

for the purchase of live stock, principally foundation or breeding stock; for installation or repair of farm electric systems; for repair, alteration or construction of farm buildings, including the home; and for fencing, drainage and other development projects. The Act is intended to assist the farmer who previously has not been able to obtain adequate credit for such purposes. Moreover, credit is provided on security and terms that are convenient and suited to the individual borrower.

The chartered banks are the lending agency under the Act. This legislation, originally operating for three years, was extended in February 1948 for a further three-year period. During these six years the Government guaranteed each bank against loss in an amount equal to 10 p.c. of the total of all loans made by the bank. The amount of the guarantee was limited to \$250,000,000. In February 1951, the Act was again extended for three years and the guarantee was set at \$200,000,000. Up to Dec. 31, 1951, 54 claims amounting to \$26,230 were paid under the guarantee.

Loans may be obtained for periods of up to seven years with maximum interest at 5 p.c. The maximum amount that may be on loan to a borrower at any one time is \$3,000. Also, the borrower must himself provide 20 p.c. to 33 p.c. of the cost of his project. The Act is administered by the Department of Finance.

Loans made from the inception of the Act to Dec. 31, 1951, were:—

	Year	Loans	
		No.	Amount \$
1945 (10 months).....		4,311	3,381,742
1946.....		13,030	9,880,566
1947.....		22,046	18,160,821
1948.....		30,431	29,331,131
1949.....		44,775	45,879,080
1950.....		58,969	63,421,363
1951.....		75,063	85,326,227
TOTALS.....		248,625	255,380,930

By Dec. 31, 1951, \$153,714,985, or over 60 p.c. of the total of all loans made, had been repaid. Of the loans made during the first three years of operation, all but 1.3 p.c. had been repaid; of those made during the second three years, all but 27 p.c. had been repaid.

3.—Loans made under the Farm Improvement Loans Act, classified by Purposes, 1945-51

Purpose	1950		1951		Totals Since Inception in 1945	
	Loans	Amount	Loans	Amount	Loans	Amount
	No.	\$	No.	\$	No.	\$
Purchase of agricultural implements.....	52,733	58,391,636	67,605	78,302,385	216,375	230,155,069
Construction, repair or alteration of, or additions to any structure on a farm....	2,128	2,402,309	2,813	3,378,564	12,538	13,428,712
Purchase of live stock.....	1,805	1,483,474	2,918	2,741,289	8,323	6,556,789
Improvement or development project....	1,809	902,885	1,253	694,460	9,320	4,213,562
Purchase or installation of equipment or electric system.....	422	195,669	406	167,668	1,676	795,778
Fencing or drainage.....	51	35,897	61	39,374	342	211,149
Alteration or improvement of electric system.....	21	9,493	7	2,487	51	19,871
Totals.....	58,969	63,421,363	75,063	85,326,227	248,625	255,380,930