

since the Minister of Trade and Commerce is chiefly responsible for and concerned with the promotion of Canadian export trade, the new Branch should be established under that Department. Accordingly on May 5, 1941, the Department of Trade and Commerce became solely responsible for export control. It was laid down, however, in the Order in Council establishing the new Branch that, before an export permit was issued on behalf of the Minister of Trade and Commerce, the Export Permit Branch should consult with, and secure the advice of, a responsible official of any board, administrator or controller established to deal with the particular product for which the export permit was requested.

After receipt by the Export Permit Branch, export permit applications are examined by controllers or administrators who have been especially appointed to specific Government Departments or are mainly concerned with conserving supplies of a particular product or products. The controllers and administrators consider the applications chiefly from the point of view of supply both for Canada's own war requirements and for the war requirements of her Allies. While Canada may have a surplus of many metals, there is a deficiency in most metals when the requirements of all the Allied countries are taken into account. Canada's own civilian requirements have to be carefully studied as well, also the needs of industries vital to the economy of British Empire countries and friendly nations. Some products, such as bacon and cheese, are conserved in order that commitments to the United Kingdom may be fulfilled, while other supplies, such as animal feedstuffs, have had to be conserved in order that there might be sufficient feedstuffs available to produce the necessary pork and milk products for the United Kingdom. Finally, the consignee, if in a foreign country, has to be checked against lists of persons with whom it is forbidden to trade. An application may be submitted to two or even three authorities before a permit is finally granted.

Under Section 10 of Order in Council P.C. 2448, it is provided that, in order to co-ordinate policy in matters of economic warfare and in normal international commercial relations, the Export Permit Branch should consult with the Advisory Committee on Economic Policy as to the principles to be followed in granting or refusing licences and as to any recommendations or proposals concerning policy. On Nov. 27, 1941, by Order in Council P.C. 9269, effect was given to this provision by establishing an Advisory Committee on Export Control. It was also considered expedient to establish an Executive Sub-Committee of the Advisory Committee for the purpose of passing on applications for export permits in accordance with the policy of the Government. The Order in Council P.C. 9269 provided that the Executive Sub-Committee should be presided over by a Chairman who would be free of all other official duties and in a position to devote his full time to this office. The other members of the Executive Sub-Committee consist of representatives of the Wartime Industries Control Board, the Foreign Exchange Control Board, the Wartime Prices and Trade Board, the Department of Trade and Commerce and the Department of External Affairs. This Executive Committee also acts as a Board of Review where applications for export permits have been refused.

**Control of Imports.—Restrictions.**—Canada's inability to convert surplus sterling assets into United States dollars led to a severe shortage of 'hard currency' early in the War. This necessitated curtailing non-essential imports from the United States and other non-Empire countries, while encouraging imports from sterling areas. The War Exchange Tax (June 25, 1940) provided for a 10 p.c. tax on the value for duty of all imports from non-Empire countries and the War Exchange