provincial consumer bureau is not encountering any problems. The province of Nova Scotia is now working on regulations, and recommends that the agencies be registered and bonded.

It was noted that a great deal of progress had been made over the past year, and it would appear that the matter will be adequately dealt with by the provinces in the near future. Thus, as of mid-November legislation had been passed and proclaimed in Manitoba, Quebec and Saskatchewan. Ontario, Nova Scotia and Newfoundland passed similar legislation but have not yet proclaimed it. British Columbia, Alberta and Prince Edward Island in statements have indicated that legislation is under active consideration, and only New Brunswick appears not to be contemplating legislation for reasons which I have already mentioned.

I want to refer briefly to the Quebec legislation. The hon. member for St. John's East referred to the legislation passed in Ontario, which I also agree is excellent legislation. In the province of Quebec, provisions respecting a person's right of access to his credit record were incorporated into the Quebec Consumer Protection Act, in sections 43 to 46 thereof, and were proclaimed in force as of July 21, 1971. Section 43 defines as an "information agent" any person "carrying on the business of preparing and distributing to others credit reports respecting character, reputation and solvency of a person." Section 45 provides that any person may, during business hours, see any information gathered, and credit reports in the hands of an information agent, and may make written comments which must be added to his credit record.

He may also, for a fee determined by regulation to be a flat 50 cents, plus an additional 50 cents per page, obtain a copy of his credit record. The information agent is not bound to disclose to anyone the source of his information about him, unless the source appears in the credit record.

A report by Mr. F. J. E. Jordan, who is special assistant to the Deputy Attorney General of Canada, entitled "Privacy, Computer Data Banks, Communications and the Constitution" was addressed primarily to the question of a person's right to privacy as affected by such technological developments as the computer, but many of his findings would be applicable to the specific question of an individual's credit rating, whether or not such a rating was stored or disseminated in computerized form.

Concerning institutions specifically named by the BNA Act as being subject to federal jurisdiction, Mr. Jordan discusses the banks, and the business of banking as an example of a subject area coming under parliament's full jurisdiction. Adapting his analysis to the question of the privacy of credit rating, it could be argued that the Bank Act could be amended to set out the conditions under which banks could supply information about their customers' credit standing to such agencies as credit bureaux. Mr. Jordan finds it not unreasonable to suggest that parliament could go beyond applying its jurisdiction over statistics to the statistics collecting activities of the federal government, and extend it to "similar activities by other persons." Applying this idea to the credit rating area the argument could be developed that, to the extent that information about the credit rating of individuals takes on numerical or statistical form, the treatment of such ratings might be brought under the control of parliament.

[Mr. Herbert.]

● (1730)

Mr. Jordan also examines the celebrated peace, order and good government clause of the constitution. He comments that the operation of a nationwide computer data banking system might become a subject of national interest concerning the body politic, and this might suggest that such a data bank ought to come under the peace, order and good government provisions.

Mr. Jordan discusses the possibility of using the federal government's jurisdiction over matters of criminal law as a means of achieving some control over the gathering and dissemination of information via computer banks. He observes that certain activities on the part of data bank operators could be prohibited under the criminal law. Mr. Jordan also observes that the criminal law is in essence prohibitory rather than regulatory and this would, he implies, limit its utility in controlling the activities of data bank operators. It would appear to be questionable also, for similar reasons, whether the criminal law power could be successfully invoked to control the activities of credit raters.

Mr. Jordan discusses certain other constitutional powers of the federal government which could, by some arguments, be invoked to support federal control over data banks. These include jurisdiction over copyrights, jurisdiction over trade and commerce, the federal right to incorporate companies with other than provincial objects, parliament's right to bring within its jurisdiction such works as it declares to be "for the general advantage of Canada or for the advantage of two or more of the provinces" even though such works may be wholly situated within one province, and parliament's jurisdiction over "local works and undertakings" that are "connecting the province with any other or others of the provinces, or extending beyond the limits of the province."

These constitutional heads have somewhat less interest, in a discussion of credit rating agencies and their control, than they might have in a discussion of computerized information systems, whether or not run by credit raters. It might be noted, however, that if credit raters in Canada computerize their operations extensively, and if such operations develop interprovincial and even international aspects, as could happen if the credit ratings of Canadians were stored in computers beyond the borders of the country, parliament's jurisdiction over local works and undertakings extending beyond the limits of the province might assume considerable significance.

I also want to make some comments about a bill passed by the Senate of the United States, called the Truth in Lending Act. I would mention some rather interesting points about that act which might be borne in mind when any legislation in this field is being drawn up in the future. Under that act, merchants would have to mail bills at least 14 days before payment is due; otherwise, they would be barred from charging interest on revolving credit. If a customer's payment on a revolving account is received before it is due, a finance charge is prohibited. Further, discrimination against credit applicants on the basis of sex or marriage status would become unlawful.