

Under Section 10, Order in Council P.C. 1891 of May 14, 1947, was passed, establishing Export Permit Regulations, a consolidation of which, as amended, and appearing in the Canada Gazette of January 10, 1950, is appended hereto.

3. Section 3 of the Act provides:

"3. A list of goods to which section five of this Act shall apply may be established by order of the Governor in Council which order shall be published in the Canada Gazette within fifteen days after the passing of such order, and such list may be amended by the Governor in Council by order so published: Provided that no article other than arms, munitions, war materials or supplies, shall be included in such list unless the Governor in Council is satisfied that, in order to ensure an adequate supply and distribution in Canada of such article or any component or material used in the production thereof or in order to implement an inter-governmental arrangement or commitment it is necessary to regulate or control the export of such article."

Under Section 3, Order in Council P.C. 1893 of May 14, 1947 was passed, establishing a list of commodities in respect to which an export permit is required. A consolidation of this Order, as amended, and appearing in the Canada Gazette of January 10, 1950, is appended hereto. On December 31, 1948, 408 items were under export control. During the year 11 items were added and 328 items deleted, leaving 91 items still under control on December 31, 1949.

4. The removal of some 328 items from control was indicative of the easing of the general supply position in Canada. It was, however, necessary to continue to exercise export control over a considerable number of products in deference to:

- (a) the need to fulfill commitments under the United Kingdom food contracts: