

of the Fund's resources, the Fund has already had five exchange transactions since the beginning of 1952 — with Iran, Brazil, Australia, Paraguay and Belgium.

### **The Fund's Gold Policy**

In 1947, the Fund had recommended to its members that they should take effective action to prevent external gold transactions at premium prices — in excess of \$(U.S.)35 per fine ounce — because such action tended to impair monetary reserves and to undermine exchange stability. In September 1951, the Fund concluded that the difficulties which had been experienced with its policy towards premium gold transactions — under which the Fund, in effect, attempted to screen the gold marketing arrangements of its members — justified a revision of the policy. Fund members were asked to continue to support the basic principles underlying the Fund's earlier policy, but member governments were to be left to decide for themselves what measures they should undertake to implement the Fund's recommendations. Under the terms of the revised policy, Canada allowed Canadian gold purchasers access to the premium market. In response to a proposal from Canada for a two-year renewal of the system of gold subsidy, the Fund, on December 21, 1951, approved the renewal as not inconsistent with the Fund's position on gold subsidies.

### **Exchange Rates and Other Adjustments**

During the period under review, initial par values acceptable to the Fund were proposed by Ceylon, Finland and Sweden. In addition, a new par value for the Yugoslav dinar was accepted. The Fund was also called upon to consider various governmental measures affecting the exchange control practices of Colombia, Costa Rica, Denmark, Ecuador, Finland, Greece, Iceland, Iran, Lebanon, Paraguay, the Philippines and Thailand. On March 25, 1952, Canada notified the Fund that as a result of the abolition of exchange control it had ceased to avail itself of the post-war transitional arrangements provided in Article XIV of the Fund Agreement; this willingness to forego the exceptional privileges of the transitional period drew comment from the Managing-Director of the Fund who described the event as "both significant and gratifying". Some 40 members of the Fund, however, continued to avail themselves of the transitional arrangements; with each of these governments, the Fund will enter into consultations during 1952 as to the need for the continued retention of exchange restrictions.

### **Members and Organization**

As of March 31, 1952, 51 countries had accepted membership in the Fund. Sweden became a member on August 31, 1951; Burma joined on January 3, 1952; and the Board of Governors has given a favourable response to the applications for membership of the Hashemite Kingdom of Jordan, the Federal Republic of Germany, and Japan. On August 3, 1951, Mr. Ivar Rooth, formerly Governor