

It would enable a great central promotional effort to be made leading on business without treading on any toes, while the actions of the authorities would have a very much greater impact on the economy than could be achieved by additional direct lending through existing or new agencies.

24. To encompass these aims, it is natural to wonder whether the research, talent and experience presently available in the Industrial Development Bank could not be specifically channelled into this area of credit insurance. One of its main functions would be the underwriting of industrial credit risks and it could also offer certain services in the area of managerial assistance.

25. Its primary relationship would be with a limited number of approved lenders who could demonstrate certain specialized expertise and through whom insured loans would be made to developing corporations. Some of these approved lenders would be existing institutions with experience in this area.

26. Such a flexible program would be very attractive to inventors and industrialists of many countries in the world, including Canada. It would greatly enhance their interest in pursuing their activities here, and at the same time they would be attracted to a lesser degree to go south of the border with the development and commercialization of their ideas.

27. Dilution of the risk factor (inherent in new idea development and implementation) among numerous parties involved would result. More importantly, the Canadian Government would not need to provide any allocations of funds in its budget for this purpose, assuming that on the average the losses should be well below the amount of insurance premiums collected.