

scheme which provided for rates as high above \$300 as these. But I said in that pamphlet, and I am quite genuine about it, at the time I did not know very much about this thing. I had studied it some but I had not had the opportunity to make the studies I wanted to. I suggested to the Senate committee that they should study it a bit and that the matter should be thoroughly investigated. I did the best I could. I have written letters. I have got letters here and replies—I must have written to fifty people, I suppose, scattered over the United States, bank commissioners, supervisors of small loans, better business bureaus, labour organizations, and tried to get their views about it. I think the letters are here. I was not arguing for either case. I wanted to get information, and the information I got was that they all felt that loans below—of \$100 or less should receive a substantially higher rate so as to attract money into that field; that loans from \$100 to \$300 should get a substantially lower rate, but that no loans above \$300 should be permitted to be made by these companies. The argument they use, and I adopt it because I think it is sound, is that they say that the only justification for the existence of these small loan companies is that they will tend to eliminate the high rate loan sharks, and that just as sure as you make the higher brackets, that is loans from \$300 to \$500, attractive for these loan companies, the money will go into that field, and will not go into this field of \$100. And if you look at the experience of these companies, which is a rather limited one compared with the companies of the United States, you will see this surprising thing—how little money there is loaned in the brackets below \$100 and how large an amount is loaned in the brackets above \$300.

Q. Mr. Forsyth, I do not like to interrupt, but are you not just repeating what you previously said? You have not yet answered the question as to what you think the rate should be on loans of \$100 and less?—A. I am sorry. What I thought, or what I was trying to say, Mr. Moore, was this—

Q. What should the rate, in your opinion, be on loans of \$100 and less?—A. Well, I think the only criterion I can form is the experience in the United States, because we have not got any experience here.

Mr. CLEAVER: We want your answer.

Hon. Mr. LAWSON: Is this witness qualified to give an opinion here or not.

Mr. MARTIN: That is the point.

Hon. Mr. LAWSON: If he is qualified as an expert, let us have his answer instead of roaming all over the place.

The CHAIRMAN: That is what I had in mind.

By Mr. Cleaver:

Q. I suggest that you have already pretty well committed yourself to a rate of 3½ per cent in the material you have filed.—A. What material have I filed, Mr. Cleaver?

Q. Well, I have exhibit 2 before me.

Mr. VIEN: Will you show the witness?

The WITNESS: I have got this pamphlet, but I did not file any material here.

The CHAIRMAN: The material that was circulated.

By Mr. Cleaver:

Q. You still stand by the facts contained in that?—A. I do not think you should put it just that way.

By Mr. Vien:

Q. Can you tell us, in answer to the chairman, if you have arrived at any considered opinion as to what the rates should be on loans of \$100 and less?—A. I have arrived at a conclusion which is not based upon the experience which I think we ought to have.