

Hon. Mr. DUNNING: If that is correct, all the existing dominion legislation is *ultra vires*.

Hon. Mr. LAWSON: No. Mr. Minister, may I point out where that is not sound, with due respect to my learned friend?

Hon. Mr. DUNNING: He knows perfectly well he is not sound.

Hon. Mr. LAWSON: I have very high regard for my friend's opinion in certain matters, such as freight rates—

Mr. McGEER: Never mind that; let us get on.

Hon. Mr. LAWSON: It is true that property and civil rights are in the province. The province has not seen fit to legislate with respect to what contract may be made insofar as property and civil rights are concerned. Therefore, there would be no limitation upon this company unless we impose it; and by the bill we impose a limitation, not by a right of interfering with property and civil rights, but we could say to them, "If we are going to give you the right as a corporation, you are going to accept the right with such limitation as we see fit to impose." And we give them that on that limitation.

The CHAIRMAN: Are you ready for the question?

Some Hon. MEMBERS: Question.

Mr. McGEER: That is not very good law. What you are doing here is this, if you are doing anything: You are incorporating a general charge and putting it under the head of interest. It might on a loose interpretation prohibit the province from limiting the service charges. That is what you are doing. You are establishing a vested right in a company under the power to make the rate for services chargeable as interest; and what can be done under this bill, which is the most iniquitous thing that ever came before this parliament, is to wipe out the provincial control over property and civil rights, by giving the company the right to charge as interest 24 per cent and to call it its general charge-service, fees and the rest interest. The way this bill is drawn, if a 24 per cent charge of interest is made, there need be no proof that there is any service, that there are any fees or that there are any costs. It is one of the cleverest and most ingenious ways that has ever been employed to defeat parliament's limitation upon the rate of interest.

Mr. JACOBS: But parliament can do what it likes in the matter of interest—make a fixed rate.

Mr. McGEER: I agree. And this bill, taking advantage of that power, now proposes to boost the rate from 7 per cent and place beyond all question the charging of 14 per cent and to boost it again to 24 per cent. That is what is proposed here. Now, all that is done in the name of service to the unfortunate devil who has to borrow money on terms of this kind.

Hon. Mr. DUNNING: Mr. McGeer, if this is not an improvement on the present bill from the standpoint of the borrower, I am against it; but you are not demonstrating that.

Mr. McGEER: No. I might have difficulty in convincing you, but now you have interrupted me you are giving me at least a chance to try.

Hon. Mr. DUNNING: In the name of parliament I protest against the idea which is evidently permeating this committee that no decision is to be reached. I am not speaking of Mr. McGeer; I simply say that in the name of parliament the avoidance of a decision by methods which are available in a committee of this kind is decidedly bad business for parliament.

Hon. MEMBERS: Hear, hear.

Hon. Mr. STEVENS: I arise, Mr. Chairman—

[Mr. Arthur P. Reid.]