

all commodities are under some degree of export control. Several Government Departments are concerned with various supplies but, in order to avoid delay and confusion, export control is centred in the Department of Trade and Commerce in its Export Permit Branch, which, before issuing permits, consults Departments or agencies especially interested in particular exports.

To co-ordinate policy in matters of economic warfare and international commercial relations, it was provided that the Export Permit Branch should consult the Advisory Committee on Economic Policy regarding principles to be followed in granting or refusing permits. Later, the Executive Sub-Committee of the Advisory Committee was established for the purpose of passing on applications for export permits involving matters of policy. This Sub-Committee meets usually once a week and provides a convenient and authoritative consulting body for the Export Permit Branch. In addition, there has been appointed recently the Export Planning Committee, the object of which, as the name suggests, is to make a survey of supplies available for export and the relative needs of importing countries, then in accordance with these surveys to lay out a definite program for Canadian exports.

During the past two years, a number of developments have made the problem of export control increasingly more complicated. Ocean transport and shipping difficulties have constituted major problems, making it necessary to allocate available shipping space in order of the essentiality of exports. Shipping priority ratings (to South American countries mainly) are given along with export permits granted, with a view to seeing that every inch of available space is utilized for essential exports only. Exports to blockade areas also are checked closely from every angle, and require communication with agencies in the United Kingdom as well as in this continent, while exports to neutral countries require careful checking of consignees. The application of price ceilings in Canada has brought with it the problem of higher prices abroad, offering a considerable inducement to Canadian firms to sell abroad rather than at home, making some form of export control unavoidable. The Canadian Government, in order to keep domestic prices as near normal as possible, has been paying substantial subsidies on many products which come, in the final analysis, from the Canadian taxpayer, and would be lost if these goods were exported without any check. As a result, several foods and other commodities have been placed under export control in order that subsidies may be recovered before export is allowed. Certain grains on which a drawback or equalization fee is payable on exports have also been placed under control for the purpose of collecting such fees.

Co-operation with the United States in the field of export control has also played an important part. Because Canada depends on the United States for a great percentage of her imports, especially since many foreign sources of supply have been cut off by the War, it is necessary that Canadian export control conform closely with that of the United States, in order that these imported supplies may not be exported from Canada to third countries in evasion of United States Export Control Regulations. During the past year, the inauguration of Decentralization Plan A by the United States with regard to Latin American destinations has also involved Canada, since practically all Canadian exports to Latin America pass through United States or travel by United States ships. The plan is to have the government of each importing Latin American country decide exactly what goods and quantities are essential and to issue 'Certificates of Necessity' accordingly to their importing firms. The government of the importing country then notifies United States export authorities, and arrangements are made for United States