

I stand corrected in that respect. The bill mentions $1\frac{1}{2}$ per cent on endorsers loans, but this clause providing for a 2 per cent flat rate applicable to all loans will not become effective.

Mr. TUCKER: In regard to that I state that I am glad the correction has been made.

Mr. KINLEY: Let us get this right. Does the amendment raise the rate of interest in the bill?

Mr. TUCKER: The amendment raises the rate of interest in regard to one type of loan.

Mr. MARTIN: That is not correct.

Mr. TUCKER: Just a minute. Mr. Chairman,—

Mr. MARTIN: You must not make that statement.

Mr. TUCKER: I can make that statement because it is true.

The CHAIRMAN: Mr. Tucker, may we have a statement from Mr. Finlayson, as I believe it will simplify the whole thing.

Mr. TUCKER: Mr. Finlayson will say they have not been making loans on endorsement notes. This company must have had intentions to enter that field or they would not have asked for this provision in the law.

Mr. WALKER: Let me answer that. I must take the responsibility for having drafted this. Under the present act we have the right to make endorsers loans at 9 per cent discount, which is approximately the same as $1\frac{1}{2}$ per cent per month. We are willing to give up some privileges, but we felt it wise to retain this privilege although we have not used it for many years, and have no intention of using it at the present time. There are no loans made on endorsements at the present time.

Hon. Mr. STEVENS: But you have the power to make them?

Mr. WALKER: Under the present act, and we are merely preserving that power exactly the same as the other bill which you have passed.

Hon. Mr. STEVENS: Mr. Tucker is quite right.

Mr. WALKER: The Industrial Loan Company had exactly the same charter in that respect, and they made the change. You made the change to 2 per cent.

Mr. TUCKER: There is nothing to prevent your company immediately after prorogation of parliament from deciding to enter this field.

Mr. KINLEY: And charge 2 per cent?

Mr. TUCKER: And under the act as it stands today and under the act which is presented to this committee all they can charge is $1\frac{1}{2}$ per cent. Now, under the proposed amendment they can enter that field and charge 2 per cent, and then somebody gets up in this committee and tells us that the effect of this amendment is to reduce the rate of interest. If that sort of thing is going to go on continually in this committee, knowing a record is being made, I cannot sit quiet and let it go on.

Mr. VIEN: I rise to a point of order. My hon. friend is surely not going to intimate that I intended to mislead the committee.

The CHAIRMAN: No.