

The Fund's General Arrangements to Borrow became effective in 1962. Under these arrangements, ten major industrial countries have agreed to lend their currencies to the Fund up to specified amounts if needed to forestall or cope with an impairment to the international monetary system. Formal adherence has been announced by the Governments of Belgium, Britain, France, Italy, Japan, the Netherlands, and the United States, as well as the Deutsche Bundesbank (Germany) and the Sveriges Riksbank (Sweden). Their commitments amount to \$5.8 billion. The Canadian Government has undertaken to request Parliament to agree to a Canadian commitment of the equivalent of \$200 million (U.S.).

International Bank for Reconstruction and Development

In addition to providing a wide variety of technical assistance, the 81-member Bank makes loans in cases where private capital is not available on reasonable terms, to finance the foreign-exchange costs of productive investments in member countries.

The Bank obtains its funds for lending operations from the capital subscriptions of its members, the sale in the various capital markets of the world of its own bonds and notes and of portions of its loan portfolio and its net earnings.

The Bank's authorized capital is \$21.0 billion (U.S.), of which \$20.7 billion had been subscribed by December 31, 1962. Of each subscription, 1 per cent is payable in the form of gold or U.S. dollars and is fully usable by the Bank in any of its operations and 9 per cent is payable in the national currency of the member and may be used for loans only, with the consent of the country concerned. The remaining 90 per cent of each subscription is not available for lending and is subject to call should the Bank ever need additional funds to pay off its outstanding funded debt. The uncalled subscription is in the nature of a guarantee against which the Bank is able to borrow funds. Of Canada's total subscription of \$750 million (U.S.), \$7.5 million has been paid in gold and U.S. dollars and the equivalent of \$67.5 million (U.S.) has been paid in Canadian dollars. Canada has given the Bank permission to use this amount freely in its operations.

The Bank obtained \$144 million (U.S.) in 1962 through the sale of its own bonds and notes. The Bank's outstanding funded debt was \$2,538 million (U.S.) at the end of December 1962. Sales to investors of portions of the Bank's loan portfolio amounted to \$307 million (U.S.) over the year, of which \$24 million (U.S.), was to private Canadian interests. Loan repayments in 1962 were \$240 million (U.S.). Net income for the Bank during the year ending December 31, 1962, amounted to \$76 million (U.S.), a new peak. Loan commissions totalled \$30 million (U.S.). All net income