● (1742)

Although it is allowed to lend 100 per cent with a profit of 84 per cent on the original amount, it is not in fact a profit of 84 per cent on the amount itself but an interest profit on the 84 per cent which it never had in its coffers in the first place. But nevertheless, to revalorize the money before its customers, it says: Sir, your line of credit has been cut down to so much. So the small businessman who is so unhappy, as the hon. member put it earlier, is more or less stuck because of the action of the bank.

But I would like to return to the point made earlier by the hon. member for Middlesex-London-Lambton that the bill should provide for the imprisonment of recedivists. If such a person comes back with NSF cheques drawn against the same bank he should be sentenced to jail. But what about cheques issued last year to a Canadian milk producer? That cheque was for $3,000 or $3,500 because that milk producer had exceeded his quota and he had $214 or $241 left on his cheque. That person has some obligations with his bank and his creditors. Cheques were returned NSF because there were no funds although he had produced.

I would like to point out to the hon. member for Middlesex-London-Lambton that we should ... I agree with the hon. member for Broadview (Mr. Gilbert) in saying that this Bill C-215 should certainly be allowed to go through the various stages but that one should start by finding out where the evil lies, not in the mind of the hon. member, but in the initial thinking of those who care for the well-being of our economy. As to NSF cheques I think they are seldom passed in bad faith and only a few crooks make money by writing cheques without sufficient funds.

They just switch banks, those few crooks, but they only represent a small minority. If tomorrow we were to jail all those people who are of good faith, I am referring to the poor, because the cheques of the rich fellow never bounce, we would not have enough space in our jails. Furthermore, we would thereby punish those who are not responsible at all for the existing system. Mr. Speaker, when talking about Bill C-215, I think we should also mention deceitful advertising aimed at consumers.

Mr. Lambert (Bellechasse): Newspapers are filled with such advertising!

Mr. Beaudoin: Throughout the evening, every five, ten or 15 minutes we see advertisements being broadcast on television. Buy this today, pay tomorrow. Why so? To allow those who are filthy rich to take advantage of the poor and spoil them. This bill or a related bill should deal with that and condemn these companies which are dishonest and connive with those who lend money at rates of 9, 10, 12, 13, 14, 15 and up to 27 per cent and act in such a manner that the decent fellow, the little working man becomes insolvent and is driven to writing NSF cheques.

Once again, in ending my remarks, I would express the hope that Bill C-215 not be talked out but that it be referred to the Standing Committee for Justice and Legal Affairs and I hope that we will then start explaining these bills in a positive manner, in a broad sense, without any intention to punish the little fellow because it is the system which has failed, not him! We should start addressing ourselves to the system itself and give the individual a fighting chance because he has become insolvent on account of the very fundamental dishonesty of the system itself.

[*English*]

Mr. Peter Stollery (Spadina): Mr. Speaker, I want to say a few words about Bill C-215. I will be brief as there are other members who also want to speak before we adjourn for the dinner hour.

I congratulate the sponsor of the bill. The matter of NSF cheques and what happens to them should be straightened out. If a person in Canada writes an NSF cheque while thinking that he has enough money in the bank to cover it, that is not false pretences.

The situation which we now have does not satisfy anybody. If by accident you write an NSF cheque, thinking you have enough money in the bank, you can still be taken to court where you must prove that you thought you had the money. Although you actually thought you had the money, you could be found guilty of an offence. There is also the situation of someone practising fraud who gets away with that. This is not satisfactory from anyone's point of view.

The hon. member for Broadview (Mr. Gilbert) has asked that this bill go to committee where it can be studied in order to find a satisfactory way of handling instances such as this. Such a situation has happened with me and, I am sure, many other members of this House. I have written a cheque without having enough money in the bank. When that happens you wind up with an extra charge of $2.50—and I hope someone says something about that—or you have the embarrassing situation where your cheque is returned and it looks as though you are trying to pull a fast one.

I wish to deal with another point raised by the hon. member for Broadview. What is a merchant in Canada to do? I have had the experience of running a cash register in a busy store during the Christmas season. I have okayed hundreds, if not thousands, of cheques. You are reduced to sitting there, looking the person over and hoping you are making the right decision. When okaying cheques, you calculate that a certain percentage will be bad cheques. In my experience, I cannot remember once trying to get the money for a bad cheque. If the person does it on purpose, there is nothing you can do. If it is by accident, normally they will pay the money without too much of a follow-up.

The present situation is most unsatisfactory. The only ones who benefit are the banks with their excessive charge of $2.50. If someone writes an NSF cheque for $2.50 and the bank charges an extra $2.50 as a result, that person ends up paying 100 per cent interest. Even a loan shark would feel pretty happy about that sort of situation. Therefore, this is something which must be changed.