

or a farm electric system, the erection or construction of fencing or works for drainage on a farm, and the construction, repair or alteration of farm buildings including the family dwelling. Credit is provided on security related to the purchase or project and on terms suited to the individual borrower.

The legislation, originally operative for three years (1945-48), has been continuous by way of extensions usually for three-year periods. In 1959 the Act was extended for a further period commencing Apr. 1, 1959 and ending June 30, 1962. By the latter extension, full-time beekeepers were made eligible for loans and the maximum loan or amount available at any one time to a borrower was increased from \$5,000 to \$7,500. The maximum term of a loan and interest rate remain at ten years and 5 p.c. simple interest, respectively. The borrower is required to provide from 10 p.c. to 40 p.c. of the cost of his purchase or project, depending on the loan category to which it belongs. The Federal Government guarantees each bank against loss sustained by it up to an amount equal to 10 p.c. of loans granted by it in a lending 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. The current maximum stands at \$300,000,000. By Dec. 31, 1958, 1,282 claims amounting to \$835,772 had been paid under the guarantee since the inception of the Act, representing a net loss ratio of less than one-tenth of one percent after recoveries have been taken into account.

By the end of 1958, \$674,433,667, or 82.9 p.c. of the total loans made had been repaid. The position at that time was as follows:—

<u>Period</u>	<u>Loans Outstanding</u>	<u>P.C. of Total Loans Outstanding</u>
1945-48.....	\$ 4,965	0.02
1948-51.....	296,342	0.2
1951-53.....	1,526,204	0.9
1953-56.....	9,343,777	4.2
1956-59.....	127,894,141	57.9
TOTALS.....	139,065,430	17.1

3.—Loans Made under the Farm Improvement Loans Act, by Purpose, 1957 and 1958, with Cumulative Totals from 1945

Purpose	1957		1958		Cumulative Totals 1945-58	
	Loans No.	Amount \$	Loans No.	Amount \$	Loans No.	Amount \$
Purchase of agricultural implements.....	48,091	58,094,091	55,818	71,787,652	620,393	710,161,684
Construction, repair or alterations of, or making additions to any buildings or structure on a farm.....	3,974	6,000,234	5,910	10,004,024	40,873	53,886,979
Purchase of livestock.....	4,557	4,272,400	6,505	7,041,710	38,426	33,796,122
Works for the improvement or development of a farm designated in the regulations.....	908	647,420	1,427	1,090,377	18,439	11,796,056
Irrigation systems.....	109	164,619	142	228,372	251	392,991
Purchase or installation of agricultural equipment or a farm electric system and the alteration and improvement of a farm electric system.....	216	133,735	337	265,317	4,216	2,658,448
Erection or construction of fencing or works for drainage on a farm.....	133	115,375	139	122,288	1,077	806,813
Totals.....	57,988	69,427,874	70,278	90,539,743	723,675	813,499,097