

the mountain-fed waters of several major tributary rivers on which the lives of 50 million people depend.

In 1947, when India and Pakistan were partitioned, the source of all the rivers and the main installations of the two most important irrigation canals remained in Indian hands. West Pakistan's anxiety over water supplies led to mediation by the World Bank and, in 1960, the leaders of India and Pakistan signed the Indus Water Treaty. At the same time, representatives of Australia, Canada, Germany, New Zealand, Pakistan, the United States and the World Bank concluded the agreement on the Indus Basin Development Fund at a meeting in Karachi.

The two largest features of the entire project are the barrage dams at Mangla and Tarbela, which will ensure a uniform supply of water for a network of canals. The Indus project also involves the construction of eight canals with a total length of 360 miles, close to 500 bridges, culverts, inlets and outlets, five new weirs, 2,500 wells and miles of drainage pipe to carry off salty water from 2.5 million acres of now infertile land.

RECORD EXPORTS INSURANCE

The Export Credits Insurance Corporation reached record levels for both export credits insurance and long-term export financing in 1967. The value of exports insured were up by well over one-third and financing agreements by four times the 1966 level.

The annual report of the Crown corporation, released by Mr. C.M. Drury, Minister of Trade and Commerce, showed that in 1967 ECIC insured \$238-million worth of exports, including \$24 million at Government risk, and concluded long-term financing agreements totalling \$94 million.

ECIC, established in 1945, promotes the expansion of Canadian exports by offering exporters protection against non-payment by foreign buyers for goods sold on regular commercial credit terms, and since 1961, by financing directly the sale of Canadian goods and services for capital projects abroad where extended credit terms are necessary. Since inception it has insured \$2.3 billion of exports and concluded 45 financing agreements with a total value of \$387 million, with buyers in 16 countries.

Exports insured on their own account in 1967 totalled \$214 million, compared to \$155 million in 1966 — an increase of 38 per cent over the previous year's figure. Owing to the continuing policy of reducing premium rates wherever possible, premium income increased by only 10 per cent.

Claims paid during 1967 totalled \$1,708,446 as compared to \$771,407 in 1966. The largest portion of these claims — \$1,368,845 — was paid under the exchange transfer risk clause.

Operating expenses and net claims exceeded income by \$1,153,003. After deducting interest of \$285,868 earned on investments, there was a net loss of \$867,135 during the year. The Corporation has, however, earned income from premiums and interest since it began operations in 1945, which exceed operating expenses by \$4.5 million.

During 1967, ten financing agreements valued at \$94 million and covering projects in seven countries were concluded under Section 21A of the Act. This compared with \$24 million in 1966 and \$57 million in 1965. This Section provides a source of financing to assist exporters of capital goods and related services who develop business abroad requiring extended credit terms, and, as a result of the 1967 operations, will enable orders to be placed with at least 2,000 Canadian companies.

In 1967 ECIC began insuring exports to the United States as a general rule. The new service is designed to complement facilities available from commercial insurers.

STUDENT HOUSING LOANS

Mr. E.J. Benson, President of the Treasury Board and the Minister of Finance, who is also responsible to Parliament for the Central Mortgage and Housing Corporation, announced recently the approval of federal loans to a value of \$6,880,400 for student-housing projects in Ontario. Mr. Benson added that "this is further evidence of the Government's announced intention to concentrate its attention and resources in the social areas of housing in 1968".

The loans, provided under the National Housing Act, will assist in the construction of four projects that will provide accommodation for a total of 1,333 students.