

Q. On account of the banks being centred or having their headquarters at cities such as Montreal and Toronto, is it easier to secure credit in the central provinces than it is in the East or the West?—A. No legitimate loan properly secured has been refused, from one end of Canada to the other, since I have been a banker.

*By Hon. Mr. Stevens:*

Q. As President of the Bankers' Association, have you any objection to any other body, group of men, syndicate, and so forth, establishing further banks in Canada, under the Bank Act?—A. Not a bit. We would not raise a finger to oppose them.

*By Mr. Woodsworth:*

Q. A business correspondent in Toronto complains that on account of bank directors often being directors of private industrial and commercial concerns, other concerns, rival industrial and commercial concerns, are discriminated against, and he gives his own experience?—A. Well, all he has to do is to walk across the street to another bank. If his business is good, he will be welcome.

Q. You think it does not interfere with business?—A. No. No bank in Canada would dare to discriminate in that way, if they valued an account.

Q. I was sent yesterday, a prospectus, not of a banking scheme, but of an industrial banking arrangement started in the city of Montreal. I believe there are a number in the different cities of the United States. Industrial workers sometimes feel that on account of their low salaries and smaller assets they cannot provide the collateral which is necessary under the present system, but very frequently they have need of credit, to buy a house, or additional furniture for the house, or something of that kind. This plan is to provide in some way for loans running the whole year to be repaid by small instalments. Do you consider there is a range there that is not covered by the banks, but should be so covered?—A. I have had two gentlemen call on me with these proposals and I have advised them both that I thought those schemes would not succeed in Canada for lack of business, because our banking system is a little contrary to that of the United States, where they provide for small loans to small people if worthy. We would do it at a rate of 7 or 8 per cent, and I think the cost of the system was admitted to me by both people to be something over 14.

Q. Not according to the prospectus?—A. Not according to the prospectus. We did figure it out, and you might figure it out when you have time.

The CHAIRMAN: If this is sufficient we will excuse Mr. Phipps. We thank him very much for coming before us to-day.

The Committee adjourned until Wednesday, March 21, 1928.