

milk and also by lifting all restrictions in the western provinces. Since early in 1945, therefore, restrictions had been in force only in the southern parts of Ontario and Quebec where adequate supplies of fresh milk were available. In November, 1946, the controls were extended to additional areas and included for the first time as "restricted areas" some parts of the Maritimes. At the same time, the regulations governing the issue of evaporated milk coupons for infants were tightened to ensure closer control over sales.

*Sugar and Preserves.*—The international allocation of short supplies of sugar continued throughout 1946. The total supply available to Canada improved sufficiently to permit several increases for quota users and an extra allotment to consumers in the last three months of the year. At the beginning of the second quarter of 1946, the quotas of sugar for industrial users were raised and they were further increased in the second half of the year. Quotas then stood at the following proportions of 1941 usage: bakers, 80 p.c.; biscuit and cereal manufacturers, 75 p.c.; others, such as soft drink, confectionery and candy manufacturers, 70 p.c. The allotments of quota users, such as hotels, restaurants and lumber camps, were also adjusted upward.

Sugar and preserves rationing had been combined under a single scheme in January, 1946. Generally, two sugar preserve coupons (good for one pound of sugar, 24 ounces of jam, jelly or marmalade, or appropriate amounts of other preserves) became valid each month. In the months of March and April, three coupons were validated to allow additional preserves in the period of the reduced butter ration. During the last four months of the year an additional three pounds of sugar was made available to consumers. In December, 1946, canned fruits as well as cranberry sauce and baby foods containing fruit were removed from rationing in view of the excellent fruit packs that year. Pie fillers, fruit fillers and fountain fruits continued to be rationed only if they contained 66 p.c. or more of sugar and thus were classified as jams. Maple products were removed from rationing in February, 1947, though industrial users were still required to obtain permission for the use of maple syrup or maple sugar in the manufacture of other products. On Apr. 1, 1947, an increase of 14 p.c. in the individual sugar ration became effective, raising the ration from 7 to 8 pounds in each quarter. At the same time, the industrial ration was also increased.

*Textiles.*—Canada's total textile supply, though somewhat larger in 1946 than in 1945, was still inadequate. Difficulties continued to be experienced in securing adequate imports of broadwoven cotton fabrics and imported fine count cotton yarns were also scarce. Domestic production of cotton yarns and fabrics was restricted by industrial disputes which also affected rayon fabric output. The production of certain rayon fabrics was hampered, in addition, by inadequate imports of filament yarns. In the case of wool, the chief difficulty was the shortage of imported wool tops (particularly merinos), and supplies of worsted yarns and fabrics were not fully adequate.

Several wartime procurement arrangements came to an end in 1946. Early in the year, the procurement of wool yarn and fabric allocations from the United Kingdom, previously purchased in part by the Canadian Wool Board, was returned to private importers. Towards the end of 1946, the United States announced the termination of their system of cotton yarn and fabric export allocations.