

The policy of the government with respect to the removal of controls imposed by the Department of Munitions and Supply during the war years has been stated frequently. Since controls are identified with scarcity, they will be removed just as soon as the supply position permits. Controls were established for one purpose—to conserve strategic materials for war and essential uses. Now that these objectives have been achieved, we are removing controls as quickly as possible.

I do not think the committee realizes the extent to which control regulations have already been rescinded. For this reason I propose to make a brief statement reviewing the progress made over the past year in abolishing control restrictions. At the same time I wish to comment on those regulations which are still in effect.

Even before V-E day there was sufficient improvement in the supply position of certain materials to warrant the relaxing of control regulations. The supplies control and the machine tools control were abolished in August and December of 1944 respectively. Some 150 orders issued by controllers operating under the wartime industries control board were either cancelled or relaxed prior to the end of the war in Europe. These orders affected the supply and distribution of aluminum, magnesium, zinc, copper, lead, steel products, machine tools, heavy fuel oil, synthetic rubber, asphalt, glycerine, penicillin, motor vehicle replacement parts and many other items.

In the period between V-E day and V-J day it was possible to issue forty-one orders relaxing control regulations. To mention but a few—the value of the gasoline coupon was increased; penicillin was freed from control. The rationing of inner tubes was discontinued, and the 35-mile limit on trucking regulations abolished. All restrictions on the installation of oil-burning equipment and on deliveries of light fuel oil for heating private dwellings were removed.

With the end of the war in the Pacific, we reviewed immediately all control regulations to the end that those controls for which there was no longer any need might be rescinded. On V-J day 118 controllers' orders were outstanding. To-day, only thirty-two restrictive orders still remain. Perhaps I can state the position more clearly in terms of the controls themselves. At V-J day there were operating under the Department of Munitions and Supply fourteen controllers, with jurisdiction over aircraft, chemicals, coal, construction, metals, motor vehicles, oil, power, priorities, rubber, ship repairs and salvage,

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steel, timber and transit. Since V-J day all orders of the oil, transit, aircraft, chemicals, ship repairs and salvage and steel controllers have been revoked, and the organizations of these controls are now in process of being disbanded; several of them already have been closed out entirely. In addition, it is expected that metals control will be wound up within the next few weeks. This will leave seven control organizations still in existence. These are as follows: Timber, rubber, motor vehicle, construction, priorities, coal and power. I will deal with each of these separately.

Timber control must be continued because of the scarcity of timber products. We must ensure that adequate supplies of timber products are available for Canadian consumption and, at the same time, we must protect our historical markets by maintaining shipments overseas. I find it curious that criticism of controls and criticism of timber shortages should emanate from the same quarter. The export demand for Canadian timber products at the present time is sufficiently high to drain off a large part of our production. If timber control did not maintain restrictions on exports there would be much less timber available for Canadian consumption than is now the case. I cite this as one of the reasons for timber control. It is likely that this control will remain in existence for a good part of 1946.

Rubber control. Synthetic rubber is now available in a sufficient quantity to meet all consumer demands, and the problem with respect to tires is, therefore, purely one of production. Certain liberalizations in the tire rationing order will be made in the near future, but it will not be possible to do away with rationing completely for some time yet. Hon. members can be certain that all remaining restrictions will be removed as soon as the supply position permits. We do not yet know when large supplies of natural rubber will become available and, accordingly, it is not possible to be certain how long the need for rubber control in this field will continue. I would think that the next few months should show a real improvement in our position.

Motor vehicle control. The remaining control to-day is concerned only with the distribution of trucks and passenger cars. All production restrictions on trucks and passenger cars were removed three days after V-J day. Effective as of September 1, a priority system for the distribution of trucks was instituted to replace the previous arrangement whereby trucks could only be obtained on individual application to the motor vehicle control in Ottawa. Under the new system,