

At the annual OECD ministerial meeting in February, closer collaboration and more efficient co-ordination of the policies of member governments was sought in a number of areas, including control of inflation, continuing reappraisal of the international monetary system, examination of the adjustment processes which governments employ for balance-of-payments reasons, trade liberalization, and problems of the developing countries. The Canadian delegation, led by the Minister of Industry, Trade and Commerce, Mr. Pepin, emphasized in particular the desirability of undertaking studies on the multinational corporation, including its role in fostering foreign investment and capital flows and its influence in the fields of trade and technology. The increased importance of the OECD as a consultative body for Canada was recognized by the designation in 1969 of the Canadian head of delegation as Ambassador.

The International Monetary Fund held its annual meeting this year in Washington, from September 29 to October 3. The Canadian delegation was led by the Honorable Edgar Benson, Minister of Finance, and Mr. Louis Rasminsky, Governor of the Bank of Canada. The highlight of this meeting, which marked the twenty-fifth anniversary of the Bretton Woods Institutions, was the decision actively supported by Canada to activate the IMF special drawing rights scheme, which will provide some \$9.5 billion of additional liquidity to the international monetary system over the next three years. At this year's annual meeting, the Board of Governors of the IMF also instructed the Fund's Executive Board to submit by the end of the year proposals for an increase in the quotas of member countries in the IMF. The IMF Governors also agreed on the desirability of continued study of various proposals for increasing the flexibility of exchange-rate adjustments. Nonetheless, there was general recognition that, despite the continued speculative pressures during 1969, developments during the course of the year significantly strengthened the stability of the international monetary system; most notable, in this regard, were the devaluation of the French *franc* in August and the revaluation of the German *Deutsche mark* in October.

Canada participated in the meeting of Commonwealth finance ministers held in Barbados on September 25 and 26, 1969, and was represented by the Minister of Finance. The ministers reviewed recent developments in the world economic situation and discussed a number of economic, trade and monetary matters of common interest to the Commonwealth countries. Particular attention was devoted to development-assistance questions.

In other multilateral developments, 1969 was the first full year of operation of the International Grains Agreement and a year of nearly constant crisis in world wheat marketing. The wheat-price structure upon which the agreement was built virtually collapsed in the winter of 1968 and prices fell steadily from then until mid-August. Canada, with other grain-exporting nations, participated in frequent international meetings aimed at achieving some measure of price stability. There was a substantial re-examination of the price-monitoring mechanisms and tentative stability was restored to the market.

Canada renewed export restraint arrangements with Greece, Hong Kong, Israel, Japan, the Republic of Korea, Spain and the Republic of China during 1969. Some of these arrangements were negotiated under the aegis of the Long-Term Arrangement on International Trade in Cotton Textiles signed in Geneva in 1962. Negotiations on restraint levels for cotton yarn also