

never been able to get hon. members in any number to become seized of the enormity of the practices of money lending sharks. I am not saying that this particular company should be described as a money lending shark, but I do say that those who charge usurious rates of interest ought to be placed in that category. There is an air of decency about these companies. I do not know about this particular company, but some of these companies are subsidiaries of American companies.

Mr. VIEN: Not this one.

Mr. STEVENS: The other company was, and it is similar to this one. I am speaking about them in a general way.

Mr. VIEN: We are talking about this one now.

Mr. STEVENS: I may say to the hon. member that I know what I am talking about just as well as he.

Mr. VIEN: Mr. Chairman, I want to correct a misstatement of fact, which I am sure my hon. friend will accept gracefully.

Mr. STEVENS: I have accepted it.

Mr. VIEN: No.

The CHAIRMAN: Unless the hon. member is speaking on a point of order, he is out of order.

Mr. VIEN: I want to correct a misstatement of fact, and I rise to a point of order.

Mr. STEVENS: I accepted the hon. member's explanation.

Mr. VIEN: This company is not a subsidiary of any foreign company.

Mr. STEVENS: I accepted that explanation long ago. We could have saved considerable time if the hon. member had noted that. What I am saying is that certain of these companies, similar to this company, are subsidiaries of American companies. While those in charge of these companies may not be disreputable, I do say that the rates of interest charged, whether by this company or by the money lending sharks so-called, are rates which this parliament dare not sanction.

So much for that part of the question. Let us see what this bill is doing. It is proposed to add a subsection to section 5 of the original act. Let me point out to hon. members just what we are doing. In the first place, we are legislating ourselves out of control of this company by making it no longer subject to the Interest Act. Under the original act this company could make loans secured by

the assignment of chattel mortgages, and so forth, charging not more than 7 per cent per annum, and could deduct in advance the interest on all its loans. I shall read only parts of the section in the original act. It continues:

(ii) charge, in addition to interest as aforesaid, for all expenses which have been necessarily and in good faith incurred by the company.

And again:

—when a loan authorized by the said subparagraph (i) has been made on the security of a chattel mortgage, or of subrogation of taxes, be entitled to charge an additional sum equal to the legal and other actual expenses disbursed by the company—

It has been argued that we are bringing this and other companies under more restrictions, but this bill merely places certain limits upon loans under \$500. On other loans this company can charge 50 per cent by running up the expenses.

Mr. DONNELLY: That is what they are doing now.

Mr. STEVENS: Of course it is. Under this bill they are to be limited to two per cent per month. I wanted to draw attention to what we are actually doing. We have not by any means relieved the country from the danger of loan sharks, as the unrestricted provincially incorporated companies are not affected in any way by this legislation. In the second place, as I have stated already, we are sanctioning this company to carry on notwithstanding the Interest Act, the Money-lenders Act and the Loan Companies Act. My submission is that this is a policy which this parliament ought not to adopt. As I said before, this parliament should consider seriously the necessity of providing loans for industrial workers similar to those provided by the rural credits act.

Mr. POULIOT: Mr. Chairman, the other bills pass through the house like a scene from moving pictures. We should consider this bill very carefully. It consists of only one section, which contains forty-eight lines. There are only three sentences, and if the bill is read too fast it cannot be understood. I intend to read it very slowly in order that everyone may be able to understand it. The section to be added reads:

(iv) whenever the company, under authority of this act, makes a loan of five hundred dollars or less—

That is exactly what the hon. member for Kootenay East (Mr. Stevens) was saying.

—subparagraphs (i), (ii) and (iii) of this paragraph (b) shall not apply.