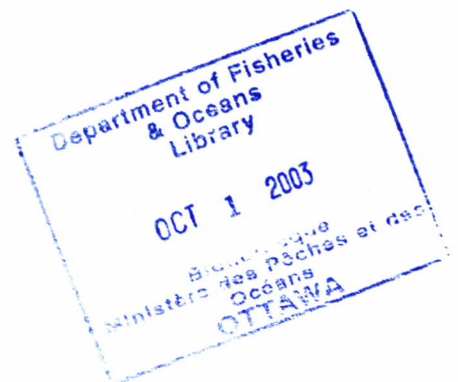




FISHERIES IMPROVEMENT

LOANS ACT

**ANNUAL REPORT
2002-2003**



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ANNUAL REPORT
OF THE OPERATIONS UNDER THE
FISHERIES IMPROVEMENT LOANS ACT

The Fisheries Improvement Loans Act came into force in December 1955, for an initial period of three years, and was amended from time to time in later years to authorize additional lending periods. The last of these lending periods expired on June 30, 1987, and no further lending under the Act has been authorized.

The Small Businesses Loans Act was amended on June 30, 1987, to include fishing as an eligible business enterprise under the terms of that Act. The Department of Fisheries and Oceans continues to administer outstanding guaranteed loans made in the past under the Fisheries Improvement Loans Act.

The purpose of The Fisheries Improvement Loans Act was to facilitate the availability of intermediate and short-term credit to fishermen for the improvement or development of fisheries enterprises. To that end, the Act authorized the Minister of Fisheries and Oceans to guarantee against loss, term loans made to fishermen by chartered banks and other lenders designated by the Minister, for a wide range of fisheries improvement projects.

The repayment terms of a loan depend largely upon the amount borrowed and the particular financial circumstances of the borrower. The repayment period is subject to a maximum term of fifteen years. Fisheries Improvement Loans must be secured.

The total amount of guaranteed loans which a borrower may have outstanding is \$150,000.

The maximum rate of interest which lenders may charge on loans guaranteed under the Act is, and varies with, the prime lending rate of the chartered banks plus one per cent.

Claims Paid

No claims were paid in 2002-2003. Guaranteed loans outstanding at the beginning of the fiscal year totalled \$ 6,860 and were repaid in full by the March 31, 2003. In the same period, \$ 4,659.24 in recoveries has been received on subrogated debts.

Accounts Written-off

In fiscal year 2002-2003, no accounts were written-off pursuant to the Bankruptcy and Insolvency Act and the Debt Write-off Regulations.

Appended to this Report are tables showing a summary of operations from inception to March 31, 2003.

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TABLE 1
Summary of Operations
From Inception to March 31, 2003

