

*Industrial Development Bank Act*

to ask the minister. What is the staff of the bank, how many officers are there and how many loans were actually made last year?

**Mr. Abbott:** I think most of the information is in the annual report if the hon. member will give me a moment to find it. There is a great deal of detail in the annual report which the hon. member may not have had an opportunity of looking at. There is a breakdown giving the loans year by year. I do not know that I have information on the number of employees in the bank. I do not think that information is in the report.

**Mr. Macdonnell (Greenwood):** My reason for asking the question was that the information was not in the report.

**Mr. Abbott:** The table which I put on *Hansard* today shows a breakdown of current authorizations as at March 31, 1952, and they were as follows:

Amount of Loan	Number
\$5,000 and under	18
\$5,001 to \$25,000	241
\$25,001 to \$50,000	111
\$50,001 to \$100,000	98
\$100,001 to \$200,000	60
Over \$200,000	41

These loans total \$49 million, as is shown on the table. I shall have to get the data as to how many of those were authorized during the current fiscal year, but of course that information is readily available.

**Mr. Macdonnell (Greenwood):** I would not like to delay matters for that.

**Mr. Abbott:** The table which I prepared and placed on *Hansard* I thought would give a great deal of the detailed information which the members of the house might want. Anything it does not contain, I shall be glad to get.

**Mr. Macdonnell (Greenwood):** One notes how little in percentage or in numbers of the loans went to comparatively large borrowers. That is to say, from the point of view of the operation of a bank \$200,000 is not a very large loan, but I wonder if the minister could say what the management has found with regard to the small loans as against the large loans. I take it from the words "industrial development" they are all business loans, even the smallest of them, which were given to various types of businesses. Can anything be said, and is there anything to be gathered from it, as to the assistance this actually is to small businesses? The minister may reply that, relatively, it is all small inasmuch as even \$200,000 is not a big loan as business goes, but I would ask the minister if there is any information available concerning just how far it is being made use of by the really

small businesses. The number of loans to small people is perhaps not as large as one might have expected.

While I am on my feet I might digress for a moment to speak about the decision to make loans available to air enterprises, the reasons for which I can understand and which I applaud. The management may find that it is easier to make losses there than it has been in other cases. To come back to my first question, can the minister say anything as to the performance of the bank and the results they have found in the really small cases, by which I mean under \$25,000 or a good deal less than that?

**Mr. Abbott:** I have no detailed breakdown. From discussions with the chairman of the bank I know that the experience of the bank over the last seven years has been exceptionally good. Of course, as my hon. friend pointed out, the bank has been operating in relatively prosperous times. Naturally with several hundred smaller loans the losses in numbers there have been greater than they have in the somewhat larger loans. But so far no serious losses have been sustained by the bank.

**Mr. Fleming:** May I ask the minister what interpretation is put on the words "commercial air service"? Does it include every form of air service that is for hire, whether it be passengers, freight, express or mail? Is every form included? For instance, is this broad enough to include Trans-Canada Air Lines or Canadian Pacific Air Lines?

**Mr. Abbott:** It would be broad enough to cover those, but of course it is not contemplated to make advances to those concerns. This is the language which was recommended by the air transport board from whom the first suggestion came that it might be desirable to look at the Industrial Development Bank Act to see whether financial assistance might be made available or whether loans might be made available through that bank to meet this real need of the smaller commercial cargo and passenger transport lines. The larger lines have no difficulty in arranging their financial requirements. In the case of Trans-Canada Air Lines they do not need to go to the industrial development bank.

**Mr. Fleming:** They come here.

**Mr. Abbott:** They finance as in the case of the Canadian National Railways under the bill we shall be considering a little bit later. But the situation is difficult for small commercial air lines, and this is to meet that need. The loans here will have to meet the test of being business loans, but it is to cover a field in which at present loans are not available from other sources.