

friend (Mr. Rosamond) says he is not aware of any other cases in which parties are permitted to take securities without registration, but I think he will find on inquiry that he is mistaken in that. If this amendment should be adopted, the banks would no longer be permitted to make these advances and take security, although every private individual in the province of Ontario would be permitted to do that which he is not willing to permit the bank to do. In the Ontario Mercantile Amendment Act, we have provisions very much the same as in the Bank Act, and it is set forth that any person, (not any bank), but any person may have priority of lien in transactions of this character. I will quote section 11. of chap. 145, of the Revised Statutes of Ontario :

All advances made on the security of any such cove receipt, bill of lading, specification, receipt, acknowledgment or certificate as aforesaid, shall give and be held to give to the person making the advances, a claim for the repayment of such advances on the cereal grains, goods, wares or merchandise therein mentioned, prior to and by preference over the claim of any unpaid vendor, or other creditor, save and except claims for wages of labour performed in making and transporting such timber, boards, deals, staves or other lumber.

My hon. friend will therefore see that this prior lien exists, outside the Banking Act, in the general business of Ontario—

Mr. WALLACE. Have not they to be registered?

The MINISTER OF FINANCE. This Act says nothing of registration required. There is a general Act in Ontario about registration, but I am advised that this is excepted from the general Act and that this lien exists without registration. Gentlemen of the legal profession would be better informed as to that, but as I am instructed we have this system in the province of Ontario to-day. Even if it were not so, the experience, one might say of generations, has shown that this system of giving the banks a lien for advances made under the conditions referred to is a very convenient and necessary feature of our banking system. For a man of limited means who requires to go to the bank for accommodation to enable him to carry on his business, it is very necessary. While I quite understand the object which my hon. friend (Mr. Rosamond) has in view, and while I believe that occasionally instances may arise in which the system may seem to admit of abuse, still I hold that the experience of banking and business conditions has shown the present practice to be wise and useful, and I trust that on reflection my hon. friend will not press for so important a change as is contemplated by his amendment.

Mr. N. CLARKE WALLACE (West York). There is one class of men in this country who will not offer any violent ob-

jection to the Bill as proposed by the Minister of Finance, and that class comprises the bankers themselves. They will hail with delight the provisions of this Bill from start to finish. Indeed it looks to me as if the bankers had drawn up the Bill and placed it in the hands of the Minister of Finance to carry it through the House. I would not say that, because I know that the Minister of Finance has sufficient ability to formulate a Bill himself, but if he did so, I am afraid he has some way got under the control or domination or influence of the bankers of Canada.

Mr. FOSTER. Malign influence.

Mr. WALLACE. Yes, malign influence. The whole Bill is a surrender to the banks. The banks of this country are indispensable to carry on our business, but unfortunately they have too strong a grip upon the members of this House.

Mr. FRASER (Guysborough). Hear hear.

Mr. WALLACE. The hon. member for Hamilton (Mr. Wood) at once records his approval of that.

Mr. WOOD. The member for Hamilton did not say a word.

Mr. WALLACE. The members of the House of Commons are like the rest of the community; they are either borrowers or lenders—most of us are borrowers I am afraid—and we are therefore under the control of the banks. Those who are lenders are owners of bank stocks and they are controlled by the bank too, because they are the bankers. Between the bankers like my hon. friend from Hamilton, and those in the other class, this House of Commons has a pretty hard time in putting through effective bank legislation. We see the result of that in the Bill before the House. Under this Bill the banks are permitted to have rights and privileges with regard to securities which are not accorded to any other individual or corporation. Others, except the banks, have to register their liens so as to warn the public that that property is under lien, in order that people may be cautioned against lending money on the same property. The banks have not to do that, and other parties finding nothing in the registry office against the property go on trusting the owners on the strength of that property.

The MINISTER OF MARINE AND FISHERIES (Sir Louis Davies). What security does the hon. gentleman refer to? Is it the chattel mortgage?

Mr. WALLACE. The chattel mortgage is given by the man who has the property in his possession, but a warehouse receipt is not of that class.

The MINISTER OF MARINE AND FISHERIES. Warehouses receipts are not registered whether the bank takes them or any one else.