HON. MR. SCOTT—The trouble is that other savings banks may be established on the same lines.

HON. MR. ABBOTT—We might be more strict in other cases.

The clause was adopted.

On clause 22,—

HON. MR. ABBOTT said: At present the Act prohibits the sale of collateral securities for thirty days after the maturity of the debt, but such securities fluctuate in value, and it is not in the interest of the bank or its depositors that it should be compulsory to hold stocks which may be falling in value for thirty days after the debt becomes due. It is proposed to let the bank make an arrangement with the borrower at the time the loan is made. That arrangement, as we all know, usually consists of a contract note by which it is said that so and so borrows so many dollars, and pledges certain stocks, and the bank is allowed, in case the debt is not paid, to sell the collateral. In order to make clear what the rights of the bank are, and what the rights of the party borrowing are, I propose to add after the word "payable" the following: "or within such shorter delay as shall be fixed between the bank and the borrower at the time the loan is contracted."

HON. MR. POWER—Some provision should be made to prevent the property being sacrificed by reason of too short a notice being given. Under this clause the advertisement might be inserted in a newspaper for only one day.

HON. MR. ABBOTT—It has got to be published in two newspapers, and notified also by letter.

HON. MR. POWER—That might be the morning of the sale.

HON. MR. ABBOTT—If it is a saleable article in a large city, that might be sufficient notice. I have no objection to inserting the word "reasonable," but if we use such a word might it not deter people from purchasing, lest a dispute might arise afterwards as to whether the notice was reasonable or unreasonable?

HON. MR. MURPHY—The interests of the depositors and all concerned would induce them to give proper notice, and reasonable notice might be difficult to define.

HON. MR. ABBOTT—It might be a blot on the title. The clause in its present form is better. I think we should leave it to the discretion of the directors.

HON. MR. SCOTT—You are legislating on the character of the present board.

HON. MR. REESOR—They could have no object in sacrificing the security.

HON. MR. MILLER—My difficulty is this, with regard to the notice: I think there should be notice, because you give the banks power to buy in the property themselves, which is not generally given to creditors who sell equities of redemption.

HON. MR. POWER—There should be some consideration for the borrower. If his secureties are sold without notice he has no time to protect himself, and his property may be sacrificed. You should at least give the borrower two or three days' notice to enable him to look round and see if he cannot meet the claim of the bank.

HON. MR. ABBOTT—If the borrower desires to have any special notice given he can stipulate for it when he borrows the money.

HON. MR. POWER—But where there is no agreement made.

HON. MR. ABBOTT—The practice is to state in the contract note what the desire of the borrower is.

HON. MR. MILLER—It may be said that at the time the debt is entered into there is a fixed period for the payment of it—he has notice from the very start when it is to become due. I would not recommend the insertion of the word "reasonable," because although it was a very good word in the Combines Bill, I do not think it would serve a useful purpose here. It might throw a blot on the title.

HON. MR. SCOTT—The borrower always means to pay on the day when the debt is due, but experience tells us that he does not pay, in a majority of cases, on that day, and the courts have been obliged to inter-