

in the Far East have rendered uncertain the supply of vegetable oils which are the principal raw materials for this important product.

Wherever possible, steps have been taken to increase domestic production of essential chemicals while, through orders and voluntary arrangements, civilian uses have been curtailed. Early in 1942 steps were taken to control the sale and distribution of denatured alcohol. The colour range in which bakelite moulding compounds may be manufactured was reduced from over 600 colours and shades to 15 in order to promote more efficient use of limited plant facilities, resulting from the increasing demand for bakelite resin used in the manufacture of shells. Products involved include buttons, novelties, office desk equipment and a wide range of similar plastic articles.

In order to release chlorine for the expanding requirements of war industries, the use of this chemical as a bleaching agent in pulp manufacture has been curtailed. Consumption and dealing in refined or crude glycerine, except for the manufacture of explosives, has been restricted in 1942 to 40 p.c., of the amount used or dealt in during 1940. The use of glycerine as anti-freeze, or for the purpose of making anti-freeze, has been prohibited, as well as its use in the manufacture of any product in which it is possible to use a substitute for refined glycerine. Lacquers, aeroplane and other dopes have been designated as "chemicals", and brought within the jurisdiction of the Controller of Chemicals.

*Machine Tools.*—In years before the War, Canada relied almost exclusively on the United States for machine tools. Industrial production in the two countries was closely allied, and required much the same machine tooling, as in the notable case of the motor-car industry. The tremendous industrial expansion brought about by the War, the production of munitions for Britain on patterns that often required different tooling, and the current shortage of machine tools in the United States, made it necessary for Canadian industry to vastly increase production of this basic equipment. Although machine-tool output has risen some 800 p.c., it remains that about four-fifths of current requirements must be imported from the United States.

The Machine Tools Controller has been vested with wide powers to buy, acquire, distribute, sell, exchange and generally deal in machine tools. Those purchased for the war program are financed by the Government and bought through a Crown company known as the Citadel Merchandising Company. As early as November, 1940, the production of new models of refrigerators, stoves, furnaces, washing machines, typewriters, and similar equipment requiring extensive re-tooling, was prohibited in order to conserve machine tools as well as metal (see below).

*Consumer Durable Goods.*—Control of refrigerators, washing machines, radios, stoves, vacuum cleaners and a long list of other consumer durable goods involving the use of metal was placed under the jurisdiction of the Controller of Supplies. Commencing Jan. 1, 1942, the production quota on washing machines and refrigerators was further curtailed to 60 p.c. of the 1940 average monthly output in place of an original curtailment to 75 p.c.; stoves and vacuum cleaners remained at 75 p.c. of the 1940 production. With regard to radios, an original curtailment order in October, 1941, calling for civilian production quotas, gave way to much more severe restrictions due to the increasing war demands for the materials involved. As from Jan. 31, 1942, manufacture of radios for civilian purposes was prohibited entirely except under permit from the Controller.

Production has been prohibited as from Jan. 1, 1942, of many articles involving the use of metal except for limited completion of products from inventories on hand.