

### SMALL LOANS

#### INQUIRY AS TO FURTHER AMENDMENT OF LEGISLATION

On the orders of the day:

**Mr. L. E. Cardiff (Huron):** Mr. Speaker, I should like to direct a question to the Minister of Finance. Has the government given any consideration to further amending the Bank Act to eliminate to some extent the hardship which now exists with respect to the person borrowing under \$200 due to the amendments passed last year?

**Hon. W. E. Harris (Minister of Finance):** Mr. Speaker, I wonder if my hon. friend would permit me to correct him. The amendments last session were to the Small Loans Act, not to the Bank Act. If I understand his question, it is based on the possibility that a borrower would not be able to borrow from a small loans company.

**Mr. Cardiff:** The trouble is that a man borrowing a small amount must pay interest by the month; he cannot borrow for two or three months or so, as farmers would like to borrow. He must come back at the end of each month and renew his note.

**Mr. Harris:** That is true only if he borrows from a small loans company, so-called. He can borrow from a bank, if the bank chooses to lend to him, for one month or six months. There has been no change whatever in the practice of banking nor has there been any change in the practice of borrowing through a small loans company. There was an alteration made in the interest rate to be charged by small loans companies.

While I am not sure that there are any small loans companies in the area represented by my hon. friend, I am sure the banks in that area would still lend to a farmer on a normal promissory note for whatever term might be agreeable, assuming that the credit of the farmer was satisfactory.

**Mr. Cardiff:** I understand that the money can be borrowed only by the month and that the interest must be paid at the end of each month; I understand that the loan cannot be made for five or six months.

**Mr. Harris:** I have not been informed about that. If my hon. friend has a case relating to a chartered bank I would be glad if he would give me the details so I can look into it.

### THE BANK ACT

#### REPORTED AMENDMENT TO RAISE CONSUMER INTEREST RATES

On the orders of the day:

**Mr. John Pallett (Peel):** Mr. Speaker, I should like to direct a question to the Minister of Finance. Is the report correct that it

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is the government's intention to introduce legislation at the next session to amend the Bank Act to raise consumer interest rates? If that report is correct, will the government reconsider its intention?

**Hon. W. E. Harris (Minister of Finance):** Well, Mr. Speaker, the speech from the throne is the place where the intentions of the government with respect to legislation are normally disclosed, although, of course, they are disclosed in public announcements in the meantime. I would not want to make any answer beforehand, for reasons which I think will be obvious to everyone. However, consumer credit is one of the matters that is under constant consideration, having in mind present conditions. I would not want to go beyond that.

### TRADE

#### INQUIRY AS TO ACTION RESPECTING UNFAVOURABLE BALANCE

On the orders of the day:

**Mr. H. O. White (Middlesex East):** I should like to direct a question to the Minister of Trade and Commerce. What steps are being taken or are under consideration to correct Canada's very unfavourable trade balance?

**Right Hon. C. D. Howe (Minister of Trade and Commerce):** No steps are being taken. Until we see harmful effects from the unfavourable trade balance, we are not prepared to cut off supplies of capital goods which make the present expansion program in this country possible.

### SPEECH FROM THE THRONE

#### CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The house resumed, from Tuesday, November 27, consideration of the motion of Mr. Legare for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Rowe.

(Translation):

**Mr. J. Wilfrid Dufresne (Quebec West):** Mr. Speaker, last night at 10 o'clock, before I resumed my seat on adjournment, the hon. member for St. Mary (Mr. Dupuis), who apparently does not wish to take part in this important debate, for reasons of discipline, perhaps, or for other reasons upon which I do not have to pass judgment, has asked me to tell the house what I thought of the Anglo-French intervention in the Middle East and more particularly, I suppose, in the Suez canal area.

As I am not in the habit of shirking questions that are put to me, and being a member of a political party in which due respect is