

CHANGES IN EXPORT CONTROL REGULATIONS

25 ITEMS ARE REMOVED: Important changes in the export control regulations were announced on January 4, by the Minister of Trade and Commerce, Mr. Howe. Twenty-five items have been removed from export control, leaving under control only a little over 100 items including strategic materials, primary steel, and building requisites still in short supply. To provide adequate export control of strategic materials without adding to the list of items subject to such supervision, the number of countries under area control has been increased. All goods originally imported into Canada, and re-exported without further processing in this country will require an export permit.

The items removed from export control are as follows: Rice, rice flour and rice meal, horses and horsemeat, poultry, eggs, jute and jute products, lumber, filing and poles, doors, sash and millwork, flooring, prefabricated houses, pickets, plywood, railway ties, shims, metal drums, metal fence posts, storage tanks, furnaces and stoves, non-ferrous conduit and cable, tin and tin products, except tinsplate, asbestos products, asphalt products, and paraffin wax.

On July 15, 1948, area control was established covering 46 countries in Europe and the Mediterranean Area. By the present amendment this principle of export control is extended to the following 18 Far Eastern and Mediterranean countries: Borneo; Burma; China; Hong Kong; Indo-China; Indonesia; Israel; Japan;

Korea; Luchu Islands; Macao; Malaya; New Guinea; Philippine Islands; Singapore; Syria; Thailand (Siam); and Timor. Export permits will now be required for all shipments to these destinations with the exception of the items specifically exempted by the Export Permit Regulations and by a Special Permit No. 1597, which exempts certain non-essential goods.

In order to prevent Canada being used as a "back door" to evade the export regulations of other nations, the following group has been added to the Schedule of Goods under Export Control:

Group 9. Goods Originating outside of Canada

All goods originating outside Canada when tendered for export in the same condition as when imported, without further processing or manufacturing in Canada, with the exception of:

- (a) Goods in transit in bond on a through bill of lading originating outside Canada, clearly indicating the ultimate destination of the goods to be a third country.
- (b) Goods consigned to the United States of America as the country of ultimate destination and not specifically listed in this Schedule.

The general permit No. SPL 1597 exempting non-essential goods, also applies to this group.

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In this Christmas Season, Canada, a Christian country, hopes that under an ever watchful and benign Providence the good will which has brought appreciable benefits in 1949 will bring still greater hope in 1950 of peace, prosperity and freedom. The hope of peace which I express for my fellow-citizens I address as well to all those who would certainly be our friends if it were possible for them to know us better.

To all men and women a happy New Year in 1950!

And may the second half of the twentieth century bring closer co-operation among the nations, all of whom may count on the goodwill of Canada."

BACON AGREEMENT WITH U.K.: The Minister of Agriculture, Mr. Gardiner, announced on January 3 that a bacon agreement had been negotiated with the United Kingdom which provides for an expenditure of \$17,500,000 for the purchase of Canadian bacon at a price of \$29.00 per hundred pounds, A grade Wiltshires; f.o.b. Canadian

Seaboard. As announced on December 23 the Meat Board has been authorized to pay a price of \$32.50 per hundred pounds of bacon. The difference of \$3.50 per hundred pounds between the buying price of \$32.50 and the price of \$29.00 at which the bacon is sold to the United Kingdom will be met from funds provided by the Government of Canada. The total quantity of bacon which may be purchased under the terms of this agreement will approximate 60 million pounds. The Canadian Government is meeting the request of the Ministry of Food regarding deliveries by arranging for the storage of some portion of the bacon purchased during the early part of the year to be shipped during the latter part of the year.

Some time following June 30, 1950 existing export controls on hogs and pork products may be removed. Meantime consideration will be given to applications for export permits for bacon to be shipped to markets other than Great Britain. The subsidy of \$3.50 per hundred pounds will be discontinued on and after July 1, 1950.