

distributes these imports through existing trade facilities. Bulk purchases to date include wool, cotton, textile fabrics, sugar, currants, tea, coffee, spices, bristles. Subsidies on domestic products include milk and butterfat, leather footwear, canned fruits and vegetables.

An example of the payment of subsidies to prevent a rise in the cost-of-living index is the recent authorization of the Canadian Government for the payment of subsidies on certain foods in order to lower the prices to consumers. The price of tea was reduced to the consumer by 10¢ a pound; coffee by 4¢ a pound; milk by 2¢ a quart; and the price of oranges was lowered by subsidies and freedom from customs duties.

Rationing

The Wartime Industries Control Board is responsible for allocating to war industries materials essential to the war effort (steel, base metals, oil, gasoline, etc.) The Wartime Prices and Trade Board also allocates certain raw materials at the manufacturing level.

Early in 1942, commitments to Great Britain, the needs of the armed forces, transportation difficulties and shipping losses made consumer rationing necessary in order to ensure fair distribution of certain daily necessities to every Canadian. Coupon rationing was instituted July 1, 1942, with the rationing of sugar at  $\frac{1}{2}$  lb. a person weekly. On August 3 tea and coffee were rationed: one ounce tea or four ounces coffee a person weekly. On December 21 butter was rationed at  $\frac{1}{2}$  lb. a person weekly. Meat is to be rationed at 2 lbs. weekly in May, 1943. The Wartime Prices and Trade Board is prepared to ration any commodity as soon as it appears that shortages threaten to a degree which would cause grievances about the allocation of available supplies.

Cost-of-Living

By the Armistice in World War 1, cost-of-living prices had risen 57.6% above the pre-war level. Before the application of the price ceiling, December 1941, the cost-of-living index showed a percentage advance of 14.9 above pre-war level. The