

Mr. MARTIN: In the case of this company, I think you ought to go back to the beginning.

Hon. Mr. STEVENS: I will ask that question.

Mr. VIEN: But is that remark a fair one?

Hon. Mr. STEVENS: What?

Mr. VIEN: That we should not go very far back because of something improper.

Hon. Mr. STEVENS: I never said anything of the kind.

Mr. VIEN: Well—

Hon. Mr. STEVENS: Do not be too sensitive.

Mr. VIEN: I am not sensitive. I am trying to be sensible.

Mr. JACOBS: Are you succeeding? That is the point.

Hon. Mr. STEVENS: I will not pass any judgment on that.

*By Hon. Mr. Stevens:*

Q. When you make a loan, Mr. Reid, or when the Household Finance Corporation under their system make a loan, we will say of \$300 or less, what is the practice? What is the procedure?—A. Well, the procedure is hardly standard, Mr. Stevens, in any two cases. We are dealing with humans.

Q. Yes, that is so.—A. The human equation enters into each particular loan application; an approach to one applicant might be good, yet would be an entirely wrong one with another. I can give you a general idea of our procedure, if that is what you are seeking.

Q. Yes.

Mr. WALKER: Did Mr. Stevens intend to use the name Household, or did you want the witness to confine his answer to the company that he manages?

Hon. Mr. STEVENS: That is a very proper interjection. The company that he manages, of course. The word Household came to my mind simply because we are on that subject of changing the name.

The WITNESS: That is one of the reasons we want our name changed, because it is very often referred to as Household, even by our own employees.

*By Hon. Mr. Stevens:*

Q. Yes. I quite agree that the correction is right. Central Finance Corporation is what I am referring to. When you make a loan of \$300 you have the individual sign a note?—A. Not immediately, no sir. An applicant comes in—perhaps I had better—

Q. Or a series of notes, I should have said.—A. No.

Q. No?—A. Do you want me to tell you the procedure of making these loans?

Q. Surely, that is exactly what I want.—A. That is one of the last things that is done. An applicant comes to our office and makes known the fact that he wants to borrow money. At that time he is not asked to sign anything. He signs nothing until he actually gets his cash. He is asked questions by us at the time as to what he wants the money for. He tells us where he works, what his income is. If he is not in too big a hurry he might stay and tell us how many children he has in his family, whether or not he owns his own house and so on. He gives a complete list of his debts. We want to know that. We want to get the facts. We want to know that the money is going to be used for a sound purpose, that he is a good citizen. We are interested in knowing how long he has been in his present residence and so on; whether or not there is a likelihood of our getting our money back if we put it out, and whether or not that loan is going to be for his own good. At that particular time we might discover that

[Mr. Arthur P. Reid.]