

Q. I know that?—A. Now we are asking to have that reduced to 24 per cent, so this 24 figure—

Q. Two per cent per month. What does that amount to per annum?—A. Oh, Mr. McPhee—

The CHAIRMAN: We went into this matter very thoroughly this morning. All these questions were answered this morning.

The WITNESS: I sat here all morning answering these questions for Mr. Tucker.

Mr. MCPHEE: All right.

*By Mr. Quelch:*

Q. At the present time you are running in Ontario on chattel mortgages and by the borrowers getting endorsers?—A. No, sir, on chattel mortgages.

Q. In Quebec?—A. No business in Quebec.

Q. You are doing no business at all in Quebec?—A. No.

*By Mr. Landeryou:*

Q. Do you consider yourself in competition with the personal loans department of the Canadian Bank of Commerce?—A. Oh, not at all.

Q. Why do you say that, on what ground? They make personal loans.—A. I think I can answer it in this way. I will give you a concrete example. In the period from the 1st June up until the end of December when the Bank of Commerce came into this field, we had lost to the bank out of our many thousands of accounts, 195 accounts. During that same period we had 6,895—I may be one or two out; I have answered that question so often I have got it pretty nearly by memory—6,865 brand new customers coming to us that had never done business with us before. While we were losing 195 old accounts we got 6,865 new ones.

Q. Would not the fact that you had lost 195 to the bank indicate that you are in competition with them in this loan business?—A. During the last few months they have been coming back from the bank to us.

Mr. TUCKER: They want to pay the higher rate.

*By Mr. Landeryou:*

Q. What reason would you give for their coming back?—A. There are always some people who are looking for bargains. They may have been able to get endorsers on the first loan, and may have been willing to sacrifice a certain amount of pride in asking people to sign notes for them. After having done that once perhaps they determined they would never do it again, and some new emergency might have arisen that was not anticipated or was not within their control at the time they borrowed the first loan, and they required more money. They would never have the nerve to come back and ask those same friends to sign, and perhaps they had promised themselves that in future they would stand on their own feet.

Q. And the reason for their coming to you is simply that they could borrow from you easier than they could borrow from a bank?—A. On a plan that suits their finances better. Some of these people just could not get endorsers that would be acceptable to the bank. Others would not if they could. There must be some reasons for our business increasing, for our business is going ahead.

Q. That is what I wanted to know, why it was?—A. There must be some satisfaction with the way in which we are treating them or they would not come back to us.