

It was proposed that the Ministers of Trade and Commerce and Transport, with himself, should constitute a small committee to approve preparations for the conference.

15. The Cabinet, after discussion, noted with approval the Minister's report and agreed that a Minister from the Maritime Provinces might be added later to the Cabinet Committee.

Export Credits Insurance; exports to Brazil

16. The Minister of Trade and Commerce submitted a recommendation to authorize the Export Credits Insurance Corporation to enter into a contract of insurance with Canadian Brazilian Services Limited, covering the export to Brazil of hydro-electric equipment to the estimated value of \$2½ million in 1949, \$1½ million in 1950, and \$1¼ million in 1951.

The company in question was an affiliate of Brazilian Traction Light and Power Company which had applied to the International Bank for Reconstruction and Development for a loan of \$75 million. This loan had been approved in principle by the Bank and now awaited enabling Brazilian legislation. The company wished to arrange for credit with a Canadian bank pending completion of the loan.

The proposed contract of insurance was submitted by the Export Credits Corporation Directors for approval, being for a term and in an amount in excess of that normally undertaken.

(Minister's submission to Council, Nov.8, 1948 - P.C. 5214).

17. Mr. Howe explained that it was considered to be in the national interest that the export market to Brazil be kept open and developed. The proposal had been approved by the Department of Finance.

18. The Cabinet, after discussion, approved the Minister's recommendation and agreed that an Order in Council be passed accordingly.

A.D.P. Heeney,
Secretary to the Cabinet.

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