

Cheese and Cheese Factories.—The Cheese and Cheese Factory Improvement Act was passed in 1939 to encourage the improvement of cheese and cheese factories. Under the provisions of this Act a quality premium of one cent per pound is paid on cheddar cheese scoring 93 points and two cents per pound on cheese scoring 94 points or over.

The Governor General in Council may grant, out of money appropriated by Parliament for the purpose, a sum not exceeding 50 p.c. of the amount actually expended for new material, new equipment and labour utilized in constructing, reconstructing and equipping cheese factories that are eligible for a subsidy under the Act and regulations. This subsidy applies for the amalgamation of two or more existing cheese factories provided that the replaced cheese factories cease to operate as such prior to the payment of the grant. The Act also provides for paying 50 p.c. of the cost actually expended in efficiently insulating and enlarging cheese-curing rooms, either with or without mechanical refrigeration. In order to standardize the size of cheese manufactured in the various factories, the Act provides for paying 50 p.c. of the cost of replacing cheese hoops where factories are using hoops of a diameter other than 15 inches. Frequently when the factory adopts the 15-inch hoop, the presses, followers and bandagers have to be adjusted or replaced, and such costs are also included in the subsidy.

Cold Storage Act.—This Act provides financial assistance in the construction of public cold-storage warehouses in localities where it is considered that such warehouses are in the interests of the public.

Farm Credit.*—To provide adequate farm credit, the Canadian Farm Loan Board at present carries on lending operations throughout Canada. The purposes for which loans may be granted are for farm improvements, including the erection of buildings, the purchase of live stock and equipment, farm operating expenses, purchase of farm lands and the refinancing of existing farm indebtedness. Second-mortgage loans cannot be made for the purpose of purchasing farm lands. For intermediate-term credit, the Federal Parliament amended the Bank Act (Aug. 9, 1944) and passed a "companion" Act, the Farm Improvement Loans Act, 1944. This has been used extensively for short-term loans, particularly for the purchase of farm machinery.

From the commencement of operations in 1929 to Mar. 31, 1949, the Board made 30,844 first-mortgage and 10,146 second-mortgage loans for a total amount of \$65,323,093 disbursed. Of this amount, \$40,203,004 has been repaid. At Mar. 31, 1949, the principal assets of the Board amounted to \$24,447,281 made up as follows: 15,006 first-mortgage loans, \$23,175,418; 1,836 second-mortgage loans, \$884,387; 277 sale agreements, \$373,635; and 12 parcels of real estate, \$13,841.

The average amount lent annually during the first ten years of operations was \$3,860,000. The amount of loans approved dropped from \$4,348,950 in 1940 to \$1,215,450 in 1943 but, since then, has increased steadily to \$4,919,300 in 1949. The trend in recent years is toward decreased borrowing to pay debts and increased borrowing to purchase land and farm equipment.

*Statistics under this heading were provided by W. A. Reeve, Secretary, Canadian Farm Loan Board, Ottawa.