

throughout the world and promoting international collaboration; it had 146 members in 1972. The Universal Postal Congress meets every five years to review the Universal Postal Convention and its subsidiary instruments. In the interim, UPU activities are carried on by an executive council, a consultative committee on postal studies and an international bureau. The 16th Congress was held in Tokyo in 1969.

The International Monetary Fund (IMF), created by the Bretton Woods Conference in 1944, was established in 1945. It provides machinery for international consultation and collaboration on monetary, payment and exchange problems, including promotion of exchange stability, elimination of exchange restrictions, establishment of a multilateral system of current payments and expansion and balanced growth of international trade. Member countries under certain conditions may draw on the regular resources of the Fund, which now amount to some 30,000 million units in Special Drawing Rights, of which the equivalent of about 5,300 million SDRs is in gold. Members can also draw on the supplementary resources of US\$6,000 million made available in 1962 under the General Arrangements to Borrow, which have since been extended to October 1975. Canada's present subscription and quota in the IMF is 1,100 million SDRs of which 25% was paid in gold and the remainder in Canadian currency.

On January 1, 1971 a further allocation of SDRs was made to the 110 member countries participating in the Special Drawing Account. The 2,949 million unit allocation of this fiduciary reserve asset represented the second instalment of a total of 9,500 million SDRs to be created during the first three-year base period ending December 31, 1972. This allocation resulted in a 3.6% increase in the official world reserves.

Special Drawing Rights have now become established as usable and acceptable reserve assets in Fund transactions. Total transactions in SDRs in 1971 amounted to 831 million units with the General Account of the IMF acquiring about 198 million SDRs and the Special Drawing Account participants the remainder. Among the latter, Canada accounted for over 72 million units raising its total holdings to a level of 54% in excess of the cumulative amount of 242 million units allocated to it since January 1, 1970.

The Fund now has 120 members and Canada has been represented on the Fund's Executive Board since its inception.

The World Bank Group, consisting of the International Bank for Reconstruction and Development (IBRD) or World Bank, the International Finance Corporation and the International Development Association, is by far the largest of the multilateral aid-giving institutions.

The International Bank for Reconstruction and Development (World Bank), like the International Monetary Fund, originated in the Bretton Woods Conference of 1944. Its early loans were made to assist in the postwar reconstruction of Europe but it has played an increasingly important role in providing financial assistance and economic advice to the less-developed countries. It has become the world's largest multilateral source of development finance. By December 31, 1972, the Bank had made loans totalling US\$18,300 million to 90 of its 122 member countries in Central and South America, Asia, Africa and Southern Europe.

The resources available to the Bank for use in its lending operations are: that portion of its subscribed capital which is paid in by governments and freely usable (US\$2,700 million); its retained income from operations (US\$1,800 million); and the funds it is able to raise by the sale of bonds to central banks and government agencies and on private capital markets. By selling bonds and loans from its portfolio to other investors, the World Bank augments its capital. As at December 31, 1972, the Bank had outstanding borrowings of US\$7,400 million in various currencies. The World Bank's policy is to keep its lending rates as low as possible while maintaining its ability to borrow. The current lending rate is 7¼%; maturity periods on loans are usually from 15 to 30 years. In 1972, the Bank's lending level was of the order of US\$2,200 million.

Most World Bank loans are made to finance so-called infrastructure projects (roads, rails, ports, and electricity generation and transmission) which provide the framework basic to a country's economy but which generally do not attract private investors. Increasingly, however, the Bank has been giving more emphasis to other sectors such as agriculture, telecommunications, education, water supply and sewage.