

British North America Act itself. On the contrary, both the act and the precedents point unmistakably to the conclusion that any legislation which in pith and substance deals with interest—and this would clearly include the disclosure contemplated by this bill—is valid federal legislation.

Honourable senators, I will not develop this further at this time, since I dealt with the matter at great length in closing the debate last session, and a further opportunity will be afforded me, should it be necessary to take advantage of it, later this session.

Honourable senators, may I also observe that this bill incorporates the "all-inclusive" principle, which is to the effect that such legislation would be abortive unless all charges were included. Not only has this principle been embodied in all the small loans acts of the various States of the Union, but it has been embodied in our own Small Loans Act, which deals with cash loans and has been on our statute books for many years. The definition of "finance charges" in this bill is practically identical with the definition of "cost of a loan" in our Small Loans Act.

I merely add two comments at this stage. The constitutional validity of the Small Loans Act has never been questioned or challenged. Moreover, it has been amply demonstrated that it works; it is in operation daily and no difficulty has been encountered either with the application of the "all-inclusive" principle, or with the requirement that charges for cash loans up to a specified amount are limited percentage-wise.

I invite honourable members to dwell upon what I have just said.

It has also been said that the enactment of this bill would dry up the well-springs of credit. To this I simply say that the passage of the Small Loans Act did not stop the making of cash loans. It simply brought the companies under reasonable control and, as has been indicated, they are growing by leaps and bounds.

Honourable senators, there are some ailments of the body politic which it may not be possible to cure, but which may be ameliorated or controlled. The present bill is of an ameliorating character, and I feel sure that it will have the desired effect upon both the purveyors and the consumers of credit.

What is obviously needed is a consumers' bill of rights on a national scale which is as comprehensive as possible within the limits of federal jurisdiction and, as we have seen,

federal jurisdiction with regard to interest alone would go far to provide a constitutional basis for such a consumers' bill of rights. The consumer has the right to be informed, and this bill will result in his being informed.

Honourable senators, I hope that this bill may shortly be referred to the Banking and Commerce Committee. The life of this Parliament, as I have indicated, may be short, if not sweet, and we ought to try to make as much progress as we possibly can before dissolution is once more upon us. I hope that we shall conclude the debate on second reading as soon as possible and allow this measure to go before the committee where interested persons can be heard. Then in the light of all the facts the decision will be that this is a good bill.

Hon. Gray Turgeon: Honourable senators, I shall not detain the house for more than a minute. I voted against the predecessors of this bill in other sessions, but I have told the sponsor, the Honourable Senator from Toronto-Spadina (Hon. Mr. Croll), that I would vote for his present bill because of certain changes he has made in it. At this time I merely wish to inform the Senate that I intend voting for the bill, despite the fact I voted against the previous bills.

Hon. Malcolm Hollett: Honourable senators, the honourable senator from Toronto-Spadina (Hon. Mr. Croll) has left me convinced that if I did not vote for this bill I would have no regard for the people who sent me here. I have seen a lot of cases, too, whereby people who bought consumer goods on credit have finished up broke, to use the common phrase, in trying to pay off the amount which they borrowed, not knowing at the time of borrowing that they would have to pay so much by way of interest.

The only thing I regret is that the honourable senator has taken too many teeth out of his bill. It now applies only to consumer credit and does not cover other types of loans. I am sorry that this is the situation, but I intend to support it anyway.

In my own province I know much use has been made of credit buying, and the credit financiers seem to be thriving wonderfully well. They are prospering in every sense of the word.

I do not wish to delay the house, but I want to express my opinion that this legislation will not harm anyone; on the contrary, it will do a lot of good for our friends and neighbours, and I certainly will support it.