

Consumer Credit Control

In addition, Mr. Speaker, our society is perhaps losing its sense of restraint and discipline. People do not seem willing to save for something; the attitude is, "I must have this new car now", or whatever one is thinking of purchasing. People are not willing to save for perhaps a year and say to themselves, "If I save for a year I can make a bigger down payment and save money on interest". No, they have to have it, and have it now.

It is understandable but slightly regrettable that people in this position leave themselves open to abuses on the part of finance companies and other lending institutions. The best way to describe the situation in which they are placed is, I suppose, to say they leave themselves open to these vultures to pick at the marginal ends of our society, financially speaking, and those people who do not have sufficient education or perhaps have never bothered to look at the situation too closely. They are the ones who pay.

Therefore it seems to me that sending this bill to the committee on consumer credit would provide an extremely good forum in which to deal with this question, wherein we could discuss the question of educating society with regard to the advantages and disadvantages of the indiscriminate use of credit. Many members of this house have had an opportunity to use credit. Some of them may even find they have been driven by necessity to use it. I am one of the latter, Mr. Speaker, and from my point of view it is no great pleasure to face a cold-hearted bank manager or finance company manager and ask for a loan. Once they agree to give you a loan you are put through the wringer very quickly. You come out of the office in perhaps five or ten minutes having signed a document which contains a lot of fine print and you do not know what you have got into. Perhaps we should pass a regulation to provide that the fine print that is used in these documents should be much larger, in order that people may read it without having to carry a magnifying glass. This is one of the great complaints against the legal profession—the fact that they allow these documents to be printed with such fine print that people cannot read and understand them properly.

An hon. Member: Shame.

Mr. Reid: My hon friend says, "Shame". I think one of the great disadvantages of speaking in this house is that there are perhaps too many lawyers who are notable for the ability they have to diffuse things.

[Mr. Reid.]

Some hon. Members: Hear, hear.

Mr. Reid: One would expect, Mr. Speaker, that after the training they receive they would be able to shed light, but instead my experience in the house has been that they diffuse and confuse things. They are masters of confusion. Legal contracts, also, particularly those dealing with loans, are matters of great confusion.

I do not wish to take up the time of the house any further. I have said what I wished to say on this matter, Mr. Speaker, and I know my hon. friend from Lotbinière (Mr. Choquette) would like to say a few words on this subject. Therefore I give the hon. member the floor.

• (5:30 p.m.)

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I simply wish to say to the house and particularly to the hon. member for Danforth (Mr. Scott) that we in this party support the position and opinion expressed by the hon. member who suggested that this bill, together with a number of others that are on the order paper, be sent to the special committee on consumer credit where all of them could be studied in the detail they deserve. Then, the committee could report back to this house and we might get into one bill the kind of legislation we think is proper to deal with the abuses that have crept into the consumer finance business, or what might be more properly called the consumer finance racket in Canada.

I was very interested in some of the comments of the hon. member for Kenora-Rainy River (Mr. Reid) about his study of this problem of people getting into difficulties with credit. I believe it is a very sad commentary on our financial system in Canada when we find thousands or even millions of Canadians who have to mortgage their future to pay for the things that we as a nation have produced. I wonder if the hon. member for Kenora-Rainy River felt perhaps that there was something wrong with our financial system when it resulted, as I said, in hundreds of thousands of Canadians being in this situation in order to buy the goods and services that we, as Canadians, have already produced. They have mortgaged their future income for years in order to pay for them.

Surely, if there is not something wrong with the whole of our financial and monetary system we should not be in this unfortunate position. However, the hon. member admits his studies have indicated to him that most of