

## AFTERNOON SITTING

March 31, 1937.

The Committee reconvened at 4 p.m. this day and came to order with a quorum at 4.15 o'clock, with Mr. W. H. Moore, the Chairman, presiding and the following members of the Committee present:—

*Messieurs:* Baker, Clark (*York-Sunbury*), Cleaver, Coldwell, Deachman, Donnelly, Edwards, Hill, Howard, Jacobs, Kinley, Landeryou, Leduc, Macdonald (*Brantford City*), Mallette, Martin, Moore, Perley (*Qu'Appelle*), Quelch, Ross (*Middlesex East*), Stevens, Tucker, Vien, Ward, Woodsworth. (25).

*In Attendance:* Mr. G. D. Finlayson, Superintendent of Insurance, Ottawa; Col. A. T. Thompson, K.C., Parliamentary Agent in charge of the Bill before the Committee; Mr. Harold Walker, K.C., Counsel for the Corporation; Mr. Arthur P. Reid, Vice-President and General Manager; Mr. R. W. Harris, Director of Public Relations of the Corporation; and others interested in the matter before the Committee.

Mr. Martin filed with the Committee: *Memorandum* with respect to Senate Bill H, an Act respecting Industrial Loan and Finance Corporation and Central Finance Corporation and to change its name to "Household Finance Corporation" (marked as Exhibit 1). Also: a *booklet* (in print) entitled "The Present and Future of Small Loan Legislation in Canada," by Mr. Lionel A. Forsyth, K.C., of Montreal.

*Clause 3 of Bill 58 (Letter C) before the Committee*

Mr. Arthur P. Reid recalled.

Mr. Martin moved:—

2. That Bill No. 58 (Letter C of the Senate) be amended by striking out Sections 3, 4, 5 and 6 thereof and by substituting the following therefor:—

3. Paragraph (B) of subsection 1, section 5, of the said Act as enacted by section 2 of chapter 94 of the Statutes of 1929 is amended by adding thereto as sub-paragraph (iv) the following:—

(iv) whenever the Company under authority of this Act makes a loan of five hundred dollars or less, sub-paragraphs (i), (ii) and (iii) of this paragraph (b), shall not apply. Instead the Company may, with relation to such loan, make against the borrower an aggregate charge, expressible as a percentage of the principal money loaned, which charge shall be deemed to include all interest on the loan, all charges thereon, or therefor, of every nature and kind, other than interest, all disbursements (except for registration fees as hereunder provided) made in connection with the loan, and all other fees, charges or services whatsoever arising out of or incidental to the loan. Such aggregate charge shall not be wholly or partly deducted in advance, and it shall not exceed two per centum per month, on the amount or balance of principal money remaining owing from month to month, but any money actually disbursed as registration fees, relating to the documents of loan and payable by law may be added to any treated as part of the principal money loaned. Such loans shall not be made for periods in excess of eighteen months, and they may be prepaid at any time by payment of principal, any part of the aggregate charge accrued or owing, and an additional payment of the aggregate charge for one month in lieu of notice. Such additional charge shall not be payable, however, in case of the renewal