

2.—Loans Approved under the Canadian Farm Loan Act, by Province, Year Ended Mar. 31, 1953

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

Province	Loans Approved				
	First Mortgage		Second Mortgage		Total Amount
	No.	Amount	No.	Amount	
		\$		\$	\$
Prince Edward Island.....	72	203,800	9	4,900	208,700
Nova Scotia.....	41	116,850	1	1,000	117,850
New Brunswick.....	69	200,850	8	5,800	206,650
Quebec.....	149	457,350	61	40,600	497,950
Ontario.....	345	1,360,250	59	45,350	1,405,600
Manitoba.....	177	571,050	97	73,300	644,350
Saskatchewan.....	499	1,631,800	269	189,000	1,820,800
Alberta.....	203	489,850	43	23,800	513,650
British Columbia.....	130	426,950	12	9,800	436,750
Totals.....	1,685	5,458,750	559	383,550	5,852,300

*The Farm Improvement Loans Act.**—The Farm Improvement Loans Act, administered by the Department of Finance, is designed to provide intermediate-term credit and a type of short-term credit for farmers to enable them to equip, improve and develop their farms. There is scarcely anything a farmer wants in the way of mechanical aids for his farm operation or for his home for which a loan may not be made. Assistance may also be obtained 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. 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. 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. Under the Act, the guarantee is limited by a provision stating that it will 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. When, in February 1951, the Act was extended for another three years, the amount fixed was \$200,000,000. Within two years the loans almost totalled this amount, and a further extension of the Act was made for three years from Apr. 1, 1953. The aggregate of loans for this three-year period, affected by the guarantee, is set at \$300,000,000. By Dec. 31, 1953, 175 claims amounting to \$90,771 had been paid under the guarantee.

Loans may be obtained for terms up to 10 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 \$4,000 by the legislation of 1953. The borrower himself must provide from 10 p.c. to 40 p.c. of the cost of his project.

By Dec. 31, 1953, \$313,403,652 or 69.4 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 0.4 p.c. had been repaid; of those made during the second three years, all but

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