

maximum loan to be made under the Act is reduced from \$10,000 to \$7,500. Mortgages are subject to the law of the province in which the land is situated. If under mortgage sales proceedings, an amount insufficient to discharge the secured debt is realized, the stock in the Board held by the borrower is cancelled and the amount paid thereon forfeited to the Board. The amount of bonds the Minister may purchase is increased from fifteen million to forty million dollars. Such bonds are to be repurchased only at the request of the Minister. The Governor in Council may authorize the guarantee of the principal and interest of Farm Loan Boards up to thirty million dollars. Several new provisions in regard to farm loans are added by Part II, which deals with supplementary advances by the Board. A farmer who has already given a first mortgage to the Board is to make a further loan by giving to the Board a second mortgage. This second loan is to be made for a period of not more than six years, repayable on such terms as the Board may determine. The security is to be a mortgage on the farm lands, and a charge on live stock and other personal property. The aggregate of loans made to any one borrower under this Amendment Act and the Canadian Farm Loan Act is not to exceed two-thirds of the appraised value of the land and buildings, and is not to exceed at any time \$7,500, and the amount advanced under this Part is not to exceed half the amount secured by the first mortgage. The purpose of the second loan is to enable the farmer to pay existing debts, to buy necessary equipment, to make permanent improvements, and for such other purposes as the Board approves. A mortgagee under the Act is defined and stipulations regarding: rate of interest; procedure in case of composition, etc., under the Farmers' Creditors Arrangement Act, 1934; extension of time for repayment, etc., are made. Money for loans may be provided out of the Consolidated Revenue Fund.

C. 53 is the Farmers' Creditors Arrangement Act, 1934. The purpose of this Act is to provide a means whereby arrangements may be effected of debts of farmers who are unable to pay, and thus retain the farmers on the land as efficient producers. Under the Act a farmer unable to meet his liabilities may make a proposal for a scheme of arrangement. This proposal is filed with the Official Receiver appointed under the Act, who will convene a meeting of creditors. When a proposal is not approved by the creditors it may be referred to the Board of Review, appointed under the Act, which Board shall formulate a proposal. If this proposal is approved, it shall be binding on all, but if it is not approved, the Board may nevertheless confirm it, when it shall be binding. The Board may refuse to formulate a proposal where it considers no fair proposal can be formulated. When a proposal has been confirmed by the Board, Part I of the Bankruptcy Act shall thereafter apply to the farmer and a failure to carry out the proposal will constitute an act of bankruptcy on his part. S. 17 of the Act provides that when the interest rate in any mortgage exceeds 7 p.c., the person liable to pay the mortgage may pay the principal and interest owing to date together with three months further interest, and thereafter no interest will be recoverable at any rate in excess of 5 p.c.

Banks and Banking.—C. 24 is the Bank Act. It renews the charters of the ten chartered banks for ten years to July 1, 1944. La Banque Provinciale du Canada and Banque Canadienne Nationale may do business under the respective names: "The Provincial Bank of Canada" and "National Canadian Bank". The Act does not apply to the new Bank of Canada, except as it is specially mentioned in the Act. The chartered banks are required to maintain with the Bank of Canada at least 5 p.c. of their deposit liabilities within Canada. This reserve is to be in Bank of Canada notes and deposits in the Bank of Canada. After the commence-