

*Interest Act*

of the measure, I suggest that the whole question be referred once again to the standing committee on banking and commerce, that we be allowed to call before that committee representatives of the firms that are charging these high interest rates, that we have before the committee once again the superintendent of insurance and that there be a fair hearing on this whole business of extortionate interest rates. If that is done, I believe that public opinion will so impress itself on members of the house that legislation will be forthcoming.

**Mr. M. D. Morton (Davenport):** Mr. Speaker, I desire to make some comments on the bill before us this afternoon, and in rising to do so may I say that I am not quite sure what the status of this speech may be. Some hon. members have made their maiden speeches in the house. I have risen on three or four occasions on sort of false starts so I cannot claim that this is a maiden speech. But there are one or two observations I should like to make before I proceed to discuss the bill now before us. I have been somewhat amazed at the continual verbosity originating in one corner of the house. The more we attempt to dam it the more the superfluous overflow continues. In my opinion much of this arises from the attempt of the socialist group in the house to tamper with our affairs in the name of a controlled economy. I say not in an unkindly way that, having listened to the debates since I came into the house I am becoming more and more convinced that instead of just private members' days we should have a special day for the hon. member for Winnipeg North Centre known as Knowles day.

**Mr. Argue:** Every day is that day.

**Mr. Knowles (Winnipeg North Centre):** Let's not argue with that.

**Mr. Morton:** I say that not entirely by way of compliment to the hon. gentleman but from the point of view of the self-preservation of some of the private members of the house, especially the newer members, who would have liked to have more opportunity to contribute to the debates.

**Mr. Ellis:** Why don't you?

**Mr. Knowles (Winnipeg North Centre):** Put some bills on the order paper yourself.

**Mr. Ellis:** There is nothing to stop you.

**Mr. Argue:** Do not make so many false starts.

**Mr. Morton:** Let us pass the legislation that is before the house. The more we speak the longer it will be delayed.

**Mr. Hamilton (York West):** Think how long it would take if all 265 members spoke on everything.

[Mr. Argue.]

**Mr. Morton:** I would not like to figure out how long it would take us to finish. I do appreciate the real problem that has been brought before the house this afternoon by the hon. member for Assiniboia (Mr. Argue). I know there is a great tendency in that part of the house to encourage the idea of letting the government do things rather than encouraging our people to stand on their own feet. But there come times when the people need protection and I agree with the hon. member for Assiniboia that this is one of those occasions. Perhaps I might relate some of the circumstances that are developing in this regard and that are typical of metropolitan Toronto and perhaps all other areas. Young couples, because of the high rents they have to pay, seek to buy homes with low down payments. If they buy new homes they are given a pretty fair opportunity under the National Housing Act to buy homes within their means. If they are forced to buy older homes they make a small down payment and have a first mortgage of reasonable size and a very large second mortgage. In some cases there is even a third mortgage.

Then they have to furnish that home and in order to do so they have to buy their furniture on credit. If they have moved to the suburbs some distance from their work they have to buy a motor car also on credit. By the time they are through they have extended themselves beyond their means. Some of them have perhaps bought their furniture from various stores and reaching a point where they cannot finance on that basis they find they must refinance, go to a loan company in order to do so and have to pay another bonus and a larger interest rate.

That problem is coming more and more to a head. There is also an increasing and dangerous problem in connection with second and third mortgages coming due for payment. These young couples are faced with the problem of paying more by way of a bonus to have the mortgages renewed than they have paid off the principal in the past three, four or five years. In my opinion there is definitely a real problem in that regard that must be faced by the government.

We know that the problem of interest rates has been with us from the days of the bible. There are many quotations in the bible with respect to usury. We know that the matter has been discussed by the governments of this country before confederation and since. We know that it has been a difficult problem to deal with. In some aspects there has been a narrowing down of the problem through the passing of various acts incorporating small loan and finance companies and controlling the rate of interest