

COLOMBO PLAN PROPOSAL: The Department of External Affairs announced on April 24 that agreement has been given to the proposal of the Government of India that additional counterpart funds arising from Canadian aid be allocated to the Mayurakshi hydro-electric and irrigation project in West Bengal.

In accordance with the Statement of Principles of 1951, which governs the co-operation of the two Governments under the Colombo Plan, certain forms of Canadian assistance give rise to local currency proceeds which are known as counterpart funds. Where, for example the aid takes the form of commodities which are sold in the Indian market, the revenue from their sale is paid into a counterpart fund. Similarly, where Canadian assistance is in the form of equipment provided to the Government of India for use in a specific development project, this equipment is normally made available to the project by the Government of India on a loan basis and the repayment of such a loan is credited in due course to a counterpart fund. By agreement between the two Governments, the counterpart funds generated by Canadian aid are used to assist in the local financing of specific Indian development projects.

The two Governments had previously decided that the rupee proceeds from the sale of \$10 million worth of Canadian wheat, supplied to India under the Colombo Plan in 1951-52, should be devoted to the Mayurakshi project. It has now been agreed that the proceeds from the sale of \$5 million worth of Canadian wheat supplied to India in 1952-53 should also be used for this purpose, together with the counterpart funds arising from the provision of 50 locomotive boilers for the Indian railways.

This means that the total Canadian contribution to the Mayurakshi project in the form of counterpart funds will be about \$17 million. In addition, the Canadian Government is providing the project with hydro-electric equipment valued at about \$3 million. Altogether, therefore, Colombo Plan aid from Canada will have accounted for approximately two-thirds of a total project expenditure which is estimated at more than \$31 million.

On completion in 1955-56, the Mayurakshi project is expected to irrigate over 600,000 acres in the monsoon season and an average of 120,000 acres during the winter season. It is anticipated that the project will yield roughly 400,000 additional tons of food grains a year, worth about \$16 million, while some 2,000 kilowatts of firm electric power will be generated at the hydro-electric plant under construction on the Mayurakshi River.

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The 2,050 ships operated by Canadians in 1952 included 95 passenger vessels, 95 that carried both passengers and freight, 723 freighters, 79 tankers, 405 tugs, 548 tow barges and scows and 105 of other types.

TRADE DELEGATION: The Department of External Affairs announced on April 26 that a trade delegation headed by the Deputy Minister of Trade and Commerce, Mr. W.F. Bull, had left for Portugal and Spain to commence trade negotiations with these countries.

The delegation includes Mr. Maurice Schwarzman of the Department of Trade and Commerce, and Mr. George Glass of the Department of Finance. Mr. J. Lawes of the Newfoundland Associated Fish Exporters Limited will accompany the delegation.

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NEW BANK NOTES: Canada's new notes will be 6 inches long by 2¼ inches deep. The long measurement is the same as the current issue but the notes are approximately 1/8 of an inch shallower. The latter change was made for technical reasons.

Plates for the fronts and backs of all denominations will be complete in the near future and some denominations are already in production. Distribution will not begin until September of this year in order to build up stocks of the new issue in various parts of the country and substantially to use up stocks of the current issue.

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VISIT OF H.M.C.S. QUEBEC TO EUROPE: HMCS Quebec (training cruiser), under the command of Captain E.W. Finch-Noyes, CD, RCN, of Oakville, Ont.; and Chester, N.S., will sail from Halifax April 30 on a five-week spring training cruise to European waters.

During the cruise the Quebec is scheduled to visit the Portuguese island of Madeira, May 7-11; Lisbon, Portugal, May 13-15; Copenhagen, Denmark, May 20-25, and Brest, France, May 28-30, returning to Halifax on June 6.

At Brest, members of the directing staff and current course of the National Defence College, Kingston, who are touring Europe, will be embarked in the Quebec for return passage to Canada. The party includes senior officers of all three services.

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NATIONAL HARBOURS BOARD SURPLUS: With total revenues of \$21,000,000 and a net income surplus of \$2,400,000, the financial results of the National Harbours Board in 1953 were the best in its experience, according to the 18th annual report presented to Parliament by the Minister of Transport, Mr. Chevrier. In 1952, revenues amounted to \$20,300,000 and the surplus was \$1,000,000. The increase in revenues came almost entirely from grain elevators.

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Canadian ships lost at sea, burnt or otherwise destroyed totalled 87 valued at almost \$5,000,000 in the seven postwar years 1946-52.