

clauses were adopted before the committee rose. The Temiskaming Railway and the house of refuge bills were also advanced.

The House in committee ratified Colonel Gibson's resolution amending section 120 of the loan corporations act by substituting \$100 for \$25 as the fee for registration of an amalgamation; also fixing a fee of \$25 for examining and passing upon applications or documents under sections 40 to 49a; \$100 for order in Council and certificate; \$25 for examining and passing upon applications or documents under R. S. O. c. 130; and \$100 for order in Council. Sub-section 2 of section 130 of the land titles act was also amended by providing for increasing the guarantee fund by "one-tenth of one per cent. of the value of the said buildings and fixtures."

Loan Companies' Investments.

Colonel Gibson's bill to amend the loan corporations act was taken up in committee. The Attorney-General proposed an amendment, making general a provision now enjoyed by several companies, through special legislation, providing that "such loan corporation may, with the assent of two-thirds of the shareholders present or represented by proxy at any annual or special general meeting, having notice of such proposal, lend upon the security of the debentures, bonds, obligations or paid-up stocks of any corporation other than those corporations heretofore in this clause mentioned" Government, municipal or school corporation bonds or securities, or chartered bank or incorporated company incorporated in Canada, "but the aggregate of all such lending shall not exceed at any one time 75 per cent. of the paid in capital of such lending corporation."

Colonel Gibson said he thought such wide powers deserve careful consideration, which he would ask the House to give on the bill being reprinted.

One Loan Company's Method.

Mr. J. P. Downey (South Wellington) again raised the question of loan companies which operated savings banks in which children invested in the hope of ultimately acquiring a share. He instanced a company which provided that the money be confiscated if it did not reach a certain amount. He read from an agreement providing that the money could only be withdrawn after being deposited five years, the clause being as follows:—

"The holders of this stock may withdraw after payments have been made for five full years and the stock has been in force five years, by giving thirty days' notice (written). He shall receive the full amount he has paid on each share, together with interest at the rate of 3 per cent. per annum. No interest shall be allowed on the fraction of a dollar or the fractional part of a month. In the event of the death of a member his shares may be withdrawn in like manner by his personal representatives. The board of directors shall have the right to cancel and retire this stock at any time after five years from the date of certificate and before the date of maturity if they deem it expedient, in which case the holder shall have 60 days notice."

Mr. Downey said that the Attorney-General had promised the other day that if such a practice existed he would strike the name of the company off the roll.

Colonel Gibson said he had made no such statement. His hon. friend was trying to make political capital rather than to rectify an abuse. There was a provision that a company not complying with the law should be refused registration.

The Abuse Recently Remedied.

Mr. Downey, speaking again, said he had applied some days ago to the inspector of loan corporations for a copy of the by-law he objected to, and found it was not on file, though the law required that it should be. Today, however, on applying there he found a by-law, with the ink not yet dry, amending the provision he objected to, by providing that the money may be withdrawn before the expiration of five years. The new clause read as follows:—

"The holder of this stock may withdraw after payments have been made for five full years and the stock has been in force five years, by giving 30 days' notice (written). He shall receive the full amount he has paid on each share, together with interest at the rate of 3 per cent. per annum. Provided that the holder may withdraw at any time before the expiration of the said five years the total amount paid in without interest and less five per cent. No interest shall be allowed on the fraction of a dollar or the fractional part of a month. In the event of the death of a member his shares may be withdrawn in like manner by his personal representative, etc."

Judicial Pressure Suggested.

Col. Gibson said that he had undertaken to investigate the circumstances objected to by Mr. Downey. He hardly thought, however, that it was within the limits of possibility to scrutinize all the little by-laws that the loan companies might pass from time to time. They had even gone the length a short time ago of preventing the further incorporation of one of these companies.

Mr. Whitney—Why not exercise a little judicial pressure? Is it necessary to wipe out the companies?

Col. Gibson—That is exactly the position I take.

Col. Matheson—There ought to be some legislation. No stock, when the installments were payable from time to time, should be forfeited for non-payment.

Mr. Henry Carscallen (Hamilton) thought a clause should be inserted providing that at the expiration of five years, if payments cease, the company must publish in a newspaper the amounts so on deposit, in order that heirs of persons deceased might make application and procure the money. The statute of limitations should not run in such cases.

