

with reference to the general principles underlying decontrol "... our plan is to remove end products or fabricated commodities from the ceiling as their production reaches the point where a major shortage does not exist. But to ensure stability until markets find their level after some five and a half years control, we think it wise to continue for a further period many of the basic materials". A few of the important items decontrolled at this time were wool and wool products, footwear, fuels, motor-vehicles, certain durable goods, and plumbing and sanitary ware.

Two months later on June 9, 1947, ceiling prices were lifted on additional items including dairy products, copper, lead, zinc, and hardwood lumber. A few items were released from price control at the beginning of July and others followed later in the summer. Finally a very extensive measure of decontrol became effective Sept. 15, 1947, with the lifting of price ceilings on the majority of goods and services still remaining under control. Some of the important items released from the price ceiling at this time were flour and bread, cotton, jute and sisal fibres and yarns, and all remaining articles of clothing (mostly cotton), cotton household furnishings, hides, skins and leather, softwood lumber, farm machinery and equipment. The decontrol of meats was delayed until Oct. 22, because of industrial disputes in packing plants and on that date feed grains were also decontrolled. By the end of October, 1947, the list of articles still under the price ceiling had been reduced to a very small number of items. The principal commodities included sugar, molasses, dried raisins, currants and prunes (these dried fruits were decontrolled on Dec. 31, 1947), wheat, the principal oil-bearing materials, (flaxseed, sunflower seed and rapeseed), the more important oils and fats, soaps, primary iron and steel products, tin and alloys containing more than 95 p.c. tin.

Reimposed and Continuing Controls.—Events in late 1947 and early 1948 led to a return to price control on some items. The prohibition of, or the imposition of quota restrictions on, the importation of fruits and vegetables on Nov. 18, 1947, was followed by a sharp price fluctuation and led to the imposition of ceilings on the more important canned fruits and vegetables as well as on fresh cabbages and carrots and to mark-up control on canned citrus fruit juices, citrus fruits and grapes. Butter was brought back under the ceiling on Jan. 19, 1948, while action was taken to reduce certain fertilizer prices in February.

In March, 1948, Parliament, by an amendment to the Continuation of Transitional Measures Act, extended authority to continue price control until Mar. 31, 1949. As of Apr. 1, 1948, the following goods were subject either to price ceilings or to mark-up controls under the Wartime Prices and Trade Board: sugar, molasses, the more important canned fruits and vegetables, canned citrus juices, citrus fruits, grapes, cabbage, carrots, butter, wheat, the principal oil-bearing materials (flaxseed, sunflower seed and rapeseed), the more important oils and fats, soaps, primary iron and steel, and tin and alloys containing more than 95 p.c. tin.

Changes in price controls since Apr. 1, 1948, include the decontrol of tin in May, the decontrol of all oils and fats, soaps and oil-bearing materials in August, and the reintroduction of bread and flour ceilings in August.

Subsidies.—The withdrawal of subsidies was a necessary part of the decontrol policy. In line with this policy,* a considerable reduction in the scope of subsidy payments had already been accomplished and by the beginning of 1947 only a few

* See Canada Year Book 1947, p. 920.