

Bills of Exchange Act and the Interest Act

have initiated legislation patterned upon the bill originally passed in Great Britain. It is not surprising that provinces have done this because such contracts, about which I have been talking, involve property or civil rights which fall under provincial jurisdiction. These matters also involve the Bills of Exchange Act which is a federal measure.

I propose to deal with the problem under the heading: "provincial legislation", which has been passed and which is excellent, but varies from province to province. A number of provinces such as Manitoba and Ontario have such legislation. Some provinces, such as Quebec, are considering the passage of such legislation. A number of provinces do not have this type of legislation, but even those provinces have passed legislation containing provisions for the protection of consumers.

The amendment which I propose to the Bills of Exchange Act would give the consumer three full days to cancel any bill of exchange or promissory note given as collateral or security. It provides that if the bill or note has not been negotiated meanwhile to an innocent third party, the individual has no further liability.

The bill provides that if a third party has been involved, the responsibility of the person who originally signed the contract is limited. The kind of protection I have been referring to is not at all unusual; in fact it is very common. The *Toronto Telegram* of last week, February 12, in its regular feature called "The Action Line", in which letters are directed to Frank Drea, contained a half dozen examples of the sharp practice to which I am referring. Let me put on record a couple of examples which were printed in the "Action Line" column in the *Toronto Telegram* of February 12, 1971. The first reads:

I need help. For some time now, I have been receiving magazines in the mail when I did not order or pay for them. I have returned them to the sender. In the mail today, I received three magazines.

I also received a notice from Trail Collection Agency saying that it had been retained by Civic Reading Club to collect \$19.70 from me. That notice said previous attempts to notify me that I was a delinquent had been ignored. How can there be an account when I returned the magazines immediately.

I am a pensioner and have neither the means nor the desire for their magazines, (one that was sent was True). Now I have had a phone call and the lady asked for money. I told her I always returned the magazines with a note to say I did not want any more.

Mr. Drea, with the co-operation of the Consumer Protection Bureau of Ontario, had the contract cancelled. Let me read another letter:

My husband signed a piece of paper for seven magazines from Civic Reading Club. I phoned this company as soon as I got home from work. I didn't want these magazines. I told them I wouldn't accept them.

My husband does not read or write. He can write his name on a cheque and a few other things. But he can't read a letter or a contract. I tried to tell them this. In fact, the company provided the down payment of \$5.90.

Now, they expect me to pay \$5.90 a month for the next two years. I don't read these magazines and I hardly get time to read the paper. I refuse to accept these magazines. I have to send back Look, Maclean's, Rod and Gun, Atlantic, Field and Stream, Argosy and one that I can't remember. Please do something.

[Mr. Oriikow.]

• (5:10 p.m.)

Again, "Action Line" went to work with the Consumer Protection Bureau of Ontario and got the contract withdrawn. A look at the list of magazines to which this lady from Oshawa refers is an indication of how ridiculous the whole situation is. Individually, these are good magazines. I submit, however, that very few, if any, people would be interested in reading not just that many magazines but that spectrum of magazines. *Field and Stream* and *Rod and Gun* are magazines for people interested in fishing and hunting. Then, there is *Argosy*. I have not looked at it recently but as I remember it is a man's magazine; it is an adventure type magazine. *Look* magazine is a good magazine composed of articles and photographs. *Maclean's* magazine is a good Canadian magazine and *Atlantic* is a pretty high-class, high-brow, United States magazine. These are all good magazines, but I submit again that there would be very few people who would knowingly buy all these magazines.

What happened was precisely what this woman said in her letter. A very sharp, aggressive, knowledgeable salesman, interested in the very high commission he receives on each sale, made a very hard pitch to an old man who could neither read nor write and could hardly sign his name to a cheque. This man signed a contract in which he agreed to pay \$5.90 a month for two years, making a total of something in the neighbourhood of \$140 a year. I suggest to members of the House that what we have here, to say the least, is a very sharp practice. If it is not illegal under our laws, it certainly is an immoral practice. What I propose in my bill is that we provide, through a federal statute, the same kind of law a number of provinces have so that the consumer will have the type of protection he needs and to which he is entitled. Then, he will not be subjected to the kind of sharp practices which unfortunately are all too prevalent in this country. I do not think any legitimate businessman, retailer or company selling from door to door is involved.

My bill is not intended to be a blanket criticism of door-to-door selling. There is a very legitimate role to be played by business which sell from door-to-door. I have no objection to door-to-door selling. It is not the purpose of my bill to prohibit door-to-door selling or, indeed, to inhibit it where it is done in a legitimate way.

What this bill proposes, and I hope members of the House will support it, is that people who make purchases off premises, in other words people who make purchases not in a store but rather at home, will be given a period of three days in which to think about the purchase they have made and the obligation they have undertaken. In this way, they would have an opportunity to consult members of their family or friends who are more knowledgeable about business matters. Then, if they should feel they really did not wish to make the purchase, the contract could be voided by notifying the selling agency. I believe the fact that a number of provinces have already passed similar legislation is an indication that such legislation is useful in controlling the over exuberant selling which is sometimes practised. I believe this legislation is both worthwhile and necessary, and I hope members of the House will support this bill.