, as amended, agreed to.

Clauses 18 to 24 inclusive agreed to.

Clause 1 agreed to.

Title agreed to.

Bill reported.

Mr. Munro (Hamilton East) moved that the bill be read the third time and do pass.

Motion agreed to and bill read the third time and passed.

[Translation]

Mr. Yvon Pinard (Parliamentary Secretary to President of Privy Council): Mr. Speaker, I have been informed that after consultation there is unanimous consent to dispose very quickly of all stages of Bill C-46, and that instead of being referred to a standing committee of the House it be considered in committee of the whole and passed very quickly on third reading.

[English]

Mr. Deputy Speaker: Is there unanimous consent that we not see the clock, that we proceed to the consideration of Bill C-46 through all stages and that the motion be changed so that the bill can be referred to committee of the whole?

Some hon. Members: Agreed.

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TAX REBATE DISCOUNTING ACT

MEASURE TO CONTROL TAX DISCOUNTERS

Hon. Warren Allmand (Minister of Consumer and Corporate Affairs) moved that Bill C-46, relating to the discounting of overpayments of tax under the Income Tax Act and related

[The Chairman.]

payments, be read the second time and referred to the committee of the whole.

He said: Mr. Speaker, since all parties have agreed to pass this bill quickly this evening, I will not give the usual speech to introduce the bill. I will merely say that the purpose of the bill is to correct the flagrant abuses carried on by certain tax refund discounters, some of whom have taken over 50 per cent of taxpayers' refunds in return for quick cash payments. This distasteful practice has been directed particularly against the poor, the uninformed and the unemployed. The bill required that the discounter pay the taxpayer at least 85 per cent of his refund and that the 15 per cent that would go to the discounter should include all charges and interest.

The bill also obliges the discounter to give the taxpayer a full statement of his tax refund and the amount charged. It also provides for a fine of up to \$25,000 for any discounter who breaks this law. We decided to allow discounting with this limit rather than banning it all together because we feel there is a legitimate place for certain discounting under the limits described and, furthermore, that to ban it all together would only lead to a black market operation.

The purpose of this bill was strongly supported by all provinces at a recent federal-provincial conference, and I understand that it has the support of all parties in the House.

Mr. James A. McGrath (St. John's East): Mr. Speaker, in accordance with the undertaking we made today—and we are anxious to get on with all stages of this bill—we are prepared to proceed. We agree with the minister. We agree with the provinces. We agree with the National Anti-Poverty Organization, the Consumers Association of Canada and all those who have expressed concern about the way these social vultures prey on the poor, the unemployed and those who can least look after themselves in the circumstances in which they find themselves. This practice has no place in contemporary Canadian society, and I believe it is a measure of the concern of this House that we should be dealing with this bill in all its stages at this hour.

I commend this bill to the House. The minister has stated that there is a place for legitimate tax discounting within the regulations prescribed by the bill. What the bill will do, of course, is eliminate the loan sharking and the usury which has been perpetrated against people who have been taken advantage of, especially at this time of year when income tax refunds are pending.

● (2242)

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I should like to ask a question. I assume that some sort of registry of these discounters will be kept because, as my colleague points out, the guy who gives discounts at 50 per cent will not be the same guy who gives discounts at 15 per cent. It will be the person who is in regular business rather than the one who is loan sharking. Obviously some sort of record will have to be kept, and will a licence be given to them? The people who get taken are the guys at the very bottom whose educational