

Bills of Exchange Act and the Interest Act

companies to use the courts. We should say to them that they cannot use the courts to collect their money but rather they should use promotion. If they promoted the borrowing of that money, they should use the same promotion to get it back, or alternatively, be careful how they lend their money.

I think that consumer credit would still be granted, but this step would save us the fantastic cost with which each province is burdened and would take a lot of pressure off the courts. However, most important, I think that if this industry—which claims to be an industry, but at one time these people were called usurers—wants the goodies at the end it should also have the responsibility to ensure that all their sales and promotion are geared to the ability of the customer to pay. Then, society would not be burdened with the costs of collection.

[Translation]

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, could I direct a question to the hon. member?

Mr. Otto: Yes, Mr. Speaker.

Mr. Beaudoin: Mr. Speaker, the hon. member stated a while ago that the bill was quite sensible and that he regretted having to discuss the matter. Could he tell us why, if the bill is so satisfactory, he does not hasten its passage?

[English]

Mr. Otto: I am all in favour of it. I cut my remarks short, so that the bill could carry now.

[Translation]

Mr. André Fortin (Lotbinière): Mr. Speaker, I have listened with interest to the speeches of my colleagues on Bill C-22 introduced by the hon. member for Winnipeg North (Mr. Orlikow), and upon reading the first paragraph of the explanatory notes, I realized that this bill is not only extremely important, but that it is designed to alleviate the problems facing Canadian consumers today.

Mr. Speaker, when one considers that Canadians as a whole owe more than 10 billion, whether in consumer credit or in loans of all kinds granted to individuals, that is an indication of the frightening indebtedness of Canadians, which the government does nothing at all to curb. That shows also the importance of the matter which interests the hon. member for Winnipeg North, namely the protection of the consumer.

Mr. Speaker, allow me to quote from the bill:

The purpose of this bill is to protect the Canadian consumer when he or she is approached in his home or other "off-store" premises and is pressured into signing a contract for goods, services, or work, labour and materials that are to be paid for by the consumer in future instalments. The principle of the bill is to afford the consumer a period for "sober second thought"—

—before getting involved in those gimmicks which will contribute to ruin him financially.

Mr. Speaker, recently, in Victoriaville, I saw several of my fellow citizens being submitted to pressure from aggressive salesmen who greatly annoyed the people. I even noticed in one case that some salesmen went to the

[Mr. Otto.]

homes of my fellow citizens and told them: We shall get you a product of such quality. Their sales pitch was the most convincing speech.

But, and that is the snag, those salesmen, even though they did not represent a bad company nor did they offer a bad product, claimed that the purchase of the goods could be financed with a loan from the Central Mortgage and Housing Corporation at an interest rate of $4\frac{1}{2}$ or 5 per cent.

Now, when one knows the current interest rate charged by CMHC and other credit sources, this claim becomes really extraordinary and my fellow-citizens, at that moment, have absolutely no way of obtaining information of the transaction.

It is well known that such salesmen say: Do this now, do not miss your chance? And people do not want to miss their chance; they need a certain product and they are swayed by certain arguments. And it is precisely those arguments that make them fall into the trap.

Consumer credit amounts to more than \$10 billion. This is how the individual runs into debt. It shows how important is the suggestion made by the hon. member for Winnipeg North and how the House should readily support this bill.

Mr. Speaker, these pressure salesmen have two advantages: first, professional sales training and then, the ignorance of people on which they rely. Not that people are really ignorant and have no good sense, but they lack objective and full information. These salesmen speculate on the advantage of speed and swiftness and try to corner citizens into a position where they have no other choice but to sign the contract. At that time, it is certainly not a well considered purchase.

This is why, on the whole, this bill aims at automatically affording the consumer a period for "sober second thought" during which he will be able to seek advice from consultants, specialists, friends in order to take the wisest decision.

One cannot assuredly blame the advertisers of these products because sales methods are directed towards the use of pressure. But, when the two contribute to make Canadians run further into debt, in view of the appalling economic conditions that exist at this time, it is all the more important for the Canadian government to protect the consumers.

That is why I readily join with my colleagues in supporting Bill C-22 and I want to congratulate the sponsor of this bill.

In conclusion I simply say that when one sees the way Canadians are running into debt and considers the economic conditions that prevail at this time in Canada, one finds that the government has long been concentrating its efforts on production and protection of producers through fiscal policies and so on. The government protects producers, but does nothing for the consumers. A board for the protection of consumers has been set up, but it is just a joke. Things remained as they were and complaints directed to that board are dealt with ever so slowly. In fact you would have to wait ten years before a complaint is investigated by that board as red tape has the effect of