

The WITNESS: The fact remains they do, and no one has found a way of stopping them. I can tell you of one case where a charter was given by this parliament identical with ours and where they have never seen fit to take advantage of that charter and apply for a licence to operate under it. For years they have been operating under a provincial charter, and they are still operating and charging higher rates than they could charge if they were operating under this particular charter.

Q. You say there is no control on these companies, surely there must be some?—A. The Senate spent three months last year trying to find some way to curb it and the only decision they could come to was to make provision through some form of legislation. They even went so far as to recommend a higher rate than that which we now charge, even higher than that which we are asking.

*By Mr. Cleaver:*

Q. There is just one question I would like to have answered on the record; I would like to know in actual dollars which this company would charge under the proposed new rate on a typical loan as close to \$100 as you have figures for; what would be the total charge for interest and everything?—A. \$12.68 would be the charge for \$100 for twelve months.

Q. The charge would be \$12.68?—A. Yes.

Mr. LANDERYOU: He says that that would be the charge on \$100 for a period of twelve months.

*By Mr. Cleaver:*

Q. Just one other question; if this proposed new Act had been in force last year what would have been the saving to the borrowers who borrowed from you last year—in dollars?—A. In round figures it would be about \$140,000.

*By Mr. Landeryou:*

Q. When a man borrows a sum of \$100, would he have that amount discounted, or would he receive the full amount?—A. He only pays interest for the time he has the money. If he has the loan for one day he pays interest at the rate of 2 per cent per month.

Q. When a man wants to secure an amount of \$100 on a loan from you can he get that amount, or does he have to borrow more than \$100?—A. Might I qualify that; there is a provision for charging additional one month's bonus.

The CHAIRMAN: Are you ready for the question?

*By Hon. Mr. Stevens:*

Q. I do not like to see that last answer given in the form in which it was. If a man borrows from you the total charge made by your company is—how much did you say?—A. The total amount charged is \$12.68, Mr. Stevens; that is under the new proposed 2 per cent rate.

Q. A year?—A. Yes.

Q. Now then, that is paid back to you at a rate of so much per month; what do you charge?—A. \$2 for the first month. The 2 per cent on \$100. It is not paid back, it is paid to us.

Q. No, no; principal and interest is paid back to you in monthly instalments?—A. Oh, yes, that \$100 is paid back at so much each month plus 2 per cent interest on the balance that he has had the use of. \$100—the first month he pays back  $\frac{1}{12}$  of the \$100, say \$8.33, and then 2 per cent of the balance.

Q. Then, it is not true to say that the total amount that the borrower pays to you is \$12.68?—A. Yes it is, sir.