

4. A number of conditions were present during the year to render the withdrawal of commodities from export control extremely difficult. The main factors included:
 - (a) The deterioration in Canada's food and feed supply in the face of grave world shortages which, together with food contracts with the United Kingdom and allocations by the International Emergency Food Council, made it imperative that certain foods and feedstuffs be controlled;
 - (b) A strong world demand for, and limited domestic supply of, certain types of textiles, steel and steel products, building products, wood and wood products, paper and chemicals;
 - (c) Under the Hyde Park Agreement, goods under export control by the United States to countries other than Canada have been freely exported to Canada. To prevent their export from Canada to third countries the retention of export control in Canada has been necessary.
 - (d) The imposition of import restrictions by Canada in the latter part of 1947 with consequent enlarged demand for domestic products, in a few instances, delayed the removal of export controls, especially in regard to foodstuffs.
5. In the enforcement of export permit regulations, every effort has been made to reduce to the minimum the inconvenience to manufacturers and exporters and to interfere as little as possible with normal export operations. In keeping with this policy, 800 special permits have been issued - 400 in 1947 - whereby the manufacturer is authorized, during a period of twelve months, to export a specified quantity of goods under one general licence and to unrestricted destinations. This obviates the necessity of