

Q. That is exactly the point I am making.—A. We provide the customer with a service on an average of \$6.40; and in addition to that, sir, in every loan that we make, we have to investigate two—we have got the cost of evaluating the security for two loans every time we make one loan.

Q. How is that?—A. Simply when you figure all the expense. It is part of the cost of doing business. If you are selling shoes, you cannot add your mark-up—you have got to provide for the customer who simply comes in and shops and goes out without buying as well as for the sale that is actually made. The man who buys a pair of shoes pays for the clerk's time and all the incidentals relative to unproductive sales.

Q. Yes. In all of this, your system has reduced it down to, shall I say, a perfect system of handling it?—A. Thank you very much.

Q. It is routine work for the ordinary paid officials of the company.

Mr. JACOBS: It is commercialized law.

The WITNESS: I would like to think it is perfect.

Hon. Mr. STEVENS: It seems to me it is pretty nearly perfect. I would suggest that. Now, I do not wish to detain you.

The WITNESS: We spent a lot of time on it.

The CHAIRMAN: What is the wish of the committee?

Hon. Mr. STEVENS: I wish to say before I take my seat that I shall vote against this motion.

The CHAIRMAN: Shall we put the motion that clause 2 be amended?

Mr. CLEAVER: Mr. Chairman, might I have your indulgence for just two minutes; because if I am going to be able to live with Mr. Stevens at all, I cannot let him carry on in the way he was abusing me half an hour ago. He has a perfect right to his own opinions as to whether this amendment is proper or not. But he has no right to get up and say that the amendment is meaningless and all that sort of thing. I suggest to him that he said that he would put teeth in it if he were making such an amendment. It does seem to me that he has always got a rabbit up his sleeve, and I would like to see it produced just once. If he could put teeth in it, and thinks there should be teeth put in it, and if he would put teeth in it, let us see some of the teeth.

Hon. Mr. STEVENS: Will you support a motion of mine?

Mr. CLEAVER: I am interested in two things: in the first place that there should be no water introduced into the capital stock of this company, and that the public should have a general assurance that there is no water being introduced into the capital stock of this company. In the second place, I am interested that the record be kept clear; that is that earned profits should not be ploughed back in, the earned profits should be declared in dividends in the regular way and should show as a dividend and as earnings. Now, if Mr. Stevens is not interested in either of these two things, he will have a perfect right to vote against this amendment, but he has no right to ridicule it.

The CHAIRMAN: We are now on section 2.

Mr. JACOBS: Do you accept the apology?

Hon. Mr. STEVENS: I accept.

Mr. JACOBS: Let us vote.

[Mr. Arthur P. Reid.]