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Report of the International
Monetary Fund

Text of statement to be made by the Canadian Representative, Mr. Donald S. Macdonald, M.P., Parliamentary Secretary to the Secretary of State for External Affairs of Canada, to the Resumed 41st session of the Economic and Social Council with respect to the Report of the International Monetary Fund, on Monday, December 19, 1966.

Mr. President,

We listened with great interest to the very penetrating report which the Managing Director of the Fund has delivered to the Council. We in Canada attach great importance to the contribution which the Fund has made towards the successful functioning of the international payments system. When one looks back on the performance of the system since the establishment of the Fund over twenty years ago, and particularly if this performance is contrasted with that of the inter-war period, one cannot fail to be impressed by the progress which has been made in international monetary cooperation, the expansion and balanced growth of international trade, the promotion of exchange stability, the avoidance of competitive exchange depreciation, and more generally, the establishment of a multilateral system of payments. These, of course, have been the primary objectives of the International Monetary Fund as they are set forth in the Fund's articles of agreement. By making available substantial medium-term credits to countries in temporary balance of payments difficulties, the Fund has been able to provide these members with the time needed to make necessary adjustments and to formulate policies which strengthen national and international prosperity.

Since its establishment, the Fund has grown in membership and resources and it has adapted its policies in ways which have increased its usefulness. In this connection, we welcome the increase in quotas which has taken place during the past year. In addition to the general increase of 25 percent in members' quotas, Canada, together with 15 other countries, was granted a special increase, the combined effect of which was to raise our quota in the Fund quite substantially: from the previous level of