

*Bills of Exchange Act*

**Mr. Pepin:** They are selling very well.

**Mr. McGrath:** Another recommendation which the Minister of Consumer and Corporate Affairs may rediscover one of these days deals with another injustice which the minister knows about, and upon which the committee heard evidence. It concerns the provision of low interest loans to families on low income, and it might be worth while to quote this particular recommendation. It is recommendation No. 3 and appears at page 4 of the report:

In order to prevent low-income families from becoming mired in debts from which they can never hope to extricate themselves, we recommend that the federal government make available, through the regular banking system, guaranteed consumer loans under specified conditions to all with annual family incomes of \$4,000 or less. The loans would be repayable over an extended period, and would bear a low rate of interest. They would be made only for provident and productive purposes related to the preservation of home and family. The maximum size of such a loan would be \$1,500.

That is a very good recommendation. We are wondering when the minister will get around to convincing his cabinet colleagues to implement it.

The recommendation on which the amendment before us is based, is No. 6. But, Mr. Speaker, there is another recommendation which I think the House would be interested in noting. It is one dealing with the practice known as captive sales financing, and I think the record should show what the committee recommended in this regard. It is recommendation No. 5, and I quote:

We are concerned about the practice known as "captive sales financing," which is common in the merchandising of consumer durable goods, particularly in the sale of motor cars. Parliament has expressed, in the Combines Investigation Act, its desire to encourage the regulation of industry by free competition. However, the act does not at present apply generally in respect of service industries. The committee recommends that the scope of the legislation be enlarged, so as to ensure that such free competition will obtain, at least in the sales finance industry, by providing for the regulation of the so-called "captive sales financing"; that is, of the operations in that field of manufacturers, distributors, dealers and others not principally engaged in sales finance.

That is an excellent recommendation. I am sure the minister is prepared to endorse it today, and hopefully he will tell us why the government has not seen fit to carry it out, because abuses across the country are prevalent. As a consumer, why should I be obliged, because I buy a car from a dealer of one of the big three, to go to a finance company owned by the same automobile company?

**Mr. Basford:** You should not.

**Mr. McGrath:** Of course, I should not be, but why does the minister not bring in legislation to do something about it? Why shouldn't I, as a consumer, have the right to go and make the best financing deal I can make?

**Mr. Basford:** You should.

**Mr. McGrath:** Such a provision would not weaken the sales finance industry; it would strengthen it. The sales finance industry, if it continues with this particular type of abuse against the rights of consumers, should be regulated according to the provisions of recommendation No. 5.

There are other recommendations in this report to which I would like to refer. Again, I would recommend that members of the House read this very interesting bible, this very interesting document, which in many ways could be called the bill of rights of the consumers of this country. If one reads it one suddenly realizes that the interests of the minister, when he was chairman of the committee, were totally different from the interests he now displays as a minister of the Crown. May I call it one o'clock, Mr. Speaker.

**Mr. Lundrigan:** On a question of privilege before the House adjourns, Mr. Speaker. I did not want to do this formally during the last hour, but now I want to draw Your Honour's attention to a situation which shows the very serious direction in which this House is heading. I did not draw attention to it earlier in order that the House might not rise in the middle of this important debate, but I wish to point out that there have been as few as nine members present in the chamber during the last hour, and most of that time there were only 12 members present—

**Mr. Deputy Speaker:** Order. I would point out that this is not a question of privilege. At any time during our proceedings the hon. member was at liberty to draw my attention to the lack of a quorum of the House. It being one o'clock, I do now leave the Chair until two o'clock p.m.

At one o'clock the House took recess.

**AFTER RECESS**

The House resumed at 2 p.m.

**Mr. McGrath:** The minister made reference during his speech to the fact that the effectiveness of this legislation would be dependent to