

for the purchase of livestock, principally foundation or breeding stock; for installation or repair of farm electrical systems; for repair, alteration or construction of farm buildings, including the home; and for fencing, drainage and other development projects. Credit is provided on security and terms suited to the individual borrower.

The chartered banks are the lending agency under the Act. The legislation, originally operative for three years 1945-47, has been extended from time to time for three-year periods. The Federal Government guarantees each bank against loss up to 10 p.c. of the total loans made by it during the period. This guarantee does not apply to any loan made after the aggregate of all loans made by all banks in a given period reaches an amount fixed by statute. In 1956 the Act was extended for a further three-year period commencing Apr. 1, 1956, and ending on Mar. 31, 1959. The aggregate of loans for this period, affected by the guarantee, is set at \$300,000,000. By Dec. 31, 1956, only 727 claims amounting to \$425,402 had been paid under the guarantee since inception of the Act.

Loans may be obtained for terms up to ten years with interest not to exceed 5 p.c. The maximum amount to be advanced to a borrower at any one time was increased to \$5,000 by the legislation of 1956. The borrower must provide from 10 p.c. to 40 p.c. of the cost of his project or purchase, depending on the loan category to which it belongs.

By Dec. 31, 1956, \$523,852,496 or 80.2 p.c. had been repaid of the total loans made. The position as of Dec. 31, 1956, was as follows:—

Period	Loans Outstanding	P.C. of Total Loans Outstanding
	\$	
1945-48.....	13,979	0.01
1948-51.....	790,455	0.6
1951-53.....	5,986,856	4.6
1953-56.....	65,404,326	50.4
1956-59.....	57,483,367	44.4
<b>TOTALS.....</b>	<b>129,678,983</b>	<b>100.0</b>

### 1.—Loans Approved and Disbursed under the Canadian Farm Loan Act, Years Ended Mar. 31, 1948-57

NOTE.—Figures for previous years are given in the corresponding table of former Year Books beginning with the 1940 edition.

Year Ended Mar. 31—	Loans Approved					Loans Paid Out		
	First Mortgage		Second Mortgage		Total Amount	First Mortgage	Second Mortgage	Total Amount
	No.	Amount	No.	Amount				
		\$		\$	\$	\$	\$	\$
1948.....	1,301	3,145,150	517	315,400	3,460,550	2,911,167	274,073	3,185,240
1949.....	1,821	4,450,100	756	469,200	4,919,300	4,169,070	425,966	4,595,036
1950.....	1,949	4,715,500	801	473,900	5,189,400	4,480,779	462,150	4,942,929
1951.....	1,796	4,312,450	680	409,550	4,722,000	4,288,866	404,213	4,693,079
1952.....	1,437	3,929,500	494	308,900	4,238,400	4,131,141	337,951	4,469,092
1953.....	1,685	5,458,750	559	393,550	5,852,300	4,766,149	342,410	5,108,559
1954.....	2,091	7,366,800	591	449,950	7,816,750	6,606,323	394,216	7,000,539
1955.....	2,145	7,902,100	395	323,400	8,225,500	7,849,663	357,339	8,207,002
1956.....	2,057	8,126,900	204	182,750	8,309,650	8,038,877	215,445	8,254,322
1957.....	2,921	13,978,700	—	—	13,978,700	13,154,066	29,926	13,183,992