

The CHAIRMAN: Mr. Walker, do you wish to be heard?

Mr. WALKER: I am instructed that the company has no objection to this. They take exactly the same stand as Mr. Finlayson.

Hon. Mr. STEVENS: Mr. Chairman, I think I anticipated in my own mind exactly the answer Mr. Walker would give. Why should they object? There is nothing in it to object to, nothing whatever. Mr. Reid very frankly stated yesterday that the loans advanced by the American company were advanced in cash. That is his declaration on oath, and I accept it without any question. He also stated that the surplus earnings, which are very material, had been carried into reserve, and they are there as reserve. In the ordinary procedure it is quite easy to see what would be done. It is very simple. The company would convert its loan into stock. It could be done by the exchange of cheques, as far as that is concerned, or any other way. It is a very simple procedure. Then, in regard to these reserves the chances are for a very material time the company would maintain the reserve because it shows strength, and all the rest of it, and attracts confidence to the company. It is perfectly legitimate and perfectly all right. But if the company wished to convert its reserve into stock they could do so under this amendment without any difficulty whatever. The Canadian company would simply pay, in the form of dividends or any other way, to the parent company, and deplete its reserves. Naturally, they would not deplete all their reserves. No company operated by gentlemen of common-sense would do that; but they could pay out a portion of their reserves, and then the parent company send a cheque over and get stock for it. So the amendment really is just one of these pleasant little gestures that gives on the face of it a little evidence of interest and care for the poor borrower, but is as meaningless as words written on paper can be.

Mr. BAKER: It is not injurious.

Hon. Mr. STEVENS: No; it is quite innocuous, and it could not be injurious.

The CHAIRMAN: Is there any objection to taking a vote?

Hon. Mr. STEVENS: Yes; I am not through.

Mr. VIEN: I should like to see that provision in the company law.

Hon. Mr. STEVENS: Yes; but I would put teeth in it, and there are no teeth in it, none whatever. I would put some good teeth in it.

Mr. CLEAVER: Suggest what the teeth would be.

Hon. Mr. STEVENS: I am not suggesting, Mr. Cleaver, matters for you to carry out. I am sorry Mr. Kinley left.

Mr. JACOBS: You would not be in favour of putting false teeth in it?

Hon. Mr. STEVENS: No, real teeth. Mr. Chairman, I should like to refer to the comments made by Mr. Kinley—I am sorry that he has left his seat. Mr. Kinley referred to the—

The CHAIRMAN: Mr. Kinley said he would be back in a few minutes.

Hon. Mr. STEVENS: Yes; I cannot wait. He referred to the filibuster that was carried out here against this bill. No one has taken a more effective part in it than I have. I am not objecting to the term "filibuster" if hon. members choose to use it; but I should like to say this: for the last twenty-three years I have been in parliament, and I have consistently taken a position in regard to this clause in connection with money lenders. I presented to parliament in 1914 an amendment to the Money Lenders Act cutting the rate of interest from 12