

Interest Rates

the purchase. Let us acknowledge that, whether it is 30 days or 21 days, but let us also see that it is only part of the truth. A customer may pay less if he pays in full in a few months, but if the bill goes on longer than three months, he will find himself paying more than if he used Visa or MasterCard.

Tough on him, you say, that is his fault, he should have paid up. Perhaps that is right, and it is tough, tough, tough on a Toronto man who wrote me and showed me how a debt he had incurred when he was working had doubled in the two years he was unemployed and could not keep up with the credit card charges.

I ask the House to take this seriously, to see this as a human problem, and to recognize that we have an opportunity and an obligation. Let us come back to the point that is so important for us to recognize. If the major store chain of this country can make profits in 1981 with a rate that was 10 per cent above the bank rate, why in August 1988 did they have to levy a charge 19 points above the bank rate in that month? Perhaps part of the answer is given here. I quote from *The Globe and Mail* of May 7, 1988. The news item is headed: "Card operations get the credit at Canadian Tire". It is a report by Karen Howlett.

Profit at Canadian Tire Corp. Ltd. was up a whopping 27 per cent in the first quarter of this year. But most of the gains did not come from selling lawnmowers, hammers and spark plugs—they came from the company's credit card operation.

Over-all, profit has been growing faster than sales at the Toronto based retailer. In its core merchandising division, however, profit gains have lagged behind sales increases.

Further on in the report we read:

For the first time last year, the division passed the \$1 billion mark in credit sales for its own and other credit cards, Mr. Groussman told shareholders. Canadian Tire's total sales, by comparison, were \$2.5 billion.

The credit division recorded a 29 per cent profit gain, far surpassing its revenue increase of 13 per cent.

Is it not clear, Mr. Speaker, that people who are using these charge cards of our major stores are paying more than reason and fairness should allow? Some Members may say that is true but they still do not want to pass a Bill like this. They may argue that in view of past successes by Parliament, the way to deal with this issue is to focus on it the spotlight of a House of Commons debate, such as the debate this afternoon, and committee inquiries such as we have had with some success. That method produced results with credit cards in 1987 and bank service charges in 1988. They were not the great results anyone in the House could have wished but, notwithstanding, they were results.

Why not rely on that method now? The reason, I submit, is simple. The public surely has the right to a guarantee that it will not be gouged. It cannot take that guarantee for granted in this country given the past and current practices of credit issuing institutions. Through the 1980s the bank rate has been up and down and up again and surely will be down again, but the store charge cards seem now written in stone.

Albert Einstein said that everything in this universe is relative, but he forgot about these charge cards. They are absolute. The rate on these cards cannot be changed no matter what else changes in the 20th century? So there is only one absolute left, the rate on these store charge cards, unless Parliament is ready to help the people. I ask in this debate that the House give the consumer a break and pass Bill C-266. Send it to committee. If there is quibbling about some feature of it, let the committee improve it. That is what a committee is for. It could be the Committee of the Whole this afternoon. That would be great. This Bill could be refined, of course. It is a human document, but let us pass it.

The financial institutions will not like it, but the people of Canada will. The retail chains will denounce us, but the people will cheer us. The lobbyists will show fury unbounded, but the people will see that this House of Commons is what its name suggests, it is the House of the people.

Since this just might possibly be the last hour of this Parliament, may I thank you, Mr. Speaker, and all the other speakers, for presiding over our debates with such fairness and grace. I want to say thank you, through you, Mr. Speaker, to all fellow members of this House for the opportunity to live and work with them all. I have enjoyed the company of all Members of all Parties so much, I am going to do my best to get back here.

Some Hon. Members: Hear, hear!

Mr. Les Benjamin (Regina West): Mr. Speaker, I appreciate this opportunity to speak on Bill C-266. I want to begin by congratulating the Hon. Member for Scarborough West (Mr. Stackhouse) for bringing forward a matter about which all of us from all sides of the House feel strongly. As a result of the Member's efforts and the efforts of members of the standing committee, it is obvious that something must be done about the fees and charges and interest rates on credit cards by a variety of interests.

I am sorry that my hon. friend is acquiescent enough to be satisfied that this Bill be referred to a legislative committee. I want to tell him that he would have the support of my Party and it is very possible the support of the Official Opposition for unanimous consent to deal with this Bill in all stages between now and three o'clock.

I want to refer to a story in the Bible, and I do this with some trepidation in light of the past of my good friend from Scarborough West. He knows better than I the story about Jesus driving the money changers out of the temple. That was at least 2,000 years ago and they have been sneaking in the back door ever since. They have done this in a manner which flies in the face of every Christian ethic and principle.

My hon. friend mentioned a person who was unemployed, could not pay his debt and ended up paying double. Those who would make a profit from the misfortunes of others are basically immoral. That kind of immorality flies in the face of principles and ethics not only of the Christian religion but