(2) the difference between the cash price and the price on the instalment plan,

(3) the rate and the cost of interest.

2. That legislators should declare illegal a provision commonly used in contracts for the sale of cars which has been declared by the courts to be "unfair and abusive" although it is "neither illegal nor contrary to public order." They say that, "Since the debtor remains liable for the final balance even after repossession and repair costs of the car, the charge is often greater than the value of the vehicle. In default of payment, the debtor remains liable for the repairs to be made by the garage, the balance of his account and the contract of the second purchaser." If provisions of this kind were outlawed, car dealers would be obliged to check more carefully the ability of the purchaser to repay the obligations he assumes.

The principal recommendations of the Confederation of National Trade Unions are summarized in their own words as follows:

"1. The appointment of a commission to investigate interest rates, particularly with regard to the influence of such rates with respect to the purchasing power and living standards of the consumers.

2. That, in the interim, the rate of interest be set at a maximum of 9 per cent per annum, on a decreasing basis.

3. That adequate measures be provided to enforce the revelation of interest rates, real cost and administrative costs of loans and credit purchases."

The *Canadian Federation of Agriculture,* "a national general farm organization widely representative of farm people" supports the recommendation of the Royal Commission on Banking and Finance as to the need to continue effective control through the Small Loans Act on interest charged by loan companies. They agree that regulation of interest rates should be extended at least to loans up to $5,000. The Federation questions the direction of policy which would move "away from controls, limitations and guarantees on interest rates."

They are not convinced of the need to raise the $\frac{1}{2}$ per cent provision, since they say the interest rate actually works out as somewhere between 12 and 24 per cent per annum. They note that the three considerations in money lending are:

1. the cost of the money to the loan company,
2. the cost of administration, and
3. the cost of losses for bad debts and collection from poor payers.