

fact that one of the most effective powers that Mr. Finlayson has is the question whether or not we get our licence. It has been the rule, I think, of all three companies to obey Mr. Finlayson's wishes just as far as possible. I am sure Mr. Finlayson will bear me out in saying that on questions of advertising and so on we have been most punctilious in following his wishes. Now, as far as the attention that the Senate gave to these particular clauses is concerned, I may say that it was of some disappointment to me that they gave no attention to them whatever. The whole discussion was concentrated on the question of rate. The Industrial Bill was already through and the trouble we had was in getting through a bill with a rate somewhat higher than the Industrial Bill. There are a number of these clauses that we have no objection to at all. The bill, of course, is a thing that should be taken as a whole. Naturally, as we drafted it and came forward with it, we would be delighted to see it go through as a whole. But if you start cutting out some things, then you have to examine it with great care to see whether in cutting out one thing you leave us in as fair a position as we were in with the bill as a whole. The question of the bonus is the first point of that kind that comes up. I have already explained that my clients were perfectly content to give the borrower the right to prepay without notice or bonus provided they had a slightly higher rate. Mr. Finlayson thought it of paramount importance that the borrower who carries out his ordinary contract should get the greatest benefit and that anyone who prepays was more in a position to pay a higher rate, so he prefers this type of clause. But so far as this type of clause goes we prefer the two and a quarter per cent without the bonus. It is a matter of opinion, and if we are put in competition with these other people it must be highly desirable that we should be on the same footing. As far as powers are concerned, while we have not any intention of altering our present business it would seem to me to be unfair to make our powers different from the powers of our competitor; because, if they should change their policy we might be placed at a disadvantage. I think that it will take a considerable time to develop this differently, and I think it is a mistake because it would put the two companies with different Acts. But if it is the wish of the committee to insert some of these clauses we can sit up at night and try to make a job of it and have it ready for the morning.

MR. DUFFUS: I just want to say one word, with your permission: Mr. Stevens made one statement that rather prompts me to make another short observation, one which I think is quite significant. He said that it is most difficult to regulate these loan companies. Now, I ask this question in all sincerity; what will happen should the companies now under government control—this is naturally under government control—what would happen to necessitous borrowers in the event of this parliament failing to take any steps to protect them. I submit that if these companies are as it were put out of business we shall leave the necessitous borrowers in the hands of the money sharks and pirates.

THE CHAIRMAN: Gentlemen, what is your pleasure as to the next meeting of the committee?

HON. MR. STEVENS: It is six o'clock.

MR. MARTIN: I suggest that we should meet to-night.

HON. MR. STEVENS: Oh, not to-night.

THE CHAIRMAN: Mr. Martin has the floor.

MR. MARTIN: I am not one of those who desire to criticize anyone, generally speaking, but there are a number of things that I would like to take up.

[Mr. Arthur P. Reid.]