

Bills of Exchange Act

a large extent on action being taken by the provinces to bring in complementary legislation to deal with their area of jurisdiction. Under the constitutional provision concerning property and civil rights, they would have the jurisdiction over sales contracts and so on. This points up what we believe to be one of the major weaknesses of the minister's department, namely, the areas of constitutional conflict. In order for the minister to be totally effective in the area of consumer protection, it would be necessary for him to have powers that one could only have in a unitary state. But we do not live in a unitary state. Under our federal system and under our constitution, our provinces also have rights and responsibilities.

This amendment certainly is not something new; it has been talked about at least since 1963 and has been considered at least since 1967 when the joint committee made its report. We are wondering if the Minister would take some initiative to get agreement from the provinces to bring in the necessary complementary legislation to make the amendments to this particular federal statute, the Bills of Exchange Act, totally effective. For example, we would have expected that the minister would come to the House, during the course of the second reading of this bill, and tell us that he had obtained agreement from the provinces or, at the very least, that he had had consultations with the provincial governments and could tell us what hope there would be for obtaining some type of agreement with the provinces to bring in the necessary provincial legislation. But apparently that is not the case because the minister made no reference to it.

Mr. Basford: I did so.

Mr. McGrath: But the minister did not indicate that agreement had been reached. He merely expressed what I would call a pious hope that once the amendments before the House were passed the provinces would act. I do not think that is good enough.

One other thing about the legislation that disturbs us is the fact that before the amendments can go into force they would first of all have to be proclaimed in the *Canada Gazette*, and there is no indication when the proclamation will take place. We feel the House is entitled to know when the legislation is to be effective. For example, the Bankruptcy Act, for which the minister is responsible, contains a provision similar in nature to the amendment to the Bills of Exchange Act we are now considering. The Bankruptcy Act

[Mr. McGrath.]

Amendment was passed in 1966 and is in the Statutes of Canada, 1966-67, chapter 32. Section 22 was amended, and it was a very important amendment. It provided for the orderly repayment of debts and made provision to protect consumers from the hazards of bankruptcy and all that go with it.

My point in bringing this out is the fact that this legislation has not been proclaimed to date.

Mr. Basford: It has.

Mr. McGrath: I was under the impression that it had not, but the minister corrects me. However, certainly the necessary concomitant proclamations have not taken place in the provinces.

Mr. Basford: I value the hon. member's comments very highly, and if I might just explain the situation with his permission, I believe his intervention will be even more valuable. Part X of the Bankruptcy Act is only proclaimed in those provinces which request it. It has been proclaimed in Manitoba, Saskatchewan, Alberta and Nova Scotia. The other provinces have not requested its proclamation.

● (2:10 p.m.)

Mr. McGrath: Mr. Speaker, I am glad the minister has set the record straight because he has bolstered my argument which questions the effectiveness of the legislation before us. The amendments to the Bankruptcy Act, passed by Parliament in 1966 and now included in the statute books, are only effective in four of the ten provinces. That means that Canadians in the other six provinces do not enjoy the protection Parliament meant all Canadians to have when it passed this particular amendment to the Bankruptcy Act providing for the orderly repayment of debts in the case of people who find themselves facing the rather unpleasant consequences of bankruptcy.

The same argument could be applied with the same force to this legislation, because the act will not come into effect until it is proclaimed. In addition, there is a jurisdictional problem. For this legislation to be totally effective, and we want it to be because everyone in this house is interested in protecting the rights of consumers, especially those consumers in the lower income brackets who are usually preyed upon by those unscrupulous operators, complementary legislation must be introduced by the provinces; otherwise,