

exports of war supplies and foodstuffs have been possible because of Canada's great wartime industrial expansion and the fact that it is one of the foremost providers of food for the United Nations. A floor price for all agricultural and fisheries products has been assured for the transition period from war to peace.

At his regular press conference at Washington on Mar. 13, 1945, in the presence of Prime Minister King, the late President Roosevelt of the United States read a statement that said in part:—

"The President and the Prime Minister also had an opportunity of discussing questions of international economic and trading policy which both their countries will have to face as soon as hostilities end. They agreed that the solution of these questions should be sought along bold and expansive lines with a view to the removal of discriminations and the reduction of barriers to the exchange of goods between all countries. They recognized a common interest in working toward these objectives."

Controls aimed at maintaining an adequate flow and orderly distribution of essential civilian supplies while holding down consumer prices have been enforced in the face of increasing war production and lessening available manpower. Efforts to prevent inflation in Canada, the first democratic country to introduce price control, have been an important aspect of the war effort. From the beginning of the war to October, 1941—the basic period for Canada's price ceiling—the cost-of-living index rose 14·6 p.c. Since then to June 1, 1945, there was a further slight increase which brought the total wartime rise to only 18·7 p.c. (compared to a 90·8 p.c. rise during the corresponding period of the War of 1914-18), an advance of only 3·3 p.c. since the introduction of the price ceiling in December, 1941.

During 1944 Canada's national income, as computed on a tentative basis, reached the highest level ever recorded, \$9,186,000,000, a 5·3 p.c. increase over 1943. To finance its unparalleled war effort, Canada has met all its war costs within the country, 62 p.c. by tax revenues and the balance in loans subscribed largely by the Canadian public.

Through the Mutual Aid Act, passed in May, 1943—Canada's method of providing its Allies with necessary war supplies—Canada has sent large amounts of raw materials, finished war products and foodstuffs to the United Nations. Each country receiving Canadian goods pays for as much as it can, and the remainder is delivered under Mutual Aid. Separate agreements have been negotiated by Canada with the United Kingdom, Soviet Russia, Australia, China, France, New Zealand and India. Canada's contribution to UNRRA is included in the \$800,000,000 Mutual Aid appropriation for the fiscal year ended Mar. 31, 1945. In the year ended Mar. 31, 1944, Mutual Aid expenditures exceeded \$912,600,000.

Several conferences of international importance took place during 1944-45 in which Canada took part. A Canadian representative attended the Bretton Woods conference in July, 1944, on world monetary policy, at which plans were drawn up for the stabilization of international currency and trade after the War.

Quebec was for a second time a meeting place for Prime Minister Churchill and President Roosevelt and their combined staffs in September, 1944, when the final assault on Germany and the stepped-up campaign against Japan were planned. Representing Canada as host at the Conference, Prime Minister King also attended. In order that Mr. Churchill, his advisers and the British and Canadian Chiefs of Staff could discuss Canada's participation in the Japanese war, a special meeting of the War Committee of the Canadian Cabinet was held at Quebec during the Conference.