

Kundah Power Development

URGENTLY needed to provide power for irrigation, industry and other purposes, and thus to reduce the threat of famine and raise the standard of living of more than 30,000,000 residents of the State of Madras in India, the Kundah-Hydro Electric project was formally inaugurated at ceremonies held on June 29 at the site of the project.

The first stage of the Kundah development, a joint Indian-Canadian project under the Colombo Plan, is expected to cost \$60 million, of which Canada will be paying up to a maximum of \$20 million to be allocated over two or three years. The Canadian contribution will include the provision of turbines, generators, and other power house equipment; specified materials and construction equipment for the civil works, and possibly some sub-station and transmission equipment for the transmission line. In some instances, where practicable, equipment may be fabricated in India at Indian expense from materials supplied from Canada. Canada will also provide the services of Canadian consulting engineers to supervise certain aspects of the work and assist the Indian Department of Electricity in the execution of the project.

India will be responsible for the construction of all civil works, the provision of labour and local materials, and the supply of housing, roads, and other facilities at the site. To help India meet the local costs of this project, Canada has agreed to the use of counterpart funds, available in rupees, resulting from Canadian aid to India under the Colombo Plan.

In a message read at the inaugural ceremonies by the Governor of Madras, Shri Sri Prakasa, Mr. L. B. Pearson, Secretary of State for External Affairs, expressed satisfaction that Canada and India were embarking on another important co-operative endeavour under the Colombo Plan. Mr. Pearson's message continued:

"I am sure that the Canadian engineers who will be working along side of the Indian engineers at the project will be proud to be associated with the work of the Madras Department of Electricity, which has such a splendid record of achievement in the development and distribution of power in your country. On behalf of the Government of Canada, may I wish you every success in your new undertaking, which will make a notable contribution to the courageous programme of economic development which the people of India are now embarking upon in the second five-year plan."

Actual terms of the understandings between the governments of India and Canada are now being negotiated, and it is expected that an inter-governmental agreement recording them will be signed shortly in New Delhi.

The Need for Power

The existing electric power system of the State of Madras supplies the City of Madras (the capital city and principal seaport) and a thickly settled, intensively cultivated farming area in southern India, which extends 370 miles from north to south, and 340 miles from east to west. While the rate of power