

Bills of Exchange Act

the proper type of yarn to be used and that in return for the person buying the machine it would guarantee to take all the knitted products. If the person made 10 pairs of socks per week, the company would take that amount or as many as the person made.

• (2:50 p.m.)

The machine salesman immediately went back to Toronto. The finance company was one door down from his office. He transferred the promissory note to the finance company and as soon as the going became hot and heavy he went into bankruptcy. That was the end of that. The bankruptcy helped him in two ways. He did not have to pay the manufacturer for the machines which had been delivered and, secondly, he owned the finance company two doors down from his operation. Both were shysters and both went out of operation in a matter of months. There are names. I investigated them. I know some of the operations which changed hands five or six times without anything happening.

The minister is well aware of the inadequacy of the Bankruptcy Act of Canada. In passing this piece of legislation what we are really doing is stamping on the promissory note something to the effect that if a person buys this promissory note or piece of paper then he has the responsibility of the original contract. In other words, if the car was guaranteed for two months then the person who buys the promissory note will have to carry a guarantee for two months. The responsibility will be carried over. I know it is not quite that simple, but it means that a person can go to court and have redress against the purchaser of the promissory note. Then, there is the case which the minister mentioned this morning of a person buying \$4,500 worth of building supplies, being taken to court and having to pay the \$4,500 even though he did not receive the building supplies. He still has not received them and probably will not. So, this principle is very simple.

The Department of Justice of Canada, like many other departments, has people who get carried away with paper work. We have some of these people even in our parties. However, in the Department of Justice, the intention should be to produce in terms of effectiveness rather than in terms of volume. I notice that this bill is almost twice the size of the bill I produced which originated from an act that was passed in 1884, the original act for the prevention of fraud. The basis of the bill the minister is introducing is exactly the same as my bill with more verbiage.

[Mr. Peters.]

An hon. Member: More input.

Mr. Peters: More input, yes, and not much more output. There is in this bill one particular clause which was not in the bill I introduced because I was interested in the transferring of promissory notes. The minister has introduced a new proposition which I am certainly prepared to support because I believe it is an excellent idea. I did not include it because I did not think of it.

The minister has introduced the additional provision concerning post-dated cheques and the closeness of association there may be between trust companies and others who issue pseudo-cheques and who are involved in the post-dating of cheques. This I believe is valuable because the shysters who are involved in this field will obviously go through this legislation with a fine tooth comb. They will hire the best possible lawyers in this field whose only job will be to find a loophole.

The one point I should like to leave with Members of Parliament who have a direct relationship with their constituents is something with which the officials of the Department of Justice and other departments often are not fully familiar. It seems to me that when a Member of Parliament has a good idea some consideration should be given to that idea. I congratulate the minister for having taken the action he has in this case, but I suggest to him that if he would look at the Order Paper he would find a number of bills containing significant recommendations. I do not believe any private member would disagree with me when I say that the ideas put forward in the form of private members' bills are perhaps in a rough form which could be improved upon, as I believe this piece of legislation has improved upon mine.

The Minister of Consumer and Corporate Affairs has said that he gets some of his ideas from Box 99. Let me tell you, Mr. Speaker that I hope these ideas are better than some of the ideas given to the minister from some of the civil servants. If the minister would deal with his own correspondence he would find that the problem of Mrs. Jones might contain a lot more useful information than the problems he finds in Box 99 to which one of his executive officials gives attention. I hope the government, in adopting this bill which was first introduced seven years ago in the form of private members' bills, will have the minister and some of his executives sit down and look at some of those private members'