Commodities Branch.—The principal role of the Commodities Branch is active trade promotion. The Branch provides liaison with industry and the business community in Canada, and passes on information about trade opportunities brought to light by officers of the Department at home and abroad.

The Branch has commodity specialists organized in seven divisions: Engineering and Equipment, Minerals and Metals, Forest Products, Chemicals, Appliances and Commercial Machinery, Textiles and Consumer Goods, and Transportation and Trade Services. Within these divisions, individual commodity specialists are concerned with such particular groups of products as engineering services and plant equipment, electrical and electronic equipment and transportation equipment, ferrous and non-ferrous metals, lumber, pulp and paper, chemicals and petroleum products and leather and rubber, as well as a wide range of consumer products. Commodity officers visit plants, attend meetings of business associations, prepare trade studies and market surveys, and assist in arranging displays of Canadian goods abroad for the purpose of introducing them in foreign markets. Commodity specialists direct the attention of trade commissioners to changes in supply conditions and to products available for export, and also relay market news received from trade commissioners to Canadian manufacturers and exporters.

The Branch is concerned with the administration of the Export and Import Permits Act and is active in the export control field, including international arrangements for the control of strategic materials. Branch representatives attend international commodity study groups in such products as tin, rubber, cotton, lead and zinc, where major world suppliers and users of the commodity concerned meet to arrange a framework for orderly marketing and price stability in principal world markets. The Branch also acts as a source of commercial intelligence and compiles and distributes trade information essential to the operation of other branches of the Department.

Export Credits Insurance Corporation.—The Export Credits Insurance Corporation was established under the provisions of the Export Credits Insurance Act 1944 (RSC 1952, c. 105, as amended by 1953-54, 1957, 1957-58, 1959, 1960-61 and 1962), and is administered by a Board of Directors that includes the Deputy Minister of Trade and Commerce and the Deputy Minister of Finance. It insures persons carrying on business in Canada against risks involved in the export, manufacture, treatment or distribution of goods or the rendering of engineering, construction, technical or similar services. The main risks covered include: insolvency or protracted default on the part of the buyer; exchange restrictions in the buyer's country preventing the transfer of funds to Canada; cancellation of an import licence or the imposition of restrictions on the importation of goods not previously subject to restrictions; the occurrence of war between the buyer's country and Canada, or of war, revolution, etc., in the buyer's country.

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