

Hon. Mr. DUNNING: All right. Go back to the personal loan department of the Bank of Commerce; and you had here this afternoon evidence, which no one attempted to controvert, that the personal loan department of the Bank of Commerce, which is still experimental, was not in competition with this class of business.

Mr. LANDERYOU: He admitted it was in exactly the same position.

Mr. QUELCH: I was speaking to the manager of the Bank of Commerce, and he told me quite distinctly they were in competition. I asked him how he regarded it and he said it was on a competitive basis.

Mr. McGEER: Have the Bank of Commerce been here?

An Hon. MEMBER: No.

Mr. McGEER: Why not?

Hon. Mr. DUNNING: You were away and did not call them. That is the only answer I can make. I am not responsible for the bank or anyone being called. I am trying to answer the straight question. Nowhere in the world is this business done on anything like the same basis as the normal loaning business by banks is done. Everyone here knows that. I do not need to tell Mr. McGeer that. He knows that as well as I do.

Mr. McGEER: I do not agree with that at all.

Hon. Mr. DUNNING: There is no country in the world in which small loans of this character, repayable in this way, are made by institutions akin to our banks on anything like the terms which are charged by the chartered banks in the ordinary commercial loaning business. That is surely quite clear and does not need to be discussed. Of course, you can discuss anything. You can keep on talking. But I do suggest, just in fairness as a committee of parliament, that those who come here have a right to get a decision yes or no.

Mr. McGEER: And they are going to get it, as far as I am concerned.

Hon. Mr. DUNNING: I hope that is so.

Mr. McGEER: But after very complete disclosure of their operations. I want to say to you, that although I have not been at this committee, this investigation has been by no means complete. I want to go further and say that this has been a very incomplete and cursory examination, based on the assumption that you have made a promise of some kind that a Royal Commission is going to be appointed to investigate this whole thing.

Hon. Mr. DUNNING: Well, I must contradict that categorically, because one of my first statements to this committee was directly contrary to the Royal Commission appointment. I am in the judgment of the committee.

Hon. Mr. LAWSON: That is right.

Hon. Mr. DUNNING: For Mr. McGeer's benefit, I will repeat it. The committee has had it on two occasions, but I will repeat it again. A lengthy petition had been presented to the government asking for a Royal Commission with regard to small loans; the government had given consideration to that request, which was very widely signed by many of the most prominent social workers and others interested in community welfare, dealing with this problem and speaking of it from the borrowers standpoint. The government reached the conclusion, having regard to the attitude of parliament towards the question that a Royal Commission was not the best way of approach, but that a special committee of this house—for obvious reasons not the Banking and Commerce Committee; for reasons which have been apparent through the examination which has been undertaken by this committee this session—a special select committee next session would be proposed by the government to investigate the whole matter of small loans, and to endeavour to lay down for parliament a course which ought to be followed in the public interest. That statement I made on behalf of the govern-

[Mr. Arthur P. Reid.]