

have to reverse our thinking. It may be beyond our means and I think that is the situation we face.

I wanted to ask Mr. Lemmon one question. You do not have to answer this question unless you want to, but in dealing with the National Housing Act does your Association feel that it is the same thing as dealing with outside companies? In other words, do you have your differences of opinion when you think they are wrong and you are right and perhaps later you find you were wrong and you act accordingly? Does the same thing apply to the Central Housing and Mortgage Corporation as applies to companies generally?

Mr. LEMMON: Pretty much, sir. I give them full credit. They are men who are trying to do a job, and I think they are trying earnestly to do a good job. Sometimes we do not see eye to eye on certain things, as you suggest, but we get along. Sometimes some of our confrères in other companies have their differences, but we manage. I think you stated it very well, sir.

Senator HAIG: Thank you.

Senator ISNOR: Yesterday our Banking and Commerce Committee gave consideration to bills to amend the Trust Companies Act and the Loan Companies Act. It came out during the evidence that an association of trust companies had made application to the Government, through the Superintendent of Insurance, for an increase in borrowing power from 10 to 12½ times paid up capital and reserves. Did your association ever consider making a request that the 60 per cent be increased?

Mr. LEMMON: Our association, as I pointed out in the brief, is made up of four different types of institutions. There are life insurance companies, trust companies, loan companies and a savings bank. Each of them operates under a separate act and each of them deals with its own act outside of our association. Our association does not make a presentation on their behalf in connection with, for instance, a revision of the Life Insurance Company Act. The life insurance companies act for themselves, and the trust companies act for themselves in respect to their legislation, and so on. It is on the record, sir, that at the last revision of the Insurance Act a suggestion was made to the Superintendent of Insurance that the 60 per cent ratio be raised to 66⅔ per cent for the purposes of life insurance companies. The Government did not see fit to grant that request.

Senator ISNOR: Did the Government make any compromise at all?

Mr. LEMMON: None, sir.

Senator ISNOR: Then you did make application for an increase to 66⅔ per cent?

Mr. LEMMON: Yes.

Senator ISNOR: I just wanted to get that on the record.

Senator TURGEON: How long ago was that?

Mr. LEMMON: I believe it was in 1950, when the last major revision of the Insurance Act was made.

The Acting CHAIRMAN: If that is all the questions, we thank you very much, Mr. Lemmon. You have presented a very fine brief.

We will now hear from Mr. E. J. Friesen, Vice-President of the Canadian Bankers' Association.

Mr. E. J. Friesen, General Manager of the Imperial Bank of Canada and Vice-President, The Canadian Bankers' Association:

Mr. Chairman, I would like, on behalf of The Canadian Bankers' Association, to express appreciation for the invitation to appear before this Committee. I trust that what we are able to contribute will be of some service in the