

Other developments in FAO designed to facilitate the objectives of the Organization include the establishment of regional offices, the setting-up of a Technical Co-ordinating Committee and the continuance of activities in the various technical fields, including the despatch of missions to those countries requesting such assistance.

Subsection 2.—The Federal Government*

Farm Credit

The Federal Government has set up several agencies to handle the matter of farm credit; the Farm Loan Board is empowered to make long-term loans to farmers† and the chartered banks, under the Farm Improvement Loans Act, to provide intermediate and short-term credit.

The Canadian Farm Loan Board.‡—This Board was appointed by the Governor in Council under the provisions of the Canadian Farm Loan Act (c. 66, R.S.C. 1927, as amended by c. 46, Statutes of 1934 and c. 16, Statutes of 1935) and, as an agency of the Crown in the right of Canada, administers a system of long-term mortgage credit for farmers throughout the country. The Board commenced its work in 1929 and since 1935 has carried on lending operations in all provinces.

The Board lends money to farmers to pay debts, purchase live stock and farm equipment, assist in the purchase of farm land, make farm improvements and for any other purpose considered as improving the value of the land for agricultural purposes.

Loans are made on the security of first mortgages on farm lands actually operated by the borrower up to an amount not exceeding 50 p.c. of the appraised value of such farm lands and not in excess of \$5,000; such loans are repayable on an amortized plan over periods up to twenty-five years.

Further advances by way of second mortgage may be made to first mortgage borrowers who require additional funds. The amount of such additional advance is not to exceed 50 p.c. of the first mortgage loan, nor the aggregate of first and second mortgage loans to exceed two-thirds of the appraised value of the farm land mortgaged nor, in any event, an aggregate of \$6,000.

The interest rate on loans made on or after Apr. 2, 1945, is 4½ p.c. on first mortgage and 5 p.c. on second mortgage. The interest rate on loans made prior to Apr. 2, 1945, is 5 p.c. on first mortgage and 6 p.c. on second mortgage.

Particulars of the capital requirements of the Board and other details appear at p. 185 of the 1940 Year Book.

From the commencement of operations in 1929 to Mar. 31, 1947, the Board made 27,875 first mortgage and 8,995 second mortgage loans for a total amount of \$57,543,717 disbursed. Of that amount, \$34,100,122 has been repaid. At Mar. 31, 1947, the principal assets of the Board amounted to \$22,909,897.93 made up as follows: 15,032 first mortgage loans, \$21,837,256.27; 1,231 second mortgage loans, \$549,094.09; 337 sale agreements, \$478,110.10; 23 parcels of real estate, \$45,437.47.

* Except as otherwise indicated, this material was prepared under the direction of G. S. H. Barton, C.M.G., B.S.A., D.Sc. A., Deputy Minister of Agriculture, Ottawa.

† In addition to the credit supplied by the Canadian Farm Loan Board, and in order to meet the demand for long-term loans on easier terms of repayment and on a higher ratio in relation to farm value than that available from the Canadian Farm Loan Board and to facilitate refinancing indebtedness, the Province of Quebec has established its own farm credit scheme by the creation, in the autumn of 1936, of the Quebec Farm Credit Bureau, which commenced operations in March, 1937.

‡ Revised by W. A. Reeve, Secretary, Canadian Farm Loan Board, Ottawa.