Col. Gibson said that the loan companies in their annual returns were compelled to report as to the balances in their hands. He had never heard of anyone not being able to secure money from a loan corporation in Ontario by reason of the statute of limitations.

Col. Matheson objected to the returns given by the loan companies not showing the amount of loan made by a company to one of its own directors on stock in some other companies, such as an insurance company, in order to have control of the other company.

Col. Gibson thought it scarcely necessary, for instance, to show that Hon. G. A. Cox, of one company, lent money to G. A. Cox to buy stock for Mr. G. A. Cox in another company.

Colonel Matheson Curious.

Col. Matheson—Those are just the class of men whose dealings we want to see.

Col. Gibson—Well, there are not many such men. It would not be of much value to have such returns.

Col. Matheson—When the Dominion gives such returns why shouldn't the Province do so?

Col. Gibson exhibited a copy of the returns of the department, and said he would be very glad if the hon. member would move for a return showing what these returns meant in the aggregate.

The bill was reported as amended.

Power Bill Again.

The House went into committee to discuss the Premier's power bill. Mr. Whitney, under clause 11, repeated his belief that no municipality other than Toronto would ever go into the power business.

Dr. Beattie Nesbitt (North Toronto) said that the contention of the Opposition was that the Government should undertake the development of power itself. It had been demonstrated already that such enterprises were commercially profitable.

Mr. H. Carscallen (Hamilton) said that he could hardly agree with the last speaker. He was not prepared to say that the Government had not acted as it ought to have done in connection with the privileges given to the companies at the Falls. Some return, of course, had been obtained. Whether it was enough he was not prepar-

ed to say. All Governments might err. He doubted whether the Government would be justified in developing power at Niagara Falls for the benefit of a portion of the Province only. The extent to which electric energy could be transmitted, he believed, was only 120 miles. He was prepared to vote for any measure that would enable all municipalities to develop their power. He thought that municipalities should come to the House from time to time to obtain permission to develop their powers. He did not believe in delegating too many duties to commissions. The House was just as capable of doing the work as a body of commissioners. There ought not to be any power on the part of the municipalities to go into power development enterprises without first obtaining the sanction of the House.

A Safeguarding Clause.

Mr. Ross said that clause 11 guarded the municipalities from going during the time of enthusiasm and excitement into an enterprise that would land them in financial trouble. The committee of western municipalities had not suggested any amendment of this clause. The clause prevented municipalities from increasing their taxes beyond the tax rate fixed by the municipal act. In Toronto there was still a margin below that figure, which was twenty mills, exclusive of school taxes. What was there, the Premier asked, to prevent the municipalities from coming to the House and asking for power to go into some scheme of their own if they had to increase the tax rate? If a combination or union of municipalities was formed, as long as the present Government was in power they would favor granting them a power concession on as favorable terms as those already granted. The Government had no interest in the corporations; they stood for the people, and he thought the clause should stand.

Appointing the Commission.

Mr. Whitney objected to the appointment of a commission by the Chief Justice of Ontario, as such an official knew nothing of the municipalities' needs. The bill, he feared, would be utterly nugatory. In any event, the experiment would never be repeated in this House of taking away from a municipality the right to say who should spend their money or how it should be spent.

Mr. Ross pointed out that the appointment of the commission by the Chief Justice or some one outside was necessary where there was a union of municipalities. It was not a very serious strain upon our municipalities.

Mr. Whitney objected to the provision for five commissioners, and thought three would be sufficient.

Mr. Ross said the expenditure would be large, but the Chief Justice could make it three or five, as he saw fit.

Is Special Legislation Necessary?

Mr. Thomas Crawford (West Toronto) expressed the view that clause 11, which limited the rate of taxation to the rate fixed in the municipal act, would render special legislation necessary before Toronto could develop power.

Col. Gibson said that might be true, but he believed that provision necessary. If Toronto wanted to develop power, they could ask for the legislation this session. He was skeptical as to the intention of Toronto ever to develop power, but if they did, and make out a good case, he would be the last one to want to prevent them.

In reply to a question by Mr. Whitney, Mr. Ross said Toronto could raise \$800,000 annually before reaching the limit of its taxation.

The consideration of the power bill in committee was continued in the evening.

Removal of Commissioners.

Mr. Ross proposed an amendment to the provisions respecting the commission as follows:—"Provided that any commissioner may be removed from office at any time by the said Chief Justice upon application of the Council of the municipality or of the Councils