

The Canadian Government has agreed to participate in this international mission and has nominated as its representatives Dr. L. Bradley Pett, Chief, Nutrition Division, Department of National Health and Welfare, Ottawa; and Mr. D.H. Treleaven, Secretary, Canadian Wheat Board, Winnipeg. Dr. Pett will act as the nutritionist on the Mission and Mr. Treleaven as the wheat marketing specialist."

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## IDB REPORT

Following is the introduction to the annual report of the Industrial Development Bank for 1959, by the president, Mr. J.E. Coyne:

"The Industrial Development Bank has now been in operation for a period of fifteen years. During this time, it has approved 3,955 loans in a total amount of \$260.6 million. In the fiscal year ended September 30, 1959, the number of loans made was 599 for a total amount of \$30.6 million. At September 30, 1959 the Bank had 2,030 loan accounts on its books for 1,609 industrial enterprises. The original amount of the authorizations in respect of these accounts aggregated \$166.9 million, on which the amounts outstanding were \$96.7 million and the total of amounts outstanding plus amounts not yet disbursed was \$109.1 million.

"Of the loans which the Bank had outstanding or committed at September 30, 1959, to 1,609 customers, 43 per cent by number were for amounts of \$25,000 or less and 93 per cent by number were for amounts of \$200,000 or less. The total of loan accounts for which an amount not exceeding \$200,000 was outstanding or committed was \$65.0 million at September 30, 1959, and the total outstanding or committed for loans in excess of \$200,000 was \$44.1 million. The statutory limit on the total of accounts with amounts outstanding in excess of \$200,000 is \$75 million.

"The IDB was established to fill a gap in the financial structure--to make term loans to industrial enterprises which, because of their small size, or their lack of a sufficiently long earnings record, or complications in respect of the security they could offer, or for other special reasons, could not obtain term financing from other sources on reasonable terms and conditions. On the basis of the Bank's experience to date their appears to be a continuing demand from industrial enterprises for term lending of this type.

"Over the past four years, the number of loans made to new borrowers per year has tripled. In part this results from the 1956 revision of the IDB Act, which made additional categories of industry eligible under the Act. ...The expansion of lending is particularly noticeable in newly eligible categories such as transportation and storage, construction, and industrial and technical services. The Bank's rate of lending has also increased among a wide variety of other industries,

mainly because of a growing awareness in the business community of the facilities which the Bank can offer.

"The Bank's procedures and criteria for making loans are open to modification from time to time in the light of operating experience, but two basic principles stand unchanged and indeed re-emphasized by experience. One is the necessity of adequate management capabilities in the applicant business as a condition for making a fruitful loan, that is, one which will be of benefit to the borrower and be repaid within a reasonable period. The other is the importance of the amount and character of the principal's own investment in the business. It would confer only an illusory and temporary benefit on any borrower to make a loan where these two major requirements for success are not adequately met.

"At the beginning of the fiscal year ending September 30, 1959, the rate of loan applications and approvals was showing a tendency to decline. This proved to be a temporary condition and for the year as a whole the number of new loans was slightly higher than in the previous fiscal year. The new fiscal year ending September 30, 1960, has started on a rising trend and at a substantially higher level than a year ago.

"The number of new loans made in the fiscal year 1959 was 599 as compared with 571 in the previous fiscal year. The total amount authorized for new loans was \$30.6 million as compared with \$35.9 million and the average amount authorized per new loan was \$51,000 as compared with \$63,000. There were 56 more loans in categories up to \$50,000 and 28 fewer loans for amounts over \$50,000."

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## SEAWAY TRAFFIC-1959

Preliminary traffic statistics issued by the Canadian and United States Seaway authorities on January 8 show that 20,100,000 tons of cargo were carried through the St. Lawrence Seaway (Montreal - Lake Ontario) in the 1959 navigation season. This figure is 8,300,000 tons or 71 per cent, in excess of the quantity of cargo carried by the old St. Lawrence canals in 1958. The upbound movement increased by 6,150,000 tons (132 per cent) and the downbound by 2,180,000 tons (31 per cent). Bulk cargo (as defined by the tariff) was 91 per cent of the total. (The figures are subject to revision when all cargo returns have been processed.)

Cargo carried during November and December amounted to 2,300,000 tons, of which 57 per cent was downbound. The total was 44 per cent ahead of the corresponding figure for 1958.

Cargo transported through the Welland canal to the end of navigation totalled 26,900,000 tons, which was 27 per cent greater than the 1958 traffic. Upbound movement increased by 92 per cent and downbound by 6 per cent.