

(e) *Belgium.*

In Belgium, a special credit institution—the *Société nationale de crédit à l'industrie*—was created as early as 1919 with the object of granting medium-term credit to agricultural, industrial and commercial enterprises. In the first years of its existence, it expanded rapidly on account of the large credit requirements of post-war reconstruction, but its activity slowed down for some years after 1924. After 1928, the volume of its business again increased, its loans outstanding totalling about 1,300 million francs from 1930 to 1934, the greater part guaranteed by private banks. In 1937, its statutes were amended in such a way as to increase the influence of the Government and of the National Bank and to enlarge the scope of its operations, while the maximum term of its advances was reduced from twenty to ten years. Its resources consist primarily of its own capital (subscribed by private individuals and by the private banks) and reserve funds; it also accepts time deposits and issues *bons de caisse* of five-year maturity, the interest on which is guaranteed by the State. Loans must be granted as close to cost as possible, but the S.N.C.I. none the less makes a satisfactory annual profit.

Continuing the policy of increasing credit facilities to small industry, the Government, in 1937, extended the activity of several public credit institutions; the *Office central de crédit hypothécaire*, established in 1936 to assist in the liquidation of mortgage loans, was authorized in 1937 to grant mortgage loans on buildings for industrial purposes. A series of decrees provided for the co-ordination of the institutions entrusted with the granting of credit facilities to the middle classes. The Temporary Credit Fund for the Middle Classes, set up in 1934 and due to be liquidated in 1939, was transformed in 1937 into a *Caisse nationale de crédit aux classes moyennes* and its activity extended to 1959. A decree of 1937 established a *Conseil de coordination des institutions de crédit aux classes moyennes*, entrusted with the co-ordination, with the aid of the National Bank and the General Savings Bank, of the activity of the *Caisse nationale de crédit aux classes moyennes*, the *Fonds de garantie au crédit pour l'outillage artisanal* (created in 1929) the *Caisse centrale de petit crédit professionnel* (created in 1929 and re-organized in 1937) and the *Office central de crédit hypothécaire*. The activity, the organization and the powers of the credit institutions "of public interest" were co-ordinated in 1937 by a *Conseil des institutions de crédit*. These institutions have been only recently established, and the volume of their operations is not large.

(f) *Netherlands.*

In the Netherlands, the establishment of special institutions to finance small and middle-sized industrial enterprises with the help of public funds has been advocated since 1932. The movement started with the creation of regional institutions to study the possibilities of establishing new industries or extending existing industrial enterprises if the required investment capital could be obtained. In 1935, an *Industrial Bank* of Limburg was established, the greater part of its capital being subscribed by the Province of Limburg and a number of large municipalities in this province. The volume of its business is very limited. Later, the Government founded a central industrial bank under the name of *Company for Industrial Financing* with the object of granting medium- or long-term credits to industrial enterprises "in so far as the extension of employment of Netherlands industry may be promoted thereby." The Company may also grant credits to, and participate in the capital of, authorized regional industrial banks, and take over credits from them. The credits are granted on a commercial basis, guarantees taking the form of mortgages, securities, etc. The interest charged is generally 5 per cent. The Company has in some cases participated in the capital of industrial enterprises. From its establishment to the end of 1938, the total of credits approved was 2½ million florins; there have been, in addition, some capital participations.