

*Consumer Credit Control***FINANCE****PROVISION FOR DISCLOSURE AND
RESTRICTION OF INTEREST
IN CONSUMER CREDIT**

Mr. Reid Scott (Danforth) moved the second reading of Bill No. C-4, to provide for the control of consumer credit.

He said: Mr. Speaker, in moving this bill to provide for the control of consumer credit I do not believe it is necessary to speak at any great length upon it. Also, probably there are other hon. members who have a contribution of their own that they want to place on the record.

The purpose of the bill is twofold. Its main purpose is to provide for the disclosure of the actual amount of interest being charged on the sale of real property and personal property. Second, it provides for the restricting of the actual rate of interest which may be charged. The bill also seeks to broaden the definition of what constitutes an agreement, and includes any deed, assignment, mortgage, agreement for sale, conditional sales agreement, chattel mortgage or any instrument or contract whatsoever.

I have introduced a similar bill on various occasions in other parliaments, and of course I claim no originality in this one. If one looks at the order paper it will be seen that there are a great many bills on it covering a similar field, including Bills Nos. C-1, C-17, C-20, C-25, C-30, C-35, C-49 and C-61. All of these bills deal in the general area of consumer credit and are proposed by members in every section of the house, members who represent all of the parties in the house. Therefore it is clear that the whole broad question of consumer credit and its effect upon the public is one of great interest to members in all parties, and is not confined to any one group or any one individual.

I hope, Mr. Speaker, we will be able to have all these bills referred again to the joint committee of the Senate and House of Commons on consumer credit as soon as that committee is reconstituted. This is a committee which was set up several years ago and which has held many sittings, which has reviewed the whole field of consumer credit, which has heard a great many witnesses, which has given very detailed study to the problem and which, upon its reconstitution, would like to meet and later present a report to this house for its consideration. The committee has done a great deal of useful work under the chairmanship of Senator Croll, who has been a pioneer in Canada in this whole

[Mr. Nicholson.]

field of interest control and consumer protection. I note that the notice of motion for the reconstitution of the committee is on the order paper. I would hope it could be reconstituted early next week, perhaps without debate, so that its members could meet and get on with their important work.

At this time I do not want to review all of the background of consumer credit. We have found out that it is not as simple as it looks, that great problems of jurisdiction become involved, that problems of conflict exist between the laws we propose and many of the statutes on our books, so that all in all it is a very comprehensive and difficult subject. I suspect that if we are to achieve any real accomplishment in this field it will require co-operation with the provinces, some of which already have had committees established like ours, and it will require some form of joint legislative action so that the problem of jurisdiction under the B.N.A. Act will not arise.

As I said, Mr. Speaker, I do not think it is necessary to say much on this bill. All of us in the house are well aware that consumer credit is one of the largest businesses in Canada. The total outstanding consumer debt runs into two, three or four billions of dollars. It is a field which has been poorly regulated in that there have been conflicting statutes governing it.

The subject is too technical and difficult to cover in private members' hour. I see the hon. member for Rosedale (Mr. Macdonald) nodding his head in agreement. He served on the joint committee and concurs in the statement I have just made. I conclude by expressing the hope that the special committee which served so well during the past two parliaments may be reconstituted soon so that it may get on with its important work.

Mr. John M. Reid (Kenora-Rainy River): Mr. Speaker, as a new member I regret I have not had an opportunity to read fully the reports of the committee on consumer credit. However, I did have an opportunity to read some of them and I was most impressed with the work that had been done. Like my hon. friend across the aisle, I too hope the committee will be set up quickly in order that it may continue the work it had begun.

When I first started to do a little bit of work on this subject, to find out what was the competence of this parliament in comparison with the competence of the other legislatures, and to discover where the