

in members' currencies. Canada's quota was increased from \$300 million to \$550 million involving a payment of U.S. \$62.5 million in gold and the equivalent of U.S. \$187.5 million in non-interest bearing notes. The final date on which quota increases may be accepted is July 31, 1960.

Heavy borrowings and "stand-bys" by members of the Fund in the years after 1956 had reduced the Fund's holdings of gold and dollar currencies uncommitted and available for lending to about \$1,500 million by the latter part of 1958. However, the increase in the Fund's resources and the economic upsurge in the industrial areas in the past eighteen months which allowed some countries to make repayments on past borrowings from the Fund raised the Fund's holdings of gold and dollars available for lending to close to \$5.7 billion by the end of 1959. In addition the Fund disposes of substantial holdings of European currencies; the usefulness of these holdings has been enhanced since the European move to convertibility at the close of 1958.

From the inception of its operations on March 1, 1947 until December 31, 1959, the Fund affected transactions equivalent to \$3,404 million on behalf of 38 members. Most of these transactions were in U.S. dollars but the Fund also advanced sterling, Canadian dollars, Deutsche mark, French francs, Belgium francs and Netherlands guilders to its members. The only drawing of Canadian dollars occurred in September 1956 when Egypt drew \$15 million. Canada has not had occasion to draw on the Fund's resources. During 1959 total drawings on the Fund were only \$180 million, the lowest since 1955.

One of the most important subjects discussed at the 1959 annual meeting of the International Monetary Fund was the elimination of discrimination in international trade and payments. Following the annual meeting the Executive Directors considered the subject and adopted a unanimous decision which, having noted the favourable international financial developments and the wide-spread moves to convertibility which had occurred in 1958-59, went on to say:

"Under these circumstances, the Fund considers that there is no longer any balance of payments justification for discrimination by members whose current receipts are largely in externally convertible currencies. However, the Fund recognizes that where such discriminatory restrictions have been long maintained, a reasonable amount of time may be needed fully to eliminate them. But this time should be short and members will be expected to proceed with all feasible speed in eliminating discrimination against member countries, including that arising from bilateralism."

The Fund's decision on discrimination was communicated to all the member countries of the Fund as well as to the Contracting Parties to the GATT. It had a pronounced influence on the fifteenth session of the GATT.

International Bank for Reconstruction and Development

The main purposes of the Bank, as described in the Articles of Agreement, are, first, to facilitate the investment of capital for productive purposes; second, to promote private foreign investment by means of guarantees or of participation in loans by private investors; and, third, to make loans when private capital is not available on reasonable terms.

The authorized capital of the Bank was increased in 1959 from \$10 billion to \$21 billion, leaving a margin of unsubscribed capital for admission of new members and for possible subsequent increases in individual sub-