

Government Orders

"459.(1) A bank must use plain language in all contracts related to financial services, applications for financial services and related documents which it provides to its customers who are natural persons.

That is plain, is it not? Let us go on to the next one.

(3) Subsection (1) does not apply to contracts, applications for financial services and related documents where the price of the financial service or the total liability assumed or to be assumed by the customer exceeds two hundred and fifty thousand dollars.

That is plain too. We could go on. How plain do you want to get? The fact of the matter is that is not very plain to someone who has not got a university education. That is unfortunate, but a lot of the things that we do in law are not as plain as they might be. Perhaps we should be the people showing the example of how to write plain language amendments. Perhaps if the member for Malpeque could write these amendments in plain language she would be able to show to the House the kind of thing that she would expect the banks to have.

Maybe and maybe not because the fact is that the contracts and rules and paperwork are done as simply as they can be done. No one takes great pleasure in convoluted language, least of all the people who write it because convoluted language is interpreted in law against the person who wrote the contract and if it is too convoluted they wind up losing their case.

The fact is they have to supply language that is interpretable and language that fulfils legal requirements and so we wind up with some things that we find pretty confusing and pretty complicated.

Unfortunately in many senses we live in a complicated society. While a number of institutions are attempting to draw their paperwork in a much more easily readable fashion, it is not always easy to do that. For the life of me I do not know how we would ever really set out a judgment system to determine whether something was written plain enough.

I suppose anyone who had a problem with a bank would go to court and say: "Well the documents are not plain enough", and then we would develop a whole host of further court precedents as to what is plain enough.

• (1630)

I think that is not going to be possible. I suggest that we leave the matter to the business community in order to be a little more plain. It ought to accept the urging from the member for Malpeque, my urging and the urging of the whole House that we wish contracts were

easier to read than some of them are. We would encourage people to write their contracts and documents in plain language.

Otherwise I do not believe we could have an amendment in this bill that would accomplish what we would like it to do in any fashion that would be of any great ease to those who enter contracts.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, we are quite sympathetic to the amendment though some of us wonder if it is something we can legislate *per se* into law.

I do not entirely agree with the member for Mississauga South. I suspect that those who draw up the contracts get perverse pleasure at times out of the special language they have developed.

After all, it goes back to very primitive times. Special languages get developed. For example, one does not get accepted into the priesthood until one has learned how to master the archaic language or forms of worships. By maintaining a very complex language and system upon which the contracts are drawn ensures those who have entered that priesthood, so to speak, will be limited to those who have gone through the necessary hoops and learning processes to understand what the archaic language is all about.

The hon. member from Mississauga was right when he pointed out how difficult the task is in terms of breaking through and getting things back into plain language. He quoted from sections of the amendment. Allow me to participate in that little feast. The second sentence in 459(1) reads:

A bank must use plain language in all contracts related to financial services, applications for financial services and related documents which it provides to its customers who are natural persons.

Persons who read newspapers, magazines and so forth must sit back and wonder what it means by "natural persons". Are there unnatural persons to whom this does not apply? What are these unnatural persons about? I mean, away we go. What is a natural person?

An hon. member: Is it the same as an ordinary Canadian?

Mr. de Jong: It might be the same as an ordinary Canadian as opposed to an unordinary Canadian. Perhaps we might end up with some rules and regulations and some standards with which we can judge if a person