

how legislation of this kind is adversely affecting men, women and children in the province of Ontario. I wish some hon. members of the house would visit some of the division courts or police courts and see for themselves the effects of it. These companies take chattel mortgages, bills of sale, liens and other forms of security and then, in some way or another they get the person who has obtained the money into court. Our judges have not been slow to criticize this sort of legislation. In the olden days hon. members of the house would have opposed a bill of this kind.

I do not know where the government stands in the matter. Last session they told us they would have a policy next year; where is that policy? This session they tell us the same thing, and no doubt next session we will be told the same thing again. The government of the day is responsible for this measure. So long as the party opposite is the party in power, it will be responsible for the preamble of the bill. As such they should lay down a policy to-night, as they promised a year ago, as evidenced by the observations appearing at page 3550 of Hansard for 1936.

Mr. STEVENS: Unfortunately, when this bill was before the banking and commerce committee I was required to attend another committee which has been sitting almost continuously, dealing with the prices of agricultural implements; and as a result I could stay in the banking and commerce committee only a very few minutes. While there I expressed my views, and in doing so referred to the fact that the original act to which this measure is an amendment exempted the company from control of the Interest Act, the Money Lenders Act, and the Loan Companies Act. In the few minutes in which I appeared before the banking committee, not having the act under my hand, I was not in a position definitely to establish my assertion. The superintendent of insurance, who was adviser of the committee, intimated that I was quite wrong and that the present bill was not in that category. I was pretty sure I was right but I did not have the act under my hand; subsequently, however, I had the opportunity to look at the original act.

It will be noted that the bill purports to amend paragraph (b) of subsection 1 of section 5, chapter 68 of the statutes of 1930. I have that statute under my hand, and I find that paragraph (b) of subsection 1 of section 5 reads as follows:

Notwithstanding anything contained in the Interest Act or in the Money Lenders Act or in paragraph (c) of section 63 of the Loan Companies Act . . .

[Mr. Church.]

Then it goes on to describe the powers. So that I was right when I drew the attention of the committee to that fact. The committee, at least while I was there, disregarded that fact, and the bill is now reported to the house. That is one of the reasons I rise once more to protest against the passing of this type of legislation.

The other evening, when the bill was before the house, at least two of its supporters were rather inclined to ridicule the stand taken by some hon. members and myself, intimating that we were perhaps ill informed and somewhat prejudiced, and suggested that the broad-minded thing to do was to let the bill go to a committee. Some of us argued that if we were opposed to its principle we ought to express our opposition then on the motion for second reading. However, our views did not prevail and the bill went to the committee. While voting that the bill be sent to a committee, a number of hon. members expressed a good deal of doubt as to the wisdom of passing this type of legislation.

I wish now to refer briefly to one or two arguments advanced which, I believe, influenced hon. members in their support of the measure. For instance, it was said that if we do not pass the legislation, companies can incorporate under provincial acts, and that if they can incorporate under provincial acts they can secure much wider and less restricted powers than those granted by parliament. Therefore they suggested it was in the interests of poor, suffering humanity that this two-per-cent-per-month bill should be passed, in order to save the people from the looser legislation of the provinces.

Any company incorporating under a provincial statute is subject to the federal Interest Act, and if we turn to the British North America Act we find that the exclusive power of control of interest rates rests with this parliament. Parliament proposes, by this measure and its sister act, to take these companies out of its jurisdiction—literally to legislate them out of our own jurisdiction. That is what we are doing.

I wish hon. members would seriously consider this, because to me it is a vital principle. The only control parliament has over these companies is the control it has through the Interest Act. Now then, by these very acts we are legislating ourselves out of the control of these companies. It is one of the most subtle pieces of legislative chicanery that has come to my attention. In association with other hon. members, over and over again I have spoken against this form of financial company. Up to this session we have