

less extensive than that of export controls. Commodities at present under import control include sugar, molasses, sugar syrups and other high sugar-content items, oils and fats and oil-bearing materials, prunes, currants and raisins, canned meats and canned poultry, dairy products*, wheat and wheat products†.

Equitable Distribution Policy.—The policy of equitable distribution governing goods in short supply was further relaxed in 1946 and early 1947. Under the original system, manufacturers and wholesalers of scarce goods were required to allocate supplies to their customers on the basis of 1941 sales to these customers. Towards the end of 1945, the policy was revised by exempting from the application of equitable distribution controls some goods such as automobiles and electrical appliances for which the 1941 pattern of distribution was no longer appropriate, and by permitting free distribution of 20 p.c. of current supplies of some other goods provided that reasonable quantities were made available to ex-service men. During 1946, several other items were released from equitable distribution controls and in January, 1947, all goods remaining subject to the policy were placed in the category that allowed freedom of distribution with respect to 20 p.c. of current supplies. At the same time, a number of additional goods were entirely freed from the application of the policy. Goods exempted from price control automatically ceased to be subject to the controls of equitable distribution as did also those that were no longer in short supply.

Foods.—‡Most Canadian crops in 1946 were very good especially in comparison with the relatively small yield of 1945. Output of some dairy products, however, showed significant decreases from the preceding year. The combination of a decline in total milk production in 1946 and the continuance of a heavy volume of fluid milk sales reduced the amount available for the production of butter and cheese. Hog slaughterings in 1946 showed a substantial drop from 1945 and cattle marketings, though still large, were somewhat smaller than in the previous year. Sugar supplies were moderately above the low level of 1945 but other imported items, particularly oils and fats, remained very scarce.

Urgent export requirements, heavy domestic demands and the reduced production of some foods made it necessary to continue a number of restrictions on the domestic consumption of food. The rationing of butter, meat and sugar was maintained, restrictions on cream sales were continued and controls on the distribution of evaporated milk were extended.

However, a number of controls affecting foods were removed during 1946. The excellent crops of wheat, fruit and vegetables made possible the lifting of restrictions imposed in March, 1946, on the use of wheat for milling and the elimination of distribution controls on canned fruits and vegetables except tomatoes and tomato juice. By the end of 1946, the bulk purchasing of all dried fruits except raisins, currants and prunes had been discontinued and in January, 1947, the tea and coffee trade was advised that no further bulk purchases of tea and coffee would be undertaken when current contracts were completed.

* Import control was imposed at the request of the Department of Agriculture.

† Import control was imposed at the request of the Wheat Board.

‡ A number of important controls were discontinued after this article had been prepared. Meat rationing was discontinued on Mar. 27, 1947. Early in April a number of supply and distribution controls respecting dairy products were withdrawn—those prohibiting the sale of whipping cream, limiting the monthly sales of cream distributors and controlling the disposition of cheddar cheese. Butter rationing was terminated on June 9, and at the same time controls restricting the distribution of evaporated milk in certain areas were withdrawn.