

To that extent we approve of the Quebec Act.

Hon. Mr. MACDONALD — Then it is simply on an indication that we give them power to borrow five times the amount of their capital!

Hon. Mr. MILLER — Yes.

Hon. Mr. HOPE — This Company somewhat ostentatiously professes to lend money at a rate not exceeding six per cent., and the hon. gentleman who addressed the House at such great length, endeavored to prove that no higher rate would be exacted for any money loaned by this Company. In order to test the good faith of the Company and the promoters of the Bill on this point, an amendment was moved in Committee binding the Company to six per cent. on all purchases by way of assignment of mortgages, but they opposed it, and said they wished to go into the open market and purchase mortgages at the best rates they could. It seems to me that this Bill just places the Credit Foncier in the same position that lenders occupied in Ontario prior to the repeal of the usury laws, when the rate was limited to 6 per cent. The way it was got over was this: If a man wanted a loan he prepared a mortgage in favor of a friend, and if it was for a year, say for \$100, at six per cent., he sold it to the money lender for say \$90, and, if the lender got it at a discount of 10 per cent., he was getting 16 per cent. for his money. The Credit Foncier has a right to do that to any extent. I do not believe in limiting the rate of interest. I would leave the rate to be fixed in the markets of the world. But these people ostentatiously proclaim that they intend to loan at a rate not exceeding 6 per cent., irrespective of the price that money may command in the market. I think we should prove the sincerity of the Company, and I would suggest an amendment to this effect: To add the following to sub-section 4: "And any securities assigned to such Corporation shall not be taken by way of discount or otherwise to yield a greater rate of interest to said Corporation than six per cent. per annum, and any amount taken in excess of said six per cent. may be recovered back by the assignor in any court of competent jurisdiction." If they are sincere, what objection can they have

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to embody this amendment in the Bill? If they say, "We want to buy in the open market," I will withdraw the amendment; but I do not want them to profess one thing and do another.

Hon. Mr. READ — I look upon this Bill as an exceedingly desirable one, and I do hope that this House will not by the adoption of any amendment prevent its passage this session. It is very desirable in the interest of the masses of the people of the Dominion who are engaged in agricultural pursuits that it should pass. Their returns do not come round every month, and sometimes not for years, and it is a matter of deep importance to them that there should be competition amongst lenders in this country. No better security can be found anywhere than is offered by the lands of Canada. When we see French capitalists coming among us, I hope we shall not by any side wind prevent them from investing their money here. I was surprised the other day, in reading a statement of the amount of bullion held in the countries in Europe, to find that France held over £70,000,000 in the banks, while England held only £27,000,000 in banks. France seemed to have more specie than all the rest of the world. They are looking round for investments for this vast amount of money, and there is no safer or better field for them than Canada. I hope nothing will be done by this House to keep them out of the country.

Hon. Mr. DEBOUCHERVILLE — I do not intend to re-open this discussion, but I think I may be allowed to answer the hon. gentleman who has just sat down. He has applied the term "side wind" to the amendments which have been proposed in this Bill. What I wished to do was to send the Act passed by the Legislature of Quebec to the Supreme Court. The hon. gentleman says the more of these companies we have the better. I agree with him there, and it is just because this Franco-Canadien Company by some means got the Legislature of Quebec to enact a clause by which no other French society can be incorporated in that Province that I opposed it and wanted to have it referred to the