

acceded to the General Agreement, thereby becoming contracting parties. For 1971, GATT had a budget of \$4,024,000 (U.S.), of which Canada paid \$232,000.

### The Financial Agencies

There are four financial organizations in the United Nations system with Specialized Agency status. Three of them, the International Bank for Reconstruction and Development (IBRD) with its two affiliates the International Development Association (IDA) and the International Finance Corporation (IFC), constitute the World Bank Group.

The IBRD, with its two affiliates, is empowered to extend loans and credits to all member countries, especially those in the Third World, for projects that Bank studies have indicated will make an important contribution to the borrower's economic development. The three organizations differ essentially in the source of their funds and the terms of their loans. The IBRD obtains most of its funds from bonds issued on world capital markets and it must, accordingly, lend on competitive terms. Canada's subscription to the IBRD's capital amounts to \$942 million (U.S.) or 3.7 per cent of the total. Since members pay only one-tenth of their subscription, Canada's actual contribution to the Bank's lendable capital is \$94.2 million (U.S.). The remaining nine-tenths of its subscriptions constitute a guarantee of the Bank's obligations.

The IDA relies on interest-free advances from governments for the bulk of its resources, making loans on much easier terms than conventional loans. Since the IDA's inception in 1960, Canada has contributed or pledged \$304.5 million (U.S.), including \$150 million (U.S.) to the Third Replenishment in 1971 in advance of the effective date of the relevant replenishment agreement. Canada has pledged further contributions of \$50 million (U.S.) both in 1972 and 1973.

The IFC seeks to promote the growth of productive private enterprise in developing member countries by facilitating loans on competitive terms without government guarantee. The total of gross commitments since the inception of operations equals \$647 million (U.S.) in 48 countries. Canada's subscription to the IFC amounts to \$3.6 million (U.S.), out of the IFC's paid-in capital of \$107 million (U.S.).

The operations of the fourth organization, the International Monetary Fund, are of a different character. It provides machinery for international consultation and collaboration on monetary problems. Among its functions are the promotion of exchange stability, the elimination of exchange restrictions, the establishment of a multilateral system of current payments, and the expansion and balanced growth of international trade. As of September 30, 1971, the total of all members' quotas amounted to nearly \$28.8 billion (U.S.) and a Special Drawing Account contained over \$28.3 billion (U.S.). As of July 31, 1972, holdings of Canadian currency totalled \$326.4 million (U.S.), out of the current Canadian quota of \$1,100 million (U.S.). Canada has the sixth-largest quota in this organization.