

The insurance is available under three main classifications: general commodities, capital goods and services. Coverage for general commodities may be procured by exporters under two types of policies: the Contracts Policy, which insures an exporter against loss from the time he books the order until payment is received; or the Shipments Policy, obtainable at lower rates of premium and covering the exporter from the time of shipment until payment is received. These policies are issued on a yearly basis, covering exporters' sales to all countries.

Insurance of capital goods offers protection to exporters dealing in plant equipment, heavy machinery, etc., where extended credit up to a maximum of five years may be necessary. Specific policies are issued for transactions involving capital goods, but the general terms and conditions are the same as those applicable to policies for general commodities. Specific policies are also issued to cover engineering, construction, technical or similar service contracts entered into between Canadian firms and persons in foreign countries who have agreed to purchase such services.

The Corporation insures exporters on a co-insurance basis up to a maximum of 85 p.c. of the gross invoice value of shipments. This co-insurance basis also operates in the distribution of recoveries obtained after payment of a loss; these recoveries are shared by the Corporation and the exporter in the proportions of 85 p.c. and 15 p.c., respectively.

Under the Export Credits Insurance Act, Sect. 21, the Corporation may be authorized to enter into certain contracts of insurance, where the Board of Directors of the Corporation is of opinion that a proposed contract of insurance would impose upon the Corporation a liability for a term or in an amount in excess of that which the Corporation would normally undertake, and in the opinion of the Minister of Trade and Commerce it is in the national interest that the proposed contract be entered into. Under Sect. 21A of the Act, the Corporation may be authorized by the Government to provide financing in respect of an export transaction. Such financing is available only in cases where extended credit terms in excess of five years are involved.

**Industrial Development Branch.**—This Branch co-ordinates the assistance offered by the Federal Government in the establishment and expansion of industries in Canada. In this capacity, it works closely with other federal agencies and with industrial development departments of the provinces. In addition, the Branch maintains close working arrangements with a wide-spread network of organizations throughout Canada, including municipalities, railways, banks, power companies, chambers of commerce, boards of trade and the Canadian Manufacturers' Association.

Information and guidance are provided on a multiplicity of matters related to industrial development. The Branch acts in an advisory capacity for Canadian manufacturers, processors and associated service establishments. It also aids established firms desiring to diversify into new lines of production. Inquiries from foreign firms and individuals regarding the manufacture of products in Canada under licence or royalty are screened and brought to the attention of Canadian manufacturers interested in producing additional items.

**International Trade Relations Branch.**—The International Trade Relations Branch deals with a wide variety of current trade issues including analysis of developments in international commercial relations and assistance in maintaining and further improving the access for Canadian goods in foreign markets. The Branch endeavours to find practical solutions for tariffs and other difficulties encountered by Canadian exporters. It has under constant review Canada's trading relations with other countries, and participates in conferences and negotiations under the General Agreement on Tariffs and Trade. In addition, the Branch is concerned with work being done in the trade field by other international organizations.