FISCAL YEAR	Loans Registered		Average Size of Loan	Claims Paid		Recoveries of Claims Paid	Write-off Claims Paid	
	Number	Amount \$		Number	Amount \$		Number	Amount \$
December 12, 1955 to March 31, 1957								
April 1, 1957 to March 31, 1958	305	335,196	1,099	--	--	--	--	--
April 1, 1958 to March 31, 1959	136	149,960	1,103	--	--	--	--	--
April 1, 1959 to March 31, 1960	144	177,040	1,229	1	278	--	--	--
April 1, 1960 to March 31, 1961	127	170,382	1,342	--	--	--	--	--
April 1, 1961 to March 31, 1962	142	217,296	1,530	--	--	--	--	--
April 1, 1962 to March 31, 1963	179	283,808	1,586	2	338	--	--	--
April 1, 1963 to March 31, 1964	144	214,816	1,492	--	--	--	--	--
April 1, 1964 to March 31, 1965	202	368,229	1,823	--	--	--	--	--
April 1, 1965 to March 31, 1966	238	459,648	1,931	--	--	--	--	--
April 1, 1966 to March 31, 1967	341	1,097,962	3,220	3	1,894	--	--	--
April 1, 1967 to March 31, 1968	348	1,420,539	4,082	2	1,433	46	--	--
April 1, 1968 to March 31, 1969	280	1,273,924	4,550	1	600	--	--	--
April 1, 1969 to March 31, 1970	202	1,103,491	5,463	2	2,347	--	--	--
April 1, 1970 to March 31, 1971	360	2,579,005	7,164	3	6,510	3,891	--	--
April 1, 1971 to March 31, 1972	467	3,299,641	7,066	2	8,000	--	--	--
April 1, 1972 to March 31, 1973	692	5,296,814	7,654	--	--	--	--	--
April 1, 1973 to March 31, 1974	910	7,070,356	7,769	4	10,532	750	--	--
April 1, 1974 to March 31, 1975	1,152	10,762,552	9,342	4	16,613	878	--	--
April 1, 1975 to March 31, 1976	933	12,420,268	13,312	3	10,785	3,409	--	--
April 1, 1976 to March 31, 1977	920	12,839,670	13,956	11	52,236	--	--	--
April 1, 1977 to March 31, 1978	854	12,349,366	14,461	16	45,591	5,603	--	--
April 1, 1978 to March 31, 1979	927	18,830,481	20,313	42	401,979	8,437	--	--
April 1, 1979 to March 31, 1980	1,490	28,317,786	19,005	28	298,437	1,272	--	--
April 1, 1980 to March 31, 1981	1,408	27,805,493	19,748	29	228,302	4,474	--	--
April 1, 1981 to March 31, 1982	1,158	23,370,203	20,182	22	221,491	3,546	--	--
April 1, 1982 to March 31, 1983	700	12,551,773	17,931	56	566,550	18,348	--	--
April 1, 1983 to March 31, 1984	743	11,448,653	15,409	71	1,525,477	12,490	--	--
April 1, 1984 to March 31, 1985	872	16,031,488	18,385	117	4,015,441	26,613	--	--
April 1, 1985 to March 31, 1986	880	14,965,020	17,006	99	2,500,398	170,880	--	--
April 1, 1986 to March 31, 1987	945	18,817,537	19,913	93	3,570,540	58,713	--	--
April 1, 1987 to March 31, 1988	753	17,448,754	23,172	41	1,436,268	79,583	--	--
April 1, 1988 to March 31, 1989	--	--	--	10	429,660	80,816	--	--
April 1, 1989 to March 31, 1990	--	--	--	6	225,928	47,543	--	--
April 1, 1990 to March 31, 1991	--	--	--	1	91,470	238,850	--	--
April 1, 1991 to March 31, 1992	--	--	--	5	164,717	25,167	162	1,026,820
April 1, 1992 to March 31, 1993	--	--	--	--	--	47,501	62	388,126
April 1, 1993 to March 31, 1994	--	--	--	4	74,882	158,004	71	363,027
April 1, 1994 to March 31, 1995	--	--	--	1	79,645	145,699	7	215,857
April 1, 1995 to March 31, 1996	--	--	--	2	22,783	58,048	63	2,293,749
April 1, 1996 to March 31, 1997	--	--	--	--	--	33,238	--	--
April 1, 1997 to March 31, 1998	--	--	--	--	--	19,476	233	8,975,977
April 1, 1998 to March 31, 1999	--	--	--	--	--	21,600	3	154,534
April 1, 1999 to March 31, 2000	--	--	--	--	--	39,763	5	32,308
April 1, 2000 to March 31, 2001	--	--	--	--	--	19,530	--	--
April 1, 2001 to March 31, 2002	--	--	--	--	--	28,764	--	--
April 1, 2002 to March 31, 2003	--	--	--	--	--	4,598	--	--
TOTAL	18,952	263,477,151	13,902	681	16,011,125	1,372,189	606	13,450,398

TABLE 2

Loans and Repayments to Lenders
As at March 31, 2003

Period	Loans Made \$	Repayments \$	Balance of Loans Payable to Lenders \$
Period 9: July 1, 1985 to June 30, 1987	29,999,905	29,999,905	0