

some hope that out of the work of such a committee might come something constructive which would appeal to parliament in dealing with this vexed and very difficult question. That is the suggestion I make to the house.

Mr. M. J. COLDWELL (Rosetown-Biggar): Mr. Speaker, I think that possibly the delays in committee last year were largely due to the fact that quite a large group in that committee felt that rates of interest of two or two and a quarter per cent on these small loans were far too high, and we hoped that the government might bring down some general legislation this year dealing completely with this small loan business. If that is the idea I see no reason why the procedure suggested should not be followed, although I dislike the thought of the house accepting the principle of these two bills, because on the second reading we really adopt the principle. But if the understanding clearly is that they will be considered by the committee with a view to general recommendations looking toward general legislation, then, although I was inclined to oppose these bills to-day, I would be prepared to allow them to go to the committee and look forward to the general legislation dealing with these small loan companies.

Mr. DUNNING: If the house will permit me, I omitted to mention one matter of some importance, and that is that a resume of the proceedings of the committee last session has been printed in order that it might be available in the investigation which we hope will take place at this session. I should also say to the hon. member for Rosetown-Biggar (Mr. Coldwell) that the intention of the government in submitting this resolution is to have the kind of examination upon which it is hoped a general policy may be founded.

Mr. PELLETIER: Will the minister state exactly what status the bill will have when it comes through for second reading?

Mr. DUNNING: The same as any other private bill which is referred to committee. It may come back from that committee amended; it may come back without amendment, or it may not come back at all.

Motion agreed to; bill read the second time and referred to the standing committee on banking and commerce.

CENTRAL FINANCE CORPORATION

Mr. PAUL MARTIN (Essex East—for Mr. Macdonald, Brantford City) moved the second reading of Bill No. 8, respecting Central Finance Corporation and to change its name to Household Finance Corporation of Canada.

Motion agreed to; bill read the second time and referred to the standing committee on banking and commerce.

BANKING AND COMMERCE COMMITTEE TO INVESTIGATE QUESTION OF SMALL LOANS AND MAXIMUM INTEREST RATE AND CHARGES

Hon. CHARLES A. DUNNING (Minister of Finance): Subject to the condition mentioned in the discussion of the bills just dealt with, and with the permission of the house, I now move:

That the standing committee on banking and commerce be instructed to inquire into the practices of individuals, partnerships and companies in making small loans on personal security, and to consider the maximum rate of interest and charges which should be permitted for such loans.

Mr. R. L. BAKER (Eglinton): May I ask the Minister of Finance whether, if it be necessary, the committee should introduce some changes in the criminal code, or is there now adequate provision in the code for purposes of enforcement?

Mr. DUNNING: I cannot answer as to the criminal code. I am quite sure that if, as a result of the investigation, anything of that nature is discovered to be practicable from the standpoint of the committee it can be suggested and may be dealt with when the report of the committee comes back to the house.

Mr. BAKER: Suggested by the committee?

Mr. DUNNING: Oh, undoubtedly.

Mr. PAUL MARTIN (Essex East): May I ask the minister, in view of the attitude taken by the committee last year in respect to the desirability of going into this whole matter, whether there is provision now for the calling of witnesses, from afar if need be, to go into the matter thoroughly, or is that a question we shall have to determine in committee when it meets?

Mr. DUNNING: The committee itself, like all standing committees, has power to summon witnesses. As Minister of Finance I have always requested chairmen of committees to report to the house what they are proposing to do along that line in order that there may be some reasonable check on the degree of expense. In the case of this committee, as I am a member I suppose I cannot complain.

Motion agreed to.

[Mr. Dunning.]