

materials and List III numerous articles for civilian use. The War Production Board stated that the purpose of List III was to halt waste of shipping space on unessential commodities. If shipped overland, by air or by internal waterways from Canada, Mexico, Guatemala or El Salvador, such goods were exempted from this import control. A Presidential Proclamation of Apr. 29, 1943, removed purchases by the War Food Administrator or any agency designated by him from the scope of an import quota limitation created by a Presidential Proclamation of May 29, 1941, of 800,000 bu. of wheat and 4,000,000 lb. of flour per year. Of these quotas, 795,000 bu. of wheat and 3,815,000 lb. of flour were allocated to Canada each year. Export of defence materials had been governed by an Act of July 2, 1940. The Board of Economic Warfare on Dec. 23, 1941, applied export control to all goods, although general licences had been issued covering practically all shipments to Canada. On Oct. 6, 1942, the Board removed its licence requirements affecting Canada. This action limited control of goods for Canadian destinations to arms, ammunition and implements of war as listed in the President's Proclamation of Apr. 9, 1942, and to tinplate scrap, helium gas, gold and narcotics.

#### CERTAIN SOUTH AMERICAN COUNTRIES

**Argentina.**—More favourable rates of exchange are granted in Argentina for primary or secondary essentials than for luxury and semi-luxury goods. The Central Bank reported that a little more than half the imports in 1942 were purchased at the most favourable rate for the peso, about 27 United States cents, and over one-third at about 24 cents. Six per cent of the imports were made through a Trade Promotion Corporation for which the peso had a varying purchasing power, that went as low as 21 cents. Two per cent were paid for by auctioned exchange, the peso averaging 20 cents. A prohibition against certain luxury goods from countries in the dollar area was removed on May 12, 1942.

**Brazil.**—After being in operation for three years a Brazilian decree-law creating a National Economic Defence Commission with power, among other things, to regulate imports and exports, was abolished by a decree-law of Sept. 28, 1942, which appointed a Co-ordinator of Economic Mobilization in the person of Joao Alberto Lins de Barros, former Minister to Canada. The Co-ordinator was given power to control, through the Export-Import Department of the Bank of Brazil, imports and exports of raw materials and manufactured goods, as well as prices of goods and related matters. Foreign exchange control in Brazil, the subject of various regulatory measures in the decade before the War, was, by a decree of Dec. 23, 1937, made a monopoly of the Bank of Brazil. This control lasted until Apr. 8, 1939, when another decree authorized purchase of exchange in the open market for payment of imported goods. The latter decree has governed exchange transactions since the outbreak of war. Supervision is exercised by the Bank of Brazil. One of its requirements in regard to imports is presentation of documentary evidence of actual importation of any goods for which foreign exchange is to be released.

**Chile.**—As in former years, imports into Chile continued subject to an exchange permit being issued through local banks, under the supervision of the Exchange Control Commission. The prevailing or so-called 'free' rate of exchange was 31 pesos to the United States dollar but on a few essential articles the exchange, or a percentage of it, was issued at 25 pesos to the dollar. In the early part of 1943 it was reported that commercial banks had been able, at all times, to satisfy demands for the necessary exchange to import goods.