

## Section 1.—Continuing Activities of the Wartime Prices and Trade Board, 1948-49\*

The activities of the Wartime Prices and Trade Board, up to the middle of 1948, in controlling prices and promoting an adequate supply and orderly distribution of essential goods and services, and later in the program of readjustment and decontrol, are described in previous editions of the Canada Year Book. Developments in the last six months of 1948 and in 1949 are presented here.

**Continuing and Reimposed Controls.**—At July 1, 1948, the only commodities remaining under wartime ceiling prices were sugar, edible molasses, primary iron and steel products, oils and fats including soap, lard and shortening.

Early in 1948, ceiling prices were reimposed on butter. Price or mark-up controls were applied during 1948 to a number of commodities, supplies of which were restricted by the Emergency Exchange Conservation Act, namely, canned fruits and vegetables, canned citrus juices, citrus fruits, cabbage, carrots and a number of imported fruits and vegetables. The only subsidies being paid as of July, 1948, were on oils and fats and on steel. On Aug. 1, 1948, the domestic price of wheat was advanced to \$2.00 per bushel in line with the United Kingdom contract price, and a subsidy of 46½ cents per bushel was authorized on western spring wheat going into domestic consumption in order to avoid any increase in the prices of flour and bread. Ceiling prices for flour and bread were reimposed on Aug. 19, 1948.

Butter production in 1948 was insufficient to meet domestic requirements and some controls on the interprovincial movement of butter and its restricted use had to be reimposed. In addition, the Government purchased 15,000,000 lb. of butter in Denmark, Australia and New Zealand. This butter was sold at ceiling prices and the difference between its cost and its selling price was absorbed by the Wartime Prices and Trade Board as a subsidy.

**Decontrol.**—On July 31, 1948, the subsidies paid on oils and fats were discontinued and oils, fats, soaps, shortening and lard were removed from price control. Offshore purchases of oils and fats and crushing stock continued to be allocated to primary users until February, 1949, when the decision of the International Emergency Food Committee to end international allocations made these unnecessary.

In March, 1949, the Minister of Finance in his Budget Speech announced further measures of decontrol. Price ceilings were revoked on flour, bread, butter, sugar, edible molasses, canned fruits and vegetables, and imported apples, celery, lettuce, onions, spinach and tomatoes. Concurrently the subsidy on wheat was removed. The Canadian Sugar Stabilization Corporation continued to be the sole importer of raw cane-sugar, since the wartime arrangements between Canada and the United Kingdom for the joint purchase of all Empire and Commonwealth raw sugars included the 1949 season's production.

The Continuation of Transitional Measures Act was extended by Parliament for another year to Mar. 31, 1950, with a proviso that limited the authority of the Wartime Prices and Trade Board to those goods and services subject to an order of the Board at the time of the amendment (Mar. 26, 1949).

The commodities under price control at that time were: citrus fruits, canned citrus fruit juices, cabbage, carrots, imported grapes and the primary forms of iron and steel. The order regarding cabbage was suspended Mar. 31, 1949. Subsidies paid

\* Prepared by the Wartime Prices and Trade Board.