

Hon. Mr. STEVENS: Hear, hear.

Mr. McGEER: I do not think parliament ever intended that.

Hon. Mr. STEVENS: Hear, hear.

Mr. McGEER: I think it was never the intention that this company should stretch that right to charge 7 per cent to 14 per cent. The bill never intended to give the privilege to this company, the right to charge for other than actual disbursements on account of bonafide expenses, expenditures that were actually made. For instance, this idea of setting up a right to charge a fee that an individual lawyer may charge for an individual bill when he is drawing a chattel mortgage of this kind. In most of these cases it should not be a charge of more than 25 cents by way of fee at the outside. They charge \$10.00 for this.

Mr. MARTIN: That is not the evidence.

Mr. McGEER: They did charge \$10.00 once and reduced it later on to \$7.00. But this work of preparing these chattel mortgages is the mere work of a clerk and a stenographer. It never was intended that it should go to a legal firm and that they should pay out the legitimate legal fee.

The CHAIRMAN: What is a legitimate legal fee?

Mr. McGEER: In most provinces, I know in my own, we have a fixed scale of charges that are detailed and set out.

The CHAIRMAN: What is that for a chattel mortgage?

Mr. MARTIN: It is \$8.00 I think in Vancouver.

Mr. McGEER: It is \$8.00 in Vancouver.

Mr. MARTIN: Well, this is less.

Mr. McGEER: Nobody challenges this, that no mortgage company in Vancouver of this type or any other type pays anything like that; what they do is employ a lawyer at a rate of \$100.00 or \$125.00 a month and he does that.

Mr. MARTIN: It is routine, in any case.

Mr. McGEER: It is pure routine.

Mr. MARTIN: In any case; in the case of a lawyer as well.

Mr. McGEER: What happens in the case of a lawyer is this, that he gets one case of a mortgage probably in a week or two weeks, and he is a personal guarantor for both the lender and the borrower. The man who pays a lawyer for drawing a document properly gets some measure of security. That is something that should be investigated.

Hon. Mr. DUNNING: Now we are getting somewhere. This is something that needs investigating.

Some Hon. MEMBERS: Hear, hear.

Hon. Mr. DUNNING: The matter of lawyers' fees.

Mr. McGEER: The amount of fees are fixed by the Legal Professions Act and the are taxable before the courts, and anybody that exceeds them can be brought within that; but it is a very different thing, Mr. Dunning, to talk about a lawyer's fee where there is a guarantee—

Hon. Mr. DUNNING: What guarantee?

Mr. McGEER: Of a responsible lawyer—

Hon. Mr. DUNNING: What for?

Mr. McGEER: That the document is properly drawn and that the security provided is properly covered. I mean, men do not go to lawyers simply because they want to pay money.

Mr. VIEN: Would you suggest, Mr. McGeer, that if the court did set aside a document because it was illegally drawn, the lawyer would be responsible in damages?

Mr. McGEER: I am satisfied there is no action—