

billion cigarettes, and in 1943 they smoked 258 billion. This works out to 1,000 cigarettes per capita in Canada in 1944, 1,700 in the U.S.

Before the war Canada imported a good proportion of her tobacco. Now 99% of tobacco smoked in Canada is grown in Canada.

### Supplies of Consumer Goods General

In any comparison of the supplies of goods for Civilian Consumption in the United States and Canada it is important to keep in mind the economic differences in the two countries between September, 1939 and December, 1941. In the United States, these two years were in a sense "Boom" years; they were characterized in that country by considerable stock piling by consumers of consumer durable goods --automobiles, refrigerators, radios, etc.

Although the Canadian indexes of industrial activity and employment rose even more sharply during the same two years, this was because of an earlier all-out swing into war production, made possible often through the curtailment of the production of consumer goods. As compared with the United States, the supply of consumer goods on the Canadian market was smaller.

Some statistics on retail sales and prices are interesting in this connection. Between 1939 and 1941 the retail sales index in Canada rose by 32%. In the same period in the United States it rose 33%. On the surface that would look as if civilian consumption in the two countries increased by approximately the same amount.

However, at the same time retail prices in Canada increased 14 per cent and in the United States only nine per cent.

By adjusting the retail sales figure by the price increase, the actual volume of commodities sold in the United States showed an increase which was almost twice the increase which was occurring in Canada.

Such a difference in retail sales levels in the two countries has continued up to the present, although it is probable that the extent of the difference in sales volume has not remained as great. In the United States prices rose more rapidly in the year following Pearl Harbor than they did in Canada (this year was the first year of the Canadian price ceiling).

Throughout the war the volume of purchasing power in the hands of consumers has been greater than the volume of consumer goods on the market. In both countries, wartime tax increases have cut into the increase in civilian earnings, but in Canada the increase in taxes has been greater and has extended over a longer period.

Shoes - The shoe ration in the United States during 1944 allowed the consumer three pairs of leather shoes a year. In 1944 the ration was reduced to two pairs.

This ration is not so restrictive as might first appear. Anyone may obtain an extra shoe ration stamp by proving that he has no more than two pairs of wearable leather shoes.

In 1943 Canadian consumption of shoes was slightly over two pairs per capita, and about the same in 1944.

The United States has a much higher production than Canada of non-leather shoes. These shoes are worn much more in the U.S. than in Canada, especially in those parts of the U.S. where climatic conditions are suitable. Particularly in the case of the large Canadian farm